PALMDALE RECYCLED WATER AUTHORITY (PRWA)
HELD AT CITY OF PALMDALE CITY HALL COUNCIL CHAMBERS
38300 SIERRA HIGHWAY, SUITE B
PALMDALE, CALIFORNIA
REGULAR MEETING AGENDA NO. 16
MARCH 18, 2015
7:00 P.M.

www.cityofpalmdale.org
www.palmdalewater.org

WELCOME

NOTE: Materials related to an item on this Agenda submitted to the Palmdale Recycled Water Authority Board of Directors, or after distribution of the agenda packet, are available for public inspection at the City of Palmdale City Hall, located at 38300 Sierra Highway, Suite A, Palmdale, California, and at the Palmdale Water District, 2029 East Avenue Q, Palmdale, California during normal business hours and will also be available at the meeting. Those items provided by others at the meeting will be available at City Hall during normal business hours.

A **three-minute time limit** will be imposed on all speakers other than staff members.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Palmdale Water District at least 48 hours prior to the meeting.

Your courtesy is requested to help our meeting run smoothly. If you'll be kind enough to follow these simple rules, we can make the best possible use of your time and ours:

- Please refrain from public displays or outbursts such as unsolicited applause, comments, cheering, foul language, or obscenities.
- Any disruptive activities that substantially interfere with the ability of the Board of Directors to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Please turn off cell phones and pagers.

1. CALL TO ORDER.

2. **PLEDGE OF ALLEGIANCE.**

3. **ADMINISTRATION OF OATH OF OFFICE TO DIRECTOR ROBERT ALVARADO.** (Staff Reference: Authority Secretary Smith)

4. **ROLL CALL: DIRECTORS JAMES C. LEDFORD, JR., KATHY MAC LAREN, ROBERT ALVARADO, FRED THOMPSON, AND HELEN VELADOR**

5. **WAIVER OF FULL READING OF RESOLUTION(S).**

Motion: Move to waive full reading of the Resolution(s) to be considered and voted on at this meeting. (**Vote by Roll Call** - Requires a majority to waive.)

6. **CONSENT CALENDAR – PUBLIC COMMENTS ONLY:** If you wish to comment on any item(s) listed on the Consent Calendar on this agenda, please come forward to the podium and state the item number(s) and your comments. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

7. **CONSENT CALENDAR:**
NOTICE: All matters listed under the Consent Calendar will be enacted by one motion unless an item(s) is pulled by the Board, in which case the item(s) will be removed from the Calendar and will be considered separately following this portion of the Agenda.

7.1 Approve the Minutes from the previous meeting held on January 21, 2015 (7pm). (Staff Reference: Authority Secretary Smith)

7.2 Approve Receipt and Filing of the Treasurer's Report for the two months ending February 28, 2015. (Staff Reference: Treasurer/Auditor Johnston)

7.3 Adopt Resolution No. PRWA 2015-003, a Resolution of the Palmdale Recycled Water Authority Adopting an Expense Reimbursement Policy (Staff Reference: General Counsel Ditzhazy)

Staff Recommendation: Move to approve the recommendations and findings on all items listed under this Consent Calendar. (**Vote by Roll Call** - Requires a majority to approve.)

8. ACTION CALENDAR

8.1 1) Presentation by Palmdale Water District staff on the Littlerock Creek Groundwater Recharge and Recovery Project, and 2) Consideration and possible action on submitting a letter of support for the Littlerock Creek Groundwater Recharge and Recovery Project. (Staff Reference: Executive Director LaMoreaux)

Call for Public Comment

Staff Recommendation: Move to approve submittal of letter of support. (**Vote by Roll Call** – requires a majority to adopt, and per Section 4.9(e) of the Authority's Joint Exercise of Powers Agreement, the affirmative vote of at least one director from each member agency).

8.2 Consideration and possible action to enter into an agreement with Antelope Valley Engineering for design of the Recycled Water Line Phase II of the Master Plan Project, and authorize the Executive Director to sign the agreement. (Staff Reference: Executive Director LaMoreaux)

Call for Public Comment

Staff Recommendation: Move to approve Agreement with Antelope Valley Engineering, Inc. (**Vote by Roll Call** – requires a majority to adopt, and per Section 4.9(e) of the Authority's Joint Exercise of Powers Agreement, the affirmative vote of at least one director from each member agency).

9. NON-AGENDA ITEMS - PUBLIC COMMENTS: This portion of the Agenda allows an individual the opportunity to address the Board of Directors on any subject regarding Palmdale Recycled Water Authority business. Under state legislation, no action can be taken on items not specifically referenced on the Agenda. **PLEASE NOTE: A three-minute time limit** will be imposed on each speaker other than staff members.

10. INFORMATIONAL REPORT OF THE BOARD OF DIRECTORS, EXECUTIVE DIRECTOR, AND ASSISTANT EXECUTIVE DIRECTOR.

11. ADJOURNMENT to April 15, 2015 at 7:00 p.m. at the Palmdale Water District Board Room located at 2029 East Avenue Q, Palmdale, California

---

Complete packets can be viewed at City Hall, located at 38300 Sierra Highway, Suite A, Palmdale, California; the Palmdale Water District, 2029 East Avenue Q, Palmdale, California, and the Main Library, located at 700 East Palmdale Boulevard, Palmdale, California. You can also view the Agenda for the Palmdale Recycled Water Authority on the City's website at www.cityofpalmdale.org or the Palmdale Water District website at www.palmdalewater.org.

Thank you for attending your Palmdale Recycled Water Authority meeting. If you have any further questions, please contact the Secretary's Office at (661) 267-5151, Monday through Thursday, 7:30 a.m. to 6:00 p.m., closed every Friday.

PALMDALE RECYCLED WATER AUTHORITY

BOARD MEMORANDUM

DATE:	March 18, 2015	**March 18, 2015**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Karen Johnston, Treasurer-Auditor, PRWA	
VIA:	Mr. Dennis LaMoreaux, Executive Director, PRWA	

RE: AGENDA ITEM NO 7.2 – TREASURER'S REPORT FOR FEBRUARY 28, 2015

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends the Board of Directors to receive and file the Treasurer's Report for the two months ending February 28, 2015.

Background:

To comply with provisions required by Section 4.13 of the Joint Powers of Authority Agreement and responsibilities of Treasurer, a Financial Report is prepared and submitted to the Board of Directors who certifies the availability of funds for the reports presented. These reports are hereby submitted to the Board of Directors for ratification.

Financial Impact:

As of February 28, 2015 the PRWA has $225,560.07 cash in the bank and $31,625.18 in Accounts Receivable due from the City of Palmdale for the water reimbursements. PRWA earned $8.07 in interest and paid invoices totaling $3,775.33 in expenditures and has $6,375.42 in unpaid invoices due.

Supporting Documents:

February 28, 2015 Treasurer's Report.

Palmdale Recycled Water Authority
Treasurer's Report
Month Ended February 28, 2015

Cash/Funds Available and held at Bank of America:		
Balance, beginning January 1, 2015		$64,582.49
Add: 2014 Accounts Receivable Received in 2015		$200,000.00
Less: 2014 Accounts Payable Paid in 2015		($35,255.16)
Available Balance, beginning		229,327.33
Deposits:	Interest Earnings	8.07
Expenditures		3,775.33
Balance, ending		$225,560.07

Expenditures:

Wateruse Association, 2015 Membership Dues	2,552.37
Rackspace, Hosting Service (Monitoring & Firewall to Feb 20'	1,222.96
Total Expenditures	3,775.33

Accounts Payable:

County Sanitation District (Oct-Dec)	6,375.42
Total Accounts Payable	6,375.42

Accounts Receivable:

City of Palmdale - Water	31,625.18
Total Account Receivable	31,625.18

PALMDALE RECYCLED WATER AUTHORITY

BOARD MEMORANDUM

DATE: March 18, 2015 **March 18, 2015**

TO: BOARD OF DIRECTORS **Board Meeting**

FROM: Mr. Wm. Matthew Ditzhazy, Authority Counsel, PRWA

VIA: Mr. Dennis LaMoreaux, Executive Director, PRWA

RE: *AGENDA ITEM NO. 7.3 – CONSIDERATION AND POSSIBLE ACTION ON RESOLUTION PRWA 2015-003 ADOPTING AN EXPENSE REIMBURSEMENT POLICY*

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends adoption of Resolution PRWA 2015-003 adopting an expense reimbursement policy.

Background:

The Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority authorizes the reimbursement of expenses incurred by Directors pursuant to a duly adopted policy. Proposed Resolution PRWA 2015-003 would adopt a reimbursement policy and provide parameters for reimbursement by Directors.

Financial Impact:

There is no financial impact in adopting the reimbursement policy itself; however, the policy authorizes modest future expenditures of unknown amounts.

Supporting Documents:

Proposed Resolution PRWA 2015-003.

PALMDALE RECYCLED WATER AUTHORITY

RESOLUTION PRWA 2015-003

A RESOLUTION OF THE PALMDALE RECYCLED WATER AUTHORITY ADOPTING AN EXPENSE REIMBURSEMENT POLICY

WHEREAS, The Board of Directors of the Palmdale Recycled Water Authority takes its stewardship over the use of its limited public resources seriously.

WHEREAS, Public resources should only be used when there is a substantial public benefit.

PROPOSED

WHEREAS, Such benefits include:

1. The opportunity to discuss the community's concerns with state and federal officials;
2. Participating in regional, state and national organizations whose activities affect the service area;
3. Attending educational seminars designed to improve officials' skill and information levels; and
4. Promoting public service and morale by recognizing such service.

WHEREAS, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about the Authority's policy concerns; and 3) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law.

WHEREAS, Section 4.11 of the Joint Exercise of Powers Agreement Creating the Palmdale Recycled Water Authority authorizes the reimbursement of expenses incurred by Directors pursuant to a duly adopted policy.

WHEREAS, This policy provides guidance to elected and appointed officials on the use and expenditure of Authority resources, as well as the standards against which those expenditures will be measured.

WHEREAS, This policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources.

WHEREAS, This policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws.

NOW, THEREFORE BE IT RESOLVED THAT:

SECTION 1. The Board of Directors of the Palmdale Recycled Water Authority hereby adopts the following Expense Reimbursement Policy:

Scope

This Expense Reimbursement Policy applies to all members of the Board of Directors, who are authorized to receive reimbursement for expenses.

Authorized Expenses

PROPOSED

Palmdale Recycled Water Authority funds, equipment, supplies (including letterhead), titles, and staff time shall only be used for authorized Authority business. Expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this policy are met:

1. Communicating with representatives of regional, state and national government on Authority adopted policy positions;

2. Attending educational seminars designed to improve officials' skill and information levels;

3. Participating in regional, state and national organizations whose activities affect the Authority's interests; and

4. Attending Authority events.

All other expenditures require prior approval by the Board of Directors. Board of Directors approval shall be obtained prior to incurring the following expenses:

1. International travel;

2. Expenses that exceed the annual limits established for each Director, as determined annually in the Authority budget; and

3. Expenses exceeding $1,250.00 per trip.

The Authority will not reimburse personal expenses. Examples of personal expenses that the Authority will not reimburse include, but are not limited to:

1. The personal portion of any trip;

2. Political or charitable contributions or events;

3. Family expenses, including partner's expenses when accompanying official on Authority-related business, as well as children- or pet-related expenses;

4. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;

5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;

PROPOSED

6. Alcoholic beverages; and

7. Personal losses incurred while on Authority business.

Any questions regarding the propriety of a particular type of expense should be resolved by the Board of Directors before the expense is incurred.

Cost Control

To conserve Authority resources and keep expenses within community standards for public officials, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the Authority will be limited to the costs that fall within the guidelines.

Transportation

The most economical mode and class of transportation reasonably consistent with scheduling needs and cargo space requirements must be used, using the most direct and time-efficient route. Charges for rental vehicles may be reimbursed under this provision if a rental vehicle is more economical than other forms of transportation. In making such determination, the cost of the rental vehicle, parking and gasoline will be compared to the combined cost of such other forms of transportation. Government and group rates shall be used when available.

A. Airfare

Air travel is presumed to be the most economical mode of transportation for long trips. Coach fares must be obtained for air travel of three hours or less, unless such fares are unavailable or would require substantial and unreasonable additional travel or waiting time. Business class travel will be allowed for flights in excess of three hours in duration. Flights originating from Palmdale Regional Airport are presumed to be the most efficient and economical mode of air travel.

B. Automobiles

Personal Vehicles - Automobile mileage will be reimbursed at the Internal Revenue Service rate in effect at the time of travel (see www.irs.gov for applicable rate). Internal Revenue Service rates are designed to compensate the driver for gasoline, insurance, maintenance, and other expenses associated with operating the vehicle. This amount does not include bridge and road tolls, which are reimbursable.

Rental Vehicles - When a rental vehicle is utilized for travel, rental rates (including any applicable insurance) and receipted fuel expenses will be reimbursed. The Internal Revenue Service rate will not be paid.

PROPOSED

C. Other Ground Transportation

Rail, taxi or shuttle fares may be reimbursed, including a 15 percent gratuity per fare, when the cost of such fares is equal or less than the cost of a vehicle rental, gasoline and parking combined, or when such transportation is necessary for time-efficiency.

Lodging

Lodging expenses will be reimbursed or paid for when travel on official Authority business reasonably requires an overnight stay.

Conferences. If such lodging is in connection with a conference, lodging expenses must not exceed the maximum group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see next section.

Other Lodging. Travelers must request government rates, when available. A listing of hotels offering government rates in different areas is available at http://www.catravelsmart.com/lodguideframes.htm. Lodging rates that are equal or less to government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.

In the event that government rates are not available at a given time or in a given area, lodging rates that do not exceed the median retail price for lodging for that area listed on websites like www.orbitz.com or an equivalent service shall be considered reasonable and hence reimbursable.

Meals

Whenever a Director is required to obtain overnight lodging, a meal allowance up to a maximum of $110 is authorized for each twenty-four (24) hour period. If a Director is taking part in an authorized activity that does not require an overnight stay, the reimbursable meal expenses and associated gratuities will not exceed the following rates per person:

Breakfast	$20.00
Lunch	$30.00
Dinner	$60.00

When the meal is a function of an organized event (for example: conferences, meetings and seminars including meals), the official or employee shall be reimbursed the amount being charged by the event organizer for the meal. The Authority recognizes that the per person cost may exceed the above rates due to additional costs associated with organizing the event, service charges, and the costs associated with any invited guests.

PROPOSED

Telephone/Fax/Cellular

Directors will be reimbursed for actual telephone and fax expenses incurred on Authority business. Telephone bills should identify which calls were made on Authority business. For cellular calls when the official has a particular number of minutes included in the official's plan, the Director can identify the percentage of calls made on public business.

Internet

Directors will be reimbursed for actual Internet access connection and/or usage fees away from home, not to exceed $15.00 per day, if Internet access is necessary for Authority related business.

Airport Parking

Long-term parking must be used for travel exceeding 24-hours.

Other

Baggage handling fees of up to $2 per bag and gratuities of up to 15 percent will be reimbursed.

Expenses for which Directors receive reimbursement from another agency are not reimbursable.

Travel Authorization and Expense Report Content and Submission Deadline

All cash advance expenditures and expense reimbursement requests must be submitted on an Travel Authorization and Expense Report form provided by the Authority.

Travel Authorization and Expense Reports must document that the expense in question met the requirements of this policy. For example, if the meeting is with a legislator, the local agency official should explain whose meals were purchased, what issues were discussed and how those relate to the Authority's adopted legislative positions and priorities.

Officials must submit their expense reports, along with all receipts documenting each expense, within thirty (30) days of an expense being incurred or the end of travel.

Inability to provide such documentation in a timely fashion may result in the expense being borne by the Director.

PROPOSED

Audits of Expense Reports

All expenses are subject to verification that they comply with this policy.

Reports to Board of Directors

At the following Board of Director's meeting, each Director shall briefly report on any Brown Act meetings attended at Authority expense, as well as any conferences, educational seminars or meetings with legislators or other governmental officials. If multiple officials attended, a joint report may be made.

The report may be made orally or in writing.

Compliance with Laws

Directors should keep in mind that some expenditures may be subject to reporting under the Political Reform Act and other laws. All documents related to Authority expenditures are public records subject to disclosure under the Public Records Act and other laws.

SECTION 2. This Expense Reimbursement Policy shall apply to all expenses incurred on or after April 1, 2015.

PASSED, APPROVED and ADOPTED this 18th day of March, 2015, by the following vote:

AYES: _____

NOES: _____

PROPOSED

ABSTAIN: _____ ABSENT: _____

_____
James C. Ledford, Jr.,
Chair

ATTEST:

_____
Rebecca Smith,
Authority Secretary

APPROVED AS TO FORM:

_____
Wm. Matthew Ditzhazy,
Authority Counsel

PALMDALE RECYCLED WATER AUTHORITY

BOARD MEMORANDUM

DATE:	March 9, 2015	**March 18, 2015**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Mr. Dennis LaMoreaux, Executive Director, PRWA	

RE: **AGENDA ITEM NO. 8.1 – CONSIDERATION AND POSSIBLE ACTION ON AUTHORIZING PROVIDING A LETTER OF SUPPORT FOR LITTLEROCK CREEK GROUNDWATER RECHARGE AND RECOVERY PROJECT GRANT APPLICATION**

Recommendation:

Staff recommends providing a letter of support to Palmdale Water District's grant application to the U.S. Bureau of Reclamation for the Littlerock Creek Groundwater Recharge and Recovery Project.

Background:

The United States Department of Interior, Bureau of Reclamation has established the WaterSMART: Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program to provide funding opportunities for entities seeking new water supplies using water recycling and reuse technologies.

In January, 2015, the United States Department of Interior, Bureau of Reclamation requested proposals from eligible entities interested in conducting a feasibility level study of projects that make beneficial use of recycled water.

On March 3, 2015, the Palmdale Water District submitted a grant application to complete a more detailed study of using recycled water to meet future municipal and industrial water needs.

Financial Impact:

The adoption of the attached letter of support will have no impact on the budget

Supporting Documents:

- Letter of Support

PALMDALE RECYCLED WATER AUTHORITY

c/o 38300 Sierra Hwy, Palmdale, CA 93550 661-456-1017

Board of Directors
James C. Ledford, Jr., Chair
Kathy Mac Laren, Vice Chair
Fred Thompson, Director
Robert Alvarado, Director
Helen Velador, Director

Executive Director
Dennis D. LaMoreaux

March 18, 2015

Mr. Dennis LaMoreaux, General Manager
Palmdale Water District
2029 East Avenue Q
Palmdale, CA 93550

SUBJECT: LITTLEROCK CREEK GROUNDWATER RECHARGE AND RECOVERY PROJECT

Dear Mr. LaMoreaux:

The Palmdale Recycled Water Authority (PRWA) supports your recent submission of a request to the Bureau of Reclamation for grant funding under funding announcement R15AS00015 entitled WaterSMART Feasibility Study under the Title XVI Water Reclamation and Reuse Program Grants for FY 2015.

The PRWA completed a Recycled Water Facilities Plan (2014) that provided a market assessment for the use of recycled water within the PRWA service area. The market assessment concluded that all of the available water supply from local wastewater plants could be put to beneficial use to meet the ultimate needs of the community.

Developing recycled water use in the PRWA's service area would accomplish a number of benefits. These include: (1) reduced dependence on the SWP and groundwater supplies, (2) improvement in water supply reliability, (3) preservation of potable water supplies, and (4) providing a source of water supply for groundwater recharge.

We look forward to working with the Palmdale Water District on the Littlerock Creek Groundwater Recharge and Recovery Project.

Sincerely,

_____

JAMES C. LEDFORD, JR.
Chair, Palmdale Recycled Water Authority

PALMDALE RECYCLED WATER AUTHORITY

BOARD MEMORANDUM

DATE:	March 11, 2015	**March 18, 2015**
TO:	BOARD OF DIRECTORS	**Board Meeting**
FROM:	Mr. Michael Mischel, Assistant Executive Director, PRWA	
VIA:	Mr. Dennis LaMoreaux, Executive Director, PRWA	

RE: AGENDA ITEM NO. 8.2 – CONSIDERATION AND POSSIBLE ACTION ON AWARDING A PROFESSIONAL SERVICES AGREEMENT FOR THE DESIGN OF THE RECYCLED WATER LINE PHASE II OF THE MASTER PLAN PROJECT

Recommendation:

Palmdale Recycled Water Authority (PRWA) staff recommends entering into a professional services agreement with Antelope Valley Engineering, Inc. in the not-to-exceed amount of $199,500 for the design of the Recycled Water Line Phase II of the Master Plan Project.

This action authorizes the PRWA to enter into a professional services agreement with Antelope Valley Engineering, Inc. and delegates the Executive Director to execute said agreement upon review by legal counsel.

Background:

With the completion and adoption of the Recycled Water Master Plan, the Palmdale Recycled Water Authority will strive to be proactive in its development and continue the progress with the design of the next phase of infrastructure. The next phase, Phase II, will continue the existing pipeline in 30th Street East at Avenue R south to Avenue R-8, then easterly to 55th Street East, and then north to Domenic Massari Park. This phase will include two portions of Phase III of the Master Plan that will provide pipeline laterals to Palmdale Oasis Park (DryTown Water Park) and the soon to be built Yellen Park at 52nd Street East and Avenue S. Upon completion of this design, PRWA staff will forge ahead to obtain grant funding to construct Phase II.

The PRWA received five proposals for this work. All the consulting firms submitted proposals with the same scope of work. The following is a summary of the proposals received from the firms:

Antelope Valley Engineering, Inc.:	$189,500
JT Engineering:	$155,575
RMC Water and Environment:	$271,000
PSOMAS:	$297,992
Kennedy/Jenks:	$386,300

Primarily, PRWA staff is recommending Antelope Valley Engineering, Inc. based on their understanding of the Authority's design criteria, knowledgeable and experienced staff assigned to this project, and overall project approach. Secondly, PRWA staff recommends Antelope Valley Engineering, Inc. over the other consultants due to both the City and Palmdale Water District's favorable experience with Antelope Valley Engineering, Inc.

PRWA staff and Antelope Valley Engineering, Inc. met and discussed the design project and refined the original scope to include the additional services that were not included in the Request for Proposals. This resulted in a not-to-exceed amount of $199,500.

Financial Impact:

This project is funded under the 2015 PRWA Budget line item "Contract Services - Consultant Services" with an available budget of $400,000.

AGREEMENT NO. PRWA-004

CONTRACT FOR DESIGN PROFESSIONAL SERVICES BETWEEN THE PALMDALE RECYCLED WATER AUTHORITY AND ANTELOPE VALLEY ENGINEERING, INC.

THIS CONTRACT FOR DESIGN PROFESSIONAL SERVICES ("Contract" herein) is made and entered into this 18th day of March, 2015 by and between the Palmdale Recycled Water Authority a public body corporate and politic, (hereinafter called "AUTHORITY") and Antelope Valley Engineering, Inc. (hereinafter called "PROJECT DESIGNER").

RECITALS

WHEREAS, AUTHORITY desires to engage PROJECT DESIGNER to perform certain technical and professional services, as provided herein, in connection with that certain project identified as Palmdale Recycled Water Authority Recycled Water Line Phase 2 Project.

WHEREAS, PROJECT DESIGNER represents that PROJECT DESIGNER has the expertise and is qualified to perform the services described in this Contract and is duly registered under the laws of the State of California.

WHEREAS, PROJECT DESIGNER desires to accept such engagement.

NOW, THEREFORE, the parties agree as follows:

1 DESCRIPTION OF WORK

1.1 The AUTHORITY hereby engages PROJECT DESIGNER, and PROJECT DESIGNER accepts such engagement, to perform the design professional services set forth in the **"Scope of Services"** attached hereto as Exhibit "A" and incorporated herein by reference. PROJECT DESIGNER shall perform and complete all such work and services in a manner satisfactory to AUTHORITY.

1.2 Project deliverables shall be reviewed and approved by AUTHORITY to determine acceptable completion. AUTHORITY shall have the right to review and inspect the work during the course of its performance at such times as may be specified by AUTHORITY.

1.3 PROJECT DESIGNER shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract change order or amendment and signed by AUTHORITY. Any extensions of time must be mutually agreed upon in writing and executed by both parties.

1.4 AUTHORITY shall provide to PROJECT DESIGNER, without charge, all data, program information, including reports, records, maps and other information, now in AUTHORITY's possession, which may facilitate the timely performance of the work.

2 AUTHORITY PROJECT MANAGER

To provide the design professional services required by this Contract, PROJECT DESIGNER shall act under the authority and approval of a Project Manager appointed by the Executive Director/designee. The AUTHORITY Project Manager will oversee the work under this Contract, assist PROJECT DESIGNER with any necessary information, audit billings, and approve payments. PROJECT DESIGNER shall channel reports, deliverables and special requests through the AUTHORITY Project Manager.

3 PROJECT DESIGNER'S KEY PERSONNEL

PROJECT DESIGNER's Team and Key Personnel are set forth in Exhibit C which is attached hereto and incorporated herein by reference. This Design Professional Services Contract has been awarded to PROJECT DESIGNER based on its representation that those personnel and subcontractors submitted as part of its Statement of Qualifications and listed in Exhibit C attached hereto and incorporated herein by reference will perform the portions of the work listed on said Exhibit C. PROJECT DESIGNER shall not deviate nor substitute any of these team members without prior written approval by AUTHORITY.

4 COMMENCEMENT AND COMPLETION OF WORK

The execution of this Contract by the parties does not constitute an authorization to proceed. The services of PROJECT DESIGNER shall commence when AUTHORITY, acting by and through its Project Manager, has issued an Authorization to Proceed. PROJECT DESIGNER shall complete all the work described in Exhibit "A" and submit final deliverables within two hundred ten (210) calendar days following PROJECT DESIGNER's receipt of Authorization to Proceed. PROJECT DESIGNER shall have no claim for compensation for any services or work, which has not been authorized by AUTHORITY's Authorization to Proceed.

5 TAXES

5.1 PROJECT DESIGNER shall pay all sales, consumer, use, and other similar taxes required to be paid by PROJECT DESIGNER in accordance with state and local laws.

5.2 PROJECT DESIGNER is an independent contractor and shall have no power or authority to incur any debt, obligation or liability on behalf of AUTHORITY. No person employed by PROJECT DESIGNER or acting on its behalf, in connection with this Contract shall be considered the Agent or employee of AUTHORITY.

5.3 PROJECT DESIGNER shall be required to obtain a current City of Palmdale business license, as required by the Palmdale Municipal Code, before an Authorization to Proceed is issued.

6 PATENT FEES AND ROYALTIES

PROJECT DESIGNER shall pay all license fees and royalties and assume all costs incident to the use, in the performance of the work or the incorporation in the work of any invention, design, process, product or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product or device is specified by AUTHORITY for use in the performance of the work and if, to the actual knowledge of AUTHORITY, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by AUTHORITY in the contract documents. PROJECT DESIGNER shall indemnify and hold harmless AUTHORITY and anyone directly or indirectly employed by AUTHORITY from and against all claims, damages, losses and expenses (including attorneys' fees) arising out of any infringement of patent rights or copyrights incident to the use in the performance of the work, or resulting from the incorporation in the work of any invention, design, process, product or device not specified by AUTHORITY, and shall defend all such claims in connection with any alleged infringement of such rights.

7 STANDARDS OF PERFORMANCE

7.1 PROJECT DESIGNER shall be responsible for the completeness and accuracy of its services and work and documents resulting there from, and AUTHORITY shall not be responsible for discovering deficiencies therein. PROJECT DESIGNER shall correct any such deficiencies or errors without additional compensation and without cost to AUTHORITY, except to the extent any such deficiency is directly attributable to deficiencies in AUTHORITY-furnished information.

7.2 PROJECT DESIGNER shall be familiar with AUTHORITY's Standard Details and Specifications and other relevant AUTHORITY regulations. PROJECT DESIGNER shall ensure there are no conflicts among the Contract Documents including, but not limited to, the AUTHORITY's Standard Specifications and Special Provisions for Construction Contracts, the plans and specifications prepared by PROJECT DESIGNER, any standard details or specifications incorporated therein by reference, and the Construction Contract.

8 PROJECT DESIGNER'S PERSONNEL

8.1 All services required under this Contract shall be performed by PROJECT DESIGNER, or under PROJECT DESIGNER's direct supervision, and all personnel shall possess the qualifications, permits and licenses required by State and local law to perform such services.

8.2 PROJECT DESIGNER shall be solely responsible for the satisfactory work performance of all personnel engaged in performing services required by this Contract, and compliance with all reasonable performance standards established by AUTHORITY.

8.3 PROJECT DESIGNER shall be responsible for payment of all PROJECT DESIGNER's employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to the employer's liability, workers' compensation, unemployment insurance, and Social Security.

8.4 PROJECT DESIGNER shall indemnify and hold harmless AUTHORITY, and its respective officers, agents and employees from and against all claims, demands, damages or costs arising from PROJECT DESIGNER's acts or omissions with respect to any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

8.5 PROJECT DESIGNER shall pay, if required by applicable law, not less than the general prevailing hourly wage rates, as determined by the Director of the Department of Industrial Relations pursuant to the California Labor Code, for each craft, classification, or type of worker needed to perform the Contract. Copies of the prevailing rate of per diem wages are on file in the office of the Director of Public Works.

9 COMPENSATION

9.1 For all of work and services including the various phases of tasks as described in Exhibit A, Scope of Services, AUTHORITY shall pay to PROJECT DESIGNER an amount not to exceed the sum of one hundred ninety-nine thousand five hundred dollars ($199,500), in accordance with the Fee Schedule attached hereto as Exhibit "B" and incorporated herein by reference. PROJECT DESIGNER shall perform no work in excess of the total contract price without prior approval of AUTHORITY. Total contract price includes expenses related to travel to and from AUTHORITY to meet with AUTHORITY and to appear before AUTHORITY's Board or any other board or commission of AUTHORITY.

9.2 An application and certification for payment form must be submitted to AUTHORITY which shall include the following: a clear, detailed invoice reflecting hours being billed for, a summary sheet showing percentage of work completed to date, amount/percent billed to date and current status of all tasks within the project; any/all backup documentation supporting the above items. Work schedule updates must also be included in the monthly progress payment requests.

9.3 PROJECT DESIGNER shall maintain adequate records and shall permit inspection and audit by AUTHORITY of PROJECT DESIGNER's charges under

this Contract. PROJECT DESIGNER shall make such records available to AUTHORITY during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records, and they will be available only to AUTHORITY and any specified public agencies. Such records shall be maintained by PROJECT DESIGNER for one (1) year following completion of the work under this Contract unless a longer period of time is required by state or federal law, in which event PROJECT DESIGNER shall retain its records for the time required by such laws.

9.4 No payment made hereunder by AUTHORITY to PROJECT DESIGNER, shall be construed as an acceptance by AUTHORITY of any work or materials, nor as evidence of satisfactory performance by PROJECT DESIGNER of its obligations under this Contract.

10 INDEMNIFICATION

PROJECT DESIGNER agrees to indemnify, defend and hold harmless AUTHORITY, and its respective officers, agents and employees, from and against all claims, losses, obligations, or liabilities which arise out of, or are in any way related to, PROJECT DESIGNER's negligence, recklessness, or willful misconduct under this Contract.

11 INSURANCE

11.1 PROJECT DESIGNER, at its expense, shall maintain in effect at all times during the performance of work under this Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers listed "A" or better in the Best's Insurance Guide and authorized to do business in the State of California. **Proof of Insurance, as identified in Section 11.8, must be reviewed and accepted by the AUTHORITY Attorney**.

11.1.1 Workers' Compensation and Employer's Liability
-Workers' Compensation—coverage as required by the State of California
-Employer's Liability -- $1,000,000.00 each accident
-- $1,000,000.00 policy limit bodily injury
-- $1,000,000.00 each employee bodily injury by disease

11.1.2 Professional Liability Insurance*
-$2,000,000 with no deductible, or;
-Comparable alternative as determined by the AUTHORITY Attorney; and
-Policy form on a claim-made basis

11.1.3 Commercial General Liability
-$2,000,000.00 limit on per occurrence basis
-$5,000,000.00 general aggregate limit

11.1.4 Commercial Automobile Liability

-$1,000,000.00 combined single limit including owned, non-owned and hired automobile coverage

11.2 All of PROJECT DESIGNER's policies shall contain an endorsement providing that written notice shall be given to AUTHORITY at least thirty - (30) calendar days prior to termination, cancellation or reduction of coverage in the policy.

11.3 Policies providing for bodily injury and property damage coverage shall contain the following:

A. An endorsement extending coverage to the AUTHORITY as an additional insured, in the same manner as the named insured, as respects liability arising out of the performance of any work under the Contract. Such insurance shall be primary insurance, as respects the interest of the AUTHORITY, and any other insurance maintained by the AUTHORITY shall be considered excess coverage and not contributing insurance with the insurance required hereunder. The Certificate and endorsements shall state that: "The Palmdale Recycled Water Authority, their officers, agents, employees and volunteers are named as additional insured".

B. "Severability of Interest" clause.

11.4 Promptly on execution of this Contract, and prior to commencement of any work, PROJECT DESIGNER shall deliver to AUTHORITY certificates of insurance and endorsements to all required policies demonstrating that PROJECT DESIGNER has the required coverage and showing the required named insureds. Within five (5) days of written request from AUTHORITY, PROJECT DESIGNER shall deliver to AUTHORITY full and complete copies of all insurance policies required by this Contract.

11.5 The requirements as to the types and limits of insurance to be maintained by PROJECT DESIGNER are not intended to and shall not in any manner limit or qualify PROJECT DESIGNER's liabilities and obligations under this Contract.

11.6 Any policy or policies of insurance that PROJECT DESIGNER elects to carry as insurance against loss or damage to its equipment and tools or other personal property used in the performance of this Contract shall include a provision waiving the insurer's right of subrogation against AUTHORITY.

11.7 All insurance coverages must be maintained throughout the duration of this Contract.

11.8 Acceptable Proof of Insurance:

11.8.1 ACORD Certificate of Insurance listing all coverages, limits, deductibles and insureds; and endorsements for all applicable coverages if agent has authority to issue it; Additional insured Form CG20101185 or CG20100707 and CG20370704 or equivalent must be provided for general liability coverage. Additional insured form CA0001 must be provided for automobile liability coverage.

11.8.2 Agents must confirm that policy endorsements have been ordered from the respective insurance companies. Upon issuance, policy endorsements listing all insurers must be submitted to the AUTHORITY Attorney.

11.8.3 *When coverage is provided on a "claims made basis", CONTRACTOR will continue to renew the insurance for a period of five (5) years after this Agreement expires or is terminated. Such insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONTRACTOR for all claims made by AUTHORITY arising out of any acts or omissions of CONTRACTOR, or its officers, employees or agents during the time this Agreement was in effect.

11.9 Notwithstanding any other provision of this Contract, AUTHORITY may immediately terminate this Contract if, at any time PROJECT DESIGNER fails to maintain the required insurance for any period of time or fails to comply with any of the insurance requirements listed above.

12 TERMINATION WITHOUT CAUSE

AUTHORITY reserves the right to terminate this Contract or any part thereof for its sole convenience with fifteen (15) days written notice. In the event of such termination, PROJECT DESIGNER shall immediately stop all work hereunder, and shall immediately cause any of its suppliers and sub-consultants to cease such work. PROJECT DESIGNER shall also surrender to AUTHORITY all finished or unfinished documents or programs and other materials, which shall be AUTHORITY's property. As compensation in full for services performed to the date of such termination, the PROJECT DESIGNER shall receive an amount equal to the value of the work completed as of the termination date in accordance with the fee schedule or as negotiated between the parties. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Contract.

13 TERMINATION FOR CAUSE

13.1 If the AUTHORITY determines that the PROJECT DESIGNER has failed to supply an adequate working force, or to provide services of proper quality, or has failed in any other respect to satisfactorily perform the services specified in this Contract, the AUTHORITY shall give written notice to the PROJECT DESIGNER specifying all defaults to be remedied within thirty (30) days. Such notice shall set

forth the basis for the AUTHORITY's dissatisfaction and suggest corrective measures. If, after thirty days, the PROJECT DESIGNER has failed to implement the corrective measures, the AUTHORITY may elect to terminate this Contract, in whole or in part.

13.2 In the event the AUTHORITY terminates this Contract in whole or in part as provided herein above, the AUTHORITY may procure, upon such terms and in such manner, as it may deem appropriate, services similar to those terminated.

13.3 If this Contract is terminated as provided above, the AUTHORITY may require the PROJECT DESIGNER to provide all finished or unfinished documents, data, studies, software, drawings, maps, photographs, reports, etc., prepared by the PROJECT DESIGNER. Upon such termination, the PROJECT DESIGNER shall be paid an amount equal to the value of the services provided and work performed as of the date of termination. Such payment by the AUTHORITY may take into consideration the costs associated with hiring another PROJECT DESIGNER to complete the services. In the event no new PROJECT DESIGNER is employed, the PROJECT DESIGNER shall be paid an amount equal to the value of the work performed. In ascertaining the value of the work performed up to the date of termination, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents when such are delivered to AUTHORITY, and to authorized reimbursement expenses.

The above is in addition to any other remedies available by law or equity to the AUTHORITY.

13.4 If, after notice of termination of the Contract under the provisions of this Section 13, it is determined, for any reason, that the PROJECT DESIGNER was not in default, or that the default was excusable, then the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 12.

14 DISPUTE RESOLUTION

All claims, disputes and other matters in question between AUTHORITY and PROJECT DESIGNER arising out of, or relating to this Contract, or the breach thereof shall, to the extent reasonably feasible, be resolved through good faith negotiations between the parties.

15 OWNERSHIP OF DOCUMENTS

All documents, including, but not limited to, tracings, drawings, plans, specifications, original mylars, estimates, field notes, investigations, design analysis and studies which are prepared in the performance of this Contract are to be, and remain the property of, AUTHORITY. PROJECT DESIGNER shall furnish AUTHORITY, upon its request,

originals or reproducible or electronic copies of technical specifications and of all other documents listed above. PROJECT DESIGNER shall endorse, by his professional seal, all plans and data furnished by him.

16 RE-USE OF DOCUMENTS

The parties agree the documents, drawings, specifications and designs, although the property of AUTHORITY, are prepared for a specific project and are not intended nor represented by PROJECT DESIGNER to be suitable for re-use for any other project. Any reuse without written verification or adaptation by PROJECT DESIGNER for the specific purpose intended will be at AUTHORITY's sole risk and without liability or legal exposure to PROJECT DESIGNER.

17 SUBCONTRACTING, DELEGATION AND ASSIGNMENT

17.1 PROJECT DESIGNER shall not delegate, subcontract or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of AUTHORITY; provided, however, that claims for money due or to become due to PROJECT DESIGNER from AUTHORITY under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Any proposed delegation, assignment or subcontract shall provide a description of the services covered, identification of the proposed assignee, delegee or subcontractor, and an explanation of why and how the same was selected, including the degree of competition involved. Any proposed agreement with an assignee, delegee or subcontractor shall include the following:

A. The amount involved, together with PROJECT DESIGNER's analysis of such cost or price; and
B. A provision requiring that any subsequent modification or amendment shall be subject to the prior written consent of AUTHORITY.
C. The requirement to hire only those persons authorized by federal law to work in the United States.

17.2 Any assignment, delegation or subcontract shall be made in the name of PROJECT DESIGNER and shall not bind or purport to bind AUTHORITY and shall not release PROJECT DESIGNER from any obligations under this Contract including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees and subcontractors. No such assignment, delegation or subcontract shall result in any increase in the amount of total compensation payable to PROJECT DESIGNER under this Contract.

18 NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

18.1 In performance of this Contract, PROJECT DESIGNER shall not discriminate against any employee, subcontractor or applicant for employment because of sex, color, race, religion, ancestry, national origin, disability, medical condition, marital status, sexual orientation or age. PROJECT DESIGNER will take affirmative

action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, ancestry, sex, national origin, handicap or age. Affirmative action relating to employment shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

18.2 The provisions of subsection 18.1 above shall be included in all solicitations or advertisements placed by or on behalf of PROJECT DESIGNER for personnel to perform any services under this Contract. AUTHORITY shall have access to all documents, data and records of PROJECT DESIGNER and its subcontractors for purposes of determining compliance with the equal employment opportunity and non-discrimination provisions of this Section, and all applicable provisions of Executive Order No. 11246 which is incorporated herein by this reference. A copy of Executive Order No. 11246 is available for inspection at, and on file with, the Palmdale City Clerk's Office.

19 FINANCIAL INTEREST CERTIFICATION

19.1 PROJECT DESIGNER warrants that no person has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no officer or employee of the AUTHORITY has any interest, financially or otherwise, in PROJECT DESIGNER's firm.

19.2 For breach or violation of this warranty, AUTHORITY shall have the right to annul this Contract without liability, or at its discretion to deduct from the Contract Price or consideration, the full amount of such commission, percentage, brokerage or contingent fee.

20 CONFLICT OF INTEREST

20.1 PROJECT DESIGNER stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this Contract or which would cause PROJECT DESIGNER to be "financial interested" (as provided in California Government Code Section 1090 et seq. or 87100 et seq.) in any contract or decision made by AUTHORITY on any matter.

20.2 PROJECT DESIGNER shall not employ any AUTHORITY official or employee to perform any work required pursuant to this Contract.

20.3 If PROJECT DESIGNER is a registered professional engineer or licensed land surveyor and the scope of work requires PROJECT DESIGNER's

recommendation of the actual formula to spread the costs of an assessment district's improvements, then PROJECT DESIGNER shall not participate in making that recommendation if the additional elements set forth in Government Code section 87100.1(c) apply. Those additional elements are: (1) PROJECT DESIGNER has received income of $250 or more for professional services in connection with any parcel included in the benefit assessment district within 12 months prior to the creation of the district; and (2) the district includes other parcels in addition to those parcels for which PROJECT DESIGNER received the income. In the event a conflict of interest does arise in that context, AUTHORITY shall select a different PROJECT DESIGNER to recommend the actual formula to spread the costs of the assessment district's improvements and the costs of such services shall be deducted from the compensation to be paid to PROJECT DESIGNER.

20.4 To the extent required by the Authority Director/designee, PROJECT DESIGNER shall complete and file with the City Clerk a Form 700 Statement of Economic Interests disclosing any reportable property interests, income, gifts, investments or business positions.

21 COMPLIANCE WITH LAW

21.1 PROJECT DESIGNER shall comply with all state and federal laws, including but not limited to, the requirement to hire only those persons authorized by federal law to work in the United States. If PROJECT DESIGNER uses any subcontractors to complete this Contract, this same requirement shall be included in all subcontracts and strictly enforced by PROJECT DESIGNER.

21.2 The law of the state of California shall govern this Contract. The venue of any legal action, either formal or informal, shall be the County of Los Angeles.

22 NOTICES

Any notice required under this Contract shall be in writing, addressed to the appropriate party at its address on the signature page and given personally or by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.

23 ENTIRE CONTRACT AND AMENDMENTS

23.1 This Contract is the complete agreement between the parties and supersedes all prior proposals, agreements, and understandings between the parties and may not be modified or terminated orally.

23.2 No attempted waiver of any of the provisions hereof, nor any modification in the nature, extent or duration of the work to be performed by PROJECT DESIGNER hereunder, shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

23.3 The failure of any party to enforce against another party any provision of this Contract shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Contract.

24 ATTORNEY'S FEES

If any action at law or in equity is brought to enforce or interpret any provisions of this Contract, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

In Witness Whereof, the parties hereto have caused this Contract to be executed and attested by their respective officers thereunto duly authorized.

PALMDALE RECYCLED WATER AUTHORITY

James C. Ledford Jr. Date
CHAIR

ADDRESS FOR NOTICE:

Palmdale Recycled Water Authority
39110 3rd Street East
Palmdale, CA 93550

APPROVE AS TO FORM:

Wm. Matthew Ditzhazy
Authority Attorney

ATTEST:

Rebecca J. Smith
City Clerk

PROJECT DESIGNER:

3/11/15
Barry S. Munz, Date
Vice President

ADDRESS FOR NOTICE:
Antelope Valley Engineering, Inc.
129 Pondera St.
Lancaster, CA 93534

ATTEST: If Corporation

Secretary

Exhibit A

Scope of Services

Project Designer's scope of services shall include the following three general tasks:

Task 1. Preliminary Start-Up Activities
1a) Evaluation of the Authority's Master Plan's pipe sizing
PROJECT DESIGNER shall review the Authority's Master Plan and determine whether the proposed system shall have adequate capacities for the current and future phase needs. This shall be coordinated with the Authority to determine the sufficient overall system requirements. If it is determined that additional pumping capacity analysis is required during the design stage, then PROJECT DESIGNER can incorporate these needs into the design process.

1b) Develop a design implementation schedule
Kick-off Meeting. PROJECT DESIGNER shall begin the project with an initial kickoff meeting with the Authority to discuss critical project issues and confirm their understanding of the views and objectives of the Authority. Discussion items shall include reiteration of project objectives; establishing key delivery dates and timeframes; project design approaches and other outstanding issues as necessary.

Progress meetings. PROJECT DESIGNER shall organize and attend any meetings with the Authority's Project Manager to discuss preliminary design and alignments, review project deliverables, and confirm milestones.

1c) Pipeline alignment topography and design survey
Design survey shall include the following:

- Street cross sections along proposed route at approximately 200' o.c., curb to curb
- At intersections, detail out all corners and locate improvements within 50' beyond returns
- All utility locations along alignment
- Dip all sewer and storm drain manholes where the utility crosses the proposed pipe alignment
- Horizontal control for street centerlines along the alignment including locating all monuments found at intersections
- Vertical control set to local benchmarks
- Details of drainage crossings

1d) Obtain geotechnical investigation for design and construction
1d.1) Boring/potholing location identification. Prior to soils boring investigations, the soils consultant shall review previous soils reports prepared in the vicinity of the proposed project. The boring locations shall be predetermined and discussed with the Agency prior to field work being performed. Underground Service Alert (USA) shall be notified at least 2 working days in advance of drilling and encroachment permits shall be obtained by the appropriate city department. An exploratory program of the subsurface site conditions and materials shall be determined by drilling and sampling at approximately 21 locations along the project alignment.
The proposed boring spacing is approximately every one-quarter mile with depths of approximately 10' deep. In the vicinity of Avenue R-8 and 47th Street East in anticipation of potential Caltrans jack and bore requirements, 2 borings shall be taken with a depth of

approximately 30' below grade. An attempt to place borings in street shoulders shall be made whenever possible to mitigate traffic control and when borings are in streets the existing pavement thickness sections shall be obtained. An engineer or geologist shall be onsite during boring to document the soil conditions and soil samples shall be obtained during this process.

1d.2) Soils Testing. Laboratory testing of select soil samples shall be performed including tests to determine soil density, moisture content, grain-size distribution, sand equivalent, soil corrosion, compaction characteristics, and shear strength. Engineering analysis shall be performed for determinations of lateral earth pressures, pipe bedding, and trench design and construction.

1d.3) Soils Report Preparation. A preliminary geotechnical report shall be prepared summarizing the data obtained from the boring and testing. The report shall include information relative to general soil conditions and recommendations relative to trench shoring, backfill compaction criteria, lateral earth pressures, thrust block bearing capacity, pipe bedding criteria, asphalt concrete pavement repair recommendations, and pipeline corrosion protection.

1e) Utility Research

1e.1) Alignment Locations. Preliminary pipe main alignment shall occur after a base map showing all of the existing utilities and infrastructure is plotted to determine where existing features are located. Utilities maps shall be obtained from all of the pertinent utility companies as well as the City of Palmdale, Palmdale Water District, and any other agencies which have facilities in the area.

1e.2) Crossings to include depths to the top and bottom of the utility. PROJECT DESIGNER have determined that there are approximately 12 storm drain crossings from the City of Palmdale Drainage Master Plan that are either existing or proposed in the future that shall need to be accounted for in the vertical and horizontal pipe main alignment. Where the proposed pipe main must cross existing or future utilities PROJECT DESIGNER shall determine the top and bottom elevations of the utilities from record plans/maps in order to determine the pipeline profile. The final depths shall be determined from potholing, however, PROJECT DESIGNER shall first need to establish where the conflict points may occur.

1f) Review and submit for Caltrans permit requirements

PROJECT DESIGNER shall consult with the Caltrans District 7 Encroachment Permit Office in order to begin a dialogue with the Caltrans engineers as to what the proposed project is and ensure that encroachment submittals go as efficiently as possible. The only portion of the project where Caltrans shall have a concern is where the State right of way is located at 47th Street East (SR-138) and PROJECT DESIGNER shall pay special attention to Caltrans requirements and concerns in this area. Caltrans may require a jack and bore operation or allow an open trench within the state right of way with steel piping in this crossing. PROJECT DESIGNER shall need to work closely with Caltrans to avoid issues in their jurisdiction.

Task 2. Feasibility and Alternatives

2a) Develop and/or refine design alignment options and alternatives

The initial alignment shall be determined after initial utility and base map review. This shall be shown to the Authority for coordination and/or changes as applicable. Once the alignment is surveyed and actual field locations are verified then PROJECT DESIGNER shall review the

alignment for changes as applicable and present those to the Authority as well for final design alignment.

2b) Develop budget level construction costs
Once the alignment is determined a budget of construction costs shall be put together to determine where there is room for value engineering. PROJECT DESIGNER shall review these costs with the Authority to determine changes or adjustments that may need to be made to the initial alignments and/or materials.

2c) Review Value Engineering Alternatives with the Authority Staff
PROJECT DESIGNER shall review the initial alignments and consider various alternatives with the Authority Staff to determine where value engineering shall make the most sense for this project. Depending on what is determined from these initial reviews, there may need to be changes made to the proposed system. These shall be discussed in depth with the Authority as they come up.

Task 3. Final Design Documents
3a) Develop Final Design Plans and Details for Proposed Project
Final design plans and details shall be prepared with the Authority's final alignment recommendations. Plan and profile plan sheets shall be made along with any detail sheets as necessary to provide a complete construction drawing package for the proposed project.

3b) Prepare Specifications and Bid Documents
Project specific specifications and bid documents shall be provided during the final design stage to ensure that the construction requirements are fully understood by potential bidders. These shall be coordinated with the Authority for comments to ensure a complete project.

3c) Prepare a Final Construction Cost Estimate
A final construction cost estimate shall be provided based on the final alignment and construction specifications for the project. If there is room for additional value engineering for the final budget then proposed changes shall be discussed with the Authority as necessary.

3d) Deliver 100% Complete Construction Plans and Specifications to the Authority
The Authority shall receive a complete construction package in order to bid out the project for construction. CONSULATNT shall provide bid support as required to ensure the Authority's potential contractors know what is needed for construction.

3e) As-Built Survey / Mapping
PROJECT DESIGNER shall obtain contractor as-builts from the contractor and incorporate the field changes into the construction drawings to create an as-built plan set. PROJECT DESIGNER shall review the field changes with the Authority and determine where survey needs to be performed and map the locations of features as required.

Exhibit B

Fee Schedule

Task 1: Preliminary Start-Up Activities		Fees	Due Date
1	Prepare an estimated schedule for the project design and evaluate preliminary pipe sizing	$2,500	4/22/15
2	Utility Research	$6,000	5/27/15
3	Preliminary base mapping per record data	$11,000	6/24/15
4	Preliminary vertical alignment of existing utilities within the proposed align.	$3,500	6/10/15
5	Preliminary horizontal alignment for recycled water system	$6,000	6/24/15
6	Authority concurrence with preliminary alignment	$2,500	7/1/15
7	Survey of proposed alignment	$18,500	7/22/15
8	Soils testing along alignment	$19,500	8/12/15
9	Identify critical utility crossings	$4,000	7/1/15
10	Consult/meet with Caltrans to review alignment and requirements at crossing of 47th St. E.	$3,500	7/15/15
Task 2: Feasibility and Alternatives			
11	Review optional alignments	$10,000	7/22/15
12	Finalize proposed alignment and get Authority's approval	$2,500	7/22/15
Task 3: Final Design Documents			
13	Prepare Final Design Plans	$77,500	10/14/15
14	Encroachment Permit application package preparation	$2,500	9/23/15
15	Prepare final construction cost estimates	$2,500	10/7/15
16	Prepare Project Specifications and bid documents	$7,500	10/14/15
17	Construction Assistance (Estimate): RFI responses, Shop drawing/submittal reviews, change order requests, and meetings	$16,500	TBD
18	As-builts (Estimate)	$3,500	TBD
	Total	**$199,500**	

Exhibit C

Key Personnel

Barry Munz, PE
Principal Engineer
Project Manager, Civil Engineer, QA/QC Manager
AVE Lead Designer and Project Coordinator, Overseeing all aspects of the project

Justin Munz, PE
Civil Engineer AVE Project Manager and Associate Designer

Randy Gorman, PLS
Land Surveyor AVE Surveying Coordinator and Survey Data QC Manager, Right of Way Consultant

John Arnold
Engineering Tech. AVE Designer/Draftsperson

Mark Duran
Engineering Tech. AVE Designer/Draftsperson, Utility Research

Jim Gorman
Engineering Tech. AVE Draftsperson/Utility Research

Robert Tweed
Engineering Tech. AVE Designer/Draftsperson

Joe Miller, PLS
Lead Field Surveyor J.E. Miller & Associates
Collect and compile field data

Survey Crew
Field Surveyor J.E. Miller & Associates
Collect and compile field data

Bruce Hick, GE
Project Geotechnical Engineer
Earth Systems
Lead Geotechnical Engineer

Geotechnical Crew
Field Crew
Earth Systems
Collect and compile field data