AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as “For Information” or “For Discussion” may also be the subject of an “action” taken by the Board or a Committee at the same meeting.

1. DETERMINATION OF A QUORUM

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

4. PUBLIC COMMENT
   Pursuant to Government Code Section 54954.3.

5. ADDITIONAL ITEMS TO THE AGENDA
   Determine the need to add items to the agenda. In order for the Board to add an item to the agenda it must make a determination that: (i) The item came to the attention of the Board after the posting of the agenda; (ii) That there is a need for immediate action to be taken by the Board. If these two tests are met, the Board may add the item in question to the agenda for consideration consistent with the provisions of the Brown Act.

6. CONSENT CALENDAR

   A. AUTHORIZATION FOR ONE YEAR EXTENSION FOR GROUNDWATER MONITORING OPERATIONS FACILITY LEASE
      Groundwater Quality Committee Recommendation: The Board of Directors approve a one year extension for the Groundwater Monitoring Operations Facility lease.

   B. APPROVE A LIMITED DURATION ACCESS AND INDEMNITY AGREEMENT TO COLLECT GROUNDWATER SAMPLES REQUESTED BY MUREX ENVIRONMENTAL (ON BEHALF OF ARCONIC INCORPORATED)
      Groundwater Quality Committee Recommendation: The Board of Directors enter into an Access and Indemnity Agreement with Murex Environmental (or Arconic Incorporated), subject to approval as to form by District Counsel.
C. **TIME EXTENSION FOR CONTRACT SERVICES AGREEMENT WITH CITY OF TORRANCE FOR ROBERT W. GOLDSWORTHY DESALTER**  
*Water Resources Committee Recommendation:* The Board of Directors extend the Contract Services Agreement one additional year with the City of Torrance for the Robert W. Goldsworthy Desalter through June 30, 2019, subject to approval as to form by District Counsel.

D. **ELECTRONIC PROCUREMENT SOFTWARE SYSTEM**  
*Administrative Committee Recommendation:* The Board of Directors approve and authorize the release of the Request for Proposal (RFP) for an Electronic Procurement (E-Procurement) Software System.

7. **WATER RESEARCH FOUNDATION ANNUAL MEMBERSHIP RENEWAL**  
*Water Resources Committee Recommendation:* The Board of Directors authorize the General Manager to renew membership with the Water Research Foundation for an amount not to exceed $57,459 for the period of October 2017 to September 2018.

8. **DIRECT POTABLE REUSE INITIATIVE PLEDGE REQUEST**  
*Water Resources Committee Recommendation:* The Board of Directors authorize a pledge of $110,000 to Water Research Foundation in the amount not to exceed $110,000.

9. **APPROVE AND EXECUTE A COOPERATIVE AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION (USBR) FOR THE 2017 WATERSMART: TITLE XVI GRANT PROGRAM FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM**  
*Capital Improvement Projects (CIP) Committee Recommendation:* The Board of Directors approve and authorize execution of the Cost-Share Agreement with the USBR for the Title XVI funding for GRIP, subject to approval as to form by District Counsel.

10. **ADOPT A RESOLUTION APPROVING AN APPLICATION FOR AND EXECUTION OF A COOPERATIVE AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION (USBR) FOR THE 2018 WATERSMART: TITLE XVI GRANT PROGRAM FOR GRIP**  
*Capital Improvement Projects (CIP) Committee Recommendation:* The Board of Directors adopt the Resolution, and approve an application for and execution of a cooperative agreement with the USBR for the 2018 WaterSmart Title XVI grant program for the GRIP Recycled Water Project, subject to approval as to form by District Counsel.

11. **DISTRICT COUNSEL’S REPORT**
   
   A. **Action Item 1. Report, Timeframe and Options for filling Division 5**
Vacancy

12. **AB 1234 COMPLIANCE REPORTS AND DIRECTOR’S REPORTS**

13. **WRD BOARD MEETING DATES**

   A. July 18, 2018 - 11:00 a.m. - Regular Board of Directors Meeting
   
   B. August 15, 2018 - 11:00 a.m. - Regular Board of Directors Meeting
   
   C. September 19, 2018 - 11:00 a.m. - Regular Board of Directors Meeting
   
   D. October 17, 2018 - 11:00 a.m. - Regular Board of Directors Meeting

14. **CLOSED SESSION**

   A. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code §54956.9; Name of Case: Water Replenishment District v. Tesoro Refining, LASC Case No. BC493914
   
   B. Conference with Legal Counsel – Anticipated Litigation, pursuant to Government Code §54956.9 (b), One Matter

15. **CLOSED SESSION REPORT**

16. **ADJOURNMENT**

   The Board will adjourn to the next regular Board of Directors meeting currently scheduled for July 3, 2018, 11:00 a.m.

Agenda posted by SHERRI BROWN, on 07/02/2018. In compliance with ADA requirements, this document can be made available in alternative formats upon request.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the meeting, please contact Deputy Secretary at (562) 921-5521 for assistance to enable the District to make reasonable accommodations.

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 4040 Paramount Boulevard, Lakewood, California 90712.

Agendas and minutes are available at the District’s website, www.wrd.org.

EXHAUSTION OF ADMINISTRATIVE REMEDIES – If you challenge a District action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Deputy Secretary at, or prior to, the public hearing. Any written correspondence delivered to the District office before the District’s final action on a matter will become a part of the administrative record.
DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: AUTHORIZATION FOR ONE YEAR EXTENSION FOR GROUNDWATER MONITORING OPERATIONS FACILITY LEASE

SUMMARY

WRD’s groundwater monitoring programs have been storing and operating field supplies, equipment, and vehicles from leased warehouse space at 3673 Industry Avenue, #106 in Lakewood for the past 6 years. Additionally, the space has been used for long-term administrative and accounting records storage as well as storage space for communications, education and outreach materials. The current Board authorized lease will terminate on July 31st of this year.

The recently purchased WRD Field Operations and Storage Annex (FOSA) property will be the future home for these WRD activities, but will not be ready for move in for possibly up to a year. Therefore, a 1-year lease extension is needed at the current facility.

The property owner, Surf Management, Inc. has provided a Lease Extension for 1-year at a cost of $4,256 per month (attached), which is a 5.6% increase from the current year.

FISCAL IMPACT

No Impact.

GROUNDWATER QUALITY COMMITTEE RECOMMENDATION

The Board of Directors approve a one year extension for the Groundwater Monitoring Operations Facility lease.
LEASE EXTENSION

Date: April 2, 2018

RE: 3673 Industry Avenue, #106, Lakewood, CA 90712

The undersigned hereby agree to extend that certain lease dated June 26, 2012 between WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA and 3673 INDUSTRY AVENUE, LLC for one (1) year(s) commencing August 1, 2018 and ending July 31, 2019 at a monthly rent of $4,256.00 payable in advance on the first day of each month.

ALL OTHER TERMS AND CONDITIONS OF SAID LEASE WILL REMAIN IN FULL FORCE AND EFFECT AND ARE IN NO WAY AFFECTED BY THIS RENEWAL.

LESSEE: WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

BY: ___________________________ DATE: ___________________________

Robb Whitaker, General Manager/Water Replenishment District of Southern California

LESSOR: 3673 INDUSTRY AVENUE, LLC

BY: ___________________________ DATE: ___________________________

Steven P. Fechner, Manager of LLC
MEMORANDUM
ITEM NO. 6.B

DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: APPROVE A LIMITED DURATION ACCESS AND INDEMNITY AGREEMENT TO COLLECT GROUNDWATER SAMPLES REQUESTED BY MUREX ENVIRONMENTAL (ON BEHALF OF ARCONIC INCORPORATED)

SUMMARY

WRD’s recently purchased annex property at 3919 Paramount Boulevard in Lakewood is located adjacent to an environmental investigation being conducted by a responsible party (Arconic Incorporated) under the direction of the Los Angeles Regional Water Quality Control Board (LARWQCB). A groundwater delineation work plan was recently approved by the LARWQCB requiring the responsible party to do additional work to better define an existing groundwater contamination plume, including collecting groundwater samples in the northwestern parking lot of WRD’s annex property, and the property immediately to the north of WRD’s property.

Murex Environmental (Murex) is overseeing the investigation work on behalf of Arconic Incorporated. They are requesting access to WRD’s annex parking lot to drill and collect two groundwater samples as directed by the LARWQCB. Murex is also requesting access through WRD’s block wall located in the northwest portion of the annex to allow them temporary access to the neighboring property to the north. A portion of the block wall will be removed to allow sufficient access for a drill rig to pass through, and once the drilling is completed the block wall will be repaired to its original condition by MUREX.

The drilling, groundwater collection work, and block wall removal and repair will take approximately two months to complete and will be conducted during regular business hours to ensure minimal disruption to WRD. The WRD Counsel has prepared an Access and Indemnity Agreement which Murex has accepted. The Access and
Indemnity Agreement will require all surfaces to be returned to their original (pre-drilling) condition including removal / coverage of all utility markings placed as a result of notifying Underground Services Alert. The data gathered during the investigation and subsequent investigation report will be provided to WRD.

**FISCAL IMPACT**

None at this time.

**GROUNDWATER QUALITY COMMITTEE RECOMMENDATION**

The Board of Directors enter into an Access and Indemnity Agreement with Murex Environmental (or Arconic Incorporated), subject to approval as to form by District Counsel.
TEMPORARY ACCESS LICENSE AGREEMENT

This Temporary Access License Agreement ("License") is made and entered into on _____________, _____ 2018 by and between the WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA ("District" or "WRD") and Murex Environmental, Inc. ("MUREX") together referred to as the “Parties”) with respect to the following:

RECITALS

WHEREAS, the District is the owner of real property located at 3919 Paramount Boulevard, Lakewood, CA 90712, which is occupied by WRD (hereinafter referred to as the “Site”); and

WHEREAS, WRD is responsible for managing the groundwater supplies for 43 cities in south Los Angeles County; and

WHEREAS, WRD uses monitoring wells to provide the information needed to track regional groundwater quality trends, groundwater levels and flow directions in the potable aquifers; and

WHEREAS, MUREX is studying and investigating a groundwater plume and work required by the Los Angeles Regional Water Quality Control Board (LARWQCB); and

WHEREAS, MUREX requests permission and access from the District to drill two temporary soil borings to collect groundwater samples at the Site; and

WHEREAS, WRD agrees to provide access to the Site pursuant to the terms of this License for the exchange of all data and field records including but not limited to any final report generated utilizing information gained from access to the Site.

AGREEMENT

NOW, THEREFORE, it is mutually agreed by and between the undersigned Parties as follows:

1. Temporary License

The District grants to MUREX, its contractors, and subcontractors a license to enter the Site to conduct the work defined below:

Location: Two temporary soil borings will be advanced to collect groundwater samples via Hydropunch™ in a location and depth performed in accordance with the agency approved work plan entitled “Subsurface Investigation Workplan” attached hereto as Exhibit 1 to this License. Any deviation from the work plan will be discussed with and confirmed in writing
with the LARWQCB, with a copy provided to the District for its review and approval in advance of any activities on the Site.

**Scope of Work/Duration:** The duration of work includes one day to initiate the utility clearance process as required by law using DigAlert®, one day (if needed) to conduct utility clearance geophysics, one day to clarify any potential utility conflicts with DigAlert®, and one month to conduct the drilling of both temporary borings in the northwestern portion of the Site. All utility markings must be removed to predrilling condition upon properly abandoning the soil borings and must be confirmed/approved by a representative of WRD. The utility markings may occur during regular business hours Monday through Friday (7AM – 5PM). The drilling may occur only on a non-holiday weekday between the hours of 7AM – 5PM. A five-day notice must be provided prior to commencing any work.

After conclusion of the activities contemplated herein, MUREX shall abandon the boring in conjunction with the agency approved work plan and all applicable standards including but not limited to the California Well Standards (DWR Bulleting 74-81 and 74-90).

MUREX is also requesting access through a block wall located in the northwest portion of the Site. This will allow them temporary access to the neighboring property (under a separate access agreement) to investigate a clarifier as required by the LARWQCB. A portion of the block wall will be removed to allow sufficient access for a drill rig and once the drilling is completed (duration of no more than one month) the block wall will be repaired to its original condition (within two weeks) by MUREX.

The License is limited to the activities described above, the District does not grant permission for the performance of any other activities not agreed upon in writing by the District. The District further reserves the right, upon reasonable notice to MUREX to terminate this License at any time or deny MUREX access to the Site if the District determines that work will interfere with its operations.

2. **Data**

MUREX agrees to provide all data, field records including but not limited to any final report generated utilizing information gained from access to the Site.

3. **Manner of Work**

Prior to the start of any work contemplated under this License, MUREX agrees to coordinate with the District’s contact Brian Partington.
MUREX agrees to utilize its best efforts to minimize noise, fumes, dust, fluids and other similar effects in conducting the Scope of Work and shall not otherwise interfere with the operations of the District. MUREX shall remove any and all waste derived from its activities on a daily basis, no materials or equipment may be stored on District property.

4. **Insurance**

MUREX shall provide prior to commencement of the Scope of Work to the District evidence of the following insurance procured by WRD:

- **Commercial General Liability:** $2,000,000 combine single limit per occurrence for bodily injury and property damage. The following coverage shall also be included: premises/operation; products completed operations; contractual, independent contractors; broad form property damage; personal injury; and pollution legal liability.

- **Comprehensive Automobile Liability Insurance:** $1,000,000 combine single limit per accident for bodily injury or property damage. The following coverage shall be included: owned automobiles, hired automobiles, not owned automobiles.

- **Workers’ Compensation and Employees Liability:** Workers’ Compensation limits as required by the Labor Code of the State of California and employers liability limits of $1,000,000 per accident.

5. **Indemnification**

MUREX shall indemnify, defend and hold harmless the District, its agents, representatives, employees, students and Board Members from any and all claims, actions, losses, liabilities, damages, fees and/or costs arising from the performance of the Scope of Work and any activities on the Site by MUREX and its subcontractors pursuant to this License.

6. **Restoration of Property**

Promptly after performing the Scope of Work, MUREX shall restore the Site to the condition that existed prior to the execution of this License.

7. **Compliance With Applicable Laws**

MUREX agrees that all activities performed pursuant to this License shall comply with all applicable local, state and federal laws, including, but not limited to, statutes, regulations, codes, rules and ordinances.
8. **Governing Law**

This License shall be governed by and interpreted pursuant to California law.

9. **Entire Agreement**

The terms and conditions set forth herein constitute the entire understanding of the Parties relating to the subject matter of this License. This License may be amended only by written instrument signed by both Parties.

10. **Waste Disposal**

All soils and other wastes generated at the Site during completion of the Scope of Work shall be timely and properly disposed of by MUREX in accordance with all federal, state and local laws in the manner and at the location selected by the District.

11. **Relationship of the Parties**

The Parties expressly disavow any intent or desire to create a partnership, joint venture, joint enterprise, principal and agent, or any or other business relationship by entering into this License other than that of licensor and licensee.

12. **Counterparts**

This License agreement may be executed in counterparts, each of which shall be deemed and original, but all of which, taken together, shall constitute one and the same instrument.

13. **Notice**

If to District:  
Water Replenishment District of Southern California  
4040 Paramount Boulevard  
Lakewood, CA 90712  
ATTN: Brian Partington  
Tel: 562-275-4249

If to MUREX:  
MUREX Environmental, Inc.  
42 Corporate Park, Suite 120  
Irvine, CA 92606  
ATTN: Jeremy Squire  
Tel: 714-508-0800
IN WITNESS WHEREOF, the District and MUREX have caused this License to be executed by their respective duly authorized representative as of the dates set forth below.

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

By: _________________________________
   Robb Whittaker, P.E.
   Its: General Manager

By: _________________________________
   John D. S. Allen
   Its: Board President

By: _________________________________
   Willard H. Murray, Jr.
   Its: Board Secretary

Approved as To Form
Leal • Trejo APC

______________________________
Attorneys for the Water Replenishment District of Southern California

MUREX ENVIRONMENTAL

By: _________________________________
   _________________________________
   Its: _______________________________
MEMORANDUM
ITEM NO. 6.C

DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: TIME EXTENSION FOR CONTRACT SERVICES AGREEMENT WITH CITY OF TORRANCE FOR ROBERT W. GOLDSWORTHY DESALTER

SUMMARY

On July 1, 2012, the District and the City of Torrance (City) entered into a Contract Services Agreement (Agreement) for the production of water by the Robert W. Goldsworthy Desalter. The Agreement sets forth a pricing structure for the City to purchase product water from the District. The Agreement was for a two-year period through June 30, 2014 with an option, which was exercised, to extend the Agreement for two additional years through June 30, 2016. The Agreement was then extended for an additional year through June 30, 2017 followed by another additional year extension through June 30, 2018.

The District and the City desire to extend the term of the Agreement for an additional year through June 30, 2019 by maintaining the current terms, conditions and water pricing structure of the Agreement. The term extension would allow sufficient time for the parties to develop a new pricing structure that reflects the true water production costs taking into accounts the operations and maintenance costs, the Desalter expansion project, water pumping rights, and District’s replenishment assessment fees.

FISCAL IMPACT

No Impact.

STAFF RECOMMENDATION
The Water Resources Committee recommends the Board of Directors extend the Contract Services Agreement one additional year with the City of Torrance for the Robert W. Goldsworthy Desalter through June 30, 2019, subject to approval as to form by District Counsel.
THIRD AMENDMENT TO CONTRACT SERVICES AGREEMENT
(C2012-106)

This Third Amendment to Agreement C2012-106 ("Third Amendment") is made and entered into as of July 1, 2018 ("Effective Date"), by and between the CITY OF TORRANCE ("CITY"), a Municipal Corporation, and the WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA, a water replenishment district formed under Division 18 of the California Water Code ("CONTRACTOR").

RECITALS:

A. The CITY and the CONTRACTOR entered into a Contract Services Agreement C2012-106 ("Agreement") on July 1, 2012, whereby the CONTRACTOR agreed to provide the City with fully treated potable water derived from the Goldsworthy Desalter Project located at the City Services Facility.

B. The Agreement was for a two year period of fiscal 2012-13 and fiscal 2013-14 with an option, which was exercised, to extend the Agreement for two additional years through June 30, 2016.

C. On July 1, 2016, the First Amendment to the Agreement was made and entered by and between the CITY and the CONTRACTOR, extending the term for one additional year through June 30, 2017, maintaining the current terms, conditions and water pricing structure of the Agreement.

D. On July 1, 2017, the Second Amendment to the Agreement was made and entered by and between the CITY and the CONTRACTOR, extending the term for one additional year through June 30, 2018, maintaining the current terms, conditions and water pricing structure of the Agreement.

E. Both the CITY and the CONTRACTOR desire to extend the term of the Agreement through June 30, 2019, maintaining the current terms, conditions and water pricing structure of the Agreement.

AGREEMENT:

1. Paragraph 2, entitled "TERM" is amended to read in its entirety as follows:

2. TERM
   Unless earlier terminated in accordance with Paragraph 4, this Agreement will continue in full force and effect from the Effective Date through June 30, 2018.
2. In all respects the Agreement between the CITY and CONTRACTOR is ratified and reaffirmed as amended and remains in full force and effect.

CITY OF TORRANCE,
A municipal corporation

WATER REPLENISHMENT DISTRICT
OF SOUTHERN CALIFORNIA
A Water Replenishment District formed
Under division 18 of the California Water Code

By: ______________________   By: __________________________
Patrick J. Furey, Mayor          John D. Allen, President
Board of Directors

ATTEST:

By: __________________________  By: ________________________
Rebecca Poirier, MMC, City Clerk        Willard H. Murray, Secretary
Board of Directors

APPROVED AS TO FORM
JOHN L. FELLOWS III
City Attorney

By: ________________________  By: ________________________
Leal Trejo APC
Counsel to WRD
DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: ELECTRONIC PROCUREMENT SOFTWARE SYSTEM

SUMMARY

In an ongoing effort to improve WRD’s internal workflow processes there has been a need for an online bidding and contracts management system (E-Procurement) which would provide the options and capabilities to assist in streamlining the procurement and contract lifecycle processes. Much of WRD’s current processes for managing procurement solicitations and contracts are decentralized and manually tracked. With an E-Procurement system it will greatly assist in automating many areas of the current process into a more organized, time-efficient, and streamlined manner, which will include improving areas such as better tracking management of vendor profile registrations and insurances, sending vendors automatic bid notifications based on the vendor’s registered business profile, the tracking of contracts and insurances before they expire, and the ease of use in navigating through a centralized software platform.

On May 23, 2018, the Administrative Committee approved WRD staff to prepare a Request for Proposal (RFP) for an Electronic Procurement (E-Procurement) Software System. Staff has now prepared the RFP and would like to release it.

FISCAL IMPACT

None at this time

STAFF RECOMMENDATION

The Administrative Committee recommends that the Board of Directors approve and authorize the release of the Request for Proposal (RFP) for an Electronic Procurement (E-Procurement) Software System.

Attachment: DRAFT – RFP for E-Procurement Software System
REQUEST FOR PROPOSAL
(RFP-18-001)

E-Procurement Software System

Issued: Wednesday, July 18, 2018

Questions Regarding this RFP Due:
Wednesday, August 8, 2018 at 12:00PM PST
Melody Wu, Project Administrator
E-mail: mwu@wrd.org

PROPOSAL DUE:
Thursday, August 16, 2018 at 5:00PM PST

Submit Sealed Proposal To:
Attn: Melody Wu, Project Administrator
Water Replenishment District of Southern California
4040 Paramount Boulevard
Lakewood, CA 90712
Phone: (562) 921-5521
www.wrd.org
NOTICE TO PROPOSERS

Request for Proposals

E-Procurement Software System

PURPOSE: The Water Replenishment District of Southern California (WRD or District) is seeking proposals from qualified and experienced firms (also referred to as “Consultant” or “Proposer” herein) to present their expertise and experience in providing professional services for a hosted, web-based E-Procurement Software System.

This Request for Proposal (RFP) describes the required scope of work, the information that must be included in the proposal, and the proposal selection process. Proposers are encouraged to carefully review this RFP in its entirety prior to submitting their proposals. Failure to submit information in accordance with these requirements and procedures may be cause for disqualification. This RFP is available for downloading from the WRD website: http://wrd.org/content/business-opportunities.

SOLICITATION SCHEDULE: Milestones for the RFP process are summarized in the table below. The District reserves the right to modify the schedule below at its discretion. Proper notification changes will be made to interested proposers.

<table>
<thead>
<tr>
<th>RFP Issued by WRD</th>
<th>Wednesday, July 18, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deadline for Questions Regarding this RFP</td>
<td>Wednesday, August 8, 2018 at 12:00PM</td>
</tr>
<tr>
<td>Proposals Due</td>
<td>Thursday, August 16, 2018 at 5:00PM</td>
</tr>
<tr>
<td>WRD Board Awards Contract (tentative)</td>
<td>October 2018</td>
</tr>
</tbody>
</table>

QUESTIONS REGARDING THIS RFP: All questions regarding the technical aspects or general requirements/provisions of this Request for Proposal (RFP) must be directed in writing to Melody Wu, Project Administrator, via e-mail: mwu@wrd.org, with the subject heading “Question –RFP-18-001 – E-Procurement Software System” by no later than Wednesday, August 8, 2018 at 12:00PM.

Questions received from prospective proposers and responses from WRD will be formally documented in a Question and Answer (Q&A) table that will be issued in an Addendum and be posted on the WRD website: http://wrd.org/content/business-opportunities. The Q&A table will be updated regularly as questions are received from prospective proposers.

DEADLINE FOR PROPOSALS: Five (5) hard copies and one (1) electronic copy of the proposal must be received in a sealed envelope by WRD no later than Thursday, August 16, 2018 at 5:00PM, or such later time that WRD may announce by addendum to proposers at any time prior to the submittal deadline. The envelope shall be plainly marked on the exterior “PROPOSAL E-Procurement Software System” and with the name and address of the Proposer. Envelopes containing proposals will be time stamped upon receipt by WRD.
Proposals must be mailed or delivered in person or via courier services to:

Attn: Melody Wu, Project Administrator  
Water Replenishment District of Southern California  
4040 Paramount Blvd.  
Lakewood, CA 90712

Proposals received after the deadline will not be considered under any circumstances. Faxed or e-mailed proposals will not be accepted. There will be no formal opening of the received proposals. WRD reserves the right to reject any and/or all proposals received.
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>2.0 BACKGROUND</td>
<td>1</td>
</tr>
<tr>
<td>3.0 SCOPE OF WORK</td>
<td>1</td>
</tr>
<tr>
<td>4.0 MINIMUM QUALIFICATIONS</td>
<td>1</td>
</tr>
<tr>
<td>5.0 PROPOSAL CONTENTS</td>
<td>2</td>
</tr>
<tr>
<td>5.1 Title Page</td>
<td>2</td>
</tr>
<tr>
<td>5.2 Cover Letter</td>
<td>2</td>
</tr>
<tr>
<td>5.3 Table of Contents</td>
<td>2</td>
</tr>
<tr>
<td>5.4 Company Background</td>
<td>2</td>
</tr>
<tr>
<td>5.5 Project Team and Qualifications</td>
<td>2</td>
</tr>
<tr>
<td>5.6 Local Business Enterprise (LBE) and Small Business Enterprise (SBE) and Veteran Business Enterprise (VBE) Preference</td>
<td>3</td>
</tr>
<tr>
<td>5.7 Project Overview and Approach</td>
<td>4</td>
</tr>
<tr>
<td>5.8 Additional Services</td>
<td>4</td>
</tr>
<tr>
<td>5.9 Experience and Record of Past Performance</td>
<td>4</td>
</tr>
<tr>
<td>5.10 Conflict of Interest</td>
<td>5</td>
</tr>
<tr>
<td>5.11 Other Information</td>
<td>5</td>
</tr>
<tr>
<td>5.12 WRD Standard Contract</td>
<td>6</td>
</tr>
<tr>
<td>5.13 Project Costs and Fees</td>
<td>6</td>
</tr>
<tr>
<td>5.14 Monthly Billing</td>
<td>7</td>
</tr>
<tr>
<td>6.0 PROPOSAL SUBMISSION REQUIREMENTS</td>
<td>8</td>
</tr>
<tr>
<td>6.1 Proposal Format</td>
<td>8</td>
</tr>
<tr>
<td>6.2 Proposal Signing</td>
<td>8</td>
</tr>
<tr>
<td>6.3 Proposal Submittal Procedures</td>
<td>8</td>
</tr>
<tr>
<td>6.4 Proposal Preparation Costs</td>
<td>9</td>
</tr>
<tr>
<td>6.5 Acknowledgement</td>
<td>9</td>
</tr>
<tr>
<td>7.0 EVALUATION CRITERIA</td>
<td>9</td>
</tr>
<tr>
<td>7.1 Project Team and Qualifications</td>
<td>9</td>
</tr>
<tr>
<td>7.2 Project Understanding and Approach</td>
<td>9</td>
</tr>
<tr>
<td>7.3 Performance on Similar or Related Projects</td>
<td>10</td>
</tr>
<tr>
<td>7.4 Billing Rates</td>
<td>10</td>
</tr>
<tr>
<td>7.5 Organizational and Support Resources</td>
<td>10</td>
</tr>
<tr>
<td>7.6 Local Business Enterprise (LBE) and Small Business Enterprise (SBE) and Veteran Business Enterprise (VBE) Preference</td>
<td>11</td>
</tr>
<tr>
<td>8.0 SELECTION PROCESS</td>
<td>11</td>
</tr>
<tr>
<td>9.0 GENERAL PROVISIONS</td>
<td>12</td>
</tr>
<tr>
<td>9.1 Entire Agreement</td>
<td>12</td>
</tr>
</tbody>
</table>
## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.2 Contract Amendments</td>
<td>12</td>
</tr>
<tr>
<td>9.3 Term of Contract</td>
<td>12</td>
</tr>
<tr>
<td>9.4 Ownership and Use of Documents</td>
<td>13</td>
</tr>
<tr>
<td>9.5 Business Records Access and Retention</td>
<td>13</td>
</tr>
<tr>
<td>9.6 Termination</td>
<td>13</td>
</tr>
<tr>
<td>10.0 TERMS AND CONDITIONS</td>
<td>13</td>
</tr>
<tr>
<td>10.1 Proposal Rejection</td>
<td>13</td>
</tr>
<tr>
<td>10.2 Proposal Clarification and Requests for Additional Information</td>
<td>13</td>
</tr>
<tr>
<td>10.3 Proposal Validity Period</td>
<td>13</td>
</tr>
<tr>
<td>10.4 RFP Revisions and Addenda</td>
<td>14</td>
</tr>
<tr>
<td>10.5 Confidentiality</td>
<td>14</td>
</tr>
<tr>
<td>11.0 LEGAL POLICIES</td>
<td>14</td>
</tr>
<tr>
<td>11.1 Compliance</td>
<td>14</td>
</tr>
<tr>
<td>11.2 Governing Laws and Requirements</td>
<td>14</td>
</tr>
<tr>
<td>11.3 Public Releases</td>
<td>15</td>
</tr>
<tr>
<td>11.4 Business License</td>
<td>15</td>
</tr>
<tr>
<td>11.5 WRD’s Property</td>
<td>15</td>
</tr>
</tbody>
</table>

### LIST OF EXHIBITS:

- Exhibit A: Scope of Services
- Exhibit B: Consultant and Subconsultant Status as LBE, SBE, and VBE
- Exhibit C: Key Personnel Participation in Example Projects
- Exhibit D: WRD Standard Professional Services Agreement
- Exhibit E: Sample Invoice Format
- Exhibit F: Rate Sheet Example
- Exhibit G: Acceptance Letter
1.0 INTRODUCTION

The WRD is a State Special District that was established in 1959 under the California Water Code (Division 18, §60000 through §60622) to manage the groundwater resources within the Central Basin and West Coast Basin in southern Los Angeles County. WRD’s mission is to provide, protect and preserve high-quality groundwater through innovative, cost-effective and environmentally sensitive basin management practices for the benefit of residents and businesses of these groundwater basins. The aquifers in the Central Basin and West Coast Basin provide for about 40 percent of the total water needs for the people and businesses in the 43 cities covering WRD’s 420-square mile service area.

To accomplish its mission, WRD conducts managed aquifer recharge using imported water, recycled water, and stormwater, prevents seawater intrusion through injection of imported water and recycled water into coastal barrier wells, protects and preserves groundwater quality through monitoring, testing, data analysis, and treatment, and ensures a future supply of reliable groundwater through planning, conjunctive use, and development of new projects. More information regarding the WRD can be found at www.wrd.org.

2.0 BACKGROUND

In an ongoing effort to improve WRD’s internal workflow processes there has been a need for an online bidding and contracts management system (E-Procurement) which would provide the options and capabilities to assist in streamlining the procurement and contract management processes. Much of WRD’s current processes for managing procurement solicitations, and contracts, is decentralized and manually tracked. WRD is seeking an E-Procurement system that will greatly assist in automating many areas of the current process into a more organized and streamlined manner. This will include, but not be limited to, improving areas such as better management of vendor profile registrations and automatic bid notifications based on the vendor’s registered business profile, the contracts and insurances tracking with automatic notifications, solicitations and evaluation management, and the ease of use in navigating through a centralized software platform.

3.0 SCOPE OF WORK

The selected consultant shall provide the services described in Exhibit A – Scope of Services.

4.0 MINIMUM QUALIFICATIONS

- Hosted on a secured web-based platform;
- Configuration, implementation and appropriate training of WRD staff users;
• No costs to the business community to participate in WRD’s solicitation/contracting process; and
• Maintenance and Support for designated WRD user(s) and vendors.

5.0 PROPOSAL CONTENTS

To provide a degree of consistency in review of the written proposals, firms are requested to include the following content in their proposals. The information requested below will be used to evaluate each proposal based on the evaluation criteria outlined in this RFP. Proposals may be deemed nonresponsive if they do not respond to all areas specified below.

Proposals shall be prepared simply and economically, providing a straightforward and concise description of how the proposal has satisfied all the requirements of this RFP. Emphasis shall be on completeness and clarity of content with sufficient detail to allow for accurate evaluation and comparative analysis. Excessive or irrelevant materials will not be favorably received.

The following subsections describe the contents required in the proposal. The proposal shall be of such scope and depth to sufficiently describe and demonstrate the Proposer’s understanding of and approach to the projects.

5.1 Title Page

Proposer should identify the RFP title, name and title of the firm’s contact person, address, telephone number, fax number, email address, and date of proposal submission.

5.2 Cover Letter

A principal of the firm authorized to commit the firm to the requirements of the RFP must sign the cover letter. The letter shall discuss the Proposer’s commitment to providing high quality services as described in the RFP. Additionally, the letter shall briefly describe the firm’s understanding and approach to the services. The letter should identify a contact person (name, e-mail address, and phone number) for future communication during the selection process.

5.3 Table of Contents

The table of contents should include a clear and complete identification by section and page number of the submitted materials.

5.4 Company Background

Provide a brief background of the firm including history, types of services provided, organization structure, number of employees, annual revenues, number of offices and locations with staff size and disciplines, and any other relevant information that may be useful in determining the firm’s qualifications to provide the services described in this RFP.

5.5 Project Team and Qualifications
Provide an organizational chart that describes the structure of the project team, including subconsultants/subcontractors. The project team description shall identify the following:

(i) The Project Manager,

(ii) The names of readily-available key personnel that will be deployed for each task and their contact information, and the primary office locations of each project team member (preferably within the southern Los Angeles County area),

(iii) The role each team member will play in providing services under the Contract, and

(iv) A written assurance that the key individuals listed and identified will be performing the work and will not be substituted with other personnel or reassigned to another project without the District’s prior approval. The proposal shall clearly identify who will lead the execution of assigned tasks and the respective personnel that will be assigned to them.

Provide a description of the experience, qualifications including required licenses and certifications, area of expertise or specialization, and availability (including current workload) of the project team members, including subconsultants/subcontractors, if any. Describe other project commitments by project team members and the anticipated level of involvement of each team member based on the abilities and expertise required for the type of work desired.

Provide the resumes of all members of the project team, including subconsultants/subcontractors, as an appendix. Each resume shall not exceed three (3) pages and shall include name and title, education, years with the company, licenses and certifications (issue and expiration dates), home office location, relevant experience within at least the last five (5) years, and other required qualifications discussed in this RFP.

The identified Project Manager will be WRD’s main point of contact for all assigned projects for the duration of the Contract. The proposal shall include the Project Manager’s contact information, including phone and e-mail address.

Once a Contract has been executed, the Consultant must request approval of the District in advance of any new personnel being assigned to the project. The District reserves the right to reject or remove personnel performing services at any time for the duration of the Contract.

5.6 **Local Business Enterprise (LBE) and Small Business Enterprise (SBE) and Veteran Business Enterprise (VBE) Preference**

Complete a table (an example is provided in Exhibit B) that summarizes the percentage of work to be performed by the Consultant and each Subconsultant. Specify the certification status of the Consultant and its subconsultants with respect to Local Business Enterprise (LBE), Small Business Enterprise (SBE), and Veteran Business Enterprise (VBE). The status of business enterprise is requested information in this SOQ and will
be used as criteria for SOQ evaluation. Failure to include the completed form may be grounds for considering the SOQ to be nonresponsive. Please refer to Section 7.6 for definitions of LBE, SBE, and VBE.

5.7 **Project Overview and Approach**

Present a narrative overview of the Proposer’s understanding of the RFP requirements and the overall approach and technical plan for accomplishing the work assignments. Also discuss at a minimum the following:

- Ability to successfully complete work assignments within the District’s required time frame and, as necessary, on short notice,
- Approach to assignment of work within the firm and how team members will conduct tasks and prepare anticipated deliverables,
- Describe the Proposer’s project management approach and communications protocol,
- Describe the Proposer’s approach to quality assurance and control, as well as any performance guarantees,
- Technical approach to assigned tasks, such as deployment strategies (how the project will be implemented from mobilization to demobilization), and
- Identify current and reasonably foreseeable actual and possible constraints, problems, and/or issues that could hinder the execution of services under the contract, and suggest approaches to resolving or managing these constraints, problems, and/or issues.

5.8 **Additional Services**

Include any comments, suggestions, or additions the Proposer may have regarding the scope of work or any other aspects of the work that the Proposer feels would be helpful to WRD in selecting a firm for the services described in the RFP. Identify the potential impact(s) or benefit(s) that these recommendations would have if accepted by WRD. These additional services shall be clearly identified as “optional” in the proposal.

5.9 **Experience and Record of Past Performance**

Describe Proposer’s experience in completing similar assignments, preferably using the same project team proposed for the services described in this RFP. Using the form provided as Exhibit C, list at least three (3) E-Procurement Software System projects and a minimum of five (5) client references from similar projects successfully completed within the last five (5) years of a similar nature that demonstrate the firm’s and its subconsultants’ (if needed) competence to perform the work described in this RFP. Ongoing projects currently being performed by the Proposer also may be submitted for consideration.

Clearly identify the role of all team members in each of the projects referenced. For each of the reference projects listed, provide the following information:
1. Name and location of project;

2. Name and address of project owner/sponsor;

3. Name and current phone number and e-mail address of owner's representative intimately familiar with the project, to contact for reference. Verify the reference person that can be contacted at the phone number provided;

4. A description of type and extent of services provided for the project;

5. Project budget (both projected and "as completed");

6. Project schedule milestones (both projected and "as completed"). Include dates of project initiation, key milestones and deliverables, and completion date or status of the project;

7. Special problems or difficulties encountered, such as project budget and schedule control issues, and how they were resolved by the Consultant; and

8. Applicability and relevance of the referenced project to the services described in this RFP.

The District at its discretion may contact other firms or agencies for additional information. Failure to provide accurate contact information, adequate information or project reference summaries may be cause for rejection of the proposal as being nonresponsive.

5.10 Conflict of Interest

Provide a statement that the Proposer, individuals employed by the Proposer, or firms employed by or associated with the Proposer, including subconsultants/subcontractors, do not have a conflict of interest with the Project. The Proposer shall exercise reasonable efforts to prevent any actions or conditions that could result in a conflict of interest and shall include, but is not limited to, establishing precautions to prevent its employees or agents from making, receiving, providing in, or offering gifts, entertainment, payments, loans, or other considerations which could be deemed to appear to influence individuals to act contrary to the best interest of the District. If a potential conflict of interest is identified in any form, the Proposer shall inform the District immediately. Proposers are subject to disqualification on the basis of a conflict of interest as determined by WRD.

5.11 Other Information

The proposal shall include:

- A statement that the Proposer will meet the insurance requirements per Section 12 of the District’s standard Professional Services Agreement, which is attached to this RFP as Exhibit D.
• A statement or description regarding any litigation to which the firm is a party, any bankruptcy settlements, or unpaid judgments against the firm or its principals.
• A statement as to whether the firm has defaulted on previous professional contracts.

5.12 **WRD Standard Contract**
The selected Consultant shall be expected to execute a Contract using the District’s standard Professional Services Agreement, which is provided as **Exhibit D**. Proposers shall provide a statement in their proposals clearly stating acceptance of all the terms and conditions specified in the standard Professional Services Agreement (i.e. no exceptions can be made to WRD’s standard Professional Services Agreement).

5.13 **Project Costs and Fees**
Your firm must submit a table showing all proposed costs and fees associated with providing, performing and completing the services described in Exhibit A of this RFP, and include a description of each type of service per each proposed service fee. In the event any specified services are not used during some portion of the initial twelve month period, payment shall be prorated on a daily basis.

• Set-up fee(s), if any: please describe services for this fee
• Implementation fee(s) if any: please describe services for this fee.
• Annual maintenance fee(s), if any: please describe services for this fee.
• Any additional fee(s), such as: training, website customization, reports, etc.
• Identify services specified in the RFP not covered in the standard fees above and provide hourly rates for each service identified.
  ▪ Labor hours and total number of hours, shall be broken down by the project tasks and/or subtasks identified in Section 3.0 (including other subtasks as the Proposer sees fit) and shall also show the associated personnel, and/or subconsultant(s), names and titles/categories of individuals proposed to work on the project tasks/subtasks, including names of subconsultants/subcontractors shall be indicated.
  ▪ Fully loaded hourly billing rates – All direct, capital, and reimbursable expenses, including but not limited to travel and transportation costs, meals, lodging, office equipment and supplies, administrative and communications fees, etc., must be built into the hourly rates. Therefore, the District shall not pay Consultant nor its subconsultants/subcontractors for any direct or reimbursable expenses incurred for implementation of the scope of services described herein.

• The labor hours and fees for proposed optional tasks (additional services), if any, shall be presented in a separate table to differentiate from the baseline Scope of
Work. Consultant’s compensation for Additional Services shall be as mutually agreed to by the Parties prior to Consultant providing Additional Services.

- For System:
  Provide a fee structure based on fee per user:
  Example fee structures: Fee per user $__________
  or
  1-4 users, fee per user $__________
  5-10 users, fee per user $__________ etc.

  Provide fee rates based on the following schedule, if annual increases apply:
  a. For period from November 1, 2018 to December 31, 2019
  b. For period from November 1, 2019 to December 31, 2020
  c. For period from November 1, 2020 to December 31, 2021

  Options to extend the agreement term, which may be exercised at the sole discretion of the District:
  d. For period from November 1, 2021 to December 31, 2022
  e. For period from November 1, 2022 to December 31, 2023

- Other Modules: list, per user, all fees and costs associated with providing each additional module.

It is expected that the indicated hourly rates will remain in effect for the duration of the Contract unless otherwise specified and approved by WRD. The fee schedule and rate sheet shall follow a format similar to the example shown in Exhibit F, and include any other rates or fees, such as markups for subconsultants/subcontractors not identified as part of the project team, equipment markups, or other direct costs that may be incurred.

The proposal shall also include a description of the anticipated method of billing for services performed, with provisions for monthly billing that will include itemized accounting of hours of personnel, hourly rates, and percent completion for each task identified. A project schedule shall be included with the invoice to track project costs on a resource loaded schedule.

5.14 Monthly Billing

The monthly invoice shall be in a similar format shown in Exhibit E. At a minimum, each invoice shall contain the purchase order or contract number and shall be itemized by task. A subtotal cost for each task shall be included. Names of persons, their job titles, hourly billing rates, actual hours worked during the billing period, and subtotal labor costs must be summarized in a table. Attach to each invoice all documentation for other direct costs in the form of receipts or vendor invoices, with the applicable costs identified for items such as equipment costs. WRD will provide reporting requirements to Consultant, and Consultant shall prepare invoices that comply with the requirements. Failure to satisfy the reporting requirements may result in rejection or short pay of the invoices submitted to WRD for payment.
6.0 PROPOSAL SUBMISSION REQUIREMENTS

6.1 Proposal Format

The proposal shall be limited to no more than 25 single-pages in length. This does not include the title page, table of contents, cover letter, appendices, dividers, or résumés. All sections of the proposal shall be printed on 8.5” x 11” size recycled paper or recyclable white bond paper, paginated, and bound. Any oversized documents, such as charts or tables, must be folded to size and secured in the envelope.

All files shall be in a text searchable PDF format (i.e., not scanned images) compatible with Adobe Acrobat Version 8.0 (at a minimum). The main directory of the flash drive shall contain the entire proposal as a single PDF file. All sections of the PDF file shall be bookmarked.

6.2 Proposal Signing

The proposal shall be wet-signed by an officer, or officers, authorized to execute legal documents on behalf of the Proposer. The submission and signing of the proposal shall indicate the intention of the Proposer to adhere to the provisions described in this RFP and certifies that the proposal was prepared independently and was submitted without any collusion designed to limit competition or bidding.

6.3 Proposal Submittal Procedures

Five (5) hard copies of the proposal shall be submitted in a sealed envelope to WRD no later than the proposal due date and time indicated in this RFP. The envelope shall be plainly marked on the exterior “RFP-18-001 - E-Procurement Software System” and with the name and address of the Proposer. In addition, an electronic copy of the proposal on a flash drive shall be submitted. Envelopes containing proposals will be time stamped upon receipt by WRD.

Proposals must be mailed or delivered in person or via courier services to:

Attn: Melody Wu, Project Administrator
Water Replenishment District of Southern California
4040 Paramount Blvd.
Lakewood, CA 90712

It is the Proposer’s responsibility to ensure that proposals are received prior to the submittal deadline. Proposal packages should also include all signed Acknowledgment of Addendum forms that may be issued by WRD as part of this RFP process, as further described below.

The WRD will not be responsible for the proper identification and handling of any proposals submitted incorrectly. Late proposals, late modification, or late withdrawals will not be considered under any circumstances. Faxed or emailed proposals will not be accepted. There will be no formal opening of the received proposals.
6.4 **Proposal Preparation Costs**

This solicitation does not commit the District to award any work nor to pay any costs incurred from the preparation of proposals. Firms responding to this RFP will be solely responsible for all costs and expenses incurred during the selection process.

6.5 **Acknowledgement**

An Acceptance Letter (**Exhibit “G”** attached) has been attached to this solicitation. This Acceptance Letter is to be completed and signed by the Proposer and shall be included with the Proposer’s submittal.

7.0 **EVALUATION CRITERIA**

Selection will be made on the basis of WRD’s judgment as to which proposal best serves WRD’s interest. The proposal will be evaluated on the basis of the criteria listed below in this section. Proposals also will be evaluated based on the clarity, completeness, and professional quality of the documents submitted, as well as conformance to the RFP instructions and responsiveness to the RFP requirements in a straightforward and concise manner.

7.1 **Project Team and Qualifications**

Project team’s technical and management competence to perform the work specified herein will be evaluated. Considerations include, but are not limited to the following:

- Professional qualifications and education of the project team.
- Expertise and the appropriate mix of skills and disciplines of the project team and percentage of work to be self-performed.
- The accessibility and commitment of the Proposer’s key personnel and subconsultants/subcontractors to successfully complete assigned projects, including the geographic proximity of each team member’s primary office location with respect to the District’s service area.
- Ability to perform work on short notice and anticipated response times.
- Capacity and flexibility to complete high quality work in a timely manner that meets the established schedule.
- Familiarity with the policies and procedures of the District, County, and other local agencies.

7.2 **Project Understanding and Approach**

The following will be considered in the evaluation of proposals:

- Understanding of the nature of professional services contracts and expected tasks to be performed.
• Work schedule and methodology to completing assigned tasks, specifically with regards to budget sensitivity, efficiency, adherence to District standards and applicable regulatory codes, and pertinence of the assigned tasks.

• Demonstration on how the Proposer will organize the execution of assigned projects, including the make-up of the team, the leadership of the team, the accountability of the Project Manager, and the lines of authority.

• A strong project management structure that includes clearly defined communications protocols (including how the Proposer’s staff will interact with the District’s team and project manager), procedures for coordination throughout the assigned project, and subconsultant/subcontractor integration.

• A solid quality assurance and control program that demonstrates a clear understanding of the need and process of ensuring WRD receives the highest quality product required for assigned projects.

• Overall clarity, creativity, and logic, and completeness of the approach. The proposal should demonstrate interest and insight to the specific details of WRD’s desired services.

• Other services or considerations not addressed in the RFP, but were deemed to be pertinent to the scope of services by the Proposer.

7.3 Performance on Similar or Related Projects

WRD reserves the right to conduct an independent verification of the Proposer’s experience qualifications by contacting project references, accessing public information, or contacting independent parties. Prospective proposers shall respond and provide additional information that may be requested during the evaluation of proposals. Factors to be considered will include, but may not be limited to, experience with similar projects, project coordination, cost control, quality of work, technical capability, and adherence to project schedules and standards.

7.4 Billing Rates

Hourly billing rates, including markup rates, will be evaluated with respect to the anticipated overall value for services proposed.

7.5 Organizational and Support Resources

The following will be considered in the evaluation of proposals:

• Capability under current workload to perform the work specified herein. Factors to be considered include, but may not be limited to, number of qualified staff allocated to assigned projects, availability of key personnel and support staff, knowledge of local conditions, and demonstrated ability to meet proposed project schedules.

• Anticipated response times after notification of work assignments by WRD.
7.6 Local Business Enterprise (LBE) and Small Business Enterprise (SBE) and Veteran Business Enterprise (VBE) Preference

The District may give preference in the evaluation of proposals to proposers based on the extent of participation demonstrated through compliance with LBE, SBE, and VBE participation. For purposes of this evaluation, the District may provide preference of up to 5% of the total evaluation points for consultants with at least 20% participations of LBE or at least 20% participations of SBE/VBE.

A Local Business Enterprise (LBE) is defined as a vendor, contractor, or consultant who has a valid physical business address and an established place of business: (1) located within five miles of the District’s service boundary or (2) located within a city that is situated within five miles of the District’s service boundary.

A Small Business Enterprise (SBE) shall mean a small business enterprise certified as such by any branch of the Federal Government, the State of California, or by any other Public Entity within the State of California as defined by California Public Contract Code Section 1100. To qualify for the SBE Preference, SBEs must be certified as such at the time the proposal is submitted to the District. Proof of certification should be submitted to the District along with the proposal, and not later than two (2) business days after the deadline for submitting proposals. Proof shall include a copy of each SBE’s certification or other appropriate documentary evidence by the certifying public entity. Proof of certification may be subject to verification by the District. The District shall not, however, be required to verify the accuracy of any such certifications, and shall have the sole discretion to determine if a respondent is a SBE. Companies having certifications for Veteran Business Enterprise (VBE) may submit such certifications, which may be used by the District in partial fulfillment of the 20% SBE participation.

For companies with multiple offices, the office affiliation of the proposed individuals working on the project will be used as a means to estimate the company’s LBE participation.

For Local Business Enterprise (LBE), Small Business Enterprise (SBE), and Veteran Business Enterprise (VBE) preference consideration, the Consultant and Subconsultant Status as LBE, SBE, and VBE form (Exhibit B) must be completed.

8.0 SELECTION PROCESS

This solicitation is being conducted by WRD through a fair and open process in accordance with procurement policies established for water replenishment districts in the State of California, those policies established by WRD, and applicable State laws.

All responsive proposals will be evaluated by a selection committee formed by the District. The proposal shall be of such scope and depth to sufficiently describe and demonstrate the Proposer’s understanding, approach, and qualifications to successfully complete the scope of services described herein. Submittal of incomplete or vague responses to any section or subsection of this RFP may result in rejection of the proposal.
Proposals will be evaluated, scored, and ranked based on the criteria specified in Section 8 of this RFP.

Once the proposers are ranked, WRD will initiate negotiation with the top-rated proposer. If WRD is unable to reach an agreement with the top-rated proposer, negotiations will be formally terminated. WRD will then negotiate with the next highest-ranked proposer and so on until an agreement is reached. Once negotiations with a proposer are terminated, WRD will not renegotiate with that proposer.

The firm that is recommended to the WRD Board of Directors for award of contract will be the one whose proposal is determined to be the most advantageous to the District in consideration of price and all other evaluation factors that are set forth in this RFP. No other factors or criteria not listed in this RFP shall be used in the evaluation.

9.0 GENERAL PROVISIONS

The Proposer should specify if any of the requirements included in this section or any other section of the RFP pose a specific problem, and if so, identify the problem and its impact within the proposal.

9.1 Entire Agreement

The services described in this RFP, the successful proposal (with any proposed optional tasks) approved by WRD, the purchase order, and any written changes or amendments to the scope of services shall represent the entire Agreement between the parties and shall supersede all prior written or oral representations, discussions, and agreements. Furthermore, this RFP is not only meant to aid in the preparation of proposals, but it is also intended to serve as a binding technical guidance document for the Consultant. The consulting firm awarded a contract to provide services described in this RFP shall be deemed bound to execute all requirements as listed and prescribed in this RFP, unless WRD modifies aspects of the scope of work or any conditions in the RFP in writing. Thus, the executed Contract will incorporate the terms and conditions specified in this RFP, as well as the final scope of work and fee schedule submitted by the Consultant as part of its proposal.

9.2 Contract Amendments

Changes that affect the scope of work, period of performance or time schedule, and costs will be effected by written notices of amendment. No payments will be made for work performed outside the original scope of work unless prior written approval was granted by WRD. The Consultant may be required to provide additional services under a negotiated change order approved in writing by WRD.

9.3 Term of Contract

Upon approval by the WRD Board of Directors, the District shall enter into a contract with a maximum term of three years, and has the option to extend for an additional two years, with selected firm.
9.4 **Ownership and Use of Documents**

Consultant will be required to treat WRD’s documents in confidence and shall indemnify WRD in case of alteration, loss, or damage thereto. Consultant shall not release to the general public, public agencies, or private businesses in any manner, any information, data, or documents developed pursuant to the performance of services specified herein without the expressed written consent of WRD.

Any preliminary or working drafts, notes, and inter-agency or intra-agency memoranda that are not expected to be retained by the Consultant or WRD in the ordinary course of business shall be exempt from disclosure to any public entity under provisions of the Public Records Act.

9.5 **Business Records Access and Retention**

All records pertaining to this Project, which are retained by the Consultant, shall be accessible to WRD while work is ongoing and for at least five years thereafter.

9.6 **Termination**

WRD may terminate the project at any time at its sole discretion. Notice of termination will be provided in writing. Upon termination of the project, WRD shall make payment to the Consultant only for services provided up to the date of termination.

10.0 **TERMS AND CONDITIONS**

10.1 **Proposal Rejection**

WRD reserves the right to accept or reject any or all proposals received in response to this RFP or cancel in whole or part the selection process if it is in the best interest of the District to do so. Alternatively, the District reserves the right to waive any minor defect or technicality in any proposal received.

10.2 **Proposal Clarification and Requests for Additional Information**

All proposals shall be afforded fair and equal treatment with respect to any opportunity for clarification. WRD reserves the right to request clarification of information submitted and to request additional information from any or all proposers. The District may require any evidence it deems necessary, such as documentation regarding the Proposer’s financial stability, before any contract is awarded. In conducting discussions with proposers, there shall be no disclosure of information derived from proposals submitted by competing firms.

10.3 **Proposal Validity Period**

Proposers may withdraw their proposals at any time prior to the due date and time by submitting a written notification of withdrawal signed by the firm’s authorized agent. Proposers who withdraw their proposals prior to the designated date and time may still submit another proposal if done in accordance within the proper time frame. A proposal cannot be changed or modified after it has been submitted by the designed due date and time and shall constitute an irrevocable offer, for a period of ninety (90) days, to WRD for the services set forth in the proposal.
10.4 **RFP Revisions and Addenda**

WRD reserves the right to issue a written Addendum or Addenda to provide further clarification or make revisions/corrections to the RFP. All Addenda will be issued via e-mail to prospective proposers who were initially forwarded the RFP via e-mail as well as other prospective proposers who have subsequently provided WRD with their contact information (i.e. e-mail address and telephone number). All Addenda will also be posted on the WRD website (http://wrd.org/content/business-opportunities) within a reasonable timeframe prior to the proposal due date. If an Addendum is necessary within 72 hours of the proposal submittal deadline, the District, at its discretion, can extend the proposal submittal deadline.

Any Addendum issued must be acknowledged by the Proposer by signing and submitting the “Acknowledgment of Addendum” form that will be provided with each Addendum. All Acknowledgment of Addendum forms must be submitted to WRD as part of the proposal package that is submitted by the proposal due date. Failure to acknowledge any Addenda may result in the proposal being considered nonresponsive and subject to rejection.

The Proposer shall be responsible for ensuring that its proposal reflects any and all addenda issued by the District prior to the submittal due date. Therefore, the District recommends that prospective proposers check the WRD website prior to making their submission.

10.5 **Confidentiality**

The content of proposals will be kept confidential until the award of contract by the WRD’s Board of Directors. All materials submitted in response to this RFP will become the property of the WRD and will become public record after award of contract to the successful Consultant. The WRD will not return any proposals to proposers.

If a Proposer believes any portion of its proposal contains confidential or proprietary information, exempt from public disclosures under the California Public Records Act, the Proposer must label that information within its proposal as “CONFIDENTIAL”, “TRADE SECRET”, or “PROPRIETARY.” The above restrictions may not include cost or price information, which shall be open to the public upon award of contract. Notwithstanding the foregoing, the District will not be responsible or liable in any way for losses that the Proposer may incur from the disclosure of information or material to third parties.

11.0 **LEGAL POLICIES**

11.1 **Compliance**

The Consultant shall abide by and obey all applicable federal, state, and local laws, rules, regulations, and ordinances.

11.2 **Governing Laws and Requirements**

Performance of services herein shall be governed and construed in accordance with the laws of the State of California. The selected Consultant hereby agrees that in any action
relative to the performance of said services, venue shall be in the County of Los Angeles, State of California.

11.3 Public Releases
The Consultant agrees not to use or otherwise make public in any manner, either for profit or nonprofit, any of the information, data, procedures, systems, or documentation developed pursuant to the performance of services specified herein without the expressed written permission of WRD.

11.4 Business License
The Consultant will be required to show evidence of all valid and applicable business license(s), which must be in effect during the period of the performance of services specified herein.

11.5 WRD’s Property
All deliverables submitted pursuant to the performance of services specified herein shall become the sole property of WRD and they may be used in any manner and for any purpose WRD deems in its best interest.
EXHIBIT A – SCOPE OF SERVICES

NOTE TO PROPOSERS: This is the proposed Scope of Work for the services that are the subject of this RFP. Be advised that WRD reserves the right to modify this scope of work during contract negotiations with the Proposers selected as a result of this RFP process.

Proposers are to detail how they will provide the following services, accomplish the listed minimum requirements, and describe any additional services included as part of their proposal.

A-1. **Purpose:** Provide WRD with a hosted, web-based/Software-as-a-service (SaaS), E-Procurement solution software system designed to automate one or more of the following for WRD: procurement vendor management, purchase-to-pay, solicitation, evaluation, contract management processes, insurance and bond management, and emergency services and reporting.

A-2. **Scope of Consultant’s Responsibilities, Consultant-Provided Services, and Consultant-Provided Deliverables:** At the direction of and in consultation with WRD, Consultant shall configure, implement and provide WRD with E-Procurement solutions that will enable WRD stakeholders to perform various functions related to the procurement and contract management process. Services shall include, but are not limited to the following:

A. **Specified Services:**

1. Configure, implement and adequately train and support designated WRD staff to successfully launch an integrated E-Procurement solution software system (“System”). Features and functionality per proposed module, shall include, but not be limited to, the following modules:

   a. **Vendor Self-Service Registration Module**
      1) Web-page interface with WRD’s website;
      2) 24/7 vendor self-service registration, including business certification management with automatic renewal notifications, including entering of business licenses;
      3) Designate and Report on various business types (Small, Local, DBE, veteran owned business (VBE));
      4) Commodity/Service category codes (NAICS, NIGP, etc.)
      5) Vendor notification and emailing, vendor director search, filter, and profile viewing capabilities; and
      6) List other available options, if any.

   b. **Solicitation Module**
      1) Send automated email notifications to registered vendors of newly posted solicitations;
      2) Permit WRD staff to upload solicitations, solicitation templates, and solicitation related documents (RFP/RFQ/RFB/IFB, attachments, forms, drawings, addendums, question and answer documents, sign-in sheets, etc.)
in various formats (PDF, Word, Excel), track and report on vendor notifications and downloads;
3) Permit WRD staff to manually add additional participants;
4) Permit registered vendors access to upload electronic submission (unless designated format is paper only) in multiple files and document types;
5) Administrative support functionality such as on-line planholder lists, distribution of digital addenda and distribution of project results;
6) Accept and verify bid bonds, verify receipt of addenda;
7) Provide a confirmation email for successful electronic uploads;
8) Track and report on vendor notifications and downloads;
9) Pre-bid meeting management and online Q&A management;
10) Sealed bids management;
11) E-bidding – line itemization (schedule of values, etc.)
12) Bid award functions, including both split and lump sum; and
13) List other available options, if any.

c. Evaluation Module
1) Automated bid tabulation and sealed bidding;
2) Permit WRD staff to register evaluation panel member with review and scoring rules for structured collaboration;
3) Automate RFP evaluation functions: track notes and information disseminated to and collected from evaluation panel members, include sharing of documents, evaluation criteria development, pre-qualifying prior to evaluation, review/score/rank matrix with/without knowledge of pricing, monitor evaluator status, and consensus scoring;
4) Tabulate various methods of evaluation, finalize ranking per panel member and provide a completed matrix; and
5) List other available options, if any.

d. Contract Management Module
1) Add/edit contract template drafting;
2) Track subConsultant information;
3) Upload contract documents;
4) View current and past contract history;
5) Ability to search for contracts by vendor name, contract number, type of services, etc.
6) Contract modifications tracking (change orders, contract amendments, etc.)
7) Automate email tracking of milestones such as contract expirations, terms, renewals, tasks, etc.
8) Generate standard and Ad-Hoc Reports, analysis, graphical charts, audit trails, spend analytics and metrics tracking, reporting on purchase transactions;
9) List other available options, if any.
e. Insurance Certificate Management Module
   1) Add/edit insurance certificates, Upload ACORD certificates in PDF;
   2) Broker/Agent and insurance administration;
   3) View existing and past ACORD certificates for history;
   4) Run reports (e.g. vendor name, insurance type, status, certificate dates, notes, contract title, contract administrator, project names);
   5) Integrated with AM Best;
   6) Automated notification settings, i.e. renewal, change, etc.;
   7) Custom email notifications;
   8) Flexible and configurable; and
   9) List other available options, if any.

f. Standard Reporting capabilities
   1) Solicitation/Project Outreach Reports;
   2) Activity and Management Reports;
   3) Vendor Reports and Searches;
   4) List other available options, if any.

g. Other available modules and features. List other available options, if any.
   1) For example, vendor self-subscription to custom events and notices.

h. Ensure security of web-based applications data:
   1) Maintain the privacy and confidentiality of vendor records;
   2) Protect against unauthorized web-based application intrusion;
   3) Provide automated data back-up; and
   4) Provide web-based application availability rate equal to or greater than 98%.

i. WRD access to web-based application:
   1) 24-hour access to application;
   2) Ability to control / restrict access by individuals; and
   3) List other available options, if any.

2. Training: Consultant shall provide an on-site training class on its System for WRD users at a date, time and duration agreed to by both parties. Please describe the proposed training class to include: curriculum, schedule and duration.

3. On-call Technical Support: at no additional cost to WRD and vendors, Consultant shall:
   a. Assist and resolve problems with vendors and WRD users;
   b. Remedy any hardware or software problems; and
   c. Provide other technical support available, if any.
B. **Additional Services:** If and when WRD requests Consultant to provide services in addition to those specified above, Consultant shall develop a work plan detailing the specific tasks to be completed and provide a detailed not-to-exceed budget for performing such Additional Services. Consultant shall not perform any Additional Services until WRD has issued a written notice-to-proceed with the execution of the work plan. Consultant will not be authorized to perform or invoice WRD for any work not specifically authorized in WRD’s notice-to-proceed.

A-3. **Non-financial Obligations of WRD:** WRD shall provide Consultant with:

A. WRD logo artwork, and
B. WRD “user” names.
<table>
<thead>
<tr>
<th>Status of SBE and VBE</th>
<th>Office Locations &amp; LBE Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certification (SBE or VBE)</td>
<td>Certifying Agency</td>
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<td>Subtotal Prime Consultants</td>
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<td>Subconsultants</td>
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Exhibit C

Key Personnel Participation in Example Projects
### KEY PERSONNEL PARTICIPATION IN EXAMPLE PROJECTS

<table>
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<tr>
<th>NAMES OF KEY PERSONNEL</th>
<th>ROLE IN THIS PROPOSAL</th>
<th>EXAMPLE PROJECTS LISTED IN SECTION 4.2.1</th>
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<tr>
<td>John D.</td>
<td>Construction Manager</td>
<td>Const. Manager</td>
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<tr>
<td>Peter L.</td>
<td>Electrical Inspector</td>
<td>Elec. Inspector</td>
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#### EXAMPLE PROJECTS KEY

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<th>NO.</th>
<th>DESCRIPTION OF EXAMPLE PROJECT (FROM SECTION 4.2.1)</th>
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<tr>
<td>1</td>
<td>Canyon Water Treatment Plant Expansion - xxxxxxxxxx</td>
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<tr>
<td>3</td>
<td>xxxxxxxxxx</td>
</tr>
<tr>
<td>4</td>
<td>xxxxxxxxxx</td>
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</table>
Exhibit D

WRD Standard Agreement for Professional Services
PROFESSIONAL SERVICES AGREEMENT
[INSERT CONTRACTOR NAME]

This Professional Services Agreement (the “Agreement”) is made and entered into this ___ day of _________, ______, by and between the Water Replenishment District of Southern California (“District”) and [Insert Contractor Name], (“Consultant”) (collectively the “Parties” or individually as “Party”) for the furnishing of certain software and professional services upon the following terms and conditions.

1. Scope of Services. Consultant shall perform the scope of services and provide the products and software described in Exhibit A hereto (collectively, the “Services”). Tasks other than those specifically described in Exhibit A shall not be performed without a prior written amendment to this Agreement.

1.1 Standard of Care. In performing the scope of services under this Agreement, Consultant shall exercise the standard of care and expertise prevailing in California for the performance of such services.

2. Term. The term of this Agreement shall commence on Month, Day, Year and shall end on Month, Day, Year (the “Expiration Date”). At least sixty (60) days prior to the Expiration Date, District staff shall evaluate the quality of the Services that have been provided by the Consultant, the cost of such Services relative to the benefits, and the need for any continuation of the services. The results of such evaluation shall be provided to the appropriate District Committee, which committee shall provide a report to the District’s Board of Directors (“Board”). If the Board determines that there is a demonstrated need for the continuation of such Services, the Board may renew the Agreement on terms and conditions that do not provide for a significantly longer term, increased scope of services or increased fee schedule than is provided for in Paragraphs 1 or this Paragraph 2. If the Board desires to modify the Agreement to provide for such a significantly longer term, increased scope of services or increased fee schedule, the District shall comply with the provisions of its then current Administrative Code concerning the solicitation and approval of proposals for professional services.

2.1 Termination by District

2.1.1 Termination for Convenience. The District may terminate this Agreement for its convenience at any time upon five (5) days written notice to Consultant. Consultant’s compensation in the event of such a termination shall be exclusively limited to payment for all authorized services.
performed or provided and for all authorized expenses incurred up to the effective date of such termination. Consultant understands and agrees that it shall not be entitled to any additional compensation or reimbursement whatsoever in the event of such termination.

2.1.2 Consultant’s Obligations Upon Termination. Following any termination of this Agreement by the District or Consultant, the Consultant shall promptly return all District property, and shall likewise provide to District all finished and unfinished data, studies, maps, reports, and other deliverables and work-product prepared by Consultant pursuant to this Agreement.

3. Consultant’s Compensation. District will compensate Consultant for services performed and for expenses incurred pursuant to this Agreement as follows:

3.1 Fee. Consultant shall be paid in accordance with the fees and Consultant Rate Schedule attached to this Agreement as Exhibit B which may not be changed except with District’s written approval. A budgetary amount not to exceed $__________ (which amount applies to Consultant’s fees and expenses) is established for this Agreement. Notwithstanding any other provision of this Agreement, the District shall not be obligated to pay Consultant any amount in excess of said budgetary amount absent prior written approval from the District. Likewise, Consultant shall not be obligated to perform services or incur expenses in excess of the budgetary amount absent prior written approval from the District.

3.3 Invoices. Consultant shall submit monthly invoices to District for services performed and expenses incurred during the preceding month. Consultant’s invoices shall separately identify all personnel for whose services payment is sought, the services performed, and all expenses for which reimbursement is requested. As a condition precedent to payment, District may require Consultant to furnish supporting information and documentation for all charges for which payment is sought. District shall have the right to withhold from payments to Consultant reasonably disputed amounts including, without limitation, amounts for services not performed in accordance with this Agreement and costs, expenses or damages incurred by District as a result of Consultant’s breach of this Agreement or Consultant’s negligence.

4. Consultant’s Obligation to Provide Notice of Changes. Consultant shall provide written notice to the District no later than twenty (20) days after the occurrence of any event (including any direction by the District) which Consultant believes requires a change in its compensation or the time for performance of its obligations under this Agreement. Said notice shall describe the event and the basis for any change in compensation or time for performance requested by Consultant. The Parties shall thereafter meet and confer to determine whether such a change is appropriate. However, no such change to this Agreement may be made except by written amendment to this Agreement executed by the Parties. Consultant’s failure to provide the notice required under this Paragraph shall
constitute a waiver of its right to seek a change in its compensation or the time for performance of its obligations under this Agreement.

5. License Grant; Ownership and Use of Documents.

5.1 Consultant hereby grants to the District a fully paid-up, non-exclusive, irrevocable, worldwide right and license to use the software expressly identified in Exhibit A, together with applicable documentation made available by Consultant relating to such software (collectively, the “Licensed Software”), throughout the term of this Agreement.

5.2 Excluding the Licensed Software, all other proprietary information developed by Consultant in connection with, or resulting from, this Agreement, including but not limited to inventions, discoveries, improvements, copyrights, patents, maps, reports, textual material or software programs, shall be the sole and exclusive property of the District. Consultant agrees that the compensation to be paid pursuant to this Agreement includes adequate and sufficient compensation for any proprietary information developed in connection with or resulting from this Agreement. Consultant further understands and agrees that full disclosure of all proprietary information developed in connection with, or resulting from, this Agreement shall be made to the District, and that Consultant shall do all things necessary and proper to perfect and maintain District’s ownership of such proprietary information. All documents, reports, surveys, renderings, photographs, data and other materials furnished by the District to Consultant shall remain the property of the District.

5.3 Consultant further represents, warrants, and covenants to the District that: (a) it has and throughout the license term will retain the unconditional and irrevocable right, power and authority to grant and perform the license hereunder; (b) neither its grant of the license, nor the Services or any other performance by or on behalf of Consultant under this Agreement does or will at any time require the consent, approval, or authorization of any third party, or require the provision of any payment or other consideration to any third party; (c) when used by the District in accordance with this Agreement, no Licensed Software as delivered or installed by Consultant does or will infringe, misappropriate or otherwise violate any third-party intellectual property rights; and (d) there is no settled, pending or threatened litigation, claim or proceeding (including in the form of any offer to obtain a license) challenging Consultant’s ownership of, or right to use or license, any Licensed Software, or alleging any adverse right, title or interest with respect thereto.

6. Publication of Project Information. Consultant shall notify and obtain written approval from the District before presenting verbal or written information to outside individuals or entities about the services or project for which Consultant was retained.
7. **Patents and Copyrights.** The Consultant shall assume all costs arising from the use of patented or copyrighted materials, including but not limited to, equipment, devices, processes, and software programs used or incorporated in the work performed or the products or software provided under this Agreement. Consultant shall defend, indemnify, and hold the District, its officers, directors agents, employees, representatives and assigns harmless from any and all claims, demands, suits at law, and actions of every nature for or on account of the use of any patented or copyrighted materials.

8. **Consultant’s Status.** Consultant is an independent contractor and neither Consultant nor any employee of Consultant is or will be treated as an employee of the District under this Agreement. District controls the result to be accomplished under this Agreement, but not the means by which Consultant achieves such results.

8.1 Payments made to Consultant pursuant to this Agreement shall be the sole and complete compensation to which Consultant is entitled. Consultant is solely responsible for any taxes levied by local, state or federal authorities on such sums. Consultant shall defend and indemnify the District for any taxes, fines, penalties and attorneys’ fees assessed or threatened to be assessed against District for failure to properly withhold taxes as a result of any determination that Consultant, or any of Consultant’s employees, is an employee rather than an independent contractor of District.

8.2 District will not make any contribution to any retirement plan or Social Security on behalf of Consultant or any of Consultant’s employees. Consultant shall defend and indemnify the District for any contribution, fines, penalties and attorneys’ fees assessed or threatened to be assessed against District for failure to contribute to any retirement plan or Social Security as a result of any determination that Consultant, or any of Consultant’s employees, is an employee rather than an independent contractor of District.

8.3 District will not make any payments to Consultant, or Consultant’s employees, which rely upon employee status, including, but not limited to, FLSA and other overtime and minimum wage requirements, prevailing wage laws, worker’s compensation benefits, FMLA, CFRA, Paid Leave, and unemployment benefits. Consultant shall defend and indemnify the District for any payment, fines, penalties and attorneys’ fees assessed or threatened to be assessed against District for failure to make any such payment or otherwise provide the benefits of such laws as a result of any determination that Consultant, or any of Consultant’s employees, is an employee rather than an independent contractor of District.

8.4 Consultant shall comply with the Political Reform Act of 1974, as amended including, but not limited to, disclosure of all conflicts of interest and other financial disclosure requirements required thereunder.
9. **Instructions to Consultant.** In the performance of the services set forth in this Agreement, Consultant shall report to and receive instructions from the following persons on behalf of the District: ____________________________.

10. **Subconsultant Services.** Any subconsultants to be used by Consultant in the performance of the scope of services shall be identified in Exhibit A hereto. Consultant shall obtain the District’s prior written approval before retaining a subconsultant to perform any portion of the scope of services of this Agreement. Notwithstanding Consultant’s use of any subconsultants, Consultant shall be responsible to the District for the performance of its subconsultants as it would be if Consultant had performed those services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the District and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall defend and indemnify the District for any payment, fines or penalties assessed or threatened to be assessed against District as a result of any claim brought by any subconsultant of Consultant for any matter arising from, or related to, the services performed by subconsultant under this Agreement.

11. **Compliance With Laws and Regulations; Licensing.** Consultant shall perform its services under this Agreement in compliance with all applicable provisions of Federal, State and local laws, statutes, codes, rules, regulations, ordinances and professional standards (“Applicable Laws”). By entering into this Agreement, Consultant represents and warrants that it possesses and will keep current all license and registrations required by Applicable Laws to enter into this Agreement and to perform the scope of services hereunder.

12. **Insurance.** Consultant, at its sole cost and expense, shall obtain, keep in force, and maintain the following policies of insurance at all times while this Agreement is in effect, and shall not commence any work under this Agreement until proof of such insurance has been provided to the District. The coverages provided by such insurance shall not be construed as limitations of liability.

12.1 **Required Policies.**

12.1.1 **Commercial General Liability Insurance** (contractual, products, and completed operations coverages included) with a combined single limit of no less than $1,000,000 and a general aggregate limit of no less than $1,000,000.

12.1.2 **Business or Comprehensive Automobile Liability Insurance** for owned, scheduled, non-owned, or hired automobiles, with a combined single limit of no less than $1,000,000 per accident.

12.1.3 **Professional Liability Insurance** with limits of $1,000,000 per claim and $1,000,000 in the aggregate.
12.1.4 **Employers’ Liability Insurance** with limits of $1,000,000 per claim and $1,000,000 in the aggregate.

12.1.5 **Workers’ Compensation Insurance** as required under the Workers’ Compensation Insurance and Safety Act of the State of California.

12.2 **Required Terms.**

12.2.1 All policies except workers’ compensation and professional liability, shall name as additional insured the Water Replenishment District of Southern California, its directors, officers, employees, agents and representatives.

12.2.2 All policies shall be written on an occurrence basis. If a policy may only be obtained on a claims made basis, the policy shall be maintained continuously for a period of no less than three (3) years after the date of final completion of the scope of services under this Agreement.

12.2.3 All policies shall provide that coverage cannot be cancelled without twenty (20) days prior written notice to the District.

12.2.4 All insurance required under this Agreement shall be considered primary to any insurance maintained by the District. All policies except Professional Liability shall include waivers of subrogation in favor of the District and its insurers.

12.2.5 All policies required under this Agreement shall be issued by companies authorized to transact insurance business in the State of California acceptable to the District and having a Best rating of A- or better.

13. **Indemnification.** Consultant shall indemnify, defend and hold harmless the District and its directors, officers, employees, agents and representatives (collectively “District”), from and against any and all claims, liabilities, costs, damages, suits, proceedings, injuries (including injuries to real and personal property, and injuries to persons, including death) incurred by District (“Losses”), as a result of Consultant’s breach of any provision of this Agreement, any third-party infringement or misappropriation claims arising out of or related to the District’s use of any software, products, or services provided by Consultant (including, without limitation, the Licensed Software), Consultant’s failure to comply with applicable laws, Consultant’s negligent acts or omissions, or Consultant’s willful misconduct. However, Consultant’s obligation to defend shall arise regardless of any claim or assertion that the District caused or contributed to the Losses. Nothing in this paragraph shall constitute a waiver or limitation of any legal rights which the District may have including, without limitation, the right to implied indemnity.

14. **Arbitration and Attorneys’ Fees.** Any dispute arising from or relating to this Agreement shall be submitted to final and binding arbitration before an arbitrator who is a member of
the National Academy of Arbitrators. The parties will obtain a list of five names of potential arbitrators from the National Academy of Arbitrators, or the American Arbitration Association, and will take turns striking the names of arbitrators until one arbitrator remains, who shall preside over the arbitration. The arbitrator will have no power to rewrite any of the terms of this Agreement. The parties shall split the cost of the arbitrator’s fee and any court reporter required by the arbitrator or if both parties agree to having the proceedings taken down by a court reporter. The prevailing Party in any action arising from or relating to this Agreement shall be entitled to recover its reasonable attorney’s fees, expert witness fees and arbitration fees and costs in addition to any other relief and recovery ordered by the arbitrator or other tribunal hearing any matter related to this Agreement.

15. Conflict of Interest. No official of the District who is authorized in such capacity and on behalf of the District to negotiate, make, accept or approve, or to take part in negotiating, making, accepting or approving this Agreement, or any contract or subcontract relating to work to be performed pursuant to this Agreement, shall become directly or indirectly personally interested in this Agreement or in any part thereof. Consultant shall not accept employment or contract during the term of this Agreement with any firm or individual for the provision of services if such employment or contract would conflict directly with the Services provided to the District under this Agreement.

16. Equal Opportunity. During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status or national origin.

17. Successors and Assigns. This Agreement shall inure to the benefit of, and be binding upon, the District, Consultant, and their respective successors and assigns provided, however, that no assignment of the duties or benefits under this Agreement shall be made without the written consent of the Consultant and the District.

18. Choice of Law and Venue. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California. The Parties agree that the exclusive venue for any action or proceeding arising from or relating to this Agreement shall be in the County of Los Angeles, State of California.

19. Notices. All notices provided by this agreement shall be in writing and shall be sent by first-class mail and facsimile transmission as follows:

If to the District:

Water Replenishment District of Southern California
4040 Paramount Blvd.
Lakewood, CA 90712
Phone: (562) 921-5521
Fax: (562) 921-6101
If to the Consultant:

**Contact Name**
**Address**
**Address**
**City, State ZIP**
**Phone:**
**Email:**
**Fax:**

20. **Amendments.** This Agreement may be amended or modified only by a writing signed by the Parties hereto.

21. **Integration; Construction.** This Agreement sets forth the final, complete and exclusive expression of the Parties’ agreement with respect to the subject matter hereof, and supersedes any and all other agreements, representations, and promises, whether made orally or in writing. Notwithstanding anything in Exhibit A to the contrary (or any invoice or other unilateral terms or conditions provided by Consultant), in the event of any conflict or inconsistency between this Agreement and Exhibit A (or any invoice or other unilateral terms or conditions provided by Consultant), this Agreement shall control. The Parties represent and warrant that they are not entering into this Agreement based upon any representation or understanding that is not expressly set forth in this Agreement. This Agreement shall be construed as the product of a joint effort between the Parties and shall not be construed against either Party as its drafter.

22. **Effective Date.** This Agreement is effective as of the date first set forth above.

23. **Authority.** Each person signing this Agreement represents that he or she has the authority to do so on behalf of the Party for whom he or she is signing.
IN WITNESS WHEREOF, the Parties have caused this AGREEMENT to be executed the day and year first above written.

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

Signature
John D. S. Allen
Print Name
President, Board of Directors
Title

Signature
Willard H. Murray, Jr.
Print Name
Secretary, Board of Directors
Title

[INSERT CONTRACTOR NAME], ("CONTRACTOR")

Signature

Print Name

Title

Approved As To Form
LEAL, TREJO APC

Leal Trejo APC
Attorneys for the Water Replenishment District of Southern California
EXHIBIT A
SCOPE OF WORK

[Insert detailed description of scope of work.]
EXHIBIT B
CONSULTANT RATE SCHEDULE

Attach provided Rate Schedule Here.

If Rate Schedule/Budget is not included in proposal, complete the following:

1.0 Consultant shall be compensated for actual services performed in accordance with this Agreement [insert appropriate language: at the hourly rates, monthly sum or the lump sum amount.]

2.0 A budgetary amount of $____________ (which amount applies to Consultant’s fee and reimbursable expenses) is established for this Agreement. Notwithstanding any other provision of this Agreement, the District shall not be obligated to pay Consultant any amount in excess of said budgetary amount absent prior written approval from the District. Likewise, Consultant shall not be obligated to perform services or incur expenses in excess of the budgetary amount absent prior written approval from the District.

[Insert additional terms as needed after consultation with counsel.]
EXHIBIT C
EVIDENCE AND REQUIRED FORMS OF INSURANCE

Checklist for Additional Insured Endorsement

Contractor Name: ____________________________
Project Name: ________________________________

Refer to the Additional Insured Endorsements forms E1-8 following:

Endorsement(s)

☐ Additional Insured (AI) Status – GENERAL LIABILITY - Member Water District, its directors, officers, employees, or authorized volunteers are named as additional insureds - as broad as following forms:
  o Form CG 20 10 11 85 (E1)
  o BOTH CG 20 10 (E2) and CG 20 37 (E3) if forms with later edition dates provided (usually 10 01 or 07 04 editions). Also acceptable CG 20 10 04 13 (or older editions E2) specifically naming the District parties or using language that states "as required by contract"
  o “Blanket” Endorsement - (no specific policy number) (E4) covering one or more of the above endorsements required with words "as required by written contract/agreement".
  o If large number of Subcontractors - Additional Insured endorsement CG 20 38 04 13 recommended. (E5)
  o Policy numbers - matches policy number shown on Certificate of Insurance. (see Optional Dec. Page/Endorsement pages below)
  o Primary Coverage – The primary/non-contributory language is included. “The insurance provided by this policy shall be primary as respects any claims related to the ____________ Project. Any insurance, self-insurance, or other coverage maintained by the district, its directors, officers, employees, or volunteers shall not contribute to it.” e.g. Form CG 20 01 (E6)

☐ Auto liability (Optional (E7)) AI - most standard forms have automatic AI but some carriers provide endorsement

☐ Waiver of Subrogation (Workers Compensation and Property (Course of Construction, if required in contract) (E8)

☐ Optional - For extra confidence in verifying coverage require Declaration Page and Endorsement Schedule pages - compare the endorsement numbers. Look out for Amendment of contractual liability and or prior works exclusions - refer to Legal Counsel.
EXHIBIT E – SAMPLE INVOICE

[Consultant Company Name/Company Logo]
[Consultant Company Address]

To:
[WRD Project Manager]
Water Replenishment District
4040 Paramount Blvd.
Lakewood, CA 90712

INVOICE

[Invoice Date]
[Invoice Number]
[Invoice Amount]
[Invoice Period]
[WRD Project Number]
[PO Number]

INVOICE SUMMARY

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<th>Rate</th>
<th>Amount</th>
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<td>Staff Name - Position Title</td>
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<tr>
<td>[Subconsultants]</td>
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BILLING SUMMARY - Cumulative Total

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<td>Total All Tasks</td>
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Total Contract Amount

Amendment XX

Revised Contract Amount

TOTAL THIS INVOICE: [Enter Total Invoice Amount]
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<tr>
<td>Senior Engineer</td>
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<td>P3, P4, P5</td>
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<tr>
<td>Engineer</td>
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<td>Senior Project Manager</td>
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<tr>
<td>Project Manager</td>
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<tr>
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<th>Other Credentials and Qualifications</th>
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<td>BA/BS</td>
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<td>BA/BS</td>
<td>Masters, Doctorate = 2 yrs exp.</td>
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<td>P3</td>
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<td>BA/MS</td>
<td>Masters, Doctorate = 2 yrs exp.</td>
</tr>
<tr>
<td>P4</td>
<td>6 - 8</td>
<td>BS/MS/PhD</td>
<td>Registration/certification</td>
</tr>
<tr>
<td>P5</td>
<td>8 – 10</td>
<td>BS/MS/PhD</td>
<td>Registration/certification</td>
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<tr>
<td>P6</td>
<td>10 – 12</td>
<td>BS/MS/PhD</td>
<td>Registration/certification</td>
</tr>
<tr>
<td>P7</td>
<td>12 – 15</td>
<td>BS/MS/PhD</td>
<td>Registration/certification</td>
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<tr>
<td>P8</td>
<td>15+</td>
<td>BS/MS/PhD</td>
<td>Registration/certification</td>
</tr>
<tr>
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<td>7 – 10</td>
<td>BS/MS/PhD</td>
<td>Registration possible</td>
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<tr>
<td>M2</td>
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<td>M3</td>
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<tr>
<td>A3, A4, A5</td>
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<td>High school diploma</td>
<td>OSHA, DOT, other training</td>
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<tr>
<td>T1, T2</td>
<td>0 – 5</td>
<td>High school diploma</td>
<td>OSHA, DOT, other training</td>
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<tr>
<td>T3</td>
<td>5 – 8</td>
<td>High school diploma, BA/BS</td>
<td>OSHA, DOT, other training</td>
</tr>
<tr>
<td>T4, T5</td>
<td>8 – 10+</td>
<td>High school diploma, BA/BS</td>
<td>OSHA, DOT, other training</td>
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EXHIBIT G: ACCEPTANCE LETTER

Company Name: ___________________________
Address: ___________________________
Telephone: ___________________________
Fax: ___________________________
Subject: Solicitation for RFP-18-001

By my signature below, I, on behalf of the Company named above, acknowledge that I have read and understand the subject solicitation and all its attachments. I further acknowledge that, by submission of a submittal, proposal, quotation, or bid in response to the subject solicitation, the Company named above accepts all the terms and conditions, and meets the minimum requirements set forth in the subject solicitation and its attachments, including, but not limited to, the Sample Agreement or the Purchase Order Standard Terms and Conditions.

ACCEPTED:

___________________________________________
Signature

___________________________________________
Name (please print)

___________________________________________
Title

___________________________________________
Date
The Water Research Foundation (WRF or Foundation), formerly the American Water Works Association Research Foundation (AwwaRF), sponsors research for all aspects of the drinking water industry, including water resources, supply, quality, and distribution. Much of this research has had direct applicability to WRD’s projects and programs as discussed in greater detail below. Membership affords WRD and local purveyors access to and participation in state-of-the-art research developments in the water industry and also maximizes leverage of pooling resources for mutually beneficial projects and investigations. As a member, WRD is also able to submit proposals for new research ideas for consideration by the Foundation.

In recent years, the Foundation has conducted or sponsored research of particular relevance to WRD and our purveyors, including:

- Soil aquifer treatment (SAT) of recycled water used for groundwater recharge;
- Emerging contaminants, including pharmaceuticals, endocrine disruptors, and personal care products – occurrence, toxicological impacts, analytical methods, and methods of treatment and control;
- Climate change and impacts to water supply and water quality;
- Carbon sequestration in geologic structures; t – arsenic, chromium, and perchlorate;
- Desalination;
- Iron and manganese treatment;
- Evaluation of membrane technologies;
- Disinfection byproducts (DBPs);
• Distribution system water quality;
• Enhanced communication on drinking water issues;
• Integrated planning including planning between agencies, integrating operations, and water and electricity integration;
• Best practices in resiliency planning;
• New developments in stormwater management; and
• Infrastructure condition assessments and effective asset management.

The Foundation has also recently expressed interest in joining with WRD and the City of Lakewood on new research efforts aimed at improving municipal well filter pack design. The project, once finalized, will evaluate the use of glass beads as an artificial filter pack to improve well capacities and decrease rehabilitation costs. The proposed project would include a comprehensive literature review in conjunction with side-by-side comparisons of a newly constructed well using glass beads and nearby traditional wells in the same aquifer.

Being a member of the Foundation also allows an opportunity to sit on prestigious Project Advisory Committee (PAC) panels, which provide technical review and guidance on the Foundation’s research projects. WRD staff has previously sat on PAC panels related to Groundwater Recharge Facilities, Carbon Sequestration, and Vadose Zone Recharge Wells. Sitting on the PAC panel affords the opportunity to guide the research projects to areas directly related to WRD’s activities.

Research is funded through subscriber membership fees, which are typically based on the annual amount of water delivered or served to customers. WRD has been a continuous subscriber since 1992. Other subscribers from the local area include the Central and West Basin Municipal Water Districts, Golden State Water Company, the Los Angeles Department of Water and Power, Long Beach Water Department, and the Metropolitan Water District of Southern California.

FISCAL IMPACT

For the subscription period of October 2017 to September 2018, the membership fee is $57,459. This amount has been included in the current year’s budget under Project 006.

STAFF RECOMMENDATION

The Water Resources Committee recommends the Board of Directors authorize the General Manager to renew membership with the Water Research Foundation for an amount not to exceed $57,459 for the period of October 2017 to September 2018.
MEMORANDUM
ITEM NO. 8

DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: DIRECT POTABLE REUSE INITIATIVE PLEDGE REQUEST

SUMMARY

Water Research Foundation (WRF), in partnership with WateReuse California, launched the Direct Potable Reuse (DPR) Initiative in 2012 to advance DPR as a water supply option in California. The California legislature mandated the investigation of the feasibility of developing water recycling criteria for DPR. Based on $6 million of support from utilities, consulting firms, and manufacturers, over $24 million of research was conducted under the initiative. In 2012 WRD contributed $110,000 to help meet the $6 million goal.

Under the initiative, 34 DPR research projects were funded that addressed regulatory, utility, and community topics. The research results are available online. Documents published under the initiative included the following:

• The Framework for Direct Potable Reuse (2015) provides a comprehensive overview of the key elements that make up a DPR program and serves as a key resource on the topic of potable reuse.

• The Potable Reuse Research Compilation: Synthesis of Findings (Reuse-15-01, 2016) summarizes and synthesizes research results from the 34 DPR Research Initiative projects into a cohesive document.

The outcomes of the 2012 effort have been well received by California regulatory agencies and municipalities and all parties have agreed more work needs to be completed. Currently, the Water Research Foundation (WRF) will build on the 2012-2016 Direct Potable Reuse (DPR) Research Initiative, which produced research that addressed major knowledge gaps. A number of potable reuse research needs remain that address regulatory, scientific, and technical questions for indirect potable reuse (IPR) and DPR. The proposed initiative will address questions in states across the U.S.
that are developing potable reuse regulations and/or implementing projects. The initiative will address the research identified by the California SWRCB Expert Panel and other sources as needed for the development of DPR regulations.

As a pioneer in water reuse, WRD is being asked to pledge the same amount as the previous pledge of $110,000 over one year for the research effort, which is comparable to pledges made by other leading water recycling agencies. Success in Direct Potable Reuse can lead to the shared use of potable infrastructures (i.e. conveyance pipelines) by advance-treated water; this can open up limitless opportunities for groundwater resources management, greatly benefiting WRD and the purveyors. Based on WRD’s progressive vision, staff recommends a funding level of $110,000.

**FISCAL IMPACT**

Funds for this purpose will come from the General Fund.

**STAFF RECOMMENDATION**

The Water Resources Committee recommends the Board of Directors authorize a pledge of $110,000 to Water Research Foundation in the amount not to exceed $110,000.
DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: APPROVE AND EXECUTE A COOPERATIVE AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION (USBR) FOR THE 2017 WATERSMART: TITLE XVI GRANT PROGRAM FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM

SUMMARY

The United States Bureau of Reclamation (USBR) awarded the District $4.3 million in Title XVI grant funding under the Water Infrastructure Improvements for the Nation Act (WIIN Act) for the Groundwater Reliability Improvement Program (GRIP) Recycled Water Project. The USBR had $10 million in total funding to award and GRIP was one of the highest ranking projects.

The Title XVI grant program required eligible projects to have a Bureau approved feasibility study. The GRIP feasibility study was formally approved in January 2013. Furthermore, grant program criteria included projects that are likely to provide a more reliable water supply for States and local governments, projects that are likely to increase the water management flexibility and reduce impacts on environmental resources, and projects that are regional in nature, have multiple stakeholders, and provide multiple benefits. The application for funding for GRIP was one of the three highest ranking projects, and was recommended for funding in a letter sent to Congress in November 2017.

The USBR will provide up to 25% of the total project costs for construction that will be conducted prior to September 30, 2019. Grant recipients are responsible for 75% of the total project costs. The GRIP was awarded a Proposition 1 (Prop 1) State Revolving Fund Water Recycling Funding Program low-interest loan in the amount of $80 million. Hence, the District's cost-share will be matched by the Prop 1 low-interest loan funding.
A cooperative agreement between the District and the USBR is required in order to formalize the award.

**FISCAL IMPACT**

The District will receive a $4,337,500 (less a 2% USBR administrative fee for a total of $4,272,000) grant from the USBR, the District’s cost-share will be the remainder of the project that is financed through Prop 1 State Revolving Fund.

**STAFF RECOMMENDATION**

The Capital Improvement Projects (CIP) Committee recommends the Board of Directors approve and authorize execution of the Cost-Share Agreement with the USBR for the Title XVI funding for GRIP, subject to approval as to form by District Counsel.
**UNITED STATES DEPARTMENT OF THE INTERIOR**  
**BUREAU OF RECLAMATION**  
**ASSISTANCE AGREEMENT**

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<tr>
<td>Bureau of Reclamation</td>
<td>Water Replenishment District of Southern California</td>
</tr>
<tr>
<td>Lower Colorado Region</td>
<td>4040 Paramount Blvd. Lakewood, CA. 90712-4127</td>
</tr>
<tr>
<td>P.O. Box 61470</td>
<td></td>
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<tr>
<td>Boulder City, NV 89006-1470</td>
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<th>6. GRANTS MANAGEMENT SPECIALIST</th>
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<tbody>
<tr>
<td>Katherine Calagua (LC-10102)</td>
<td>Esther Valle Rojas</td>
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<tr>
<td>Bureau of Reclamation</td>
<td>Water Replenishment District of Southern California</td>
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<tr>
<td>P.O. Box 61470</td>
<td>4040 Paramount Blvd. Lakewood, CA. 90712-4127</td>
</tr>
<tr>
<td>Boulder City, Nevada 89006-1470</td>
<td></td>
</tr>
<tr>
<td>Phone: 702-293-8526; E-Mail: <a href="mailto:kcalagua@usbr.gov">kcalagua@usbr.gov</a></td>
<td>Phone: 562-275-4259; E-Mail: <a href="mailto:erojas@wrd.org">erojas@wrd.org</a></td>
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<th>9A. INITIAL AGREEMENT EFFECTIVE DATE:</th>
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<tr>
<td>Dennis Wolfe (SCAO-2000)</td>
<td>See Block 17a</td>
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<tr>
<td>Bureau of Reclamation</td>
<td></td>
</tr>
<tr>
<td>27708 Jefferson Avenue, Suite 202</td>
<td></td>
</tr>
<tr>
<td>Temecula, CA 92590</td>
<td></td>
</tr>
<tr>
<td>Phone: 951-695-5310; E-Mail: <a href="mailto:dwolfe@usbr.gov">dwolfe@usbr.gov</a></td>
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<tr>
<th>15. PROJECT TITLE</th>
<th>16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient</th>
<th>17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation</th>
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<td>Groundwater Reliability Improvement Program (GRIP) Recycled Water Project</td>
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<td>16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER</td>
<td>17b. NAME OF GRANTS OFFICER</td>
<td></td>
</tr>
<tr>
<td>Robb Whitaker General Manager 562-921-5521</td>
<td>Diana Blake Gants Officer 702-293-8550</td>
<td></td>
</tr>
</tbody>
</table>

| □ Additional signatures are attached | |
**TABLE OF CONTENTS**

Groundwater Reliability Improvement Program (GRIP) Recycled Water Project ........................................ 4

I. OVERVIEW AND SCHEDULE ........................................................................................................... 4
   1. AUTHORITY ............................................................................................................................. 4
   2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION ............................................................... 4
   3. BACKGROUND AND OBJECTIVES .......................................................................................... 6
   4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY ..................................................... 6
   5. SCOPE OF WORK AND MILESTONES .................................................................................... 7
   6. RESPONSIBILITY OF THE PARTIES ..................................................................................... 8
   7. BUDGET .................................................................................................................................... 9
   8. KEY PERSONNEL ................................................................................................................... 12
   9. REPORTING REQUIREMENTS AND DISTRIBUTION ............................................................. 14
  10. REGULATORY COMPLIANCE .................................................................................................. 17

II. RECLAMATION STANDARD TERMS AND CONDITIONS .......................................................... 18
   1. REGULATIONS......................................................................................................................... 18
   2. PAYMENT ............................................................................................................................... 18
   3. PROCUREMENT STANDARDS (2 CFR §200.317 through §200.326) ................................. 23
   4. EQUIPMENT (2 CFR §200.313) ............................................................................................ 32
   5. SUPPLIES (2 CFR §200.314) ............................................................................................... 35
   6. INSPECTION ........................................................................................................................... 35
   7. AUDIT REQUIREMENTS (2 CFR Subpart F §200.501) ......................................................... 35
   8. REMEDIES FOR NONCOMPLIANCE (2 CFR §200.338) ..................................................... 37
   9. TERMINATION (2 CFR §200.339) .......................................................................................... 37
  10. DEBARMENT AND SUSPENSION (2 CFR §1400) ................................................................. 38
  11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401) ............................................................. 38
  12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE ......................... 38
  13. COVENANT AGAINST CONTINGENT FEES ...................................................................... 39
  14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15) ......................... 39
  15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18) .......................................................... 41
  16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 (URA) (42 USC § 4601 et seq.) ......................................................... 42
  17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A) ................................................................. 43
  18. PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING .................................................. 44
  19. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (2 CFR 170 APPENDIX A) .................................................................................................................................................. 44
  20. RECIPIENT EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013) ................................................. 47
  21. RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (APPENDIX XII to 2 CFR Part 200) ........................................................................................................................................ 48
Cooperative Agreement

Between

Bureau of Reclamation

And

Water Replenishment District of Southern California

For

Groundwater Reliability Improvement Program (GRIP) Recycled Water Project

I. OVERVIEW AND SCHEDULE

1. AUTHORITY

This Cooperative Agreement (Agreement) is entered into between the United States of America, acting through the Department of the Interior, Bureau of Reclamation, hereinafter referred to as “Reclamation,” and the Water Replenishment District of Southern California, hereinafter referred to as the “Recipient”, “Grantee,”, or “District”, pursuant to Title XVI of P.L. 102-575, as amended by Section 4009(c) of P.L. 114-322. The following section, provided in full text, authorizes Reclamation to award this financial assistance Agreement:

SEC. 4009. OTHER WATER SUPPLY PROJECTS.

(c) AUTHORIZATION OF NEW WATER RECYCLING AND REUSE PROJECTS—Section 1602 of the Reclamation Wastewater and Groundwater Study and Facilities Act (title XVI of Public Law 102-575; U.S.C. 390h et.seq.) is amended by adding at the end the following new subsections:

“(e) AUTHORIZATION OF NEW WATER RECYCLING AND REUSE PROJECTS.—

“(1) SUBMISSION TO THE SECRETARY.—

“(A) IN GENERAL.—Non-Federal interests may submit proposals for projects eligible to be authorized pursuant to this section in the form of completed feasibility studies to the Secretary.

“(B) ELIGIBLE PROJECTS.—A project shall be considered eligible for consideration under this section if the project reclaims and reuses—

“(i) municipal, industrial, domestic, or agricultural wastewater; or

“(ii) impaired ground or surface waters.

“(C) GUIDELINES.—Within 60 days of the enactment of this Act the Secretary shall issue guidelines for feasibility studies for water recycling and reuse projects to provide sufficient information for the formulation of the studies.

“(2) REVIEW BY THE SECRETARY.—The Secretary shall review each feasibility study received under paragraph (1)(A) for the purpose of—

“(A) determining whether the study, and the process under which the study was developed, each comply with Federal laws and regulations applicable to feasibility studies of water recycling and reuse projects; and

“(B) the project is technically and financially feasible and provides a Federal benefit in accordance with the reclamation laws.
“(3) SUBMISSION TO CONGRESS.—Not later than 180 days after the date of receipt of a feasibility study received under paragraph (1)(A), the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report that describes—

“(A) the results of the Secretary’s review of the study under paragraph (2), including a determination of whether the project is feasible;

“(B) any recommendations the Secretary may have concerning the plan or design of the project; and

“(C) any conditions the Secretary may require for construction of the project.

“(4) ELIGIBILITY FOR FUNDING.—The non-Federal project sponsor of any project determined by the Secretary to be feasible under paragraph (3)(A) shall be eligible to apply to the Secretary for funding for the Federal share of the costs of planning, designing and constructing the project pursuant to subsection (f).

“(f) COMPETITIVE GRANT PROGRAM FOR THE FUNDING OF WATER RECYCLING AND REUSE PROJECTS.—

“(1) ESTABLISHMENT.—The Secretary shall establish a competitive grant program under which the non-Federal project sponsor of any project determined by the Secretary to be feasible under subsection (e)(3)(A) shall be eligible to apply for funding for the planning, designing, and constructing the project pursuant to subsection (g)(2).

“(2) PRIORITY.—When funding projects under paragraph (1), the Secretary shall give funding priority to projects that meet one or more of the criteria listed in paragraph (3) and are located in an area that—

“(A) has been identified by the United States Drought Monitor as experiencing severe, extreme, or exceptional drought at any time in the 4-year period before such funds are made available; or

“(B) was designated as a disaster area by a State during the 4-year period before such funds are made available.

“(3) CRITERIA.—The project criteria referred to in paragraph (2) are the following:

“(A) Projects that are likely to provide a more reliable water supply for States and local governments.

“(B) Projects that are likely to increase the water management flexibility and reduce impacts on environmental resources from projects operated by Federal and State agencies.

“(C) Projects that are regional in nature.

“(D) Projects with multiple stakeholders.

“(E) Projects that provide multiple benefits, including water supply reliability, ecosystem benefits, groundwater management and enhancements, and water quality improvements.

“(g) AUTHORIZATION OF APPROPRIATIONS.—

“(1) There is authorized to be appropriated to the Secretary of the Interior an additional $50,000,000 to remain available until expended.

“(2) Projects can only receive funding if enacted appropriations legislation designates funding to them by name, after the Secretary recommends specific projects for funding pursuant to subsection (f) and transmits such recommendations to the appropriate committees of Congress.”.

The feasibility study for the Groundwater Reliability Improvement Program (GRIP) was formally approved on January 30, 2013. The GRIP was included on the list of eligible Title XVI
projects transmitted to Congress on July 12, 2017. The application for funding for the GRIP submitted by the District in response to Funding Opportunity Announcement No. BOR-DO-17-F028 received one of the highest scores, and was recommended for funding in a letter sent to Congress in November, 2017. Title II of Division D, P.L. 115-141, Consolidated Appropriations Act, 2018, includes a Congressional directive to provide funds to the GRIP, as recommended.

2. PUBLIC PURPOSE OF SUPPORT OR STIMULATION

Section 4009(c) of P.L 114-322 amended Title XVI of P.L. 102-575 to specifically authorize the Secretary of the Interior to provide funds for the design, planning, and construction of water recycling and reuse projects which have a feasibility study which meets the requirements of the Title XVI program, as defined in Directives and Standards WTR 11-01. Funding is provided in accordance with the requirements of Section 4009(c), which requires the successful application under a competitive process and subsequent specific designation by Congress in an appropriations legislation. These conditions have been met. The District will use the funds provided by this Agreement to construct the facilities necessary to implement the GRIP, which will treat recycled water to advanced levels so that it can be recharged into the Central Basin groundwater using existing spreading grounds and new recharge wells. The project will create a new local water supply which will eliminate the need to import 21,000 acre-feet of water per year (AFY) from the Colorado River and/or the Bay-Delta.

3. BACKGROUND AND OBJECTIVES

The District manages two groundwater basins in Los Angeles County, including the Central Basin, to ensure that a reliable supply of high-quality groundwater is available to local water users. The District is responsible for replenishing the groundwater, and currently uses 21,000 AFY of imported water to replenish the Central Basin. The reliability of the imported supply sources is uncertain, and the cost of imported water is expected to increase substantially. The District is implementing the GRIP in order to provide a local water supply to replace the 21,000 AFY of water which would otherwise be imported from the Colorado River and/or the Bay-Delta in northern California by the Metropolitan Water District of Southern California. Facilities to be constructed include: a flow equalization and pumping facility, an advanced water treatment facility, three supplemental recharge wells, three monitoring wells, piping, two connections to the existing recycled water outfall pipeline, and a brine line.

4. PERIOD OF PERFORMANCE AND FUNDS AVAILABILITY

This Agreement becomes effective on the date shown in Block 17a of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The Agreement shall remain in effect until the date shown in Block 10 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. The period of performance for this Agreement may only be modified through written modification of the Agreement by a Reclamation Grants Officer (GO).

No legal liability on the part of the Government for any payment may arise until funds are made available, in writing, to the Recipient by the Grants Officer. The total estimated amount of
federal funding for this Agreement is $20,000,000.00, of which the initial amount of federal funds available is limited to $4,272,000.00, as indicated by “this obligation” within Block 12 of Form 7-2279, United States of America, Department of the Interior, Bureau of Reclamation, Assistance Agreement. Subject to the availability of Congressional appropriations, subsequent funds will be made available for allocation through a competitive process. If successful, the funds will be provided through written modifications to this Agreement by a Reclamation Grants Officer.

It is recognized and agreed that all costs incurred by Reclamation related to the development and administration of this Agreement are considered part of the total costs of the Project, and therefore the Recipient agrees to provide 75 percent of these costs in accordance with the authorization. These costs include, but are not limited to, salary, overhead, travel, and other costs directly or indirectly related to the Agreement, as determined by Reclamation. Following the completion of each quarter of the fiscal year, Reclamation shall provide the Recipient with a statement of Reclamation’s costs for the previous quarter. The Recipient may request explanations or a review of the costs included in the statement; however, Reclamation’s determination as to the validity of the costs is final. The Recipient’s 75 percent share of Reclamation’s costs will be deducted from payments processed by Reclamation under this Agreement.

5. SCOPe OF WORK AND MILESTONES

This Agreement covers the activities necessary to construct the GRIP which will deliver 21,000 AFY of advanced and tertiary treated recycled water to the existing groundwater recharge basins in the Montebello Forebay.

The GRIP includes the construction of the following facilities:

- A flow equalization and pumping facility located at the advanced water treatment facility (AWTF) site.
- An AWTF consisting of microfiltration, reverse osmosis (RO), and disinfection (ultraviolet light and hydrogen peroxide) treatment processes, which will be located in a 45,000 square foot process building with a second story observation mezzanine.
- A diversion structure on an existing pipeline which conveys tertiary treated water from the San Jose Creek Water Reclamation Plant. This will allow delivery of the tertiary water to the AWTF.
- An additional diversion structure will transfer the advanced treated water back to the same pipeline to allow the blended recycled water to be delivered to the existing Montebello Forebay Spreading Grounds.
- Three supplemental recharge injection wells located near the AWTF that can operate when the capacity of the spreading grounds is limited.
- Three groundwater monitoring wells located near the AWTF.
- An Operations and Learning Center building designed to be an outreach and meeting facility and will serve as a location for administrative offices.
• A pipeline to deliver the RO concentrate from the AWTF to the existing sewer line located on Beverly Boulevard.
• All associated pipelines, operation facilities, and landscaping.

The project schedule is shown below.

<table>
<thead>
<tr>
<th>Milestone / Task / Activity</th>
<th>Planned Start Date</th>
<th>Planned Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Award Construction Management consultant contract</td>
<td>May 2015</td>
<td>December 2018</td>
</tr>
<tr>
<td>2. Award Design-Build Construction contract</td>
<td>June 2016</td>
<td>May 2017</td>
</tr>
<tr>
<td>3. Construction Activities</td>
<td>August 12, 2016</td>
<td>December 31, 2018</td>
</tr>
<tr>
<td>4. Allowable cost period begins</td>
<td>July 12, 2017</td>
<td></td>
</tr>
<tr>
<td>5. Completion of performance testing</td>
<td>December 2018</td>
<td>March 2019</td>
</tr>
<tr>
<td>6. Administrative closeout complete</td>
<td></td>
<td>September 2019</td>
</tr>
</tbody>
</table>

6. RESPONSIBILITY OF THE PARTIES

6.1 Recipient Responsibilities

6.1.1 The Recipient shall carry out the Scope of Work (SOW) in accordance with the terms and conditions stated herein. The Recipient shall adhere to Federal, state, and local laws, regulations, and codes, as applicable, and shall obtain all required approvals and permits. If the SOW contains construction activities, the Recipient is responsible for construction inspection, oversight, and acceptance. If applicable, the Recipient shall also coordinate and obtain approvals from site owners and operators.

6.1.2 The Recipient shall provide copies of all business systems policies and work with Reclamation staff to complete a full Business Systems Review prior to the completion of this agreement.

6.2 Reclamation Responsibilities

6.2.1 Reclamation will monitor and provide Federal oversight of activities performed under this Agreement. Monitoring and oversight includes review and approval of financial status and performance reports, payment requests, and any other deliverables identified as part of the SOW. Additional monitoring activities may include site visits, conference calls, and other on-site and off-site monitoring activities. At the Recipient’s request, Reclamation may also provide technical assistance to the Recipient in support of the SOW and objectives of this Agreement.

6.2.2 Substantial involvement by Reclamation is anticipated during the performance of activities funded under this cooperative Agreement. In support of this Agreement, Reclamation will be responsible for the following:
(a) Provide financial contribution not to exceed the available funding in accordance with Section I.4 (Period of Performance and Funds Availability), or 25 percent of the total project costs for the activities identified in the Scope of Work of this Agreement, whichever is less.

(b) Shall work with the Recipient as necessary to ensure that the Recipient adheres to the specified work plan and meets specified project goals as set forth in this Agreement.

(c) Shall not continue to advance funds nor award subsequent cooperative Agreements to the Recipient for work on the project unless the Recipient is in full compliance with the requirements of the work plan and project goals that are included in this Agreement and has obtained Reclamation concurrence for any deviations therefrom.

(d) Shall provide scientific or administrative advice on the development of the project. Such advice will take into consideration factors such as: (1) the scientific complexities of the project; (2) the Recipient’s progress in meeting project goals; and (3) the Recipient’s ability to meet the proposed time schedule.

7. BUDGET

7.1 Budget Estimate. The following is the estimated budget for this Agreement. As Federal financial assistance Agreements are cost-reimbursable, the budget provided is for estimation purposes only.

Final costs incurred under the budget categories listed may be either higher or lower than the estimated costs. All costs incurred by the Recipient under this Agreement must be in accordance with any pre-award clarifications conducted between the Recipient and Reclamation, as well as with the terms and conditions of this Agreement. Final determination of the allowability, allocability, or reasonableness of costs incurred under this Agreement is the responsibility of the Grants Officer. Recipients are encouraged to direct any questions regarding allowability, allocability or reasonableness of costs to the Grants Officer for review prior to incurrence of the costs in question.
### BUDGET ITEM DESCRIPTION

<table>
<thead>
<tr>
<th>Budget Item Description</th>
<th>Computation</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALARIES AND WAGES</strong></td>
<td>N/A</td>
<td>Subtotal $-</td>
</tr>
<tr>
<td><strong>FRINGE BENEFITS</strong> - See proposal in official file for detailed calculations</td>
<td>N/A</td>
<td>Subtotal $-</td>
</tr>
<tr>
<td><strong>EQUIPMENT</strong> - Leased Equipment use rate + hourly wage/salary x est. hours for assisted</td>
<td>N/A</td>
<td>Subtotal $-</td>
</tr>
<tr>
<td><strong>SUPPLIES/MATERIALS</strong> - Describe all major types of supplies/materials, unit price, # of units, etc., to be</td>
<td>N/A</td>
<td>Subtotal $-</td>
</tr>
<tr>
<td><strong>CONTRACTUAL/CONSTRUCTION</strong> - Explain any contracts or sub-Agreements that will be awarded, why needed. Explain contractor qualifications and how the contractor will be selected.</td>
<td>J.F. Shea Construction, Inc. Design-Build, Fixed-Price Contract</td>
<td>LS $77,026,100</td>
</tr>
<tr>
<td>GHD contract</td>
<td>LS $2,973,900</td>
<td></td>
</tr>
<tr>
<td><strong>OTHER</strong> - List any other cost elements necessary for your project; such as extra reporting, or contingencies in</td>
<td>N/A</td>
<td>Subtotal $-</td>
</tr>
<tr>
<td><strong>TOTAL DIRECT COSTS:</strong></td>
<td></td>
<td>$80,000,000</td>
</tr>
<tr>
<td><strong>INDIRECT COSTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td>0.00% percent</td>
<td>$-</td>
</tr>
<tr>
<td><strong>TOTAL ESTIMATED PROJECT/ACTIVITY COSTS:</strong></td>
<td></td>
<td>$80,000,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>% Total Project Cost</th>
<th>Total Cost by Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient Funding</td>
<td>86%</td>
<td>$68,478,000</td>
</tr>
<tr>
<td>Other Non-Federal Funding</td>
<td>9%</td>
<td>$7,250,000</td>
</tr>
<tr>
<td>Reclamation Funding</td>
<td>5%</td>
<td>$4,272,000</td>
</tr>
<tr>
<td>Other Federal Funding</td>
<td>0%</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>100%</strong></td>
<td><strong>$80,000,000</strong></td>
</tr>
</tbody>
</table>

### 7.2 Cost Sharing Requirement

At least 75% non-Federal cost-share is required for costs incurred under this Agreement. If pre-award costs are authorized, reimbursement of these costs is limited to federal cost share percentage identified in this Agreement.

The Federal share of allowable costs shall not be expended in advance of the Recipient's non-Federal share. It is expected that expenditure of Federal and non-Federal funds based upon the cost share percentage above shall occur concurrently. If a bona fide need arises which requires the expenditure of Federal funds in advance of the Recipient share, then the Recipient must
request written approval from the Grants Officer prior to the expenditure. Recipient's may expend their agreed upon share of costs in advance of the expenditure of Federal funds without prior written approval.

7.3 Pre-Award Incurrence of Costs

The Recipient shall be entitled to reimbursement for costs incurred on or after July 12, 2017, which if had been incurred after this Agreement was entered into, would have been allowable, allocable, and reasonable under the terms and conditions of this Agreement. Such costs are only eligible for reimbursement or consideration for inclusion within the recipient’s required share if they are deemed allocable, allowable, and reasonable to the finalized negotiated budget.

7.4 Allowable Costs (2 CFR Subpart E §200.400 through §200.475)

Costs incurred for the performance of this Agreement must be allowable, allocable to the project, and reasonable. The following regulations, codified within the Code of Federal Regulations (CFR), govern the allowability of costs for Federal financial assistance:

2 CFR Subpart E, “Cost Principles”

Expenditures for the performance of this Agreement must conform to the requirements within this CFR. The Recipient must maintain sufficient documentation to support these expenditures. Questions on the allowability of costs should be directed to the GO responsible for this Agreement.

The Recipient shall not incur costs or obligate funds for any purpose pertaining to operation of the program or activities beyond the expiration date stated in the Agreement. The only costs which are authorized for a period of up to 90 days following the project performance period are those strictly associated with closeout activities for preparation of the final reports.

7.5 Revision of Budget and Program Plans (2 CFR §200.308)

In accordance with 2 CFR §200.308(c)-(e) the recipient must request prior written approval for any of the following changes:

a) A change in the approved scope of work or associated tasks, even if there is no associated budget revisions.
b) Change in key personnel specified in section 8 “Key Personnel” of this agreement.
c) Changes in the approved cost-sharing or matching outlined within this agreement in section 7.2 “Cost Share Requirement”
d) Inclusion of pre-award costs or reimbursement for pre-award costs which are not included in the initially approved budget and included in section 7.3 “Pre-Award Incurrence of Costs” of this agreement.
e) Extensions to the Completion Date outlined in block 10 of the coversheet (form 7-2279) of this agreement.
f) The transfer of funds between direct cost categories, functions, and activities for which the expected transfer amount is to exceed 10 percent of the total approved budget.

7.6 Modifications

Any changes to this Agreement shall be made by means of a written modification. Reclamation may make changes to the Agreement by means of a unilateral modification to address administrative matters, such as changes in address, no-cost time extensions, changes to Reclamation Key Personnel, or the addition of previously agreed upon funding. Additionally, a unilateral modification may be utilized by Reclamation if it should become necessary to suspend or terminate the Agreement in accordance with 2 CFR §200.338.

All other changes shall be made by means of a bilateral modification to the Agreement. No oral statement made by any person, or written statement by any person other than the GO, shall be allowed in any manner or degree to modify or otherwise effect the terms of the Agreement.

All requests for modification of the Agreement shall be made in writing, provide a full description of the reason for the request, and be sent to the attention of the GO. Any request for project extension shall be made at least 45 days prior to the expiration date of the Agreement or the expiration date of any extension period that may have been previously granted. Any determination to extend the period of performance or to provide follow-on funding for continuation of a project is solely at the discretion of Reclamation.

8. KEY PERSONNEL

8.1 Recipient’s Key Personnel

The Recipient’s Project Manager for this Agreement shall be:

Esther Valle Rojas  
Water Replenishment District of Southern California  
4040 Paramount Blvd.  
Lakewood, CA. 90712  
Phone: 562-275-4259; E-Mail: erojas@wrd.org

8.2 Reclamation’s Key Personnel

8.2.1 Grants Officer (GO):

Diana Blake  
Bureau of Reclamation  
P.O. Box 61470  
Boulder City, Nevada 89006-1470  
Phone: 702-293-8550; E-Mail: dmblake@usbr.gov
(a) The GO is the only official with legal delegated authority to represent Reclamation. The GO’s responsibilities include, but are not limited to, the following:

(1) Formally obligate Reclamation to expend funds or change the funding level of the Agreement;

(2) Approve through formal modification changes in the scope of work and/or budget;

(3) Approve through formal modification any increase or decrease in the period of performance of the Agreement;

(4) Approve through formal modification changes in any of the expressed terms, conditions, or specifications of the Agreement;

(5) Be responsible for the overall administration, management, and other non-programmatic aspects of the Agreement including, but not limited to, interpretation of financial assistance statutes, regulations, circulars, policies, and terms of the Agreement;

(6) Where applicable, ensures that Reclamation complies with the administrative requirements required by statutes, regulations, circulars, policies, and terms of the Agreement.

8.2.2 Grants Officer Technical Representative (GOTR):

Dennis Wolfe
Bureau of Reclamation
27708 Jefferson Avenue, Suite 202
Temecula, CA 92590
Phone: 951-695-5310; E-Mail: dwolfe@usbr.gov

(a) The GOTR’s authority is limited to technical and programmatic aspects of the Agreement. The GOTR’s responsibilities include, but are not limited to, the following:

(1) Assist the Recipient, as necessary, in interpreting and carrying out the scope of work in the Agreement;

(2) Review, and where required, approve Recipient reports and submittals as required by the Agreement;

(3) Where applicable, monitor the Recipient to ensure compliance with the technical requirements of the Agreement;

(4) Where applicable, ensure that Reclamation complies with the technical requirements of the Agreement;

(b) The GOTR does not have the authority to and may not issue any technical assistance which:
(1) Constitutes an assignment of additional work outside the scope of work of the Agreement;

(2) In any manner causes an increase or decrease in the total estimated cost or the time required for performance; or

(3) Changes any of the expressed terms, conditions, or specifications of the Agreement.

8.2.3 Grants Management Specialist. The Grants Management Specialist is the primary administrative point of contact for this agreement and should be contacted regarding issues related to the day-to-day management of the agreement. Requests for approval regarding the terms and conditions of the agreement, including but not limited to modifications and prior approval, may only be granted, in writing, by a Reclamation Grants Officer. Please note that for some agreements, the Grants Officer and the Grants Management Specialist may be the same individual.

Katherine Calagua
Bureau of Reclamation
P.O. Box 61470
Boulder City, Nevada 89006-1470
Phone: 702-293-8526; E-Mail: kcalagua@usbr.gov

9. REPORTING REQUIREMENTS AND DISTRIBUTION

9.1 Noncompliance. Failure to comply with the reporting requirements contained in this Agreement may be considered a material noncompliance with the terms and conditions of the award. Noncompliance may result in withholding of payments pending receipt of required reports, denying both the use of funds and matching credit for all or part of the cost of the activity or action not in compliance, whole or partial suspension or termination of the Agreement, recovery of funds paid under the Agreement, withholding of future awards, or other legal remedies in accordance with 2 CFR §200.338.

9.2 Financial Reports. Financial Status Reports shall be submitted by means of the SF-425 and shall be submitted according to the Report Frequency and Distribution schedule below. All financial reports shall be signed by an Authorized Certifying Official for the Recipient’s organization.

9.3 Monitoring and reporting program performance (2 CFR §200.328)

(a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also §200.331 Requirements for pass-through entities.
(b) Non-construction performance reports. The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).

(1) The non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes.

Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

(2) The non-Federal entity must submit performance reports using OMB-approved governmentwide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

(i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.

(ii) The reasons why established goals were not met, if appropriate.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(c) Construction performance reports. For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and subawards for construction. The Federal awarding agency may require additional performance reports only when considered necessary.
(d) Significant developments. Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

Reclamation requires Performance reporting for all financial assistance awards, both Construction and non-Construction. Performance reports for Construction agreements shall meet the same minimum requirements outlined in 2 CFR §200.328(b)(2) above.

9.4 Report Frequency and Distribution. The following table sets forth the reporting requirements for this Agreement. Please note the first report due date listed for each type of report.

<table>
<thead>
<tr>
<th>Required Reports</th>
<th>Interim Reports</th>
<th>Final Report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance Report</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Format</td>
<td>No specific format required. See content requirements within Section 9.3 (2 CFR §200.328) above.</td>
<td>Summary of activities completed during the entire period of performance is required. See content requirements within Section 9.3 (2 CFR §200.328) above.</td>
</tr>
<tr>
<td>Reporting Frequency</td>
<td>Quarterly</td>
<td>Final Report due upon completion of Agreement’s period of performance</td>
</tr>
<tr>
<td>Reporting Period</td>
<td><strong>For Quarterly Reporting:</strong> Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.</td>
<td>Entire period of performance</td>
</tr>
<tr>
<td>Due Date*</td>
<td><strong>Quarterly Reporting:</strong> Within 30 days after the end of the Reporting Period.</td>
<td>Within 90 days after the completion date of the Agreement</td>
</tr>
<tr>
<td>First Report Due Date</td>
<td>The first performance report is due for reporting period ending September 30, 2018</td>
<td>N/A</td>
</tr>
<tr>
<td>Submit to:</td>
<td>Grants Officer</td>
<td><a href="mailto:LCFA@usbr.gov">LCFA@usbr.gov</a></td>
</tr>
</tbody>
</table>
**Federal Financial Report**

<table>
<thead>
<tr>
<th>Format</th>
<th>SF-425 (all sections must be completed)</th>
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<tr>
<td>Reporting Frequency</td>
<td>Quarterly</td>
<td>Final Report due upon completion of Agreement’s period of performance</td>
</tr>
<tr>
<td>Reporting Period</td>
<td><strong>For Quarterly Reporting:</strong> Federal fiscal quarters ending: December 31, March 31, June 30, and September 30.</td>
<td>Entire period of performance</td>
</tr>
<tr>
<td>Due Date*</td>
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</tr>
</tbody>
</table>

* If the completion date is prior to the end of the next reporting period, then no interim report is due for that period. Instead, the Recipient is required only to submit the final financial and performance reports, which will cover the entire period of performance including the last abbreviated reporting period.

**10. REGULATORY COMPLIANCE**

The Recipient agrees to comply or assist Reclamation with all regulatory compliance requirements and all applicable state, Federal, and local environmental and cultural and paleontological resource protection laws and regulations as applicable to this project. These may include, but are not limited to, the National Environmental Policy Act (NEPA), including the Council on Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected Tribes, and consultation with the State Historic Preservation Office.

Certain environmental and other associated compliance are Federal responsibilities, and will occur as appropriate. Reclamation will identify the need for and will complete any appropriate environmental compliance requirements, as identified above, pertinent to Reclamation pursuant to activities specific to this assisted activity. Environmental and other associated compliance shall be completed prior to the start of this project. As such, notwithstanding any other provision of this Agreement, Reclamation shall not provide any funds to the Recipient for Agreement purposes, and the Recipient shall not begin implementation of the assisted activity described in this Agreement, until Reclamation provides written notice to the Recipient that all applicable environmental and regulatory compliance analyses and clearances have been completed and that the Recipient may begin implementation of the assisted activity. If the Recipient begins project activities that require environmental and other regulatory compliance approval, such as construction activities, prior to receipt of written notice from Reclamation that all such clearances have been obtained, then Reclamation reserves the right to unilaterally terminate this agreement for cause.
II. RECLAMATION STANDARD TERMS AND CONDITIONS

1. REGULATIONS

The regulations at 2 CFR Subtitle A, Chapter II, Part 200 “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”, are hereby incorporated by reference as though set forth in full text. Failure of a Recipient to comply with any applicable regulation or circular may be the basis for withholding payments for proper charges made by the Recipient and/or for termination of support.

2. PAYMENT

2.1 Payment. (2 CFR §200.305)


(b) For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. See also §200.302 Financial management paragraph (b)(6). Except as noted elsewhere in this part, Federal agencies must require recipients to use only OMB-approved standard government wide information collection requests to request payment.

(1) The non-Federal entity must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The non-Federal entity must make timely payment to contractors in accordance with the contract provisions.
(2) Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the Federal awarding agency to the recipient.

   (i) Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer and must comply with applicable guidance in 31 CFR part 208.

   (ii) Non-Federal entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1693-1693r).

(3) Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the Federal awarding agency sets a specific condition per §200.207 Specific conditions, or when the non-Federal entity requests payment by reimbursement. This method may be used on any Federal award for construction, or if the major portion of the construction project is accomplished through private market financing or Federal loans, and the Federal award constitutes a minor portion of the project. When the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.

(4) If the non-Federal entity cannot meet the criteria for advance payments and the Federal awarding agency or pass-through entity has determined that reimbursement is not feasible because the non-Federal entity lacks sufficient working capital, the Federal awarding agency or pass-through entity may provide cash on a working capital advance basis. Under this procedure, the Federal awarding agency or pass-through entity must advance cash payments to the non-Federal entity to cover its estimated disbursement needs for an initial period generally geared to the non-Federal entity's disbursing cycle. Thereafter, the Federal awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements. Use of the working capital advance method of payment requires that the pass-through entity provide timely advance payments to any subrecipients in order to meet the subrecipient's actual cash disbursements. The working capital advance method of payment must not be used by the pass-through entity if the reason for using this method is the unwillingness or inability of the pass-through entity to provide timely advance payments to the subrecipient to meet the subrecipient's actual cash disbursements.

(5) Use of resources before requesting cash advance payments. To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.
(6) Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§200.207 Specific conditions, Subpart D—Post Federal Award Requirements of this part, 200.338 Remedies for Noncompliance, or one or more of the following applies:

(i) The non-Federal entity has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award.

(ii) The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A-129, “Policies for Federal Credit Programs and Non-Tax Receivables.” Under such conditions, the Federal awarding agency or pass-through entity may, upon reasonable notice, inform the non-Federal entity that payments must not be made for obligations incurred after a specified date until the conditions are corrected or the indebtedness to the Federal Government is liquidated.

(iii) A payment withheld for failure to comply with Federal award conditions, but without suspension of the Federal award, must be released to the non-Federal entity upon subsequent compliance. When a Federal award is suspended, payment adjustments will be made in accordance with §200.342 Effects of suspension and termination.

(iv) A payment must not be made to a non-Federal entity for amounts that are withheld by the non-Federal entity from payment to contractors to assure satisfactory completion of work. A payment must be made when the non-Federal entity actually disburses the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.

(7) Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards are as follows.

(i) The Federal awarding agency and pass-through entity must not require separate depository accounts for funds provided to a non-Federal entity or establish any eligibility requirements for depositories for funds provided to the non-Federal entity. However, the non-Federal entity must be able to account for the receipt, obligation and expenditure of funds.

(ii) Advance payments of Federal funds must be deposited and maintained in insured accounts whenever possible.
(8) The non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

(i) The non-Federal entity receives less than $120,000 in Federal awards per year.

(ii) The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per year on Federal cash balances.

(iii) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

(iv) A foreign government or banking system prohibits or precludes interest bearing accounts.

(9) Interest earned amounts up to $500 per year may be retained by the non-Federal entity for administrative expense. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. Remittances must include pertinent information of the payee and nature of payment in the memo area (often referred to as “addenda records” by Financial Institutions) as that will assist in the timely posting of interested earned on federal funds. Pertinent details include the Payee Account Number (PAN) if the payment originated from PMS, or Agency information if the payment originated from ASAP, NSF or another federal agency payment system. The remittance must be submitted as follows:

(i) For ACH Returns:
Routing Number: 051036706
Account number: 303000
Bank Name and Location: Credit Gateway—ACH Receiver St. Paul, MN

(ii) For Fedwire Returns*:
Routing Number: 021030004
Account number: 75010501
Bank Name and Location: Federal Reserve Bank Treas NYC/Funds Transfer Division New York, NY
(* Please note organization initiating payment is likely to incur a charge from your Financial Institution for this type of payment)
(iii) For International ACH Returns:
Beneficiary Account: Federal Reserve Bank of New York/ITS (FRBNY/ITS)
Bank: Citibank N.A. (New York)
Swift Code: CITIUS33
Account Number: 36838868
Bank Address: 388 Greenwich Street, New York, NY 10013 USA
Payment Details (Line 70): Agency 
Name (abbreviated when possible) and ALC Agency POC: Michelle Haney, (301) 492-5065

(iv) For recipients that do not have electronic remittance capability, please make check** payable to: “The Department of Health and Human Services.”
Mail Check to Treasury approved lockbox:
HHS Program Support Center, P.O. Box 530231, Atlanta, GA 30353-0231
(** Please allow 4-6 weeks for processing of a payment by check to be applied to the appropriate PMS account)

(v) Any additional information/instructions may be found on the PMS Web site at http://www.dpm.psc.gov/.

2.2 Payment Method

Recipients must utilize the Department of Treasury Automated Standard Application for Payments (ASAP) payment system to request advance or reimbursement payments. ASAP is a Recipient-initiated payment and information system designed to provide a single point of contact for the request and delivery of Federal funds. ASAP is the only allowable method for request and receipt of payment. Recipient procedures must minimize the time elapsing between the drawdown of Federal funds and the disbursement for agreement purposes.

Recipients must complete enrollment in ASAP for all active financial assistance agreements with Reclamation. ASAP enrollment is specific to each Agency and Bureau; meaning, if a Recipient organization has an existing ASAP account with another Federal agency or Department of the Interior bureau, but not with Reclamation, then the Recipient must initiate and complete enrollment in ASAP under Reclamation’s Agency Location Code (1425) through submission of an enrollment form found at www.usbr.gov/mso/aamd/asap.html. For information regarding ASAP enrollment, please visit www.usbr.gov/mso/aamd/asap.html, or contact the Reclamation ASAP Help Desk BOR_ASAP_Enroll@usbr.gov. Further information regarding ASAP may be obtained from the ASAP website at http://www.fms.treas.gov/asap.

In accordance with 2 CFR 25.200(b)(2) the Recipient shall “Maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by an agency”. If the Recipient allows their SAM registration to lapse, the Recipient’s accounts within ASAP will be automatically suspended by Reclamation until such time as the Recipient renews their SAM registration.
3. PROCUREMENT STANDARDS (2 CFR§200.317 through §200.326)

§200.317 Procurements by states.

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

§200.318 General procurement standards.

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)

(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.212 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)

(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

   (i) The actual cost of materials; and

   (ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

§200.319 Competition.

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
2. Requiring unnecessary experience and excessive bonding;
3. Noncompetitive pricing practices between firms or between affiliated companies;
4. Noncompetitive contracts to consultants that are on retainer contracts;
5. Organizational conflicts of interest;
6. Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
7. Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.


§200.320   Methods of procurement to be followed.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

   (i) A complete, adequate, and realistic specification or purchase description is available;

   (ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

   (iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

   (i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;

   (ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

   (iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

   (iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

   (v) Any or all bids may be rejected if there is a sound documented reason.
(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

1. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

2. Proposals must be solicited from an adequate number of qualified sources;

3. The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

5. The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source;

2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

4. After solicitation of a number of sources, competition is determined inadequate.

§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

   (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

   (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

   (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

   (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

   (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

   (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.


A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

§200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

§200.324 Federal awarding agency or pass-through entity review.

(a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;
(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a “brand name” product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;

(2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

§200.325 Bonding requirements.

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
(c) A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

§200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

4. EQUIPMENT (2 CFR §200.313)

See also §200.439 Equipment and other capital expenditures.

(a) Title. Subject to the obligations and conditions set forth in this section, title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal Government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest in the non-Federal entity subject to the following conditions:

(1) Use the equipment for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project.

(2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.

(3) Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.

(b) A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

(c) Use.

(1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

(i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then
(ii) Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

(2) During the time that equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by Federal awarding agency that financed the equipment and second preference must be given to programs or projects under Federal awards from other Federal awarding agencies. Use for non-federally-funded programs or projects is also permissible. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in §200.307 Program income to earn program income, the non-Federal entity must not use equipment acquired with the Federal award to provide services for a fee that is less than private companies charge for equivalent services unless specifically authorized by Federal statute for as long as the Federal Government retains an interest in the equipment.

(4) When acquiring replacement equipment, the non-Federal entity may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

(d) Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposition takes place will, as a minimum, meet the following requirements:

1. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

4. Adequate maintenance procedures must be developed to keep the property in good condition.

5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.
(e) Disposition. When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions:

(1) Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

(2) Except as provided in §200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of $5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency’s percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

(3) The non-Federal entity may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the non-Federal entity must be entitled to compensation for its attributable percentage of the current fair market value of the property.

(4) In cases where a non-Federal entity fails to take appropriate disposition actions, the Federal awarding agency may direct the non-Federal entity to take disposition actions.

5. SUPPLIES (2 CFR §200.314)

See also §200.453 Materials and supplies costs, including costs of computing devices.

(a) Title to supplies will vest in the non-Federal entity upon acquisition. If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. The amount of compensation must be computed in the same manner as for equipment. See §200.313 Equipment, paragraph (e)(2) for the calculation methodology.

(b) As long as the Federal Government retains an interest in the supplies, the non-Federal entity must not use supplies acquired under a Federal award to provide services to other organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute.

6. INSPECTION

Reclamation has the right to inspect and evaluate the work performed or being performed under this Agreement, and the premises where the work is being performed, at all reasonable times and in a manner that will not unduly delay the work. If Reclamation performs inspection or evaluation on the premises of the Recipient or a sub-Recipient, the Recipient shall furnish and shall require sub-recipients to furnish all reasonable facilities and assistance for the safe and convenient performance of these duties.

7. AUDIT REQUIREMENTS (2 CFR Subpart F §200.501)

(a) Audit required. A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.

(b) Single audit. A non-Federal entity that expends $750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with §200.514 Scope of audit except when it elects to have a program-specific audit conducted in accordance with paragraph (c) of this section.

(c) Program-specific audit election. When an auditee expends Federal awards under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted in accordance with §200.507 Program-specific audits. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.
(d) Exemption when Federal awards expended are less than $750,000. A non-Federal entity that expends less than $750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in §200.503 Relation to other audit requirements, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

(e) Federally Funded Research and Development Centers (FFRDC). Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity for purposes of this part.

(f) Subrecipients and Contractors. An auditee may simultaneously be a recipient, a subrecipient, and a contractor. Federal awards expended as a recipient or a subrecipient are subject to audit under this part. The payments received for goods or services provided as a contractor are not Federal awards. Section §200.330 Subrecipient and contractor determinations sets forth the considerations in determining whether payments constitute a Federal award or a payment for goods or services provided as a contractor.

(g) Compliance responsibility for contractors. In most cases, the auditee's compliance responsibility for contractors is only to ensure that the procurement, receipt, and payment for goods and services comply with Federal statutes, regulations, and the terms and conditions of Federal awards. Federal award compliance requirements normally do not pass through to contractors. However, the auditee is responsible for ensuring compliance for procurement transactions which are structured such that the contractor is responsible for program compliance or the contractor's records must be reviewed to determine program compliance. Also, when these procurement transactions relate to a major program, the scope of the audit must include determining whether these transactions are in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

(h) For-profit subrecipient. Since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient must describe applicable compliance requirements and the for-profit subrecipient's compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits. See also §200.331 Requirements for pass-through entities.

8. REMEDIES FOR NONCOMPLIANCE (2 CFR §200.338)

§200.338 Remedies for noncompliance.

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in §200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

(a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.

(b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(c) Wholly or partly suspend or terminate the Federal award.

(d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).

(e) Withhold further Federal awards for the project or program.

(f) Take other remedies that may be legally available.

9. TERMINATION (2 CFR §200.339)

(a) The Federal award may be terminated in whole or in part as follows:

(1) By the Federal awarding agency or pass-through entity, if a non-Federal entity fails to comply with the terms and conditions of a Federal award;

(2) By the Federal awarding agency or pass-through entity for cause;

(3) By the Federal awarding agency or pass-through entity with the consent of the non-Federal entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated; or

(4) By the non-Federal entity upon sending to the Federal awarding agency or pass-through entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal awarding agency or pass-through entity determines in the case of
partial termination that the reduced or modified portion of the Federal award or subaward will not accomplish the purposes for which the Federal award was made, the Federal awarding agency or pass-through entity may terminate the Federal award in its entirety.

(b) When a Federal award is terminated or partially terminated, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance with the requirements in §§200.343 Closeout and 200.344 Post-closeout adjustments and continuing responsibilities.

10. DEBARMENT AND SUSPENSION (2 CFR §1400)

The Department of the Interior regulations at 2 CFR 1400—Governmentwide Debarment and Suspension (Nonprocurement), which adopt the common rule for the governmentwide system of debarment and suspension for nonprocurement activities, are hereby incorporated by reference and made a part of this Agreement. By entering into this grant or cooperative Agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 1400, Subpart C, and agrees to include a similar term or condition in all lower-tier covered transactions. These regulations are available at http://www.gpoaccess.gov/ecfr/.

11. DRUG-FREE WORKPLACE (2 CFR §182 and §1401)

The Department of the Interior regulations at 2 CFR 1401—Governmentwide Requirements for Drug-Free Workplace (Financial Assistance), which adopt the portion of the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq, as amended) applicable to grants and cooperative agreements, are hereby incorporated by reference and made a part of this agreement. By entering into this grant or cooperative agreement with the Bureau of Reclamation, the Recipient agrees to comply with 2 CFR 182.

12. ASSURANCES AND CERTIFICATIONS INCORPORATED BY REFERENCE

The provisions of the Assurances, SF 424B or SF 424D as applicable, executed by the Recipient in connection with this Agreement shall apply with full force and effect to this Agreement. All anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Recipient shall comply with Title VI or the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. The Recipient shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

Such Assurances also include, but are not limited to, the promise to comply with all applicable Federal statutes and orders relating to nondiscrimination in employment, assistance, and housing; the Hatch Act; Federal wage and hour laws and regulations and work place safety standards;
Federal environmental laws and regulations and the Endangered Species Act; and Federal protection of rivers and waterways and historic and archeological preservation.

13. COVENANT AGAINST CONTINGENT FEES

The Recipient warrants that no person or agency has been employed or retained to solicit or secure this Agreement upon an Agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide offices established and maintained by the Recipient for the purpose of securing Agreements or business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement amount, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

14. TRAFFICKING VICTIMS PROTECTION ACT OF 2000 (2 CFR §175.15)

Trafficking in persons.

(a) Provisions applicable to a recipient that is a private entity.

(1) You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not

(i) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;

(ii) Procure a commercial sex act during the period of time that the award is in effect; or

(iii) Use forced labor in the performance of the award or subawards under the award.

(2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —

(i) Is determined to have violated a prohibition in paragraph a.1 of this award term; or

(ii) Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either:

(A) Associated with performance under this award; or

(B) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR part 1400.
(b) **Provision applicable to a recipient other than a private entity.** We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either:

   i. Associated with performance under this award; or

   ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR part 1400.

(c) **Provisions applicable to any recipient.**

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

   i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

   ii. Is in addition to all other remedies for noncompliance that are available to us under this award.

3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

(d) **Definitions.** For purposes of this award term:

1. “Employee” means either:

   i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

   ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
(2) “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(3) “Private entity”:

(i) Means any entity other than a state, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

(ii) Includes:

(A) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

(B) A for-profit organization.

(4) “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

15. NEW RESTRICTIONS ON LOBBYING (43 CFR §18)

The Recipient agrees to comply with 43 CFR 18, New Restrictions on Lobbying, including the following certification:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying” in accordance with its instructions.

(c) The Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making
or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who
fails to file the required certification shall be subject to a civil penalty of not less than $10,000
and not more than $100,000 for each such failure.

16. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION
POLICIES ACT OF 1970 (URA) (42 USC § 4601 et seq.)

(a) The Uniform Relocation Assistance Act (URA), 42 U.S.C. § 4601 et seq., as amended,
requires certain assurances for Reclamation funded land acquisition projects conducted by a
Recipient that cause the displacement of persons, businesses, or farm operations. Because
Reclamation funds only support acquisition of property or interests in property from willing
sellers, it is not anticipated that Reclamation funds will result in any “displaced persons,” as
defined under the URA.

(b) However, if Reclamation funds are used for the acquisition of real property that results in
displacement, the URA requires Recipients to ensure that reasonable relocation payments and
other remedies will be provided to any displaced person. Further, when acquiring real
property, Recipients must be guided, to the greatest extent practicable, by the land acquisition
policies in 42 U.S.C. § 4651.

(c) Exemptions to the URA and 49 CFR Part 24

(1) The URA provides for an exemption to the appraisal, review and certification rules
for those land acquisitions classified as “voluntary transactions.” Such “voluntary
transactions” are classified as those that do not involve an exercise of eminent domain
authority on behalf of a Recipient, and must meet the conditions specified at 49 CFR

(2) For any land acquisition undertaken by a Recipient that receives Reclamation funds,
but does not have authority to acquire the real property by eminent domain, to be
exempt from the requirements of 49 CFR Part 24 the Recipient must:

(i) provide written notification to the owner that it will not acquire the property in
the event negotiations fail to result in an amicable agreement, and;

(ii) inform the owner in writing of what it believes to be the market value of the
property

(d) Review of Land Acquisition Appraisals. Reclamation reserves the right to review any land
appraisal whether or not such review is required under the URA or 49 CFR § 24.104. Such
reviews may be conducted by the Department of the Interior’s Appraisal Services Directorate
or a Reclamation authorized designee. When Reclamation determines that a review of the
original appraisal is necessary, Reclamation will notify the Recipient and provide an
estimated completion date of the initial appraisal review.
17. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER REQUIREMENTS (2 CFR 25, APPENDIX A)

The Central Contractor Registration (CCR) has been migrated to the System for Award Management (SAM). Recipients must continue to comply with the CCR requirements below by maintaining current registration within www.SAM.gov.

A. Requirement for Central Contractor Registration (CCR)
Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for Data Universal Numbering System (DUNS) Numbers
If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.

2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

C. Definitions
For purposes of this award term:

1. **Central Contractor Registration (CCR)** means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at [http://www.ccr.gov](http://www.ccr.gov)).

2. **Data Universal Numbering System (DUNS) number** means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866–705–5711) or the Internet (currently at [http://fedgov.dnb.com/webform](http://fedgov.dnb.com/webform)).

3. **Entity**, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
   a. A Governmental organization, which is a state, local government, or Indian Tribe;
   b. A foreign public entity;
   c. A domestic or foreign nonprofit organization;
   d. A domestic or foreign for-profit organization; and
   e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. **Subaward:**

   a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

   b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. II.210 of the attachment to OMB Circular A–133, “Audits of States, Local Governments, and Non-Profit Organizations”).

   c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. **Subrecipient** means an entity that:

   a. Receives a subaward from you under this award; and

   b. Is accountable to you for the use of the Federal funds provided by the subaward.

18. **PROHIBITION ON TEXT MESSAGING AND USING ELECTRONIC EQUIPMENT SUPPLIED BY THE GOVERNMENT WHILE DRIVING**

   Executive Order 13513, *Federal Leadership On Reducing Text Messaging While Driving*, was signed by President Barack Obama on October 1, 2009 (ref: [http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf](http://edocket.access.gpo.gov/2009/pdf/E9-24203.pdf)). This Executive Order introduces a Federal Government-wide prohibition on the use of text messaging while driving on official business or while using Government-supplied equipment. Additional guidance enforcing the ban will be issued at a later date. In the meantime, please adopt and enforce policies that immediately ban text messaging while driving company-owned or rented vehicles, government-owned or leased vehicles, or while driving privately owned vehicles when on official government business or when performing any work for or on behalf of the government.

19. **REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (2 CFR 170 APPENDIX A)**

I. Reporting Subawards and Executive Compensation.

   a. **Reporting of first-tier subawards.**

      1. **Applicability.** Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates $25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

      2. **Where and when to report.**

         i. You must report each obligating action described in paragraph a.1. of this award term to [http://www.fsrs.gov](http://www.fsrs.gov).
ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at http://www.fsrs.gov specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—
   i. the total Federal funding authorized to date under this award is $25,000 or more;
   ii. in the preceding fiscal year, you received—
      (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
      (B) $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
   iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.htm.)

2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this award term:
   i. As part of your registration profile at http://www.ccr.gov.
   ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—
   i. in the subrecipient's preceding fiscal year, the subrecipient received—
      (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
(B) $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at [http://www.sec.gov/answers/execomp.htm](http://www.sec.gov/answers/execomp.htm).)

2. **Where and when to report.** You must report subrecipient executive total compensation described in paragraph c.1. of this award term:
   i. To the recipient.
   ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. **Exemptions**
   If, in the previous tax year, you had gross income, from all sources, under $300,000, you are exempt from the requirements to report:
   i. Subawards,
   and
   ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. **Definitions.** For purposes of this award term:
   1. **Entity** means all of the following, as defined in 2 CFR part 25:
      i. A Governmental organization, which is a State, local government, or Indian tribe;
      ii. A foreign public entity;
      iii. A domestic or foreign nonprofit organization;
      iv. A domestic or foreign for-profit organization;
      v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
   2. **Executive** means officers, managing partners, or any other employees in management positions.
   3. **Subaward:**
      i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
      ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __.210 of the attachment to OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”).
iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. *Subrecipient* means an entity that:
   i. Receives a subaward from you (the recipient) under this award; and
   ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. *Total compensation* means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
   i. *Salary and bonus.*
   ii. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
   iii. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
   iv. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.
   v. *Above-market earnings on deferred compensation which is not tax-qualified.*
   vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

20. **RECIPIENT EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)**

(a) This award and employees working on this financial assistance agreement will be subject to the whistleblower rights and remedies in the pilot program on Award Recipient employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub.L. 112-239).

(b) The Award Recipient shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C 4712.

(c) The Award Recipient shall insert the substance of this clause, including this paragraph (c), in all subawards or subcontracts over the simplified acquisition threshold. 48 CFR § 52.203-17 (as referenced in 48 CFR § 3.908-9).
21. RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (APPENDIX XII to 2 CFR Part 200)

A. Reporting of Matters Related to Recipient Integrity and Performance

1. General Reporting Requirement

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds $10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

2. Proceedings About Which You Must Report

Submit the information required about each proceeding that:

   a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;

   b. Reached its final disposition during the most recent five year period; and

   c. Is one of the following:

       (1) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;

       (2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more;

       (3) An administrative proceeding, as defined in paragraph 5. of this award term and condition, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of $5,000 or more or reimbursement, restitution, or damages in excess of $100,000; or
(4) Any other criminal, civil, or administrative proceeding if:

(i) It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;

(ii) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and

(iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

3. Reporting Procedures

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

4. Reporting Frequency

During any period of time when you are subject to the requirement in paragraph 1 of this award term and condition, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than $10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

5. Definitions

For purposes of this award term and condition:

a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

b. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered
upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

c. Total value of currently active grants, cooperative agreements, and procurement contracts includes—

(1) Only the Federal share of the funding under any Federal award with a recipient cost share or match; and

(2) The value of all expected funding increments under a Federal award and options, even if not yet exercised.
DATE: JULY 03, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: ADOPT A RESOLUTION APPROVING AN APPLICATION FOR AND EXECUTION OF A COOPERATIVE AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION (USBR) FOR THE 2018 WATERSMART: TITLE XVI GRANT PROGRAM FOR GRIP

SUMMARY

The United States Bureau of Reclamation (USBR) has released a new funding opportunity under the 2018 WaterSmart Title XVI Grant Program for water recycling projects under the Water Infrastructure Improvements for the Nation Act (WIIN Act). This funding opportunity is subsequent to the 2017 Title XVI Grant Program, of which the District is a recipient and received a $4.3 million grant.

The USBR is making up to $20 million available under this funding opportunity. This funding opportunity is for sponsors of water recycling projects that have completed a Title XVI Feasibility Study that have been reviewed by the USBR, meets all the requirements of USBR’s Manual Release WTR-11-01 and has been transmitted to Congress. The Groundwater Reliability Improvement Program (GRIP) Recycled Water Project meets all of the criteria and is an eligible project.

Applications for the Title XVI grant program are due on July 27, 2018. It is anticipated that the USBR will fund three to six projects, but it will depend on the funding requested. The USBR will provide up to 25% of the total project costs for construction that will be conducted before September 30, 2020. Grant recipients are responsible for 75% of the total project costs. It is expected that potential award recipients will be announced in late October 2018 with grant agreement finalization by January 2019. All projects must be completed by September 2020.
Staff needs to submit an application for the USBR’s 2018 Title XVI Water Reclamation and Reuse Program for the GRIP Recycled Water Project by July 27. Staff is requesting additional funding for the Third Stage Reverse Osmosis equipment and other aspects of the advanced water treatment component of GRIP.

**FISCAL IMPACT**

The District is requesting a $15.7 million grant from the USBR, the District’s cost-share will be the remainder of the project that is financed through Proposition 1 State Revolving Fund.

**STAFF RECOMMENDATION**

The Capital Improvement Project Committee recommends the Board of Directors adopt the Resolution, and approve an application for and execution of a cooperative agreement with the USBR for the 2018 WaterSmart Title XVI grant program for the GRIP Recycled Water Project, subject to approval as to form by District Counsel.
RESOLUTION NO. 18-1080

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA APPROVING THE APPLICATION FOR AND EXECUTION OF A COOPERATIVE AGREEMENT WITH THE UNITED STATES BUREAU OF RECLAMATION FOR THE 2018 WATERSMART TITLE XVI WATER RECLAMATION AND REUSE PROJECTS GRANT PROGRAM FOR THE GROUNDWATER RELIABILITY IMPROVEMENT PROGRAM (GRIP) RECYCLED WATER PROJECT

WHEREAS, the Board of Directors of the Water Replenishment District of Southern California (the “Board”), over a decade ago, initiated the Water Independence Now (WIN) program to replace costly imported water with locally produced sources for groundwater replenishment and seawater intrusion barriers; and

WHEREAS, the Board continues to pursue projects through its WIN program to develop local and sustainable sources of water for use in groundwater replenishment activities; and

WHEREAS, the Groundwater Reliability Improvement Program (GRIP) Recycled Water Project is the cornerstone of WIN and when fully operational will replace 100 percent of the imported water purchased for replenishment in the Montebello Forebay with recycled water, thereby “drought proofing” the region; and

WHEREAS, the United States Bureau of Reclamation (Reclamation) has released a new funding opportunity for Title XVI water recycling projects under the Water Infrastructure Improvements for the National Act (P.L. 114-322) also known as the 2018 WaterSmart Title XVI Grant Program; and

WHEREAS, the 2018 WaterSmart Title XVI Grant Program is for sponsors of water recycling projects that have completed a Title XVI Feasibility Study that has been reviewed by Reclamation, meet all the requirements of Reclamation Manual Release WTR 11-01, and have been transmitted to Congress by Reclamation; and

WHEREAS, the GRIP Recycled Water Project meets all of the criteria required to be eligible for the 2018 WaterSmart Title XVI Grant Program and desires to submit an application for consideration.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Water Replenishment District of Southern California, as follows:

1. Approves the filing of an Application for the United States Bureau of Reclamation’s 2018 WaterSmart: Title XVI grant program for the GRIP Recycled Water Project.
2. If selected as a grant recipient, staff will work with Reclamation to prepare the necessary materials needed to enter into a cooperative agreement and to meet deadlines established for entering into a cooperative agreement.

3. The Water Replenishment District of Southern California will fund at least 75 percent of the project costs.

4. Appoints the Manager or Assistant General Manager as agent to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, payment requests and so on, for the United States Bureau of Reclamation’s 2018 WaterSmart: Title XVI grant program.

PASSED AND ADOPTED by the Board of Directors of the Water Replenishment District of Southern California this 3rd day of July 2018 by the following vote:

Ayes _____
Noes _____
Absent _____

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA

______________________________
John D.S. Allen, President

ATTEST:

______________________________
Willard H. Murray, Jr., Secretary

DATE

APPROVED AS TO FORM:

______________________________
H. Francisco Leal
Interim District Counsel