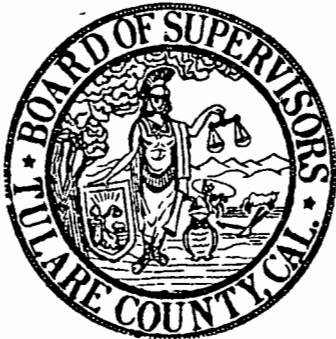


**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF TRAVER )  
WASTEWATER SYSTEM IMPROVEMENT ) Resolution No. 2018-0477  
PROJECT UPDATE ) Agreement No. 28661

UPON MOTION OF SUPERVISOR ENNIS, SECONDED BY SUPERVISOR CROCKER, THE FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD JUNE 12, 2018, BY THE FOLLOWING VOTE:

AYES: SUPERVISORS CROCKER, VANDER POEL, SHUKLIAN, WORTHLEY,  
AND ENNIS  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: NONE



ATTEST: MICHAEL C. SPATA  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: Mary Ronello  
Deputy Clerk

\*\*\*\*\*

1. Received a status update on the Traver Wastewater System Improvement Project; and
2. Provided direction regarding the Traver Wastewater System Improvement Project; and
3. Authorized and approved the Option to Agreement for Engineering Consultant Services for Traver Community Wastewater System Improvements Planning Study and Design (Agreement No. 28292) with AECOM Technical Services, Inc. in an amount not to exceed \$50,000; and
4. Authorized the Chairman to sign the Option Agreement; and
5. Authorized the necessary budget adjustment per the attached AUD 308 (4/5<sup>th</sup> vote required).



**RESOURCE  
MANAGEMENT AGENCY  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

KUYLER CROCKER  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

J. STEVEN WORTHLEY  
District Four

MIKE ENNIS  
District Five

**AGENDA DATE:** June 12, 2018

Public Hearing Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Published Notice Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Advertised Published Notice	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
County Counsel Sign-Off	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Contract via Streamline	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Meet & Confer Required	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
Personnel Resolution attached	Yes <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>

CONTACT PERSON: Celeste Perez    PHONE: (559) 624-7010

**SUBJECT:** Traver Wastewater System Improvement Project Update

**REQUEST(S):**

That the Board of Supervisors:

1. Receive a status update on the Traver Wastewater System Improvement Project; and
2. Provide direction regarding the Traver Wastewater System Improvement Project; and
3. Authorize and approve the Option to Agreement for Engineering Consultant Services for Traver Community Wastewater System Improvements Planning Study and Design (Agreement No. 28292) with AECOM Technical Services, Inc. in an amount not to exceed \$50,000; and
4. Authorize the Chairman to sign the Option Agreement; and
5. Authorize the necessary budget adjustment per the attached AUD 308 (4/5<sup>th</sup> vote required).

**SUMMARY:**

Tulare County owns and operates the Traver Community Wastewater Collection & Treatment System, which serves the small disadvantaged community of Traver located just off Highway 99 in the northwestern portion of the County. The existing system was originally constructed in the early 1990s and continues to meet the needs of the community but has limited ability to allow for community growth, system expansion, or commercial development opportunities.

**SUBJECT:** Traver Wastewater System Improvement Project Update  
**DATE:** June 12, 2018

### **The Need to Modernize and Expand**

Previous studies, including the *Traver Community Plan 2014 Update* and the *Traver Community Sewer Collection and Wastewater Treatment Evaluation* call for expanding the wastewater system in Traver. The wastewater treatment plant (WWTP) is currently permitted to operate at 89,000 gallons per day (GPD) and currently processes about 55,000 GPD, approximately 62%. Proposed improvements would expand the system to 120,000 GPD. Expanding the treatment capacity would require repermitting of the WWTP, thereby subjecting the WWTP to stricter water quality regulations which have been enacted since the WWTP was originally permitted.

Expansion of the collection system and improvements to the treatment facilities would provide a number of benefits to the community, including improved groundwater quality protections. The collection system would be expanded to provide sewer services along 6<sup>th</sup> Street, which is the business corridor on the west side of the community, and to provide sewer services to the undeveloped, residentially zoned land to the north of the Community. This would allow for the connection of existing future businesses and residences which would improve the economy of scale for the Zone of Benefit and provide a more sustainable revenue stream. Finally, expansion of the collection system would allow for the connection of future developments in the north of the community.

### **Economic Development Interest**

County Economic Development staff has been in contact with property owners and prospective investors in the Traver area. Due to its proximity to State Route 99 and central location between Visalia and Fresno, it is one of the most attractive locations for development to occur within the County's jurisdiction. In addition, the Traver Census Tract was recently selected as an Economic Opportunity Zone by the Governor for inclusion in the federal listing. For further details on the potential development opportunities that this project would benefit, see Attachment 6 – Traver Economic Development Opportunities and Interest Summary.

### **Project Feasibility Study and Design**

County staff is in the process of completing a feasibility study and final engineering design of the system improvements. Through Tulare County Agreement No. 28298, consultant AECOM was contracted to assist with the feasibility study and final design. The AECOM agreement was to produce a Feasibility Study and 90% plans and specifications for the proposed improvements for \$395,000. The agreement also included an option to complete the 100% plans and specifications for an additional \$50,000.

Prior to the initiation of the feasibility study and design, staff applied for a \$500,000 Clean Water State Revolving Fund (CWSRF) Planning Grant from the State Water Resources Control Board (Water Board) to cover the costs of this work. The County received assurances from the Water Board that the grant application was being processed and costs would be reimbursable when the final grant agreement was in place. As such, the County determined that proceeding with the study and design

**SUBJECT:** Traver Wastewater System Improvement Project Update  
**DATE:** June 12, 2018

at the time was an acceptable risk so as to be able to submit a grant application for construction before the end of 2017. This was done to maximize the possibility of obtaining Proposition 1 grant funding for construction of the project, which was expected to be exhausted early in 2018.

After further reviewing the application and project, Water Board staff informed the County that the project would not be eligible for a grant and would instead be eligible only for a loan, both for the feasibility study and design phase and for any future construction phase.

As a result, the County now has certain liabilities for engineering work and related staff time that are not going to be funded through the forthcoming planning grant from the Water Board. Staff has identified funds to cover these expenses and is requesting the Board authorize the necessary budget adjustments to cover the costs. Alternatively, a planning loan from the Water Board could be pursued to cover these costs. However, if a planning loan is utilized, it is typically expected by the Water Board that the project would be constructed utilizing at least a partial Construction Loan from the same funding source. Therefore, to allow for the most flexibility with construction funding opportunities (i.e. identifying grant funding) and to not bind the County to a future construction loan, it is recommended that the planning loan option be avoided.

#### **Current Project Status**

RMA staff has worked diligently with consultant AECOM's engineering team on the feasibility study and design for the proposed wastewater treatment plant improvements. Engineering work on the plans and specifications are approximately 90 percent complete at this time.

The County has certified an Environmental Impact Report for the proposed project improvements as part of this project on December 19, 2017 (Resolution No. 2017-1034). As such, environmental review under the California Environmental Quality Act has been completed for this project and environmental review requirements are satisfied if only state or local funds are used to construct the project. If federal funding is used for construction, this project will require additional environmental review under the National Environmental Policy Act (NEPA). The review under NEPA will be led by the federal funding agency and cannot be completed at this time.

#### **100 Percent Design Option**

The agreement with AECOM for the feasibility study and design included an Option, to be executed by the County under a separate Board Resolution, to complete the design and set of construction documents for an additional \$50,000. The County has not yet exercised the Option, but staff recommends doing so in order to ensure this project is shovel ready for a future construction funding opportunity.

If the Board elects to proceed with the option to complete the 100% Design, the total cost of the Project Feasibility Study and Design is projected to not exceed

**SUBJECT:** Traver Wastewater System Improvement Project Update  
**DATE:** June 12, 2018

\$525,000. This cost includes staff time and project administration as well as the consultant contract at the amended not to exceed cost of \$445,000.

### **Financing Options for Construction**

Upon completion of the Project Feasibility Study and Design, staff will continue to explore and identify funding sources to construct the improvements. The current estimate for the project including design is approximately \$4.92 million. At this time, potential financing sources for the construction of the Traver WWTF Improvements include one or more of the following:

- 1) Future potential grant opportunities
- 2) The United States Department of Agriculture Water & Waste Disposal Loan and Grant Program (USDA)
- 3) Clean Water State Revolving Fund (CWSRF)
- 4) Community Development Block Grant (CDBG)
- 5) Local funding from the County or from the Traver Zone of Benefit
- 6) Developer costs, connection fees, etc.

These potential financing sources are more thoroughly discussed in Attachment 5 – Construction Funding Opportunities. In the event that a loan is utilized for construction of the improvements, it is expected that some of the payments of the loan would be offset by increased revenue to the Traver Zone of Benefit through additional customers and connection fees. Staff is seeking direction and input from the Board regarding pursuing a loan to construct the improvements.

### **Project Sustainability Analysis**

As part of this project, staff have reviewed the financial impact of the new system operations and maintenance requirements plus debt service for a construction loan on the rate combined with a reasonable connection fee. To this end, staff have determined that the system would be financially sustainable, including debt service on the construction loan, when 200 additional homes and all of the existing commercial entities along 6<sup>th</sup> Street connect to the system. For this analysis, the affordable rate was determined to be \$64.90 per month for a single family dwelling unit based on income data for the community of Traver from the U.S. Census Bureau. It should be noted that the loan may require payments prior to the full development as described above, and funds may be required to make up any shortfall until the development is complete.

Other options, such as assessments on the expanded service area, could also be used to service the construction loan.

### **FISCAL IMPACT/FINANCING:**

Completing the planning stage of this project, including the optional contract necessary to obtain full construction documents, is estimated to cost approximately \$525,000 (staff time included).

**SUBJECT:** Traver Wastewater System Improvement Project Update  
**DATE:** June 12, 2018

The project planning costs will be funded through the Miscellaneous Administration Account (001-012-1010-9100). There will be No Net County Cost to the General Fund as savings will be used from the FY 2017-18 Adopted Budget .

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

County's five-year strategic plan includes a Quality of Life initiative to provide an adequate and safe water supply. This project would help the community of Traver prevent degradation to and protect the safety of their drinking water supplies by ensuring that groundwater quality is not negatively impacted by wastewater treatment in the community.

**ADMINISTRATIVE SIGN-OFF:**



Reed Schenke, P.E.  
Director

cc: County Administrative Office

- Attachment(s)
1. Vicinity Map
  2. Option to Agreement with AECOM
  3. Agreement No. 28298 with AECOM
  4. AUD 308
  5. Construction Funding Opportunities
  6. Traver Economic Development Opportunities and Interest Summary.

**AUD-308 - Budget Adjustment Form**

11:31 AM

05/30/18				12/18		2018
Date		Document ID Number		Accounting Period	Budget Fiscal Year	
RMA FISCAL				Sherman Dix	624-7000	n/a
Agency Name				Contact Person	Phone	Extension

Action** A,C,D	Fund	Dept	Appr #	LEVEL 1 Finish Here			Current Amount	Revised Amount	Inc / Dec Amt
C	050	230	2301SSUP				218,796	48,796	(170,000)
C	Z80	Z80	Z80SSUP				555,604	550,604	(5,000)
C	Z80	Z80	Z80INTRA				67,015	97,015	30,000
C	001	012	012INTRA				15,763,682	16,288,682	525,000
C	001	012	012SSUP				9,886,880	9,361,880	(525,000)
									-
									-

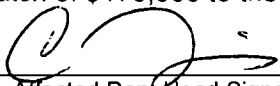
**Appropriations Total** Need Not Equal Zero **26,491,977** **26,346,977** **(145,000)**

Action** A,C,D	Fund	Dept	Appr #	Unit	Object	Rev	LEVEL 2 Start Here	Current Amt	Revised Amount	Inc / Dec Amt
c	050	230		4375		9200		179,551	9,551	170,000.00
C	050	230	2301SSUP	4375	7066			182,500	12,500	(170,000.00)
A	Z80	Z80		4508		9200		-	525,000	(525,000.00)
C	Z80	Z80		4508		5064		500,000	-	500,000.00
C	Z80	Z80	Z80SSUP	4508	7043			450,000	445,000	(5,000.00)
C	Z80	Z80	Z80INTRA	4508	9306			5,000	10,000	5,000.00
C	Z80	Z80	Z80INTRA	4508	9316			40,000	25,000	(15,000.00)
C	Z80	Z80	Z80INTRA	4508	9327			5,000	45,000	40,000.00
C	001	012	012INTRA	1010	9100			8,997,474	9,522,474	525,000.00
C	001	012	012SSUP	1010	7066			8,976,886	8,451,886	(525,000.00)
										-
	001	230		8100		9406				
	001	230		6110		9416				
	014	225		2300		9427				-
										-
										-

**Line Total** Must Equal Zero **\$ 19,336,411** **\$ 19,046,411** **-**

Reason for Adjustment (To Avoid Correspondence, State Reason in Detail)

Per resolution 2015-0002 CDBG award, The County committed a match of \$209,303 for the completion of sewer infrastructure improvements. The grant funds have expired as of (11/14/17) and will shift the remainder of the the committed match of \$170,000 to the Traver Sewer Project for a total of \$525,000 from the Miscellenous Admin budget.

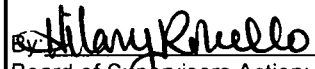


Affected Dept Head Signature

Other Affected Dept Head Signature

Checked By: \_\_\_\_\_  
 County Executive Office Action: No. \_\_\_\_\_ Date: \_\_\_\_\_  
 (  ) Approved ( ) Disapproved

Entered By: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Distribution: 1: BOS/CAO/Auditor

  
 Board of Supervisors Action: No. 2018-0477 Date: 08/12/2018

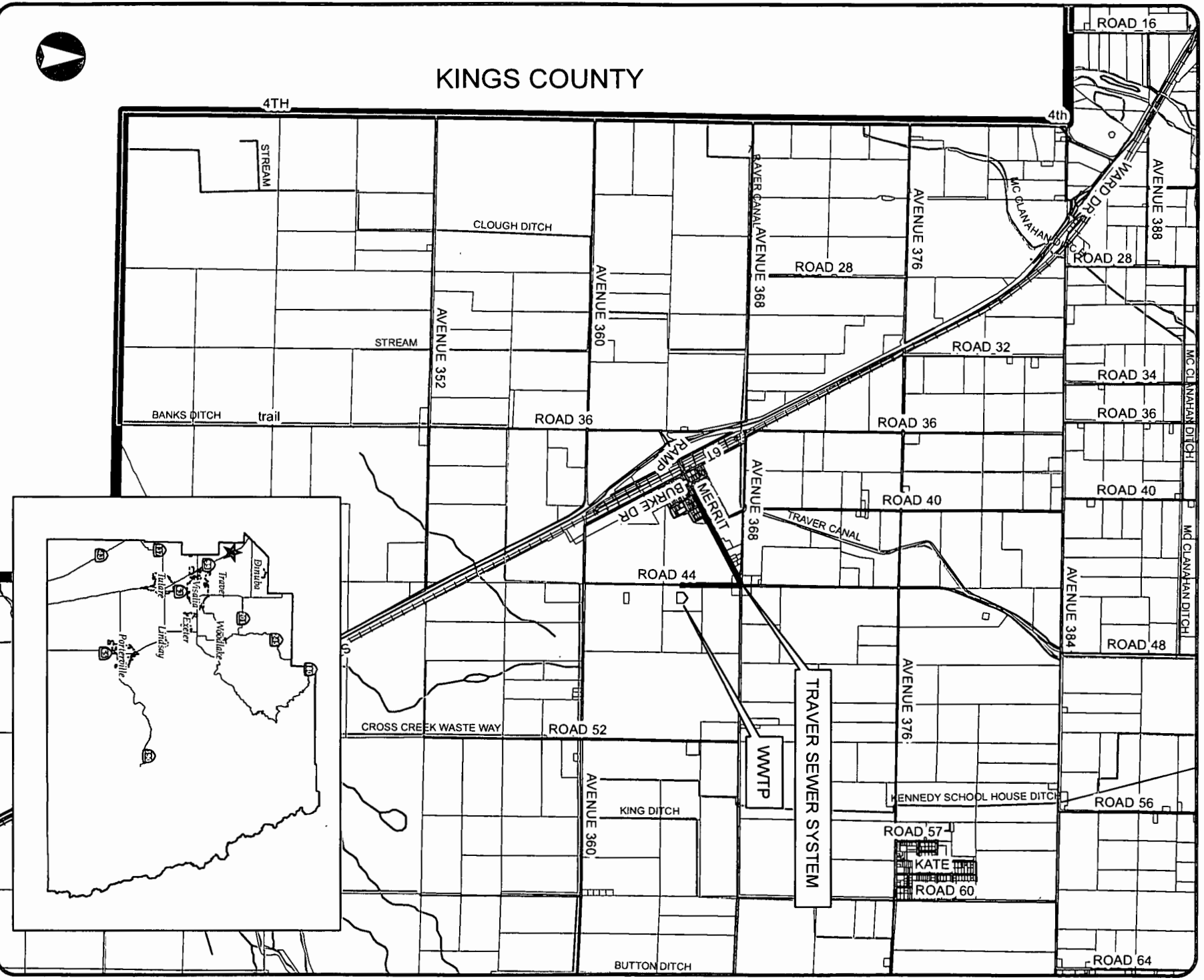
\*\* Action Codes: A=Add, C=Change, D=Deactivate  
 \* Whenever a 93XX account budget is adjusted, a corresponding 94XX account budget must be adjusted in the billing agency, except for ISFs  
 \* Whenever a 95XX account budget is adjusted, a corresponding 96XX account budget must be adjusted in the billing agency, and vice versa  
 \* Whenever a 97XX account budget is adjusted, a corresponding 98XX account budget must be adjusted in the billing agency, and vice versa

# KINGS COUNTY



Tulare County Vicinity Map

Attachment 1





**Attachment 3**  
**Agreement No. 28298 with**  
**AECOM**

**AGREEMENT FOR ENGINEERING CONSULTANT SERVICES FOR  
TRAVER COMMUNITY WASTEWATER SYSTEM IMPROVEMENTS  
PLANNING STUDY AND DESIGN**

THIS AGREEMENT ("AGREEMENT") is entered into as of September 12 2017 between the COUNTY OF TULARE ("COUNTY") and AECOM TECHNICAL SERVICES, INC. a California Corporation ("CONSULTANT"). COUNTY and CONSULTANT are each a "PARTY" and together are the "PARTIES" to this AGREEMENT. This AGREEMENT is made with reference to the following:

A. COUNTY operates a wastewater collection and treatment system in the community of Traver in northwest Tulare County; and

B. COUNTY has submitted a Planning or Design Financial Assistance Application to the California State Water Resources Control Board for a Clean Water State Revolving Fund ("CWSRF") grant to do a planning study and design for community wastewater system improvements for the community of Traver (the "STUDY"); and

C. COUNTY issued a Request for Statements of Qualifications ("RFQ") for engineering consultant services to assist COUNTY with the STUDY; and

D. CONSULTANT submitted a Statement of Qualifications ("SOQ") in response to the RFQ; and

E. CONSULTANT's SOQ indicates that it possesses the professional qualifications, relevant experience and demonstrated competence to provide such services.

ACCORDINGLY, IT IS AGREED:

1. **SERVICES.** CONSULTANT will provide professional engineering services, more particularly described in the attached *EXHIBIT A - SCOPE OF WORK*. All work performed and billed to COUNTY by CONSULTANT shall be grant eligible in accordance with the CWSRF standards and requirements, unless otherwise directed by COUNTY in writing.

2. **TIME FOR PERFORMANCE/TERM.** Time is of the essence in this AGREEMENT. The services as described in *EXHIBIT A - SCOPE OF WORK* will commence within five days of receipt of a written notice to proceed issued following acceptance and approval of this AGREEMENT by COUNTY. The schedule is detailed in the attached *EXHIBIT B - PROJECT SCHEDULE*. This AGREEMENT shall terminate on April 30, 2018 unless earlier terminated, or unless its term is earlier extended by a written amendment to the AGREEMENT. Mutually acceptable changes in the scope, character, or complexity of the work, if such changes become desirable or necessary as the work progresses, will be accommodated by a written amendment to this AGREEMENT, which amendment must be formally approved by COUNTY's Board of Supervisors. An

appropriate extension of time may be made in the form of such an amendment in case of unavoidable delays. Corresponding warranted adjustments in payment will be made based upon the incorporated rate schedule. CONSULTANT shall not be responsible for damages, delays or failure in performance caused by Acts of God, strikes, lockouts, accidents or other events beyond reasonable control of Consultant.

3. **COMPENSATION.** CONSULTANT will be compensated for actual costs (including labor costs, employee benefits, overhead and other direct costs) incurred by the CONSULTANT in the performance of the tasks and activities as detailed in *EXHIBIT A - SCOPE OF WORK* at the rates specified in the attached *EXHIBIT C - SCHEDULE OF FEES*. CONSULTANT will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in *EXHIBIT C - SCHEDULE OF FEES*, unless additional reimbursement is provided for an amendment to this AGREEMENT. In no event will CONSULTANT be reimbursed for overhead costs at a rate that exceeds COUNTY's approved overhead rate set forth in the *EXHIBIT C - SCHEDULE OF FEES*. In the event, that COUNTY determines that a change to the work from that specified in *EXHIBIT A - SCOPE OF WORK* and the AGREEMENT is required, the contract time or actual costs reimbursable by COUNTY shall be adjusted by amendment to this AGREEMENT to accommodate the changed work.

The compensation to be provided to CONSULTANT under this AGREEMENT will be reduced due to any inability to provide services, whether such an inability is due to CONSULTANT activities or other activities or circumstances beyond the control of CONSULTANT.

COUNTY must approve budget changes in writing prior to any budget adjustment or amendment.

By the fifteenth day of the second (2nd) month of the project and thereafter, each month, CONSULTANT shall submit monthly invoice statements stating the services provided and the actual costs of the previous month. Invoices shall detail the date and number of hours worked and provide a description of the work performed. Invoices shall clearly reference the project name and the COUNTY's project manager. All invoices shall be submitted by mail or email to the following address:

Tulare County Resource Management Agency  
Attention: Accounts Payable  
5961 South Mooney Boulevard  
Visalia, CA 93277  
Email: RMA-AP@co.tulare.ca.us

The Resource Management Agency will review and approve all invoices prior to payment by the Auditor's Office. COUNTY will make payment within 30 days of receipt of approved invoices submitted in compliance with this AGREEMENT.

CONSULTANT shall submit to the Tulare County Resource Management Agency, monthly status reports on the progress of the project.

Within forty-five (45) days after completion of the entire project, CONSULTANT shall provide a written report and a final invoice to COUNTY with a summary of CONSULTANT services and work performed under this AGREEMENT and a summary of charges as a result of this AGREEMENT. Any claim for payment or adjusted compensation not invoiced by the CONSULTANT by this date shall be considered waived and shall not be recompensed. Within thirty (30) days of COUNTY approval of the final invoice and report, COUNTY will endeavor to pay CONSULTANT the remaining amount owed CONSULTANT as supported by bills and receipts or CONSULTANT shall repay COUNTY any overpayment paid to CONSULTANT pursuant to this AGREEMENT.

The total amount payable to CONSULTANT by COUNTY under this AGREEMENT, including all expenses, shall not exceed \$395,000.

Salary increases will be reimbursable if the new salary is within the salary range identified in *EXHIBIT C - SCHEDULE OF FEES* and is approved by COUNTY's Contract Administrator.

For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases which are the direct result of changes in the prevailing wage rates are reimbursable.

All subcontracts in excess of \$25,000 shall contain the above provisions.

**4. COMPLIANCE WITH LAW.** CONSULTANT will provide the services called for under this AGREEMENT in accordance with applicable Federal, State, and local laws, regulations and directives. With respect to CONSULTANT's employees, CONSULTANT will comply with all laws and regulations pertaining to wages and hours (including prevailing wage rates where applicable), state and federal income tax, unemployment insurance, Social Security, disability insurance, workers' compensation insurance, and discrimination in employment.

**5. BOOKS, DOCUMENTS, PAPERS, AND RECORDS.** CONSULTANT will maintain complete and accurate books, documents, papers and records with respect to the services rendered and the costs incurred under this AGREEMENT, including records with respect to any payments to employees or subcontractors. All such records will be prepared in accordance with generally accepted accounting procedures, will be clearly identified, and will be kept readily accessible. Upon request, CONSULTANT will make such records available for inspection by COUNTY, the State of California, the Comptroller General of the United States, other jurisdictional agency, or duly authorized representatives for the purpose of making audit, examination, excerpts, and/or transcriptions of such records during the AGREEMENT period and continuing

for a period of five (5) years from the date of final payment under this AGREEMENT. The requirements of this section shall also apply to any subconsultants or subcontractors of CONSULTANT who perform work or receive payment in connection with this AGREEMENT.

**6. PERFORMANCE REQUIREMENTS.** CONSULTANT shall be held to the same goals, milestones, performance measurements, laws, regulations, and requirements as entered into by COUNTY under the CWSRF grant requirements and rules.

**7. INDEPENDENT CONTRACTOR STATUS.** CONSULTANT will perform all services required under this AGREEMENT as an independent contractor. Nothing in this AGREEMENT may be construed to constitute CONSULTANT or any of its agents, employees or officers as employees or officers of COUNTY. CONSULTANT agrees to advise everyone it assigns or hires to perform any duty under this AGREEMENT that they are not employees of COUNTY. CONSULTANT will be solely responsible for determining the means and methods of performing the specified services, and COUNTY will have no right to control or exercise any supervision over CONSULTANT as to how the services will be performed. COUNTY will not:

- a. Withhold FICA (Social Security) from CONSULTANT's payments.
- b. Make state or federal unemployment insurance contributions on CONSULTANT's behalf.
- c. Withhold state or federal income tax from payments to CONSULTANT.
- d. Make disability insurance contributions on behalf of CONSULTANT.
- e. Obtain unemployment compensation insurance on behalf of CONSULTANT.

Notwithstanding this independent contractor relationship, COUNTY reserves the right to monitor and evaluate the performance of CONSULTANT for the purpose of assuring compliance with this AGREEMENT.

**8. NON-ASSIGNABILITY AND SUBCONTRACTING.** Nothing contained in this contract or otherwise, shall create any contractual relation between COUNTY and any subconsultant(s), and no subcontract shall relieve CONSULTANT of its responsibilities and obligations hereunder. CONSULTANT agrees to be fully responsible to COUNTY for the acts and omissions of its subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by CONSULTANT. CONSULTANT's obligation to pay its subconsultant(s) is an independent obligation from COUNTY's obligation to make payments to CONSULTANT.

Unless otherwise provided in this AGREEMENT, COUNTY is relying on the personal skill and expertise of CONSULTANT and no part of this AGREEMENT may be assigned by CONSULTANT, except that services may be subcontracted to reputable and qualified subcontractors as otherwise provided for in this AGREEMENT. Subcontracts exceeding \$25,000 in cost shall contain all provisions of this AGREEMENT. Any substitution of subconsultants must first be approved in writing by COUNTY's Contract Administrator.

9. **INSURANCE.** Prior to approval of this AGREEMENT by COUNTY, CONSULTANT shall file with COUNTY's Resource Management Agency evidence of required insurance as set forth in the attached *EXHIBIT D - INSURANCE REQUIREMENTS*, which outlines the minimum scope, specifications and limits of insurance required under this AGREEMENT. Additional insured endorsements required as outlined in *EXHIBIT D - INSURANCE REQUIREMENTS* shall not be used to reduce limits available to COUNTY as an additional insured from CONSULTANT's full policy limits. Insurance policies shall not be used to limit liability or to limit the indemnification provisions and requirements of this AGREEMENT or act in any way to reduce the policy coverage and limits available from the insurer(s). Failure to maintain or renew coverage, or to provide evidence of renewal, may be considered a material breach of this AGREEMENT

10. **INDEMNIFICATION:** CONSULTANT shall hold harmless, defend and indemnify COUNTY, its authorized agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property to the extent arising out of the willful misconduct, or the negligent acts or omissions, of CONSULTANT or its agents, officers and employees under this AGREEMENT. This indemnification specifically includes any claims that may be made against COUNTY by any taxing authority asserting that an employer-employee relationship exists by reason of this AGREEMENT, any claims made against COUNTY alleging civil rights violations by CONSULTANT under Government Code sections 12920 et seq. (California Fair Employment and Housing Act). The indemnification obligation shall continue beyond the term of this AGREEMENT as to any willful misconduct, errors, omissions, or negligent acts occurring under this AGREEMENT or any extension of this AGREEMENT.

11. **TERMINATION.** The right to terminate this AGREEMENT under this provision may be exercised without prejudice to any other right or remedy to which the terminating PARTY may be entitled at law or under this AGREEMENT.

(a) **Without Cause:** COUNTY reserves the right to terminate this AGREEMENT without cause by giving thirty (30) days prior written notice of intention to terminate pursuant to this provision, specifying the date of termination. COUNTY will pay to the CONSULTANT the compensation earned for work performed and not previously paid for to the date of termination. COUNTY will not pay lost anticipated profits or other economic loss. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this AGREEMENT, and is conditioned upon receipt from CONSULTANT of any and all plans, specifications and estimates, and other documents prepared by CONSULTANT in accordance with this AGREEMENT. No Sanctions will be imposed.

(b) **With Cause:** This AGREEMENT may be terminated by either PARTY should the other PARTY:

- (1) be adjudged a bankrupt, or
- (2) become insolvent or have a receiver appointed, or

- (3) make a general assignment for the benefit of creditors, or
- (4) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this AGREEMENT, or
- (5) materially breach this AGREEMENT.

In addition, COUNTY may terminate this AGREEMENT based on:

- (6) material misrepresentation, either by CONSULTANT or anyone acting on CONSULTANT's behalf, as to any matter related in any way to COUNTY's retention of CONSULTANT, or
- (7) other misconduct or circumstances which, in the sole discretion of COUNTY, either impair the ability of CONSULTANT to competently provide the services under this AGREEMENT, or expose COUNTY to an unreasonable risk of liability.

COUNTY will pay to the CONSULTANT the compensation earned for work performed and not previously paid to the date of termination. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this AGREEMENT, and is conditioned upon receipt from CONSULTANT of any and all reports and other documents prepared by CONSULTANT by the date of termination in accordance with this AGREEMENT. COUNTY will not pay lost anticipated profits or other economic loss, nor will COUNTY pay compensation or make reimbursement to cure a breach arising out of or resulting from such termination. If this AGREEMENT is terminated and the expense of finishing the CONSULTANT's scope of work as included in *EXHIBIT A - SCOPE OF WORK* exceeds the unpaid balance of the AGREEMENT, the CONSULTANT must pay the difference to COUNTY. Sanctions taken will be possible rejection of future proposals based on specific cause of non-performance.

(c) **Effects of Termination:** Expiration or termination of this AGREEMENT shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the AGREEMENT, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities. Where CONSULTANT's services have been terminated by COUNTY, said termination will not affect any rights of COUNTY to recover damages against the CONSULTANT.

(d) **Suspension of Performance:** Independent of any right to terminate this AGREEMENT, the authorized representative of COUNTY for which CONSULTANT's services are to be performed, may immediately suspend performance by CONSULTANT, in whole or in part, in response to health, safety or financial emergency, or a failure or refusal by CONSULTANT to comply with the provisions of this AGREEMENT, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

**12. ENTIRE AGREEMENT REPRESENTED.** This AGREEMENT represents the entire agreement between CONSULTANT and COUNTY as to its subject matter and no prior oral or

written understanding shall be of any force or effect. No part of this AGREEMENT may be modified without the written consent of both PARTIES.

13. **HEADINGS.** Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

14. **NOTICE.** Except as may be otherwise required by law, any notice to be given must be written and must be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

**COUNTY:**

Tulare County Resource Management Agency  
Attention: Ross W. Miller, P.E., Contract Administrator  
5961 South Mooney Boulevard  
Visalia, CA 93277  
Fax No.: (559) 730-2653      Confirming No.: (559) 624-7000  
Email: rmiller@co.tulare.ca.us

**CONSULTANT:**

AECOM Technical Services, Inc.  
Attention: Ben Horn, P.E., Managing Engineer  
5001 E Commercenter Drive, Suite 100  
Bakersfield, CA 93309  
Fax No.: (661) 395-0359      Confirming No.: (661) 283-2323  
Email: ben.horn@aecom.com

Notice delivered personally or sent by facsimile transmission is deemed to be received upon receipt. Notice sent by first class mail will be deemed received on the fourth day after the date of mailing. Either PARTY may change the above address by giving written notice pursuant to this paragraph. The above stated CONSULTANT address is to be the main working office location for the duration of this AGREEMENT.

15. **CONSTRUCTION.** This AGREEMENT reflects the contributions of both PARTIES and accordingly the provisions of Civil Code section 1654 will not apply to address and interpret any uncertainty.

16. **NO THIRD PARTY BENEFICIARIES INTENDED.** Unless specifically set forth, the PARTIES to this AGREEMENT do not intend to provide any other PARTY with any benefit or enforceable legal or equitable right or remedy. The CONSULTANT warrants that he/she has not employed or retained any company or person, other than a bona fide employee working for the CONSULTANT, to solicit or secure this AGREEMENT, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or



formation of this AGREEMENT. For breach or violation of this warranty, COUNTY shall have the right to annul this AGREEMENT without liability, or at its discretion to deduct from the agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee. COUNTY warrants that they have not required the CONSULTANT to employ or retain any company or person, or to pay or agree to pay any firm, person or organization, any fee, contribution donation or consideration of any land, contingent upon or resulting from the award or formation of this AGREEMENT.

**17. JURISDICTION/VENUE.** This AGREEMENT will be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. Any litigation arising out of this AGREEMENT must be brought in Tulare County California. CONSULTANT waives the removal provisions of California code of Civil Procedure Section 394.

**18. WAIVERS.** The failure of either PARTY to insist on strict compliance with any provision of this AGREEMENT will not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either PARTY of either performance or payment will not be considered to be a waiver of any preceding breach of the AGREEMENT by the other PARTY.

**19. EXHIBITS AND RECITALS.** The Recitals and the Exhibits to this AGREEMENT are fully incorporated into and are integral parts of this AGREEMENT.

**20. CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY.** This AGREEMENT is subject to all applicable laws and regulations. If any provisions of this AGREEMENT are found by any court or other legal authority, or are agreed by the PARTIES, to be in conflict with any code or regulation governing its subject, then the conflicting provision will be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the AGREEMENT to either PARTY is lost, then the AGREEMENT may be terminated at the option of the affected PARTY. In all other cases the remainder of the AGREEMENT will continue in full force and effect.

**21. FURTHER ASSURANCES.** Each PARTY agrees to execute any additional documents and to perform any further acts which may be reasonably required to effect the purposes of this AGREEMENT.

**22. ASSURANCES OF NON-DISCRIMINATION.** CONSULTANT will not discriminate in employment or in the provision of services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

**23. PROFESSIONAL STANDARDS.** By submitting final documents for approval by COUNTY, CONSULTANT represents that said documents are accurate. CONSULTANT will be responsible to COUNTY for the professional quality, adequacy, and completeness of the services, studies, and reports provided, and represents that such services, studies and reports will be suitable for the intended purposes.

CONSULTANT will perform the services provided in this AGREEMENT in a manner consistent with the professional skill and care ordinarily exercised by expert members of the planning, engineering, architectural, and environmental profession practicing in the State of California under similar conditions.

Where applicable and in accordance with California law, the responsible engineer or architect shall sign and seal plans, specifications, estimates, reports and engineering data furnished by him/her.

**24. VITAL PERSONNEL.** Personnel listed in the attached *EXHIBIT E – VITAL PERSONNEL* are considered the vital personnel on the CONSULTANT's project team. The COUNTY's Contract Administrator must be notified of any intended changes to the list and given an opportunity to object and to discuss any concerns or objections. Vital personnel are defined as any CONSULTANT employee or subconsultant that are authorized by CONSULTANT to represent CONSULTANT in dealings with COUNTY.

**25. COMPUTER SERVICES.** CONSULTANT shall provide computer services as shown in the attached *EXHIBIT F – COMPUTER SERVICES*.

**26. PATENT RIGHTS AND COPYRIGHTS.** Applicable patent rights provisions described in 41 CFR 1-9.1 regarding rights to inventions shall apply to this AGREEMENT. COUNTY may permit copyrighting reports or other AGREEMENT products. If copyrights are permitted, then COUNTY shall have the royalty-free non-exclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for government purposes.

**27. OWNERSHIP OF DOCUMENTS.** Tracings, plans, specifications, maps and reports prepared or obtained under the terms of this AGREEMENT shall be delivered to and become the property of COUNTY, and that basic survey notes and sketches, charts, computations, and other data prepared or obtained under this AGREEMENT shall be made available, upon request, to COUNTY without restriction or limitation on their use. COUNTY will indemnify and hold CONSULTANT harmless for any reuse by COUNTY of documents produced under this AGREEMENT for any other projects without the written approval of CONSULTANT. Final reports shall be provided to COUNTY in hardcopy and in electronic Portable Document File (PDF) format. Other electronic files shall be provided in electronic format using standard software.

**28. DISPUTES AND DISPUTE RESOLUTION.** CONSULTANT shall continue with its responsibilities under this AGREEMENT during any dispute. If a dispute arises out of or relating to this AGREEMENT, or the breach of the AGREEMENT, and if the dispute cannot be settled through negotiation, then the PARTIES agree first to try in good faith to settle the dispute by non-binding mediation, to be held in Tulare County, California, before resorting to litigation or some other dispute resolution procedure, unless the PARTIES mutually agree otherwise. The PARTIES

must mutually select the mediator, but in case of disagreement, then the PARTIES will select the mediator by lot from among two nominations provided by each PARTY. The PARTIES will split equally all costs and fees required by the mediator; otherwise each PARTY will bear its own costs of mediation. If mediation fails to resolve the dispute within 30 days, then either PARTY may pursue litigation to resolve the dispute.

**29. CONFIDENTIALITY OF DATA.** All financial, statistical, personal, technical, or other data and information relative to COUNTY's operations, which are designated confidential by COUNTY and made available to the CONSULTANT in order to carry out this contract, shall be protected by the CONSULTANT from unauthorized use and disclosure.

Permission to disclose information on one occasion or by public hearing held by COUNTY relating to the contract, shall not authorize the CONSULTANT to further disclose such information, or disseminate the same on any other occasion.

The CONSULTANT shall not comment publicly to the press or any other media regarding the AGREEMENT or COUNTY's actions on the same, except to COUNTY's staff, CONSULTANT's own personnel involved in the performance of this AGREEMENT, at public hearings or in response to questions from Legislative committee.

The CONSULTANT shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this AGREEMENT without prior review of the contents thereof by COUNTY and receipt of COUNTY's written permission.

Any subcontract entered into as a result of this AGREEMENT shall contain all of the provisions of this article.

**30. CONFLICT OF INTEREST.** The CONSULTANT shall disclose any financial, business, or other relationship with COUNTY that may have an impact upon the outcome of this AGREEMENT, or any ensuing COUNTY construction project. The CONSULTANT shall also list current clients who may have a financial interest in the outcome of this AGREEMENT, or any ensuing COUNTY construction project, which will follow.

The CONSULTANT hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.

Any subcontract in excess of \$25,000 entered into as a result of this AGREEMENT, shall contain all of the provisions of this article.

The CONSULTANT hereby certifies that neither the CONSULTANT, its employees, nor any firm affiliated with the CONSULTANT providing services on this project will bid on any

construction contract, or any contract to provide construction inspection for any construction project resulting from this AGREEMENT. An affiliated firm is one, which is subject to the control of the same persons through joint-ownership, or otherwise.

Except for subconsultants whose services are limited to providing surveying or materials testing information, no subconsultants who has provided design services in connection with this AGREEMENT shall be eligible to bid on any construction contract, or any contract to provide construction inspection for any construction project resulting from this AGREEMENT.

CONSULTANT agrees that if any facts come to its attention that raise any questions as to the applicability of conflicts of interests laws, then it will immediately inform COUNTY and provide all information needed for resolution of this question

**31. REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION.** The CONSULTANT warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration, either promised or paid to any COUNTY employee. For breach or violation of this warranty, COUNTY shall have the right in its discretion to terminate the AGREEMENT without liability; to pay only for the value of the work actually performed; to deduct from the AGREEMENT price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

**32. PROHIBITION OF EXPENDING COUNTY, STATE OR FEDERAL FUNDS FOR LOBBYING.** The CONSULTANT certifies to the best of his or her knowledge and belief that:

a. No state, federal or COUNTY appropriated funds have been paid, or will be paid by-or-on behalf of the CONSULTANT to any person for influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress in connection with the awarding of any state or federal contract; the making of any state or federal grant; the making of any state or federal loan; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any state or 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 federal 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 CONSULTANT shall complete and submit Standard Form-LLL, "Disclosure From to Report Lobbying," in accordance with its instructions.

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.

The CONSULTANT also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subcontracts, which exceed \$100,000, and that all such sub recipients shall certify and disclose accordingly.

**33. AUDIT REVIEW PROCEDURES.** Any dispute concerning a question of fact arising under an interim or post audit of this AGREEMENT that is not disposed of by agreement, shall be reviewed by COUNTY's Chief Accounting Officer.

Not later than 30 days after issuance of the final audit report, CONSULTANT may request a review by COUNTY's Chief Accounting Officer of unresolved audit issues. The request for review will be submitted in writing.

Neither the pendency of a dispute nor its consideration by COUNTY will excuse CONSULTANT from full and timely performance, in accordance with the terms of this AGREEMENT.

CONSULTANT and subconsultants' contracts, including cost proposals and indirect cost rates (ICR), are subject to audits or reviews such as, but not limited to, a Contract Audit, an Incurred Cost Audit, an ICR Audit, or a certified public accountant (CPA) ICR Audit Workpaper Review. If selected for audit or review, the AGREEMENT, cost proposal and ICR and related workpapers, if applicable, will be reviewed to verify compliance with 48 CFR Part 31 and other related laws and regulations. In the instances of a CPA ICR Audit Workpaper Review it is CONSULTANT's responsibility to ensure federal, state, or local government officials are allowed full access to the CPA's workpapers. The AGREEMENT, cost proposal, and ICR shall be adjusted by CONSULTANT and approved by COUNTY contract manager to conform to the audit or review recommendations. CONSULTANT agrees that individual terms of costs identified in the audit report shall be incorporated into the AGREEMENT by this reference if directed by COUNTY at its sole discretion. Refusal by CONSULTANT to incorporate audit or review recommendations, or to ensure that the Federal, State, or local governments have access to CPA workpapers, will be considered a breach of contract terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.

**34. CLAIMS FILED BY CONSTRUCTION CONTRACTOR.** If claims are filed by COUNTY's construction contractor relating to work performed by CONSULTANT's personnel, and additional information or assistance from CONSULTANT's personnel is required in order to evaluate or defend against such claims; CONSULTANT agrees to make its personnel available for consultation with COUNTY's construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.

CONSULTANT's personnel that COUNTY considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from

COUNTY. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for CONSULTANT's personnel services under this AGREEMENT.

Services of CONSULTANT's personnel in connection with COUNTY's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this AGREEMENT in order to resolve the construction claims.

Any subcontract in excess of \$25,000 entered into as a result of this AGREEMENT, shall contain all of the provisions of this Article.

**35 FEDERAL ENVIRONMENTAL STANDARDS, ORDERS, AND REQUIREMENTS.** CONSULTANT and COUNTY agree that all work to be performed under this AGREEMENT must comply with all applicable federal environmental standards, orders, or requirements, including, but not limited to, those issued under section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

**36. ENERGY EFFICIENCY.** The CONSULTANT and COUNTY agree that all work to be performed under this AGREEMENT must comply with any and all mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

**37. VALLEY FEVER.** Coccidioidomycosis, also known as "Valley Fever" or "cocci", is a disease caused by Coccidioides fungi which infect the lungs. When the fungus spores present in soil are disturbed, the spores may become airborne and can be inhaled. CONSULTANT is hereby notified that the spores which cause Valley Fever are endemic to Tulare County. Activities which disturb soil or expose workers to dust, such as digging, operating earth-moving equipment, driving vehicles, and working in wind-blown areas, may increase the risk of Valley Fever in workers. Information regarding preventing and recognizing the symptoms of Valley Fever are available from the California Department of Public Health and the California Department of Industrial Relations. Any subcontract entered into as a result of this AGREEMENT shall contain all of the provisions of this article. Any plans and specifications prepared under this AGREEMENT shall also contain the provisions of this article.

**38. LOSS OF FUNDING:** It is understood and agreed that if the funding is either discontinued or reduced for this project for COUNTY, that COUNTY shall have the right to terminate this AGREEMENT under the termination provisions of this AGREEMENT.

**39. FUNDING REQUIREMENTS.** It is mutually understood between the PARTIES that this AGREEMENT may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both PARTIES, in order to avoid program and fiscal delays that would occur if the AGREEMENT were executed after that determination was made.

This AGREEMENT is valid and enforceable only if sufficient funds are made available to COUNTY for the purpose of this AGREEMENT. In addition, this AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature, or COUNTY governing board that may affect the provisions, terms, or funding of this AGREEMENT in any manner.

It is mutually agreed that if sufficient funds are not appropriated, this AGREEMENT may be amended by mutual agreement to reflect any reduction in funds or terminated in accordance with the termination provision of this AGREEMENT.

**40. SAFETY.** CONSULTANT shall comply with OSHA regulations applicable to CONSULTANT regarding necessary safety equipment or procedures. CONSULTANT shall comply with safety instructions issued by COUNTY Safety Officer and other COUNTY representatives. CONSULTANT personnel shall wear hard hats and safety vests at all times while working on the construction project site.

Pursuant to authority contained in Section 591 of the Vehicle Code, COUNTY has determined that such areas are within the limits of the project and are open to public traffic. CONSULTANT shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. CONSULTANT shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.

Any subcontract entered into as a result of this AGREEMENT, shall contain all of the provisions of this Article.

**41. DEBARMENT AND SUSPENSION.** CONSULTANTs signature affixed herein, shall constitute a certification under penalty of perjury under the laws of the State of California, that CONSULTANT has complied with Title 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (nonprocurement)", which certifies that he/she or any person associated therewith in the capacity of owner, partner, director, officer, or manager, is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency; has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years; does not have a proposed debarment pending; and has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct with the past three (3) years. Any exceptions to this certification must be disclosed to COUNTY.

Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining CONSULTANT responsibility. Disclosure must indicate to whom exceptions apply, initiating agency, and dates of action.

**42. NATIONAL LABOR RELATIONS BOARD CERTIFICATION.** In accordance with Public Contract Code Section 10296, CONSULTANT hereby states under penalty of perjury that

no more than one final unappeasable finding of contempt of court by a federal court has been issued against CONSULTANT within the immediately preceding two-year period, because of CONSULTANT's failure to comply with an order of a federal court that orders CONSULTANT to comply with an order of the National Labor Relations Board.

43. **INSPECTION OF WORK.** CONSULTANT and any subconsultant shall permit COUNTY and the State of California to review and inspect the project activities and files at all reasonable times during the performance period of this AGREEMENT including review and inspection on a daily basis.

44. **SUBMITTING FALSE CLAIMS; MONETARY PENALTIES:** Under applicable federal and state law, if CONSULTANT submits a false claim to COUNTY under this Agreement, then CONSULTANT will be liable to COUNTY for the statutory penalties set forth in those statutes, including but not limited to statutory fines, treble damages, costs, and attorneys' fees. CONSULTANT will be deemed to have submitted a false claim to COUNTY if CONSULTANT:

- (a) Knowingly presents or causes to be presented to COUNTY a false claim or request for payment or approval;
- (b) Knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by COUNTY;
- (c) Conspires to defraud COUNTY by getting a false claim allowed or paid by COUNTY;
- (d) Knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to COUNTY;  
or
- (e) Is a beneficiary of an inadvertent submission of a false claim to COUNTY, later discovers the falsity of the claim, and fails to disclose the false claim to COUNTY within a reasonable time after discovery of the false claim.

45. **EVALUATION OF CONSULTANT.** CONSULTANT's performance will be evaluated by COUNTY. A copy of the evaluation will be sent to CONSULTANT for comments. The evaluation together with the comments shall be retained as part of the AGREEMENT record.

46. **OPTION.** In consideration of this AGREEMENT, CONSULTANT hereby grants COUNTY an option to extend the services provided under this AGREEMENT as provided in *EXHIBIT G - OPTION*.

47. **ORDER OF PRECEDENCE:** In the event of any conflict or inconsistency among or between this Agreement, and any Exhibit, Schedule, or Attachment, the terms and conditions of this Agreement shall prevail.



48. **DRUG-FREE WORKPLACE POLICY:** CONSULTANT acknowledges that under the Federal Drug-Free Workplace Act of 1989 and the California Drug-Free Workplace Act of 1990, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on COUNTY premises. CONSULTANT agrees that any violation of this prohibition by CONSULTANT, its employees, agents, or assigns will be deemed a material breach of this Agreement.

49. **RECYCLING CERTIFICATION:** The CONSULTANT shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post-consumer material as defined in the Public Contract Code section 12200, in products, materials, goods, or supplies offered or sold to the COUNTY regardless of whether the product meets the requirements of Public Contract Code section 12209. With respect to printer or duplication cartridges that comply with the requirements of Public Contract Code section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §22152). For printing contracts, the paper used shall meet the recycled content requirements of Public Contract Code section 12209.

50. **AUTHORITY:** CONSULTANT represents and warrants that the individual(s) signing this Agreement are duly authorized and have legal capacity to sign this Agreement. CONSULTANT represents and warrants to COUNTY that the signing of the Agreement and the performance of CONSULTANT'S obligations under this Agreement have been duly authorized and that the Agreement is a valid and legal agreement binding on CONSULTANT and enforceable in accordance with its terms.

51. **COUNTERPARTS:** The PARTIES may sign this Agreement in counterparts, each of which is an original and all of which taken together form one single document.

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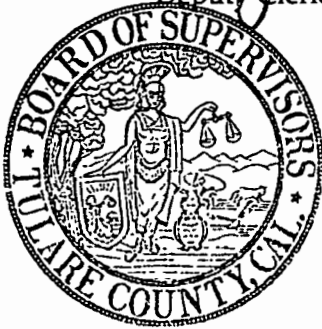
THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE

By [Signature]  
Chairman, Board of Supervisors

ATTEST: Michael C. Spata  
County Administrative Officer/  
Clerk of the Board of Supervisors

By [Signature]  
Deputy Clerk



CONSULTANT

By [Signature]  
Name: Ben P. Horn, PE  
Title: Managing Engineer, AECOM

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_, AECOM

[Pursuant to Corporations Code section 313, County policy requires that contracts with a **Corporation** be signed by both (1) the chairman of the Board of Directors, the president or any vice-president (or another officer having general, operational responsibilities), and (2) the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer (or another officer having recordkeeping or financial responsibilities), unless the contract is accompanied by a certified copy of a resolution of the corporation's Board of Directors authorizing the execution of the contract. Similarly, pursuant to California Corporations Code section 17703.01, County policy requires that contracts with a **Limited Liability Company** be signed by at least two managers, unless the contract is accompanied by a certified copy of the articles of organization stating that the LLC is managed by only one manager.]

Approved as to Form  
County Counsel

By [Signature]  
Deputy  
# 2071397

# ***EXHIBIT A***

## ***SCOPE OF WORK***

AECOM will provide the following scope of work on a time and materials basis at a not to exceed cost of the total contract amount. Each task listed below is provided with a description of work and an estimated budget. Though it is the intent of AECOM to accomplish each task within each estimated budget, it is understood that the total contract amount is not to be exceeded without authorization by Tulare County. A spread sheet showing deliverables and effort for each task described below has been provided to Tulare County under separate cover.

### **Task 1 –Project Feasibility Report**

AECOM will prepare a Project Feasibility Report (Report) that evaluates and makes recommendations for the following:

1. Availability of existing rights-of-way to serve the project.
2. Review of the existing and proposed service boundary.
3. Conformance with the Tulare County General Plan and Traver Community Plan.
4. Net present value of a gravity sewer collection system verses a pressure force main.
5. Review of current Waste Discharge Requirements (WDRs) and discuss what new effluent limits might be required in the future.
6. Confirm right of way needed for project.
7. Based on Regional Board requirements and on treatment goals established by Tulare County for this project, AECOM will analyze requirements and treatment options using non- monetary parameters (i.e. efficiency, resiliency, redundancy, expandability, ease to operate and maintain, constructability, etc.) and monetary criteria (i.e. capital, operating maintenance, and life cycle costs). Options evaluated shall include:
  - a) BIOLAC® as manufactured by Parkson Corporation
  - b) Pre-engineered package treatment plant

A draft version of the report will be provided the County for its review. It is understood that the County will provide copies to stakeholders and solicit their comments. Feedback will be incorporated into the final version of the report.

As part of this task, AECOM's PM and key technical leads (if required) will attend up to two community outreach meetings.

#### **Deliverables:**

- ❖ Five (5) hard copies and PDF copy of the Draft Project Feasibility Report
- ❖ Eight (8) hard copies and PDF copy of the Final Project Feasibility Report

#### **Assumptions:**

- ❖ Comments by County staff and stakeholders on the Draft Project Feasibility Report are assumed to be received not more than ten (10) working days after submittal, with direction regarding the treatment and collection system provided not more than three (3) working days after submittal.
- ❖ Feedback from community outreach meetings can only be incorporated into the final version of the report if they are scheduled during the review period.
- ❖ Review of existing rights-of-way will be based upon documents publically available from the County Surveyor's Office.

*The estimated budget for this task is \$48,000.*

## **Task 2 – Update Sewer System Management Plan**

### **Task 2.1 – Sewer System Management Plan**

It is assumed that the County will update the existing Sewer System Management Plan to include changes resulting from this project. AECOM will assist County staff in this effort by reviewing the current Waste Discharge Requirements, answering technical questions, conducting research, and preparing exhibits.

*The estimated budget for this task is \$5,000.*

## **Task 4 – Survey and Geotechnical Work**

### **Task 4.1 – Topographic Survey**

AECOM has retained Wiley D. Hughes Surveying, Inc. to provide a topographic survey for the collection system improvements and WWTP property. Ground survey enhanced with a rectified aerial photograph background will be provided for the entire project. Survey will be tied to State Plane coordinates and NAV88 bench marks unless otherwise directed. At the County's request, a boundary survey of the WWTP property will also be performed.

*The Estimated budget for this task is \$35,061.*

### **Task 4.2 – Geotechnical Investigation**

AECOM has retained BSK Associates to conduct a geotechnical investigation for the project. Borings are planned along the pipeline route from the plant to the Old State 99 route. At the plant site, borings will be performed at locations of all major structures, and where required for ponds and other site civil work. This investigation will include evaluation of soil conditions along the proposed pipeline alignments and at the WWTP, including addressing sugar-sand conditions.

*The estimated budget for this task is \$20,939.*

## **Task 5 – Construction Documents**

### **Task 5.1 – Preparation of Plans & Specifications**

AECOM will prepare construction plans and technical specifications for both the collection system and WWTP improvements as described in Task 1 to a level acceptable for grant funding per the requirements of the public contract code. If the project is for a package treatment plant, the plans and specifications will be prepared to a 90% level. If the project is for a Biolac system, the plans will be prepared to a 60% level. The engineer's opinion of probable construction costs will also be provided.

#### **Deliverables:**

- ❖ PDF and DWG of the Topographic Survey
- ❖ PDF copy of the Geotechnical Investigation Report.
- ❖ Four (4) hard copies and PDF of the 50% Draft Construction Plans.
- ❖ Five (5) hard copies and PDF of the 90% Draft Construction Plans, Technical Specifications, and cost estimate if for a Package system, 60% if for a Biolac system.

#### **Assumptions:**

- ❖ Only technical specifications and assistance in preparing the bid form are included in this scope of work. It is assumed the County will provide front-end documents.
- ❖ Comments by County staff on the draft 50% draft construction documents are assumed to be received not more than two (2) working days after the submittal. To expedite the time frame,

- AECOM suggests receiving the comments in face to face meetings.
- ❖ Comments by County staff on the draft 90% draft construction documents for package system or 60% draft construction documents for a Biolac system are assumed to be received not more than ten (10) working days after the submittal.

***The estimated budget for this task is \$250,000.***

## **Task 6 – Preparation of Environmental Documents**

### **Task 6.1 – Assistance in Preparing Environmental Documents**

The County will prepare environmental documents in accordance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). AECOM will assist County staff in this effort by answering technical questions, conducting research, and preparing exhibits as requested.

***The estimated budget for this task is \$4,000.***

### **Task 6.2 – Prepare Report of Waste Discharge**

Because the process at the existing WWTP will change, the Regional Water Quality Control Board (RWQCB) will require new WDRs be issued. AECOM will prepare a Report of Waste Discharge and an application to RWQCB for new WDRs. The assigned team understands the process and has worked with the Regional Board on past projects.

#### **Deliverables:**

- ❖ PDF copy of Report of Waste Discharge
- ❖ PDF copy of Waste Discharge Requirements/NPDES Permit

#### **Assumptions:**

- ❖ It is assumed that a Title 22 Engineering Report will not be required.
- ❖ County staff will assist AECOM in obtaining data and answering questions as applies to work that the County is preparing (e.g., sewer system management plan, rate study, CEQA, etc.).
- ❖ AECOM will coordinate with RWQCB, but cannot guarantee timeliness of their response on new WDR's and NPDES permit. RWQCB schedules are outside the control of AECOM.

***The estimated budget for this task is \$15,000.***

### **Task 6.3 – Assistance in Preparation of Permits**

The County will prepare permits as needed for the construction of the wastewater treatment plant and for construction of the collection system improvements. AECOM will assist by providing technical assistance as requested.

***The estimated budget for this task is \$8,000.***

## **Task 7 – Rate Study**

It is assumed that the County will prepare a Rate Study in accordance with Proposition 218 requirements. AECOM will assist County staff in this effort by answering technical questions and by preparing an exhibit to demonstrate operational, maintenance and replacement costs of assets.

***The estimated budget for this task is \$3,000.***

## **Task 9 – Community Outreach**

It is understood that County staff will organize and plan community outreach meetings in Traver to inform the public of the proposed project and solicit feedback. AECOM will attend one meeting and be available

to answer questions or, if requested, deliver a portion of the presentation. This effort will be to prepare for the meeting by preparing slides or assisting Tulare County in the technical aspects of the presentation.

*The estimated budget for this task is \$2,000.*

#### **Task 10 – Preparation of CWSRF Construction Application**

It is assumed that the County will prepare the Clean Water State Revolving Fund (CWSRF) construction application for the project. AECOM will assist County staff in this effort by answering technical questions, conducting research, and preparing exhibits.

*The estimated budget for this task is \$4,000.*

#### **Assumptions**

- ❖ Reuse: Any reuse of Consultant prepared Work, except for the specific purposes intended hereunder, will be at County's sole risk and without liability or legal exposure to Consultant or its sub-consultants.
- ❖ Safety: County agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the Project, including safety of all persons and property, and that this requirement shall be made to apply continuously and not be limited to normal working hours. Consultant shall not have control over or charge of, and shall not be responsible for, construction means, methods, techniques, sequences or procedures, as these are solely the responsibility of the construction contractor. Consultant shall not have the authority to stop the work of the construction contractor. In no event shall Consultant be liable for the acts or omissions of any construction contractors, their subcontractors, any of their agents or employees, or any other persons or entities performing any work related to this project, or for the failure of any them to carry out construction work under contract with the County.
- ❖ Contractor Indemnification / Additional Insured Status: County agrees to obtain and maintain for the benefit of Consultant the same indemnities and insurance benefits obtained for the protection of County from any contractor or subcontractor working on the project and shall obtain from that contractor or subcontractor insurance certificates evidencing Consultant as an additional named insured.
- ❖ Entitled to Rely: Consistent with the professional standard of care and unless otherwise specifically provided herein, Consultant shall be entitled to rely upon the accuracy of data and information provided by County or others without independent review or evaluation.
- ❖ Opinions of Construction Cost: Any Opinion of the Construction Cost prepared by Consultant represents its judgment as a Consultant and is supplied for the general guidance of County. Since Consultant has no control over the cost of labor and material, or over competitive bidding or market conditions, Consultant does not guarantee the accuracy of such opinions as compared to contractor bids or actual cost to County.
- ❖ Hazardous Materials: Notwithstanding anything in this Agreement, Consultant shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure to persons to hazardous materials in any form, at the Project Site.

# ***EXHIBIT B***

## ***PROJECT SCHEDULE***

Submission of Draft Feasibility Report	October 15, 2017
Submission of 30% Plans	November 7, 2017
Submission of 60% or 90% Plans*	November 28, 2017
Submission of Final Feasibility Report	December 8, 2017
CWSRF Construction Application	December 20, 2017

\*Plans will be at 90% completion level for package unit based wastewater treatment designs and 60% completion level for other treatment processes

# ***EXHIBIT C***

## ***SCHEDULE OF FEES***

### **AECOM**

**(BAKERSFIELD OFFICE)**

**FEE SCHEDULE FOR PROFESSIONAL SERVICES**

**Effective September 1, 2017**

#### **Engineers, Planners, Architects, Scientists:**

Principal Engineer	\$225.00 per hour
Senior II Engineer	\$200.00 per hour
Senior I Engineer	\$185.00 per hour
Process Engineer	\$280.00 per hour
Senior Process Engineer	\$225.00 per hour
Principal Electrical Engineer	\$250.00 per hour
Associate Civil or Electrical Engineer	\$150.00 per hour
Assistant Engineer	\$130.00 per hour
Student Intern	\$70.00 per hour

#### **Technical Support Staff:**

Designer	\$150.00 per hour
Senior Design CADD Operator	\$110.00 per hour
Drafter/CADD Operator	\$100.00 per hour
Clerical/General Office	\$75.00 per hour

#### **Sub Consultants, Services, Supplies and Mileage:**

Sub Consultants	Cost + 5%
Outside Reproduction and Services	Cost + 10%
Inside copying and supplies	Cost
Mileage	IRS Rate



# ***EXHIBIT D***

## **PROFESSIONAL SERVICES CONTRACTS** **INSURANCE REQUIREMENTS**

CONSULTANT shall provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property which may arise from, or in connection with, performance under the Agreement by the CONSULTANT, his agents, representatives, employees and subcontractors, if applicable.

### **A. Minimum Scope & Limits of Insurance**

1. Coverage at least as broad as Commercial General Liability, insurance Services Office Commercial General Liability coverage occurrence form GC 00 01, with limits no less than \$1,000,000 per occurrence including products and completed operations, property damage, bodily injury and personal & advertising injury. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability of \$1,000,000 per occurrence including any auto or, if the CONSULTANT has no owned autos, hired and non-owned auto coverage. If an annual aggregate applies it must be no less than \$2,000,000.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. Professional Liability (Errors and Omissions) insurance appropriate to the CONSULTANT's profession, with limit no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

### **B. Specific Provisions of the Certificate**

1. If the required insurance is written on a claims made form, the retroactive date must be before the date of the contract or the beginning of the contract work and must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract work.
2. CONSULTANT must submit endorsements to the General Liability reflecting the following provisions:
  - a. *The COUNTY, its officers, agents, officials, employees and volunteers are to be covered as additional insureds as respects; liability arising out of work or operations performed by or on behalf of the CONSULTANT including material, parts, or equipment furnished in connection with such work or operations.*
  - b. *For any claims related to this project, the CONSULTANT's insurance coverage shall be primary insurance as respects the COUNTY, its officers, agents, officials, employees and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, agents, officials, employees or volunteers shall be excess of the CONSULTANT's insurance and shall not contribute with it.*
  - c. *CONSULTANT hereby grants to COUNTY a waiver of any right to subrogation which any insurer of CONTRACTPR may acquire against the county by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may*

*be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.*

*d. Each insurance policy required by this agreement shall be endorsed to state that coverage shall not be canceled by either PARTY, except after written notice has been provided to the County.*

3. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the COUNTY for all work performed by the CONSULTANT, its employees, agents and sub-contractors. CONSULTANT waives all rights against the COUNTY and its officers, agents, officials, employees and volunteers for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.

#### **C. Deductibles and Self-Insured Retentions**

Self-insured retentions must be declared and the COUNTY Risk Manager must approve any deductible or self-insured retention that exceeds \$100,000.

#### **D. Acceptability of Insurance**

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A-:VII and a Standard & Poor's Rating (if rated) of at least BBB and from a company approved by the Department of Insurance to conduct business in California. Any waiver of these standards is subject to approval by the County Risk Manager.

#### **E. Verification of Coverage**

Prior to approval of this Agreement by the COUNTY, the CONSULTANT shall file with the submitting department, certificates of insurance with original endorsements effecting coverage in a form acceptable to the COUNTY. Endorsements must be signed by persons authorized to bind coverage on behalf of the insurer. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.

# EXHIBIT E

## VITAL PERSONNEL

Organization	Name	Position	Email	Office Phone	Mobile
AECOM	Ben Horn, PE	Principal-in-Charge	ben.horn@aecom.com	661.283.2323	661.332.1604
AECOM	Bill Black, PE	Project Manager	william.black@aecom.com	661.283.2323/2351(dir.)	661.333.4870
AECOM	Nick Cooper, PE	Lead Wastewater Treatment	Nick.Cooper@aecom.com	714.567.2630	714.270.5939
AECOM	Dan Cronquist,	Civil Engineer	daniel.cronquist@aecom.com	661.283.2331	661.932.4155
AECOM	Ufuk Erdal	Wastewater Treatment	Ufuk.Erdal@aecom.com	714-689-7238	
AECOM	Tyler N Hunt	Civil Engineer	tyler.hunt@aecom.com	805-764-4067	559.470.7125
AECOM	Monique Roberts	Lead Civil Engineer	monique.roberts@aecom.com	661-283-2349	661.858.4068
AECOM	Kunal Raithatha	Instrumentation	kunal.raithatha@aecom.com	805-764-4050	
AECOM	Allen Randall	Electrical	allen.randall@aecom.com	714-567-2631	
AECOM	James Gardiner	Wastewater Treatment	james.gardiner@aecom.com	661-283-2330	661.303.3426
AECOM	David Scherschel	Structural	dave.scherschel@aecom.com	714-567-2716	
Hughes Surveying	Wiley Hughes	Land Surveying	wiley@hughessurveying.com	661.834.1492	
Arrowhead Mapping Corp	Steve Dillon	Aerial Photogrammetry	arrowmapco@aol.com	909.889.2420	909.224.6959
BSK	On Man Lao	Geotechnical Engineering	olau@bskassociates.com	661.327.0671	661.949.0391

***EXHIBIT F***  
***COMPUTER SERVICES***

<b>Item</b>	<b>Format/Denotation</b>
Computer Aided Drafting	Auto Cad
Word Processing	MS Word
Spreadsheet	MS Excel
Project Schedule	MS Excel or MS Project
Final Reports	Portable Document File (PDF)

***EXHIBIT G***

***OPTION***

**(Attached)**

**Attachment 5**  
**Construction Funding**  
**Opportunities**

## **Traver Waste Water Improvement Project**

### **Potential Funding Sources – Construction**

#### **Future Potential Funding Opportunities**

Staff have reviewed various grant funding options and, other than CDBG, have not identified any at this time which staff believes would likely fund this project. In addition, several grant funding agencies, including the Water Resources Control Board and USDA, require the same application for grants as for loans. Portions of this project, such as a percentage of the new WWTP which process the waste stream for existing residential may be grant eligible under the Clean Water State Revolving Fund grant program or future USDA grant programs.

Future Loan and grant options are described below:

#### **U.S. Department of Agriculture (USDA) Loan**

USDA could fund the project in the form of a sinking bond held and owned by USDA, which resembles a loan to the County. USDA has no maximum funding limit and would be able to serve businesses and allow for future housing development. USDA's interest rate depends on the median income of the customers and on what the funds are used. Based on discussions with USDA, this project would likely qualify for the intermediate (2.125%) or market rate (3.5%). Further, certain components may be grant eligible but it is unclear at this time and such a grant would be awarded through a competitive review process.

USDA requires reserve funds for short-lived assets and a 10% reserve for debt service. Further, sewer rates may need to be raised to at least 1.5% of the community's MHI for the County to qualify for funding.

USDA funding does not cover costs on private property such as lateral connections and septic tank abandonment, however the businesses or future developments to be connected should be able to cover these costs.

#### **Clean Water State Revolving Fund Loan**

CWSRF has no maximum funding limit, but typically will fund projects only at a maximum rate of \$30,000 per residential connection which would equate to approximately \$5.1 million for Traver unless a larger amount is approved by the Water Board. CWSRF funding would be primarily loan, but may possibly include a small grant. CWSRF funding would most likely require match funding from another source such as CDBG, USDA, or a local source. Preliminary discussions with Water Board staff indicate that if a portion of the construction project is grant eligible, such a grant would be a small amount of the overall project cost based on the determination of the percentage of the project improvements that solely benefit existing residential users.

CWSRF would not cover costs on private property for sewer laterals or septic tank abandonment.

#### **Community Development Block Grant**

CDBG provides a maximum of \$5 million for Public Improvement Projects that have to benefit a low-mod income area (Traver qualifies as such) or that provide for public infrastructure in support of new housing construction, but a qualifying developer would need to have an active new housing construction project. Under CDBG, connecting industrial and commercial

Attachment 5 – Construction Funding Opportunities

customers may not be covered, nor would providing capacity or connections for future development except as described above. CDBG may also pay for improvements to the WWTF but would not pay for an expansion in treatment capacity unless necessary for an active housing development by a qualified developer. CDBG funding would be 100% grant but would only cover a portion of the total project. The future status of CDBG funding is somewhat uncertain due to administrative priorities at the federal level.

**Local Funds**

The County could elect to construct the improvements using General Fund dollars for all or a required local match.

**Rate Comparison**

The terms of each funding source are as follows (subject to availability):

<b>FUNDING SOURCE</b>	<b>MAXIMUM AMOUNT</b>	<b>LOAN/ GRANT</b>	<b>INTEREST RATE</b>	<b>LOAN TERM</b>
USDA	N/A	Loan/Grant Combination	2.125% or 3.5%	40 years
CWSRF	\$5.1 million unless approved by the Water Board	Loan/Grant Combination	1.8%	30 years
CDBG	\$5 million	Grant	N/A	N/A
Local Funds	Subject to BOS Determination	Subject to BOS Determination	N/A	Subject to BOS Determination

**Developer Costs, Connection Fees, etc.**

Staff have reviewed the financial impact of the new system operations and maintenance requirements plus debt service a loan for the full project cost using the CWSRF terms as described above. Assuming the County adopts the maximum affordable rate for the community and a reasonable connection fee of \$4000 per single family dwelling and an average fee of \$70,000 for the existing business, the system would be financially capable of meeting the operations & maintenance for the new system plus the debt service when 200 additional homes and all of the existing commercial entities along 6th Street connect to the system. For this analysis, the affordable rate was determined to be \$64.90 based on income data for the community of Traver from the U.S. Census Bureau. It should be noted that the loan may require payments prior to the full development as described above, and funds may be required to make up any shortfall until the development is complete.

Other options, such as assessments on the expanded service area, could also be used to service the construction loan.



**Attachment 6**  
**Traver Economic**  
**Development**  
**Opportunities and Interest**  
**Summary**

## **Traver Waste Water Improvement Project**

### **Traver Economic Development Opportunities and Interest Summary**

#### **Opportunity Zone**

The recently approved tax bill included the creation of “Opportunity Zones” to draw long-term investment to communities that continue to struggle with high poverty and sluggish job and business growth. The census tract in which Traver is located has been nominated as an Opportunity Zone by the Governor of California. This tax incentive program may release the untapped development potential for both housing and commercial in the community of Traver.

#### **Housing**

Self Help Enterprises (SHE) is currently constructing 11 new affordable single family homes along Jacob Street in Traver. Market demand was so strong that SHE officials held a lottery to determine whom among the applicants would be allowed to purchase one of these 11 homes.

County has previously updated the Traver Community Plan to allow increased housing within the Traver urban development boundary, specifically on a large parcel adjacent on the northern boundary of Traver, in anticipation of addressing this demand for additional housing.

Jim Merlo and David Johnston, owners of the large parcel mentioned above, reaffirmed their desire to County staff in April 2018 to develop a tentative tract map for approximately 200-220 homes to be built within an expanded Traver sewer service area. Mr. Merlo stated that several developers have recently expressed an interest in developing entry-level affordable housing at their location.

#### **Highway Commercial**

In order to responsibly grow economic opportunities along Highway 99, the County has recently rezoned properties to facilitate economic development within the Highway 99 corridor in selected communities where infrastructure to support development exists or can reasonably be developed. Thus, as part of the update to the Traver Community Plan, the area east of Highway 99 and along Sixth Street was rezoned to accommodate commercial and certain light industrial uses. A key 11-acre parcel that had remained in agricultural production was recently sold to an individual that is actively marketing it for development. Within the last year, at least one developer has expressed serious interest in constructing a hotel and/or other substantial highway commercial enterprises in this area.

Bravo Farms is currently making major renovations to its Traver establishment and has expressed a desire to explore connection to the sewer system should that opportunity present itself.

#### **Industrial**

Foster Farms currently operates a large processing facility near the Traver ZOB. Staff was contacted by the company to determine if certain discharges from their waste stream would be compatible with Traver WWTP. These discharges are currently hauled to an off-site location at another Foster Farms facility which is at much greater distance than the Traver WWTP. This could potentially serve as an additional source of revenue for the Traver ZOB.



# Traver Wastewater System Improvement Project Update

Presented by the  
Tulare County Resource Management Agency  
June 12, 2018



# Presentation Outline

1. Project Need and History
2. CWSRF Application
3. Project Status
4. Final Construction Plan Set Option
5. Construction Financing Options
6. Sustainability Analysis
7. Economic Benefit
8. Questions, Comments & Discussion

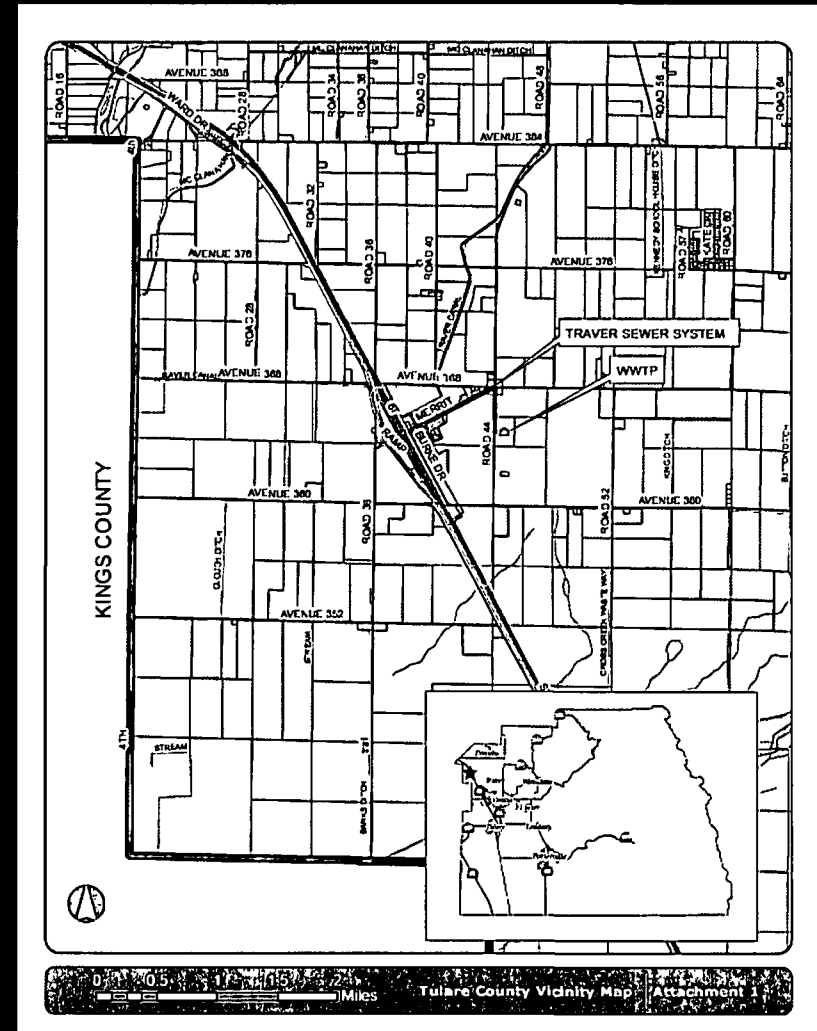


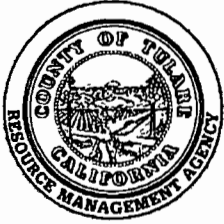
# Project Need and History

3

## Traver Zone of Benefit

- Owned & Operated by County
- Serve portion of community
- Constructed in 1992
- 213 connections
  - 177 Single Family Dwellings
  - 1 School
  - 11 Vacancy
  - 24 Stand By



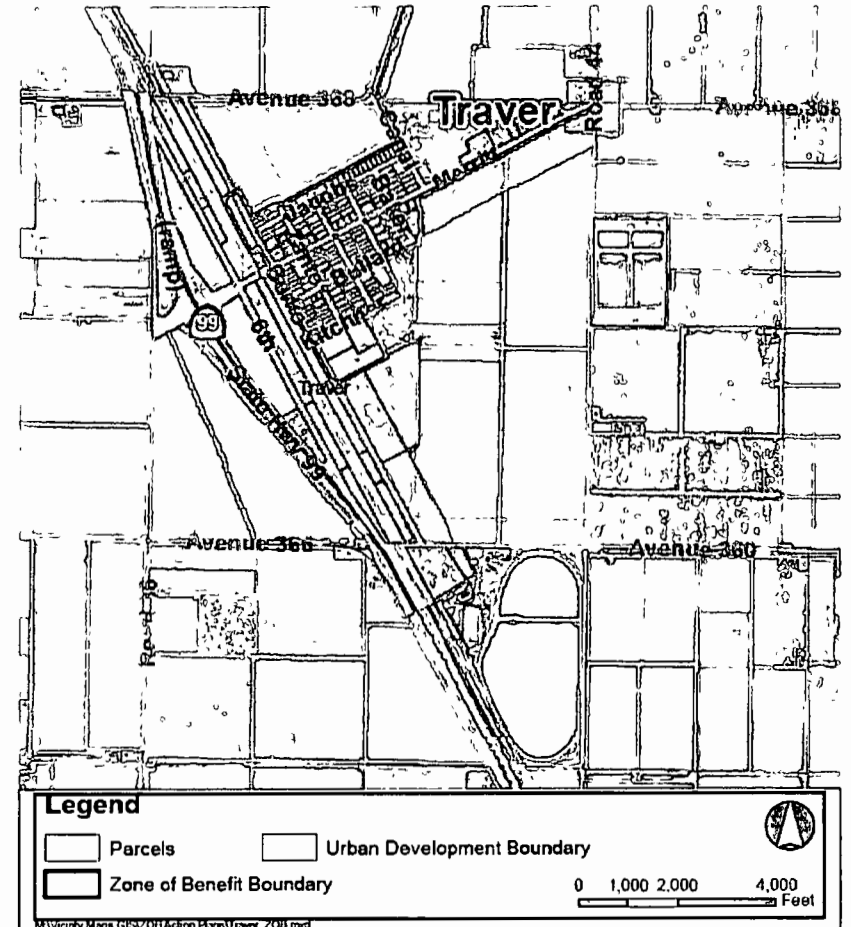


# Project Need and History

4

## Expansion of System Recommended

- *Traver Community Plan 2014 Update*
- *2005 Traver Community Sewer Collection and Wastewater Treatment Evaluation & 2014 Supplement*
- 89,000 GPD Permitted
- 55,624 GPD Existing (historical peak)
  - 62% of Capacity
- Economic Development Interest along 6<sup>th</sup> Street business corridor
- 73,000 GPD – Estimated Community Generation (for UDB)
  - 82% of Capacity
  - Best Practice: trigger for expansion at 80% capacity





# CWSRF Application

5

## Clean Water State Revolving Fund Application

- Authorized Under Resolution 2017-0473
- Application for \$500,000 for Planning and Design to Water Board
- Application Submitted June 21, 2017
- Project expedited to apply for remaining Proposition 1 funding for construction
- AECOM hired to conduct feasibility study and prepare 90% plans & specifications (Agreement No. 28298)
- Grant Application Denied November 29, 2017 – Project put on hold
- Requesting budgetary transfer to cover shortfall from grant denial



# Project Status

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## Consultant (AECOM) Agreement Tasks:

1. Project Feasibility Report
  - Final draft pending County Review
2. Survey and Geotechnical Work - Complete
3. Construction Documents
  - Construction Plans for collection and treatment system approximately 90% complete
4. Preparation of Environmental Documents
  - EIR Completed by County, adopted December 2017
5. Update Sewer System Management Plan, Rate Study, Report of Waste Discharge
  - On Hold pending final feasibility report and final design
6. Preparation of CWSRF Construction Application – On Hold pending direction





# Project Status

7

## Proposed Projects

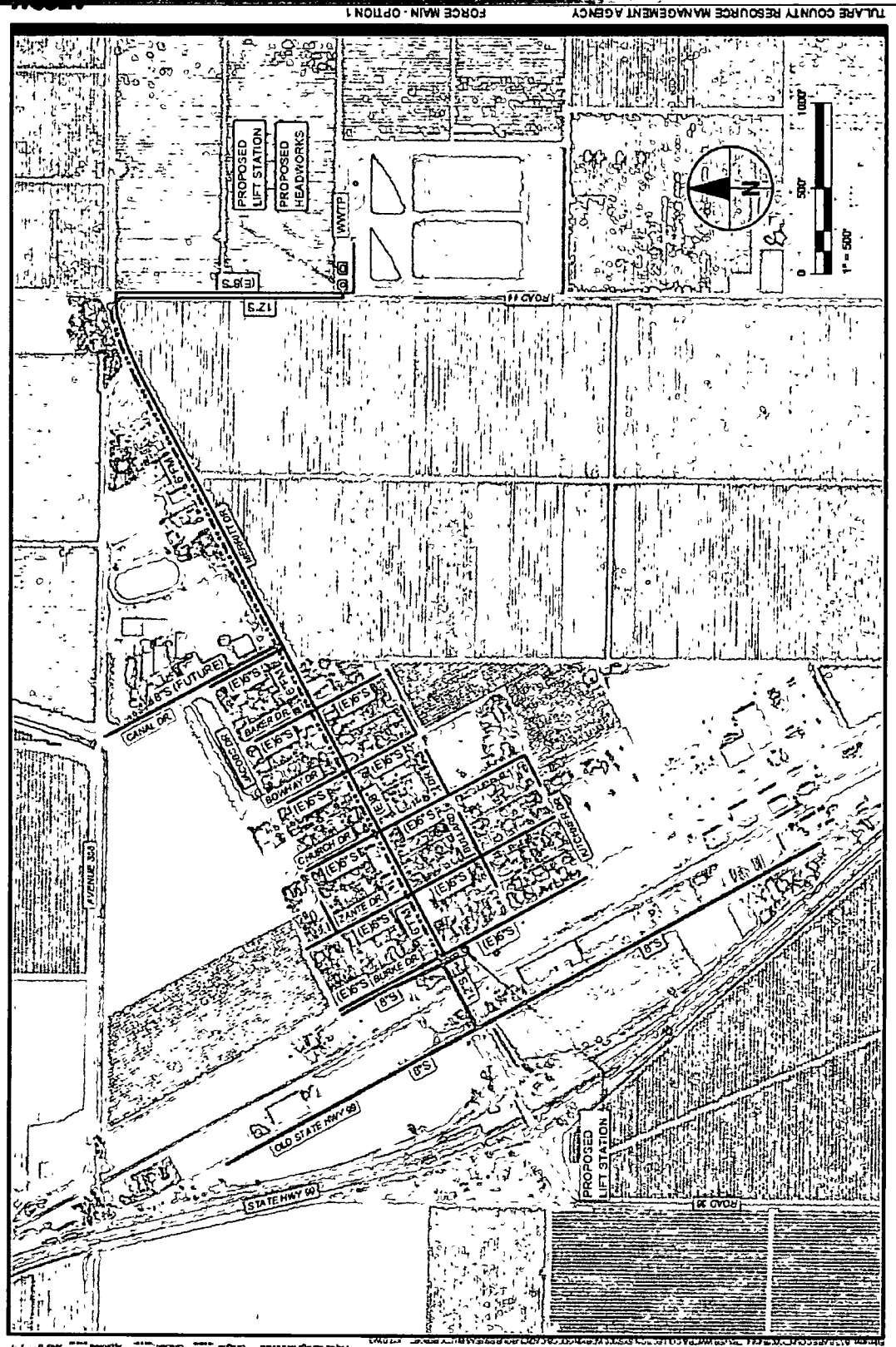
### 1. Collection System Improvements

- Expand Collection to 6<sup>th</sup> Street with Lift Station to Existing Sewer Main
- Expand Collection to northern part of community
- Future Force Main

### 2. Treatment System Improvements

- Package Plant for Treatment (2x50,000 GPD units)
- Future expansion (additional 2x50,000 GPD units)

# Project Status



TULARE COUNTY RESOURCE MANAGEMENT AGENCY  
FORCE MAIN - OPTION 1



# Final Construction Plan Set Option

9

## AECOM Optional Agreement - \$50,000

1. Complete 100% and Final Construction Plans for Treatment and Collection system
2. Makes project eligible for other grant or loan funds
3. Originally excluded from contract based on CWSRF eligibility requirements



# Construction Financing Options

10

## 1. USDA Loan

- Rate: 2.125% - 3.5%
- Term: 40 years

## 2. CWSRF Loan

- Rate: 1.8%
- Term: 30 years

## 3. Local Funds

- Subject to BOS Determination

## 4. Grants

- Small grant opportunities from CDBG, USDA, CWSRF
- Competitive grants, project may not receive an award
- Grant funding would be limited to small portions of project



# Sustainability Analysis

11

## Conditions for Project Sustainability\*:

1. Increase rates to maximum affordable level (1.5% of MHI)
  - Single Family Dwelling Rate: ~\$65 per month, other rates increased proportionately
2. All of existing commercial entities along 6<sup>th</sup> Street Connect
  - Average Connection Fee: \$70,000
  - Average Rate: \$325 per month
3. Development of 200 housing units in northern part of community
  - Connection Fee: \$4,000 per Single Family Dwelling Unit

\*Assuming CWSRF debt service payments and updated operating costs



# Economic Benefit

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## Increased Development Opportunities

1. Housing development interest in northern UDB
2. Available utilities on west side of RR Tracks for highway commercial
3. Opportunities for infill

## Resulting County Financial Benefits

1. Improved sustainability of system (at buildout)
2. Increased property values and tax revenues



# Questions, Comments, and Discussion