

# GATEWAY WATER MANAGEMENT AUTHORITY

16401 Paramount Blvd., Paramount, CA 90723 ☐ 562.663.6850 phone 562.634.8216 fax ☐ [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

## **AGENDA**

**Regular Meeting of the Board of Directors  
Thursday, May 14, 2015 at 11:30 a.m.  
Progress Park Plaza, 15500 Downey Avenue, Paramount, CA**

**1. Roll Call**

**2. Determination of a Quorum**

**3. Additions to Agenda (Govt. Code Sec. 54954.2(b))**

**4. Oral Communications to the Board**

This is an opportunity for members of the public to address the Board on any item under the jurisdiction of the agency. Depending upon the subject matter, the Board may be unable to respond until the item can be posted on the agenda at a future meeting in accordance with provisions of the Brown Act.

**5. Closed Session: Conference with Legal Counsel – Anticipated Litigation**

- a. Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9 (1 case)

**6. Consent Calendar: (Acted as one item unless withdrawn by request)**

- a. Minutes of the Special Board Meeting of April 9, 2015 (Enclosure)
- b. Minutes of the Special Board Meeting of April 16, 2015 (Enclosure)
- c. Warrant Register Report and List of Warrants May 2015 (Enclosures)

**7. Discussion/Action Regarding IRWM**

**8. Approval to Support SB 208 (Lara) Improving IRWM Program Reimbursement for Disadvantaged Communities and Non-Profit Organizations (Enclosure)**

- a. Adopt a position of "Support" for SB208 (Lara) Improving IRWM Program Reimbursement for Disadvantaged Communities and No-Profit Organizations legislation and submit letter of support as presented (Enclosure)

**9. Discussion/Action Regarding Proposed Joint Ad Hoc COG/GWMA Coordinating Committee (Enclosure)**

- a. Appoint two GWMA Board Members as its designated representative to serve with staff on the Joint Ad Hoc COG/GWMA Coordinating Committee

**Christopher Cash, Board Chair ☐ Adriana Figueroa, Vice-Chair ☐ Charlie Honeycutt, Secretary/Treasurer ☐ Kevin Wattier, Chair Emeritus**

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## **10. Discussion/Action Regarding Grant Agreement Between the State of California (Department of Water Resources) and GWMA for Proposition 84 Integrated Regional Water Management (IRWM) 2014 Drought Grant (Enclosure)**

- a. Approve Individual Subrecipient Agreements with the Cities of Huntington Park, Cerritos and Signal Hill
- b. Authorize Executive Officer to Sign and Execute Individual Subrecipient Agreements with the Cities of Huntington Park, Cerritos and Signal Hill
- c. Authorize Executive Officer to make Non-Material Changes to the Subrecipient Agreement in Consultation with GWMA's Legal Counsel, If Needed.

## **11. Discussion/Action to Appoint an Ad Hoc Committee to Review and Recommend the Selection of an Accounting Transition Firm (Enclosures)**

## **12. Gateway Region Watershed Management Plans (WMPs) and MOU and/or Amendment Activities**

- a. Lower Los Angeles River Upper Reach 2 Watershed Group
- b. Lower Los Angeles River Watershed Group
  - 1. Approval of the First Amendment to the MOU with the Lower Los Angeles River Watershed Group (Enclosure)
  - 2. Approve First Amendment to the PSA between GWMA and John L Hunter & Associates in the amount not to exceed \$1,746,949 for the tasks to be performed under the Scope of Work set forth in Exhibit A to the Agreement for the LLAR Watershed Group (Enclosure)
- c. Los Cerritos Channel Watershed Group
- d. Lower San Gabriel River Watershed Group
  - 1. Approval of the First Amendment to the MOU with the Lower San Gabriel River Watershed Group (Enclosure)
  - 2. Approve First Amendment to the PSA between GWMA and John L Hunter & Associates in the amount not to exceed \$1,665,324 for the tasks to be performed under the Scope of Work set forth in Exhibit A to the Agreement for the LSGR Watershed Group (Enclosure)

## **13. City Managers' Steering Committee Report**

**Christopher Cash, Board Chair ☐ Adriana Figueroa, Vice-Chair ☐ Charlie Honeycutt, Secretary/Treasurer ☐ Kevin Wattier, Chair Emeritus**

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## 14. Executive Officer's Report

## 15. Directors' Comments/Reports

## 16. Adjournment

**Christopher Cash, Board Chair** ☐ **Adriana Figueroa, Vice-Chair** ☐ **Charlie Honeycutt, Secretary/Treasurer** ☐ **Kevin Wattier, Chair Emeritus**

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## **AGENDA ITEM NO. 6A**

### **MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY BOARD AT PARAMOUNT, CALIFORNIA THURSDAY, APRIL 9, 2015**

A special meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, April 9, 2015 Noon at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA 90723.

Vice Chair Adriana Figueroa called the meeting to order at 11:45 a.m. Roll was called by Ms. Penn and a quorum of the Board was declared.

#### **BOARD MEMBERS PRESENT:**

Okina Dor	Artesia
Len Gorecki	Bellflower
Vince Brar	Cerritos
Gina Nila	Commerce
Mohammad Mostahkami	Downey
Lisa Rapp	Lakewood
Anthony Arevelo	Long Beach
Sam Kouri (alternate)	Montebello
Adriana Figueroa	Norwalk
Sarah Ho (alternate)	Paramount
Gladis Deras (alternate)	Pico Rivera
Noe Negrete (alternate)	Santa Fe Springs
Steve Myter (alternate)	Signal Hill
Chris Castillo (proxy)	South Gate
Scott Rigg (alternate)	Vernon
David Pelser	Whittier

#### **STAFF AND GUESTS ON SIGN-IN SHEET:**

Grace Kast	Executive Officer
Toni Penn	Administrative/Accounting Assistant
Candice Lee	General Counsel
Russ Bryden	LACFCD
John Hunter	John L. Hunter & Associates
Ester Rojas	WRD
Bill Minasian	Downey
Sharon Green	Los Angeles County Sanitation District
Bill Bennett	GEI Consultants

#### **ITEM 3 - ADDITIONS TO THE AGENDA**

None.



**ITEM 4 – ORAL COMMUNICATIONS TO THE BOARD**

None.

**ITEM 5 - CONSENT CALENDAR**

Director Nila moved to approve the consent calendar. The motion was seconded by Director Gorecki and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, RAPP, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER**

**NOES: NONE**

**ABSTAIN: HO**

**ITEM 6 – ADOPTION OF RESOLUTION NO. 15-1 CHANGING MEETING TIME OF GWMA’S REGULAR BOARD MEETING**

Ms. Kast reported the meeting time of GWMA’s regular board meeting continued to conflict with other scheduled monthly meetings which many Directors attend. To resolve this, she recommended that the board adopt Resolution No. 15-1 to change its regular meeting time from 12 noon to 11:30 a.m.

Director Mostahkami moved to adopt Resolution No. 15-1 changing the meeting time of GWMA’s regular board meetings. The motion was seconded by Director Rapp and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, RAPP, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 7 – DISCUSSION/ACTION REGARDING MEMORANDUM OF UNDERSTANDING FOR GREATER LOS ANGELES AND LONG BEACH HARBOR WATER TMDL FOR TOXIC POLLUTANTS MONITORING**

Ms. Kast reported that each watershed group, as well as those cities applying for an individual watershed plan, would need to satisfy TMDL requirement. She stated, however, that the consensus of the watershed groups with tentative concurrence by the Regional Board was that a single monitoring station located at the furthest downstream area of each river, would satisfy the monitoring requirements. She reported that a majority of upstream entities expressed interest in sharing the cost to install the monitoring station. She indicated that at GWMA’s last board meeting, the Board authorized Legal Counsel and the Executive Officer to develop an

MOU for members and non-members who would like to share in the cost and included an administrative charge of 3% to GWMA members and 5% for non-members.

Mr. John Hunter, Hunter & Associates, reported on how cost allocations were computed.

After general discussions, Director Rapp moved to approve the MOU with GWMA Members/Non-Members to provide administrative and contractual services for the TMDL Monitoring of the Dominguez Channel and Greater Los Angeles and Long Beach Harbor Waters and authorized Chair to execute the MOU. The motion was seconded by Director Negrete and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, RAPP, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 8 – APPROVAL TO SUPPORT SB 485 (HERNANDEZ) LACSD STORMWATER LEGISLATION**

Director Figueroa reported SB 485 would allow the Sanitation Districts of Los Angeles County to assist local jurisdictions in Los Angeles County in stormwater and dry weather runoff management projects. SB 485 would be specific to the Sanitation Districts of Los Angeles County and was similar to statutory language in Health and Safety Code Section 4730.66, chaptered in 2002, which only applies to the Orange County Sanitation District. Director Figueroa recommended that the Board adopt a position of support for SB485 and submit the letter of support as presented.

Director Pelser moved to adopt the position of support for SB485 (Hernandez) LACSD Stormwater Legislation and submit a letter of support as presented. The motion was seconded by Director Rapp and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, RAPP, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 9 – RECOMMEND PROJECTS FOR INCLUSION IN THE GLAC PROP 84 GRANT APPLICATION AND ADOPTION OF THE GREATER LA IRWM PLAN**

Ms. Kast reported that during March, staff and GEI Consultants began an aggressive call for projects. She stated that the call for projects generated several small-to-medium sized projects. She indicated that it was

important to note that DWR invoicing, reporting and documentation process was complex and labor intensive. Thus, smaller projects may not see as great a value as larger projects in terms of providing general support.

Ms. Kast indicated that a table of projects was included in the agenda packet for the GWMA Board's consideration to move forward. She stated that the Greater LA IRWM process was looking for a maximum of 5 projects per sub-region with a grant amount totaling between \$5 to \$8M maximum. She indicated that the cost per application had not been finalized with the Greater LA Leadership Committee. However, she stated that GWMA had been involved in the negotiations with their consultant on a per application cost and had requested that a reduced fee be offered for agencies such as GWMA that would provide its own consultant to collect/coordinate/submit data and documents for its projects to the GLAC consultants. She indicated that it was estimated that the cost could be up to \$18k per project and that this would be in addition to the cost incurred by GEI Consultants for the coordination of our projects during the application and award process.

Detailed discussion then ensued with regard to the list of projects presented for the inclusion in the GLAC Prop 84 Final Round.

Director Nila moved to approve the top 3 projects listed on the table for the inclusion in the GLAC Prop 84 Final Round. The motion was seconded by Director Brar and the motion failed based on the following voice votes:

**AYES: NILA, MYRTER, BRAR**

**NOES: DOR, GORECKI, RAPP, MOSTAHKAMI, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, CASTILLO, RIGG, PELSER, HO**

**ABSTAIN: NONE**

Director Rapp left the meeting at 12:45 p.m.

Director Pelsner moved to approve Project No. 1 listed on the table for the inclusion in the GLAC Prop 84 Final Round and directed staff to contact the Central Basin MWD to see if they would be willing to expand this project and increase their grant amount request. The motion was seconded by Director Rapp and approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, MOSTAHKAMI, RAPP, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

Director Rapp moved to approve expenditures in an amount not to exceed \$18,000 per project to cover the anticipated application costs through the Greater LA IRWM Plan Process. The motion was seconded by Director Mostahkami and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

Director Pelser moved to adopt Resolution No. 15-21 adopting the Greater LA IRWM Plan Update 2014 for the 2015 Final Round of Prop 84 IRWM Grant Program. The motion was seconded by Director Mostahkami and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

**ITEM 10 – GATEWAY REGION WATERSHED MANAGEMENT PLANS (WMPS) AND MOU AND/OR AMENDMENT ACTIVITES**

Lower Los Angeles River Upper Reach 2 Watershed Group

Ms. Kast reported that in January, GWMA invoiced the Watershed Group members for the administration and cost sharing to implement a CIMP in accordance with the First Amendment. These calculations were based on their FY 2014/15 Annual Budget in the amount of \$240,000 for monitoring equipment purchase and installation (CWE) and \$82,013 for Optional Task 3 for Rio Hondo LRS Development (Paradigm). The Watershed Group has already accepted the proposal from CWE.

She indicated that since receiving Paradigm's \$82,013 proposal, an effort began to potentially reduce the cost for this group as well as other watershed groups by sharing in the cost using the same firm. After researching the issue further, Ms. Kast recommended that the Board approve the Professional Services Agreement with Paradigm Environmental, Inc. as presented and contingent upon Legal Counsel's final approval of non-material changes.

Director Pelser moved to approve the Professional Services Agreement with Paradigm Environmental, Inc. as presented and contingent upon Legal Counsel's final approval of non-material changes. The motion was seconded by Director Mostahkami and was approved by the following voice votes:

**AYES: DOR, GORECKI, BRAR, NILA, MOSTAHKAMI, RAPP, AREVELO, KOURI, FIGUEROA, DERAS, NEGRETE, MYRTER, CASTILLO, RIGG, PELSER, HO**

**NOES: NONE**

**ABSTAIN: NONE**

Lower Los Angeles River Watershed Group

None.

Los Cerritos Channel Watershed Group

None.

Lower San Gabriel River Watershed Group

None.

**ITEM 11 – CITY MANAGERS’ STEERING COMMITTEE REPORT**

None.

**ITEM 12 – EXECUTIVE OFFICER’S REPORT**

None.

**ITEM 13 – DIRECTORS’ COMMENTS/REPORTS**

None.

The meeting was adjourned at 1:17 p.m.

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Adriana Figueroa, Vice Chair

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Date

## **AGENDA ITEM NO. 6B**

### **MINUTES OF THE GATEWAY WATER MANAGEMENT AUTHORITY LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY BOARD AT PARAMOUNT, CALIFORNIA THURSDAY, APRIL 16, 2015**

A special meeting of the Board of Directors of the Gateway Water Management Authority was held on Thursday, April 16, 2015 10:00 a.m. at the Progress Park Plaza, 15500 Downey Avenue, Paramount, CA 90723.

Chair Chris Cash called the meeting to order at 10:05 a.m. Roll was called by Ms. Penn and a quorum of the Board was declared.

#### **BOARD MEMBERS PRESENT:**

Okina Dor	Artesia
Al Cablay (alternate)	Bell
Chau Vu (alternate)	Bell Gardens
Len Gorecki	Bellflower
Tammy Hierlihy	Central Basin MWD
Vince Brar	Cerritos
Gina Nila	Commerce
Mohammad Mostahkami	Downey
Lisa Rapp	Lakewood
Anthony Arevelo	Long Beach
Sam Kouri (alternate)	Montebello
Adriana Figueroa	Norwalk
Chris Cash	Paramount
Gladis Deras (alternate)	Pico Rivera
Frank Beach	Santa Fe Springs
Charlie Honeycutt	Signal Hill
Chris Castillo (proxy)	South Gate
Scott Rigg (alternate)	Vernon
David Pelser	Whittier

#### **STAFF AND GUESTS ON SIGN-IN SHEET:**

Grace Kast	Executive Officer
Toni Penn	Administrative/Accounting Assistant
Russ Bryden	LACFCD
Richard Watson	Richard Watson & Associates
Ester Rojas	WRD
Bill Bennett	GEI Consultants

#### **ITEM 3 - ADDITIONS TO THE AGENDA**

None.

**ITEM 4 – ORAL COMMUNICATIONS TO THE BOARD**

None.

**ITEM 5 – DISCUSSION/ACTION REGARDING SELECTION OF PROJECT(S) FOR  
RECOMMENDATION TO LOWER SAN GABRIEL AND LOWER LOS ANGELES SUB-REGION  
STEERING COMMITTEE FOR FINAL ROUND OF PROP 84 IRWM GRANT FUNDS**

Director Figueroa moved to retract the Board action that was taken at the special board meeting on April 9, 2015 approving Project No. 1 listed on the table for the inclusion in the GLAD Prop 84 Final Round. The motion was seconded by Director Mostahkami and approved by the following voice votes:

**AYES: DOR, CABLAY, VU, GORECKI, HIERLIHY, BRAR, NILA, MOSTAHKAMI,  
RAPP, AREVALO, KOURI, FIGUEROA, CASH, DERAS, BEACH,  
HONEYCUTT, CASTILLO, RIGG, PELSER**

**NOES: NONE**

**ABSTAIN: NONE**

Ms. Kast updated the Board on the recent, expedited solicitation of projects since the last board meeting. She reported that the process was re-opened to ensure that everyone had submitted any and all projects. Mr. Bill Bennett, GEI Consultants, provided a brief summary of each of the proposed projects listed on the most recent table for consideration.

Detailed discussions then ensued with regards to each project that was listed on the table. Each project was discussed, reviewed and amended, as necessary, in order to reduce the overall total grant request amount being put forth by GWMA.

Director Nila moved to approve all projects listed on the table as amended for the inclusion in the next step under the GLAC Prop 84 Final Round. The motion was seconded by Director Mostahkami and was approved by the following voice votes:

**AYES: DOR, CABLAY, VU, GORECKI, HIERLIHY, BRAR, NILA, MOSTAHKAMI,  
RAPP, AREVALO, KOURI, FIGUEROA, CASH, DERAS, BEACH,  
HONEYCUTT, CASTILLO, RIGG, PELSER**

**NOES: NONE**

**ABSTAIN: NONE**

Ms. Kast indicated that because of the high number of projects moving forward to the next step, the Professional Services Agreement with GEI may need to be increased.



After detailed discussions, Director Dewitt moved to amend the Professional Services Agreement with GEI to increase the amount sufficiently in order to assist GWMA with the development, prioritization and input of all of the projects into the OPTI system and data collection and coordination with GLAC's consultants during the application process. The motion was seconded by Director Cablay and was approved by the following voice votes:

**AYES: DOR, CABLAY, VU, GORECKI, HIERLIHY, BRAR, NILA, MOSTAHKAMI, RAPP, AREVALO, KOURI, FIGUEROA, CASH, DERAS, BEACH, HONEYCUTT, CASTILLO, RIGG, PELSER**

**NOES: NONE**

**ABSTAIN: NONE**

The meeting was adjourned at 12:17 p.m.

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Charlie Honeycutt, Secretary/Treasurer

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Date

AGENDA ITEM NO. 6C

# GATEWAY WATER MANAGEMENT AUTHORITY

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May 14, 2015

SECTION NO. 6(c) Warrant Register Dated May 14, 2015

SUMMARY:

The Warrant Register is a listing of general checks issued since the prior warrant register and warrants to be released by the City of Signal Hill, serving as Treasurer of the Gateway Water Management Authority, upon Board approval.

DISCUSSION:

The Warrant Register for expenditures dated May 14, 2015 in the amount of \$193,469.96 is submitted for approval. Invoices and supporting documentation are available for review at the City of Signal Hill Department of Finance.

FISCAL IMPACT:

The Warrant Register totals \$193,469.96. Funds to cover payment are available in the Gateway Authority budget.

RECOMMENDATION:

Approve the Warrant Register as presented.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
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# AGENDA ITEM NO. 6C

## WARRANT REGISTER Disbursement Journal May 14, 2015

Invoice Date	Vendor	Invoice Number	Description	Amount
04/27/2015	Grace J. Kast	15-GJK-GA-4	Executive Director	\$ 13,333.33
04/24/2015	Toni Penn	15-4-24	Admin/Acct. Services	\$ 6,300.00
03/31/2015	Richards Watson & Gershon	200900	Legal Services - General	\$ 6,031.85
03/31/2015	Richards Watson & Gershon	200901	Legal Services - MS4 Permit MOU	\$ 90.00
04/20/2015	Joe. A Gonsalves & Son	25238	Legislative Advocacy Services	\$ 4,000.00
04/07/2015	John L. Hunter & Assoc.	GANPLA0215	LLAR WMP Development	\$ 25,724.40
04/16/2015	John L. Hunter & Assoc.	GANPLA0315	LLAR WMP Development	\$ 3,262.50
04/14/2015	Richard Watson & Assoc.	14-192-002-004	State Water Board Grant Agmt. 12-423-550	\$ 20,595.09
04/03/2015	Richard Watson & Assoc.	15-192-003-004	LCC Watershed Management Program	\$ 23,709.35
04/03/2015	Richard Watson & Assoc.	15-192-003-003	LCC Watershed Management Program	\$ 13,904.30
04/03/2015	Richard Watson & Assoc.	15-192-003-002	LCC Watershed Management Program	\$ 9,750.66
04/03/2015	Richard Watson & Assoc.	15-192-003-001	LCC Watershed Management Program	\$ 7,433.21
03/02/2015	Richard Watson & Assoc.	15-192-002-001	State Water Board Grant Agmt. 12-423-550	\$ 16,222.75
02/26/2015	Kinnetic Laboratories	11406	LCC Watershed Segmentation &LID	\$ 33,839.47
04/14/2015	GEI Consultants	715194	Watersmart Grant Admin.	\$ 505.00
04/03/2015	GEI Consultants	715094	2015 IMPL Grant Solicitation	\$ 3,763.50
04/02/2015	Rogers Catering	20863	Meeting Supplies	\$ 111.20
04/13/2015	City of Lakewood		LCC & LLAR Watershed Meeting Expenses	\$ 244.60
04/15/2015	Alliant Insurance Services	329866	Insurance Premium	\$ 950.00
04/30/2015	Platinum Consulting Group	3417	Audit Support Services	\$ 2,103.75
03/31/2015	Platinum Consulting Group	3411	Audit Support Services	\$ 1,595.00
Total Disbursements				\$ 193,469.96

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May 14, 2015

## **SECTION 8: Approval to Support SB 208 (Lara) Improving IRWM Program Reimbursement for Disadvantaged Communities and Non-Profit Organizations**

### **BACKGROUND AND SUMMARY**

Administration of the IRWM Program has created challenges for implementation of IRWMPs at the regional level that threaten the success of regional programs and continued participation of all interested stakeholders, including smaller non-profit organizations and watershed groups. DWR's processing of IRWM project invoice reimbursements has not always been timely, and has resulted in significantly delayed reimbursement payment to those smaller non-profit organizations that can least afford it.

While DWR has improved its response time for the administration of the grants over the past year, the timing for payment of invoices remains a barrier for non-profit organizations and disadvantaged community participation in the grant program. In addition, the DWR processing time for invoices is still not in compliance with the California Prompt Payment Act, which requires state agencies to issue payment within 45 calendar days of receipt of an undisputed invoice or pay penalty fees.

SB 208 would create an IRWM payment structure that required the DWR to provide 50% advance payment of a project award for an IRWM project that satisfies two criteria:

- The project proponent is a non-profit organization or a disadvantaged community; or the project benefits a disadvantaged community.
- The grant award for the project is less than \$1 million

The proposed legislation would also include provisions that prohibit a project proponent from benefitting from the accrual of interest on the advanced payment.

### **RECOMMENDED ACTION:**

- a. Adopt a position of "Support" for SB208 (Lara) Improving IRWM Program Reimbursement for Disadvantaged Communities and Non-Profit Organizations and submit letter of support as presented.

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**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**

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May 14, 2015

Honorable Ricardo Lara  
California State Senate  
State Capitol, Room 5050  
Sacramento, CA 95814

**SUBJECT: SB 208 (Lara) – SUPPORT**

Dear Senator Lara:

On behalf of Gateway Water Management Authority, I am pleased to inform you that we strongly support your SB 208, which would improve opportunities for nonprofit organizations and disadvantaged communities to continue meaningful participation in the state's Integrated Regional Water Management program in regions throughout the state.

Administration of the state's Integrated Regional Water Management (IRWM) Program, which is funded through state general obligation bond proceeds, has created challenges for implementation at the regional level that threaten the success of regional programs and continued participation of all interested stakeholders, including smaller nonprofit organizations, watershed groups, and disadvantaged communities. Specifically, issues and concerns related to the IRWM Program relate to delayed or untimely processing of IRWM project invoice reimbursements, resulting in significantly delayed reimbursement payment to those smaller nonprofit organizations and disadvantaged communities that can least afford it. On occasion, it has taken anywhere from 60 to 330 days to process region invoices for payment. This invoice payment delay disenfranchises smaller nonprofit organizations and disadvantaged communities, which could become less willing to meaningfully participate in the IRWM process due to reimbursement delays.

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Your SB 208 would focus on removing these administrative challenges and hurdles and allow for the continued meaningful participation of all regional interests in the IRWM process. For these reasons, we strongly support SB 208.

Sincerely,

Christopher S. Cash  
Chair

**SUPPORT FOR SB 208 (Lara)**  
**(as of 4/8/15)**

Association of California Water Agencies  
California Municipal Utilities Association  
City of San Diego  
Clean Water Action  
Coachella Valley Regional Water Management Group  
Coachella Valley Water District  
Community Water Center  
Desert Water Agency  
Environmental Justice Coalition for Water  
Lakeside Water District  
Leadership Counsel for Justice & Accountability  
The Nature Conservancy  
Pueblo Unido Community Development Corporation  
Rural Community Assistance Corporation  
San Diego County Water Authority  
San Jerardo Cooperative, Inc.  
Sierra Club California  
Valley Center Municipal Water District



# SENATOR RICARDO LARA

## LEGISLATIVE FACT SHEET

### Water Access and Equity Senate Bill 208

**Summary:** SB 208 will improve the opportunity to secure water investments through Proposition 1 for disadvantaged communities and non-profit organizations who apply for integrated regional water management plan grants.

**Background:** On November 4, 2014 voters approved Proposition 1 the Water Quality, Supply, and Infrastructure Improvement Act. Enacted in response to water quality issues and California's drought, Proposition 1 raises funds for sustainable water projects in the state. Specifically, the act authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance water quality, supply, and infrastructure improvement programs. Furthermore, the act provides that \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects included in and implemented in an adopted integrated regional water management (IRWM) plan.

Existing law authorizes IRWM plans under the Integrated Regional Water Management Planning Act (2002). The act permits regional water management groups to prepare and adopt an IRWM plan with specified components relating to water supply and water quality. IRWM plans include the coordination of public agencies and non-profit organizations to address water challenges within the region.

**Problem:** The current IRWM funding mechanism created through past water bond measures reflects a pay-as-you-go system where groups with approved plans provide funding for water projects up front and are reimbursed later. This mechanism is intended to save state general funds, but instead threatens the success of regional programs and continued participation of interested stakeholders. Smaller communities and non-profit organizations are disproportionately impacted by the pay-as-you-go system as pre-financing water projects requires a larger budget than these stakeholders are often able to fund.

Furthermore, delays in reimbursement payments burdens and threatens the successful participation of smaller non-profits and disadvantaged communities. Whenever the processing of an IRWM project invoice reimbursement is untimely, as is sometimes the case, the delay disenfranchises the groups that can least afford it. These challenges further impact the credibility of the IRWM process as smaller non-profit organizations and disadvantaged communities who have viable project plans become less willing and able to apply for funding for projects, creating an inequity in the funding process.

Current policy disadvantages certain integrated water management groups from providing the water security voters intended to establish through Proposition 1. SB 208, the Water Equity and Access bill, will improve equity by advancing grant funds to non-profit organizations and disadvantaged communities under limited circumstances. As California is heading into its fourth drought year and in need of 11 trillion gallons of water, the state must support smart water initiatives that can improve our current drought situation as well as water quality.

#### **SB 208 would require:**

- A state entity, within 60 days of receiving an approved integrated regional water plan, to provide a 50% advanced payment of the grant award.
- Additionally, the main beneficiary of a project must be a nonprofit organization, as defined, or a disadvantaged community, as defined, or assist a disadvantaged community.
- Furthermore, the bill only applies to IRWM projects with costs up to \$1 million.
- This bill sunsets on January 1, 2025.

**Sponsor:** San Diego Water Authority

**Staff Contact:** Shamoia Washington, 916-651-4033



**SENATE BILL**

**No. 208**

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**Introduced by Senator Lara**

February 11, 2015

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An act to add and repeal Chapter 7 (commencing with Section 10551) of Part 2.2 of Division 6 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 208, as introduced, Lara. Integrated regional water management plans: grants: advanced payment.

Existing law, the Integrated Regional Water Management Planning Act, authorizes a regional water management group to prepare and adopt an integrated regional water management plan with specified components relating to water supply and water quality. Existing law provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management.

Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The act provides that the sum of \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security.

This bill would require a regional water management group, within 90 days of notice that a grant has been awarded, to provide the state entity administering the grant with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization, as

defined, or a disadvantaged community, as defined, or the project benefits a disadvantaged community. This bill would require the state entity administering the grant, within 60 days of receiving the project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria and would require the advanced funds to be handled, as prescribed. This bill would repeal these provisions on January 1, 2025.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 7 (commencing with Section 10551) is  
2 added to Part 2.2 of Division 6 of the Water Code, to read:

3  
4 CHAPTER 7. ADVANCED PAYMENT OF GRANT FUNDS  
5

6 10551. (a) Within 90 days of notice that a grant for projects  
7 included and implemented in an integrated regional water  
8 management plan has been awarded, the regional water  
9 management group shall provide the state entity administering the  
10 grant with a list of projects to be funded by the grant funds where  
11 the project proponent is a nonprofit organization or a disadvantaged  
12 community, or the project benefits a disadvantaged community.  
13 The list shall specify how the projects are consistent with the  
14 adopted integrated regional water management plan and shall  
15 include all of the following information:

16 (1) Descriptive information concerning each project identified.

17 (2) The names of the entities that will receive the funding for  
18 each project, including, but not limited to, an identification as to  
19 whether the project proponent or proponents are nonprofit  
20 organizations or a disadvantaged community.

21 (3) The budget of each project.

22 (4) The anticipated schedule for each project.

23 (b) Within 60 days of receiving the project information pursuant  
24 to subdivision (a), the state entity administering the grant shall  
25 provide advanced payment of 50 percent of the grant award for  
26 those projects that satisfy both of the following criteria:

1 (1) The project proponent is a nonprofit organization or a  
2 disadvantaged community, or the project benefits a disadvantaged  
3 community.

4 (2) The grant award for the project is less than one million  
5 dollars (\$1,000,000).

6 (c) Funds advanced pursuant to subdivision (b) shall be handled  
7 as follows:

8 (1) The recipient shall place the funds in a noninterest-bearing  
9 account until expended.

10 (2) The funds shall be spent within six months of the date of  
11 receipt, unless the state entity administering the grant waives this  
12 requirement.

13 (3) The recipient shall periodically, but not more frequently  
14 than quarterly, provide an accountability report to the state entity  
15 administering the grant regarding the expenditure and use of any  
16 advanced grant funds in a format as determined by that state entity.

17 (4) If funds are not expended, the unused portion of the grant  
18 shall be returned to the state entity administering the grant within  
19 60 days after project completion or the end of the grant  
20 performance period, whichever is earlier.

21 (d) As used in this section:

22 (1) “Disadvantaged community” has the same meaning as  
23 defined in subdivision (j) of Section 79702.

24 (2) “Nonprofit organization” has the same meaning as defined  
25 in subdivision (p) of Section 79702.

26 10552. This chapter shall remain in effect only until January  
27 1, 2025, and as of that date is repealed, unless a later enacted  
28 statute, that is enacted before January 1, 2025, deletes or extends  
29 that date.

**AGENDA ITEM NO. 9**

# **GATEWAY WATER MANAGEMENT AUTHORITY**

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

May 14, 2015

**SECTION NO. 9** Discussion/Action Regarding Proposed Joint Ad Hoc  
COG/GWMA Coordinating Committee

**SUMMARY:**

In recognition that water issues are becoming increasingly relevant to the work of the Gateway Cities COG, the COG and GWMA staff met to discuss the formation of an Ad Hoc Coordinating Committee between the COG and GWMA. This Committee would meet as needed to give direction to the staff of both agencies to ensure effective coordination and engagement on behalf of the Gateway Cities and other agencies and planning processes.

Examples of such needs include:

- New funding to be administered by the Rivers & Mountains Conservancy will require that all projects have a water element (under the Water Bond passed in 2014).
- Arterial corridor projects that could be funded under state cap and trade funding may include water-related elements.
- Representation on certain inter-related issues.
- Positions on legislation.

**RECOMMENDATION:**

Appoint two GWMA Board Members as its designated representative to serve with staff on the Joint Ad Hoc COG/GWMA Coordinating Committee.

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May 14, 2015

SECTION NO. 10 Discussion/Action Regarding Agreement Between the State of California (Department of Water Resources) and GWMA for Proposition 84 Integrated Regional Water Management (IRWM) 2014 Drought Grant

SUMMARY:

The Proposition 84 Integrated Regional Water Management (IRWM) 2014 Drought Grant will provide funding from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 to GWMA to assist in financing projects associated with the Gateway Integrated Regional Water Management Plan. GWMA has been awarded a grant in the amount of \$3,941,966 to assist the Cities of Cerritos, Huntington Park and Signal Hill with drought projects. The funding match is estimated to be \$2,847,394 and may include in-kind services that are part of Exhibit A (Work Plan) and performed after January 1, 2010.

GWMA will be administering the Grant Agreement and the Grant Funds. As part of the process, GWMA is requiring that the Cities of Cerritos, Huntington Park and Signal Hill each execute a Subrecipient Agreement with GWMA. The Subrecipient Agreement requires each subrecipient to comply with all the requirements of the Grant Agreement. Each subrecipient will submit invoices relating to their project to GWMA on a quarterly basis, and then GWMA will process the reimbursement requests with DWR.

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AGENDA ITEM NO. 10

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RECOMMENDATION:

- a. Approve Individual Subrecipient Agreements with the Cities of Huntington Park, Cerritos and Signal Hill
- b. Authorize the Executive Officer to Sign and Execute Individual Subrecipient Agreement with the Cities of Huntington Park, Cerritos and Signal Hill
- c. Authorize Executive Officer to make Non-Material Changes to the Subrecipient Agreements in Consultation with GWMA's Legal Counsel, If Needed.

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GWMA will be administering the Grant Agreement and the Grant Funds. As part of the process, GWMA is requiring that the Cities of Cerritos, Huntington Park and Signal Hill each execute a Subrecipient Agreement with GWMA. The Subrecipient Agreement requires each subrecipient to comply with all the requirements of the Grant Agreement. Each subrecipient will submit invoices relating to their project to GWMA on a quarterly basis, and then GWMA will process the reimbursement requests with DWR.

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AGENDA ITEM NO. 10

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RECOMMENDATION:

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- b. Authorize the Executive Officer to Sign and Execute Individual Subrecipient Agreement with the Cities of Huntington Park, Cerritos and Signal Hill
- c. Authorize Executive Officer to make Non-Material Changes to the Subrecipient Agreements in Consultation with GWMA's Legal Counsel, If Needed.

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AGENDA ITEM NO. 10

GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND  
GATEWAY IRWM AUTHORITY

4600010928

PROPOSITION 84 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) 2014 DROUGHT GRANT  
CALIFORNIA PUBLIC RESOURCES CODE §75026 ET SEQ.

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the **Los Angeles Gateway Integrated Regional Water Management Authority (Gateway Water Management Authority)** a joint powers authority, in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. PURPOSE. State shall provide funding from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 to Grantee to assist in financing projects associated with the **Gateway Integrated Regional Water Management Plan** pursuant to Chapter 8 (commencing with Section 79560) of Division 26.5 of the California Water Code (CWC), hereinafter collectively referred to as "IRWM Program."
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on **February 1, 2017**, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement indicated on **page 9**.
3. TOTAL PROJECT COST. The reasonable Total Cost of the Projects is estimated to be **\$10,595,900**.
4. GRANT AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed **\$3,941,966**.
5. GRANTEE COST SHARE. Grantee agrees to fund the difference between the Total Project Cost, and the Grant Amount (amount specified in Paragraph 4). Cost Share consists of Funding Match and Additional Cost Share, as documented in Exhibit B (Budget). Additional Cost Share is the amount necessary to fund the project above the Grant Amount and the Funding Match. Additional Cost Share will not be reviewed by the State for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit I (State Audit Document Requirements).
6. FUNDING MATCH. Funding Match is defined as the minimum amount of Grantee Cost Share required, and cannot include other State funds. Grantee is required to provide a Funding Match of at least 25% of the Total Project Cost (unless a Disadvantaged Community project waiver is granted). The Grantee's Funding Match is estimated to be **\$2,847,394**. Grantee's Funding Match may include in-kind services that are part of Exhibit A (Work Plan) and performed after **January 1, 2010**.
7. GRANTEE'S RESPONSIBILITY. Grantee and its representatives shall:
  - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
  - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 financing.
  - c) Comply with all applicable California laws and regulations.
  - d) Implement the Projects in accordance with applicable provisions of the law.
  - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the projects.
8. LOCAL PROJECT SPONSOR'S RESPONSIBILITY. Grantee shall assign Local Project Sponsors to act on behalf of Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. Local Project Sponsors shall be assigned in accordance with the participating agencies identified in the **Gateway Region 2014 IRWM Drought** grant application. Exhibit F identifies Local Project Sponsors. Local Project Sponsors shall also act on behalf of Grantee in the fulfillment of Grantee responsibilities where specifically specified in this Grant Agreement.

9. BASIC CONDITIONS. State shall have no obligation to disburse money for projects under this Grant Agreement until Grantee has satisfied the following conditions (if applicable):
- a) Grantee and Local Project Sponsors demonstrate the availability of sufficient funds to complete each project by submitting the most recent 3 years of audited financial statements.
  - b) Grantee must demonstrate compliance with the groundwater compliance options set forth on pages 13 and 14 of the IRWM Program Guidelines, dated June 2014.
  - c) For the term of this Grant Agreement, Grantee submits timely Quarterly Progress Reports as required by Paragraph 19, "Submission of Reports."
  - d) Grantee submits deliverables as specified in Paragraph 19 of this Grant Agreement and in Exhibit A.
  - e) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
    - 1) Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist, as appropriate) for each approved project as listed in Exhibit A of this Grant Agreement.
    - 2) Environmental Documentation:
      - i) Grantee submits to the State all applicable environmental permits,
      - ii) Documents that satisfy the CEQA process are received by the State,
      - iii) State has completed its CEQA compliance review as a Responsible Agency, and
      - iv) Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.
- State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the project or to require changes, alterations or other mitigation. Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, and mitigation monitoring programs as may be required prior to beginning construction/implementation.
- 3) A monitoring plan as required by Paragraph 21, "Project Monitoring Plan Requirements."
10. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to Grantee under this Grant Agreement and any and all interest earned by Grantee on such money shall be used solely to pay Eligible Project Costs, as defined in Paragraph 11.
11. ELIGIBLE PROJECT COST. Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reasonable administrative expenses may be included as Total Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, and implementation. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the projects including the portion of overhead and administrative expenses that are directly related to the projects included in this Agreement in accordance with the standard accounting practices of the Grantee. Work performed on the projects after **January 17, 2014** shall be eligible for reimbursement.

Costs that are not eligible for reimbursement with State funds cannot be counted as Funding Match. Costs that are not eligible for reimbursement include, but are not limited to the following items:

- a) Costs, other than those noted above, incurred prior to the award date of the Grant.
- b) Operation and maintenance costs, including post construction performance and monitoring costs.

- c) Purchase of equipment not an integral part of a project.
- d) Establishing a reserve fund.
- e) Purchase of water supply.
- f) Monitoring and assessment costs for efforts required after project construction is complete.
- g) Replacement of existing funding sources for ongoing programs.
- h) Travel and per diem costs (per diem includes subsistence and other related costs).
- i) Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- j) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
- k) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this will only be allowed as Grantee cost share (i.e., Funding Match).
- l) Overhead not directly related to project costs.

12. METHOD OF PAYMENT. Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking Systems (GRanTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated on 9 of this Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRanTS shall include the following information:

- a) Costs incurred for work performed in implementing the projects during the period identified in the particular invoice.
- b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the projects during the period identified in the particular invoice for the implementation of a project.
- c) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
  - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
  - 2) Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
  - 3) Sufficient evidence (e.g. receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice. Additional Cost Share shall be accounted for separately in the progress reports.
  - 4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's Grant Amount, as depicted in Paragraph 4, and those costs that represent Grantee's Funding Match, as applicable, in Paragraph 6.
  - 5) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs. After the disbursement requirements in Paragraph 9 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via US mail or Express mail delivery of a "wet signature" invoice for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 19, Submission of Reports. Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number.

13. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 14, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 14, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.
14. DEFAULT PROVISIONS. Grantee (and a Local Project Sponsor receiving grant funding through this Grant Agreement) will be in default under this Grant Agreement if any of the following occur:
- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
  - b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
  - c) Failure to maintain an adopted IRWM Plan that meets the requirements contained in Part 2.2 of Division 6 of the CWC, commencing with Section 10530.
  - d) Failure to operate or maintain project(s) in accordance with this Grant Agreement.
  - e) Failure to make any remittance required by this Grant Agreement.
  - f) Failure to comply with Labor Compliance Program requirements (Paragraph 18).
  - g) Failure to submit timely progress reports.
  - h) Failure to routinely invoice State.
  - i) Failure to meet any of the requirements set forth in Paragraph 15, "Continuing Eligibility."

Should an event of default occur, State shall provide a notice of default to the Grantee and shall give Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, State may do any of the following:

- i. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- ii. Terminate any obligation to make future payments to Grantee.
- iii. Terminate the Grant Agreement.
- iv. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

15. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:
- a) An urban water supplier that receives grant funds governed by this Grant Agreement shall:
    - 1) Maintain compliance with the Urban Water Management Planning Act (CWC§10610 et. seq.) and Sustainable Water Use and Demand Reduction, Part 2.55. of Division 6 (CWC§10608 et. Seq.). Urban water suppliers that submitted 1420 compliance Table 2 in the 2014 Drought Application must submit, by June 30, 2016: the UWS progress toward the 2015 interim gallon per day per capita (GPCD) target. If not meeting the interim target also include a list of actions to meet the target and schedule for implementation of actions:

- i) The progress toward the 2015 interim GPCD target. If not meeting the interim target, also include a schedule, financing plan, and budget for achieving the GPCD, as required pursuant to CWC § 10608.24.

By July 1, 2016 all urban water suppliers must submit documentation that demonstrates they are meeting the 2015 interim GPCD target. If not meeting the interim target, also include a schedule, financing plan, and budget for achieving the GPCD, as required pursuant to CWC § 10608.24.

- 2) Have their 2010 UWMP deemed consistent by DWR. The 2015 UWMP update will be required to be submitted to DWR in 2016. For more information visit the following website:  
<http://www.water.ca.gov/urbanwatermanagement>

- b) An agricultural water supplier receiving grant funding must:

- 1) Comply with Sustainable Water Use and Demand Reduction requirements outlined in Part 2.55 (commencing with §10608) of Division 6 of the CWC. Before July 1, 2016:

- i) Submit a schedule, financing plan, and budget for implementation of the efficient water management practices, required pursuant to CWC § 10608.48, for inclusion in the grant agreement as an Exhibit.

- 2) Have their AWMP deemed consistent by DWR. The next AWMP update will be required in 2016. For more information visit the following website:  
<http://www.water.ca.gov/wateruseefficiency/agricultural/agmgmt.cfm>

- c) Grantee's diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the CWC.
- d) Projects with potential groundwater impacts must demonstrate compliance with the groundwater compliance options set forth on pages 13 and 14 of the IRWM Program Guidelines, dated June 2014.
- e) Project Proponents that have been designated as monitoring entities under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program must maintain reporting compliance, as required by CWC§ 10932 and the CASGEM Program.

16. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS. Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Projects. Grantee shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances. Grantee shall provide copies of permits and approvals to State.

17. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Grant Agreement.

18. LABOR COMPLIANCE. Grantee agrees to comply with all applicable California Labor Code requirements and Standard Condition D.28 in Exhibit D. Grantee must, independently or through a third party, adopt and enforce a Department of Industrial Relations-certified Labor Compliance Program (LCP) meeting the requirements of Labor Code section 1771.5 for projects funded by:

- a) Proposition 84 (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006; PRC sections 75075 et seq.) or
- b) Any other funding source requiring an LCP.

At the State's request, Grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.



19. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS). If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit G. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such project.
- Progress Reports: Grantee shall submit progress reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. The reporting period shall not exceed one quarter in length. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRanTS at the frequency specified in Exhibit C, Project Schedule. The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.
  - Water Management Status Report: Until June 30, 2016, Grantees shall submit status reports on implementation of SBx7-7 water conservation status for the urban water suppliers that submitted 1420 compliance Table 2 in the 2014 Drought Application. Status reports shall be uploaded via GRanTS annually no later than June 30, 2016. By July 1, 2016 all urban water suppliers must submit an UWMP that demonstrates they are meeting the 2015 interim SBx7-7 GPCD target. If not meeting the interim target, the urban water suppliers must also submit, with the UWMP, a schedule, financing plan, and budget for achieving the GPCD, as required pursuant to CWC § 10608.24. These urban water suppliers (that are not meeting their 2015 GPCD target) will subsequently have to submit annual reports that include a schedule, financing plan, and budget for achieving the GPCD, as required pursuant to CWC § 10608.24 every year by June 30, starting June 30, 2017. Failure to progress on implementation may result in continuing grant eligibility actions under paragraph 15.
  - Project Completion Report: Grantee shall prepare and submit to State a separate Project Completion Report for each project included in Exhibit A. Grantee shall submit a Project Completion Report within ninety (90) calendar days of project(s) completion. Project Completion Report(s) shall include, in part, a description of actual work done, any changes or amendments to each project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Project Completion Report shall also include, if applicable, certification of final project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Standard Condition D.19 in Exhibit D. A DWR "Certification of Project Completion" form will be provided by the State.
  - Grant Completion Report: Upon completion of all projects included in Exhibit A, Grantee shall submit to State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Project Completion Report for the final project to be completed under the Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each project completed, and how those projects will further the goals of the IRWM Plan and identify any changes to the IRWM Plan, as a result of project implementation. Retention for the last project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to and approved by the State.
  - Post-Performance Reports: Grantee shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 10 years after the completed project begins operation.
20. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of each project, and shall ensure or cause each

project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 14, "Default Provisions."

21. PROJECT MONITORING PLAN REQUIREMENTS. Grantee shall develop and submit to State a Project Monitoring Plan that incorporates: (1) the Project Performance Monitoring Table requirements outlined in the Proposition 84 2014 IRWM Drought Grant Proposal Solicitation Package (in Exhibit A), and (2) the guidance provided in Exhibit J, "Project Monitoring Plan Guidance."

A Project Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. See Exhibit H, "Requirements for Statewide Monitoring and Data Submittal", for web links and information regarding other State monitoring and data reporting requirements.

22. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with Section 10780) of Division 6 of California Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board.

23. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:

- a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the work plan, schedule or term, and budget.
- b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
- c) Final inspection of the completed work on a project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), in accordance with Standard Condition D.19 in Exhibit D. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

24. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

- a) By delivery in person.
- b) By certified U.S. mail, return receipt requested, postage prepaid.
- c) By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- d) By electronic means.

Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses set forth in Paragraph 26. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

25. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.
26. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources  
Paula Landis  
Chief, Division of IRWM  
P.O. Box 942836  
Sacramento CA 94236-0001  
Phone: (916) 651-9220  
e-mail: [Paula.Landis@water.ca.gov](mailto:Paula.Landis@water.ca.gov)

Gateway Water Management Authority  
Grace Kast  
Executive Officer  
16401 Paramount Blvd.  
Paramount, CA 90723  
Phone: (562) 663-6850  
e-mail: [gjkast64@gmail.com](mailto:gjkast64@gmail.com)

Direct all inquiries to the Project Manager:

Department of Water Resources  
Tanya Meeth  
Division of Integrated Regional Water Management  
901 P Street, Room 213-A  
Sacramento, CA 95814  
Phone: (916) 651-9227  
e-mail: [Tanya.Meeth@water.ca.gov](mailto:Tanya.Meeth@water.ca.gov)

Gateway Water Management Authority  
Grace Kast  
Executive Officer  
16401 Paramount Blvd.  
Paramount, CA 90723  
Phone: (562) 663-6850  
e-mail: [gjkast64@gmail.com](mailto:gjkast64@gmail.com)

Either party may change its Project Representative or Project Manager upon written notice to the other party.

27. STANDARD PROVISIONS. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan  
Exhibit B – Budget  
Exhibit C – Schedule  
Exhibit D – Standard Conditions  
Exhibit E – Authorizing Resolution  
Exhibit F – Local Project Sponsors  
Exhibit G – Report Formats and Requirements  
Exhibit H – Requirements for Statewide Monitoring and Data Submittal  
Exhibit I – State Audit Document Requirements and Funding Match Guidelines for Grantees  
Exhibit J – Project Monitoring Plan Components

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

GATEWAY WATER MANAGEMENT AUTHORITY

\_\_\_\_\_  
Paula J. Landis, P.E., Chief  
Division of Integrated Regional Water Management

\_\_\_\_\_  
Grace Kast  
Executive Officer

Date\_\_\_\_\_

Date\_\_\_\_\_

Approved as to Legal Form and Sufficiency

\_\_\_\_\_  
Spencer Kenner, Assistant Chief Counsel  
Office of Chief Counsel

Date\_\_\_\_\_

**EXHIBIT A  
WORK PLAN**

The Proposition 84 IRWM 2014 Drought Grant agreement provides funding for 4 projects located within the Gateway Region IRWM Authority (Gateway Water Management Authority (WMA)).

**PROJECT 1: Grant Agreement Administration**

**IMPLEMENTING AGENCY:** Gateway WMA

**PROJECT DESCRIPTION:** The Regional Water Management Group authorized Gateway WMA to act as the applicant and the grant manager for the Proposition 84, IRWM 2014 Drought Grant.

Gateway WMA will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. This office will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for quarterly progress reports from individual project managers, assembling and submitting quarterly progress reports to the State, and coordinating all invoicing and payment of invoices.

**Budget Category (a): Direct Project Administration**

**Task 1 Direct Project Administration:**

Task 1.1 Agreement Administration

Gateway WMA will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this agreement.

Task 1.2 Invoicing

Gateway WMA will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the project proponents and compiling the information into a DWR Invoice Packet.

Task 1.3 Progress Reports and Project Completion Report(s)

Gateway WMA will be responsible for compiling quarterly progress reports for submittal to DWR. Gateway WMA will coordinate with project proponent staff to retain consultants as needed to prepare and submit Quarterly Progress Reports and Final Project Completion Reports for each project, as well as the Grant Completion Report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit G of this agreement. For example, Quarterly Progress Reports will explain the status of the project and will include the following information: summary of the work completed for the project during the reporting period; activities and milestones achieved; and accomplishments and any problems encountered in the performance of work. Project Completion Reports will include: documentation of actual work done; changes and amendments to each project; a final schedule showing actual progress versus planned progress; and copies of final documents and reports generated during the project.

**Deliverables:**

- ☐ Executed Grant Agreement
- ☐ Invoices and associated backup documentation
- ☐ Quarterly Progress Reports

- ☐ Draft and Final Project Completion Reports

## **PROJECT 2: City of Cerritos/Forest Lawn Cypress Recycled Water System Extension**

### **IMPLEMENTING AGENCY: City of Cerritos**

**PROJECT DESCRIPTION:** Extend the City of Cerrito's Recycled Water System to Forest Lawn Memorial Park in the City of Cypress. The project will include: the installation of approximately 8,380 lineal feet of 12 to 16-inch recycled water main from the City of Cerritos through the Cities of Lakewood and Cypress; and will convert the existing Forest Lawn Memorial Park irrigation system from potable water to recycled water.

### **Budget Category (a): Direct Project Administration**

**Task 1: Project Management:** Manage grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with Grantee, Gateway WMA. Prepare invoices including relevant supporting documentation for submittal to DWR via Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies, DWR (site visits), and managing consultants/contractors.

#### **Deliverables:**

- ☐ Environmental Information Form (EIF)
- ☐ Financial Statements
- ☐ Invoices
- ☐ Other Applicable Project Deliverables

### **Task 2: Labor Compliance Program**

Take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, preparation and implementation of a labor compliance program or including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.

#### **Deliverables:**

- ☐ Proof of labor compliance upon request

### **Task 3: Reporting**

Prepare quarterly progress reports detailing work completed during reporting period as outlined in Exhibit (G) of this agreement. Submit reports to Gateway WMA for review and inclusion in a progress report to be submitted to DWR.

Prepare draft Final Project Completion Report and submit to DWR via Grantee for DWR Project Manager's comment and review no later than 90 days after project completion. Prepare Final Report addressing Grantee/DWRs comments. The report shall be prepared and presented in accordance with the provision of Exhibit G.

#### **Deliverables:**

- ☐ Quarterly Project Progress Reports
- ☐ Draft and Final Project Completion Report

### **Budget Category (b): Land Purchase/Easement**

**Task 4: Right of Way (ROW) – Entry/Encroachment Permits:** The proposed project will extend the City's recycled water system through the cities of Lakewood and Cypress to serve Forest Lawn Memorial Park, through existing public right of

ways. The cities of Lakewood and Cypress are supportive of the project and will be issuing right of way encroachment permits for the recycled water line.

**Deliverables:**

- ☐ Right of Way Encroachment permits (City of Lakewood, City of Cypress, LACFCD, MTA)

**Budget Category (c): Planning/Design/Engineering/Environmental Documentation**

**Task 5: Assessment and Evaluation:** This project is part of the original plan for the Cerritos Recycled Water System, which included the future expansion of the water system to serve adjacent communities (see LACSD, Twenty-Fourth Annual Status Report on Recycled Water, Fiscal year 2012-2013, Appendix D). A proportional cost for this referenced work is included as cost share under this agreement.

**Deliverables:**

- ☐ Copy of assessment and evaluation report referenced, as requested by DWR

**Task 6: Design/Engineering:** A schematic design of the project is complete; the City will develop and complete plans and specifications to 100% (final).

**Deliverables:**

- ☐ 100% Design Documents

**Task 7: Environmental Documentation:** The City will prepare CEQA documentation consisting of a Negative Declaration and release document for public review; will file a Notice of Completion with State Clearinghouse; and will prepare a letter to DWR stating no legal challenges (or addressing legal challenges). Note: The public review period for this document closed on December, 29, 2014.

**Deliverables:**

- ☐ Approved and adopted CEQA documentation (Negative Declaration)
- ☐ No Legal Challenges Letter

**Task 8: Permitting:** The extension of the recycled water system will require a permit modification of the City's recycled water system for which the City will prepare and submit an application.

**Deliverables:**

- ☐ Copies of all required permits

**Task 9: Project Monitoring Plan:** Develop and submit a Project Monitoring Plan. Along with the Project Performance Measures Table provided by DWR project manager, the Project Monitoring Plan will include baseline conditions, a brief discussion of monitoring systems to be used, methodology of monitoring, frequency of monitoring, and location of monitoring points. The report shall be prepared and presented in accordance with the provisions of Grant Agreement Paragraph 21 and guidance provided in Exhibit J.

**Deliverables:**

- ☐ Project Monitoring Plan

**Budget Category (d): Construction/Implementation: Budget Category**

**Task 10: Construction Contracting:** The City will award a construction contract to the lowest responsible bidder for the construction of the recycled water line extension. Activities necessary to secure a contractor and award the contract include: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

**Deliverables:**

- ☐ Bid documents
- ☐ Proof of Advertisement
- ☐ Award of contract
- ☐ Notice to proceed

**Task 11: Construction/Implementation Activities:** The project consist of extending the existing reclaimed water line in the City of Cerritos to Forest Lawn Memorial Park (Park) in the City of Cypress and will include the installation of approximately 8,380 lineal feet (lf) of pipeline. The recycled water line extension will tie into the existing recycled water pipeline that currently feeds the Cerritos Sports Complex. The extension will be installed along public right of way (ROW) from the City of Cerritos to the Forest Lawn Mortuary in the City of Cypress. The project includes the conversion of the Park's irrigation system from potable water to recycled water. The construction of the project will comply with all City as well as County and State requirements. Final acceptance of the recycled water system extension will be made when the City certifies that all contract requirements have been met. All city and county construction requirements will be followed.

Task 11.1 Mobilization and Site Preparation: Construction crews will mobilize and prepare site for construction activities.

Task 11.2 Project Construction: This project will require trenching and installation of a new reclaimed water pipeline and connection to the Forest Lawn Cemetery's existing irrigation system. This includes:

- Tie-in to existing recycled water pipeline at Cerritos Sports Complex: Install one 16-inch water-line connection; construct piping, fittings, and valves to existing waterline - includes testing.
- Conduct approximately 8,050 feet of trenching (in existing ROWs)
- Install approximately 8,050 lf of 16-inch PVC pipe
- Install approximately 330 lf of 12-inch ductile iron pipe (DIP) at two bridge crossings

Task 11.3 Performance Testing and Demobilization: Flow rates will be monitored and recorded for the new recycled water system. The success of the project will be indicated by the volume of recycled water delivered to the Forest Lawn Cemetery.

**Deliverables:**

- ☐ Photographic documentation included in Progress Reports and Project Completion Report
- ☐ Engineers Certification
- ☐ Performance Testing Documentation
- ☐ Notice of Completion

**Task 12: Environmental Compliance/Mitigation/Enhancement:** The City does not anticipate any environmental challenges. However, since the project will excavate over 8,000 feet of trench in existing ROWs the City will test for contamination in the excavated areas and in the event that contaminated soils are encountered, a mitigation action will be implemented.



**Deliverables:**

- ☐ Information on this task will be provided during construction as part of Quarterly Progress Reports and the Final Project Completion Report

**Task 13: Construction Administration:** Construction management tasks will include the following: Contractor contract administration; review contractor shop drawing submittals; respond to requests for information; attend progress meetings and review pay requests; inspect construction; perform materials testing; prepare record drawings; contract administration and close out; coordinate with project auditors.

**Deliverables:**

- ☐ Information on this task will be provided during construction as part of Quarterly Progress Reports and the Final Project Completion Report

## **PROJECT 3: Miles Avenue Well Site Nitrate Blending Improvements**

**IMPLEMENTING AGENCY: City of Huntington Park**

**PROJECT DESCRIPTION:** The City of Huntington Park's (City) Miles Avenue well (Well #17) was previously taken out of production by order of the California Department of Public Health Services (CDPH) due to high nitrate levels, forcing the City to purchase imported SWP water. This project bring the existing Miles Avenue Well back into operation by constructing a nitrate blending system that includes the installation of three new automatic control valves, four nitrate analyzers, and a flow monitor to provide for the appropriate blending rates. The project will allow the City to use approximately 1,000 acre-feet annually of a locally sourced water supply rather than the equivalent of imported SWP water.

**Budget Category (a): Direct Project Administration**

**Task 1: Project Management:** Manage grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with Grantee, Gateway WMA. Prepare invoices including relevant supporting documentation for submittal to DWR via Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies, DWR (site visits), and managing consultants/contractors.

**Deliverables:**

- ☐ Environmental Information Form (EIF)
- ☐ Financial Statements
- ☐ Invoices
- ☐ Other Applicable Project Deliverables

**Task 2: Labor Compliance Program**

Take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, preparation and implementation of a labor compliance program or including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.

**Deliverables:**

- ☐ Proof of labor compliance upon request

### **Task 3: Reporting**

Prepare quarterly progress reports detailing work completed during reporting period as outlined in Exhibit (G) of this agreement. Submit reports to Gateway WMA for review and inclusion in a progress report to be submitted to DWR.

Prepare draft Final Project Completion Report and submit to DWR via Grantee for DWR Project Manager's comment and review no later than 90 days after project completion. Prepare Final Report addressing Grantee/DWRs comments. The report shall be prepared and presented in accordance with the provision of Exhibit G.

#### **Deliverables:**

- ☐ Quarterly Project Progress Reports
- ☐ Draft and Final Project Completion Report

### **Budget Category (b): Land Purchase/Easement**

**Task 4: Land Acquisition:** The City owns the Miles Avenue well site located at 5920 Miles Ave., Huntington Park, CA. Therefore, additional land and easements will not be required.

#### **Deliverables:**

- ☐ N/A

### **Budget Category (c): Planning/Design/Engineering/Environmental Documentation**

**Task 5: Assessment and Evaluation:** A technical Study was conducted to evaluate project feasibility. The costs associated with the study are included as funding match in this agreement.

#### **Deliverables:**

- ☐ Copy of Technical Study Report/Documentation, as requested by DWR

**Task 6: Design/Engineering:** Develop base drawings; details for installation of valves, analyzers, sampling points, and flow monitors; specifications for upgrades to the SCADA system; to produce 100% (Final) design, plans, and specifications.

#### **Deliverables:**

- ☐ 100% Design Documents

**Task 7: Environmental Documentation:** The City has determined that the project is exempt from CEQA, and has filed a Notice of Exemption (NOE) with the State Clearinghouse; the City will prepare a letter to DWR stating no legal challenges (or addressing legal challenges).

#### **Deliverables:**

- ☐ Approved and adopted CEQA documentation (NOE)
- ☐ No Legal Challenges Letter

**Task 8: Permitting:** The City's water system is permitted by the CDPH. The City will file a technical report with CDPH requesting an operating permit modification to allow the Miles Avenue well to be placed back into service.

#### **Deliverables:**

- ☐ Copies of executed CDPH permits and related technical report

**Task 9: Project Monitoring Plan:** Develop and submit a Project Monitoring Plan. Along with the Project Performance Measures Table provided by DWR project manager, the Project Monitoring Plan will include baseline conditions, a brief discussion of monitoring systems to be used, methodology of monitoring, frequency of monitoring, and location of monitoring points. The report shall be prepared and presented in accordance with the provisions of Grant Agreement Paragraph 21 and guidance provided in Exhibit J.

**Deliverables:**

- ☐ Project Monitoring Plan

**Budget Category (d): Construction/Implementation:**

**Task 10: Construction Contracting:** The City will award a contract for the nitrate blending modifications at Well #17 and contract with its SCADA vendor for upgrades to the SCADA system to interphase with the additional monitoring and mixing installations.

**Deliverables:**

- ☐ Bid documents
- ☐ Proof of Advertisement
- ☐ Award of contract
- ☐ Notice to proceed

**Task 11: Construction/Implementation Activities:** Construction will include modifications to existing yard pipelines, installation of new valves and pipe connections, flow and nitrate monitors, analyzers and associated electrical modifications. Upgrades to the SCADA system will be completed to facilitate the operation of the blending improvements.

Task 11.1 Mobilization and Site Preparation: Construction crews will mobilize and prepare site for construction activities.

Task 11.2 Project Construction: This project will involve the existing Well #17/reservoir system to allow for blending of the well water with the City's other distribution system water.

The work will include the installation of:

- Two nitrate analyzers
- Two flow monitors
- Two 6-inch automatic valves
- One 10-inch automatic valve
- Two sampling stations

The work will also include:

- Patching of pavement as necessary
- Updating instrumentation and SCADA system operation

Task 11.3 Performance Testing and Demobilization: All analyzers and automatic valves will be field tested and contractor will provide evidence via a certification statement that equipment is operating per manufacturer's specifications. The complete system will be tested prior to the City accepting the work. Nitrate levels will be monitored at the well, system water intake, and downstream of the mixing/blending point to insure that nitrate levels are at or below regulatory levels.

**Deliverables:**

- ☐ Photographic documentation included in Progress Reports and Project Completion Report
- ☐ Engineers Certification
- ☐ Performance Testing Documentation
- ☐ Notice of Completion

**Task 12: Environmental Compliance/Mitigation/Enhancement:** Although no environmental impacts are anticipated as a result of the project, the City will increase the monitoring frequency to, from and at the well site.

**Deliverables:**

- ☐ Information on this task will be provided during construction as part of Quarterly Progress Reports and the Final Project Completion Report

**Task 13: Construction Administration:** Construction management and administration will include: Review and approvals of all shop drawings; Review and respond to requests for information; Conduct timely project meetings on a weekly basis; Provide continuous construction inspection; Obtain and review complete as built drawings; Obtain and review manufacturers manuals and warranties for all automated valves, flow monitors, and analyzers; Collect and audit certified payrolls; Process change orders if necessary; Oversee project close-out and filing a notice of completion.

**Deliverables:**

- ☐ Information on this task will be provided during construction as part of Quarterly Progress Reports and the Final Project Completion Report

## **PROJECT 4: Signal Hill Advanced Groundwater Wellhead Treatment**

**IMPLEMENTING AGENCY: City of Signal Hill**

**PROJECT DESCRIPTION:** Construct an advanced wellhead water treatment facility using nanofiltration membranes (similar to reverse osmosis) to remove organic color levels from the groundwater to comply with regulatory limits set by the CDPH for potable water supplies. The Signal Hill Advanced Groundwater Wellhead Treatment project (project) will provide a capacity treatment plant rated for 1,200 gallons per minute (gpm) or approximately 1,450 acre-feet per year (AFY), allowing the City of Signal Hill (City) to obtain a new potable water source with treatment from an otherwise unusable groundwater source.

**Budget Category (a): Direct Project Administration**

**Task 1: Project Management:** Manage grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with Grantee, Gateway WMA. Prepare invoices including relevant supporting documentation for submittal to DWR via Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies, DWR (site visits), and managing consultants/contractors.

**Deliverables:**

- ☐ Environmental Information Form (EIF)
- ☐ Financial Statements
- ☐ Invoices
- ☐ Other Applicable Project Deliverables

### **Task 2: Labor Compliance Program**

Take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, preparation and implementation of a labor compliance program or including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.

#### **Deliverables:**

- ☐ Proof of labor compliance upon request

### **Task 3: Reporting**

Prepare quarterly progress reports detailing work completed during reporting period as outlined in Exhibit (G) of this agreement. Submit reports to Gateway WMA for review and inclusion in a progress report to be submitted to DWR.

Prepare draft Final Project Completion Report and submit to DWR via Grantee for DWR Project Manager's comment and review no later than 90 days after project completion. Prepare Final Report addressing Grantee/DWRs comments. The report shall be prepared and presented in accordance with the provision of Exhibit G.

#### **Deliverables:**

- ☐ Quarterly Project Progress Reports
- ☐ Draft and Final Project Completion Report

### **Budget Category (b): Land Purchase/Easement**

**Task 4: Land Acquisition:** The City of Signal Hill owns the parcel at 1275 28th Street for Well No. 9. The proposed treatment facilities will be constructed within the City's property limits. Therefore, additional land and easements will not be required.

#### **Deliverables:**

- ☐ N/A

### **Budget Category (c): Planning/Design/Engineering/Environmental Documentation**

**Task 5: Assessment and Evaluation:** Preliminary engineering analyses were conducted in 2010 and 2012 that evaluated viable treatment technologies, various pumping capacities and costs. They recommended construction of a nanofiltration treatment plant to address the color and organics at Well No. 9. Studies include:

1. Preliminary Design of Membrane Treatment Plant at Well No. 9; Tetra Tech, September 2010 (report included: preliminary design plans at the 30% design level)
2. Analysis of Alternative Treatment Methods for Well No. 9 Memorandum; Tetra Tech, July 2012
3. Analysis of Construction Membrane Plant at Various Alternative Well Flows Memorandum; Tetra Tech, July 2012
4. Evaluation of Colored Groundwater Conditions City of Signal Hill Well No. 9 Memorandum; Richard C. Slade & Associates, February 2013

Costs for this assessment and evaluation work are included in the budget as funding match.

#### **Deliverables:**

- ☐ Copy of referenced Technical Study reports, as requested by DWR

**Task 6: Design/Engineering:** The City will provide general administration over the project design. The final design will include such tasks as:

- Surveying, site topography, contours, horizontal and vertical controls, and existing utilities. A final geotechnical investigation will be performed and reviewed to identify issues to the planned alignment of the pipeline
- Preparation and review of design drawings, including civil, hydraulic, process, architectural, structural, mechanical and instrumentation design for all project components
- Preparation of technical specifications and final construction cost estimates
- Review design drawings and technical specifications at the 60 percent, 90 percent and final, 100 percent stages
- Prepare and review final contract documents

**Deliverables:**

- ☐ Preliminary Design Plans
- ☐ 100% (final) Design Documents

**Task 7: Environmental Documentation:** The City will comply with CEQA requirements by preparing an Initial Study and adopting a Mitigated Negative Declaration (MND); City will prepare a letter to DWR stating no legal challenges (or addressing legal challenges).

**Deliverables:**

- ☐ Initial Study; approved and adopted CEQA documentation (MND)
- ☐ No Legal Challenges Letter

**Task 8: Permitting:** It is anticipated that the following permits will be required and will be obtained for the project, prior to beginning construction:

- Water supply permit from CDPH
- South Coast Air Quality Management District (permits to construct and operate)
- Regional Water Quality Control Board (stormwater discharge during construction, and De Minimus permit for well water dewatering and plant air gap discharges)
- Los Angeles County Sanitation District (brine disposal and sewer connection).

Additional permits may be obtained as required.

**Deliverables:**

- ☐ Copies of all required permits

**Task 9: Project Monitoring Plan:** Develop and submit a Project Monitoring Plan. Along with the Project Performance Measures Table provided by DWR project manager, the Project Monitoring Plan will include baseline conditions, a brief discussion of monitoring systems to be used, methodology of monitoring, frequency of monitoring, and location of monitoring points. The report shall be prepared and presented in accordance with the provisions of Grant Agreement Paragraph 21 and guidance provided in Exhibit J.

**Deliverables:**

- ☐ Project Monitoring Plan

**Budget Category (d): Construction/Implementation:**

**Task 10: Construction Contracting:** Activities necessary to secure a contractor and award the contract include: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

**Deliverables:**

- ☐ Bid documents
- ☐ Proof of Advertisement
- ☐ Award of contract
- ☐ Notice to proceed

**Task 11: Construction/Implementation Activities:** Construction task items will include: installation of well pump and motor; construction of pipelines, treatment facilities, and finished water pipeline; and connection to sewer. Electrical and instrumentation control panels will also be included. The treatment facility will be sized and constructed to treat approximately 1,200 gpm of impaired groundwater from Well No. 9 using nanofiltration membrane technology.

Task 11.1 Mobilization and Site Preparation: Construction crews will mobilize and prepare site for construction activities.

Task 11.2 Project Construction:

This project will involve the construction of:

- an approximate 4,900 sq. ft. building
- an approximate 600 sq. ft. chemical storage building

The acquisition and installation of:

- 3 chemical feed pump and motor assemblies
- 3 chemical holding tanks and dosing systems
- approximately 420 membranes
- an emergency generator with diesel tank
- 1 Chlortech Generation system
- 1 well and motor with variable frequency drive (VFD)
- Motor control centers (MCCs), switchgear and programmable logic controllers (PLCs)
- Construction of all piping and connection to existing water system

Task 11.3 Performance Testing and Demobilization: Contractor to conduct start up testing to insure that all systems are operating per manufacturers specifications and that finished water from the treatment facility meets all regulatory standards. An operating manual for the facility shall be prepared by the contractor and operating personnel are to be trained in the operation of the plant.

**Deliverables:**

- ☐ Photographic documentation included in Progress Reports and Project Completion Report
- ☐ Engineers Certification
- ☐ Performance Testing Documentation
- ☐ Notice of Completion

**Task 12: Environmental Compliance/Mitigation/Enhancement:** With incorporation of adopted mitigation measures from the mitigated negative declaration, the temporary impacts associated with construction would be reduced to less than significant.

**Deliverables:**

- ☐ Information on this task will be provided during construction as part of Quarterly Progress Reports and the Final Project Completion Report

**Task 13: Construction Administration:** Construction management and administration will include: Review and approvals of all shop drawings; Review and responses to requests for information; Holding timely project meetings on a weekly basis; Providing continuous construction inspection; Obtain complete as built drawings; Obtain manufacturers manuals and warranties for all automated valves, flow monitors, and analyzers; Collect and audit certified payrolls; Processing change orders if necessary; Overseeing project close-out and filing a notice of completion.

**Deliverables:**

- ☐ Information on this task will be provided during construction as part of Quarterly Progress Reports and the Final Project Completion Report



**EXHIBIT B**  
**BUDGET**

Summary Budget Table: Gateway Region 2014 IRWM Drought Implementation Grant						
Project No.	Project Title	DWR Grant Funding	Non-State Share (Funding Match)	Required Non-State Share (Funding Match)	Other State Funds	Total Project Cost
1	Grant Agreement Administration	\$0	\$50,000	\$0	\$0	\$50,000
2	City of Cerritos/Forest Lawn Cypress Recycled Water System Extension	\$944,538	\$1,425,462	\$639,900	\$0	\$2,370,000
3	Miles Avenue Well Site Nitrate Blending Improvements	\$141,493	\$193,406	\$90,424	\$0	\$334,899
4	Signal Hill Advanced Groundwater Wellhead Treatment	\$2,855,935	\$4,985,065	\$2,117,070	\$0	\$7,841,000
<b>Grand Total:</b>		<b>\$3,941,966</b>	<b>\$6,653,934</b>	<b>\$2,847,394</b>	<b>\$0</b>	<b>\$10,595,900</b>

Gateway Region 2014 IRWM Drought Implementation Grant PROJECT 1 - Grant Agreement Administration						
Budget Category	Project Title	DWR Grant Funding	Non-State Share (Funding Match)	Required Non-State Share (Funding Match)	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$0	\$50,000	\$0	\$0	\$50,000
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$0	\$0	\$0	\$0
(d)	Construction/Implementation	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$50,000</b>

Gateway Region 2014 IRWM Drought Implementation Grant PROJECT 2 - City of Cerritos/Forest Lawn Cypress Recycled Water System Extension						
Budget Category	Project Title	DWR Grant Funding	Non-State Share (Funding Match)	Required Non-State Share (Funding Match)	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$61,192	\$88,808	\$0	\$0	\$150,000
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$99,212	\$150,788	\$0	\$0	\$250,000
(d)	Construction/Implementation	\$784,134	\$1,185,866	\$639,900	\$0	\$1,970,000
	<b>Total</b>	<b>\$944,538</b>	<b>\$1,425,462</b>	<b>\$639,900</b>	<b>\$0</b>	<b>\$2,370,000</b>

Gateway Region 2014 IRWM Drought Implementation Grant PROJECT 3 - Miles Avenue Well Site Nitrate Blending Improvements						
Budget Category	Project Title	DWR Grant Funding	Non-State Share (Funding Match)	Required Non-State Share (Funding Match)	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$14,844	\$20,156	\$0	\$0	\$35,000
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$21,161	\$28,839	\$0	\$0	\$50,000
(d)	Construction/Implementation	\$105,489	\$144,411	\$90,423	\$0	\$249,900
	<b>Total</b>	<b>\$141,494</b>	<b>\$193,406</b>	<b>\$90,423</b>	<b>\$0</b>	<b>\$334,900</b>

Gateway Region 2014 IRWM Drought Implementation Grant PROJECT 4 - Signal Hill Advanced Groundwater Wellhead Treatment						
Budget Category	Project Title	DWR Grant Funding	Non-State Share (Funding Match)	Required Non-State Share (Funding Match)	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$59,220	\$41,162	\$0	\$0	\$100,382
(b)	Land Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$153,410	\$590,960	\$117,070	\$0	\$744,370
(d)	Construction/Implementation	\$2,643,305	\$4,352,943	\$2,000,000	\$0	\$6,996,248
	<b>Total</b>	<b>\$2,855,935</b>	<b>\$4,985,065</b>	<b>\$2,117,070</b>	<b>\$0</b>	<b>\$7,841,000</b>

EXHIBIT C  
SCHEDULE

<b>PROJECT 1: Grant Agreement Administration</b>		<b>Start</b>	<b>Finish</b>
	Task 0: Award Date	10/30/2014	10/30/2014
<b>(a) Direct Project Administration</b>		<b>10/30/2016</b>	<b>2/1/2017</b>
	Task 1: Project Administration	10/30/2014	2/1/2017
	Task 1.1: Contract Administration	10/30/2014	2/1/2017
	Task 1.2: Invoicing	10/30/2014	2/1/2017
	Task 1.3: Progress Reports and Project Completion Reports	10/30/2014	2/1/2017
<b>PROJECT 2: City of Cerritos/Forest Lawn Cypress Recycled Water System Extn.</b>		<b>Start</b>	<b>Finish</b>
<b>(a) Direct Project Administration</b>		<b>10/30/2014</b>	<b>2/15/2016</b>
	Task 1: Project Administration	11/12/2014	12/30/2015
	Task 2: Labor Compliance Program	5/18/2015	12/15/2015
	Task 3: Progress Reports and Final Reports	1/5/2015	2/15/2016
<b>(b) Land Purchase/Easement</b>		<b>1/30/2015</b>	<b>8/30/2015</b>
	Task 4: Right of Way - Entry/Encroachment Permits	1/30/2015	8/30/2015
<b>(c) Planning/ Design/ Engineering/ Environmental Documentation</b>		<b>10/17/2014</b>	<b>12/11/2015</b>
	Task 5: Assessment & Evaluation	10/17/2014	11/1/2014
	Task 6: Final Plans, Specifications, & Engineering (PS&E) (Design)Ø	1/15/2015	3/15/2015
	Task 7: Environmental Clearance - CEQAØ	10/17/2014	12/29/2014
	Task 8: Permits - LA CountyØ	1/30/2015	12/11/2015
	Task 9: Project Monitoring Plan	3/16/2015	5/17/2015
<b>(d) Construction/ Implementation</b>		<b>1/5/2015</b>	<b>12/30/2015</b>
	Task 10: Construction Contracting	3/20/2015	3/27/2015
	Task 10a: City Council Approval of PS&E - Authorize Bidding	3/26/2015	3/26/2015
	Task 10b: Advertise Construction Documents	3/27/2015	4/23/2015
	Task 10c: Bid OpeningØ	4/23/2015	4/23/2015
	Task 10d: Review Bids/Award ContractØ	4/23/2015	5/7/2015
	Task 10e: Execute Construction Contract - NTPØ	5/8/2015	5/15/2015
	Task 11: Construction	5/18/2015	12/11/2015
	Task 11.1: Mobilization and Site Preparation	5/18/2015	5/25/2015
	Task 11.2: Project Construction	5/25/2015	12/11/2015
	Task 11.3: Performance Testing and DemobilizationØ	12/11/2015	12/30/2015
	Task 12: Environmental Compliance/Mitigation/Enhancement	11/11/2015	12/11/2015
	Task 13: Construction Management/Administration	1/5/2015	12/30/2015

<b>PROJECT 3: Miles Avenue Well Site Nitrate Blending Improvements</b>		<b>Start</b>	<b>Finish</b>
<b>(a) Direct Project Administration</b>		<b>11/12/2014</b>	<b>12/1/2015</b>
	Task 1: Project Administration	11/12/2014	10/30/2015
	Task 2: Labor Compliance Program	5/20/2015	10/21/2015
	Task 3: Progress Reports and Final Reports	1/5/2015	12/1/2015
<b>(b) Land Purchase/Easement</b>			
	Task 4: Land Acquisition - N/A	-	-
<b>(c) Planning/ Design/ Engineering/ Environmental Documentation</b>		<b>10/17/2014</b>	<b>9/30/2015</b>
	Task 5: Assessment & Evaluation	11/12/2014	11/27/2014
	Task 6: Final Plans, Specifications, & Engineering (PS&E) (Design)◊	1/15/2015	3/25/2015
	Task 7: Environmental Clearance - CEQA◊	10/17/2014	11/20/2014
	Task 8: Permitting - CDPH◊	2/20/2015	9/30/2015
	Task 9: Project Monitoring Plan	3/26/2015	5/19/2015
<b>(d) Construction/ Implementation</b>		<b>1/5/2015</b>	<b>10/30/2015</b>
	Task 10: Construction Contracting	4/6/2015	6/4/2015
	Task 10a: City Council Approval of PS&E - Authorize Bidding	4/6/2015	4/7/2015
	Task 10b: Advertise Construction Documents	4/7/2015	4/29/2015
	Task 10c: Bid Opening◊	4/29/2015	4/29/2015
	Task 10d: Review Bids/Award Contract◊	4/29/2015	6/4/2015
	Task 10e: Execute Construction Contract - NTP◊	6/5/2015	6/19/2015
	Task 11: Construction	5/20/2015	10/20/2015
	Task 11.1: Mobilization and Site Preparation	6/20/2015	5/25/2015
	Task 11.2: Project Construction	6/25/2015	10/20/2015
	Task 11.3: Performance Testing and Demobilization◊	10/1/2015	10/21/2015
	Task 12: Environmental Compliance/Mitigation/Enhancement	1/9/2015	10/30/2015
	Task 13: Construction Management/Administration	1/5/2015	10/30/2015
<b>PROJECT 4: Signal Hill Advanced Groundwater Wellhead Treatment</b>		<b>Start</b>	<b>Finish</b>
<b>(a) Direct Project Administration</b>		<b>11/12/2014</b>	<b>9/30/2016</b>
	Task 1: Project Administration	11/12/2014	8/10/2016
	Task 2: Labor Compliance Program	5/1/2015	8/3/2016
	Task 3: Progress Reports and Final Reports	1/5/2015	9/30/2016
<b>(b) Land Purchase/Easement</b>			
	Task 4: Land Acquisition - N/A	-	-
<b>(c) Planning/ Design/ Engineering/ Environmental Documentation</b>		<b>11/12/2014</b>	<b>8/30/2016</b>
	Task 5: Assessment & Evaluation	COMPLETED	
	Task 6: Final Plans, Specifications, & Engineering (PS&E) (Design)◊	1/15/2015	3/13/2015
	Task 7: Environmental Clearance - CEQA◊	11/12/2014	12/18/2014
	Task 8: Permitting - CDPH◊	7/5/2015	8/30/2016
	Task 9: Project Monitoring Plan	3/14/2015	5/12/2015
<b>(d) Construction/ Implementation</b>		<b>1/5/2015</b>	<b>8/10/2016</b>
	Task 10: Construction Contracting	12/17/2014	2/26/2015
	Task 10a: City Council Approval of PS&E - Authorize Bidding	3/17/2015	3/17/2015
	Task 10b: Advertise Construction Documents	3/18/2015	4/23/2015
	Task 10c: Bid Opening◊	4/23/2015	4/23/2015
	Task 10d: Review Bids/Award Contract◊	4/24/2015	5/5/2015
	Task 10e: Execute Construction Contract - NTP◊	5/6/2015	5/12/2015
	Task 11: Construction	7/13/2015	6/29/2016
	Task 11.1: Mobilization and Site Preparation	7/13/2015	7/18/2015
	Task 11.2: Project Construction	7/18/2016	6/29/2016
	Task 11.3: Performance Testing and Demobilization	7/2/2016	7/27/2016
	Task 11.3a: Project Close-Out - Notice of Completion◊	7/27/2016	8/3/2016
	Task 12: Environmental Compliance/Mitigation/Enhancement	11/12/2014	12/18/2014
	Task 13: Construction Management/Administration	1/5/2015	8/10/2016

◊: Milestone

EXHIBIT D  
STANDARD CONDITIONS

**D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- a) **Separate Accounting of Funding Disbursements and Interest Records:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited, administered, and accounted for pursuant to the provisions of applicable law.
- d) **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

**D.2) ACKNOWLEDGEMENT OF CREDIT:** Grantee shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the Projects or using any data and/or information developed under this Grant Agreement. During construction of each project, Grantee shall install a sign at a prominent location, which shall include a statement that the project is financed under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, administered by State of California, Department of Water Resources. Grantee shall notify State that the sign has been erected by providing them with a site map with the sign location noted and a photograph of the sign.

**D.3) AIR OR WATER POLLUTION VIOLATION:** Under State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

**D.4) AMENDMENT:** This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.

**D.5) AMERICANS WITH DISABILITIES ACT:** By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C., 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**D.6) APPROVAL:** This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.

**D.7) AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Projects, with the costs of such audit borne by State. After completion of the Projects, State may require Grantee to conduct a final audit to State's specifications,

at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 14 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code Section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later.

- D.8) BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for the Proposition 84 Implementation Grant Program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act for purposes of this program, State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.9) CALIFORNIA CONSERVATION CORPS:** As required in Water Code section 79038(b), Grantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in the Exhibit A, Work Plan, and shall use the services of one of these organizations whenever feasible.
- D.10) CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 et seq.). Information on CEQA may be found at the following links:  
Environmental Information: <http://ceres.ca.gov/ceqa/>  
California State Clearinghouse Handbook: <http://ceres.ca.gov/planning/sch/>
- D.11) CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:
- a) The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
  - b) The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.12) CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the State's Project Manager, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.13) COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.

- D.14) COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.15) CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code, Section 1090 and Public Contract Code, Sections 10410 and 10411, for State conflict of interest requirements.
- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
  - c) **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Cal. Gov't Code § 87100 et seq.
  - d) **Employees and Consultants to the Grantee:** Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.16) DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.17) DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.18) DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a)(1).



- b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
  - i) The dangers of drug abuse in the workplace,
  - ii) Grantee's policy of maintaining a drug-free workplace,
  - iii) Any available counseling, rehabilitation, and employee assistance programs, and
  - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code Sections 8355(a)(3), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
  - i) Will receive a copy of Grantee's drug-free policy statement, and
  - ii) Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

- D.19) FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL:** Upon completion of the Project, Grantee shall provide for a final inspection and certification by the appropriate registered professional (California Registered Civil Engineer or Geologist) that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
- D.20) GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions and commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D.21) GRANTEE NAME CHANGE:** Approval of the State's Program Manager is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the State will process an amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- D.22) GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.23) INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Projects and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- D.24) INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.25) INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.26) INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.

- D.27) INVOICE DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the DWR Project Manager within thirty (30) calendar days of Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.
- D.28) LABOR CODE COMPLIANCE:** The Grantee will be required to keep informed of and take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, but not limited to, Section 1720 *et seq.* of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these Guidelines, including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.
- D.29) MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibit A which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to each Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Project Manager in writing.
- D.30) NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.31) NO DISCRIMINATION AGAINST DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies by signing this Grant Agreement, under penalty of perjury under the laws of State of California that Grantee is in compliance with Public Contract Code section 10295.3.
- D.32) OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

- D.33) **PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A, "Work Plan" and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.
- D.34) **PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
- D.35) **PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Projects, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.36) **REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.37) **RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) until January 1, 2018 and ten percent (10.0%), thereafter, of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 19, "Submissions of Reports" as follows: At such time as the "Project Completion Report" required under Paragraph 19 is submitted to and approved by State, State shall disburse the retained funds as to that project to Grantee, except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Grant Completion Report" is submitted to and approved by State.
- D.38) **RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act., Cal. Gov't Code §6250 *et seq.* Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.39) **SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.40) **STATE REVIEWS:** The parties agree that review or approval of projects applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the projects.
- D.41) **SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:
- a) Grantee, its contractors, or subcontractors have made a false certification, or
  - b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.42) **SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part

thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

- D.43) **TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.
- D.44) **TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 14, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 14.
- D.45) **TERMINATION WITHOUT CAUSE:** The State may terminate this Agreement without cause on 30 days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.46) **THIRD PARTY BENEFICIARIES:** The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.47) **TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.48) **TRAVEL:** Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds, and shall NOT be eligible for computing Grantee cost match. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement.
- D.49) **WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.50) **WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.


EXHIBIT E  
AUTHORIZING RESOLUTION

**RESOLUTION NO. 12-06-14-1**

Resolved by the Board of Directors of the Los Angeles Gateway Region Integrated Regional Water Management Authority ("Gateway Water Management Authority") that application be made to the California Department of Water Resources to obtain a 2014 Integrated Regional Water Management Drought Grant pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code Section 75001 *et seq.*), and to enter into an agreement to receive a grant for the: "**Gateway Region Priority Drought Projects Initiative**"

The Executive Officer of the Gateway Water Management Authority is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement with California Department of Water Resources.

Passed and adopted at a meeting of the Gateway Water Management Authority on June 12, 2014.

Authorized Original Signature: \_\_\_\_\_

Printed Name: Charlie Honeycutt

Title: Board Secretary/Treasurer

**EXHIBIT F**  
**LOCAL PROJECT SPONSORS**

Grantee has assigned, for each project, a Local Project Sponsor according to the roles of the participating agencies identified in the IRWM Plan. Local Project Sponsors may act on behalf of Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. Local Project Sponsors are identified for each Sponsored Project below:

<b>Local Sponsor Agency Designations</b>		
<b>Sponsored Project</b>	<b>Sponsor Agency</b>	<b>Agency Address</b>
PROJECT 1: Grant Agreement Administration	Gateway IRWM Authority	16401 Paramount Blvd. Paramount, CA 90723
PROJECT 2: City of Cerritos/Forest Lawn Cypress Recycled Water System Extension	City of Cerritos	18125 Bloomfield Ave, Cerritos, CA 90703
PROJECT 3: Miles Avenue Well Site Nitrate Blending	City of Huntington Park	6900 Bissell St, Huntington Park, CA 90255
PROJECT 4: Signal Hill Advanced Groundwater Wellhead Treatment	City of Signal Hill	2175 28th Street Signal Hill, CA 90755

**EXHIBIT G**  
**REPORT FORMATS AND REQUIREMENTS**

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

**PROGRESS REPORTS**

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A Work Plan:

- Percent complete estimate.
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A Work Plan:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

**PROJECT COMPLETION REPORT**

Project Completion Reports shall generally use the following format.

**Executive Summary**

Should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Grant Agreement, with a short description of the amendment.

**Reports and/or Products**

The following items should be provided:

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)
- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

**Costs and Dispositions of Funds**

A list of showing:

- The date each invoice was submitted to State
- The amount of the invoice
- The date the check was received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.

- A summary of final funds disbursement including:
  - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
  - Project cost information, shown by material, equipment, labor costs, and any change orders
  - Any other incurred cost detail
  - A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed; and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

#### **Additional Information**

- Benefits derived from the project, with quantification of such benefits provided, if applicable.
- A final project schedule showing actual progress verse planned progress as shown in Exhibit B.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Post Performance Report and an outline of the proposed reporting format.

### **GRANT COMPLETION REPORT**

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects in the IRWM Program funded by this Grant Agreement, and includes the following:

#### **Executive Summary**

The Executive Summary consists of a maximum of twenty (20) pages summarizing information for the grant as well as the individual projects.

#### **Reports and/or products**

- Summary of the regional priorities, objectives, and water management strategies of the IRWM Plan.
- Brief comparison of work proposed in the original Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 IRWM Implementation Grant application and actual work done.
- Brief description of the projects completed and how they will further the goals identified in the Agency's final approved IRWM Plan.
- Describe how the implemented projects will meet the regional priorities identified in the final approved IRWM Plan and how the projects contribute to regional integration.
- Identify remaining work and mechanism for their implementation.
- Identify any changes to the IRWM Plan as result of project implementation.
- If applicable, a short discussion on how the IRWM Plan will assist in reducing dependence on Delta water supplies.
- If applicable, a discussion of the critical water supply or water quality benefits to DAC as part of this Grant Agreement

#### **Cost & Disposition of Funds Information**

- A summary of final funds disbursement for each project.

#### **Additional Information**

- A final schedule showing individual project's actual progress duration verse planned progress.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the Program was conducted in accordance with the approved work plan and any approved modifications thereto. Discussion of the synergies of the completed projects, including the



integration of project benefits and a comparison of actual benefits versus those discussed in the original proposal.

- Submittal schedule for the Post Performance Reports for each of the projects in this Grant Agreement.

#### **POST-PERFORMANCE REPORT**

Report should be concise, and focus on how (each/the) project is actually performing compared to its expected performance; whether the project is being operated and maintained, and providing intended benefits as proposed.

##### **Reports and/or products**

- Time period of the annual report (i.e., Oct 2014 through September 2015)
- Short project description
- Discussion of the project benefits
- An assessment of any explanations for any differences between the expected versus actual project benefits in meeting IRWM priorities as stated in the original IRWM Implementation Grant application. Where applicable, the reporting should include quantitative metrics, i.e., new acre-feet of water produced that year, acres of wildlife habitat added, etc.
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable
- Continued reporting on meeting the Output Indicators and Targets discussed in the Project Monitoring Plan discussed in Paragraph 21 of this Grant Agreement
- Any additional information relevant to or generated by the continued operation of the project

**EXHIBIT H**  
**REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL**

**Surface and Groundwater Quality Data**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit G.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website:

<http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program. Information on the GAMA Program can be obtained at: [http://www.waterboards.ca.gov/water\\_issues/programs/gama/](http://www.waterboards.ca.gov/water_issues/programs/gama/). If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at:

[http://www.swrcb.ca.gov/water\\_issues/programs/gama/contact.shtml](http://www.swrcb.ca.gov/water_issues/programs/gama/contact.shtml)

**Groundwater Level Data**

Grantee shall submit to DWR groundwater level data collected as part of this grant. Water level data must be submitted using the California Statewide Groundwater Elevation Monitoring (CASGEM) online data submission system. Grantee should use their official CASGEM Monitoring Entity or Cooperating Agency status to gain access to the online submittal tool and submit data. If the data is from wells that are not part of the monitoring network, the water level measurements should be classified as voluntary measurements in the CASGEM system. If the grantee is not a Monitoring Entity or Cooperating Agency, please contact your DWR grant project manager for further assistance with data submittal. The activity of data submittal should be documented in appropriate progress or final project reports, as described in Exhibit G. Information regarding the CASGEM program can be found at <http://www.water.ca.gov/groundwater/casgem/>.

**EXHIBIT I**  
**STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES**  
**FOR GRANTEES**

**State Audit Document Requirements**

The list below details the documents/records that State Auditors typically reviewed in the event of a Grant Agreement being audited. Grantees should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Grantee's funding match which will be required for audit purposes.

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded project).
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) State funding expenditure tracking
  - e) Guidelines, policy(ies), and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial statements within the last two years.
4. Prior audit reports on State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A list of all bond-funded grants, loans or subventions received from the State.
3. A list of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related, if applicable.
2. Contracts between the Grantee, member agencies, and project partners as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips or bank statements showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Grant Agreement.

Accounting Records:

1. Ledgers showing receipts and cash disbursement entries for State funding.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the Grant Agreement

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Grantee's

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement related correspondence.

**Funding Match Guidelines**

Funding Match consists of non-State funds including in-kind services. In-kind services are defined as work performed or items contributed (i.e., dollar value of non-cash contributions) by the Grantee (and potentially other parties involved) directly related to the execution of Exhibit A "Work Plan" (examples: volunteer services, equipment use, and facilities). The cost of in-kind service can be counted as funding match in-lieu of actual funds (or revenue) provided by the Grantee. Other funding match and in-kind service eligibility conditions may apply. Provided below is guidance for documenting funding match with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Grantee for its own employees. Such documentation should include the following:
  - a. Detailed description of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to Grant Agreement Exhibit A "Work Plan")
  - c. Name of contributing organization and date of contribution
  - d. Real or approximate value of contribution. Who valued the contribution and how the value was determined? (e.g., actual, appraisal, fair market value, etc.). Justification of rate. (See item #2, below)
  - e. For contributed labor, the person's name, the work performed, the number of hours contributed, and the pay rate applied
  - f. If multiple sources exist, these should be summarized on a table with summed charges
  - g. Source of contribution and whether it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Grantee's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at a fair market value for this service, not the rate for professional legal services. In those instances in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable and allocable may be included in the valuation.
3. Funding match contribution (including in kind services) shall be for costs and services directly attributed to activities included in the Grant Agreement Work Plan. These services, furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as in-kind if the activities are an integral and necessary part of the State funded Program/Project under the Grant Agreement.
4. Cash contributions made to a Program/Project shall be documented as revenue and in-kind services as expenditure. These costs should be tracked separately in the Grantee's accounting systems.

**EXHIBIT J**  
**PROJECT MONITORING PLAN GUIDANCE**

**Introduction**

Please include a brief description of the project (maximum ~150 words) including project location, implementation elements, and need for project (what problem will the project address).

**Project Monitoring Plan Components**

The Project Monitoring Plan should contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (upon project completion, five years after completion, etc.)
- How often will monitoring be undertaken (monthly yearly, etc.).
- Where are monitoring point locations (ex: meter located at..., at stream mile...)? Include relevant maps.
- How will the project be maintained (ex: irrigation, pest management, weed abatement...)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g.,: paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

**SUBRECIPIENT AGREEMENT BETWEEN  
THE CITY OF HUNTINGTON PARK AND THE LOS  
ANGELES GATEWAY REGION INTEGRATED  
REGIONAL WATER MANAGEMENT JOINT POWERS  
AUTHORITY**

This Subrecipient Agreement (“Agreement”) is dated \_\_\_\_\_, 2015  
 (“Effective Date”) and is between the City of Huntington Park, a California municipal  
 corporation (“Subrecipient”) and the Los Angeles Gateway Region Integrated Regional Water  
 Management Joint Powers Authority, a California Joint Powers Authority (“GWMA”).

**RECITALS**

A. GWMA has entered into that certain Grant Agreement dated \_\_\_\_\_, 2015 (“Grant Agreement”) with the Department of Water Resources of the State of California (“DWR”), attached hereto as Exhibit “A” and incorporated into this Agreement by this reference, by which GWMA will receive a grant of Three Million Nine Hundred Forty-One Thousand Nine Hundred Sixty-Six Dollars (\$3,941,966.00) to assist the Cities of Cerritos, Huntington Park and Signal Hill (“Local Project Sponsors”) with drought projects associated with the Gateway Integrated Regional Water Management Plan (the “IRWM Program”) (the “Project”).

B. GWMA and Subrecipient desire to contract at a total cost of One Hundred Forty-One Thousand Four Hundred Ninety-Three Dollars (\$141,493.00) (the “Funds”) to implement Subrecipient’s share of the Project.

The parties therefore agree as follows:

**1. SUBRECIPIENT OBLIGATIONS**

1.1 Implementation of Sub-Project. Subrecipient shall perform or cause to be performed the Miles Avenue Well Site Nitrate Blending Improvements Project (the “Sub-Project”) in accordance with the Work Plan, Budget and Schedule set forth in Exhibits A, B and C, respectively, of the Grant Agreement. The Sub-Project involves bringing the existing Miles Avenue well back into operation by constructing a nitrate blending system that includes the installation of three new automatic control valves, four nitrate analyzers and a flow monitor to provide for the appropriate blending rates. Subrecipient shall act on GWMA’s behalf for purposes of management, oversight, compliance, operations and maintenance of the Sub-Project in accordance with the Grant Agreement.

1.2 Commitment to Cost-Share. The total cost of the Sub-Project is estimated to be Three Hundred Thirty-Four Thousand Eight Hundred Ninety-Nine Dollars (\$334,899.00). Subrecipient shall invest a minimum of Ninety Thousand Four Hundred Twenty-Four Dollars (\$90,424.00) of its own funds, which constitutes at least twenty-seven percent (27%) of the cost of the Sub-Project, to the Sub-Project, in accordance with the Grant Agreement. Subrecipient shall document and submit documentation reflecting the Subrecipient’s internal costs and total Sub-Project costs to GWMA to demonstrate the Subrecipient’s required cost share obligations under this Agreement prior to GWMA reimbursing the Subrecipient.

1.3 Use of DWR Funds. Subrecipient shall use the Funds solely for the implementation of the Sub-Project pursuant to the terms and conditions of this Agreement and the applicable terms and conditions of the Grant Agreement. The Funds shall be used solely to reimburse the actual expenses incurred by Subrecipient to implement the Sub-Project. Subrecipient shall apply the Funds only to eligible Sub-Project costs as specified in Section 11 of the Grant Agreement and in accordance with applicable provisions of the law and Exhibit B of the Grant Agreement.

1.4 Compliance with Grant Agreement. Subrecipient shall act on GWMA's behalf in the fulfillment of GWMA's responsibilities under the Grant Agreement where specified in the Grant Agreement. In the event that DWR determines Subrecipient has breached its obligations under the Grant Agreement, or has caused GWMA to breach its obligations under the Grant Agreement, Subrecipient will be solely responsible for complying with any DWR demands, determinations, fines or other such actions or penalties initiated by DWR because of the breach. No non-breaching Local Project Sponsor, non-participating GWMA member, or GWMA as a whole shall be in any way responsible for satisfying any DWR demands made in response to a breach of the Grant Agreement by Subrecipient. If Subrecipient is found in breach of the Grant Agreement, it shall remain obligated under this Agreement and remain responsible to fulfill its obligations under this Agreement, including those obligations under Section 1.1.

1.5 Audited Financial Statements. Subrecipient shall demonstrate the availability of sufficient funds to complete the Sub-Project by submitting the most recent three (3) years of audited financial statements to GWMA for submission to DWR.

1.6 Compliance with Law. Subrecipient shall perform the Sub-Project as detailed under Section 1.1 of this Agreement in accordance with all ordinances, resolutions, statutes, rules and regulations of any federal, state or local government agency having jurisdiction at the time of performance.

## **2. GWMA OBLIGATIONS**

2.1 Grant Administration. GWMA shall administer the Grant Agreement and the Funds and respond to DWR's reporting and compliance requirements associated with grant administration in accordance with the terms of the Grant Agreement.

## **3. DISBURSEMENT OF FUNDS**

3.1 Maximum Amount of Funds. Upon compliance with the requirements set forth in this Agreement, GWMA shall reimburse Subrecipient an amount not to exceed One Hundred Forty-One Thousand Four Hundred Ninety-Three Dollars (\$141,493.00), which shall constitute GWMA's full obligation to Subrecipient, unless GWMA receives additional funds from DWR for the completion of the Sub-Project. If the funds are insufficient to complete the Sub-Project, Subrecipient shall secure and provide such additional non-Grant funds necessary to complete the Sub-Project. Reimbursement, if any, by GWMA is conditioned upon receipt of such funds by GWMA from DWR and obtaining all required approvals from DWR, including environmental clearances. If DWR funds are not forthcoming from DWR for any reason, GWMA shall not have any obligation to reimburse Subrecipient through any other source of GWMA funds.

3.2 Cost Overruns. At no time shall GWMA or a non-participating GWMA member be liable for any cost associated with the Project, including the Sub-Project. In the event that DWR funds are not forthcoming from DWR for any reason, or if the Funds allocated to Subrecipient are insufficient to cover costs for the Sub-Project in any way, neither GWMA nor the GWMA members that are not named as the Subrecipient under this Agreement shall be held liable for any costs. Subrecipient shall be solely responsible for any costs associated with the Sub-Project in the event that DWR funds are not forthcoming for any reason, or in the event that the funds allocated to Subrecipient are insufficient to cover costs for the Sub-Project in any way.

3.3 Method of Payment. GWMA shall make reimbursements to Subrecipient upon Subrecipient's submittal of, and GWMA's approval of: (i) a detailed invoice for Sub-Project costs incurred containing the information required in Section 12.c) of the Grant Agreement, and supporting documentation; (ii) deliverables, as specified in Section 19 of and Exhibit A to the Grant Agreement; (iii) the plans, specifications, environmental documentation and monitoring plan described in Section 9.e) of the Grant Agreement; (iv) the audited financial statements required under Section 9.a) of the Grant Agreement; (v) all applicable reports required under Section 19 of the Grant Agreement; and (vi) evidence of compliance with the groundwater compliance options set forth on pages 13 and 14 of the IRWM Program Guidelines dated June 2014. Subrecipient may submit reimbursement requests to GWMA only on a quarterly basis in January, April, July or September in each year for the term of this Agreement. Payments to the Subrecipient shall be subject to the retention requirements set forth in Section D.37) of Exhibit D of the Grant Agreement. GWMA shall not make the last reimbursement payment to Subrecipient until Subrecipient has shown it has completed the Sub-Project as set forth in Section 1.1 of this Agreement. To the extent the Funds actually have been received from DWR, GWMA shall pay Subrecipient for all expenses stated on the invoice, which are approved by GWMA pursuant to this Agreement no later than two (2) weeks after receipt of payment from DWR, provided the reports are also timely submitted and approved.

#### **4. PERFORMANCE SCHEDULE**

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

4.2 Schedule of Performance. Subrecipient shall commence, prosecute and complete the Sub-Project as detailed under Section 1.1 of this Agreement within the time periods established in Exhibit C of the Grant Agreement, unless extensions of such time periods have been approved in writing by GWMA. The Sub-Project must be completed and all Funds must be distributed no later than December 1, 2015, as required by Exhibit C of the Grant Agreement.

4.3 Term. This Agreement shall commence on the Effective Date and shall be terminated when all of the following have occurred, unless earlier terminated in accordance with Section 8.2 of this Agreement: (i) the entirety of the Sub-Project has been completed, (ii) all audits and reports have been submitted by Subrecipient to GWMA pursuant to the Grant Agreement and DWR requirements and (iii) DWR has released final disbursement to GWMA and Subrecipient has received final disbursement of the Funds from GWMA pursuant to this Agreement; or by December 1, 2016, whichever event occurs first. In the event that the December 1, 2016 deadline is extended pursuant to any agreement between DWR and GWMA, the new deadline shall take the place of "December 1, 2016" in the preceding sentence.



4.4 Reversion of Assets. Upon the expiration or sooner termination of this Agreement, Subrecipient shall transfer to GWMA: (i) any and all Funds on hand that Subrecipient is not already obligated to pay to others for the Sub-Project; and (ii) any accounts receivable attributable to the use of the Funds that Subrecipient is not already obligated to pay to others for the Sub-Project.

## **5. COORDINATION OF WORK**

5.1 Subrecipient Representative. The Subrecipient Representative for Subrecipient shall be the City Manager of the City of Huntington Park or such person as may be designated by the City Manager in writing. GWMA shall refer any decisions that must be made by Subrecipient to the Subrecipient Representative. Any approval by Subrecipient required under this Agreement shall mean the approval of the Subrecipient Representative, unless the Subrecipient Representative informs GWMA that the decision must be made by the Huntington Park City Council.

5.2 GWMA Representative. The GWMA Representative shall be the Executive Director, or such person as may be designated by the Executive Director in writing. It shall be Subrecipient's responsibility to ensure that the GWMA Representative is kept informed of the progress of the performance of the Sub-Project and Subrecipient shall refer any decisions that must be made by GWMA to the GWMA Representative. Any approval by GWMA required under this Agreement shall mean the approval of the GWMA Representative, unless the GWMA Representative informs Subrecipient that the decision must be made by the Board of Directors.

5.3 Independent Contractor. Subrecipient is, and shall at all times remain as to GWMA and to all GWMA members not named as subrecipients under this Agreement, a wholly independent contractor. Subrecipient shall have no power to incur any debt, obligation or liability on behalf of GWMA or on behalf of any GWMA member not named as a subrecipient under this Agreement. Neither GWMA nor any of its agents shall have control over the conduct of Subrecipient or any of Subrecipient's employees, except as set forth in this Agreement. Subrecipient shall fully comply with the workers' compensation laws regarding the Subrecipient and Subrecipient's employees. Subrecipient shall indemnify and hold GWMA and all GWMA members not named as subrecipients under this Agreement harmless from any failure of Subrecipient to comply with applicable workers' compensation laws.

## **6. MANDATORY LIABILITY COVERAGE**

6.1 General Liability Coverage. Subrecipient shall obtain, at its sole cost and keep in full force and effect during the term of this Agreement, commercial general liability coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, and property damage.

6.2 Memorandum of Coverage. Subrecipient shall file with GWMA upon the execution of this Agreement, a memorandum of coverage issued by the California Joint Powers Insurance Authority that shall provide that no cancellation, major change in coverage, expiration, or nonrenewal will be made during the term of this Agreement, without thirty (30) calendar days' written notice to GWMA prior to the effective date of such cancellation, or change in coverage.

6.3 Additional Insurance Requirements. The general liability coverage shall provide (i) that the coverage shall extend to GWMA, and each of its officers, agency, employees and volunteers and (ii) that the coverage shall operate as primary coverage.

6.4 Coverage Requirements. Subrecipient shall require each consultant or contractor retained by Subrecipient to implement the Sub-Project to obtain liability coverage at least as comprehensive as required under Sections 6.1-6.3 of this Agreement and shall require GWMA and its officers, agents, employees, and volunteers to be named as additional named insured on such coverage. Subrecipient shall also require each consultant and contractor to obtain workers' compensation coverage at not less than the minimum required under California law.

## **7. RECORDS AND REPORTS**

7.1 Records. Subrecipient shall be preserve all records related to the Sub-Project for at least three (3) years after completion of the Sub-Project or final billing, whichever comes later.

7.2 Reports. Subrecipient shall prepare and submit detailed invoices regarding the Sub-Project to GWMA on a quarterly basis. Subrecipient shall prepare and submit reports to GWMA as required under Section 19 of the Grant Agreement. GWMA shall prepare and submit regional reports to DWR to fulfill the GWMA's reporting obligations under the Grant Agreement.

## **8. ENFORCEMENT OF CONTRACT**

8.1 Applicable Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California and the United States, as applicable. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of Los Angeles, State of California, the United States District, or any other appropriate court in Los Angeles County, and Subrecipient covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Termination. GWMA may terminate this Agreement if GWMA receives notice from DWR that the Grant Agreement has been terminated by giving thirty (30) calendar days' notice to Subrecipient. GWMA shall reimburse Subrecipient for all costs incurred prior to the termination date in accordance with the Grant Agreement.

8.3 Waiver. Waiver by any party of any of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement.

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

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

any default, to complete specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.6 Attorneys' Fees. If any party to this Agreement is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief that may be granted, whether legal or equitable, shall be entitled to actual attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other costs for investigating such action, taking depositions and discovery and all other costs incurred in such litigation.

8.7 Assignment. Subrecipient shall not assign this Agreement, either in whole or in part, without GWMA's prior written consent.

## **9. INDEMNIFICATION**

9.1 Indemnification. Neither GWMA nor any officer or employee thereof, nor any member of GWMA that is not named as a subrecipient in this Agreement, shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Subrecipient, its officers, agents, employees, contractors and subcontractors under this Agreement. Subrecipient shall fully indemnify, defend and hold GWMA harmless from and against any liability and expenses, including defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees, and any claims for damages of any nature whatsoever arising out of this Agreement, including: (i) misuse of the Funds by Subrecipient or its officers, agents, employees, contractors or subcontractors; (ii) breach of Subrecipient's obligations under this Agreement; or (iii) any act or omission of Subrecipient or its officers, agents, employees, contractors or subcontractors in the performance and implementation of the Sub-Project under this Agreement. The provisions of this Section 9.1 shall survive the expiration or termination of this Agreement.

## **10. MISCELLANEOUS PROVISIONS**

10.1 Notices. Any notices, bills, invoices or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (i) the day of delivery if delivered by hand or overnight courier service during Subrecipient's and GWMA's regular business hours or by facsimile before or during regular business hours; or (ii) on the third business day following deposit in the United States mail, postage prepaid, to the addresses set forth below, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this Section 10.1. All notices shall be delivered to the parties at the following addresses:

To GWMA:

Attn: Grace J. Kast, Executive Officer  
Gateway Regional Water Management Authority  
16401 Paramount Boulevard  
Paramount, California 90723  
Facsimile: 562-634-8216

To Subrecipient:

Attn: John A. Ornelas, Interim City Manager  
City of Huntington Park  
6550 Miles Avenue  
Huntington Park, California 90255  
Facsimile: 323-584-6313

10.2 Headings. The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the parties to this Agreement.

10.3 Word Usage. Unless the context clearly requires otherwise, (a) the words “shall,” “will” and “agrees” are mandatory and “may” is permissive; (b) “or” is not exclusive; and (c) “includes” or “including” are not limiting.

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

10.5 Integration; Amendment. It is understood that there are no oral agreements between the parties of this Agreement affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.6 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement, on behalf of said party; (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

10.7 Exhibits; Precedence. Exhibit A is incorporated into this Agreement by this reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit A, the provisions of this Agreement shall prevail, except that all state grant fund requirements contained in Exhibit A shall prevail over the provisions of this Agreement.

10.8 Severability. If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

The parties are signing this Agreement on the date stated in the introductory clause.

GWMA

Subrecipient

Los Angeles Gateway Region Integrated  
Regional Water Management Joint Powers  
Authority,  
a California Joint Powers Authority

City of Huntington Park,  
a California municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**  
**GRANT AGREEMENT**  
**(Attached)**

**SUBRECIPIENT AGREEMENT BETWEEN  
THE CITY OF CERRITOS AND THE LOS ANGELES  
GATEWAY REGION INTEGRATED REGIONAL WATER  
MANAGEMENT JOINT POWERS AUTHORITY**

This Subrecipient Agreement (“Agreement”) is dated \_\_\_\_\_, 2015 (“Effective Date”) and is between the City of Cerritos, a California municipal corporation (“Subrecipient”) and the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority, a California Joint Powers Authority (“GWMA”).

**RECITALS**

A. GWMA has entered into that certain Grant Agreement dated \_\_\_\_\_, 2015 (“Grant Agreement”) with the Department of Water Resources of the State of California (“DWR”), attached hereto as Exhibit “A” and incorporated into this Agreement by this reference, by which GWMA will receive a grant of Three Million Nine Hundred Forty-One Thousand Nine Hundred Sixty-Six Dollars (\$3,941,966.00) to assist the Cities of Cerritos, Huntington Park and Signal Hill (“Local Project Sponsors”) with drought projects associated with the Gateway Integrated Regional Water Management Plan (the “IRWM Program”) (the “Project”).

B. GWMA and Subrecipient desire to contract at a total cost of Nine Hundred Forty-Four Thousand Five Hundred Thirty-Eight Dollars (\$944,538.00) (the “Funds”) to implement Subrecipient’s share of the Project.

The parties therefore agree as follows:

**1. SUBRECIPIENT OBLIGATIONS**

1.1 Implementation of Sub-Project. Subrecipient shall perform or cause to be performed the extension of Subrecipient’s Recycled Water System to Forest Lawn Memorial Park in the City of Cypress (the “Sub-Project”) in accordance with the Work Plan, Budget and Schedule set forth in Exhibits A, B and C, respectively, of the Grant Agreement. The Sub-Project shall include the: installation of approximately eight thousand three hundred eighty (8,380) lineal feet of twelve (12) to 16-inch recycled water main from Subrecipient’s jurisdiction through the Cities of Lakewood and Cypress; and conversion of the existing Forest Lawn Memorial Park irrigation system from potable water to recycled water. Subrecipient shall act on GWMA’s behalf for purposes of management, oversight, compliance, operations and maintenance of the Sub-Project in accordance with the Grant Agreement.

1.2 Commitment to Cost-Share. The total cost of the Sub-Project is estimated to be Two Million Three Hundred Seventy Thousand Dollars (\$2,370,000.00). Subrecipient shall invest a minimum of Six Hundred Thirty-Nine Thousand Nine Hundred Dollars (\$639,900.00) of its own funds, which constitutes at least twenty-seven percent (27%) of the cost of the Sub-Project, to the Sub-Project, in accordance with the Grant Agreement. Subrecipient shall document and submit documentation reflecting the Subrecipient’s internal costs and total Sub-Project costs to GWMA to demonstrate the Subrecipient’s required cost share obligations under this Agreement prior to GWMA reimbursing the Subrecipient.

1.3 Use of DWR Funds. Subrecipient shall use the Funds solely for the implementation of the Sub-Project pursuant to the terms and conditions of this Agreement and the applicable terms and conditions of the Grant Agreement. The Funds shall be used solely to reimburse the actual expenses incurred by Subrecipient to implement the Sub-Project. Subrecipient shall apply the Funds only to eligible Sub-Project costs as specified in Section 11 of the Grant Agreement and in accordance with applicable provisions of the law and Exhibit B of the Grant Agreement.

1.4 Compliance with Grant Agreement. Subrecipient shall act on GWMA's behalf in the fulfillment of GWMA's responsibilities under the Grant Agreement where specified in the Grant Agreement. In the event that DWR determines Subrecipient has breached its obligations under the Grant Agreement, or has caused GWMA to breach its obligations under the Grant Agreement, Subrecipient will be solely responsible for complying with any DWR demands, determinations, fines or other such actions or penalties initiated by DWR because of the breach. No non-breaching Local Project Sponsor, non-participating GWMA member, or GWMA as a whole shall be in any way responsible for satisfying any DWR demands made in response to a breach of the Grant Agreement by Subrecipient. If Subrecipient is found in breach of the Grant Agreement, it shall remain obligated under this Agreement and remain responsible to fulfill its obligations under this Agreement, including those obligations under Section 1.1.

1.5 Audited Financial Statements. Subrecipient shall demonstrate the availability of sufficient funds to complete the Sub-Project by submitting the most recent three (3) years of audited financial statements to GWMA for submission to DWR.

1.6 Compliance with Law. Subrecipient shall perform the Sub-Project as detailed under Section 1.1 of this Agreement in accordance with all ordinances, resolutions, statutes, rules and regulations of any federal, state or local government agency having jurisdiction at the time of performance.

## **2. GWMA OBLIGATIONS**

2.1 Grant Administration. GWMA shall administer the Grant Agreement and the Funds and respond to DWR's reporting and compliance requirements associated with grant administration in accordance with the terms of the Grant Agreement.

## **3. DISBURSEMENT OF FUNDS**

3.1 Maximum Amount of Funds. Upon compliance with the requirements set forth in this Agreement, GWMA shall reimburse Subrecipient an amount not to exceed Nine Hundred Forty-Four Thousand Five Hundred Thirty-Eight Dollars (\$944,538.00), which shall constitute GWMA's full obligation to Subrecipient, unless GWMA receives additional funds from DWR for the completion of the Sub-Project. If the funds are insufficient to complete the Sub-Project, Subrecipient shall secure and provide such additional non-Grant funds necessary to complete the Sub-Project. Reimbursement, if any, by GWMA is conditioned upon receipt of such funds by GWMA from DWR and obtaining all required approvals from DWR, including environmental clearances. If DWR funds are not forthcoming from DWR for any reason, GWMA shall not have any obligation to reimburse Subrecipient through any other source of GWMA funds.



3.2 Cost Overruns. At no time shall GWMA or a non-participating GWMA member be liable for any cost associated with the Project, including the Sub-Project. In the event that DWR funds are not forthcoming from DWR for any reason, or if the Funds allocated to Subrecipient are insufficient to cover costs for the Sub-Project in any way, neither GWMA nor the GWMA members that are not named as the Subrecipient under this Agreement shall be held liable for any costs. Subrecipient shall be solely responsible for any costs associated with the Sub-Project in the event that DWR funds are not forthcoming for any reason, or in the event that the funds allocated to Subrecipient are insufficient to cover costs for the Sub-Project in any way.

3.3 Method of Payment. GWMA shall make reimbursements to Subrecipient upon Subrecipient's submittal of, and GWMA's approval of: (i) a detailed invoice for Sub-Project costs incurred containing the information required in Section 12.c) of the Grant Agreement, and supporting documentation; (ii) deliverables, as specified in Section 19 of and Exhibit A to the Grant Agreement; (iii) the plans, specifications, environmental documentation and monitoring plan described in Section 9.e) of the Grant Agreement; (iv) the audited financial statements required under Section 9.a) of the Grant Agreement; (v) all applicable reports required under Section 19 of the Grant Agreement; and (vi) evidence of compliance with the groundwater compliance options set forth on pages 13 and 14 of the IRWM Program Guidelines dated June 2014. Subrecipient may submit reimbursement requests to GWMA only on a quarterly basis in January, April, July or September in each year for the term of this Agreement. Payments to the Subrecipient shall be subject to the retention requirements set forth in Section D.37) of Exhibit D of the Grant Agreement. GWMA shall not make the last reimbursement payment to Subrecipient until Subrecipient has shown it has completed the Sub-Project as set forth in Section 1.1 of this Agreement. To the extent the Funds actually have been received from DWR, GWMA shall pay Subrecipient for all expenses stated on the invoice, which are approved by GWMA pursuant to this Agreement no later than two (2) weeks after receipt of payment from DWR, provided the reports are also timely submitted and approved.

#### **4. PERFORMANCE SCHEDULE**

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

4.2 Schedule of Performance. Subrecipient shall commence, prosecute and complete the Sub-Project as detailed under Section 1.1 of this Agreement within the time periods established in Exhibit C of the Grant Agreement, unless extensions of such time periods have been approved in writing by GWMA. The Sub-Project must be completed and all Funds must be distributed no later than December 30, 2015, as required by Exhibit C of the Grant Agreement.

4.3 Term. This Agreement shall commence on the Effective Date and shall be terminated when all of the following have occurred, unless earlier terminated in accordance with Section 8.2 of this Agreement: (i) the entirety of the Sub-Project has been completed, (ii) all audits and reports have been submitted by Subrecipient to GWMA pursuant to the Grant Agreement and DWR requirements and (iii) DWR has released final disbursement to GWMA and Subrecipient has received final disbursement of the Funds from GWMA pursuant to this Agreement; or by December 1, 2016, whichever event occurs first. In the event that the December 1, 2016 deadline is extended pursuant to any agreement between DWR and GWMA, the new deadline shall take the place of "December 1, 2016" in the preceding sentence.

4.4 Reversion of Assets. Upon the expiration or sooner termination of this Agreement, Subrecipient shall transfer to GWMA: (i) any and all Funds on hand that Subrecipient is not already obligated to pay to others for the Sub-Project; and (ii) any accounts receivable attributable to the use of the Funds that Subrecipient is not already obligated to pay to others for the Sub-Project.

## **5. COORDINATION OF WORK**

5.1 Subrecipient Representative. The Subrecipient Representative for Subrecipient shall be the City Manager of the City of Cerritos or such person as may be designated by the City Manager in writing. GWMA shall refer any decisions that must be made by Subrecipient to the Subrecipient Representative. Any approval by Subrecipient required under this Agreement shall mean the approval of the Subrecipient Representative, unless the Subrecipient Representative informs GWMA that the decision must be made by the Cerritos City Council.

5.2 GWMA Representative. The GWMA Representative shall be the Executive Director, or such person as may be designated by the Executive Director in writing. It shall be Subrecipient's responsibility to ensure that the GWMA Representative is kept informed of the progress of the performance of the Sub-Project and Subrecipient shall refer any decisions that must be made by GWMA to the GWMA Representative. Any approval by GWMA required under this Agreement shall mean the approval of the GWMA Representative, unless the GWMA Representative informs Subrecipient that the decision must be made by the Board of Directors.

5.3 Independent Contractor. Subrecipient is, and shall at all times remain as to GWMA and to all GWMA members not named as subrecipients under this Agreement, a wholly independent contractor. Subrecipient shall have no power to incur any debt, obligation or liability on behalf of GWMA or on behalf of any GWMA member not named as a subrecipient under this Agreement. Neither GWMA nor any of its agents shall have control over the conduct of Subrecipient or any of Subrecipient's employees, except as set forth in this Agreement. Subrecipient shall fully comply with the workers' compensation laws regarding the Subrecipient and Subrecipient's employees. Subrecipient shall indemnify and hold GWMA and all GWMA members not named as subrecipients under this Agreement harmless from any failure of Subrecipient to comply with applicable workers' compensation laws.

## **6. MANDATORY LIABILITY COVERAGE**

6.1 General Liability Coverage. Subrecipient shall obtain, at its sole cost and keep in full force and effect during the term of this Agreement, commercial general liability coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, and property damage.

6.2 Memorandum of Coverage. Subrecipient shall file with GWMA upon the execution of this Agreement, a memorandum of coverage issued by the California Joint Powers Insurance Authority that shall provide that no cancellation, major change in coverage, expiration, or nonrenewal will be made during the term of this Agreement, without thirty (30) calendar days' written notice to GWMA prior to the effective date of such cancellation, or change in coverage.

6.3 Additional Insurance Requirements. The general liability coverage shall provide (i) that the coverage shall extend to GWMA, and each of its officers, agency, employees and volunteers and (ii) that the coverage shall operate as primary coverage.

6.4 Coverage Requirements. Subrecipient shall require each consultant or contractor retained by Subrecipient to implement the Sub-Project to obtain liability coverage at least as comprehensive as required under Sections 6.1-6.3 of this Agreement and shall require GWMA and its officers, agents, employees, and volunteers to be named as additional named insured on such coverage. Subrecipient shall also require each consultant and contractor to obtain workers' compensation coverage at not less than the minimum required under California law.

## **7. RECORDS AND REPORTS**

7.1 Records. Subrecipient shall be preserve all records related to the Sub-Project for at least three (3) years after completion of the Sub-Project or final billing, whichever comes later.

7.2 Reports. Subrecipient shall prepare and submit detailed invoices regarding the Sub-Project to GWMA on a quarterly basis. Subrecipient shall prepare and submit reports to GWMA as required under Section 19 of the Grant Agreement. GWMA shall prepare and submit regional reports to DWR to fulfill the GWMA's reporting obligations under the Grant Agreement.

## **8. ENFORCEMENT OF CONTRACT**

8.1 Applicable Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California and the United States, as applicable. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of Los Angeles, State of California, the United States District, or any other appropriate court in Los Angeles County, and Subrecipient covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Termination. GWMA may terminate this Agreement if GWMA receives notice from DWR that the Grant Agreement has been terminated by giving thirty (30) calendar days' notice to Subrecipient. GWMA shall reimburse Subrecipient for all costs incurred prior to the termination date in accordance with the Grant Agreement.

8.3 Waiver. Waiver by any party of any of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement.

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

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

any default, to complete specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.6 Attorneys' Fees. If any party to this Agreement is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief that may be granted, whether legal or equitable, shall be entitled to actual attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other costs for investigating such action, taking depositions and discovery and all other costs incurred in such litigation.

8.7 Assignment. Subrecipient shall not assign this Agreement, either in whole or in part, without GWMA's prior written consent.

## **9. INDEMNIFICATION**

9.1 Indemnification. Neither GWMA nor any officer or employee thereof, nor any member of GWMA that is not named as a subrecipient in this Agreement, shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Subrecipient, its officers, agents, employees, contractors and subcontractors under this Agreement. Subrecipient shall fully indemnify, defend and hold GWMA harmless from and against any liability and expenses, including defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees, and any claims for damages of any nature whatsoever arising out of this Agreement, including: (i) misuse of the Funds by Subrecipient or its officers, agents, employees, contractors or subcontractors; (ii) breach of Subrecipient's obligations under this Agreement; or (iii) any act or omission of Subrecipient or its officers, agents, employees, contractors or subcontractors in the performance and implementation of the Sub-Project under this Agreement. The provisions of this Section 9.1 shall survive the expiration or termination of this Agreement.

## **10. MISCELLANEOUS PROVISIONS**

10.1 Notices. Any notices, bills, invoices or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (i) the day of delivery if delivered by hand or overnight courier service during Subrecipient's and GWMA's regular business hours or by facsimile before or during regular business hours; or (ii) on the third business day following deposit in the United States mail, postage prepaid, to the addresses set forth below, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this Section 10.1. All notices shall be delivered to the parties at the following addresses:

To GWMA:

Attn: Grace J. Kast, Executive Officer  
Gateway Regional Water Management Authority  
16401 Paramount Boulevard  
Paramount, California 90723  
Facsimile: 562-634-8216

To Subrecipient:

Attn: Art Gallucci, City Manager  
City of Cerritos  
18125 South Bloomfield Avenue  
Cerritos, California 90703  
Facsimile: 562-916-1313

10.2 Headings. The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the parties to this Agreement.

10.3 Word Usage. Unless the context clearly requires otherwise, (a) the words “shall,” “will” and “agrees” are mandatory and “may” is permissive; (b) “or” is not exclusive; and (c) “includes” or “including” are not limiting.

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

10.5 Integration; Amendment. It is understood that there are no oral agreements between the parties of this Agreement affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.6 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement, on behalf of said party; (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

10.7 Exhibits; Precedence. Exhibit A is incorporated into this Agreement by this reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit A, the provisions of this Agreement shall prevail, except that all state grant fund requirements contained in Exhibit A shall prevail over the provisions of this Agreement.

10.8 Severability. If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

The parties are signing this Agreement on the date stated in the introductory clause.

GWMA

Subrecipient

Los Angeles Gateway Region Integrated  
Regional Water Management Joint Powers  
Authority,  
a California Joint Powers Authority

City of Cerritos,  
a California municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
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APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**  
**GRANT AGREEMENT**  
**(Attached)**

**SUBRECIPIENT AGREEMENT BETWEEN  
THE CITY OF SIGNAL HILL AND THE LOS ANGELES  
GATEWAY REGION INTEGRATED REGIONAL WATER  
MANAGEMENT JOINT POWERS AUTHORITY**

This Subrecipient Agreement (“Agreement”) is dated \_\_\_\_\_, 2015 (“Effective Date”) and is between the City of Signal Hill, a California municipal corporation (“Subrecipient”) and the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority, a California Joint Powers Authority (“GWMA”).

**RECITALS**

A. GWMA has entered into that certain Grant Agreement dated \_\_\_\_\_, 2015 (“Grant Agreement”) with the Department of Water Resources of the State of California (“DWR”), attached hereto as Exhibit “A” and incorporated into this Agreement by this reference, by which GWMA will receive a grant of Three Million Nine Hundred Forty-One Thousand Nine Hundred Sixty-Six Dollars (\$3,941,966.00) to assist the Cities of Cerritos, Huntington Park and Signal Hill (“Local Project Sponsors”) with drought projects associated with the Gateway Integrated Regional Water Management Plan (the “IRWM Program”) (the “Project”).

B. GWMA and Subrecipient desire to contract at a total cost of Two Million Eight Hundred Fifty-Five Thousand Nine Hundred Thirty-Five Dollars (\$2,855,935.00) (the “Funds”) to implement Subrecipient’s share of the Project.

The parties therefore agree as follows:

**1. SUBRECIPIENT OBLIGATIONS**

1.1 Implementation of Sub-Project. Subrecipient shall perform or cause to be performed the Signal Hill Advanced Groundwater Wellhead Treatment Project (the “Sub-Project”) in accordance with the Work Plan, Budget and Schedule set forth in Exhibits A, B and C, respectively, of the Grant Agreement. The Sub-Project involves the construction of an advanced wellhead water treatment facility using nanofiltration membranes to remove organic color levels from the groundwater to comply with regulatory limits set by the California Department of Public Health Services for potable water supplies. Subrecipient shall act on GWMA’s behalf for purposes of management, oversight, compliance, operations and maintenance of the Sub-Project in accordance with the Grant Agreement.

1.2 Commitment to Cost-Share. The total cost of the Sub-Project is estimated to be Seven Million Eight Hundred Forty-One Thousand Dollars (\$7,841,000.00). Subrecipient shall invest a minimum of Two Million One Hundred Seventeen Thousand Seventy Dollars (\$2,117,070.00) of its own funds, which constitutes at least twenty-seven percent (27%) of the cost of the Sub-Project, to the Sub-Project, in accordance with the Grant Agreement. Subrecipient shall document and submit documentation reflecting the Subrecipient’s internal costs and total Sub-Project costs to GWMA to demonstrate the Subrecipient’s required cost share obligations under this Agreement prior to GWMA reimbursing the Subrecipient.



1.3 Use of DWR Funds. Subrecipient shall use the Funds solely for the implementation of the Sub-Project pursuant to the terms and conditions of this Agreement and the applicable terms and conditions of the Grant Agreement. The Funds shall be used solely to reimburse the actual expenses incurred by Subrecipient to implement the Sub-Project. Subrecipient shall apply the Funds only to eligible Sub-Project costs as specified in Section 11 of the Grant Agreement and in accordance with applicable provisions of the law and Exhibit B of the Grant Agreement.

1.4 Compliance with Grant Agreement. Subrecipient shall act on GWMA's behalf in the fulfillment of GWMA's responsibilities under the Grant Agreement where specified in the Grant Agreement. In the event that DWR determines Subrecipient has breached its obligations under the Grant Agreement, or has caused GWMA to breach its obligations under the Grant Agreement, Subrecipient will be solely responsible for complying with any DWR demands, determinations, fines or other such actions or penalties initiated by DWR because of the breach. No non-breaching Local Project Sponsor, non-participating GWMA member, or GWMA as a whole shall be in any way responsible for satisfying any DWR demands made in response to a breach of the Grant Agreement by Subrecipient. If Subrecipient is found in breach of the Grant Agreement, it shall remain obligated under this Agreement and remain responsible to fulfill its obligations under this Agreement, including those obligations under Section 1.1.

1.5 Audited Financial Statements. Subrecipient shall demonstrate the availability of sufficient funds to complete the Sub-Project by submitting the most recent three (3) years of audited financial statements to GWMA for submission to DWR.

1.6 Compliance with Law. Subrecipient shall perform the Sub-Project as detailed under Section 1.1 of this Agreement in accordance with all ordinances, resolutions, statutes, rules and regulations of any federal, state or local government agency having jurisdiction at the time of performance.

## **2. GWMA OBLIGATIONS**

2.1 Grant Administration. GWMA shall administer the Grant Agreement and the Funds and respond to DWR's reporting and compliance requirements associated with grant administration in accordance with the terms of the Grant Agreement.

## **3. DISBURSEMENT OF FUNDS**

3.1 Maximum Amount of Funds. Upon compliance with the requirements set forth in this Agreement, GWMA shall reimburse Subrecipient an amount not to exceed Two Million Eight Hundred Fifty-Five Thousand Nine Hundred Thirty-Five Dollars (\$2,855,935.00), which shall constitute GWMA's full obligation to Subrecipient, unless GWMA receives additional funds from DWR for the completion of the Sub-Project. If the funds are insufficient to complete the Sub-Project, Subrecipient shall secure and provide such additional non-Grant funds necessary to complete the Sub-Project. Reimbursement, if any, by GWMA is conditioned upon receipt of such funds by GWMA from DWR and obtaining all required approvals from DWR, including environmental clearances. If DWR funds are not forthcoming from DWR for any reason,

GWMA shall not have any obligation to reimburse Subrecipient through any other source of GWMA funds.

3.2 Cost Overruns. At no time shall GWMA or a non-participating GWMA member be liable for any cost associated with the Project, including the Sub-Project. In the event that DWR funds are not forthcoming from DWR for any reason, or if the Funds allocated to Subrecipient are insufficient to cover costs for the Sub-Project in any way, neither GWMA nor the GWMA members that are not named as the Subrecipient under this Agreement shall be held liable for any costs. Subrecipient shall be solely responsible for any costs associated with the Sub-Project in the event that DWR funds are not forthcoming for any reason, or in the event that the funds allocated to Subrecipient are insufficient to cover costs for the Sub-Project in any way.

3.3 Method of Payment. GWMA shall make reimbursements to Subrecipient upon Subrecipient's submittal of, and GWMA's approval of: (i) a detailed invoice for Sub-Project costs incurred containing the information required in Section 12.c) of the Grant Agreement, and supporting documentation; (ii) deliverables, as specified in Section 19 of and Exhibit A to the Grant Agreement; (iii) the plans, specifications, environmental documentation and monitoring plan described in Section 9.e) of the Grant Agreement; (iv) the audited financial statements required under Section 9.a) of the Grant Agreement; (v) all applicable reports required under Section 19 of the Grant Agreement; and (vi) evidence of compliance with the groundwater compliance options set forth on pages 13 and 14 of the IRWM Program Guidelines dated June 2014. Subrecipient may submit reimbursement requests to GWMA only on a quarterly basis in January, April, July or September in each year for the term of this Agreement. Payments to the Subrecipient shall be subject to the retention requirements set forth in Section D.37) of Exhibit D of the Grant Agreement. GWMA shall not make the last reimbursement payment to Subrecipient until Subrecipient has shown it has completed the Sub-Project as set forth in Section 1.1 of this Agreement. To the extent the Funds actually have been received from DWR, GWMA shall pay Subrecipient for all expenses stated on the invoice, which are approved by GWMA pursuant to this Agreement no later than two (2) weeks after receipt of payment from DWR, provided the reports are also timely submitted and approved.

#### **4. PERFORMANCE SCHEDULE**

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

4.2 Schedule of Performance. Subrecipient shall commence, prosecute and complete the Sub-Project as detailed under Section 1.1 of this Agreement within the time periods established in Exhibit C of the Grant Agreement, unless extensions of such time periods have been approved in writing by GWMA. The Sub-Project must be completed and all Funds must be distributed no later than February 15, 2016, as required by Exhibit C of the Grant Agreement.

4.3 Term. This Agreement shall commence on the Effective Date and shall be terminated when all of the following have occurred, unless earlier terminated in accordance with Section 8.2 of this Agreement: (i) the entirety of the Sub-Project has been completed, (ii) all audits and reports have been submitted by Subrecipient to GWMA pursuant to the Grant Agreement and DWR requirements and (iii) DWR has released final disbursement to GWMA and Subrecipient has received final disbursement of the Funds from GWMA pursuant to this

Agreement; or by December 1, 2016, whichever event occurs first. In the event that the December 1, 2016 deadline is extended pursuant to any agreement between DWR and GWMA, the new deadline shall take the place of “December 1, 2016” in the preceding sentence.

4.4 Reversion of Assets. Upon the expiration or sooner termination of this Agreement, Subrecipient shall transfer to GWMA: (i) any and all Funds on hand that Subrecipient is not already obligated to pay to others for the Sub-Project; and (ii) any accounts receivable attributable to the use of the Funds that Subrecipient is not already obligated to pay to others for the Sub-Project.

## **5. COORDINATION OF WORK**

5.1 Subrecipient Representative. The Subrecipient Representative for Subrecipient shall be the City Manager of the City of Signal Hill or such person as may be designated by the City Manager in writing. GWMA shall refer any decisions that must be made by Subrecipient to the Subrecipient Representative. Any approval by Subrecipient required under this Agreement shall mean the approval of the Subrecipient Representative, unless the Subrecipient Representative informs GWMA that the decision must be made by the Signal Hill City Council.

5.2 GWMA Representative. The GWMA Representative shall be the Executive Director, or such person as may be designated by the Executive Director in writing. It shall be Subrecipient’s responsibility to ensure that the GWMA Representative is kept informed of the progress of the performance of the Sub-Project and Subrecipient shall refer any decisions that must be made by GWMA to the GWMA Representative. Any approval by GWMA required under this Agreement shall mean the approval of the GWMA Representative, unless the GWMA Representative informs Subrecipient that the decision must be made by the Board of Directors.

5.3 Independent Contractor. Subrecipient is, and shall at all times remain as to GWMA and to all GWMA members not named as subrecipients under this Agreement, a wholly independent contractor. Subrecipient shall have no power to incur any debt, obligation or liability on behalf of GWMA or on behalf of any GWMA member not named as a subrecipient under this Agreement. Neither GWMA nor any of its agents shall have control over the conduct of Subrecipient or any of Subrecipient’s employees, except as set forth in this Agreement. Subrecipient shall fully comply with the workers’ compensation laws regarding the Subrecipient and Subrecipient’s employees. Subrecipient shall indemnify and hold GWMA and all GWMA members not named as subrecipients under this Agreement harmless from any failure of Subrecipient to comply with applicable workers’ compensation laws.

## **6. MANDATORY LIABILITY COVERAGE**

6.1 General Liability Coverage. Subrecipient shall obtain, at its sole cost and keep in full force and effect during the term of this Agreement, commercial general liability coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, and property damage.

6.2 Memorandum of Coverage. Subrecipient shall file with GWMA upon the execution of this Agreement, a memorandum of coverage issued by the California Joint Powers Insurance Authority that shall provide that no cancellation, major change in coverage, expiration,

or nonrenewal will be made during the term of this Agreement, without thirty (30) calendar days' written notice to GWMA prior to the effective date of such cancellation, or change in coverage.

6.3 Additional Insurance Requirements. The general liability coverage shall provide (i) that the coverage shall extend to GWMA, and each of its officers, agency, employees and volunteers and (ii) that the coverage shall operate as primary coverage.

6.4 Coverage Requirements. Subrecipient shall require each consultant or contractor retained by Subrecipient to implement the Sub-Project to obtain liability coverage at least as comprehensive as required under Sections 6.1-6.3 of this Agreement and shall require GWMA and its officers, agents, employees, and volunteers to be named as additional named insured on such coverage. Subrecipient shall also require each consultant and contractor to obtain workers' compensation coverage at not less than the minimum required under California law.

## **7. RECORDS AND REPORTS**

7.1 Records. Subrecipient shall be preserve all records related to the Sub-Project for at least three (3) years after completion of the Sub-Project or final billing, whichever comes later.

7.2 Reports. Subrecipient shall prepare and submit detailed invoices regarding the Sub-Project to GWMA on a quarterly basis. Subrecipient shall prepare and submit reports to GWMA as required under Section 19 of the Grant Agreement. GWMA shall prepare and submit regional reports to DWR to fulfill the GWMA's reporting obligations under the Grant Agreement.

## **8. ENFORCEMENT OF CONTRACT**

8.1 Applicable Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California and the United States, as applicable. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of Los Angeles, State of California, the United States District, or any other appropriate court in Los Angeles County, and Subrecipient covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Termination. GWMA may terminate this Agreement if GWMA receives notice from DWR that the Grant Agreement has been terminated by giving thirty (30) calendar days' notice to Subrecipient. GWMA shall reimburse Subrecipient for all costs incurred prior to the termination date in accordance with the Grant Agreement.

8.3 Waiver. Waiver by any party of any of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement.

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

8.5 Legal Action. In addition to any other rights or remedies, any party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to complete specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.6 Attorneys' Fees. If any party to this Agreement is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief that may be granted, whether legal or equitable, shall be entitled to actual attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other costs for investigating such action, taking depositions and discovery and all other costs incurred in such litigation.

8.7 Assignment. Subrecipient shall not assign this Agreement, either in whole or in part, without GWMA's prior written consent.

## **9. INDEMNIFICATION**

9.1 Indemnification. Neither GWMA nor any officer or employee thereof, nor any member of GWMA that is not named as a subrecipient in this Agreement, shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Subrecipient, its officers, agents, employees, contractors and subcontractors under this Agreement. Subrecipient shall fully indemnify, defend and hold GWMA harmless from and against any liability and expenses, including defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees, and any claims for damages of any nature whatsoever arising out of this Agreement, including: (i) misuse of the Funds by Subrecipient or its officers, agents, employees, contractors or subcontractors; (ii) breach of Subrecipient's obligations under this Agreement; or (iii) any act or omission of Subrecipient or its officers, agents, employees, contractors or subcontractors in the performance and implementation of the Sub-Project under this Agreement. The provisions of this Section 9.1 shall survive the expiration or termination of this Agreement.

## **10. MISCELLANEOUS PROVISIONS**

10.1 Notices. Any notices, bills, invoices or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (i) the day of delivery if delivered by hand or overnight courier service during Subrecipient's and GWMA's regular business hours or by facsimile before or during regular business hours; or (ii) on the third business day following deposit in the United States mail, postage prepaid, to the addresses set forth below, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this Section 10.1. All notices shall be delivered to the parties at the following addresses:

To GWMA:

Attn: Grace J. Kast, Executive Officer  
Gateway Regional Water Management Authority  
16401 Paramount Boulevard

Paramount, California 90723  
Facsimile: 562-634-8216

To Subrecipient:

Attn: Kenneth C. Farfsing, City Manager  
City of Signal Hill  
2175 Cherry Avenue  
Signal Hill, California 90755  
Facsimile: 562-989-7393

10.2 Headings. The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the parties to this Agreement.

10.3 Word Usage. Unless the context clearly requires otherwise, (a) the words “shall,” “will” and “agrees” are mandatory and “may” is permissive; (b) “or” is not exclusive; and (c) “includes” or “including” are not limiting.

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

10.5 Integration; Amendment. It is understood that there are no oral agreements between the parties of this Agreement affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.6 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement, on behalf of said party; (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

10.7 Exhibits; Precedence. Exhibit A is incorporated into this Agreement by this reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit A, the provisions of this Agreement shall prevail, except that all state grant fund requirements contained in Exhibit A shall prevail over the provisions of this Agreement.

10.8 Severability. If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

The parties are signing this Agreement on the date stated in the introductory clause.

GWMA

Subrecipient

Los Angeles Gateway Region Integrated  
Regional Water Management Joint Powers  
Authority,  
a California Joint Powers Authority

City of Signal Hill,  
a California municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
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APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**  
**GRANT AGREEMENT**  
**(Attached)**



AGENDA ITEM NO. 11

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

May 14, 2015

SECTION NO. 11 Discussion/Action to Appoint Ad Hoc Committee to Review and Recommend the Selection of an Accounting Transition Firm

SUMMARY:

GWMA released a Request for Qualifications (RFQ) to establish a contract with a qualified individual or firm to provide the Gateway Water Management Authority assistance with accounting transition services. Beginning in July 2013, GWMA staff assisted Signal Hill (Lead Agency) by taking over the day to day accounting duties such as A/R and A/P tasks because of GWMA's growth. As the agency has grown even more over the past 2 years with multiple MOUs, contracts, grants, invoices, so has the accounting. The focus of this firm would be to assist with the full transition of all of the accounting tasks from Signal Hill to GWMA. This transition includes banking, investments, accounting/investment policies and procedures, etc. The deadline to submit Qualifications to GWMA was April 23, 2015 at noon. GWMA received a total of 5 Statement of Qualifications for consideration which are enclosed.

The Chair recommends that an Ad Hoc Committee be established to review the Statement of Qualifications received and recommend the selection of an Accounting Transition Firm from those received. Because the fiscal year begins on July 1, it would be beneficial for the committee to meet as soon as possible to make a recommendation to the Board in time for the June board meeting.

FISCAL IMPACT:

None.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

AGENDA ITEM NO. 11

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

RECOMMENDATION:

Appoint GWMA Board Members to an Ad Hoc Committee to Review and Recommend the Selection of an Accounting Transition Firm.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
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*With Technical Support From The Sanitation Districts Of Los Angeles County*

**GATEWAY WATER MANAGEMENT**  
**AUTHORITY**

# Statement of Qualifications

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for Financial, Accounting, Investment, Purchasing  
and Personnel Services

**APRIL 23, 2015**

Submitted by:

**M Jack Brooks JD**

1590 Adams Avenue #3483

Costa Mesa, CA 92628

(949)698-6869

## **FIRM INFORMATION**

RFQ Subject: Financial, Accounting, Investment, Purchasing and  
Personnel Services

Name of the Firm: M Jack Brooks, JD  
Public Agency Consultant Services

Address: 1590 Adams Avenue #3483, Costa Mesa, CA 92628

Telephone: (949)698-6869

Fax: (949)698-4123

Website: [www.jackbrooks.com](http://www.jackbrooks.com)

E-mail: [jack@jackbrooks.com](mailto:jack@jackbrooks.com)  
[linshallys@gmail.com](mailto:linshallys@gmail.com)

Contact Persons: M Jack Brooks  
CEO and Owner

Shally Lin  
Project Principal/Lead

Date: April 23, 2015

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April 23, 2015

Ms. Toni Penn  
Gateway Water Management Authority  
16401 Paramount, CA 90723

Dear Ms. Penn:

We are pleased to present our response to your organization's Request for Qualifications for Financial, Accounting, Investment, Purchasing and Personnel Services to the Gateway Water Management Authority. We have prepared this information in accordance with the guidelines set forth in your request for qualifications (RFQ).

We understand that we will be providing the Authority with two categories of services; Transition Services and On-going Financial Services. We believe that we can provide to the Authority the best possible value and qualifications in financial, accounting, investment, purchasing and personnel services. The main individual who will service the Contract has more than thirty five years of experience in public financial, accounting, banking and investment, purchasing and warehousing, budgeting, information management, risk management, grant management, and personnel services.

We would like to thank the Gateway Water Management Authority for the opportunity to present our proposal; please feel free contact me at (949) 698-6869, or Mrs. Shally Lin at (310)488-0689, if you have any questions.

Very truly yours,

M Jack Brooks, JD  
Chief Executive Officer

## **BACKGROUND OF OUR FIRM**

M Jack Brooks, JD is a California Firm with its office located in Costa Mesa, CA. The Owner, M Jack Brooks established his business in 1975. M Jack Brooks, JD provided placement services for major corporations searching for qualified legal counsel until ten years ago when Ms. Shally Lin joined the company. Following that, the firm has had engagements with several local agencies within the Los Angeles and Orange Counties to provide a wide variety of services for public agencies, including: administrative, managerial, financial, marketing, public relations, and legal services. If the client requires assistance with financial planning and services; special studies; policy review and revision; risk management; user fee recapture; impact analysis for fee collection; revenue enhancement; grant research and application; or special legal counsel for municipal code revision, our team will be able to provide the expertise to meet those needs.

Some areas we specialize in:

- **Financial Planning and Budgeting**
- **Accounting/Payroll Services**
- **Economic Development**
- **Project Management**
- **Data Analysis**
- **System Conversion and Implementation**
- **Special Revenue Cost Analysis**
- **User Fee Studies**
- **Strategic Planning**
- **Risk Assessment and Management**
- **Establishing/Revising Fiscal Policies and Procedures**
- **Human Resource Management**
- **Recruitment/ Placement Services**
- **Organizational Review and Personnel Performance Reviews**
- **Purchasing/Warehousing Services**
- **Municipal Code Review and Revision**
- **Legal Support and Research**
- **Fiscal Policy Review and Revision**
- **Public Relations and Marketing**
- **Dispute Resolution**
- **Grant Writing**

We are experienced in and available for assignments in administrative services, grant services, human resources, code enforcement, business licensing, financial management, legal services, risk management, purchasing & warehousing, airport operations, and IT administration.

## **CHIEF EXECUTIVE OFFICER, PRINCIPAL AND STAFF QUALIFICATIONS AND EXPERIENCE**

### **TEAM MEMBERS**

The team assembled consists of individuals who have extensive experience and are dedicated to providing the best service to their clients, and have served in local governments in a wide variety of fields, including: finance; accounting; investments; grant administration and management; purchasing; and personnel administration and recruitment. In addition, several team members also brings skills developed by working in other industries. Our firm can fulfill any service required by the Gateway Water Management Authority.

The personnel assigned to the engagement are as follows:

The principal will be Ms. Shally Lin. Ms. Lin has over 35 years of experience with local governments in the area of financial management, purchasing, investment, risk management, and personnel management. She served 10 years as Finance Director/ Airport Manager with the City of Hawthorne, served two years as the Interim Assistant City Manager/CFO for Culver City, and served multiple cities throughout the Los Angeles and Orange Counties as an Interim Finance/Treasurer/Consultant. Ms. Lin has also served as the principal financial consultant for the firm with the City of Downey and the City of Hawaiian Gardens.

Mr. William Y Lin, an Associate with the firm will be assisting Ms. Lin in various areas for this engagement, including: financial management, personnel, purchasing, system implementation, and grant writing for any grants which the Authority may qualify for. Mr. Lin brings with him extensive computer and database skills, and experience with large-scale projects management and administration. In addition, Mr. Lin was responsible in applying for the City of Hawthorne which qualified for and obtained a twenty million dollar Police Station construction fund with the California State Infrastructure Bank Loan from the State of California. Additionally, throughout the construction phase of the police station, which lasted three years, Mr. Lin maintained the entirety of the capital expenditures financial information and was responsible for ensuring that reimbursement to the California Infrastructure Bank was completed accurately and in a timely manner. William joined the firm in 2012, during which time he has been instrumental in developing budget projection models conforming with GFOA requirements, in assisting the firm with upgrading systems applications and information technology support, and handling several special projects in grants management and administration.

Mr. Thomas Y Lin, Legal Counsel of the firm will assist Ms. Lin in reviewing the legality and sufficiency any policies and procedures it will be developing, legal research, contract review, and



negotiations. Mr. Lin has served as a contract attorney with the firm since 2012, during which he assisted the firm in reviewing pension law requirements and contracts review and drafting. In addition, Mr. Lin served as outside counsel and volunteer Deputy City Attorney with the City of Hawthorne, for one and a half years, during which he was involved in several municipal code reviews and revisions, advising civic leaders on changes to the law and assisting the City Attorney.

Mr. M Jack Brooks, JD, Chief Executive Officer, Owner of the firm will review all the personnel policies, hiring practice requirements, and will be the final reviewer for all written procedures. Mr. Brooks has over 35 years of consultant services specializing in the area of placement services, personnel management and financial management.

Resumes for the above staff are included from Pages 9 through 15.

### **COMMITMENT RELATED TO PERSONNEL**

We make a commitment to retain the same personnel with the Authority from year to year in order to minimize any impact that changes to personnel would cause. Since we are a small owner operated consulting firm, we strive to ensure our quality of service and maintain a close working relationship with the Authority. Therefore, before any personnel changes, we will and provide advance notice of any possible personnel changes to the Authority.

### **NONDISCRIMINATION POLICY**

Our firm has a policy to provide equal employment opportunities to all qualified persons without regard to ethnicity, race, color, age, gender, sexuality, religion, national origin, disability or genetic information.

## **CITY CLIENT REFERENCES**

### **Culver City**

Charles Herbertson

Public Work Director

Office: (310) 253-5630

Cell: (310)721-2956

[Charles.herbertson@culvercity.org](mailto:Charles.herbertson@culvercity.org)

### **City of Downey**

John Michicoff

Retired Finance Director/City Treasurer

Office: (626) 914-8241

[jmichicoff@aol.com](mailto:jmichicoff@aol.com)

### **City of Seal Beach**

Jill R. Ingram

City Manager

Office: (562) 431-2527 Ext 1300

[jingram@sealbeachca.gov](mailto:jingram@sealbeachca.gov)

### **City of La Habra Heights**

Shauna Clark

City Manager

Office: (562) 694-6302

[shaunac@lhhcity.org](mailto:shaunac@lhhcity.org)

## **SCOPE OF WORK, TIMING AND APPROACH**

### **TRANSITION SERVICES**

1. Evaluating and refining the Quick Books Accounting system now in place for tracking budgets, processing billings, recording revenues and producing reports.
2. Setting up written accounting procedures providing for separation of duties and internal control.
3. Establishing a bank account and procedures for receipt and deposit of monies received by the agency.
4. Developing written procedures for reconciling the GWMA bank account(s).
5. Providing for training of GWMA personnel on the accounting and payroll system.
6. Developing the format and procedure for a monthly revenue and expense report for the board.
7. Implementing a contract payroll system that interfaces with the general ledger and includes all tax and state and federally required reports.
8. Developing written policies and procedures for securing and backing up financial records consistent with state law (Records Management Program)
9. Developing written policies and procedures for Investment of GWM funds with the Local Agency Investment Fund (LAIF). Establish a monthly investment report format for the Board of Directors.
10. Establishing an Audit Committee with guidelines consistent with the Government Finance Officers Association (GFOA) best practices recommendations.
11. Developing a personnel system including written rules and regulations comparable to a public agency (this is a requirement of the JPA agreement). This should include an employee handbook and ethics, conflict of interest, harassment, discrimination, public property, cell phone provisions.
12. Develop and adopt a purchasing policy and procedures including such provisions as petty cash, minor and major purchase, construction contract, professional services, procurement methods, informal competitive procurement, negotiation, formal competitive (RFP, RFQ), sole source, short listing, conflicts of interest, etc.

We will utilize the firm Principal, Shally Lin, to handle the major tasks in the transition services; Mrs. Lin has more than 35 years of financial management within the local government agencies and she has implemented and upgraded multiple financial systems and has written several agencies accounting manual and procedures. She will spend an estimated total of 158 hours to complete the transition services.

In addition, the firm will utilize the Associate, William Lin, to complete the testing and implementation of systems, various administrative functions, and to assist the Principal in maintaining routine workflow. He will spend approximately 119 hours on the transition services.

The firm's attorney, Thomas Lin, will be reviewing legal compliance in regard to records management; personnel rules; the employee handbook ethics; and policies for conflicts of interest, harassment, discrimination, public property and cell phone usage. We anticipate these policies, procedures and guidance revision and review will take at least 32 hours of legal services.

M Jack Brooks, the firm's CEO, will conduct the final review to ensure the accuracy of the reports to be given to the Authority, which will consist of about 7 hours of reviewing and approval of the final product for the handbooks and procedures.

**These transitional services will take at least six to twelve months to complete all tasks requested.**

Therefore, we are proposing to complete these tasks in stages and will setup a timetable after meeting with the Executive Director and the Board to understand the Authority's priorities in terms of which tasks are more urgent in order to ensure that the Authority's needs are met.

We estimate that the total cost for these transitional services will not exceed \$35,000 including the labor and associated expenses.

**ONGOING FINANCIAL SERVICES**

1. Evaluating the implementation progress and identifying areas of improvement.
2. Providing ongoing financial advice and training on all aspects of the Accounting System to GWMA staff.
3. Monitoring, testing and improving internal controls.
4. Reconciling the bank account monthly.
5. Overseeing and monitoring financial transactions (Similar to an internal audit function).
6. Meeting periodically with the GWMA Executive Board to report on financial status

We estimate that a total of 408 hours is necessary to manage the ongoing services for the Authority; the majority of those hours will be for the Principal with Associate for administrative functions, maintaining systems, and preparing monthly reports. We will also utilize two hours each for the Attorney and CEO to review and finalize board reports and any recommendations for improvements.

The total cost of ongoing services will not exceed \$42,000 per year for the first year, and the second year of service will not exceed \$40,000.

**OTHER COSTS**

In addition to the service costs above, there is a separate total cost of \$10,075.58 for insurance, as the required coverage for general liability and automotive liability insurances are significantly higher of that normally required by local agencies.

**STATEMENT REGARDING PROFESSIONAL SERVICES AGREEMENT**

M Jack Brooks JD is willing and able to enter into the Professional Services Agreement attached to the Request for Qualification for Financial, Accounting, Investment, Purchasing and Personnel Services from the Gateway Water Management Authority.

## **STAFF RESUMES**

### **SHALLY S. LIN**

#### **POSITION**

- Project Principal/Lead

#### **EDUCATION**

- Bachelor's Degree in Business Administration, Accounting  
California State University, Dominguez Hills - 1985
- Juris Doctor  
National Chung-Hsing University, Law School, Taipei, Taiwan - 1971

#### **EXPERIENCE**

- Worked directly with Elected Officials to formulate policies, programs, and procedures.
- Prepared and managed annual budgets, Two-Year Operations Budgets, and Five Year Capital Project Plans of up to 350 million dollars with various public agencies.
- Responsible for the development and implementation of long and short-term citywide goals and financial strategic plans
- Negotiated and managed auditing, banking, labor and various professional service contracts.
- Responsible for bond financing and issuance for capital improvement projects, special districts, redevelopment, and housing projects.
- Provided administrative and management services for Successor Agencies following dissolution of Redevelopment Agencies for various cities.
- Prepared Successor Agency financial reports for numerous agencies and successfully reversed the demands from the California State Department of Finance regarding repayments for several Successor Agencies.
- Applied for and received a several hundred thousand dollar FAA Grant for a Hawthorne Municipal Airport Master Plan Study.
- Applied for and received a six million dollar+ FAA Capital Improvement Grant to improve the Hawthorne Municipal Airport's runway and taxi way.
- Obtained a six million dollar CDBG Section 108 loan for the City's Commercial Rehabilitation Program.
- Obtained a twenty million dollar California State Infrastructure and Economic Development Bank Loan for the City of Hawthorne Police Station construction project.

- Responsible for preparation of fiscal impact report of U. S. Air Force LA Base Operation Modernization Project and issued an eighty million dollar Revenue Bond to assist construction of the new base facility.
- Acted as the Financial Adviser for the Los Angeles Air Force Modernization Development bond issuance and other bond financing programs for cities in order to save over two million dollars of financing costs.
- Involved in negotiations with developers/owners for Development Disposition Agreements and Owner Participation Agreements and provided financial impact analysis.
- Assisted various agencies and school districts in the formation of non-profit agencies, established accounting procedures, investment and cash management policy and the filing of 501(c) annual reports.
- Served two years as a board member/treasurer for the Independent Financing Authority.
- Served over nine years as a committee member for the Independent Cities Risk Management Authority.
- Served eight years as a board member for the South Bay Economic Development Partnership.

## **WORK HISTORY**

August 2012 - Present	Principal Consultant M Jack Brooks, JD
March 2014 - October 2014	Principal Consultant Urban Futures Incorporate/ Interim Assistant to City Manager, Finance Director & Treasurer
July 2013 - March 2014	Financial Consultant/Intellibridge Partners- Macias Gini & O'Connell /Interim various positions for local agencies as Interim Assistant City Manager, Chief Financial Officer, Finance Director and City Treasurer
Oct 2011 - August 2012	Interim Finance Director/City Treasurer City of Seal Beach
February 2009 - Oct 2011	Owner Slinresource Consultant Services

Dec 1996 - Dec 2005	Director of Finance/Airport City of Hawthorne
June 1994 - December 1996	Senior Accountant City of Anaheim-Redevelopment Agency
April 1987 - May 1993	Accounting Manager City of Inglewood
April 1982 - April 1987	Accounting Manager City of El Segundo
August 1977 - April 1982	Accounting Supervisor City of Lawndale



**WILLIAM LIN**

**POSITION**

- Project Associate

**EDUCATION**

- Master of Business Administration  
Loyola Marymount University, Los Angeles, CA - August 2007
- Bachelor's Degree in Social Science with Specialization in Research and Analysis,  
University of California Irvine - December 2000

**EXPERIENCE:**

- Managed over thirty project consultants and vendors, conducted project meetings and weekly construction meetings.
- Responsible for purchasing and acquisition of police facility fixtures and technology equipments.
- Use the Eden database to generate financial reports and prepare audits of the cities past expenditures.
- Conducted design & bidding process to replace the city wide telephone system.
- Managed Labor union, legal, contract disputes and challenges.
- Assisted in preparation of State of California Infrastructure Bank loan application and payment submission.
- Preparation of staff report to submit to upper management for approval of loan application and for project purchasing decisions.
- Managed multiple aspects of and successfully applied for and obtained funding for the construction of Hawthorne Police Department's current police station.
- Researched grants and applied for grant funding for police services and construction projects.
- Provided project leadership, contract administration, monitored construction budget and controlled project cost accounting.
- Provided project cost analysis on multiple consulting projects.
- Was responsible for and managed multiple projects management among various web properties, consisting of eighteen websites and a primary search technology project.
- Principal responsibility for public relations, including social media marketing campaign creation and execution.
- Provided data analysis to monitor and track campaigns on social media and for the content websites.

- Assisted in creating a capital structure and forecasting expenditures.
- Sponsor and partner business outreach via networking events and direct outreach.
- Searched for and presenting to targeted investment firms and individuals for capital funding.
- Evaluated and hired prospective employees.
- Oversaw business operations and determining long term goals and strategy.
- Provided cash flow analysis and review investment strategies.

**THOMAS LIN**

**POSITION**

- Legal Counsel

**EDUCATION**

- Juris Doctor  
Loyola Law School, Los Angeles - May 2009
- Bachelor's Degree in Psychology  
University of California, San Diego - June 2006

**LICENSES**

- Member of the California State Bar

**EXPERIENCE**

- Worked on matters in a wide variety of legal fields, including criminal, municipal, probate, employment, and tax law issues.
- Researched into legal issues and advised on a course of action, primarily relating to employment at public agencies by retirees under the CalPERS system.
- Assisted with reviewing proposals sent in response to Request for Proposals issued by local government agencies regarding solid waste management agreements.
- Assisted in performing financial analysis and forecasting for government organizations.
- Reviewed and revised contracts and proposals.
- Reviewed and revised the Hawthorne Municipal Code for necessary updates as well as to clarify certain provisions for layperson's to understand.
- Researched the municipal codes of other jurisdictions for comparison to the Hawthorne Municipal Code, and reviewed the Hawthorne Municipal Code for required revision regarding issues not adequately covered.
- Prepared Ordinances and Resolutions to be adopted by the Hawthorne City Council.
- Researched legal issues and drafted memorandums and recommendations for both the Hawthorne City Council and other city officials.
- Analyzed documents from outside counsel and prepared summaries to be utilized by non-legal professionals.
- Reviewed documents prepared by the City Attorney and other officials.
- Reviewed case files for factual and procedural issues.

**M JACK BROOKS, JD**

**POSITION**

- Chief Executive Officer

**EDUCATION**

- Juris Doctor  
California Western School of Law - 1972
- Bachelor of Science in Commerce and Finance with a Major in Accounting  
Wilkes University - 1967

**EXPERIENCE**

- Provided placement services to corporations across the country finding Attorneys to be hired for their expertise in specialized fields of law.
- Established compensation for each placement position.
- Provided financial consultant services to local government agencies, final reviewer for all financial reports.

Transitional Services Cost and Hours		Total Hours Required	Principal Hours	Cost of Principal	Associate Hours	Cost of Associate	Attorney Hours	Cost of Attorney	CEO Hours	Cost of CEO	Total Cost
Hourly Rate				\$120		\$75		\$160		\$175	
1	Evaluating and refining the Quick Books Accounting system now in place for tracking budgets, processing billings, recording revenues and producing reports.	16	10	\$1,200	6	\$450					\$1,650
2	Setting up written accounting procedures providing for separation of duties and internal control.	8	4	\$480	4	\$300					\$780
3	Establishing a bank account and procedures for receipt and deposit of monies received by the agency.	11	4	\$480	4	\$300	2	\$320	1	\$175	\$1,275
4	Developing written procedures for reconciling the GWMA bank accounts(s).	5	2	\$240	3	\$225					\$465
5	Providing for training of GWMA personnel on the accounting and payroll system.	24	10	\$1,200	14	\$1,050					\$2,250
6	Developing the format and procedure for a monthly revenue and expense report for the board.	22	8	\$960	12	\$900	1	\$160	1	\$175	\$2,195
7	Implementing a contract payroll system that interfaces with the general ledger and includes all tax and state and federally required reports.	40	16	\$1,920	24	\$1,800					\$3,720
8	Developing written policies and procedures for securing and backing up financial records consistent with state law (Records Management Program)	24	16	\$1,920			8	\$1,280			\$3,200
9	Developing written policies and procedures for Investment of GWM funds with the Local Agency Investment Fund (LAIF). Establish a monthly investment report format for the Board of Directors.	10	3	\$360	5	\$375	1	\$160	1	\$175	\$1,070
10	Establishing an Audit Committee with guidelines consistent with the Government Finance Officers Association (GFOA) best practices recommendations.	10	5	\$600	3	\$225	1	\$160	1	\$175	\$1,160

11	Developing a personnel system including written rules and regulations comparable to a public agency (this is a requirement of the JPA agreement). This should include an employee handbook and ethics, conflict of interest, harassment, discrimination, public property, cell phone provisions.	82	40	\$4,800	24	\$1,800	16	\$2,560	2	\$350	\$9,510
12	Develop and adopt a purchasing policy and procedures including such provisions as petty cash, minor and major purchase, construction contract, professional services, procurement methods, informal competitive procurement, negotiation, formal competitive (RFP, RFQ), sole source, short listing, conflicts of interest, etc.	64	40	\$4,800	20	\$1,500	3	\$480	1	\$175	\$6,955
<b><u>Total Labor Hours and Costs</u></b>		<b><u>316</u></b>	<b><u>158</u></b>	<b><u>\$18,960</u></b>	<b><u>119</u></b>	<b><u>\$8,925</u></b>	<b><u>32</u></b>	<b><u>\$ 5,120</u></b>	<b><u>7</u></b>	<b><u>\$1,225</u></b>	<b><u>\$34,230</u></b>

	Ongoing Services Cost and Hours	Total Hours Required	Principal Hours	Cost of Principal	Associate Hours	Cost of Associate	Attorney Hours	Cost of Attorney	CEO Hours	Cost of CEO	Total Cost
1	Evaluating the implementation progress and identifying areas of improvement.	56	16	\$1,920	40	\$3,000					\$4,920
2	Providing ongoing financial advice and training on all aspects of the Accounting System to GWMA staff.	80	40	\$4,800	40	\$3,000					\$7,800
3	Monitoring, testing and improving internal controls.	50	20	\$2,400	30	\$2,250					\$4,650
4	Reconciling the bank account monthly.	150	100	\$12,000	50	\$3,750					\$15,750
5	Overseeing and monitoring financial transactions (Similar to an internal audit function).	26	16	\$1,920	10	\$750					\$2,670
6	Meeting periodically with the GWMA Executive Board to report on financial status	46	40	\$4,800			4	\$640	2	\$350	\$5,790
<b><u>Total Labor hours and compensation</u></b>		<b><u>408</u></b>	<b><u>232</u></b>	<b><u>\$27,840</u></b>	<b><u>170</u></b>	<b><u>\$12,750</u></b>	<b><u>4</u></b>	<b><u>\$640</u></b>	<b><u>2</u></b>	<b><u>\$350</u></b>	<b><u>\$41,580</u></b>

	Insurance Cost	Total Cost
1	Automobile Insurance	\$4,300
2	Other Liability Insurance	\$5,775.58
		<b><u>\$10,075.58</u></b>

***Proposal for Accounting Services***

**GATEWAY WATER  
MANAGEMENT AUTHORITY**

Submitted by:

**ROGERS, ANDERSON, MALODY & SCOTT, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

735 E. CARNEGIE DRIVE, SUITE 100  
SAN BERNARDINO, CALIFORNIA 92408  
PHONE: (909) 889-0871  
FAX: (909) 889-5361

**CONTACT: SCOTT MANNO, PARTNER**  
smanno@ramscpa.net

**ALTERNATE CONTACT: BRAD WELEBIR, DIRECTOR**  
bwelebir@ramscpa.net

April 23, 2015



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948



# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR ACCOUNTING SERVICES**

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### **Attachment A: Quality Control Review Report**



ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

April 23, 2015

735 E. Carnegie Dr. Suite 100  
San Bernardino, CA 92408  
909 889 0871 T  
909 889 5361 F  
ramscpa.net

Gateway Water Management Authority  
Attention: Toni Penn  
16401 Paramount Boulevard  
Paramount, CA 90723

PARTNERS

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Kirk A. Franks, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Jay H. Zercher, CPA (Partner Emeritus)  
Phillip H. Waller, CPA (Partner Emeritus)

DIRECTORS

Bradford A. Welebir, CPA, MBA

MANAGERS / STAFF

Jenny Liu, CPA, MST  
Seong-Hyea Lee, CPA, MBA  
Charles De Simoni, CPA  
Yiann Fang, CPA  
Nathan Statham, CPA, MBA  
Brigitta Bartha, CPA  
Gardenya Duran, CPA  
Juan Romero, CPA  
Ivan Gonzales, CPA, MSA  
Brianna Pascoe, CPA

MEMBERS

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

California Society of  
Certified Public Accountants

Rogers, Anderson, Malody & Scott, LLP (RAMS) is pleased to respond to your request for proposal for accounting services for the Gateway Water Management Authority (the Authority).

For 67 years, Rogers, Anderson, Malody & Scott, LLP has been providing honest, accurate, objective results to all of our clients, including governmental organizations such as yours. Our experience has helped us understand the complex requirements and issues encountered in such organizations.

We believe that RAMS would be the appropriate choice for the accounting assistance engagement for the following reasons, which are provided in more detail in our proposal:

- RAMS has an established reputation in the not-for-profit/governmental accounting and auditing community for providing excellent, timely service and high quality reporting to our clients.
- RAMS currently provides accounting and auditing services to over 40 governmental entities and not-for-profit organizations, including over 20 cities.
- Our firm provides extensive training and continuing education to all of our staff through a combined use of in-house instruction and third-party providers.
- We demonstrate our commitment to our client's success by sharing noted opportunities to improve the efficiency and effectiveness of your operations, including industry best practices.
- We believe that our fee estimate and arrangement provides a fair and reasonable cost, commensurate with the experience of the team members, to perform the accounting services as requested by the Authority.

Mr. Manno, Partner, and Mr. Welebir, Director, are authorized to act on behalf of Rogers, Anderson, Malody & Scott, LLP. We can be reached at: 735 E. Carnegie Drive, Suite 100, San Bernardino, California 92408, (909) 889-0871, smanno@ramscpa.net or bwelebir@ramscpa.net. Please contact us if you have any questions regarding this proposal.

Thank you for the opportunity to present our proposal qualifications and to provide accounting services to the Gateway Water Management Authority. We look forward to having a long and mutually beneficial relationship with the Authority.

Respectfully yours,

**ROGERS, ANDERSON, MALODY & SCOTT, LLP**



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Scott W. Manno, CPA, CGMA  
Partner

# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR ACCOUNTING SERVICES**

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### ***License to practice in California***

Rogers, Anderson, Malody & Scott, LLP is licensed to practice in the State of California. The key professional staff, which includes the partners/directors, managers, and supervisors, are all certified public accountants licensed to practice in the State of California.

### ***Firm qualifications and experience***

#### ***About our firm***

Rogers, Anderson, Malody & Scott, LLP was founded in 1948 and is located at 735 E. Carnegie Drive, Suite 100, San Bernardino, California. We are one of the oldest CPA firms in Southern California, with over 67 years of public practice experience, specializing in governmental agency auditing, accounting and management advisory services. Over *fifteen thousand hours per year* are devoted to this area of our practice, which includes cities, successor agencies, water districts, other special districts, and joint power authorities.

Our firm has a total staff of thirty-one people, which includes sixteen certified public accountants. The staff consists of five partners, one director, one manager, ten supervisors/senior accountants, ten staff accountants and four support staff.

We understand that organizations desire that its consultants have a thorough understanding of the complex accounting and compliance issues confronting entities such as yours. Our firm has a long history of governmental accounting and auditing. Over the years, we have gained valuable experience, acquired in-depth knowledge, and obtained the technical expertise needed for governmental accounting.

Our firm is committed to providing our clients with the highest quality service at the most reasonable fee. The professionals assigned to the Authority's accounting services have each made providing quality service their priority.

#### ***Tax department***

We are a full service firm with an experienced tax department and have prepared federal and state tax forms for not-for-profit corporations, including Federal Forms 990 and 990-T, State of California Forms 199, 109, and RRF-1.

# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING MANAGER SERVICES**

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### *Other services*

Our firm provides various other services in addition to auditing services to governmental and not-for-profit entities, including:

- Study and evaluation of financial condition and fiscal policies
- Financial projections
- Organizational studies
- Accounting policies and procedures
- Cost control and cost allocation plans
- Capital improvement program procedures and policies
- Cash management studies

### *Quality control*

We have an extensive quality control review process to ensure that our services meet the highest standards. In addition to the preparation of financial reports by the engagement team and review by the engagement manager, each report is also examined by the engagement partner and the technical review partner, and is proofread by two professional staff. Our firm is a member of the AICPA's Governmental Audit Quality Center (GAQC) and the AICPA's Private Company Practice Section (PCPS). We perform an in-house peer review over our audit and attest engagements annually, and receive an independent external peer review every three years.

### *External quality control examinations*

As a member of the AICPA Private Companies Practice Section, our firm has participated in "Peer Review" since 1993 and has been examined every three years since that date. Throughout our participation in this program, the firm has received unqualified opinions from the peer reviewers. A copy of our most recent external quality control review dated May 31, 2012 for the year ended November 30, 2011 (Attachment A) is attached. The latest review included reviews of specific governmental and not-for-profit entities.

The firm is not aware of any federal or state desk reviews or field reviews of its audits during the last three years.

The firm **has never** had any disciplinary action taken or pending against it with state regulatory bodies or professional organizations, nor has it ever had any pending or settled litigation, civil or criminal investigations. Our firm does not have a record of substandard work.

# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING MANAGER SERVICES**

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### ***Partner, supervisory and staff qualifications and experience***

The quality of service you receive is dependent on the capabilities of the individuals assigned to the engagement, and the manner in which those personnel resources are organized to efficiently focus their abilities on providing you with the requested accounting services.

Our engagement team will provide significant experience coupled with an extensive, practical understanding of governmental accounting and auditing. These professionals are highly trained and knowledgeable and have a thorough understanding of the environment in which governmental entities operate.

### ***Partner and supervisory staff involvement***

All partners and supervisory staff are working professionals and are actively and continually involved in all aspects of their engagements. We believe that partner and supervisory staff involvement in all areas of the engagement is a key aspect of the overall process. This involvement includes being on-site, thus facilitating a proper, efficient and effective engagement, with minimal disruption of your staff. In addition, the time spent on-site by the partners and supervisory staff ensures they gain an understanding of the entire organization's accounting processes and procedures. This understanding will enable them to evaluate and develop opportunities for efficiency as well as offer practical and functional advice for improving your accounting processes and procedures.

Continuity of staff is a principal concern with our firm. Therefore, we plan to provide staff continuity during the entire engagement, which is in the best interest of the organization and our firm. Continuity ensures an orderly, efficient, and less disruptive experience. Since we cannot guarantee staff will remain with us, principal supervisory and management staff, including engagement partners, managers, other supervisory staff, and specialists, may be changed if those personnel leave the firm or are promoted.

We are committed to allocating the necessary resources to ensure that we provide continuity of personnel throughout the term of our relationship with the Authority.

### ***Continuing professional education***

All professionals at our firm participate in continuing professional education (CPE) programs, which are sponsored by various organizations including the Government Finance Officers Authority, the American Institute of Certified Public Accountants, the California State Society of Certified Public Accountants, the California Society of Municipal Finance Officers and the Authority of Government Accountants. Participation in these programs helps us to ensure that our clients are serviced with the best trained and most proficient government auditors and accountants available. In addition, we provide in-house training taught by our partners and senior level staff using published resources.

In accordance with our firm's Quality Control document and *Government Auditing Standards* (GAS), all staff members who work on audits subject to GAS are required to complete CPE in accordance with GAS standards.



# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING SERVICES**

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### ***Partner, supervisory and staff qualifications and experience (continued)***

#### ***Assigned personnel***

It is our goal to provide the Authority with capable, competent, and personable individuals who offer an extensive background, not only in governmental accounting and auditing, but also in general business practices. We offer practical solutions, as well as provide technical support. This enables you to stay at the forefront of governmental accounting and provides you with the support you need in dealing with the complex issues confronting entities such as yours.

In addition, our engagement team has the managerial and supervisory experience to provide the Authority with a comprehensive accounting service of the highest quality, while still focusing on personal service. The resumes of the key engagement personnel assigned to the engagement are presented near the end of this proposal. The following individuals will be assigned to the engagement for the entire contract period:

#### ***Scott Manno, CPA, CGMA – Partner***

Mr. Scott Manno, CPA, CGMA, Partner, has a Bachelor of Science – accounting emphasis degree from California State University, San Bernardino and is licensed to practice as a Certified Public Accountant in the State of California. He is also a Chartered Global Management Accountant. He is a municipal audit partner with the firm and will be the quality control partner. Mr. Manno has been in public accounting for 20 years serving local not-for-profit and governments such as yours. As the partner, he will be responsible for engagement quality.

#### ***Brad A. Welebir, CPA, MBA – Director***

Brad A. Welebir, CPA, Director, has a Bachelor of Arts in Business Administration degree from La Sierra University and a Masters of Business Administration – accounting emphasis from California State University, San Bernardino. He is licensed to practice as a certified public accountant in the State of California. Mr. Welebir has over nine years of public accounting experience. He has provided accounting, auditing, and consulting services for municipalities, special districts, water agencies, and various nonprofit organizations. As the director, he will also be responsible for engagement quality.

#### ***Sunny Kim, Senior Accountant***

Mrs. Kim, Senior Accountant, has a Bachelor of Arts in Mathematics and Statistics from the University of California, Berkeley. In addition, she has a Certificate of Government Accounting and a Certificate in Accounting from the University of California, Riverside Extension. She will focus on accounting support including general ledger support, account reconciliations, preparation for audits, and financial statement preparation. She has knowledge of various accounting software including MS GreatPlains Dynamics, MAS90, QuickBooks, TYLER, CYMA, Peachtree, and Tussman. She also has experience with Crystal Reports, Reports Plus, FRx report, and Report Smith.

# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING SERVICES**

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She has provided these services to the following entities: Crestline Sanitation District, Mojave Water Agency, Phelan Pinon Hills Community Services District, Running Springs Water District, Crestline Village Sanitation District and Helendale Community Services District.

### *Debra Ludolph, Staff Accountant*

Mrs. Debra Ludolph is an accountant with the firm and will be responsible for direct supervision of the bookkeepers and will serve as a back-up if needed. She has been in public accounting for 17 years and with the firm for 6 years. She will focus on accounting support including general ledger support, account reconciliations, preparation for audits, and financial statement preparation. She has experience in QuickBooks as well. She has provided these services to the following entities: She has provided these services to the following entities: City of Canyon Lake, City of Eastvale and the City of Rolling Hills as well as several small for and not-for-profit entities.

### *Michelle Gomez, Bookkeeper*

Mrs. Michelle Gomez is a bookkeeper with the firm and will be performing the onsite services. She has been with the firm for 4 years and has served in this role for several similar engagements. She will focus on accounting support including general ledger support, account reconciliations, preparation for audits, and financial statement preparation. She has experience in QuickBooks as well. She has provided these services to the following entities: City of Canyon Lake, City of Eastvale and the City of Rolling Hills as well as several small for and not-for-profit entities.



# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING SERVICES**

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### ***Similar engagements with other entities***

1.    **Entity:**                                **CITY OF CANYON LAKE**  
      **Scope of work:**                Contract Finance Department  
      **Date:**                                From July 1, 2000 to current  
      **Engagement partner:**        Mr. Terry Shea  
      **Contact person:**                Mr. Ariel Hall, City Clerk, (951) 244-2955
  
2.    **Entity:**                                **CITY OF ROLLING HILLS**  
      **Scope of work:**                Contract Finance Department  
      **Date:**                                From March 2012 to current  
      **Engagement partner:**        Mr. Terry Shea  
      **Contact person:**                Mr. Heidi Luce, City Clerk, (310) 377-1521
  
3.    **Entity:**                                **RUNNING SPRINGS WATER DISTRICT**  
      **Scope of work:**                Monthly Accounting and Yearend Close  
      **Date:**                                From July 2010 to current  
      **Engagement partner:**        Mr. Scott Manno  
      **Contact person:**                Ms. Joan Eaton, Administration Supervisor,  
    (909) 867-2766
  
4.    **Entity:**                                **CRESTLINE SANITATION DISTRICT**  
      **Scope of work:**                Monthly Accounting Services and Yearend Close  
      **Date:**                                From September 2010 to current  
      **Engagement partner:**        Mr. Phil Waller  
      **Contact person:**                Ms. Dawn Grantham, Accountant, (909) 338-1751
  
5.    **Entity:**                                **CITY OF LA QUINTA**  
      **Scope of work:**                Accounting Manager Services  
      **Date:**                                From December 2014 to current  
      **Engagement partner:**        Mr. Terry Shea  
      **Contact person:**                Ms. Rita Conrad, Finance Director, (760) 777-7054
  
6.    **Entity:**                                **CITY OF RANCHO CUCAMONGA**  
      **Scope of Work:**                Accounting Services  
      **Date:**                                From December 2014 to present  
      **Engagement Partner:**        Mr. Terry Shea  
      **Contact Person:**                Ms. Tamara Layne, Finance Director, (909) 477-2700

# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING SERVICES**

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### ***Scope of services***

We will provide the following services:

Transition services consisting of the following:

1. Evaluating and refining the Quick Books accounting system now in place for tracking budgets, processing billings, recording revenues and producing reports.
2. Setting up written accounting procedures providing for separation of duties and internal control.
3. Establishing a bank account and procedures for receipt and deposit of monies received by the agency.
4. Developing written procedures for reconciling the GWMA bank account(s).
5. Providing for training of GWMA personnel on the accounting and payroll system.
6. Developing the format and procedure for a monthly revenue and expense report for the Board.
7. Implementing a contract payroll system that interfaces with the general ledger and includes all tax and state and federally required reports.
8. Developing written policies and procedures for securing and backing up financial records consistent with state law (Records Management Program).
9. Developing written policies and procedures for Investment of GWMA funds with the Local Agency Investment Fund (LAIF). Establish a monthly Investment report format for the Board of Directors.
10. Establishing an Audit Committee with guidelines consistent with the Government Finance Officers Authority (GFOA) best practices recommendations.
11. Developing a personnel system including written rules and regulations comparable to a public agency (this is a requirement of the JPA agreement). This should include an employee handbook and ethics, conflict of interest, harassment, discrimination, public property, cell phone provisions.
12. Develop and adopt a purchasing policy and procedures including such provisions as petty cash, minor and major purchases, construction contracts, professional services, procurement methods, informal competitive procurement, negotiation, formal competitive procurements (RFP, RFQ), sole source, short listing, conflicts of interest, etc.

# **GATEWAY WATER MANAGEMENT AUTHORITY**

## **PROPOSAL FOR TEMPORARY ACCOUNTING SERVICES**

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On-going financial services will consist of the following:

1. Evaluating the implementation progress and identifying areas of improvement.
2. Providing ongoing financial advice and training on all aspects of the Accounting System to GWMA staff.
3. Monitoring, testing and improving internal controls.
4. Reconciling the bank account monthly.
5. Overseeing and monitoring financial transactions (Similar to an internal audit function).
6. Meeting periodically with the GWMA Executive Board to report on financial status.

### ***Willingness to enter into Professional Services Agreement***

We are willing to enter into the Authority's Professional Services Agreement attached to the original *Request for Qualifications*.

### ***Proposed fee***

We will make every effort to use the same staff members for the monthly accounting the services; however, we will train several employees to ensure a continuity of the services provided. There will be no charge to the Authority for training of the additional staff.

It is our goal to provide the Authority with capable, competent, and personable individuals who offer an extensive background, not only in governmental accounting and auditing, but also in general business practices. We are an affirmative action employer. We offer practical solutions, as well as provide technical support. This enables you to stay at the forefront of governmental accounting and provides you with the support you need in dealing with the complex issues confronting entities such as yours.

**GATEWAY WATER MANAGEMENT AUTHORITY**  
**PROPOSAL FOR TEMPORARY ACCOUNTING MANAGER SERVICES**

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Our proposed fee for the services described above would be as follows:

Transition services

<u>Position</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
Partner	\$ 245.00	30	\$ 7,350.00
Senior accountant	135.00	30	4,050.00
Staff accountant	85.00	40	3,400.00
Bookkeeper	70.00	50	<u>3,500.00</u>
		150	<u>18,300.00</u>

Ongoing services

<u>Position</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
Partner	245.00	30	7,350.00
Senior accountant	135.00	55	7,425.00
Staff accountant	125.00	120	15,000.00
Bookkeeper	70.00	225	<u>15,750.00</u>
		430	<u>45,525.00</u>

Total all inclusive maximum fee \$ 63,825.00

The above fee for the on-going services portion is based upon our staff being onsite for approximately 6-8 hours a week. The fee could be reduced as we gain efficiencies and streamline processes thus reducing overall hours. This would also include all costs including any travel costs associated with the contract. Included in this price is technical assistance and consultation with the Partners and other Staff of the Firm.

FOUNDERS

Lawrence S. Timpson, CPA (1901-1974)  
LeVerne W. Garcia, CPA (1904-1983)

PARTNERS

Dennis S. Kaneshiro, CPA  
Elaine Lee Kawasaki, CPA  
William E. Moy, CPA

FIRM ADMINISTRATOR

Liz Davis

System Review Report

May 31, 2012

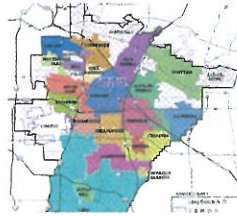
To the Owners of  
Rogers, Anderson, Malody & Scott, LLP  
and the Peer Review Committee of the  
California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of **Rogers, Anderson, Malody & Scott, LLP** (the firm) in effect for the year ended November 30, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a *System Review* are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of **Rogers, Anderson, Malody & Scott, LLP** in effect for the year ended November 30, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. **Rogers, Anderson, Malody & Scott, LLP** has received a peer review rating of *pass*.

*Timpson Garcia, LLP*



**April 8, 2015**

ONISKO&SCHOLZ, LLP  
Certified Public Accountants

5000 E. Spring Street Suite 200  
Long Beach, California 90815-5213  
Telephone (562)420-3100  
Facsimile (562)420-3232

April 8, 2015

Ms. Toni Penn  
Gateway Water Management Authority  
16401 Paramount Blvd.  
Paramount, CA 90723

Subject: Gateway Water Management Authority Request for Qualifications for Financial, Accounting, Investment, Purchasing and Personnel Services

To Whom It May Concern:

We appreciate the opportunity to be considered for the financial, accounting, investment, purchasing and personnel services for Gateway Water Management Authority.

Our firm is uniquely qualified to perform the accounting services for this engagement. Our firm is a large local firm with a specialty in government and nonprofit accounting projects of this nature. One-third of our practice is made up of this type of work and we have several members of our team who spend 80-90% of their time in this area. It is not common to find a firm of our size with this specialty. Being a large local firm we are able to provide great client service, and also provide a high level of technical knowledge and resources.

In addition, we prepare monthly accountings for a number of nonprofit organizations. We also perform full financial statement audits under Generally Accepted Government Auditing Standards.

We thank you for this opportunity and are confident that we are the right candidate for this engagement.

Sincerely,



Cynthia Schoelen  
Partner  
Onisko & Scholz, LLP  
5000 E. Spring St. #200  
Long Beach, CA 90815  
562-420-3100 (TEL) 562-420-3232 (FAX)  
[cschoelen@oniskoscholz.com](mailto:cschoelen@oniskoscholz.com)  
[www.oniskoscholz.com](http://www.oniskoscholz.com)



## Statement of Qualifications

1. Onisko & Scholz, Certified Public Accountants, LLP
2. 5000 E. Spring Street, Suite 200, Long Beach, CA 90815, [losborne@oniskoscholz.com](mailto:losborne@oniskoscholz.com).  
[www.oniskoscholz.com](http://www.oniskoscholz.com), 562-420-3100 Tel 562-420-3232 Fax
3. Cynthia Schoelen, Partner – Resume attached.

### Cynthia D. Schoelen, CPA, CFE Partner



- Over 20 years of experience in accounting, auditing and tax compliance.
  - Was principal of Cynthia D. Schoelen, PC, prior to Onisko & Scholz.
  - Expertise with government and nonprofit organizations.
  - Supervises governmental agreed-upon procedures engagements and forensic accounting work.
  - Supervises a staff of CPAs and para-professionals preparing GAAP, GASB and other comprehensive basis of accounting (OCBOA) financial statements for use by management and third party users.
  - Supervises Yellow Book, A-133 and standard nonprofit audit engagements.
- B.S. in Business Administration (Accounting), California State University, Pomona
  - Certified Fraud Examiner (CFE), Association of Certified Fraud Examiners.
  - Cynthia is the proud mother of a daughter who attends UCLA and a son who attends California State University, Long Beach. She is health nut, likes going on walks, reading, watching movies and traveling. Cynthia is also a roller coaster buff and an active member of American Coaster Enthusiasts (ACE).
4. Cynthia Schoelen is a Certified Public Accountant and Certified Fraud Examiner. She has a Bachelor of Science in Business Administration (Accounting) from California State Polytechnic University, Pomona. She has been in public accounting since 1985. Previously she has worked for the Internal Revenue Service, and was the Principal of Cynthia D. Schoelen, PC. She merged her practice into Onisko & Scholz in 2005.

Cynthia is Partner in charge of government & nonprofit engagements. She has worked on various special accounting projects and agreed upon procedures engagements for cities, counties and State agencies.

Onisko & Scholz has been practicing in the Long Beach area since 1988, and has one office located in Long Beach. The firm was founded in 2004 and has a staff of 25. Our firm provides a range of services including audit, accounting, tax services and forensic accounting. Our governmental/nonprofit work is approximately one-third of our practice. We are an AICPA member firm following its peer review requirements. Our most recent peer review is attached for your review. Our peer review includes government engagements.



5. We are familiar with City, County, State and Federal codes and procedures. In the governmental/nonprofit work that we complete, we have to read and review contracts from government authorities (Federal, State, County, etc.) on a regular basis.

For a two year period we functioned as the accounting department for The Port of Los Angeles entity "Promote LA Trade", a nonprofit that was established for a large event the port held.

We setup an accounting system and controls, internal control procedures, and maintained all necessary accounting records for them. We ensured all receipts and disbursements of funds were accounted for in a timely manner. We ensured all applicable federal, state and local tax returns, 1099 forms and information returns were timely filed.

We worked with their board of directors and support staff to ensure all day-to-day activities of the entity were monitored, recorded and processed in a timely manner and in accordance with good internal controls and segregation of duties. We were available to assist the board of directors in the performance of any and all other related accounting services as requested.

We currently hold a contract with the State of California, Department of Community Services and Development (CSD) to investigate contract compliance on matters regarding federal funds (community service block grants, low income energy assistance programs and Department of Energy Weatherization programs.) These investigations are spurred by whistleblowers, State of California field compliance audits or desk review of A-133 reports.

We consult on a regular basis with a number of cities and counties including The City of Hawthorne and the County of San Bernardino.

In addition, we have served as the outside accountants for a number of nonprofits.

6. References

**Port of Los Angeles – Promote LA Trade – IAPH 2013**

Michael Hale

Contract Administrator

310-732-7644

Dates of Service – 4/25/2012 – 8/4/2014

*Financial & accounting services*

**State of California, Department of Community Services and Development (CSD)**

Ms. Denise Arend

Deputy Director

916-576-7207

Dates of Service: 10/14/2010 – Present

*Agreed upon procedures audits of compliance*

**City of Hawthorne**

Mike Goodson

City Manager

310-349-2960

Dates of Service: 7/20/2012 – Present

*Consulting services*

**County of San Bernardino Purchasing Department**

Laurie Rozko

Director

909-387-2074

Dates of Service: 1/4/2013 – Present

*Consulting services*

**Kern County Sheriff's Office**

Deputy Public Administrator Manager

Donna McMillin

661-635-1324

Dates of Service 12/31/2014 – 2/11/2-15

*Forensic consulting services*

7. Cost Detail & Not to Exceed Amount

Hourly Billing Rates are as Follows:

Jose Palafox, Staff Accountant - \$95

Lindsey Tyler, Staff Accountant - \$95

Brett Sterbens, Staff Accountant - \$95

John Dluzak, Staff Accountant - \$100

Yen Nguyen, Staff Accountant - \$100

Brett Bradbury, Staff Accountant - \$125

Carlos Rojas, Staff Accountant - \$130

Sarah Bergman, CPA, Supervisor - \$160

Cynthia Schoelen, CPA, Partner - \$224

Not to Exceed Amount of \$85,000

8. Peer Review – See page 4

9. Onisko & Scholz is willing and able to enter into the service agreement with Gateway Water Management Authority for financial, accounting, investment, purchasing and personnel services.

# LAWRENCE R. MITCHELL & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
A Professional Corporation

## System Review Report

July 20, 2012

The Partners

Onisko & Scholz, LLP

and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Onisko & Scholz, LLP in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included audits performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Onisko & Scholz, LLP in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)*, or *fail*. Onisko & Scholz, LLP has received a peer review rating of *pass*.

*Lawrence R. Mitchell & Company*

Lawrence R. Mitchell & Company

Certified Public Accountants

A Professional Corporation



Bringing the financial pieces together

# Platinum Consulting Group

## Statement of Qualifications

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**Prepared for the Gateway Water Management Authority**

**4/24/15**

**Cindy Byerrum, CPA**  
**P.O. Box 10246**  
**Fullerton, CA 92838**  
**909-204-8858**  
**[cindy@pcgclient.com](mailto:cindy@pcgclient.com)**

## Company Background

*Platinum Consulting Group (PCG)* was founded by Cindy (Navaroli) Byerrum as an alternative to large corporate type CPA firms that try to “specialize” in everything. After working at Ernst & Young and another regional CPA firm, Cindy wanted to start a boutique accounting and consulting firm with a more personalized and specialized focus in the government and non-profit sector that provides exceptional customer service at a reasonable price.

Unlike most CPA firms, PCG does not perform audits or reviews, prepare individual or corporate taxes, provide investment/insurance advice, or any other services commonly provided by CPA firms; instead we focus exclusively on providing Project, External and Interim CFO/Finance Director services to our clients. Our specialty is serving as the Part-Time Finance Director or Project Consultant for smaller governmental organizations (special districts and cities) that do not need full-time high level finance services but need periodic management support that a CPA and a firm with our experience can provide.

To offer our services at a competitive rate, we keep our overhead low and our client list limited. We are very selective in whom we accept for clients, recognizing that as Interim and External CFOs and consultants we need to be available and accessible to our clients on their timetable.

PCG currently serves the following clients as part-time External CPA/CFO and Treasurer to the San Gabriel Valley Council of Governments and Trabuco Canyon Water District. PCG is the permanent Contract CPA to the Orange County and LA County LAFCO, City of Signal Hill and City of Bellflower (Water department), Twentynine Palms Water District, East Orange County Water District, La Puente Valley County Water District, and Pico Water District.

PCG also serves as the part-time External CPA/CFO for the following non-profit organizations: California Utilities Executive Management Association, the CA-NV Section of AWWA, Bellflower-Somerset Mutual Water Company, and Trabuco Canyon Financing Authority.

PCG staff are currently assisting the City of Signal Hill with a financial and utility billing system implementation, project accounting, and banking and investment services RFP preparation and proposal evaluation.

## Cindy Byerrum, MPA, CPA, Managing Principal

The firm is led by Cindy Byerrum, who has a Bachelor’s Degree in Accounting, a Master’s Degree in Public Administration (MPA), and is a Certified Public Accountant (CPA). Cindy is an expert in non-profit and governmental finance and accounting and has been a leader in the finance profession for over 15 years.

Cindy’s past experience in the accounting and finance profession also includes:

- Financial Consultant to the Cities of San Bernardino, Avalon, Desert Hot Springs, and Glendora
- Extensive assistance to the City of Avalon’s Successor Agency and RDA dissolution.

- Interim Financial Director for the San Diego County Water Authority, Yorba Linda Water District, La Habra Heights Water District, Lake Arrowhead Community Services District, and Rosamond Community Services District
- Finance department assessments for many utilities and governments, including most recently La Puente Valley County Water District, Elsinore Valley Municipal Water District, Scotts Valley Water District, Running Springs Water District, and the City of Avalon
- Chief Financial Officer for Three Valleys Municipal Water District and Six Basins Watermaster
- Project consultant to various governments such as the Jurupa Community Services District, Coachella Valley Water District, San Bernardino Valley Resource Conservation District, Walnut Valley Water District, Rancho California Water District, Chino Basin Watermaster, Goleta Sanitary District, American Water Works Association, and California Domestic Water Company
- Senior auditor for Ernst & Young (client focus was governmental and non-profit organizations); Supervisor at Vicenti, Lloyd & Stutzman (clients included various non-profit and governmental agencies)

Cindy has audited over 50 governmental and non-profit entities including cities, counties, schools, special districts and various non-profit organizations, where she has performed financial audits, single audits, and special compliance audits.

Cindy has also been a full-time tenured faculty member and department chair at Chaffey College, a Becker CPA Review instructor, and a professor of governmental and non-profit accounting professor at Cal State Fullerton, Cal Poly Pomona, and Cal State San Bernardino.

#### Certifications, Accreditations and Memberships

- Certified Public Accountant (CPA), #77918
- Certified QuickBooks ProAdvisor since 2007
- Co-Founder of the Utility Finance Officer's Group of Orange County
- Frequent presenter at the semi-annual AWWA and ACWA conference
- Speaker for various organizations such as the AGA, IAAP, IMA
- Member of the California State Municipal Finance Officers Association (CSMFO)

## OTHER PLATINUM CONSULTING GROUP STAFF

### ***Cheryl Jubrey, BS***

Cheryl Jubrey has a Bachelor's degree in Business with extensive coursework in accounting and finance. Cheryl has over 30 years of experience in the profession, serving a wide variety of non-profit and governmental clients. Her expertise is in management and training of accounting staff, systems conversions and implementation (New World, PeopleSoft, Great Plains, Caselle), accounting clean up and catch up, reconciliations, audit preparation, and other complex accounting issues.

### ***Joshua Byerrum, BA, CPA pending education review***

Joshua (Josh) Byerrum has a Bachelor's degree in Business Management (CPA license pending), with extensive accounting coursework at various universities after his undergraduate degree. Josh has over seven years of experience working with non-profit and governmental agencies providing audit preparation and coordination, financial statement and board package completion, monthly banking and account reconciliations, and budget preparation. He has performed all accounting functions including accounts payable, accounts receivable, grant compliance and billing, fixed asset maintenance, and vendor management. Josh has also performed multiple systems conversions at several PCG clients, and is also in charge of overseeing all Form 990 and State Controller's report preparation (Financial Transactions and Employee Compensation report). Josh is also the Assistant Treasurer for the Trabuco Canyon Water District.

### ***Meredith Alvarez, CPA (from Philippines)***

Meredith Alvarez has a Bachelor's degree in Accounting, and Master's Degree in Business, and was a licensed CPA in the Philippines. Meredith has over 25 years of experience. Her positions have ranged from Comptroller of a multimillion dollar non-profit organization to state governmental auditor (auditing financial institutions). Meredith performs most of the accounting for several PCG clients, doing everything from payroll to journal entries to bank reconciliations.

## **Specific Qualifications for Gateway Water Management Authority**

### ***Transition Services:***

We have helped several agencies create their organization, as described in the Transition Services section of the RFQ. We are often hired by organizations that are small and do not have professional staff to manage their finances and accounting. They often have no internal controls in place, and no financial policies or guidelines. PCG sets up the financials processes and internal control system, and then develops monthly and quarterly reporting that is tailored to management and governing board needs.

### ***Fully Outsourced Accounting:***

At some of our clients there is no other administrative staff - we complete all of the accounting functions, including accounts payable, receivable, cash management and long range financial planning, payroll, human resources, audit and budget preparation, and governing board reporting. To ensure proper internal controls for these clients, Platinum Consulting Group staff prepare bank reconciliations and Cindy reviews and approves all bank and investment account reconciliations.

### ***Partial Service Accounting/Contract CPA***

Many of our clients have their own accounts payable and cash receipting staff, and we provide the other accounting and finance services required.

We serve as the primary liaison to the auditors for all of our clients, and we prepare monthly financial statements, reconciliations and financial statements/board packages for all of our External CFO clients. We are well versed in the board package process and provide timely and accurate reports for management and the Board. Platinum Consulting Group also prepares and



files the federal and state tax returns, 1099s, State Controller's Reports, and other regulatory filings for all clients as needed. We regularly attend finance and board meetings as needed.

***QuickBooks:***

Cindy Byerrum has been a QuickBooks Pro Advisor for over seven years, and has taught QuickBooks at the university level. All of Platinum Consulting Group's associates use QuickBooks at various clients and are well versed in the optimal use of QuickBooks. We are also experienced in many other financial softwares, however, QuickBooks is the most commonly used program by our smaller clients.

***Payroll Set Up:***

We have set up payroll systems for several clients. We serve as the payroll, benefits, and 401k administrator for several clients. Most clients utilize a contract payroll provider and we work with them to ensure payroll is processed and is correct. Cindy has successfully navigated through two IRS employment taxation audits and conducts regularly training for clients on the various rules in employment taxations.

**Benefits of Using Platinum Consulting Group**

When comparing our capabilities and proposed solutions to that of competitors, the benefits of choosing Platinum Consulting Group are:

- We are very experienced in evaluating and then assisting non-profit and governmental agency finance departments, and with our extensive background we are able to hit the ground running with little guidance or direction.
- We have vast expertise in governmental finance - we know the business model and the best practices for governmental organizations, which gives us an edge over our competitors who often spend half the year preparing income tax returns. All we do is government accounting and finance – all year round.
- We are a relatively small company that provides very personalized and responsive services. Unlike larger firms, we are available at your convenience on *your* timetable.
- We limit the amount of clients we have at any one time to ensure that we have more than enough time to serve each client successfully.
- We have extensive governmental accounting, finance and human resources experience, and a wide range of administrative experience as well.

**Partial List of Current Clients with Similar Needs to the GWMA**

San Gabriel Valley Council of Governments:

- We serve as the Treasurer of the COG, and have trained staff to enter accounts payable and cash receipts; we provide all other accounting and finance services for the COG's primary government, including cash management, accounting, budgeting, quarterly financial and investment reporting, and full audit preparation. We prepare the State Compensation reports, and all IRS and State filings, including 1099s. The COG uses QuickBooks as its financial system.



#### Bellflower Mutual Water Company:

- The staff at Bellflower enter in cash receipts; we provide all other accounting services including cash management, accounting, biweekly payroll reporting, budgeting, monthly financial and investment reporting, and full audit preparation. Bellflower uses QuickBooks as its financial system, however, we are assisting them in implementing Caselle for financial and utility billing.

#### East Orange County Water District & Twenty-nine Palms Water District

- District staff enter accounts payable, cash receipts, and process payroll & PERS; we provide all other accounting and finance services for both Districts, including cash management, accounting, budgeting, monthly financial reporting, and full audit preparation. We prepare the annual State Financial Transactions reports and Compensation reports, and all IRS and State filings, including 1099s. The East Orange County Water District uses QuickBooks as its financial system. Twenty-nine Palms Water District recently implemented Springbrook for its financial and utility billing system.

#### Trabuco Canyon Water District

- We serve as the Treasurer of the District. We trained District staff to prepare all the accounting, which we review every month. We prepare the annual budget, monthly financial reporting, and full audit preparation. We prepare the annual State Financial Transactions reports and we review the State Compensation report, and all IRS and State filings, including 1099s. The District uses Microsoft Great Plains as its financial system.

#### Pico Water District & La Puente Valley County Water District/City of Industry Water Department

- We assist management in financial planning and with complex issues when needed. At La Puente Valley Water District we recently prepared a complex financial model to determine the viability of a recycled water project that would require multiple funding sources and partners.

#### California Utility Executive Management Association

- We helped set up the Association in its formation in 2010 by preparing their accounting and creating relevant board reports in QuickBooks. We prepare all the accounting and reporting, including the annual tax returns (Form 990) and 1099 preparation.

#### Orange County and Los Angeles County LAFCO

- We perform quarterly reviews of their bookkeeper's accounting, assist with the budget preparation, prepare for the annual audit; and prepare any state and federal filings needed.

#### Chino Basin Watermaster & Walnut Valley Water District (past clients)

- Although we create policies and procedures for all of regular clients, we are sometimes hired exclusively for this service, as we were at Walnut and Chino Basin. Chino Basin involved a complete policy manual for Board/Committee procedures, financial policies, and staff personnel policies. The Board/Committee procedures were particularly challenging because they had to adhere to the court judgement guidelines when applicable. For Walnut Valley Water District we created a complete set of financial policies, including a purchasing policy, investment policy, and internal control policies.

#### Various Clients/Services

- We have created record management policies for most of our clients. We also prepare personnel policies and employee handbooks, however, we recommend our handbook be reviewed by legal counsel before adoption.
- We perform finance department assessments on all of our permanent clients. We have performed specific financial department policy and procedures assessments also for the Rancho California Water District (IRS audit risk assessment) Elsinore Valley Municipal Water District, Running Springs Water District, Scotts Valley Water District, and the City of Avalon.

PCG staff regularly attends trainings from PIHRA (Professionals in Human Resources Association), CalPERS, the IRS, GFOA and CSMFO. We also attend the annual employment tax training and GASB updates offered by various auditing firms.

#### **SERVICES NOT PROVIDED**

Please note that Platinum Consulting Group staff will not be auditing the GWMA's accounting records or any documents. We will do our best to ensure the information is accurate, however, we are not auditors. We cannot be relied upon to detect fraud or errors; however, if we become aware of any we will immediately notify management.

#### **Fees for our Services**

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Our billing is based on a time and materials basis, and is billed on a monthly basis. Travel above one hour each way is billed at our normal hourly rates. We encourage you to call us and keep in proactive contact. For that reason, we do not charge for short, routine phone calls or emails.

##### ***Our hourly rates are as follows:***

Cindy Byerrum, Managing Consultant	\$165 per hour
Cheryl Jubrey, Manager	\$ 95 per hour
Josh Byerrum, Senior Associate	\$ 90 per hour
Meredith Alvarez, Staff Accountant	\$ 65 per hour
Office Staff	\$ 50 per hour

We strive to utilize the lowest cost staff whenever possible to keep overall costs low. We anticipate that most of the Transitional Services needed by GWMA would be performed by Josh Byerrum and Cindy Byerrum. Most of the On-Going Finance Services, such as reconciling the bank account and internal audit, would be performed by Josh Byerrum with oversight by Cindy Byerrum. All work is reviewed by Cindy Byerrum, and Board and Committee meetings are attended personally by Cindy Byerrum.

We agree to enter into the Professional Services Agreement attached to the GWMA Request for Qualifications.

## **References – *we encourage you to call our references***

### ***Hector Ruiz***

General Manager  
Trabuco Canyon Water District  
32003 Dove Canyon Drive  
Trabuco Canyon, California 92679  
Work: (949) 858-0277, ext. 107  
[hruiz@tcwd.ca.gov](mailto:hruiz@tcwd.ca.gov)

### ***Lisa Ohlund***

General Manager  
East Orange County Water District  
185 N McPherson Rd  
Orange, CA 92869  
714-538-5815  
[lohlund@eocwd.com](mailto:lohlund@eocwd.com)

### ***Ray Kolisz***

Interim General Manager  
Twenty-nine Palms Water District  
72401 Hatch Roach  
Twenty-nine Palms, CA 92227  
760-367-7546  
[rkolisz@29palmswater.org](mailto:rkolisz@29palmswater.org)

### ***Ken Deck***

Executive Director  
Bellflower-Somerset Mutual Water Company  
10016 Flower Street  
Bellflower, CA 90706  
562-866-9980  
[Ken@bsmwc.com](mailto:Ken@bsmwc.com)

### ***Greg Galindo***

General Manager  
La Puente Valley County Water District  
112 North First Street  
La Puente, CA 91744  
[ggalindo@lapuentewater.com](mailto:ggalindo@lapuentewater.com)  
626-330-2126

## **Cindy (Navaroli) Byerrum, MPA, CPA**

### **PROFESSIONAL EXPERIENCE**

#### **July 2001 – present: Managing Principal, Platinum Consulting Group**

- External Finance Director for the *Twentynine Palms Water District*
- External Treasurer for the *Trabuco Canyon Water District*
- External Treasurer for the *San Gabriel Valley Council of Governments*
- External CFO for *East Orange County Water District*
- External CFO for *Bellflower-Somerset Mutual Water Company*
- Financial Consultant to the *City of Avalon, City of Signal Hills, La Puente Valley County Water District, and Bellflower-Somerset Mutual Water Company, Pico Water District, and Sunny Slope Mutual Water Company.*
- Contract CPA for the *California-Nevada Section of the American Water Works Association, and the California Utility Executive Management Foundation (CUEMA).*

#### **Platinum Consulting Group past positions and projects:**

- Interim Controller for *San Diego County Water Authority*, Interim Director of Finance for *Yorba Linda Water District* and Interim CFO for *Rosamond Community Services District and California Domestic Water Company*. Responsibilities involved restructuring the finance department; revising job descriptions; supervising the finance, customer service staff, and meter reading staff; recruiting and selected a new Controller/Director of Finance; preparation of monthly financial statements and mid-year budget revisions; identifying and correcting internal control weaknesses; reporting to the Board, implementation of a major systems conversion; rating agency liaison.
- **External CFO and Contract CPA** responsibilities for various other public companies include the preparation of the annual budget, accounting clean-up of general ledger, cash management and forecasting, reconciliation of billing records, creation of new accounting positions and restructuring of the customer service and finance department, design and monitoring of effective internal controls, various special consulting projects, and presentations at finance committee meetings and board meetings. Most positions involved strategic planning, hiring and training of senior financial management, human resources oversight, and board reporting and presentations.

#### **2007 –2008: Chief Financial Officer, Three Valleys Municipal Water District and Six Basins Watermaster**

- Responsible for the completion of the annual audit and preparation of the inaugural CAFR which received the CSMFO and GFOA awards for excellence for FY 07 and 08
- Reorganized budget and financial reports into separate funds and sources/uses structure
- Responsible for collaborating with department heads, water treatment plant staff, member agencies, and board members to coordinate the preparation and presentation of the annual operating and capital budgets
- Preparation of cash flow analysis and projections; analysis of funding proposals, review of monthly financial reports, cost analysis, and project updates
- Responsible for management of the District's \$24 million investment portfolio and all banking and debt financing functions
- Coordination of RFPs, vendor contracts, customer billing, and project accounting
- Oversee in-house payroll functions, as well as pension and retirement plan compliance testing; all benefits administration and human resource functions
- Primary liaison to seven member board for monthly Finance Committee and Board meetings

#### **1999 to present: Various part-time professional teaching positions**

- Associate Professor at Cal State Fullerton, Cal Poly Pomona, Cal State San Bernardino, and Chaffey College; Becker CPA Review course instructor (Auditing and Governmental Accounting)
- Classes include Governmental and Nonprofit Accounting, Auditing, Financial Accounting, Managerial Accounting, Computer Information Systems in Accounting, and Payroll Accounting

#### **2001 –2006: Department Chair of Accounting, Financial Services, and Real Estate, and Professor of Accounting (fully-tenured), Chaffey College**

- Responsibilities included organizing and communicating with Advisory Boards; managing, scheduling, and evaluating all adjunct and new faculty in the department (over 30 instructors); implementing new curriculum and programs; various management duties
- Frequent participation in committee meetings, union negotiations, and accreditation committee co-chair. Created the *Accounting for Governments* certificate program, curriculum, and Advisory Board.

#### **1999 - 2001: Supervisor, *Vicenti, Lloyd & Stutzman, LLP***

- Supervised various audits of governmental agencies and non-profit organizations
- Main audit clients included Upper San Gabriel Valley MWD, Three Valleys Municipal Water District, San Gabriel Basin Water Quality Authority, and other water related districts and entities.
- Responsibilities also included the supervision, training, and development of senior and staff accountants

#### **1997 –1999: Auditor, *Ernst & Young LLP***

- Audit Senior for various cities and other governmental and non-profit clients, such as the County of Riverside, Riverside Redevelopment Agency, County of Riverside Asset Leasing Corporation, Riverside County Transportation Commission, and other types of governmental agencies
- Supervised financial statement audits, single audits and various special compliance audits

#### **ADVISORY AND LEADERSHIP ROLES**

- Frequent presenter for the California-Nevada Section. of AWWA Association conferences and Board Meetings and ACWA conferences
- Active member of the AICPA, GFOA, CSMFO, AWWA and Association of Government Accountants

#### **EDUCATION**

**Master's in Public Administration (MPA), *California State University, San Bernardino, GPA 4.0***

**BS in Business Administration (BS), Accounting concentration, *California State University, San Bernardino, June 1997, College of Business and Public Administration Undergraduate Valedictorian, GPA 3.9***

#### **SOFTWARE SKILLS**

Certified QuickBooks Pro Advisor, New World, PeopleSoft 9.1, Eden, Springbrook, Mas 90, ACS, Municipal Organizations Management System (MOMS), Great Plains, FrX, QuickBooks Enterprise, Pro & Basic 2013, Peachtree, Auditvision, ProSystems FX, Creative Solutions, ATB, ACL, Access, Word, Excel, Outlook and PowerPoint

## **Insurance**

### **INSURANCE**

*Platinum Consulting Group (PCG) provides and maintains at all times during the performance of this Agreement the following insurance: (1) Commercial General Liability (“CGL”) insurance; (2) Automobile Liability insurance; (3) Workers’ Compensation and Employer’s Liability insurance; and (4) Errors and Omissions (“E&O”) liability insurance.*

#### **Commercial General Liability**

*Our policy identifies Covered Parties as additional insured, or are endorsed to identify Covered Parties as additional insured. Coverage for additional insured is not limited to vicarious liability. Each policy has liability coverage limits of at least \$2,000,000 per occurrence for bodily injury, personal injury and property damage, and either at least (a) \$4,000,000 aggregate total bodily injury, personal injury and property damage applied separately to the Project/Client; or at least (b) \$5,000,000 general aggregate limit for all operations. PCG insurance and endorsements are kept in force at all times during the performance of this Agreement and all coverage required herein is maintained after the term of this Agreement so long as such coverage is reasonably available.*

#### **Automobile Liability**

*PCG maintains Automobile Liability coverage for “any auto” and with limits of at least \$1,000,000 for bodily injury and property damage, each accident, including owned, non-owned and hired autos, or the exact equivalent. Automobile Liability insurance and endorsements are kept in force at all times during the performance of this Agreement and all coverage is maintained after the term of this Agreement so long as such coverage is reasonably available.*

#### **Workers’ Compensation/Employer’s Liability**

*PCG covers or insures the existence of coverage under the applicable laws relating to Workers’ Compensation insurance, all employees employed directly by us or through subconsultants at all times in carrying out the Work contemplated under this Agreement, in accordance with the “Workers’ Compensation and Insurance Act” of the California Labor Code and any amendatory Acts. PCG provides Employer’s Liability insurance with limits of at least \$1,000,000 each accident, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee.*

#### **Errors and Omissions**

*PCG’s E&O policy has limits of at least \$1,000,000 per claim and \$2,000,000 aggregate. E&O insurance and endorsements shall be kept in force at all times during the performance of this Agreement and all coverage required herein shall be maintained after the term of this Agreement so long as such coverage is reasonably available.*



STAFF MEMBERS

Don Chadd, General Manager  
Hector Ruiz, District Engineer  
Michael Perea, District Secretary  
Cindy Navaroli, District Treasurer  
Robert Anslow, District Legal Counsel



BOARD OF DIRECTORS

Edward Mandich, President  
James Haselton, Vice President  
Michael Safranski, Director  
Glenn Acosta, Director  
Stephen Dopudja, Director

December 10, 2012

To whom it may concern:

Please allow this letter to serve as our strong recommendation regarding the superior service provided by Platinum Consulting Group (PCG), and specifically, Ms. Cindy Navaroli.

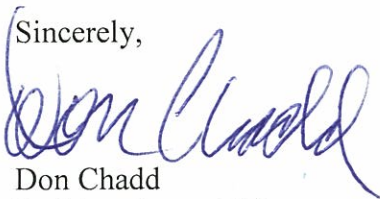
This District contracted with PCG in July of 2010 to serve as the District's accounting firm. Since that time, Platinum Consulting, guided primarily by Ms. Navaroli has performed financial and accounting functions that have far exceeded our contractual expectations. Specifically, Ms. Navaroli's prior experience as an auditor, combined with her experience with special districts, provides her with a keen understanding of the accounting and financial demands of a special district. Specifically, these areas include extraordinary efforts in monthly financial reconciliations, monthly committee finance report and packages, annual budget preparation, audit preparation and review, and rate analysis as required.


Ms. Navaroli is currently this District's Treasurer. The Board of Directors of this District regularly commends Ms. Navaroli, and the employees of Platinum Consulting, for the superior work they perform on behalf of this District. Simply put, the efforts of Ms. Navaroli and Platinum Consulting has this district's financial house in exceptional order. This District has saved money as a result of the contract accounting services, and continues to save money as a result of the ongoing services provided; this may be the best contract hire this District has ever made.

This letter of recommendation is jointly authored by Don Chadd (outgoing General Manager, retiring December 31, 2012) and Hector Ruiz, District Engineer (General manager effective January 1, 2013).

Please call if we may provide further information that will guide you in your decision.

Sincerely,

  
Don Chadd  
Retiring General Manager

  
Hector Ruiz  
District Engineer/Acting General Manager





## San Diego County Water Authority

4677 Overland Avenue • San Diego, California 92123-1233  
(858) 522-6600 FAX (858) 522-6568 [www.sdcwa.org](http://www.sdcwa.org)

March 21, 2011

### MEMBER AGENCIES

Carlsbad  
Municipal Water District

City of Del Mar

City of Escondido

City of National City

City of Oceanside

City of Poway

City of San Diego

Fallbrook  
Public Utility District

Helix Water District

Lakeside Water District

Olivenhain  
Municipal Water District

Otay Water District

Padre Dam  
Municipal Water District

Camp Pendleton  
Marine Corps Base

Rainbow  
Municipal Water District

Ramona  
Municipal Water District

Rincon del Diablo  
Municipal Water District

San Dieguito Water District

Santa Fe Irrigation District

South Bay Irrigation District

Vallecitos Water District

Valley Center  
Municipal Water District

Vista Irrigation District

Yuima  
Municipal Water District

### OTHER REPRESENTATIVE

County of San Diego

To whom it may concern:

The following is an unqualified letter of recommendation for Ms. Cindy Navaroli.

In September, 2010 I retained Ms. Navaroli as the Interim Controller for the San Diego County Water Authority. The Water Authority is the wholesale water supplier of 24 retail member agencies within San Diego. We sell approximately 600,000 acre-feet of water annually, have a biennial budget of \$1.65 billion, and have 267 permanent employees. As Interim Controller, Ms. Navaroli was responsible for managing 12 of the 21 positions in the Finance Department for a six-month period.

She took over a section which was in need of strong leadership and had a high volume of unfinished and important work. During this time she organized and motivated her team to successfully complete the following projects:

***Preparation of the Water Authority's Comprehensive Annual Financial Report (CAFR).***

Ms. Navaroli worked effectively with the Water Authority's staff and auditor to complete the annual financial statements during a very short period of time and to present the CAFR to the Water Authority's Audit Committee and Board of Directors. In addition, she helped enhance the Water Authority's monthly financial reports to the Board of Directors.

***Conversion and upgrade of the Water Authority's ERP system.*** Ms. Navaroli worked very effectively with the Water Authority's IT staff to develop a schedule for final testing of the upgrade from PeopleSoft 8.9 to 9.1. The upgrade occurred at the beginning of the calendar year and required precise execution in order to meet tax reporting deadlines for W2's and 1099's. The upgrade was executed smoothly with only a few minor problems.

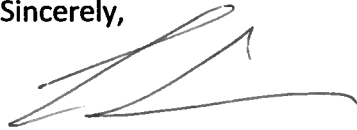
***Completion of an IRS employer tax audit.*** Ms. Navaroli worked closely with the IRS to successfully conclude an employer tax audit for calendar years 2008 and 2009. Some findings required complex changes in Water Authority procedures. Ms. Navaroli coordinated very well with stakeholders throughout the Water Authority to implement these changes with very little disruption.

*A public agency providing a safe and reliable water supply to the San Diego region*

***Effective leadership of the accounting section.*** In addition to completing specific projects, Ms Navaroli was extremely effective at leading and managing the accounting section. She helped re-organize the section for increased effectiveness, addressed difficult disciplinary issues, and improved overall morale. She also provided excellent assistance in the recruitment, selection and integration of the permanent Controller, who is working out very well.

Ms. Navaroli is extremely well-qualified to address a wide range of issues you may have within a finance department. She is well organized, has a broad range of technical abilities, and takes initiative. Moreover, she displays organizational savvy and political acumen, and I have seen her work very well with a range of stakeholders including direct reports, representatives of other departments, executive management and the Board of Directors. I cannot recommend her more highly. Perhaps the most meaningful recommendation comes from the staff whom she led to high levels of performance during a challenging time. To a person, they were sad to see her go.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Eric Sandler', with a stylized, sweeping flourish at the end.

Eric Sandler  
Director of Finance/Treasurer  
San Diego County Water Authority



# Yorba Linda Water District

*Reliable and Trusted Service  
for More Than 100 Years*

April 30, 2010

Cindy Navaroli, MPA, CPA  
Principal Consultant  
Platinum Consulting Group

RE: Interim Finance Director

Dear Ms. Navaroli,

*Cindy*

I want to personally thank you on behalf of the management team, staff and Board of Directors of the Yorba Linda Water District, for your dedication and strong financial guidance over the past nine months, as our Interim Finance Director. Your willingness to take on the multitude of challenges we faced through this period, and your leadership in assisting to develop and implement solutions to those challenges, have earned our sincere respect and deepest gratitude.

In a struggling economic climate, with unprecedented water supply restrictions and skyrocketing costs, you helped YLWD develop a strategy to firm up our finances, establish financial controls and convince our Board to adopt a difficult, albeit responsible rate increase. These efforts would insure our continued commitment to maintaining a high level of service to the community and reestablish acceptable indicators for meeting our debt obligations. Your recent assistance in convincing Fitch Ratings, through their surveillance review process, to maintain the "AA-" rating for the Yorba Linda Water District's outstanding debt, was a tremendous accomplishment considering prior year performance indicators. These efforts will provide continued economic benefits to our customers well into the future.

Once again, I'd like to express our gratitude for your professional commitment, organized approach to problem solving, ability to integrate quickly into our management team, and most importantly, for your strong desire to insure the District succeeds in all our endeavors.

If you ever need a professional reference, please feel free to have potential clients call me at (714) 701-3020.

Regards,

*Kenneth R. Vecchiarelli*

Kenneth R. Vecchiarelli  
General Manager



August 23, 2012

To whom this may concern:

In January 2012, Ms Navaroli was contracted to provide financial management and services to Sunny Slope Water Company, a mutual private water company in the LA county Unincorporated area of Pasadena. Sunny Slope services approximately 6200 meters spreading over four cities with annual revenue of four million dollars.

Prior to hiring Ms Navaroli, Sunny Slope's Office Manager served as the company's bookkeeping. Much of the financial analysis and management was accomplished by me and members of the board of directors. However, we relied heavily on our external audit firm for financial advice and compliance matters. We switched audit firms this year and hired Ms. Navaroli to serve as the External CFO to provide in house direction.

We seek out Ms Navaroli because of her vast financial knowledge and background. Specifically, we selected her because she brings with her extensive non-profit and water industry experiences and networks.

Ms. Navaroli's performances have been outstanding. She assessed the company's financial operations and provided immediate recommendations for improvements. As the General Manager, I was extremely pleased to have Ms Navaroli handle Sunny Slope Water Company Accounting and Financial Management matters with confidence.

- 1) Year-end closing - Ms. Navaroli helped close our books at year-end within 3 weeks of our year-end (we have a 12/31 year end and our audit report is dated February 18<sup>th</sup>). She prepared complex year-end estimates and ensured that all accruals were made with a better level of precision and accuracy.
- 2) Month end closing - Ms. Navaroli has revamped our monthly reporting to the Board to ensure that objects are met without unnecessary detail and burden in the reports. These reports are being incorporated into system generated reports so that the financial statements are automatically prepared each month for the Board, saving us much time. She presents the financial information to the Board each meeting in a clear, concise manner that lends confidence in our numbers and in the financial guidance she is providing.

1040 EL CAMPO DRIVE, PASADENA, CALIFORNIA 91107-5506  
(626) 795-4163 • (626) 287-5238 • FAX: (626) 795-7061



- 3) Audit – Ms. Navaroli served as the liaison between staff and the auditors, ensuring all schedules were prepared, auditor adjustment were appropriate, and reviewed the audit report and tax returns.
- 4) New FA module – Ms. Navaroli and her staff are in the process of revamping our fixed asset schedules which included many unrecorded disposals and repair and maintenance items. She is transitioning the fixed asset listing from the auditor's possession to our MAS 90 system so we can more accurate track our fixed asset and pay the lowest property tax possible.
- 5) Financial Negotiation (Microvi) – Ms. Navaroli has assisted me in complex financial calculations and negotiations regarding the purchase or lease of a new technological process to help us purify our water in a more costly manner. She has been very helpful since the company we are negotiating with is a start-up company that has no proven history and little financial or cost data available.
- 6) Ms. Navaroli has excellent communication skills and is able to work with staff at a detailed level during the day and then switch to a big picture focus for board meetings at night. She has made significant changes to our financial reporting and rate setting process, all with Board buy-in and approval. Her changes with staff have been well-received and she continues to train and work with staff to improve our processes and strengthen our internal controls.

Ms Navaroli is extremely well-qualified to address a wide range of issues. She is well organized, has a broad range of technical abilities, and takes initiatives. Moreover, she displays organizational savvy and political acumen while working with staff, board directors, and business partners. Please do not hesitate to call me if you would like to discuss Ms. Navaroli's qualifications.

Sincerely,



Ken Tcheng  
General Manager



# SCHAFER CONSULTING

PROPOSAL FOR  
REQUEST FOR  
QUALIFICATIONS

Due:  
4/23/2015

PROPOSAL SUBMITTED BY SCHAFER CONSULTING  
For  
GATEWAY WATER MANAGEMENT AUTHORITY

# SECTION A

## TRANSMITTAL LETTER

Ms. Penn:

Schafer Consulting is pleased to offer this proposal in response to the Gateway Water Management Authority's (the Authority) Request for Qualifications (RFQ) for providing financial, accounting, investment, purchasing and personnel services.

Schafer Consulting has extensive experience in providing all of these services. We are uniquely qualified to meet the needs of the Authority as 100% of our clients are public sector and many of those are water utilities and waste management districts.

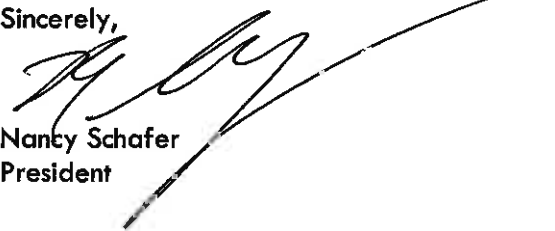
Our proposed consultants have the following experience, which would add value to your organization:

- Intimately familiar with government reporting (CAFR, Single Audit Report, State Controller's Report, Funding Agency Reports) and GASB requirements
- Created numerous policies and procedures for clients
- Worked with many funding agencies – federal, state and local
- Extensive experience setting up financial/human resources/payroll systems, including the development of charts of accounts
- Have extensive knowledge of California's water conservation efforts and mandates
- Prepared budgets for other California agencies
- Have extensive experience with investments, including working with LAIF
- Have experience setting up brand new Joint Powers Authorities
- Have extensive experience with QuickBooks Pro – Cloud and Desktop versions

In short, we are a one-stop shop to provide the Authority all administrative, financial management, accounting, personnel, investment, and technology services.

We appreciate the opportunity to provide information as requested in the RFQ to highlight the strengths and experience of Schafer Consulting. After review of our proposal, we hope the Evaluation Committee of the Authority will be able to see the significant contribution that we would make to the organization.

Sincerely,



Nancy Schafer  
President

## SECTION B

### COMPANY NAME AND CONTACT INFORMATION

Firm: Schafer Consulting	
Contact Name:	Nancy Schafer
Title:	President
Address:	24681 La Plaza, Suite 240, Dana Point, CA 92629
Phone:	(949) 388-4577
E-mail:	nschafer@schaferconsult.com
Company Structure:	California S Corporation



## SECTION C

### NAME AND RESUME OF THE MAIN INDIVIDUALS ASSIGNED TO WORK WITH GWMA

#### **Key Staff**

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To successfully meet the objectives of this engagement, Schafer Consulting is offering a team of highly competent professional to address the needs and challenges facing GWMA.

Our selection of professional staff to serve on an engagement team is based on a careful consideration of our staff's skills and experience in relation to the client's needs. It is our goal to assemble the "best and the brightest" team for each engagement. It is in the firm's best interest, as well as the interest of our clients, for the team members to remain for the duration of the engagement. To the best of our ability, Schafer Consulting will make that same commitment to GWMA. We feel that such continuity assures the client of experienced help and ensures efficiency of service. In the event that any of the team members becomes unavailable due to unforeseen circumstances, then with the approval of GWMA, an equally competent and experienced team member will be assigned as a replacement.

#### **Nancy Schafer - Engagement Manager**

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Nancy Schafer has been continuously involved in the financial, accounting and management profession since 1981. She received her Bachelor of Science degree from California State University at Fullerton.

She began her career with the international public accounting firm of Peat, Marwick, Mitchell & Co. where she gained her auditing experience by working in government, non-profit and service industries. After her staff years, she moved to another international public accounting firm, Coopers & Lybrand, where she had the opportunity to manage several dozen large government audit engagements. She worked for the Orange County Transportation Authority for 6 years in the capacity of Finance Manager, and then in 1999, Ms. Schafer established her own consulting firm and recruited several former employees who had participated in providing management consulting and process re-engineering projects.

Ms. Schafer will oversee the Schafer team on all administrative, contractual and quality assurance activities. Her role as the "sponsor" of the project will help ensure that we achieve success.

#### **Megan Delaney – Senior Consultant**

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Ms. Delaney's expertise is in financial management, change management, analysis, evaluation, planning, implementation and quality assurance for information systems and

related business practices for the public sector. She has extensive experience working with organizations to develop their chart of accounts, develop policies and procedures, create internal and external financial reports, prepare operational and capital budgets, oversee internal auditors, recommend best practices and perform a variety of accounting and treasury functions. She received her BS degree in Business Finance and Information Systems from San Jose State University.

Prior to becoming a consultant, Ms. Delaney was a management consultant with the Orange County office of Deloitte & Touche. In this capacity Ms. Delaney was involved in many projects to assist clients in the selection and implementation of software as well as many operational reviews and analysis mainly for the public sector. Some of the key clients of Ms. Delaney include the City of Irvine, the Irvine Company, City of Anaheim, City of Long Beach, City of LA (multiple departments), City of Pasadena, Orange County, Metropolitan Water District of Southern California, Caltrans, California State Controller's Office, and the Sonic Corporation.

Ms. Delaney was also the Finance Manager at the City of Orange.

#### **Iris McGee – Consultant**

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Iris McGee has over 20 years' experience working with various financial management systems in the public sector, including setting up new chart of accounts, configuring systems to reflect the policies and procedures of the organization, developing training materials, preparing reports, and creating purchasing and contracting workflows. She has been continuously involved in the financial, accounting and management consulting profession since 1993. She received her Bachelor of Science degree from California State University at Fullerton.

Iris McGee has been working for Schafer Consulting since its inception. Prior to that, Iris worked for the Orange County Transportation Authority, where she was in charge of fixed assets, bank reconciliations and implementing a new financial management system. Iris also worked for the Alameda Corridor Transportation Authority when it was a brand new organization with only one employee, the General Manager. Little by little, Iris worked with the consultants to develop all administrative policies, implemented a new system, managed all the funding sources and prepared all financial and treasury reports

## SCHAFFER CONSULTING

► Nancy Schafer

Engagement Manager

### EXECUTIVE SUMMARY

Nancy Schafer has been working in the financial management and consulting profession for over twenty years. She began her career with the international public accounting firms of Peat, Marwick, Mitchell & Co. and Coopers & Lybrand where she gained her auditing experience by working in government, non-profit and service industries. These ventures led her to join two transportation authorities, where she was involved in all aspects of finance and administration, including budget development, financial reporting, grant management, contract management, asset management, and revenue management. She was responsible for the implementation of both agencies' financial management systems. In 1999, Ms. Schafer established her own management consulting firm that specializes in business transformation for the public sector.

### INDUSTRIES AND EXPERTISE

#### Industries:

Public Sector – Cities, counties, transportation/transit agencies, courts, water districts, school districts, redevelopment agencies and tribal nations

#### Functional Expertise:

General Ledger, Project Accounting, Grants Management, Contract Management/Purchasing, Budget, Licensing and Permitting, Encumbrances, Inventory, Accounts Payable, Accounts Receivable, Utility Billing, Fixed Assets, Human Resources, Payroll and Reporting.

### WORK EXPERIENCE

#### Schafer Consulting, Orange County, CA

##### President

- As owner: Manage all aspects of the company, including resource planning, business development and administration
- Other Roles: Developed Master IT Plans for public sector clients, developed numerous policies and procedures, developed chart of accounts, created training materials, and managed ERP/CIS/FIS/HRIS system evaluation, selection, and implementation projects. Tasks include needs assessment, requirements definition, development of RFP's, development of software demonstration scripts, contract negotiations, system configuration, data conversion, training, testing and post

implementation support. Familiar with many financial management and ERP systems. .

**Alameda Corridor Transportation Authority, Carson, CA**

*Finance Director*

**Responsibilities:** Managed all aspects of the finance, administration, technology and human resources for the Authority

**Accomplishments:** Implemented Financial Management System, developed a comprehensive set of policies and procedures, involved in the issuance of \$2.1 billion of revenue bonds

- Orange County Transportation Authority, Orange County, CA  
*Manager of General Accounting and Financial Reporting*

**Responsibilities:** Managed nine staff in the areas of financial reporting, general accounting, coordination of internal and external audits, treasury accounting, accounts payable, revenue management and fixed assets

**Accomplishments:** Designed treasury functions after the Orange County bankruptcy; implemented Financial Management System; provided assistance in the development of the in-house payroll system; updated all policies and procedures; ensured all funding sources, bank and investment accounts are in balance; tracked all funding sources; provided guidance in the development of the cost allocation plan; and ensured accurate interfaces from fleet, work orders, farebox, fuel and asset management systems

- Coopers & Lybrand, Los Angeles, CA  
*Audit Senior, Audit Supervisor*

**Responsibilities:** Supervised financial and operating audits for various government, higher education, and non-profit organizations

- Peat, Marwick, Mitchell & Co., Newport Beach, CA  
*Auditor*

**Responsibilities:** Performed financial and operating audits for various government, special districts, higher education and non-profit organizations

**KEY CLIENTS AND PROJECTS**

- Eastern Municipal Water District, CA
- Elsinore Valley Municipal Water District, CA
- West Basin Municipal Water District, CA
- Central Basin Municipal Water District, CA
- Olivenhain Municipal Water District,
- Sweetwater Authority, CA

- Jurupa Community Special District, CA
- Salt Lake County, UT
- The Supreme Court of Louisiana, LA
- City of Fullerton, CA
- City of Lee Summit, MO
- City of Little Rock, AR
- Riverside County Transportation Commission, CA
- St. Croix County, WI
- Cherokee Nation, OK

#### **EDUCATION**

- BA, California State University, Fullerton, CA  
Business Administration with emphasis in Accounting



► Megan Delaney

Senior Consultant

### EXECUTIVE SUMMARY

Ms. Delaney's expertise is in analysis, evaluation, planning, implementation and quality assurance for information systems and related business practices for the public sector. She is also experienced in budget and financial analysis, and cost recovery studies. Ms. Delaney's functional focus has been in the areas of:

- Management Consulting
- Requirements Analysis
- Development of Policies and Procedures
- Development of various RFP's for the public sector, including banking, ERP system, Utility Billing and other enterprise systems
- Information Systems Assessment
- Operations Review and Process Re-engineering
- Fee Studies
- Quality Assurance

### WORK EXPERIENCE

**San Diego County Water Authority** – Ms. Delaney was the project manager over the selection of new human resources and financial software. She conducted a detailed review of the Authority's RFP and evaluation process, and made recommendations that resulted in a new RFP and procurement process for financial, materials management, human resources, and maintenance management software. Prepared a detailed Request for Proposal, and assisted the Authority to develop a comprehensive vendor list. She led the evaluation of potential software applications, resulting in the selection of software and implementation services from PeopleSoft. During the implementation of the selected software, she acted as the quality assurance manager.

**Metropolitan Water District of Southern California - Phase Zero** – Ms. Delaney was responsible for leading the development of a business model (data model and processes) detailed systems requirements for the Finance Division. She developed the business and process models as well as the detailed software system requirements for the applications area through the use of focus groups and Joint Application Design (JAD) sessions. Analyzed financial operations and processing volumes, and developed a report on the impact the

implementation of new financial systems would have on the District. She assisted in the development of an RFP and in the evaluations of vendors to determine a short list and final selection of Oracle Financials.

**Metropolitan Water District of Southern California - Phase One and Two -** Ms. Delaney was a full-time member of a consulting team providing program-management services for the implementation of four new systems: financial, materials management, human resources/payroll, and environmental monitoring. Key tasks included:

- Coordinating cross-application data integration, user rollout and training
- Projecting the new system's impact on business processes.
- Assessing the readiness of the Finance Division including a detailed activity analysis, skills survey, best-practices survey, internal customer survey, and Division performance analysis.
- Conducted a series of meetings with the Finance Director, Budget Director, Controller, Treasurer, and other staff to develop a strategy for dealing with issues identified. Developed high-level business model for re-engineered processes.
- Created a set of roles and responsibilities for technology planning, data administration, resource management, quality assurance, project management and system maintenance, in conjunction with the implementation of the new client-server environment.

#### ***PRIOR EXPERIENCE:***

Prior to becoming a consultant, Ms. Delaney was a management consultant with the Orange County office of Deloitte & Touche. In this capacity, Ms. Delaney was involved in many projects to assist clients in the selection and implementation of software as well as many operational reviews and analysis for both the public and the private sector.

#### **EDUCATION**

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- ☐ Bachelor of Science: Business Finance and Information Systems  
San Jose State University, San Jose, CA
- ☐ Certificate in Environmental Auditing, UC Irvine
- ☐ Certified Government Financial Manager, Association of Government Accountants

#### **MEMBERSHIPS/PROFESSIONAL AFFILIATIONS**

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- ☐ Government Finance Officers Association (GFOA)
- ☐ California Society of Municipal Finance Officers Association (CSMFO)
- ☐ Association of Government Accountants (AGA)



► Iris McGee

Consultant/Trainer

#### **EXECUTIVE SUMMARY**

Iris McGee has been working in the financial, accounting and management consulting profession since 1993. She began her career with the Orange County Transportation Authority (OCTA) where she gained her accounting, information technology and writing experience. She spent another two years working for the Alameda Corridor Transportation Authority (ACTA), a joint powers authority between the Ports of Los Angeles and Long Beach, where she was in charge of preparing financial statements, cash and investment reports, coordinating accounting records between ACTA and the two ports, developing policies and procedures and implementing the ACTA's financial management system. Since then, Ms. McGee has been in consulting, working on a variety of management consulting, software evaluation, selection and implementation projects.

#### **INDUSTRIES AND EXPERTISE**

##### **Industries:**

Public Sector – Cities, counties, transportation/transit agencies, courts, water districts, school districts, redevelopment agencies and tribal nations

##### **Functional Expertise:**

General Ledger, Project Accounting, Grants Management, Contract Management/Purchasing, Fixed Assets, Inventory, Accounts Payable, Licensing and Permitting, Accounts Receivable, Utility Billing, and Fixed Assets.

#### **WORK EXPERIENCE**

- **Schafer Consulting, Orange County, CA**  
*Senior Application Consultant/Trainer*

**Responsibilities:** Performed and managed system evaluation, selection, and implementation projects. Tasks include needs assessment, requirements definition, development of RFP's, development of software demonstration scripts, contract negotiations, system configuration, data conversion, testing and post implementation support. Iris handles the development of training content as well as conducting training via a variety of methods, including classroom training and webinars.

##### **Alameda Corridor Transportation Authority, Carson, CA**

*Senior Finance and Implementation Analyst*

**Responsibilities:** Prepared and presented financial statements, cash and investment reports and various other required reports for federal, state, county and local government agencies; coordinating accounting records with both the Port of Los Angeles and Port of Long Beach; developed policies and procedures for grant acquisition, budget, encumbrance and travel;



edited Board Reports, Budget Reports, Quarterly Status Reports to the Federal Highway Administration and Public Affairs reports; Developed the agency's webpage

- **Orange County Transportation Authority, Orange County, CA**

*Fixed Assets Accountant and Implementation Specialist*

Responsibilities: Tracked and managed fixed assets; implemented several software applications, including a Financial Management System, where she monitored project status and documented project milestones; actively involved with the development of training materials, policies and procedures, user manuals and Board presentations

**KEY CLIENTS AND PROJECTS**

- Eastern Municipal Water District, CA
- Elsinore Valley Municipal Water District, CA
- West Basin Municipal Water District, CA
- Central Basin Municipal Water District, CA
- Olivenhain Municipal Water District,
- Sweetwater Authority, CA
- Jurupa Community Special District, CA
- Salt Lake County, UT
- The Supreme Court of Louisiana, LA
- City of Fullerton, CA
- City of Lee Summit, MO
- City of Little Rock, AR
- Riverside County Transportation Commission, CA
- St. Croix County, WI
- Cherokee Nation, OK

**EDUCATION**

- BA, California State University, Fullerton, CA
- Business Administration with emphasis in Accounting

## SECTION D

### COMPANY INFORMATION

Schafer Consulting is a minority, woman-owned firm founded in 1999 to provide Management and Information Technology consulting services exclusively to the public sector. Ms. Nancy Schafer leads this firm of 20 highly experienced financial and IT consultants dedicated to the assessment, evaluation, selection, project management and implementation of Financial Management, Human Resources, Utility Billing and Community Development systems.

We are a privately held corporation that has been in business for over fifteen years providing services that encompass the scope of work stated in GWMA's RFQ. Prior to that, our senior managers worked as former finance officers of several city and county agencies. Our corporate office is located in Dana Point where our consultants work on a variety of financial management, business consulting, IT and software selection and implementation projects.

**What sets us apart from the other consulting firms is as follows:**

- **Focus on Government** – Unlike some of the national consulting firms with many different vertical markets and services, the primary focus of our business is providing management consulting services to local government agencies, including counties, cities and water districts. Furthermore, we understand the political environment in which cities must operate; therefore, we are sensitive to public scrutiny and are experienced at making presentations to elected officials.
- **Financial Strength** – Our firm was established in May 1999. Since that time, we have worked hard to ensure steady improvements and enhancements to our services. In December of 2001, we became a corporation and have since moved our main office to Dana Point, California. Our staffing, capital, and organizational structure have developed based on our project needs. We foresee that the near future will bring growth to our company that will help us to expand our array of services and ensure our commitment to providing high quality solutions.
- **Business Practice** – Schafer Consulting, its shareholders, employees, subcontractors and consultants have never been involved in any litigation, arbitration, mediation or other legal proceedings. In addition, we have never defaulted on any contracts or experienced late project deliveries.
- **Continuing Education** – Schafer Consulting is committed to remaining current with the latest technology and accounting standards. Our staff is trained on the latest information technology and regularly attends classes and Webinars offered by the UB vendors to ensure that we provide the highest level of professional services and the most effective means of review, selection, implementation and project management of UB systems.

- **Staff Experience** – Most of our professionals have worked extensively with water districts and have first-hand experience with employees from various departments, including IT, Customer Service, Utilities, Finance, Engineering, Public Works, Human Services, Treasury, and Procurement. Many of our consultants have been former finance and IT managers for government agencies, and for this reason, our recommendations are based on real life experience rather than textbook solutions.
- **Agile Approach and Solutions** – Our size allows us to provide a very agile and tailored solution to our clients as we do not have layers of overhead and bureaucracy which are often the cause of rigid and “cookie cutter” methodologies.

Below we show the services we offer:

Management Consulting & Technology Services	
Project management	Needs assessment
Operational review and process engineering	Development of policies and procedures
Grant management	Accounting services
Requirements definition	Development of RFP's
Review and select software vendors	Contract negotiations
Data mapping and conversion	Independent verification and validation
Quality assurance	Change management
Software implementation	Training
Testing	Post implementation support

## SECTION E

### EXPERIENCE AND REFERENCES

Below, we present a list of references and the work that we performed on the project:

**Project #1: Central Basin Municipal Water District**

Central Basin Municipal Water District	
Project Description:	ERP/UB Consulting Services
Address:	6252 Telegraph Road, Commerce, CA 90040
Project Duration:	September 2011 - July 2014
Key Contact:	Albert Plimpton
Title:	Project Manager/IT Manager
Phone:	323-210-5500
E-mail:	albertp@centralbasin.org

**Central Basin Municipal Water District** is a public agency that purchases imported water from the Metropolitan Water District of Southern California (MWD). Central Basin wholesales the imported water to cities, mutual water companies, investor-owned utilities and private companies in Southeast Los Angeles County. The District also supplies water for groundwater replenishment and recycled water for municipal, commercial and industrial use. Additionally, Central Basin's award-winning education program, bilingual Speaker's Bureau, website, and groundbreaking conservation programs help to increase public awareness about key water issues. The Central Basin service area includes 24 cities and a population of more than 2 million. It is governed by five publicly elected directors.

**Our Role on this Engagement:**

Schafer Consulting was engaged by the District to provide assistance in the evaluation and selection of a new Financial, Human Resources/Payroll and Utility Management system(s). Our scope of work included:

- ✓ Recommend government best practices
- ✓ Assessing the current system and processes
- ✓ Prioritizing current and future requirements
- ✓ Redefine the District's business processes
- ✓ Develop a new chart of accounts
- ✓ Conduct a gap analysis
- ✓ Perform market research on alternative options
- ✓ Facilitate the evaluation and selection process
- ✓ Assist with contract negotiations.

- ✓ Assist the District by facilitating brainstorming sessions to discuss questions or situations that they have not encountered before.
- ✓ Develop and document all system and design configuration decisions in all core financial, procurement and human resources areas
- ✓ Acting as the District's advocate when dealing with the software
- ✓ Assist with change management.
- ✓ Provide training
- ✓ Develop training materials
- ✓ Lead the District's Core Project Team and selected software vendor in the creation of implementation and data conversion tasks and schedules.
- ✓ Participate in meetings, as requested by the District.
- ✓ Developed customized financial reports

**Project #2: Jurupa Community Services District**

Jurupa Community Services District	
Project Description:	Needs Assessment, Evaluation & Selection ERP System
Address:	11201 Harrell Street, Mira Loma, CA 91752
Project Duration:	April 2010 - May 2014
Key Contact:	Steve Popelar
Title:	Director of Finance
Phone:	951-685-7434
E-mail:	spopelar@jcsd.us

Founded in 1956, the **Jurupa Community Services District (JCSD)** is a public agency known as a Special District, governed by a 5-member, elected, Board of Directors. JCSD is responsible for providing water, sewer and street lights for over 107,000 people and for maintaining more than 160 acres of parks and over 25 miles of frontage landscape in newly incorporated areas of the City of Jurupa Valley and the City of Eastvale, a 48-square-mile region of western Riverside County. JCSD has 135 employees, of whom six are customer service agents or call center representatives.

**Our Role on this Engagement:**

Schafer Consulting was engaged by the District to provide assistance in the evaluation and selection of a new Financial, Human Resources/Payroll and Utility Management system(s). Our scope of work included:

- ✓ Recommend government best practices
  - ✓ Assessing the current system and processes
  - ✓ Prioritizing current and future requirements
  - ✓ Redefine the District's business processes
  - ✓ Develop a new chart of accounts
  - ✓ Conduct a gap analysis
  - ✓ Perform market research on alternative options
  - ✓ Facilitate the evaluation and selection process
  - ✓ Assist with contract negotiations.
- 
- ✓ Assist the District by facilitating brainstorming sessions to discuss questions or situations that they have not encountered before.

- ✓ Develop and document all system and design configuration decisions in all core financial, procurement and human resources areas
- ✓ Acting as the District's advocate when dealing with the software
- ✓ Assist with change management.
- ✓ Provide training
- ✓ Develop training materials
- ✓ Lead the District's Core Project Team and selected software vendor in the creation of implementation and data conversion tasks and schedules.
- ✓ Participate in meetings, as requested by the District.
- ✓ Developed customized financial reports

**Project #3: Eastern Municipal Water District**

Eastern Municipal Water District	
Project Description:	Needs Assessment, Evaluation & Selection
Address:	2270 Trumble Road
Project Duration:	March 2014 - Present
Key Contact:	Laura Zamora
Title:	Project Manager
Phone:	951-928-3777
E-mail:	zamorala@emwd.org

**Eastern Municipal Water District** provides water, wastewater, and recycled water service to a population of approximately 758,000 people within a 542 square mile service area serving Moreno Valley, Perris, Sun City, Menifee, Temecula, Winchester, Romoland, Hemet, and San Jacinto in Riverside County. The District also provides wholesale water service to their sub-agencies, Rancho California Water District, Elsinore Valley Municipal Water District, Western Municipal Water District, Nuevo Mutual Water Company, Lake Hemet Municipal Water District, City of Perris, City of Hemet, and City of San Jacinto. The District operates four water reclamation facilities generating approximately 46 million gallons of treated wastewater daily, two water filtration plants, and two water desalination plants.

**Our Role on this Engagement:**

Schafer Consulting was engaged by the District to provide assistance in the evaluation and selection of a new Human Capital Management System. Our scope of work included assessing the current human resources and payroll system and processes, prioritizing current and future requirements, conducting a gap analysis, performing market research on alternative options, identifying available vendors, developing an RFP, facilitating the evaluation and selection process and assisting with contract negotiations. The District has also engaged us to provide project management and application support during the implementation phase of the project. We will support quality assurance, configuration validation, quality assurance, testing, training and change management.

**Project #4: Elsinore Valley Municipal Water District**

**Elsinore Valley Municipal Water District (EVMWD)** provides water and wastewater services in the fast growing area of Lake Elsinore, CA, east of Los Angeles and Orange Counties, and services over 30,000 households.

Elsinore Municipal Water District	
Project Description:	ERP & Utility Billing (CIS) Project
Address:	31315 Chaney Street, Lake Elsinore, CA 92531
Project Duration	
Key Contact:	Margie Armstrong
Title:	Director of Finance
Phone:	951-696-9299
E-mail:	<a href="mailto:margie@evmwd.net">margie@evmwd.net</a>

**Our Role on this Engagement:**

EVMWD contracted with Schafer Consulting to define requirements, review business processes, assist in ERP (Enterprise Resource Planning) software selection, and program manage the implementation. The selection process resulted in separate contracts for an ERP system, including core financials and HR/payroll, and a CIS system with utility billing functions. Through this process, EVMWD expects to make significant improvements in many different areas, including:

- Improved tracking of capital improvement projects
- Budgeting use as a management tool
- Performance measurement for business optimization
- Full integration with CMMS, EDMS, GIS, and business intelligence/ reporting tools
- Improved employee and manager self service capabilities

**Scope of Work Included:**

- Recommended government and utility best practices
- Provided information interface between client and Lawson consultants. Having worked with many different government and utility organizations, we were able to assist the District to better understand Lawson terminology and interpret what the Lawson consultants were trying to get across to the District and vice versa. During the Elsinore Valley implementation, we found the District and Lawson often use the same words with different meanings.
- Provided assistance with chart of accounts conversion and mapping. We developed spreadsheet conversion and mapping tools that allow the client to keep as much as possible of their current codes and also to take advantage of Lawson's structural components.
- Assisted with the development of cost allocations. We assisted with the design of Lawson and determined that the Lawson allocation solution did not meet the needs of the District,

as a result, we had to design an SQL Stored Procedure solutions to get the data from the data files of the Lawson Software and from the District to create Journal Entry files. These Journal Entry files were then used to post entries into the Lawson system. There were approximately 30 different cost allocation journal entries that needed to be developed in this fashion.

- Assisted the District by facilitating brainstorming sessions to discuss questions or situations that they had not encountered before. We were able to provide possible solutions and offer pros and cons of each solution to the District by offering our past ERP and financial experience.
- Developed documentation for all system and design configuration decisions in all core financial, procurement and HR/payroll functional areas
- Customized and tested over 100 Lawson scripts during Conference Room Pilot
- Developed Design Docs for Inventory Control, Matching, Purchase Order and Requisition
- Performed vendor data scrubbing and assisted with data conversion of vendor data
- Participated in As-Is, Design, Training and Testing phases of Procurement.
- Performed sample testing of converted data
- Through our role as the HR/Payroll subject matter experts, we were able to support the District's Lawson HR/Payroll implementation by understanding the needed outcomes and the structure required to support HR/Payroll processes. This understanding enabled us to facilitate the configuration of the software and its design to ensure the best structure that would meet the needs of the District, identify areas of policies or practices which might require review and/or revision, and coordinate ownership of the design and process between the HR and the Payroll departments.
- Acting as the District's advocate when dealing with Lawson Software, we were able to observe Lawson's execution of the project plan (i.e.: their planning, expertise, timeliness and attention to the needs of the District. In this role, we were able to escalate issues to the appropriate Project Manager to ensure the issues were not overlooked, given insufficient attention or inappropriately handled. This role ensured the District received the full expertise and execution as agreed upon in the contract.
- During the District's Lawson implementation, we found that the project team sometimes lost sight of communication with all stakeholders. We were able to enhance this process by facilitating and encouraging full disclosure and project transparency.
- Provided other training support
- Upgrading the financial, customer service and human resource systems provided opportunities to reduce paperwork, streamline workflow within and between departments, improve access to information, improve responsiveness to customers, provide improved audit trails, and strengthen security.



chart of our proposed team members, along with their bios and resumes.

# SECTION F

## COST DETAILS

Name of Consultant	All Inclusive Hourly Rate
Nancy Schafer	\$155
Megan Delaney	\$155
Iris McGee	\$150

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

May 14, 2015

## **SECTION NO. 12b - Approval of the First Amendment to the MOU with Lower Los Angeles River Watershed Group**

### SUMMARY:

Over the course of the past two months, GWMA has been facilitating and assisting the Lower Los Angeles River Watershed Group to develop a First Amendment to their existing Memorandum of Understanding ("MOU"). This Amendment will add implementation of the Plans to the scope and purpose of the MOU and to provide a separate cost-share formula for the implementation of the Plans, subject to annual budget approval.

### DISCUSSION:

The Lower Los Angeles River Watershed Group has been working with GWMA to develop a First Amendment to its existing MOU. This group includes: Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach, and the Los Angeles County Flood Control District.

The attached MOU Amendment reflects the input of the watershed group members, GWMA's legal counsel, and the Executive Officer.

#### Key Elements of this Amendment:

- Adds implementation of the Plans to the scope and purpose of the MOU;
- Provides a separate cost-share formula for the implementation of the Plans per \$100,000 per permittee, subject to annual budget approval;

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

AGENDA ITEM NO. 12b

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
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- Expressly states that GWMA shall not expend funds in excess of each annual budgeted amount without prior notification to and approval by the LLAR Watershed Committee; and
- Set the term of the agreement to September 30, 2020..

## FISCAL IMPACT:

The cost of GWMA Administrative and Legal Services are included in the cost-sharing formula paid by the group. There is no fiscal impact to GWMA.

## RECOMMENDATION:

Approve the First Amendment to the MOU and authorize the Chair to execute the MOU Amendment.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

**FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING  
BETWEEN THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL  
WATER MANAGEMENT JOINT POWERS AUTHORITY AND THE CITIES OF DOWNEY,  
LAKEWOOD, LYNWOOD, PARAMOUNT, PICO RIVERA, SIGNAL HILL, SOUTH GATE, LONG  
BEACH, AND THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT  
FOR  
ADMINISTRATION AND COST SHARING TO PREPARE AND IMPLEMENT A WATERSHED  
MANAGEMENT PROGRAM ("WMP") and COORDINATED INTEGRATED MONITORING  
PROGRAM ("CIMP") AS REQUIRED BY THE REGIONAL WATER QUALITY CONTROL BOARD,  
LOS ANGELES REGION, NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM  
MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT ORDER NO. R4-2012-0175  
MUNICIPAL SEPARATE STORM SEWER SYSTEM ("MS4 PERMIT")**

This **FIRST AMENDMENT** to the memorandum of understanding ("MOU") is made and entered into as of the date of the last signature set forth below, by and between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority ("GWMA"), a California Joint Powers Authority, and the Cities of Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach ("Cities"), and the Los Angeles County Flood Control District ("LACFCD"):

**1. Recitals.** This **FIRST AMENDMENT** is made with the respect to the following facts and purposes:

A. For the purposes of this First Amendment, the term "Watershed Permittees" shall mean the Cities of Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach, and the Los Angeles County Flood Control District; and

B. The Watershed Permittees and GWMA are collectively referred to as the "PARTIES"; and

C. On August 1, 2013, the PARTIES entered into a Memorandum of Understanding between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and the Cities of Downey, Lakewood, Lynwood, Paramount, Pico Rivera, Signal Hill, South Gate, Long Beach, and the Los Angeles County Flood Control District for Administration and Cost Sharing to Prepare a Watershed Management Program ("WMP") and a Coordinated Integrated Monitoring Program ("CIMP"), collectively the "Plans" as required by the Regional Water Quality Control Board, Los Angeles Region, National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit, Order No. R4-2012-0175 Municipal Separate Storm Sewer System ("MOU"); and

D. The Watershed Permittees prepared and submitted the Plans to the Regional Board in compliance with certain elements of the MS4 Permit; and

E. The PARTIES now desire to amend the MOU to: (1) add implementation of the Plans to the scope and purpose of the MOU; and (2) provide a separate cost-share formula for the implementation of the Plans, subject to annual budget approval, in accordance with each PARTY'S cost share allocations set forth in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans") which is attached hereto and made a part hereof; and

F. The Parties have determined that authorizing GWMA to hire a consultant to implement the Plans will be beneficial to the Parties; and

G. The Parties desire to collaboratively prepare a Scope of Work and Request for Proposals to obtain a consultant to assist the Parties with implementation required by the Plans.

The PARTIES agree that the following provisions of the MOU shall be amended as follows:

2. Section 1 of the MOU entitled "Recitals" is hereby amended by adding thereto Recitals A-G of Section 1 of this First Amendment, which is set forth in Section 1 of this First Amendment and incorporated herein as though set forth in full.

3. Section 2 of the MOU entitled "Purpose" is hereby amended to read as follows:

"Section 2. Purpose. The purpose of this MOU is to cooperatively support and undertake preparation of the Plans and any additional services, including but not limited to implementation of the WMP and the CIMP, except for construction of regional BMP projects as agreed to by the Watershed Permittees working cooperatively as the Lower Los Angeles River ("LLAR") Watershed Committee and as approved by the GWMA. For the purposes of this MOU, the term "regional BMP projects" does not include individual cities' low impact development ("LID") projects, including LID or Green Streets projects."

4. Section 3 of the MOU entitled "Cooperation" is hereby amended to read as follows:

"Section 3. Cooperation. The Parties shall fully cooperate with one another to achieve the purposes of this MOU. The Watershed Permittees shall prepare a final Scope of Work and Request for Proposals/Qualifications to seek and hire a consultant to assist the Parties with implementation of the Plans, and GWMA shall assist with soliciting proposals from consultants to implement the Plans and shall administer said consultants' contracts."

5. Section 6 of the MOU entitled "Term" is hereby amended to read as follows:

"Section 6. Term. This MOU shall remain and continue in effect until September 30, 2020, unless sooner terminated as provided herein."

6. Section 8 of the MOU entitled "Role of the GWMA" is hereby amended in its entirety to read as follows:

“Section 8. Responsibilities of the Parties.”

- a) Responsibilities of the GWMA. The GWMA agrees to: (i) solicit proposals for preparation and implementation of the Plans; (ii) administer the selected consultants’ (“Consultants”) contracts in accordance with the Scopes of Work prepared by the Watershed Permittees; and (iii) serve as a conduit for paying the Consultants, as approved and funded by the Watershed Permittees.
- b) Responsibilities of the LLAR Watershed Committee. The LLAR Watershed Committee agrees to:
  - i. LACFCD Facilities/Mass Emissions Stations. Obtain any necessary permits from LACFCD for access to and construction within LACFCD storm drains, channels, catch basins, and similar properties (“Facilities”), provided the LSGR Watershed Committee and its Consultants provide written notice 72 hours in advance of entry to LACFCD’s Facilities. If approved by the GWMA, the GWMA may obtain this permit as identified above.
  - ii. Supervise Consultants. Supervise the Consultants’ preparation and implementation of the Plans.
  - iii. Reports. Submit reports to the Regional Board as described in the Plans and distribute copies of the reports to the Watershed Permittees prior to submittal to the Regional Board for review and comment. The LLAR Watershed Committee will provide the Watershed Permittees with an electronic copy of the draft CIMP Annual Report and completed CIMP Annual Report within seven (7) business days after receipt from the Consultants. In addition, the LLAR Watershed Committee will make available to the Watershed Permittees the data used to prepare the reports. This data will be available electronically in a Microsoft Excel or equivalent format that contains the table structure and syntax agreed upon by the LLAR Watershed Committee.
- c) Responsibilities of the Los Angeles County Flood Control District (“LACFCD”). LACFCD agrees to:
  - i. LACFCD Mass Emissions Station (MES) Monitoring. Provide available monitoring data from the existing Los Angeles River MES, owned and operated by the LACFCD. Data shall be limited to water column chemistry and aquatic toxicity.
  - ii. Access to LACFCD Facilities/Mass Emissions Stations. To grant access to the LSGR Watershed Committee and/or the GWMA, and its Consultants to LACFCD Facilities, including LACFCD’s Los Angeles River MES, to achieve the purposes of this MOU, provided the LSGR Watershed Committee and its CONSULTANT obtain a permit and provide written notice 72 hours in

advance of entry to LACFCD's Facilities. Access permits will be issued by the LACFCD at no cost to the Parties and their Consultants. Permits for construction or installation of structures in LACFCD right of way will incur fees to cover the cost of review, inspection, etc. by LACFCD.

d) Responsibilities of the Watershed Permittees. The Watershed Permittees agree to:

- i. Documentation. To make a full-faith effort to cooperate with one another to achieve the purposes of this MOU by providing all requested information and documentation in their possession and available for release to the Consultants that is deemed necessary by the Parties to implement the Plans.
- ii. Access. Each Watershed Permittee will allow reasonable access and entry to the Parties and their Consultants, on an as needed basis during the term of this MOU, to each Watershed Permittee's Facilities to achieve the purposes of this MOU, provided, however, that prior to entering any of the Watershed Permittee's Facilities, the Consultants shall obtain a permit and provide written notice 72 hours in advance of entry from the applicable Watershed Permittee.
- iii. Permit. The Watershed Permittees will make a full-faith effort to work with the Consultants to obtain all necessary permits for installation of permanent infrastructure or modifications to stormwater monitoring sites within each Watershed Permittee's jurisdiction.

7. Section 9 of the MOU entitled "Financial Terms" is hereby amended to read as follows:

"Section 9. Financial Terms.

- a) Each Watershed Permittee shall pay its Proportional Costs as provided in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans") for Consultants and any other related expenses to which the Parties may agree in writing.
- b) Each Watershed Permittee shall also pay its proportional share of GWMA's staff time for retaining Consultants and invoicing the Watershed Permittees, audit expenses and other overhead costs, including legal fees ("MOU Costs") incurred by GWMA in the performance of its duties under this MOU. GWMA shall add a percentage not to exceed three percent (3%) to each invoice submitted to each Watershed Permittee to cover each Watershed Permittee's share of the MOU Costs. The MOU Costs percentage shall be set each fiscal year by a vote of the GWMA Policy Board.



- c) GWMA shall submit an invoice to each Watershed Permittee upon selection of Consultants reflecting each Watershed Permittee's estimated Proportional Costs of the Consultants' services through the following June 30<sup>th</sup>. Prior to releasing payment to Consultants, GWMA shall submit a copy of the Consultants' invoices to the LSGR Watershed Committee for approval. The decision regarding whether to pay the invoice shall be communicated to the GWMA by the Representative.
- d) Upon receiving the first and each subsequent invoice, each Watershed Permittee shall pay its Proportional Costs set forth in that invoice to the GWMA within forty-five days (45) days of receipt.
- e) By March 15<sup>th</sup> of each year, commencing March 15, 2015, the LSGR Watershed Committee shall submit to GWMA a recommended budget for the following fiscal year. GWMA shall consider the recommendation and adopt a budget by June 30<sup>th</sup> inclusive of the LLAR Watershed Committee's recommendation. GWMA will send each Watershed Permittee no later than June 30<sup>th</sup> of each year an invoice representing the Watershed Permittee's Proportional Costs of the adopted budget. GWMA shall not expend funds in excess of each annual budgeted amount without prior notification to and approval by the LSGR Watershed Committee.
- f) Each Watershed Permittee shall review their recommended Proportional Costs for the upcoming fiscal year in a timely manner for inclusion in their next budget cycle or exercise the withdrawal and termination clause as specified in Section 12.a) of the MOU.
- g) A Watershed Permittee will be delinquent if the invoiced payment is within the budgeted amounts or the amounts authorized by the LLAR Watershed Committee and such invoiced payment is not received by the GWMA within forty-five (45) days after GWMA first sent the invoice. The GWMA will follow the procedure listed below, or such other procedure that the LLAR Watershed Committee directs to effectuate payment: 1) verbally contact the official of the Watershed Permittee with copies to each other Watershed Permittee to the person and at the address to which notices should be addressed pursuant to Section 13 of the MOU, and 2) submit a formal letter from the GWMA Executive Officer to the Watershed Permittee. If payment is not received within sixty (60) days following the due date, the GWMA may terminate the MOU unless the City Managers/Administrators of the Watershed Permittees in good standing inform the GWMA in writing that their respective Watershed Permittees agree to adjust their Proportional Cost allocations in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans"). The terminated Watershed Permittee shall remain obligated to GWMA for its delinquent payments and any other obligations incurred prior to the date of termination.

- h) GWMA shall suspend all work being performed by any Consultants retained by GWMA if any Watershed Permittee has not paid its invoice within forty five (45) days after the GWMA first sent the invoice unless the City Managers/ Administrators of the other Watershed Permittees inform the GWMA in writing that their respective Watershed Permittees will pay the delinquent Watershed Permittee's costs once the MOU with the delinquent Watershed Permittee has been terminated.
- i) Any delinquent payments by a Watershed Permittee shall accrue compound interest at the then-current rate of interest in the Local Agency Investment Fund, calculated from the first date of delinquency until the payment is made.
- j) Funds remaining in the possession of the GWMA at the end of the term of this MOU, or at the termination of this MOU, whichever occurs earlier, shall be promptly returned to the then remaining Watershed Permittees in accordance with the Cost Share Formulas in in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans").

8. Paragraph a) of Section 12 of the MOU entitled "Termination" is hereby amended to read as follows:

"a) A Watershed Permittee may withdraw from this MOU for any reason, or no reason, by giving the other Watershed Permittees thirty (30) days written notice thereof. The effective withdrawal date shall be the thirtieth (30th) day after GWMA receives the withdrawing Watershed Permittee's notice to withdraw from the MOU. The withdrawing Watershed Permittee shall be responsible for its Proportional Costs and proportional MOU Costs, which the GWMA incurred or to which it became bound through the effective date of withdrawal. Such MOU Costs shall include the remaining fees of any Consultant retained by the GWMA through the effective date of withdrawal. Should any Watershed Permittee withdraw from the MOU, the remaining Watershed Permittees' Proportional Cost allocation shall be adjusted in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans"). A withdrawing Watershed Permittee shall remain liable for any loss, debt, liability otherwise incurred while participating in this MOU.

9. **Exhibit "B"** ("Cost Sharing") of the MOU shall be renamed "**Exhibit 'B1'**" ("Cost Sharing Formula for Preparation of the Plans").

10. A new **Exhibit "B2"** ("Cost Sharing Formula for Implementation of the Plans") is hereby added to the MOU to read as set forth in **Exhibit "B2"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

10. Except for the changes specifically set forth herein, all other terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

LOS ANGELES GATEWAY REGION INTEGRATED  
REGIONAL WATER MANAGEMENT JOINT  
POWERS AUTHORITY

\_\_\_\_\_  
Chris Cash  
GWMA Chair

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF DOWNEY  
Mr. Gilbert A. Livas  
City Manager  
11111 Brookshire Avenue  
Downey, CA 90241

\_\_\_\_\_  
Gilbert A. Livas  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Adria M. Jimenez  
City Clerk

\_\_\_\_\_  
Yvette M. Abich Garcia  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF LAKEWOOD  
Mr. Howard L. Chambers  
City Manager  
5050 Clark Avenue  
Lakewood, CA 90712

\_\_\_\_\_  
Howard L. Chambers  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Jo Mayberry  
City Clerk

\_\_\_\_\_  
Steve Skolnik  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF LONG BEACH  
Mr. Patrick H. West  
City Manager  
333 West Ocean Boulevard, 13<sup>th</sup> Floor  
Long Beach, CA 90802

\_\_\_\_\_  
Patrick H. West  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Larry Herrera-Cabrera  
City Clerk

\_\_\_\_\_  
Charles Parkin  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF LYNWOOD  
Mr. J. Arnoldo Beltran  
11330 Bullis Road  
Lynwood, CA 90262

\_\_\_\_\_  
J. Arnoldo Beltran  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF PICO RIVERA  
Mr. Rene Bobadilla, P.E.  
City Manager  
6615 Passons Boulevard  
Pico Rivera, CA 90660

\_\_\_\_\_  
Rene Bobadilla, P.E.  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name



IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF PARAMOUNT  
City Manager  
16400 Paramount Blvd  
Paramount, CA 90723

\_\_\_\_\_  
City Manager Signature

\_\_\_\_\_  
Print Name

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF SOUTH GATE  
Michael S. Flad  
City Manager  
8650 California Avenue  
South Gate, CA 90280

\_\_\_\_\_  
Michael S. Flad  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF SIGNAL HILL  
Mr. Ken Farfsing  
City Manager  
2175 Cherry Avenue  
Signal Hill, CA 90602

\_\_\_\_\_  
Ken Farfsing  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

LOS ANGELES COUNTY FLOOD  
CONTROL DISTRICT  
County of Los Angeles  
Department of Public Works  
Watershed Management Division, 11<sup>th</sup> Fl.  
900 South Fremont Avenue  
Alhambra, CA 91803-1331

By:

\_\_\_\_\_

Chief Engineer

APPROVED AS TO FORM:

John F. Krattli  
County Counsel

\_\_\_\_\_

Associate

## EXHIBIT "B2"

### Cost Share Formula for Implementation of the Plans

The Watershed Permittees and the LACFCD agree to pay for the cost of implementation of the WMP and CIMP, following this cost sharing allocation.

### Cost Sharing Formula beginning July 1, 2015 through September 30, 2020.

Agency	Area (sq mi)	80% of cost proportioned based on area	20% of cost proportioned equally	Agency cost per \$100,000	Agency cost per \$500,000	Agency cost per \$900,000
Downey	5.54	\$9,630	\$2,375	\$12,005	\$60,027	\$108,048
Lakewood	0.08	\$139	\$2,375	\$2,514	\$12,570	\$22,627
Long Beach	19.22	\$33,411	\$2,375	\$35,786	\$178,929	\$322,072
Lynwood	4.84	\$8,414	\$2,375	\$10,789	\$53,943	\$97,097
Paramount	3.12	\$5,424	\$2,375	\$7,799	\$38,993	\$70,187
Pico Rivera	2.36	\$4,102	\$2,375	\$6,477	\$32,387	\$58,297
Signal Hill	1.21	\$2,103	\$2,375	\$4,478	\$22,392	\$40,305
South Gate	7.35	\$12,777	\$2,375	\$15,152	\$75,759	\$136,366
<b>Sub-Total</b>	<b>43.72</b>	<b>\$76,000</b>	<b>\$19,000</b>	<b>\$95,000</b>	<b>\$475,000</b>	<b>\$855,000</b>
LACFCD*	Contribute 5% of total			\$5,000	\$25,000	\$45,000
<b>NOTES:</b> <ul style="list-style-type: none"><li>Other agencies may participate upon approval of cost sharing agreements by the LLAR Watershed Committee and GWMA. Future participants shall be assessed a late entry cost as if they had been a participant from the beginning of the Metals TMDL MOU, as of March 1, 2012, unless otherwise determined by the LLAR Watershed Committee.</li><li>Watershed Permittees and the cost share are subject to modifications due to, but not limited to, changes in the number of participating agencies, refinements in mapping, and changes in boundaries.</li></ul>						
<i>*LACFD's annual contribution shall not exceed \$100,000 unless otherwise amended.</i>						

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

May 14, 2015

SECTION NO. 12b Discussion/Action Regarding First Amendment to Professional Services Agreement Between GWMA and John L. Hunter & Associates for the Lower Los Angeles River Watershed Group

SUMMARY:

The Gateway Region Watershed Groups are required to develop a Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP) as set forth by the Regional Water Quality Control Board, Los Angeles Region, National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit Order No. R4-2012-0175 Municipal Separate Storm Sewer System (MS4 Permit).

GWMA has entered into MOUs with the Lower Los Angeles River Watershed Group. The MOUs outline the role of the GWMA as a fiduciary agent to facilitate the development of the WMP and CIMP for these Watershed Groups.

In October 2013, GWMA entered into a Professional Services Agreement (PSA) with John L. Hunter & Associates as recommended by the LLAR Watershed Group. This PSA expired on January 31, 2015. The LLAR watershed group has requested that GWMA amend the Agreement to extend the term of the Agreement to December 31, 2017. This First Amendment would also add additional duties to the tasks to be performed under the Scope of Work set forth in Exhibit A of this Amendment and increases the PSA amount by \$1,089,549 for a total agreement amount of \$1,746,949.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

AGENDA ITEM NO. 12B

# GATEWAY WATER MANAGEMENT AUTHORITY

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Integrated Regional Water Management  
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FISCAL IMPACT:

Administrative and legal costs will be reimbursed through the 3% administrative fee agreed to in the MOU for the LLAR watershed group.

RECOMMENDATION:

1. Approve First Amendment to the Professional Services Agreement between GWMA and John L. Hunter & Associates in the amount not to exceed \$1,746,949 for the tasks to be performed under the Scope of Work set forth in Exhibit A to the Agreement for the Lower Los Angeles River Watershed Group

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

## AGENDA ITEM 12B

### FIRST AMENDMENT TO AGREEMENT BETWEEN GWMA AND JOHN L. HUNTER & ASSOCIATES, INC., FOR THE LOWER LOS ANGELES RIVER WATERSHED GROUP

THIS FIRST AMENDMENT is made and entered into as of May 14, 2015, by and between the Los Angeles Gateway Region Integrated Regional Water Management Authority also referred to as the Gateway Water Management Authority ("GWMA") and John L. Hunter & Associates, Inc., a CALIFORNIA CORPORATION ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Recitals. This First Amendment is made with the respect to the following facts and purposes:

a. On October 10, 2013, the GWMA and Consultant entered into that certain Professional Services Agreement in the amount of Sixty Hundred Fifty-Seven Thousand Four Hundred Dollars and Zero Cents (\$657,400.00).

b. The parties now desire to: (1) extend the term of the Agreement; (2) amend Exhibit A to the Agreement to add additional duties to the tasks to be performed under the Scope of Work; (3) increase the payment in the amount of One Million Eighty-Nine Thousand Five Hundred Forty-Nine Dollars and Zero Cents (\$1,089,549.00) for a total agreement amount of One Million Seven Hundred Forty-Six Thousand Nine Hundred Forty-Nine Dollars and Zero Cents (\$1,746,949.00) (\$657,400.00 + \$1,089,549.00); and (4) amend Exhibit B to the Agreement to add the payment rates for the additional scope of work and to amend the Agreement as set forth in this Amendment.

c. Of the additional One Million Seven Hundred Forty-Six Thousand Nine Hundred Forty-Nine Dollars and Zero Cents (\$1,746,949.00) in payment to the Consultant for this First Amendment, One Hundred Thirty-Two Thousand Three Hundred Ten Dollars (\$132,310) shall be for WMP/CIMP development work to be completed between February 1, 2015 and June 30, 2015, while Nine Hundred Fifty-Seven Thousand Two Hundred Thirty-Nine Dollars (\$957,239) shall be for WMP/CIMP implementation work to be completed between July 1, 2015 and June 30, 2016.

2. The section of the Agreement entitled "**TIME FOR PERFORMANCE**" is hereby amended to read as follows:

"The term of this Agreement shall commence on the effective date of this Agreement and shall expire on June 30, 2016, unless terminated earlier in accordance with the terms of this Agreement or extended by the GWMA Governing Board. The GWMA Executive Officer may, upon mutual agreement with the Consultant, extend this Agreement in writing for one additional one year term. In no event shall this Agreement be extended beyond December 31, 2017 without the approval of the GWMA Governing Board.

3. The section of the Agreement entitled "**COMPENSATION AND METHOD OF PAYMENT**" is hereby amended to read as follows:



"A. GWMA shall pay Consultant, for the Services performed on a time and materials basis, based on the attached Exhibit B (Rate Sheet) to the Agreement. The First Amendment amount shall not exceed One Million Eighty-Nine Thousand Five Hundred Forty-Nine Dollars and Zero Cents (\$1,089,549.00) for a total Agreement amount of One Million Seven Hundred Forty-Six Thousand Nine Hundred Forty-Nine Dollars and Zero Cents (\$1,746,949.00). The GWMA shall not pay to Consultant a total amount exceeding One Million Seven Hundred Forty-Six Thousand Nine Hundred Forty-Nine Dollars and Zero Cents (\$1,746,949.00) unless additional payment is approved as provided in this Agreement.

B. Consultant shall perform the Services for the amount(s) listed above. GWMA shall not withhold federal payroll, state payroll and other taxes, or other similar deductions from each payment made to Consultant. Consultant shall pay all applicable federal, state, and local excise, sales, consumer use, and other similar taxes required by law. GWMA shall not allow any claims for additional services performed by Consultant, unless the Project Manager or GWMA Chair authorizes the additional services in writing prior to Consultant's performance of the additional services or the incurrence of additional expenses. Any additional services authorized by the Project Manager or GWMA Chair shall be compensated at the hourly rates set forth above, or, if not specified, at a rate mutually agreed to by the parties.

C. Consultant shall submit to GWMA a proposed annual budget for the Services to be performed during each calendar year of the term of this Agreement. The proposed annual budgets shall identify the proposed total annual budget amount and the proposed budget amounts for the periods of January 1st through June 30th and July 1st through December 31st. Consultant shall submit a proposed annual budget to GWMA on or before the 15th of April for the Services to be performed during the subsequent calendar year. GWMA will submit Consultant's annual budgets to the Lower LAR Watershed Committee no later than May 1st of each year for the Committee's approval and adoption.

D. Consultant shall submit invoices to GWMA on a monthly basis for actual work performed and actual expenses incurred during the preceding month. The invoices shall describe in detail the services performed by each person for each task, including the days and hours worked.

E. Prior to releasing payment to Consultant, GWMA shall submit Consultant's invoices to the Lower LAR Watershed Committee for final payment approval. The Lower LAR Watershed Committee will decide whether to pay an invoice submitted by Consultant and inform the GWMA of its decision. If the Lower LAR Watershed Committee approves GWMA payment of an invoice, GWMA shall make payment to Consultant payable to:

John L. Hunter & Associates, Inc.  
6131 Orangethorpe, Suite 350  
Buena Park California 90620

F. GWMA's payment obligations pursuant to this Agreement are payable solely from funds appropriated to GWMA by the Watershed Permittees to fulfill the

purpose of this Agreement. GWMA and Consultant expressly agree that full funding for this Agreement over the term of this Agreement is contingent on GWMA's receipt of payment from each Watershed Permittee of its proportional costs of the Services. In the event of a Permittee's failure to pay its proportional costs of the Services to GWMA, GWMA may either reduce funding for this Agreement at a level that is proportionate to the reduction in GWMA's receipt of funds from the Watershed Permittees or suspend all or a portion of the Services being performed by Consultant."

4. Exhibit A (Scope of Work) to the Agreement is hereby amended by adding thereto the scope of work items set forth in **Attachment "A"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

5. Exhibit B (Rate Sheet) to the Agreement is hereby amended by adding thereto the items set forth on **Attachment "B"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

6. Except for the changes specifically set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

7. The Recitals are incorporated herein as though set forth in full.

**IN WITNESS WHEREOF**, the parties hereto have caused this First Amendment to Agreement to be executed the day and year first above written.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date first written above

*[SIGNATURE PAGE FOLLOWS]*

The parties are signing this Agreement on the effective date.

GWMA

Consultant

Los Angeles Gateway Region Integrated  
Regional Water Management Authority

John L Hunter & Associates

By: \_\_\_\_\_  
Name: Christopher Cash  
Title: Chair

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Please note: Two signatures required for  
corporations pursuant to California  
Corporations Code Section 313.)

## **ATTACHMENT A TO EXHIBIT A**

### **TASKS TO BE PERFORMED FOR THE FIRST AMENDMENT**

*Attached hereto and incorporated herein is the additional scope of work and associated cost as provided by the Consultant for this First Amendment.*

April 15, 2015

# Work Plan for Professional Services to Assist with Continued Development and Implementation of the Lower Los Angeles River Watershed Management Program and Coordinated Integrated Monitoring Program



## **Prepared For:**

Steve Myrter  
Chair, Lower Los Angeles River Watershed  
2175 Cherry Avenue  
Signal Hill, CA 90755

## **Prepared By:**

John L. Hunter & Associates  
6131 Orangethorpe Ave, Suite 300  
Buena Park, CA 90620



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## I. Introduction

John L. Hunter & Associates (JLHA) appreciates the opportunity to submit this proposal to continue providing professional services to assist in the development and implementation of the Lower Los Angeles River (Lower LAR) Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP).

## II. Firm Background

### Background and Qualifications for Scope of Services

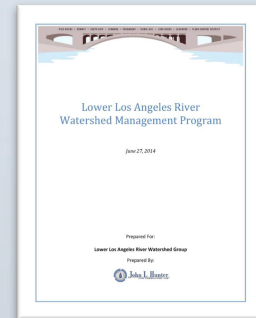
Successful implementation of the Lower LAR WMP demands an intimate knowledge of National Pollutant Discharge Elimination System Permit (NPDES) regulations for Municipal Separate Storm Sewer Systems (MS4s). JLHA has considerable experience assisting municipalities with NPDES MS4 Permit compliance programs and has had continuing contracts with clients for the administration of environmental programs since 1985.

Currently JLHA is implementing elements of the NPDES MS4 program for 30 cities in a tri-county area. For seventeen of these Cities – Artesia, Diamond Bar, Downey, Glendale, Hawaiian Gardens, Hawthorne, Monterey Park, Norwalk, Paramount, Rancho Palos Verdes, Seal Beach, Signal Hill, South Gate, South Pasadena, Stanton, Temple City and Villa Park – services include program management. This service consists of developing jurisdictional stormwater management program plans, advising and reporting on TMDL and other MS4 Permit requirements, watershed management and client representation with Regional Board members and staff. For several clients, JLHA has provided these services continuously for many years (e.g. Rancho Palos Verdes – 1994, Signal Hill – 1985, South Gate – 1991).

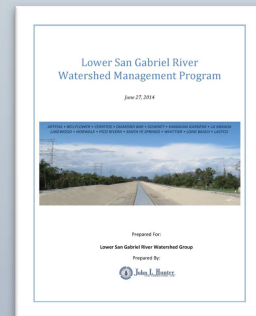
Another significant qualification for implementation is JLHA's recent experience as the lead consultant for four watersheds – The Lower Los Angeles River Watershed Group, the Lower San Gabriel River Watershed, the Palos Verdes Peninsula Watershed Group and the near shore areas of Long Beach. JLHA also participates in the Los Cerritos Channel Watershed Group.

In addition to recent experience with WMP development, JLHA has been involved with watershed-based, multi-jurisdictional NPDES MS4 programs for many years. JLHA served as the prime consultant in the development of the Los Angeles Reach 1 Metals TMDL Implementation

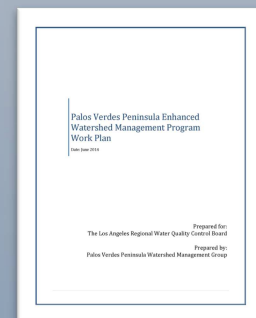
### Recent Watershed Management Program (WMP) Development



Lower Los Angeles River WMP



Lower San Gabriel River WMP



Peninsula Cities EWMP Workplan

Plan, which involved the participation of nine agencies. JLHA was integral in the development of a 2011 Machado Lake Nutrients TMDL Implementation Plan. For the last ten years, JLHA has implemented studies and prepared compliance reports for the Regional Board for several cities under the Los Angeles River Trash TMDL. JLHA also prepared and has implemented elements of the Monitoring and Reporting Program for the Santa Monica Bay Bacteria TMDL for Jurisdiction 7.

In total JLHA provides individual and multi-jurisdictional stormwater management services in the following watersheds:

- Los Angeles River
- San Gabriel River
- Dominguez Channel/LA Harbor
- Long Beach nearshore
- Santa Monica Bay
- Santa Ana River
- Anaheim Bay/Huntington Harbor

### **Projects with References within the Last Three Years**

The following are summaries for similar projects performed for large multi-jurisdictional local government clients within the last three years. The information provided includes the client name, project description, project dates, technical environment, staff assigned and client project manager contact information.

#### ***Accomplishments- LOWER LOS ANGELES RIVER WATERSHED MANAGEMENT PROGRAM***

JLHA developed this WMP. Specific components for the WMP development by JLHA include: background and hydrological setting, water quality priorities, BMP implementation strategy, review and evaluation of Minimum Control Measures. Participating agencies for the Watershed Group include Pico Rivera, Downey, South Gate, Lynwood, Paramount, Signal Hill, Long Beach, Lakewood, Caltrans and Los Angeles Flood Control District. The WMP was submitted to the Regional Board on June 28, 2014 as a final draft and with revisions on January 28, 2015. Staff Assigned: John Hunter, Cameron McCullough, Susan Robinson, and Jillian Brickey.

#### ***Other Watershed accomplishments -***

##### ***LOWER SAN GABRIEL RIVER WATERSHED MANAGEMENT PROGRAM***

JLHA developed this Watershed Management Program (WMP). Specific components for the WMP development by JLHA include: background and hydrological setting, water quality priorities, BMP implementation strategy, evaluation and development of Minimum Control Measures. Participating agencies for the Watershed Group include Artesia, Bellflower, Cerritos, Diamond Bar, Downey, Hawaiian Gardens, La Mirada, Lakewood, Long Beach, Norwalk, Pico Rivera, Santa Fe Springs, Whittier, Caltrans and Los Angeles Flood Control District. The WMP was submitted to the Regional Board on June 28, 2014 as a final draft, pending approval by the Regional Board Executive Officer. Project performance timeline: June 2013 - present. Staff Assigned: John Hunter, Cameron McCullough, Susan Robinson, and Jillian Brickey.



### ***LOS CERRITOS CHANNEL WATERSHED MANAGEMENT PROGRAM***

JLHA provided support in the developed of this Watershed Management Program (WMP). Specific components for the WMP development by JLHA include: evaluation and development of Minimum Control Measures and assistance with other Watershed Control Measures. Participating agencies for the Watershed Group include Bellflower, Cerritos, Downey, Lakewood, Long Beach, Paramount, Signal Hill, Caltrans and Los Angeles Flood Control District. The WMP was submitted to the Regional Board on June 28, 2014 as a final draft, pending approval by the Regional Board Executive Officer. Project performance timeline: June 2013 - present. Staff Assigned: John Hunter, Cameron McCullough, and Susan Robinson.

### ***PALOS VERDES PENINSULA ENHANCED WATERSHED MANAGEMENT PROGRAM***

JLHA is currently developing this Enhanced Watershed Management Program (EWMP). Specific components for the EWMP development by JLHA include: background and hydrological setting, water quality priorities, BMP implementation strategy, review and evaluation of Minimum Control Measures. Participating agencies for the Watershed Group include Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates the County of Los Angeles. The work plan and CIMP were submitted to the Regional Board on June 28, 2014, with the EWMP being submitted in June 2015. Project performance timeline: June 2013 - present. Staff Assigned: John Hunter, Cameron McCullough, and Susan Robinson.

Key staff members listed below will be assigned responsibility for providing the professional services listed in the General Scope of Services. This team also served as key staff in the development of the draft Watershed Management Programs (WMPs) for the Lower Los Angeles River and Lower San Gabriel River Groups. The staff was also notable contributors to the Los Cerritos Channel draft WMP.

<b>Staff Responsibilities</b>	<b>Project Role</b>
<b>John Hunter, PE</b> <ul style="list-style-type: none"> <li>Oversaw contracted and subcontracted services</li> <li>Served as primary contact with client and subcontractors</li> <li>Attended regular meetings with the client and provide meeting support</li> <li>Reviewed and prepare elements of WMP and CIMP</li> </ul>	<b>Project Lead/Staff Engineer</b>
<b>Susan Robinson, MS</b> <ul style="list-style-type: none"> <li>Prepared elements of WMP and CIMP, including Water Quality Priorities, Background, Historical Data</li> <li>Reviewed and provided comments to subcontractors' work on CIMP</li> <li>Coordinated project implementation with client</li> <li>Served as alternate contact with client and subcontractors</li> </ul>	<b>Project Manager</b>
<b>Jillian Brickey, MS, CPSWQ, QSD</b> <ul style="list-style-type: none"> <li>Prepared elements of WMP and CIMP, including Watershed Control Measures, Compliance Schedule, Background, Hydrological setting and New Development Tracking</li> <li>Reviewed and provided comments to subcontractors' work on WMP and CIMP</li> <li>Served as alternate contact with client and subcontractors</li> </ul>	<b>Project Manager</b>
<b>Cameron McCullough, MS, CPSWQ, QSD</b>	<b>Project Manager</b>

- Prepared elements of WMP, including Watershed Control Measures, Background, Historical Data and Hydrological setting
- Reviewed and evaluated Minimum Control Measures
- Reviewed and provided comments to subcontractors' work on Reasonable Assurance Analysis
- Served as alternate contact with client and subcontractors

### **Key Staff Resumes and Qualifications**

The resumes for the key staff are included in Appendix B. The resumes include qualifications specific to the Scope of Services.

### **III. General Scope of Services**

The National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4 permit) Order No. R4-2012-0175, allowed permittees the flexibility to develop Watershed Management Programs (WMPs) in lieu of a task-oriented implementation plan to customize their stormwater management programs through integrated planning and monitoring. The WMP prioritized water quality issues and identified control measures to achieve applicable water quality based effluent limitations (WQBELs) and Receiving Water Limitations (RWLs).

The WMP and CIMP have been revised and submitted to the Regional Board. Approval of both of these submittals is anticipated during the term of this proposal.

Anticipated tasks for this scope of work are described in the following section for the period of February 1, 2015 through June 30, 2015 and July 1, 2015 through June 30, 2016. The WMP and CIMP implementation will be an ongoing process that is expected to cover several decades. Not all implementation elements of the WMP and CIMP are included in this proposal. It is expected that as implementation progresses, tasks may be changed, shifted or additional tasks may be required. Tasks will be initiated as directed by the watershed group.

#### **A. Program Management and Watershed Planning**

The primary tasks will be:

- The shift from program development to program implementation,
- Greater emphasis on watershed coordination and reporting, and
- A substantial increase in the level of monitoring.

To facilitate this, JLHA proposes to:

##### Initiate and hold regular meetings

Regular meetings and communications between the group and the consultant will be critical during implementation of the tasks outlined in this scope of services. Tasks will include:

- Scheduling and preparing agenda and summary notes for quarterly (or as necessary) meetings
- Coordination of activities including timelines and committee meetings
- Two meetings of the watershed group from February 2015 through June 2015 and five meetings from July 2015 through June 2016 are allotted for.
- Developing cost sharing MOU estimates

##### Prepare watershed based annual report

The Regional Board and the Technical Advisory Committee (TAC) are meeting on a regular basis to develop the format of the annual reports which are due on December 15<sup>th</sup> of each year. The TAC is placing a strong emphasis on a comprehensive watershed wide annual report which will include submittal from individual cities, but otherwise allow for clear and concise presentation of watershed based actions and achievements. Tasks will include:

- Compilation of city annual reports
- Preparation of unified (watershed wide) annual reports, including summation of data

Provide watershed specific tasks and updates

Programmatic updates relevant to NPDES regulations and the watershed will be important during the implementation phase of the WMP and CIMP. Tasks will include:

- Notification of relevant stormwater topics including regulation changes and grant availability through meeting announcements or email
- Coordination and conducting of activities including workshops and training for program elements
- Update, modify WMP/CIMP per Regional Board comments or through adaptive Management Process

Watershed Planning

- Comment on or attend applicable Regional Board, TMDL or Water Quality meetings and hearings.
- Coordinate with adjacent watersheds and watershed groups.

## B. Monitoring

Coordinated Integrated Monitoring Program (CIMP)

The CIMP is anticipated to be approved by the Regional Board during the summer of 2015. The watershed will be required to begin implementing the CIMP within 90 days after approval. This effort will include:

- Development of a Quality Assurance Project Plan (QAPP)
- Site evaluation
- Equipment procurement
- Permitting
- Dry and wet weather sampling
- Analysis and reporting of results
- Meetings with Regional Board or equivalent agencies (2 meetings allotted for)
- Developing and distributing an RFP for monitoring and laboratory subcontractors related to CIMP implementation

Work with COG regarding transfer of existing monitoring stations

Two existing monitoring stations are currently located along the Los Angeles River and are being operated under an agreement with the Gateway Council of Governments. These two will need to be incorporated into the CIMP.

## C. Watershed Management Program

### Revise WMP per Regional Board comments

Upon receipt of comments from the Regional Board, revise the WMP and/or CIMP and either implement or resubmit it to the Regional Board. Task will include:

- Preparing revisions to WMP or CIMP based on Regional Board comments
- Communication with Regional Board staff regarding comments
- Submittal of final revised WMP/CIMP to Regional Board after receipt of comments (if required)

### Attend one (1) meeting with Regional Board staff

Meetings and communications between the Group and the Regional Board will be critical during revisions to the WMP. Tasks will include:

- Attending and participating in applicable Regional Board meetings as approved and/or directed by the Group
- Preparing agenda and summary notes for meeting

### Develop MS4 Front watershed based reporting

Cities participating in the group have purchased MS4 Front to manage permit compliance data. In order to develop a uniform reporting and record keeping mechanism, a database specific format will be developed. Tasks will include:

- Continued development of template database formats for all applicable Minimum Control Measure compliance elements (e.g. Industrial/Commercial Facilities Program, Construction Program)

### Update GIS mapping of outfalls

During preparation of the CIMP, all pipes greater than 12 inches in diameter were inventoried. The information from the survey will be refined to determine which of the 12-inch to 36-inch pipes are near areas with industrial land uses. Discharge pipes less than 36 inches in diameter and determined not to incorporate runoff from industrial land use areas will be excluded from further surveys. Tasks will include:

- Updating mapped outfalls during field screening

### Source Investigations

As a result of the four outfall screening events conducted in 2014-15, 25 percent of the outfalls with significant flow will need to be investigated by December 2015. These events will be used to with significant flow to be further investigated. Tasks will include:

- Develop a prioritized inventory of outfalls based on the four field screenings
- Developing an inventory and database of all major MS4 outfalls
- Conduct source investigations at 25% December 2015

Prepare format for establishing Regional/Right-of-Way BMP feasibility

In order to begin implementing the WMP, the group will need to develop a method to select regional BMP and/or public right-of-way BMP locations for optimal watershed benefits. Tasks will include:

- Reviewing available data and information for selection of potential regional BMP and/or public right-of-way BMP locations
- Conducting limited preliminary screening of potential regional BMP and/or public right-of-way BMP sites
- Feasibility studies in each city

Develop plan to implement Public Information and Participation Program (PIPP)

The budgetary allowance for this task includes preparing a targeted watershed based PIPP Plan. The final scope will be determined as directed by the group. Tasks can (upon direction of the watershed) include:

- Development of a Plan to implement required PIPP elements of the MS4 Permit including:
  - Public Participation
    - Maintaining opportunities for public reporting of stormwater related issues
    - Conducting public Outreach Events
  - Residential Outreach
    - Developing Stormwater Pollution Prevention Public Service Announcements
    - Developing Public Education materials
    - Distributing Public Education Materials
    - Maintaining Stormwater website(s)
    - Developing school children education strategy

## D. Special Studies

Prepare MOU for Harbor Toxics TMDL cost share

In order to begin implementation of the Harbor Toxics TMDL, a cost sharing plan for toxics monitoring will need to be developed. The cost sharing will include other watershed groups (Upper Los Angeles River, Upper San Gabriel River, etc). Tasks will include:

- Developing cost sharing MOU to implement TMDL monitoring elements
- Coordinating with various watershed groups to be included in the MOU

Develop Bacteria LRS – Segments A and Rio Hondo

As directed by the Watershed committee, a Bacteria Load Reduction Strategy (LRS) for Segment A of the Los Angeles River and the Rio Hondo will be prepared. The LRS study requires coordinated effort by all MS4 Permittees within a segment or tributary. Tasks will include:

- Developing Bacteria LRSs for Segment A and the Rio Hondo (see attached proposal by Paradigm)
- Collection 6 samples at monthly intervals,
- Sub-consultant (Paradigm) will be used,

- Preparation of LRS for submittal to the Regional Board.

Note: Paradigm is performing these services in coordination with other stormwater agencies (Coordinating Agencies) in the LA River watershed in order to promote consistency and provide cost-sharing across the watershed. The level of participation by the Coordinating Agencies affects the compensation amount for the Services. At maximum participation by Coordinating Agencies, the compensation for Services will be \$147,547. With zero participation by Coordinating Agencies, compensation for services will be \$227,477. When level of participation by Coordinating Agencies is determined, the Consultant will notify the LLAR Group in writing, along with corresponding compensation for each task in Exhibit A, proportional to the level of participation by Coordinating Agencies. The not-to-exceed amount for Services under this agreement is two hundred and twenty seven thousand four hundred and seventy seven dollars (\$227,477).

## E. Work Plan Estimated Costs for February 1, through June 30, 2015

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for Continued WMP and CIMP Development<sup>a</sup></b>			
<b>Program Management</b>			
2 watershed meetings (through June 30, 2015) and	33	\$165	\$5,445
Coordinate WMP activities with agencies throughout term	67	\$135	\$9,045
<b>Subtotal: \$14,490</b>			
<b>Monitoring (CIMP)</b>			
Prepare and distribute RFP for CIMP Implementation	25	\$165	\$4,125
	25	\$135	\$3,375
Review results of existing metals CMP monitoring stations 1-11 and 1-13	18	\$165	\$3,135
And attend 2 meetings of the Metals CMP Technical committee	10	\$135	\$1,350
Review, revise and respond to Regional Board comments on Draft CIMP;	120	\$165	\$19,800
evaluate sites; preliminary set up- work for monitoring.	140	135	\$18,900
Bacteria LRS (subcontracted to Paradigm)	18	165	\$2,970
Contingency 10%)	LSE	+5%	\$20,000
			2,000
<b>Subtotal: \$77,755</b>			
<b>Watershed Management Program</b>			
	125	\$165	\$20,625
Update WMP based upon Regional Board responses to comments	144	\$135	\$19,575
Preliminary feasibility studies, 3 primary sites.			
Attend Regional Board Technical advisory Committee meetings to			
establish annual watershed reporting format.			
Continued development of workplans.			
Additional Services performed at the direction of the Watershed			
Committee			TBD
<b>Subtotal: \$40,065</b>			
<b>TOTAL</b>			<b>\$132,310</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the development of the WMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task.



## F. Work Plan Estimated Costs for July 1, 2015 through June 30, 2016

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for WMP and CIMP Implementation<sup>a</sup></b>			
<b>Program Management</b>			
Up to 5 watershed committee meetings (through January 31, 2016)	50	\$165	\$8,250
	80	\$135	\$10,800
Provide watershed specific updates	200	\$165	\$33,000
	100	\$135	\$13,500
<b>Subtotal: \$65,550</b>			
<b>Monitoring</b>			
Prepare transfer of Authority for existing metals sampling locations	52	\$165	\$7,020
Monitoring contractor oversight/Prepare and Review reports	120	\$165	\$19,800
Estimated budget for monitoring. Actual amount will depend upon response to RFP. The estimated cost is based upon purchase of monitoring equipment; the GWMA has indicated a preference to lease the equipment, which will change the eventual costs.	70	\$135	\$9,450
	LSE <sup>b</sup>	+5%	\$400,000
<b>Subtotal: \$437,830</b>			
<b>Watershed Management Program</b>			
Continued Development of Workplan	180	\$165	\$29,700
	120	\$135	16,200
Continued Develop MS4 Front watershed based reporting	80	\$135	\$10,800
Prepare format for establishing Regional/Right-of-Way BMP feasibility	120	\$165	\$19,800
Develop plan to implement Public Information and Participation Program	65	\$135	\$8,775
	150	\$165	\$24,750
Prepare Annual Watershed Report	40	\$165	\$6,600
	130	\$135	\$17,550
Limited feasibility screening for on-site treatment	LSE <sup>b</sup>	+5%	\$110,000
<b>Subtotal: \$244,175</b>			
<b>Special Studies</b>			
Harbor Toxics TMDL monitoring (cost share admin only, monitoring estimate will be incorporated into RPF above)	30	165	\$4,950
	60	\$165	\$9,900
Prepare Bacteria LRS for Segment A and Rio Hondo	40	\$135	\$5,400
Review and oversight	75	\$165	\$12,375
(will be sole sourced to Paradigm who previously completed Segment B, this cost is based upon all Los Angeles River agencies participating and is subject to increase if any agencies do not participate)	LSE <sup>b</sup>	+5%	\$127,550
Outfall Screening source Investigations	25	\$165	\$4,125
	60	\$135	\$8,100
<b>Subtotal: \$172,400</b>			
<b>Additional Services</b>			
Services performed at the direction of the Watershed Committee			\$37,284
<b>TOTAL</b>			<b>\$957,239</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the implementation of the WMP and CIMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task., <sup>b</sup>LSE- Lump Sum Estimate

## Appendix A: Standard Rate Schedules

Principal	\$165/hr
Senior Project Engineer/Project Manager	\$165/hr
Environmental Compliance Manager	\$135/hr
Project Engineer	\$115/hr
Environmental Compliance Specialist	\$95/hr
Public Outreach Manager	\$95/hr
Public Outreach Specialist	\$85/hr
Clerical and Public Outreach Assistant	\$65/hr
State Certified Laboratory Analysis	Cost + 5%
Legal Consultation, Court Appearances/Document review, etc.	\$250/hr
Subcontracted equipment	Cost + 5%

Prices effective as of July 1, 2014

JLHA does not add charges for overhead items such as administrative copying or mileage in and around the city.

## **Appendix B: Resumes**

## John L. Hunter, PE

*Principal*

### Overview

Mr. Hunter has over 30 years of experience in municipal environmental programs and currently oversees elements of NPDES programs for 27 cities, encompassing three counties that covers programs such as: watershed management, TMDL implementation, stormwater management plan development, environmental plan reviews, field inspections and investigations, public education, monitoring and program reporting. In addition Mr. Hunter oversees FOG programs for nine cities, encompassing permitting, inspections and enforcement and a three city Beverage Container Recycling program.

### Education

- B.S. in Chemical Engineering *California State University, Long Beach*
- B.S. in Biological Sciences *University of California, Irvine*

### Certifications and Licenses

- CA Professional Chemical Engineer (CH 4724)
- CA Registered Environmental Assessor (REA-0900)
- CA Hazardous Substance Removal (A3382)
- CA General Engineering Contractor License (A-582340)

### Project Experience

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included holding technical committee meetings, providing guidance on regulatory requirements of the MS4 Permit and TMDLs, and oversight of WMP development.

#### Enhanced Watershed Management Programs:

Currently developing an EWMP for the cities located in the Palos Verdes Peninsula (Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates and County of Los Angeles). Specific tasks include oversight of EWMP development and holding technical committee meetings.

### Other NPDES Experience and Skills

- Los Angeles River Trash TMDL – Obtained \$0.78 million in grant funding for the Hamilton Bowl BMP Study. The intent of the study was to evaluate different end-of-pipe trash capture systems for City of Signal Hill and Long Beach.
- Los Angeles River Metals TMDL – Preparation of Reach 1 Implementation Plan on behalf of nine local agencies through the Gateway Cities Council of Governments.
- Dominguez Channel Bacteria Study – Conducted regional Board directed bacteria study to investigate elevated bacteria levels found in the Dominguez Channel by the Regional Board.
- Oversees elements of NPDES programs for 27 cities.
- Has chaired the following committees:
  - Los Angeles River Watershed Management Committee (Current Chair)
  - Santa Monica Bay Bacterial TMDL Subcommittee – J7 (Current Chair)
  - Dominguez Channel Bacterial TMDL Subcommittee
- Also participates in
  - LA Permit Group/Executive Advisory Committee and trash/metals TMDL Subcommittees.

## Cameron McCullough, MS, CPSWQ, QSD

*Environmental Programs Manager*

### Overview

Mr. McCullough has worked with JLHA for ten years in the environmental compliance fields of NPDES, Industrial Waste/FOG Control and Phase I/II site assessment. His experiences and tasks include implementing and managing all aspects of NPDES municipal permit provisions and supervising field staff. These provisions include watershed management, TMDL implementation, field inspections, illicit discharge detection and elimination, public education and staff training.

### Education

- M.S. in Applied Mathematics *California State University, Long Beach*
- B.S. in Physics, Minor in Applied Math *California State University, Long Beach*

### Certifications, Training and Affiliations

- CPSWQ #0842 (Certified Professional in Stormwater Quality) *EnviroCert Intl*
- QSD/QSP (Qualified SWPPP Developer/Practitioner) Certifications:
  - Statewide Construction General Permit (#22706) *CASQA*
  - Region 8 Industrial General Permit for Scrap Metal Recycling Facilities (#015) *RWQCB*
- Environmental Inspector Academy *Cal/EPA*
- Society for Industrial and Applied Mathematics *Member*
- Phi Beta Kappa Society *Member*

### Project Experience

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included development of the background, historical data and hydrological setting as well as a review and evaluation of Minimum Control Measures.

#### Enhanced Watershed Management Programs:

Currently developing an EWMP for the cities located in the Palos Verdes Peninsula (Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates and County of Los Angeles). Specific tasks included development of the work plan and holding technical committee meetings.

### Relevant Experience and Skills

- Manage NPDES permit provisions for municipal clients in LA, Orange and San Bernardino Counties.  
*Clients include Downey, Norwalk, Signal Hill, Big Bear Lake, Stanton, and Seal Beach.*
- Manage FOG Control programs for municipal clients in LA, Orange and San Bernardino Counties.  
*Clients include Signal Hill, Big Bear Lake, South Pasadena and Stanton.*
- Represent cities in State compliance inspections/audits and perform self-audits.  
*Four audits total for the cities of Seal Beach, Stanton and Big Bear Lake.*
- Monitor pollutant loading as required by TMDLs.  
*LA River Trash TMDL – clients include Signal Hill, Monterey Park and Temple City.*
- Prepare Storm Water Quality Management Plans and NPDES annual reports.
- Prepare and present group training to municipal staff.
- Represent clients at regulatory meetings and hearings.
- Inspect NPDES/FOG/Industrial Waste permitted facilities for regulatory compliance.
- Design database management systems to meet reporting requirements.

## Susan Robinson, MS

*Environmental Compliance Specialist II*

### Overview

Ms. Robinson has over seven years of experience in the environmental management field and five years of experience with NPDES and stormwater/watershed management. Her relevant experiences include developing Watershed Management Programs and TMDL Implementation and Monitoring Plans.

Ms. Robinson has participated in numerous TMDLs in the Dominguez Channel and Santa Monica Bay watersheds, including preparing the annual Santa Monica Bay Bacteria TMDL J7 report on monitoring data, developing portions of the Machado Lake Nutrient TMDL Implementation Plan, and developing and implementing the Machado Lake Trash TMRP for Rolling Hills. In addition, Ms. Robinson has completed over 1,000 NPDES site inspections.

Prior to joining John L. Hunter and Associates, Ms. Robinson worked for the State of North Carolina Division of Coastal Management's Coastal Reserve program as a research technician. Ms. Robinson worked on numerous projects tailored to preserve the coastal environment. She monitored the water quality of North Carolina's Currituck Sound in order to help create a model of this vital estuary. Her tasks included collecting and filtering weekly water and atmospheric deposition samples. Ms. Robinson also worked to map and eradicate invasive species along the northeastern coast of North Carolina.

### Education

- M.S. in Environmental Science and Management *University of California, Santa Barbara*
- B.A. in Environmental Studies, Minor in Marine Science *University of North Carolina, Chapel Hill*

### Project Experience

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included review of TMDL and 303(d) pollutants, development of water quality priorities, and the background, historical data and hydrological setting.

#### Enhanced Watershed Management Programs:

Currently developing an EWMP for the cities located in the Palos Verdes Peninsula (Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates and County of Los Angeles). Specific tasks included development of the work plan, identification of water quality priorities and summary of potential control measures.

### Relevant Experience and Skills

- Project lead on the PV Peninsula Enhanced Watershed Management Program Work Plan
- Participated in the development of the Lower Los Angeles River and Lower San Gabriel River Watershed Management Plans
- Compiled and prepared annual J7 report on bacterial monitoring data.
- Conducted Trash TMDL Monitoring studies.
- Participated in development of Nutrient TMDL Implementation Plans.
- Inspected the following for compliance with state and local environmental regulations:
  - NPDES Critical Sources sites (e.g. restaurants, auto shops and manufacturing facilities).
  - State permitted industrial and construction sites (IGPs/CGPs).
  - Municipal facilities (e.g. corporate yards and transfer stations).
  - New Developments for BMP installation and maintenance verification (SUSMP sites).
- Conducted environmental investigations and imposed enforcement actions.
- Prepared Municipal NPDES Annual Reports and annual TMDL reports.

## Jillian Brickey, MS, CPSWQ, QSD

*Environmental Programs Manager*

### Overview

Ms. Brickey has worked with John L. Hunter & Associates in the environmental compliance field of NPDES, being versed in all departments at JLHA, for eight years. She is the Lead NPDES Plan Reviewer for Seal Beach, Stanton, Buena Park, La Habra, and Signal Hill and the Stormwater Program Manager for Seal Beach. Her relevant experiences and tasks include implementing and managing NPDES municipal permit provisions such as watershed management, new development, construction, TMDL compliance, municipal staff training and representing clients in program audits.

### Education

- M.S. in Environmental Science
- B.S. in Zoology, Minor in Chemistry

*California State University, Fullerton  
Cal State Polytechnic University, Pomona*

### Certifications and Training

- CPSWQ #0845 (Certified Professional in Stormwater Quality)
- QSD/QSP #22731 (Qualified SWPPP Developer/Practitioner)
- Stormwater Core Competencies Training Program

*Issued by CPSWQ, Inc.  
CASQA  
County of Orange*

### Project Experience

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included development of watershed control measures, compliance schedule, new development tracking and the background, historical data and hydrological setting.

### Relevant Experience and Skills

- Obtained \$1.3 million in grant funding for the Gateway Region. The grant will install various Low Impact Development BMPs along major transportation corridors and monitor the performance and pollutant removal of these BMP systems over time.  
*Including Downey, South Gate, Signal Hill, Whittier, Lynwood, Pico Rivera, Santa Fe Springs*
- Manage NPDES permit provisions for clients in LA, Orange and San Bernardino Counties.  
*Including South Pasadena, West Hollywood, South Gate, Signal Hill, Big Bear Lake, Stanton, Seal Beach*
- Represent cities in State New Development compliance audits.  
*Seal Beach and Stanton*
- Supervise engineering staff.
- Prepare Municipal NPDES annual reports, Storm Water Quality Management Plans (SQMPs) and Local Implementation Plans (LIPs).
- Prepare and present NPDES training modules to various divisions of municipal staff.
- Represent cities at various LA and Orange County-wide NPDES Program meetings.
- Participated in Planning Advisory Group (PAG) to develop LID provisions for Orange County cities.
- Conducted NPDES/FOG/IW investigations and inspections for regulatory compliance.

**ATTACHMENT B TO EXHIBIT B**

**RATE SHEET  
FOR THE FIRST AMENDMENT**

*Attached hereto and incorporated herein is the rate sheet for the additional scope of work and associated cost as provided by the Consultant for this First Amendment.*

The First Amendment Payment amount shall not exceed **One Million Eighty-Nine Thousand Five Hundred Forty-Nine Dollars and Zero Cents (\$1,089,549.00).**



E. Work Plan Estimated Costs for February 1, through June 30, 2015

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for Continued WMP and CIMP Development<sup>a</sup></b>			
<b>Program Management</b>			
2 watershed meetings (through June 30, 2015) and	33	\$165	\$5,445
Coordinate WMP activities with agencies throughout term	67	\$135	\$9,045
<b>Subtotal: \$14,490</b>			
<b>Monitoring (CIMP)</b>			
Prepare and distribute RFP for CIMP Implementation	25	\$165	\$4,125
	25	\$135	\$3,375
Review results of existing metals CMP monitoring stations 1-11 and 1-13	18	\$165	\$3,135
And attend 2 meetings of the Metals CMP Technical committee	10	\$135	\$1,350
Review, revise and respond to Regional Board comments on Draft CIMP;	120	\$165	\$19,800
evaluate sites; preliminary set up- work for monitoring.	140	135	\$18,900
Bacteria LRS (subcontracted to Paradigm)	18	165	\$2,970
Contingency 10%)	LSE	+5%	\$20,000
			2,000
<b>Subtotal: \$77,755</b>			
<b>Watershed Management Program</b>			
	125	\$165	\$20,625
Update WMP based upon Regional Board responses to comments	144	\$135	\$19,575
Preliminary feasibility studies, 3 primary sites.			
Attend Regional Board Technical advisory Committee meetings to			
establish annual watershed reporting format.			
Continued development of workplans.			
Additional Services performed at the direction of the Watershed			
Committee			TBD
<b>Subtotal: \$40,065</b>			
<b>TOTAL</b>			<b>\$132,310</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the development of the WMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task.

## F. Work Plan Estimated Costs for July 1, 2015 through June 30, 2016

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for WMP and CIMP Implementation<sup>a</sup></b>			
<b>Program Management</b>			
Up to 5 watershed committee meetings (through January 31, 2016)	50	\$165	\$8,250
	80	\$135	\$10,800
Provide watershed specific updates	200	\$165	\$33,000
	100	\$135	\$13,500
<b>Subtotal: \$65,550</b>			
<b>Monitoring</b>			
Prepare transfer of Authority for existing metals sampling locations	52	\$165	\$7,020
Monitoring contractor oversight/Prepare and Review reports	120	\$165	\$19,800
Estimated budget for monitoring. Actual amount will depend upon response to RFP. The estimated cost is based upon purchase of monitoring equipment; the GWMA has indicated a preference to lease the equipment, which will change the eventual costs.	70	\$135	\$9,450
	LSE <sup>b</sup>	+5%	\$400,000
<b>Subtotal: \$437,830</b>			
<b>Watershed Management Program</b>			
Continued Development of Workplan	180	\$165	\$29,700
	120	\$135	16,200
Continued Develop MS4 Front watershed based reporting	80	\$135	\$10,800
Prepare format for establishing Regional/Right-of-Way BMP feasibility	120	\$165	\$19,800
Develop plan to implement Public Information and Participation Program	65	\$135	\$8,775
	150	\$165	\$24,750
Prepare Annual Watershed Report	40	\$165	\$6,600
	130	\$135	\$17,550
Limited feasibility screening for on-site treatment	LSE <sup>b</sup>	+5%	\$110,000
<b>Subtotal: \$244,175</b>			
<b>Special Studies</b>			
Harbor Toxics TMDL monitoring (cost share admin only, monitoring estimate will be incorporated into RPF above)	30	165	\$4,950
	60	\$165	\$9,900
Prepare Bacteria LRS for Segment A and Rio Hondo	40	\$135	\$5,400
Review and oversight	75	\$165	\$12,375
(will be sole sourced to Paradigm who previously completed Segment B, this cost is based upon all Los Angeles River agencies participating and is subject to increase if any agencies do not participate)	LSE <sup>b</sup>	+5%	\$127,550
Outfall Screening source Investigations	25	\$165	\$4,125
	60	\$135	\$8,100
<b>Subtotal: \$172,400</b>			
<b>Additional Services</b>			
Services performed at the direction of the Watershed Committee			\$37,284
<b>TOTAL</b>			<b>\$957,239</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the implementation of the WMP and CIMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task., <sup>b</sup>LSE- Lump Sum Estimate

## Appendix A: Standard Rate Schedules

Principal	\$165/hr
Senior Project Engineer/Project Manager	\$165/hr
Environmental Compliance Manager	\$135/hr
Project Engineer	\$115/hr
Environmental Compliance Specialist	\$95/hr
Public Outreach Manager	\$95/hr
Public Outreach Specialist	\$85/hr
Clerical and Public Outreach Assistant	\$65/hr
State Certified Laboratory Analysis	Cost + 5%
Legal Consultation, Court Appearances/Document review, etc.	\$250/hr
Subcontracted equipment	Cost + 5%

Prices effective as of July 1, 2014

JLHA does not add charges for overhead items such as administrative copying or mileage in and around the city.

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

May 14, 2015

## **SECTION NO. 12d - Approval of the First Amendment to the MOU with Lower San Gabriel River Watershed Group**

### SUMMARY:

Over the course of the past two months, GWMA has been facilitating and assisting the Lower San Gabriel River Watershed Group to develop a First Amendment to their existing Memorandum of Understanding ("MOU"). This Amendment will add implementation of the Plans to the scope and purpose of the MOU and to provide a separate cost-share formula for the implementation of the Plans, subject to annual budget approval.

### DISCUSSION:

The Lower San Gabriel River Watershed Group has been working with GWMA to develop a First Amendment to its existing MOU. This group includes: Artesia, Bell Flower, Cerritos, Diamond Bar, Downey, Hawaiian Gardens, La Mirada, Lakewood, Long Beach, Norwalk, Pico Rivera, Santa Fe Springs, Whittier, and the Los Angeles County Flood Control District.

The attached MOU Amendment reflects the input of the watershed group members, GWMA's legal counsel, and the Executive Officer.

### Key Elements of this Amendment:

- Adds implementation of the Plans to the scope and purpose of the MOU;
- Provides a separate cost-share formula for the implementation of the Plans per \$100,000 per permittee, subject to annual budget approval;

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

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- Expressly states that GWMA shall not expend funds in excess of each annual budgeted amount without prior notification to and approval by the LSGR Watershed Committee; and
- Set the term of the agreement to September 30, 2020..

## FISCAL IMPACT:

The cost of GWMA Administrative and Legal Services are included in the cost-sharing formula paid by the group. There is no fiscal impact to GWMA.

## RECOMMENDATION:

Approve the First Amendment to the MOU and authorize the Chair to execute the MOU Amendment.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

**FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING  
BETWEEN THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL  
WATER MANAGEMENT JOINT POWERS AUTHORITY AND  
THE CITIES OF ARTESIA, BELLFLOWER, CERRITOS, DIAMOND BAR, DOWNEY, HAWAIIAN  
GARDENS, LA MIRADA, LAKEWOOD, NORWALK, PICO RIVERA, SANTA FE SPRINGS,  
WHITTIER, LONG BEACH, AND THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT  
FOR  
ADMINISTRATION AND COST SHARING TO PREPARE AND IMPLEMENT A WATERSHED  
MANAGEMENT PROGRAM ("WMP") and COORDINATED INTEGRATED MONITORING  
PROGRAM ("CIMP") AS REQUIRED BY THE REGIONAL WATER QUALITY CONTROL BOARD,  
LOS ANGELES REGION, NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM  
MUNICIPAL SEPARATE STORM SEWER SYSTEM PERMIT ORDER NO. R4-2012-0175  
MUNICIPAL SEPARATE STORM SEWER SYSTEM ("MS4 PERMIT")**

This **FIRST AMENDMENT** to the memorandum of understanding ("MOU") is made and entered into as of the date of the last signature set forth below, by and between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority ("GWMA"), a California Joint Powers Authority, and the Cities of Artesia, Bellflower, Cerritos, Diamond Bar, Downey, Hawaiian Gardens, La Mirada, Lakewood, Norwalk, Pico Rivera, Santa Fe Springs, Whittier, Long Beach ("Cities"), and the Los Angeles County Flood Control District ("LACFCD"):

**1. Recitals.** This **FIRST AMENDMENT** is made with the respect to the following facts and purposes:

A. For the purposes of this First Amendment, the term "Watershed Permittees" shall mean the Cities of Artesia, Bellflower, Cerritos, Diamond Bar, Downey, Hawaiian Gardens, La Mirada, Lakewood, Norwalk, Pico Rivera, Santa Fe Springs, Whittier, Long Beach, and the Los Angeles County Flood Control District; and

B. The Watershed Permittees and GWMA are collectively referred to as the "PARTIES"; and

C. On August 1, 2013, the PARTIES entered into a Memorandum of Understanding between the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and the Cities of Artesia, Bellflower, Cerritos, Diamond Bar, Downey, Hawaiian Gardens, La Mirada, Lakewood, Norwalk, Pico Rivera, Santa Fe Springs, Whittier, Long Beach, and the Los Angeles County Flood Control District for Administration and Cost Sharing to Prepare a Watershed Management Program ("WMP") and Coordinated Integrated Monitoring Program ("CIMP"), collectively the "Plans" as required by the Regional Water Quality Control Board, Los Angeles Region, National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit, Order No. R4-2012-0175 Municipal Separate Storm Sewer System ("MOU"); and

D. The Watershed Permittees prepared and submitted the Plans to the Regional Board in compliance with certain elements of the MS4 Permit; and

E. The PARTIES now desire to amend the MOU to: (1) add implementation of the Plans to the scope and purpose of the MOU; and (2) provide a separate cost-share formula for the implementation of the Plans, subject to annual budget approval, in accordance with each PARTY'S cost share allocations set forth in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans") which is attached hereto and made a part hereof; and

F. The Parties have determined that authorizing GWMA to hire a consultant to implement the Plans will be beneficial to the Parties; and

G. The Parties desire to collaboratively prepare a Scope of Work and Request for Proposals to obtain a consultant to assist the Parties with implementation required by the Plans.

The PARTIES agree that the following provisions of the MOU shall be amended as follows:

2. Section 1 of the MOU entitled "Recitals" is hereby amended by adding thereto Recitals A-G of Section 1 of this First Amendment, which is set forth in Section 1 of this First Amendment and incorporated herein as though set forth in full.

3. Section 2 of the MOU entitled "Purpose" is hereby amended to read as follows:

"Section 2. Purpose. The purpose of this MOU is to cooperatively support and undertake preparation of the Plans and any additional services, including but not limited to implementation of the WMP and the CIMP, except for construction of regional BMP projects as agreed to by the Watershed Permittees working cooperatively as the Lower San Gabriel River ("LSGR") Watershed Committee and as approved by the GWMA. For the purposes of this MOU, the term "regional BMP projects" does not include individual cities' low impact development ("LID") projects, including LID or Green Streets projects."

4. Section 3 of the MOU entitled "Cooperation" is hereby amended to read as follows:

"Section 3. Cooperation. The Parties shall fully cooperate with one another to achieve the purposes of this MOU. The Watershed Permittees shall prepare a final Scope of Work and Request for Proposals/Qualifications to seek and hire a consultant to assist the Parties with implementation of the Plans, and GWMA shall assist with soliciting proposals from consultants to implement the Plans and shall administer said consultants' contracts."

5. Section 6 of the MOU entitled "Term" is hereby amended to read as follows:

"Section 6. Term. This MOU shall remain and continue in effect until September 30, 2020, unless sooner terminated as provided herein."

6. Section 8 of the MOU entitled “Role of the GWMA” is hereby amended in its entirety to read as follows:

“Section 8. Responsibilities of the Parties.”

- a) Responsibilities of the GWMA. The GWMA agrees to: (i) solicit proposals for preparation and implementation of the Plans; (ii) administer the selected consultants’ (“Consultants”) contracts in accordance with the Scopes of Work prepared by the Watershed Permittees; and (iii) serve as a conduit for paying the Consultants, as approved and funded by the Watershed Permittees.
- b) Responsibilities of the LSGR Watershed Committee. The LSGR Watershed Committee agrees to:
  - i. LACFCD Facilities/Mass Emissions Stations. Obtain any necessary permits from LACFCD for access to and construction within LACFCD storm drains, channels, catch basins, and similar properties (“Facilities”), provided the LSGR Watershed Committee and its Consultants provide written notice 72 hours in advance of entry to LACFCD’s Facilities. If approved by the GWMA, the GWMA may obtain this permit as identified above.
  - ii. Supervise Consultants. Supervise the Consultants’ preparation and implementation of the Plans.
  - iii. Submit reports to the Regional Board as described in the Plans and distribute copies of the reports to the Watershed Permittees prior to submittal to the Regional Board for review and comment. The LSGR Watershed Committee will provide the Watershed Permittees with an electronic copy of the draft CIMP Annual Report and completed CIMP Annual Report within seven (7) business days after receipt from the Consultants. In addition, the LSGR Watershed Committee will make available to the Watershed Permittees the data used to prepare the reports. This data will be available electronically in a Microsoft Excel or equivalent format that contains the table structure and syntax agreed upon by the LSGR Watershed Committee.
- c) Responsibilities of the Los Angeles County Flood Control District (“LACFCD”). LACFCD agrees to:
  - i. LACFCD Mass Emissions Station (“MES”) Monitoring. Provide available monitoring data from the existing Coyote Creek MES, owned and operated by the LACFCD. Data shall be limited to water column chemistry and aquatic toxicity.



ii. Access to LACFCD Facilities/Mass Emissions Stations. To grant access to the LSGR Watershed Committee and/or the GWMA, and its Consultants to LACFCD Facilities, including LACFCD's Coyote Creek MES, to achieve the purposes of this MOU, provided the LSGR Watershed Committee and its CONSULTANT obtain a permit and provide written notice 72 hours in advance of entry to LACFCD's Facilities. Access permits will be issued by the LACFCD at no cost to the Parties and their Consultants. Permits for construction or installation of structures in LACFCD right of way will incur fees to cover the cost of review, inspection, etc. by LACFCD.

d) Responsibilities of the Watershed Permittees. The Watershed Permittees agree to:

- i. Documentation. To make a full-faith effort to cooperate with one another to achieve the purposes of this MOU by providing all requested information and documentation in their possession and available for release to the Consultants that is deemed necessary by the Parties to implement the Plans.
- ii. Access. Each Watershed Permittee will allow reasonable access and entry to the Parties and their Consultants, on an as needed basis during the term of this MOU, to each Watershed Permittee's Facilities to achieve the purposes of this MOU, provided, however, that prior to entering any of the Watershed Permittee's Facilities, the Consultants shall obtain a permit and provide written notice 72 hours in advance of entry from the applicable Watershed Permittee.
- iii. Permit. The Watershed Permittees will make a full-faith effort to work with the Consultants to obtain all necessary permits for installation of permanent infrastructure or modifications to stormwater monitoring sites within each Watershed Permittee's jurisdiction."

7. Section 9 of the MOU entitled "Financial Terms" is hereby amended to read as follows:

"Section 9. Financial Terms.

- a) Each Watershed Permittee shall pay its Proportional Costs as provided in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans") for Consultants and any other related expenses to which the Parties may agree in writing.
- b) Watershed Permittees tributary to Reach 3 and San Jose Creek will be responsible for any additional costs due to Reasonable Assurance Analysis, monitoring and preparation of any WMP addenda for their individual

tributary areas as provided in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans").

- c) Each Watershed Permittee shall also pay its proportional share of GWMA's staff time for retaining Consultants and invoicing the Watershed Permittees, audit expenses and other overhead costs, including legal fees ("MOU Costs") incurred by GWMA in the performance of its duties under this MOU. GWMA shall add a percentage not to exceed three percent (3%) to each invoice submitted to each Watershed Permittee to cover each Watershed Permittee's share of the MOU Costs. The MOU Costs percentage shall be set each fiscal year by a vote of the GWMA Policy Board.
- d) GWMA shall submit an invoice to each Watershed Permittee upon selection of Consultants reflecting each Watershed Permittee's estimated Proportional Costs of the Consultants' services through the following June 30<sup>th</sup>. Prior to releasing payment to Consultants, GWMA shall submit a copy of the Consultants' invoices to the LSGR Watershed Committee for approval. The decision regarding whether to pay the invoice shall be communicated to the GWMA by the Representative.
- e) Upon receiving the first and each subsequent invoice, each Watershed Permittee shall pay its Proportional Costs set forth in that invoice to the GWMA within forty-five days (45) days of receipt.
- f) By March 15<sup>th</sup> of each year, commencing March 15, 2015, the LSGR Watershed Committee shall submit to GWMA a recommended budget for the following fiscal year. GWMA shall consider the recommendation and adopt a budget by June 30<sup>th</sup> inclusive of the LSGR Watershed Committee's recommendation. GWMA will send each Watershed Permittee no later than June 30<sup>th</sup> of each year an invoice representing the Watershed Permittee's Proportional Costs of the adopted budget. GWMA shall not expend funds in excess of each annual budgeted amount without prior notification to and approval by the LSGR Watershed Committee.
- g) Each Watershed Permittee shall review their recommended Proportional Costs for the upcoming fiscal year in a timely manner for inclusion in their next budget cycle or exercise the withdrawal and termination clause as specified in Section 12.a) of the MOU.
- h) A Watershed Permittee will be delinquent if the invoiced payment is within the budgeted amounts or the amounts authorized by the LSGR Watershed Committee and such invoiced payment is not received by the GWMA within forty-five (45) days after the GWMA first sent the invoice. The GWMA will follow the procedure listed below, or such other procedure that the LSGR Watershed Committee directs to effectuate payment: 1) verbally contact the

official of the Watershed Permittee with copies to each other Watershed Permittee to the person and at the address to which notices should be addressed pursuant to Section 13 of the MOU, and 2) submit a formal letter from the GWMA Executive Officer to the Watershed Permittee. If payment is not received within sixty (60) days following the due date, the GWMA may terminate the MOU unless the City Managers/Administrators of the Watershed Permittees in good standing inform the GWMA in writing that their respective Watershed Permittees agree to adjust their Proportional Cost allocations in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans"). The terminated Watershed Permittee shall remain obligated to GWMA for its delinquent payments and any other obligations incurred prior to the date of termination.

- i) GWMA shall suspend all work being performed by any Consultants retained by GWMA if any Watershed Permittee has not paid its invoice within forty five (45) days after the GWMA first sent the invoice unless the City Managers/Administrators of the other Watershed Permittees inform the GWMA in writing that their respective Watershed Permittees will pay the delinquent Watershed Permittee's costs once the MOU with the delinquent Watershed Permittee has been terminated.
- j) Any delinquent payments by a Watershed Permittee shall accrue compound interest at the then-current rate of interest in the Local Agency Investment Fund, calculated from the first date of delinquency until the payment is made.
- k) Funds remaining in the possession of the GWMA at the end of the term of this MOU, or at the termination of this MOU, whichever occurs earlier, shall be promptly returned to the then remaining Watershed Permittees in accordance with the Cost Share Formulas in **Exhibit "B1"** ("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans").

**8.** Paragraph a) of Section 12 of the MOU entitled "Termination" is hereby amended to read as follows:

"a) A Watershed Permittee may withdraw from this MOU for any reason, or no reason, by giving the other Watershed Permittees thirty (30) days written notice thereof. The effective withdrawal date shall be the thirtieth (30th) day after GWMA receives the withdrawing Watershed Permittee's notice to withdraw from the MOU. The withdrawing Watershed Permittee shall be responsible for its Proportional Costs and proportional MOU Costs, which the GWMA incurred or to which it became bound through the effective date of withdrawal. Such MOU Costs shall include the remaining fees of any Consultant retained by the GWMA through the effective date of withdrawal. Should any Watershed Permittee withdraw from the MOU, the remaining Watershed Permittees' Proportional Cost allocation shall be adjusted in accordance with the Cost Share Formulas in **Exhibit "B1"**

("Cost Share Formula for Preparation of the Plans") and **Exhibit "B2"** ("Cost Share Formula for Implementation of the Plans"). A withdrawing Watershed Permittee shall remain liable for any loss, debt, liability otherwise incurred while participating in this MOU."

**9. Exhibit "B"** ("Cost Sharing Formula") of the MOU shall be renamed "**Exhibit 'B1'**"("Cost Sharing Formula for Preparation of the Plans").

**10.** A new **Exhibit "B2"** ("Cost Sharing Formula for Implementation of the Plans") is hereby added to the MOU to read as set forth in **Exhibit "B2"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

**10.** Except for the changes specifically set forth herein, all other terms and conditions of the MOU shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

LOS ANGELES GATEWAY REGION INTEGRATED  
REGIONAL WATER MANAGEMENT JOINT  
POWERS AUTHORITY

\_\_\_\_\_  
Chris Cash  
GWMA Chair

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF ARTESIA  
Mr. William Rawlings  
City Manager  
18747 Clarkdale Avenue  
Artesia, CA 90701

\_\_\_\_\_  
William Rawlings  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF BELLFLOWER  
Mr. Jeffrey L. Stewart  
City Manager  
City of Bellflower  
16600 Civic Center Drive  
Bellflower, CA 90706

\_\_\_\_\_  
Jeffrey L. Stewart  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF CERRITOS  
Mr. Art Gallucci  
City Manager  
P.O. Box 3130  
Cerritos, CA 90703-3130

\_\_\_\_\_  
Art Gallucci  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Vida Barone  
City Clerk

\_\_\_\_\_  
Mark Steres  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF DIAMOND BAR  
Mr. James DeStefano  
City Manager  
21810 Copley Drive  
Diamond Bar, CA 91765

\_\_\_\_\_  
Jim DeStefano  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name



IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF DOWNEY  
Mr. Gilbert A. Livas  
City Manager  
11111 Brookshire Avenue  
Downey, CA 90241

\_\_\_\_\_  
Gilbert A. Livas  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Adria M. Jimenez  
City Clerk

\_\_\_\_\_  
Yvette M. Abich Garcia  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF HAWAIIAN GARDENS  
Mr. Ernesto Marquez  
City Manager  
21815 Pioneer Blvd  
Hawaiian Gardens, CA 90716

\_\_\_\_\_  
Ernesto Marquez  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Sue Underwood  
City Clerk

\_\_\_\_\_  
Omar Sandoval  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF LA MIRADA  
Mr. Jeff Boynton  
City Manager  
13700 La Mirada Blvd  
La Mirada, CA 90638

\_\_\_\_\_  
Jeff Boynton  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF LAKEWOOD  
Mr. Howard L. Chambers  
City Manager  
5050 Clark Avenue  
Lakewood, CA 90712

\_\_\_\_\_  
Howard L. Chambers  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Jo Mayberry  
City Clerk

\_\_\_\_\_  
Steve Skolnik  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF LONG BEACH  
Mr. Patrick H. West  
City Manager  
333 West Ocean Boulevard, 13<sup>th</sup> Floor  
Long Beach, CA 90802

\_\_\_\_\_  
Patrick H. West  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Larry Herrera-Cabrera  
City Clerk

\_\_\_\_\_  
Charles Parkin  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF NORWALK  
Mr. Michael J. Egan  
City Manager  
12700 Norwalk Blvd  
Norwalk, CA 90650

\_\_\_\_\_  
Michael J. Egan  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Theresa Devoy  
City Clerk

\_\_\_\_\_  
Steve Skolnik  
Legal Counsel

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF PICO RIVERA  
Mr. Rene Bobadilla, P.E.  
City Manager  
6615 Passons Boulevard  
Pico Rivera, CA 90660

\_\_\_\_\_  
Rene Bobadilla, P.E.  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
City Clerk Signature

\_\_\_\_\_  
Legal Counsel Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF SANTA FE SPRINGS  
Mr. Thaddeus McCormack  
City Manager  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

\_\_\_\_\_  
Thaddeus McCormack  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Anita Jimenez  
City Clerk

\_\_\_\_\_  
Steve Skolnik  
City Attorney



IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

CITY OF WHITTIER  
Mr. Jeffery W. Collier  
City Manager  
13230 Penn Street  
Whittier, CA 90602

\_\_\_\_\_  
Jeffery W. Collier  
City Manager

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Kathryn A. Marshall  
City Clerk-Treasurer

\_\_\_\_\_  
Richard D. Jones  
City Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this **FIRST AMENDMENT** to be executed on their behalf, respectively, as follows:

DATE: \_\_\_\_\_

LOS ANGELES COUNTY FLOOD  
CONTROL DISTRICT  
County of Los Angeles  
Department of Public Works  
Watershed Management Division, 11<sup>th</sup> Fl.  
900 South Fremont Avenue  
Alhambra, CA 91803-1331

By:

\_\_\_\_\_

Chief Engineer

APPROVED AS TO FORM:

John F. Krattli  
County Counsel

\_\_\_\_\_

Associate

## EXHIBIT “B2”

### Cost Share Formula for Implementation of the Plans

The Watershed Permittees and the LACFCD agree to pay for the cost of implementation of the WMP and CIMP, following this cost sharing allocation.

### Cost Sharing Formula beginning July 1, 2015 through September 30, 2020.

Agency	Area (sq mi)	80% of cost proportioned based on area	20% of cost proportioned equally	TOTAL Per Agency	TOTAL Per Agency	TOTAL Per Agency
Artesia	1.62	\$1,408	\$1,462	\$2,869	\$14,347	\$22,955
Bellflower	1.9	\$1,651	\$1,462	\$3,113	\$15,564	\$24,902
Cerritos	8.82	\$7,665	\$1,462	\$9,127	\$45,634	\$73,014
Diamond Bar	14.89	\$12,940	\$1,462	\$14,402	\$72,010	\$115,216
Downey	6.62	\$5,753	\$1,462	\$7,215	\$36,074	\$57,718
Hawaiian Gardens	0.96	\$834	\$1,462	\$2,296	\$11,479	\$18,367
La Mirada	7.84	\$6,813	\$1,462	\$8,275	\$41,375	\$66,200
Lakewood	2.02	\$1,756	\$1,462	\$3,217	\$16,085	\$25,736
Long Beach	3.34	\$2,903	\$1,462	\$4,364	\$21,821	\$34,914
Norwalk	9.76	\$8,482	\$1,462	\$9,944	\$49,718	\$79,549
Pico Rivera	6.14	\$5,336	\$1,462	\$6,798	\$33,988	\$54,381
Santa Fe Springs	8.88	\$7,717	\$1,462	\$9,179	\$45,894	\$73,431
Whittier	14.66	\$12,741	\$1,462	\$14,202	\$71,010	\$113,617
<b>Sub-Total</b>	<b>87.45</b>	<b>\$76,000</b>	<b>\$19,000</b>	<b>\$95,000</b>	<b>\$475,000</b>	<b>\$760,000</b>
LACFCD*	Contribute 5% of total			\$5,000	\$25,000	\$40,000
<b>Total</b>				<b>\$100,000</b>	<b>\$500,000</b>	<b>\$800,000</b>

\*The LACFCD agrees to pay its proportional share of costs of preparing and implementing the Plans and other related costs to be incurred by the GWMA in accordance with the above Cost Share Formula for an annual not-to-exceed amount of \$100,000. From time to time special studies will be conducted and LACFCD's contribution for those studies will be up to 10%.

#### NOTES:

- Upon completion and approval or acceptance of the Plans by the Regional Board, the District's participation will be subject to an amendment to the MOU or equivalent agreement.
- Cal Trans and other agencies may participate upon approval of cost sharing agreements by the LSGR Watershed Committee and GWMA. Future participants may be assessed a late entry cost as if they had been a participant from the beginning of the Metals TMDL MOU, as of March 1, 2012, unless otherwise determined by the LSGR Watershed Committee.
- Watershed Permittees and the cost share are subject to modifications due to, but not limited to, changes in the number of participating agencies, refinements in mapping, and changes in boundaries.

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

May 14, 2015

SECTION NO. 12d Discussion/Action Regarding First Amendment to Professional Services Agreement Between GWMA and John L. Hunter & Associates for the Lower San Gabriel River Watershed Group

SUMMARY:

The Gateway Region Watershed Groups are required to develop a Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP) as set forth by the Regional Water Quality Control Board, Los Angeles Region, National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System Permit Order No. R4-2012-0175 Municipal Separate Storm Sewer System (MS4 Permit).

GWMA has entered into MOUs with the Lower San Gabriel River Watershed Group. The MOUs outline the role of the GWMA as a fiduciary agent to facilitate the development of the WMP and CIMP for these Watershed Groups.

In October 2013, GWMA entered into a Professional Services Agreement (PSA) with John L. Hunter & Associates as recommended by the LSGR Watershed Group. This PSA expired on January 31, 2015. The LSGR watershed group requested that GWMA amend the Agreement to extend the term of the Agreement to December 31, 2017. This First Amendment would also add additional duties to the tasks to be performed under the Scope of Work set forth in Exhibit A of this Amendment and increases the PSA amount by \$980,324 for a total agreement amount of \$1,665,324.

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

# GATEWAY WATER MANAGEMENT AUTHORITY

*Los Angeles Gateway Region  
Integrated Regional Water Management  
Joint Powers Authority*

16401 Paramount Blvd., Paramount, CA 90723 • 562.663.6850 phone 562-634-8216 fax • [www.gatewayirwmp.org](http://www.gatewayirwmp.org)

## FISCAL IMPACT:

Administrative and legal costs will be reimbursed through the 3% administrative fee agreed to in the MOU for the LSGR watershed group.

## RECOMMENDATION:

1. Approve First Amendment to the Professional Services Agreement between GWMA and John L. Hunter & Associates in the amount not to exceed \$1,665,324 for the tasks to be performed under the Scope of Work set forth in Exhibit A to the Agreement for the Lower San Gabriel River Watershed Group

**Christopher Cash, Board Chair • Adriana Figueroa, Vice-Chair • Charlie Honeycutt, Secretary/Treasurer • Kevin Wattier, Chair Emeritus**  
Proudly serving Gateway cities and agencies in Southeastern Los Angeles County

Members: Artesia • Bell • Bell Gardens • Bellflower • Central Basin Municipal Water District • Cerritos • Commerce • Cudahy • Downey • Hawaiian Gardens • Huntington Park • La Mirada • Lakewood • Long Beach • Long Beach Water Department • Lynwood • Maywood • Montebello • Norwalk • Paramount • Pico Rivera • Santa Fe Springs • Signal Hill • South Gate • Vernon • Whittier

*With Technical Support From The Sanitation Districts Of Los Angeles County*

**AGENDA ITEM NO. 12D**

**FIRST AMENDMENT TO AGREEMENT BETWEEN  
GWMA AND JOHN L. HUNTER & ASSOCIATES, INC., FOR THE LOWER SAN  
GABRIEL RIVER WATERSHED GROUP**

THIS FIRST AMENDMENT is made and entered into as of May 14, 2015, by and between the Los Angeles Gateway Region Integrated Regional Water Management Authority also referred to as the Gateway Water Management Authority ("GWMA") and John L. Hunter & Associates, Inc., a CALIFORNIA CORPORATION ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Recitals. This First Amendment is made with the respect to the following facts and purposes:

a. On October 10, 2013, the GWMA and Consultant entered into that certain Professional Services Agreement in the amount of Sixty Hundred Eighty-Five Thousand Dollars and Zero Cents (\$685,000.00).

b. The parties now desire to: (1) extend the term of the Agreement; (2) amend Exhibit A to the Agreement to add additional duties to the tasks to be performed under the Scope of Work; (3) increase the payment in the amount Nine Hundred Eighty Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$980,324.00) for a total agreement amount of One Million Six Hundred Sixty-Five Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$1,665,324.00) (\$685,000.00 + \$980,324.00); and (4) amend Exhibit B to the Agreement to add the payment rates for the additional scope of work and to amend the Agreement as set forth in this Amendment.

c. Of the additional Nine Hundred Eighty Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$980,324.00) in payment to the Consultant for this First Amendment, One Hundred Eighty-Seven Thousand Sixty-Five Dollars (\$187,065) shall be for WMP/CIMP development work to be completed between February 1, 2015 and June 30, 2015, while Seven Hundred Ninety-Three Thousand Two Hundred Fifty-Nine Dollars (\$793,259) shall be for WMP/CIMP implementation work to be completed between July 1, 2015 and June 30, 2016.

2. The section of the Agreement entitled "**TIME FOR PERFORMANCE**" is hereby amended to read as follows:

"The term of this Agreement shall commence on the effective date of this Agreement and shall expire on June 30, 2016, unless terminated earlier in accordance with the terms of this Agreement or extended by the GWMA Governing Board. The GWMA Executive Officer may, upon mutual agreement with the Consultant, extend this Agreement in writing for one additional year term. In no event shall this Agreement be extended beyond December 31, 2017 without the approval of the GWMA Governing Board.

3. The section of the Agreement entitled "**COMPENSATION AND METHOD OF PAYMENT**" is hereby amended to read as follows:

"A. GWMA shall pay Consultant, for the Services performed on a time and materials basis, based on the attached Exhibit B (Rate Sheet) to the Agreement. The First Amendment amount shall not exceed Nine Hundred Eighty Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$980,324.00) for a total Agreement amount of One Million Six Hundred Sixty-Five Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$1,665,324.00). The GWMA shall not pay to Consultant a total amount exceeding One Million Six Hundred Sixty-Five Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$1,665,324.00) unless additional payment is approved as provided in this Agreement.

B. Consultant shall perform the Services for the amount(s) listed above. GWMA shall not withhold federal payroll, state payroll and other taxes, or other similar deductions from each payment made to Consultant. Consultant shall pay all applicable federal, state, and local excise, sales, consumer use, and other similar taxes required by law. GWMA shall not allow any claims for additional services performed by Consultant, unless the Project Manager or GWMA Chair authorizes the additional services in writing prior to Consultant's performance of the additional services or the incurrence of additional expenses. Any additional services authorized by the Project Manager or GWMA Chair shall be compensated at the hourly rates set forth above, or, if not specified, at a rate mutually agreed to by the parties.

C. Consultant shall submit to GWMA a proposed annual budget for the Services to be performed during each calendar year of the term of this Agreement. The proposed annual budgets shall identify the proposed total annual budget amount and the proposed budget amounts for the periods of January 1st through June 30th and July 1st through December 31st. Consultant shall submit a proposed annual budget to GWMA on or before the 15th of April for the Services to be performed during the subsequent calendar year. GWMA will submit Consultant's annual budgets to the Lower SGR Watershed Committee no later than May 1st of each year for the Committee's approval and adoption.

D. Consultant shall submit invoices to GWMA on a monthly basis for actual work performed and actual expenses incurred during the preceding month. The invoices shall describe in detail the services performed by each person for each task, including the days and hours worked.

E. Prior to releasing payment to Consultant, GWMA shall submit Consultant's invoices to the Lower SGR Watershed Committee for final payment approval. The Lower SGR Watershed Committee will decide whether to pay an invoice submitted by Consultant and inform the GWMA of its decision. If the Lower SGR Watershed Committee approves GWMA payment of an invoice, GWMA shall make payment to Consultant payable to:

John L. Hunter & Associates, Inc.  
6131 Orangethorpe, Suite 350  
Buena Park California 90620

F. GWMA's payment obligations pursuant to this Agreement are payable solely from funds appropriated to GWMA by the Watershed Permittees to fulfill the

purpose of this Agreement. GWMA and Consultant expressly agree that full funding for this Agreement over the term of this Agreement is contingent on GWMA's receipt of payment from each Watershed Permittee of its proportional costs of the Services. In the event of a Permittee's failure to pay its proportional costs of the Services to GWMA, GWMA may either reduce funding for this Agreement at a level that is proportionate to the reduction in GWMA's receipt of funds from the Watershed Permittees or suspend all or a portion of the Services being performed by Consultant."

4. Exhibit A (Scope of Work) to the Agreement is hereby amended by adding thereto the scope of work items set forth in **Attachment "A"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

5. Exhibit B (Rate Sheet) to the Agreement is hereby amended by adding thereto the items set forth on **Attachment "B"** to this First Amendment, which is attached hereto and incorporated herein as though set forth in full.

6. Except for the changes specifically set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

7. The Recitals are incorporated herein as though set forth in full.

**IN WITNESS WHEREOF**, the parties hereto have caused this First Amendment to Agreement to be executed the day and year first above written.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date first written above

*[SIGNATURE PAGE FOLLOWS]*



The parties are signing this Agreement on the effective date.

GWMA

Consultant

Los Angeles Gateway Region Integrated  
Regional Water Management Authority

John L Hunter & Associates

By: \_\_\_\_\_  
Name: Christopher Cash  
Title: Chair

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Please note: Two signatures required for  
corporations pursuant to California  
Corporations Code Section 313.)

## **ATTACHMENT A TO EXHIBIT A**

### **TASKS TO BE PERFORMED FOR THE FIRST AMENDMENT**

*Attached hereto and incorporated herein is the additional scope of work and associated cost as provided by the Consultant for this First Amendment.*

April 2, 2015

## Work Plan for Professional Services to Assist with Continued Development and Implementation of the Lower San Gabriel River Watershed Management Program and Coordinated Integrated Monitoring Program



**Prepared For:**

Adriana Figueroa  
Chair, Lower San Gabriel River Watershed  
12700 Norwalk Blvd.  
Norwalk, CA 90650

**Prepared By:**

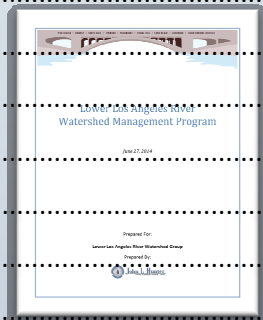
John L. Hunter & Associates  
6131 Orangethorpe Ave, Suite 300  
Buena Park, CA 90620



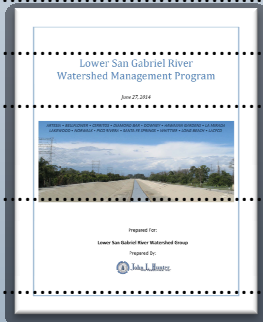
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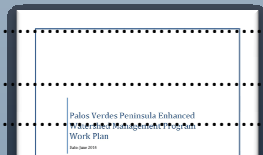
### Recent Watershed Management Program (WMP) Development



### Lower Los Angeles River WMP



### Lower San Gabriel River WMP



## I. Introduction

John L. Hunter & Associates (JLHA) appreciates the opportunity to submit this proposal to continue providing professional services to assist in the development and implementation of the Lower San Gabriel River (LLAR) Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP).

## **II. Firm Background**

### **Background and Qualifications for Scope of Services**

Successful implementation of the LSGR WMP demands an intimate knowledge of National Pollutant Discharge Elimination System Permit (NPDES) regulations for Municipal Separate Storm Sewer Systems (MS4s). JLHA has considerable experience assisting municipalities with NPDES MS4 Permit compliance programs and has had continuing contracts with clients for the administration of environmental programs since 1985.

Currently JLHA is implementing elements of the NPDES MS4 program for 30 cities in a tri-county area. For seventeen of these Cities – Artesia, Diamond Bar, Downey, Glendale, Hawaiian Gardens, Hawthorne, Monterey Park, Norwalk, Paramount, Rancho Palos Verdes, Seal Beach, Signal Hill, South Gate, South Pasadena, Stanton, Temple City and Villa Park – services include program management. This service consists of developing jurisdictional stormwater management program plans, advising and reporting on TMDL and other MS4 Permit requirements, watershed management and client representation with Regional Board members and staff. For several clients, JLHA has provided these services continuously for many years (e.g. Rancho Palos Verdes – 1994, Signal Hill – 1985, South Gate – 1991).

As described below, another significant qualification for implementation is JLHA's recent experience as the lead consultant for four watersheds – In addition to the, LSGR, WMPs or EWMPs hare or are being completed for The Lower Los Angeles River Watershed Group, the Palos Verdes Peninsula Watershed Group and the near shore watersheds of Long Beach.

In addition to recent experience with WMP development, JLHA has been involved with watershed-based, multi-jurisdictional NPDES MS4 programs for many years. JLHA served as the prime consultant in the development of the Los Angeles Reach 1 Metals TMDL Implementation Plan, which involved the participation of nine agencies. JLHA was integral in the development of a 2011 Machado Lake Nutrients TMDL Implementation Plan. For the last ten years, JLHA has implemented studies and prepared compliance reports for the Regional Board for several cities under the Los Angeles River Trash TMDL. JLHA also prepared and has implemented elements of the Monitoring and Reporting Program for the Santa Monica Bay Bacteria TMDL for Jurisdiction 7.

In total JLHA provides individual and multi-jurisdictional stormwater management services in the following watersheds:

- Los Angeles River
- San Gabriel River
- Dominguez Channel/LA Harbor

- Long Beach nearshore
- Santa Monica Bay
- Santa Ana River
- Anaheim Bay/Huntington Harbor

### **Projects with References within the Last Three Years**

The following are summaries for similar projects performed for large multi-jurisdictional local government clients within the last three years. The information provided includes the client name, project description, project dates, technical environment, staff assigned and client project manager contact information.

#### ***Accomplishments- LOWER SAN GABRIEL RIVER WATERSHED MANAGEMENT PROGRAM***

JLHA developed this Watershed Management Program (WMP). Specific components for the WMP development by JLHA include: background and hydrological setting, water quality priorities, BMP implementation strategy, evaluation and development of Minimum Control Measures. Participating agencies for the Watershed Group include Artesia, Bellflower, Cerritos, Diamond Bar, Downey, Hawaiian Gardens, La Mirada, Lakewood, Long Beach, Norwalk, Pico Rivera, Santa Fe Springs, Whittier, Caltrans and Los Angeles Flood Control District. The WMP was submitted to the Regional Board on June 28, 2014 as a final draft, pending approval by the Regional Board Executive Officer. Project performance timeline: June 2013 - present. Staff Assigned: John Hunter, Cameron McCullough, Susan Robinson, and Jillian Brickey.

#### ***Other Watershed accomplishments –***

##### ***LOWER LOS ANGELES RIVER WATERSHED MANAGEMENT PROGRAM***

JLHA developed this WMP. Specific components for the WMP development by JLHA include: background and hydrological setting, water quality priorities, BMP implementation strategy, review and evaluation of Minimum Control Measures. Participating agencies for the Watershed Group include Pico Rivera, Downey, South Gate, Lynwood, Paramount, Signal Hill, Long Beach, Lakewood, Caltrans and Los Angeles Flood Control District. The WMP was submitted to the Regional Board on June 28, 2014 as a final draft and with revisions on January 28, 2015. Staff Assigned: John Hunter, Cameron McCullough, Susan Robinson, and Jillian Brickey.

##### ***LOS CERRITOS CHANNEL WATERSHED MANAGEMENT PROGRAM***

JLHA provided support in the developed of this Watershed Management Program (WMP). Specific components for the WMP development by JLHA include: evaluation and development of Minimum Control Measures and assistance with other Watershed Control Measures. Participating agencies for the Watershed Group include Bellflower, Cerritos, Downey, Lakewood, Long Beach, Paramount, Signal Hill, Caltrans and Los Angeles Flood Control District. The WMP was submitted to the Regional Board on June 28, 2014 as a final draft, pending approval by the Regional Board Executive Officer. Project performance timeline: June 2013 - present. Staff Assigned: John Hunter, Cameron McCullough, and Susan Robinson.

##### ***PALOS VERDES PENINSULA ENHANCED WATERSHED MANAGEMENT PROGRAM***

JLHA is currently developing this Enhanced Watershed Management Program (EWMP). Specific components for the EWMP development by JLHA include: background and hydrological setting, water quality priorities, BMP implementation strategy, review and evaluation of Minimum Control Measures. Participating agencies for the Watershed Group include Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates the County of Los Angeles. The work plan and CIMP were submitted to the Regional Board on June 28, 2014, with the EWMP being submitted in June 2015. Project performance timeline: June 2013 - present. Staff Assigned: John Hunter, Cameron McCullough, and Susan Robinson.

Key staff members listed below will be assigned responsibility for providing the professional services listed in the General Scope of Services. This team also served as key staff in the development of the draft Watershed Management Programs (WMPs) for the Lower Los Angeles River and Lower San Gabriel River Groups. The staff was also notable contributors to the Los Cerritos Channel draft WMP. The following table summarizes key staff responsibilities for development of the Lower San Gabriel River WMP.

Staff Responsibilities	Project Role
<b>John Hunter, PE</b> <ul style="list-style-type: none"> <li>Oversaw contracted and subcontracted services</li> <li>Served as primary contact with client and subcontractors</li> <li>Attended regular meetings with the client and provide meeting support</li> <li>Reviewed and prepare elements of WMP and CIMP</li> </ul>	<b>Project Lead/Staff Engineer</b>
<b>Susan Robinson, MS</b> <ul style="list-style-type: none"> <li>Prepared elements of WMP and CIMP, including Water Quality Priorities, Background, Historical Data</li> <li>Reviewed and provided comments to subcontractors' work on CIMP</li> <li>Coordinated project implementation with client</li> <li>Served as alternate contact with client and subcontractors</li> </ul>	<b>Project Manager</b>
<b>Jillian Brickey, MS, CPSWQ, QSD</b> <ul style="list-style-type: none"> <li>Prepared elements of WMP and CIMP, including Watershed Control Measures, Compliance Schedule, Background, Hydrological setting and New Development Tracking</li> <li>Reviewed and provided comments to subcontractors' work on WMP and CIMP</li> <li>Served as alternate contact with client and subcontractors</li> </ul>	<b>Project Manager</b>
<b>Cameron McCullough, MS, CPSWQ, QSD</b> <ul style="list-style-type: none"> <li>Prepared elements of WMP, including Watershed Control Measures, Background, Historical Data and Hydrological setting</li> <li>Reviewed and evaluated Minimum Control Measures</li> <li>Reviewed and provided comments to subcontractors' work on Reasonable Assurance Analysis</li> <li>Served as alternate contact with client and subcontractors</li> </ul>	<b>Project Manager</b>

### Key Staff Resumes and Qualifications

The resumes for the key staff are included in Appendix B. The resumes include qualifications specific to the Scope of Services.

### **III. General Scope of Services**

The National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4 permit) Order No. R4-2012-0175, allowed permittees the flexibility to develop Watershed Management Programs (WMPs) in lieu of a task-oriented implementation plan to customize their stormwater management programs through integrated planning and monitoring. The WMP prioritized water quality issues and identified control measures to achieve applicable water quality based effluent limitations (WQBELs) and Receiving Water Limitations (RWLs).

The WMP and CIMP have been revised and submitted to the Regional Board. Approval of both of these submittals is anticipated during the term of this proposal.

Anticipated tasks for this scope of work are described in the following section for the period of February 1, 2015 through January 31, 2016 (This time span is hereafter referred to as 2015-16). WMP and CIMP implementation will be an ongoing process that is expected to cover several decades. Not all implementation elements of the WMP and CIMP are included in this proposal. It is expected that as implementation progresses, tasks may be changed, shifted or additional tasks may be required. Tasks will be initiated as directed by the watershed group.

#### **A. Program Management and Watershed Planning**

The primary tasks for 2015-16 will be:

- The shift from program development to program implementation,
- Greater emphasis on watershed coordination and reporting, and
- A substantial increase in the level of monitoring.

To facilitate this, JLHA proposes to:

##### Initiate and hold regular meetings

Regular meetings and communications between the group and the consultant will be critical during implementation of the tasks outlined in this scope of services. Tasks will include:

- Scheduling and preparing agenda and summary notes for monthly (or as necessary) meetings,
- Coordination of activities including timelines and committee meetings,
- Monthly (12) meetings of the watershed group from February 1 through January 31 are allotted for,
- Developing cost sharing MOU estimates

##### Prepare watershed based annual report

The Regional Board and the Technical Advisory Committee (TAC) are meeting on a regular basis to develop the format of the annual reports which are due on December 15<sup>th</sup> of each year. The TAC is placing a strong emphasis on a comprehensive watershed wide annual report which will include submittal from individual cities, but otherwise allow for clear and concise presentation of watershed based actions and achievements. Tasks will include:



- Compilation of city annual reports
- Preparation of unified (watershed wide) annual reports, including summation of data

#### Provide watershed specific tasks and updates

Programmatic updates relevant to NPDES regulations and the watershed will be important during the implementation phase of the WMP and CIMP. Tasks will include:

- Notification of relevant stormwater topics including regulation changes and grant availability through meeting announcements or email
- Coordination and conducting of activities including workshops and training for program elements
- Update, modify WMP/CIMP per Regional Board comments or through adaptive Management Process

#### Watershed Planning

- Comment on or attend applicable Regional Board, TMDL or Water Quality meetings and hearings.
- Coordinate with adjacent watersheds and watershed groups.

### B. Monitoring

#### Coordinated Integrated Monitoring Program (CIMP)

The CIMP is anticipated to be approved by the Regional Board midway through 2015-16. The watershed will be required to begin implementing the CIMP within 90 days after approval. This effort will include:

- Development of a Quality Assurance Project Plan (QAPP)
- Site evaluation
- Equipment procurement
- Permitting
- Dry and wet weather sampling
- Analysis and reporting of results
- Meetings with Regional Board or equivalent agencies (2 meetings allotted for)
- Developing and distributing an RFP for monitoring and laboratory subcontractors related to CIMP implementation

#### North Fork Coyote Creek Monitoring

This will include continued monitoring at the existing North Fork Coyote Creek Monitoring station.

### C. Watershed Management Program

#### Revise WMP

Upon receipt of comments from the Regional Board, or as directed by the Watershed Committee, the WMP and/or CIMP and either implement or resubmit it to the Regional Board. Task will include:

- Preparing revisions to WMP or CIMP based on Regional Board comments
- Communication with Regional Board staff regarding comments
- Submittal of final revised WMP/CIMP to Regional Board after receipt of comments (if required)

Attend one (1) meeting with Regional Board staff

Meetings and communications between the Group and the Regional Board will be critical during revisions to the WMP. Tasks will include:

- Attending and participating in applicable Regional Board meetings as approved and/or directed by the Group
- Preparing agenda and summary notes for meeting

Develop MS4 Front watershed based reporting

Cities participating in the group have purchased MS4 Front to manage permit compliance data. In order to develop a uniform reporting and record keeping mechanism, a database specific format will be developed. Tasks will include:

- Continued development of template database formats for all applicable Minimum Control Measure compliance elements (e.g. Industrial/Commercial Facilities Program, Construction Program)

Update GIS mapping of outfalls

During preparation of the CIMP, all pipes greater than 12 inches in diameter were inventoried. The information from the survey will be refined to determine which of the 12-inch to 36-inch pipes are near areas with industrial land uses. Discharge pipes less than 36 inches in diameter and determined not to incorporate runoff from industrial land use areas will be excluded from further surveys. Tasks will include:

- Updating mapped outfalls during field screening

Source Investigations

As a result of the four outfall screening events conducted in 2014-15, 25 percent of the outfalls with significant flow will need to be investigated by December 2015. These events will be used to with significant flow to be further investigated. Tasks will include:

- Develop a prioritized inventory of outfalls based on the four field screenings
- Developing an inventory and database of all major MS4 outfalls
- Conduct source investigations at 25% December 2015

Prepare format for establishing Regional/Right-of-Way BMP feasibility

In order to begin implementing the WMP, the group will need to develop a method to select regional BMP and/or public right-of-way BMP locations for optimal watershed benefits. Tasks will include:

- Reviewing available data and information for selection of potential regional BMP and/or public right-of-way BMP locations
- Conducting limited preliminary screening of potential regional BMP and/or public right-of-way BMP sites

Develop plan to implement Public Information and Participation Program (PIPP)

The budgetary allowance for this task includes preparing a targeted watershed based PIPP Plan. The final scope will be determined as directed by the group. Tasks can (upon direction of the watershed) include:

- Development of a Plan to implement required PIPP elements of the MS4 Permit including:
  - Public Participation
    - Maintaining opportunities for public reporting of stormwater related issues
    - Conducting public Outreach Events
  - Residential Outreach
    - Developing Stormwater Pollution Prevention Public Service Announcements
    - Developing Public Education materials
    - Distributing Public Education Materials
    - Maintaining Stormwater website(s)
    - Developing school children education strategy

D. Special Studies

Prepare MOU for Harbor Toxics TMDL cost share

In order to begin implementation of the Harbor Toxics TMDL, a cost sharing plan for toxics monitoring will need to be developed. The cost sharing will include other watershed groups (Upper Los Angeles River, Upper San Gabriel River, etc). Tasks will include:

- Developing cost sharing MOU to implement TMDL monitoring elements
- Coordinating with various watershed groups to be included in the MOU

## E. Work Plan Estimated Costs for February 1, through June 30, 2015

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for Continued WMP and CIMP Development<sup>a</sup></b>			
<b>Program Management</b>			
5 watershed meetings	120	\$165	\$19,800
Continued development of workplan	80	\$135	\$10,800
Coordinate WMP activities with agencies throughout term			
Review Pending Bacteria and Trash TMDL, Attend Board hearings as appropriate			
<b>Subtotal: \$30,600</b>			
<b>Monitoring (CIMP)</b>			
Prepare and distribute RFP for CIMP Implementation	25	\$165	\$4,125
	25	\$135	\$3,375
Review results of existing North Fork Coyote Creek monitoring stations	18	\$165	\$3,135
Monitoring (subcontracted to Kennitics Laboratory)	LSE	+5%	\$46,000
Review, revise and respond to Regional Board comments on Draft CIMP; evaluate sites; preliminary set up- work for monitoring.	120	\$165	\$19,800
	140	135	\$18,900
Outfall source investigations	18	\$135	\$2,430
<b>Subtotal: \$97,765</b>			
<b>Watershed Management Program</b>			
	125	\$165	\$20,625
Update WMP based upon Regional Board responses to comments	144	\$135	\$19,575
Preliminary feasibility studies, 3 primary sites.			
Attend Regional Board Technical advisory Committee meetings to establish annual watershed reporting format.			
Continued development of workplans.			
Additional Services performed at the direction of the Watershed Committee			18,500
<b>Subtotal: \$58,700</b>			
<b>TOTAL</b>			<b>\$187,065</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the development of the WMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task.

## F. Work Plan Estimated Costs for July 1, 2015 through June 30, 2016

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for WMP and CIMP Implementation<sup>a</sup></b>			
<b>Program Management</b>			
Coordinate WMP activities with agencies throughout term	225	\$165	\$37,125
Up to 12 watershed committee meetings (through January 31, 2016)	160	\$135	\$21,600
Prepare watershed based annual report			
Provide watershed specific updates (including Bacteria TMDL and Statewide Trash Amendment)			
<b>Subtotal: \$58,725</b>			
<b>Monitoring</b>			
Prepare RFP and MOU for CIMP implementation	52	\$135	\$7,020
Monitoring contractor oversight/Prepare and Review reports	105	\$115	\$12,075
Estimated budget for monitoring. Actual amount will depend upon response to RFP. The estimated cost is based upon purchase of monitoring equipment; the GWMA has indicated a preference to lease the equipment, which will change the eventual costs.	LSE <sup>b</sup>	+5%	\$400,000
<b>Subtotal: \$419,095</b>			
<b>Watershed Management Program</b>			
Develop Workplan	180	\$165	\$29,700
	120	\$135	16,200
Develop MS4 Front watershed based reporting	74	\$135	\$9,990
Prepare format for establishing Regional/Right-of-Way BMP feasibility	120	\$115	\$13,800
Develop plan to implement Public Information and Participation Program	60	\$165	\$9,900
	149	\$135	\$20,115
Limited feasibility screening for on-site treatment	LSE <sup>b</sup>	+5%	\$160,000
<b>Subtotal: \$243,505</b>			
<b>Special Studies</b>			
Harbor Toxics TMDL monitoring (cost share admin only, monitoring estimate will be incorporated into RFP above)	40	\$165	\$6,600
	60	\$165	\$9,900
Review and oversight	10	\$135	\$1,035
Outfall Screening source Investigations	20	\$165	\$3,300
	100	\$135	\$13,500
<b>Subtotal: \$ 34,650</b>			
<b>Additional Services</b>			
Services performed at the direction of the Watershed Committee			\$37,284
<b>TOTAL</b>			<b>\$793,259</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the implementation of the WMP and CIMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task.

<sup>b</sup>LSE- Lump Sum Estimate

## **Appendix A: Standard Rate Schedules**

Principal	\$165/hr
Senior Project Engineer/Project Manager	\$165/hr
Environmental Compliance Manager	\$135/hr
Project Engineer	\$115/hr
Environmental Compliance Specialist	\$95/hr
Public Outreach Manager	\$95/hr
Public Outreach Specialist	\$85/hr
Clerical and Public Outreach Assistant	\$65/hr
State Certified Laboratory Analysis	Cost + 5%
Legal Consultation, Court Appearances/Document review, etc.	\$250/hr
Subcontracted equipment	Cost + 5%

Prices effective as of July 1, 2015

JLHA does not add charges for overhead items such as administrative copying or mileage in and around the city.

## **Appendix B: Resumes**

## John L. Hunter, PE

*Principal*

### Overview

Mr. Hunter has over 30 years of experience in municipal environmental programs and currently oversees elements of NPDES programs for 27 cities, encompassing three counties that covers programs such as: watershed management, TMDL implementation, stormwater management plan development, environmental plan reviews, field inspections and investigations, public education, monitoring and program reporting. In addition Mr. Hunter oversees FOG programs for nine cities, encompassing permitting, inspections and enforcement and a three city Beverage Container Recycling program.

### Education

- B.S. in Chemical Engineering *California State University, Long Beach*
- B.S. in Biological Sciences *University of California, Irvine*

### Certifications and Licenses

- CA Professional Chemical Engineer (CH 4724)
- CA Registered Environmental Assessor (REA-0900)
- CA Hazardous Substance Removal (A3382)
- CA General Engineering Contractor License (A-582340)

### Project Experience

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included holding technical committee meetings, providing guidance on regulatory requirements of the MS4 Permit and TMDLs, and oversight of WMP development.

#### Enhanced Watershed Management Programs:

Currently developing an EWMP for the cities located in the Palos Verdes Peninsula (Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates and County of Los Angeles). Specific tasks include oversight of EWMP development and holding technical committee meetings.

### Other NPDES Experience and Skills

- Los Angeles River Trash TMDL – Obtained \$0.78 million in grant funding for the Hamilton Bowl BMP Study. The intent of the study was to evaluate different end-of-pipe trash capture systems for City of Signal Hill and Long Beach.
- Los Angeles River Metals TMDL – Preparation of Reach 1 Implementation Plan on behalf of nine local agencies through the Gateway Cities Council of Governments.
- Dominguez Channel Bacteria Study – Conducted regional Board directed bacteria study to investigate elevated bacteria levels found in the Dominguez Channel by the Regional Board.
- Oversees elements of NPDES programs for 27 cities.
- Has chaired the following committees:
  - Los Angeles River Watershed Management Committee (Current Chair)
  - Santa Monica Bay Bacterial TMDL Subcommittee – J7 (Current Chair)
  - Dominguez Channel Bacterial TMDL Subcommittee
- Also participates in
  - LA Permit Group/Executive Advisory Committee and trash/metals TMDL Subcommittees.



## **Cameron McCullough, MS, CPSWQ, QSD**

*Environmental Programs Manager*

### **Overview**

Mr. McCullough has worked with JLHA for ten years in the environmental compliance fields of NPDES, Industrial Waste/FOG Control and Phase I/II site assessment. His experiences and tasks include implementing and managing all aspects of NPDES municipal permit provisions and supervising field staff. These provisions include watershed management, TMDL implementation, field inspections, illicit discharge detection and elimination, public education and staff training.

### **Education**

- M.S. in Applied Mathematics *California State University, Long Beach*
- B.S. in Physics, Minor in Applied Math *California State University, Long Beach*

### **Certifications, Training and Affiliations**

- CPSWQ #0842 (Certified Professional in Stormwater Quality) *EnviroCert Intl*
- QSD/QSP (Qualified SWPPP Developer/Practitioner) Certifications:
  - Statewide Construction General Permit (#22706) *CASQA*
  - Region 8 Industrial General Permit for Scrap Metal Recycling Facilities (#015) *RWQCB*
- Environmental Inspector Academy *Cal/EPA*
- Society for Industrial and Applied Mathematics *Member*
- Phi Beta Kappa Society *Member*

### **Project Experience**

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included development of the background, historical data and hydrological setting as well as a review and evaluation of Minimum Control Measures.

#### Enhanced Watershed Management Programs:

Currently developing an EWMP for the cities located in the Palos Verdes Peninsula (Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates and County of Los Angeles). Specific tasks included development of the work plan and holding technical committee meetings.

### **Relevant Experience and Skills**

- Manage NPDES permit provisions for municipal clients in LA, Orange and San Bernardino Counties.  
*Clients include Downey, Norwalk, Signal Hill, Big Bear Lake, Stanton, and Seal Beach.*
- Manage FOG Control programs for municipal clients in LA, Orange and San Bernardino Counties.  
*Clients include Signal Hill, Big Bear Lake, South Pasadena and Stanton.*
- Represent cities in State compliance inspections/audits and perform self-audits.  
*Four audits total for the cities of Seal Beach, Stanton and Big Bear Lake.*
- Monitor pollutant loading as required by TMDLs.  
*LA River Trash TMDL – clients include Signal Hill, Monterey Park and Temple City.*
- Prepare Storm Water Quality Management Plans and NPDES annual reports.
- Prepare and present group training to municipal staff.
- Represent clients at regulatory meetings and hearings.
- Inspect NPDES/FOG/Industrial Waste permitted facilities for regulatory compliance.
- Design database management systems to meet reporting requirements.

## Susan Robinson, MS

### *Environmental Compliance Specialist II*

#### Overview

Ms. Robinson has over seven years of experience in the environmental management field and five years of experience with NPDES and stormwater/watershed management. Her relevant experiences include developing Watershed Management Programs and TMDL Implementation and Monitoring Plans.

Ms. Robinson has participated in numerous TMDLs in the Dominguez Channel and Santa Monica Bay watersheds, including preparing the annual Santa Monica Bay Bacteria TMDL J7 report on monitoring data, developing portions of the Machado Lake Nutrient TMDL Implementation Plan, and developing and implementing the Machado Lake Trash TMRP for Rolling Hills. In addition, Ms. Robinson has completed over 1,000 NPDES site inspections.

Prior to joining John L. Hunter and Associates, Ms. Robinson worked for the State of North Carolina Division of Coastal Management's Coastal Reserve program as a research technician. Ms. Robinson worked on numerous projects tailored to preserve the coastal environment. She monitored the water quality of North Carolina's Currituck Sound in order to help create a model of this vital estuary. Her tasks included collecting and filtering weekly water and atmospheric deposition samples. Ms. Robinson also worked to map and eradicate invasive species along the northeastern coast of North Carolina.

#### Education

- |  |  |
|--|--|
| ▪ M.S. in Environmental Science and Management           | <i>University of California, Santa Barbara</i>   |
| ▪ B.A. in Environmental Studies, Minor in Marine Science | <i>University of North Carolina, Chapel Hill</i> |

#### Project Experience

##### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included review of TMDL and 303(d) pollutants, development of water quality priorities, and the background, historical data and hydrological setting.

##### Enhanced Watershed Management Programs:

Currently developing an EWMP for the cities located in the Palos Verdes Peninsula (Rancho Palos Verdes, Palos Verdes Estates, Rolling Hills Estates and County of Los Angeles). Specific tasks included development of the work plan, identification of water quality priorities and summary of potential control measures.

#### Relevant Experience and Skills

- Project lead on the PV Peninsula Enhanced Watershed Management Program Work Plan
- Participated in the development of the Lower Los Angeles River and Lower San Gabriel River Watershed Management Plans
- Compiled and prepared annual J7 report on bacterial monitoring data.
- Conducted Trash TMDL Monitoring studies.
- Participated in development of Nutrient TMDL Implementation Plans.
- Inspected the following for compliance with state and local environmental regulations:
  - NPDES Critical Sources sites (e.g. restaurants, auto shops and manufacturing facilities).
  - State permitted industrial and construction sites (IGPs/CGPs).
  - Municipal facilities (e.g. corporate yards and transfer stations).
  - New Developments for BMP installation and maintenance verification (SUSMP sites).
- Conducted environmental investigations and imposed enforcement actions.
- Prepared Municipal NPDES Annual Reports and annual TMDL reports.

## Jillian Brickey, MS, CPSWQ, QSD

*Environmental Programs Manager*

### Overview

Ms. Brickey has worked with John L. Hunter & Associates in the environmental compliance field of NPDES, being versed in all departments at JLHA, for eight years. She is the Lead NPDES Plan Reviewer for Seal Beach, Stanton, Buena Park, La Habra, and Signal Hill and the Stormwater Program Manager for Seal Beach. Her relevant experiences and tasks include implementing and managing NPDES municipal permit provisions such as watershed management, new development, construction, TMDL compliance, municipal staff training and representing clients in program audits.

### Education

- M.S. in Environmental Science *California State University, Fullerton*
- B.S. in Zoology, Minor in Chemistry *Cal State Polytechnic University, Pomona*

### Certifications and Training

- CPSWQ #0845 (Certified Professional in Stormwater Quality) *Issued by CPSWQ, Inc.*
- QSD/QSP #22731 (Qualified SWPPP Developer/Practitioner) *CASQA*
- Stormwater Core Competencies Training Program *County of Orange*

### Project Experience

#### Watershed Management Programs:

Developed WMPs for the Lower Los Angeles River, San Gabriel River and Los Cerritos Channel watersheds, which includes the City of Long Beach. Specific tasks included development of watershed control measures, compliance schedule, new development tracking and the background, historical data and hydrological setting.

### Relevant Experience and Skills

- Obtained \$1.3 million in grant funding for the Gateway Region. The grant will install various Low Impact Development BMPs along major transportation corridors and monitor the performance and pollutant removal of these BMP systems over time.  
*Including Downey, South Gate, Signal Hill, Whittier, Lynwood, Pico Rivera, Santa Fe Springs*
- Manage NPDES permit provisions for clients in LA, Orange and San Bernardino Counties.  
*Including South Pasadena, West Hollywood, South Gate, Signal Hill, Big Bear Lake, Stanton, Seal Beach*
- Represent cities in State New Development compliance audits.  
*Seal Beach and Stanton*
- Supervise engineering staff.
- Prepare Municipal NPDES annual reports, Storm Water Quality Management Plans (SQMPs) and Local Implementation Plans (LIPs).
- Prepare and present NPDES training modules to various divisions of municipal staff.
- Represent cities at various LA and Orange County-wide NPDES Program meetings.
- Participated in Planning Advisory Group (PAG) to develop LID provisions for Orange County cities.
- Conducted NPDES/FOG/IW investigations and inspections for regulatory compliance.

## **ATTACHMENT B TO EXHIBIT B**

### **RATE SHEET FOR THE FIRST AMENDMENT**

*Attached hereto and incorporated herein is the rate sheet for the additional scope of work and associated cost as provided by the Consultant for this First Amendment.*

The First Amendment Payment amount shall not exceed Nine Hundred Eighty Thousand Three Hundred Twenty-Four Dollars and Zero Cents (\$980,324.00).

**[Note to Grace/Toni: Please insert copies of pages 11, 12 and A1 to the Scope of Work in Attachment A to Exhibit A here (and then delete this comment)]**

## E. Work Plan Estimated Costs for February 1, through June 30, 2015

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for Continued WMP and CIMP Development<sup>a</sup></b>			
<b>Program Management</b>			
5 watershed meetings	120	\$165	\$19,800
Continued development of workplan	80	\$135	\$10,800
Coordinate WMP activities with agencies throughout term			
Review Pending Bacteria and Trash TMDL, Attend Board hearings as appropriate			
<b>Subtotal: \$30,600</b>			
<b>Monitoring (CIMP)</b>			
Prepare and distribute RFP for CIMP Implementation	25	\$165	\$4,125
	25	\$135	\$3,375
Review results of existing North Fork Coyote Creek monitoring stations	18	\$165	\$3,135
Monitoring (subcontracted to Kennitics Laboratory)	LSE	+5%	\$46,000
Review, revise and respond to Regional Board comments on Draft CIMP; evaluate sites; preliminary set up- work for monitoring.	120	\$165	\$19,800
	140	135	\$18,900
Outfall source investigations	18	\$135	\$2,430
<b>Subtotal: \$97,765</b>			
<b>Watershed Management Program</b>			
	125	\$165	\$20,625
Update WMP based upon Regional Board responses to comments	144	\$135	\$19,575
Preliminary feasibility studies, 3 primary sites.			
Attend Regional Board Technical advisory Committee meetings to establish annual watershed reporting format.			
Continued development of workplans.			
Additional Services performed at the direction of the Watershed Committee			18,500
<b>Subtotal: \$58,700</b>			
<b>TOTAL</b>			<b>\$187,065</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the development of the WMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task.

## F. Work Plan Estimated Costs for July 1, 2015 through June 30, 2016

Task	Hours	Rate	Cost
<b>Budgetary Estimate of Costs for WMP and CIMP Implementation<sup>a</sup></b>			
<b>Program Management</b>			
Coordinate WMP activities with agencies throughout term	225	\$165	\$37,125
Up to 12 watershed committee meetings (through January 31, 2016)	160	\$135	\$21,600
Prepare watershed based annual report			
Provide watershed specific updates (including Bacteria TMDL and Statewide Trash Amendment)			
<b>Subtotal: \$58,725</b>			
<b>Monitoring</b>			
Prepare RFP and MOU for CIMP implementation	52	\$135	\$7,020
Monitoring contractor oversight/Prepare and Review reports	105	\$115	\$12,075
Estimated budget for monitoring. Actual amount will depend upon response to RFP. The estimated cost is based upon purchase of monitoring equipment; the GWMA has indicated a preference to lease the equipment, which will change the eventual costs.	LSE <sup>b</sup>	+5%	\$400,000
<b>Subtotal: \$419,095</b>			
<b>Watershed Management Program</b>			
Develop Workplan	180	\$165	\$29,700
	120	\$135	16,200
Develop MS4 Front watershed based reporting	74	\$135	\$9,990
Prepare format for establishing Regional/Right-of-Way BMP feasibility	120	\$115	\$13,800
Develop plan to implement Public Information and Participation Program	60	\$165	\$9,900
	149	\$135	\$20,115
Limited feasibility screening for on-site treatment	LSE <sup>b</sup>	+5%	\$160,000
<b>Subtotal: \$243,505</b>			
<b>Special Studies</b>			
Harbor Toxics TMDL monitoring (cost share admin only, monitoring estimate will be incorporated into RFP above)	40	\$165	\$6,600
	60	\$165	\$9,900
Review and oversight	10	\$135	\$1,035
Outfall Screening source Investigations	20	\$165	\$3,300
	100	\$135	\$13,500
<b>Subtotal: \$ 34,650</b>			
<b>Additional Services</b>			
Services performed at the direction of the Watershed Committee			\$37,284
<b>TOTAL</b>			<b>\$793,259</b>

<sup>a</sup>Costs provided are estimates. Costs are likely to be reallocated from one task to another as necessitated by the implementation of the WMP and CIMP and at the direction of the watershed group. Some variation may occur depending on specific staff assigned to each task.

<sup>b</sup>LSE- Lump Sum Estimate

## **Appendix A: Standard Rate Schedules**

Principal	\$165/hr
Senior Project Engineer/Project Manager	\$165/hr
Environmental Compliance Manager	\$135/hr
Project Engineer	\$115/hr
Environmental Compliance Specialist	\$95/hr
Public Outreach Manager	\$95/hr
Public Outreach Specialist	\$85/hr
Clerical and Public Outreach Assistant	\$65/hr
State Certified Laboratory Analysis	Cost + 5%
Legal Consultation, Court Appearances/Document review, etc.	\$250/hr
Subcontracted equipment	Cost + 5%

Prices effective as of July 1, 2015

JLHA does not add charges for overhead items such as administrative copying or mileage in and around the city.