



Meeting Agenda

Date & Time: 2/5/2026 | 9:30 AM

Location: SLDMWA Boardroom

Board of Directors Regular Meeting

842 6th Street, Los Banos

(List of Member/Alternate Telephonic Locations Attached)

Public Participation Information

Join Zoom Webinar -

<https://us02web.zoom.us/j/84863975767?pwd=MO9f2PPLGyLszPsEVW96CdFCqcGlz9.1>

NOTE: Any member of the public may address the Board concerning any item on the agenda before or during consideration of that item.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

Agenda

Item	Topic	Lead

1.	Call to Order/Roll Call	
2.	Board to Consider Additions or Corrections to the Agenda, as Authorized by Government Code Section 54950 <i>et seq.</i>	
3.	Opportunity for Public Comment – Any member of the public may address the Board concerning any matter not on the agenda, but within the Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Board may waive this limitation.	

CONSENT CALENDAR

4.	Approval of January 8, 2026 Regular Meeting Minutes	
5.	Acceptance of Financial & Expenditures Reports	
6.	Finance & Administration Committee Recommendation to Accept the Treasurer's Report for the Quarter Ending December 31, 2025	
7.	Acceptance of Staff Reports: a. O&M Budget to Actual b. Operations & Maintenance c. Science Program d. Activity Agreements e. Procurement Activity	

ACTION ITEMS

8.	Water Resources Committee Recommendation Regarding Adoption of Staff Recommendation for Positions on Legislation A. H.R. 6639 (Gray), Water Agency and Transparency Enhancement Review (WATER) Act B. H.R. 6640 (Gray), Build Now Act C. H.R. 6641 (Gray), Central Valley Water Solution Act D. A.B. 35 (Alvarez), Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedures Act: exemption: program guidelines and selection criteria.	Petersen
9.	Finance & Administration Committee Recommendation Regarding Award and Execution of Construction Agreement for Jones Pumping Plant Pump Casing & Bifurcation Pipe Recoating Project, and Expenditure of Up to \$1,037,350 Utilizing Fiscal Year (FY) 2025 and 2026 EO&M Funds	Arroyave, McNeil
10.	Finance & Administration Committee Recommendation Regarding Execution of Sixth Amendment to Agreement for Professional Services Supporting DMC Subsidence Correction Project with CDM Smith and Related Increase in Expenditure of Up to \$216,587 Utilizing FY 2021, FY 2022, and/or FY 2023 EO&M Budget Funds	Arroyave, McNeil
11.	Finance & Administration Committee Recommendation Regarding Execution of DMC Subsidence Correction Project Advanced Funds Agreement with Westlands Water District	Barajas, Tarka
12.	Finance & Administration Committee Recommendation to Approve Water Year 2026 OM&R Water Rates	Tarka
13.	Water Resources Committee and Finance & Administration Committee Recommendations Regarding Adoption of Resolutions Relating to the DMC Subsidence Correction Project A. Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan B. Authorizing Execution of Construction Manager/General Contractor (CMGC) Agreement	Arroyave, McNeil

REPORT ITEMS

14.	Expression of Appreciation for Mike Wade, Former Executive Director of the California Farm Water Coalition	Barajas, Michael
15.	Report on State and Federal Affairs	Petersen, Cardoza, Olsen
16.	Executive Director's Report (May also include reports on activities re: 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities)	Barajas

17. Chief Operating Officer's Report
(May include reports on activities re: 1) OM&R; 2) Infrastructure Projects;
3) Water transfers, exchanges, and release program) Arroyave
18. Update on Water Operations and Forecasts Arroyave,
USBR
19. Committee Reports
 - a. Water Resources Committee Activities, Bourdeau
 - b. Finance & Administration Committee Activities, Hansen
 - c. O & M Technical Committee Activities, White
 - d. Planning Committee Activities, Diener
20. Outside Agency/Organization Reports
 - a. Family Farm Alliance
 - b. Farm Water Coalition
 - c. Association of California Water Agencies
 - d. San Joaquin Valley Water Blueprint Effort
 - e. San Joaquin Valley Collaborative Action Program
 - f. Central Valley Project Water Association
 - g. Great Valley Farm Water Partnership
21. Board Member Reports
22. **CLOSED SESSION** Akroyd,
Barajas

THREAT TO PUBLIC SERVICES OR FACILITY
Consultation with: Executive Director / General Counsel

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government
Code Section 54956.9 – 3 potential cases

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of Subdivision
(d) of Government Code Section 54956.9 – 1 potential case

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Existing Litigation Pursuant to paragraph (1) of Subdivision (d) of Section 54956.9

- a. Pacific Coast Federation of Fishermen's Associations (PCFFA), et al. v. Nickels, et al., U.S. District Court, E.D. Cal., Case No. 2:11-cv-02980; 9th Cir. Case No. 23-15599 (GBP Citizen Suit)
- b. California Sportfishing Protection Alliance (CSPA), et al. v. State Water Resources Control Board (SWRCB), et al., Sac. Co. Superior Court, Case No. 34-2021-80003761 (2021 TUCP Order)
- c. CSPA, et al. v. SWRCB, et al., Sac. Co. Superior Court, Case No. 34-2021-80003763 (2021 Temp. Mgmt. Plan)
- d. SWRCB, Administrative Hearings Office, Petitions for Change of California Department of Water Resources (DWR) Water Right Permits, Delta Conveyance Project (DWR Change Petition)

- e. Tehama-Colusa Canal Authority, et al. v. DWR, et al., Sacramento Co. Superior Court, Case No. 24WM000183 (SWP 2024 EIR Challenge)

- 23.** Return to Open Session
- 24.** Report from Closed Session, if any, Required by Government Code Section 54957.1
- 25.** Reports Pursuant to Government Code Section 54954.2(a)(3)
- 26.** ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

SLDMWA BOARD OF DIRECTORS REGULAR MEETING TELEPHONIC LOCATIONS

FEBRUARY 5, 2026

7357 W. Tenaya Ave
Fresno, CA 93723

15671 W. Oakland Ave
Five Points, CA 93624



Meeting Minutes

Date & Time: 1/8/2026 | 9:30 AM
Location: SLDMWA Boardroom
842 6th Street, Los Banos

San Luis & Delta-Mendota Water Authority Board of Directors Regular Meeting Minutes

Board of Directors Present

Division 1: Bobby Pierce, Director
Anthea Hansen, Director
Ed Pattison, Director
Division 2: Justin Diener, Director
William Bourdeau, Director
Aaron Barcellos, Director
Lon Martin, Alternate
Division 3: Chris White, Alternate
Jarrett Martin, Director
Cannon Michael, Chair/Director
Michael Gardner, Alternate
Division 4: Aaron Baker, Alternate
Richard Santos, Director
Dana Jacobson, Director
Joe Tonascia, Director
Brett Miller, Alternate
Division 5: Allison Febbo, Director (ZOOM)
Manny Amorelli, Director
Friant Representative:
Jason Phillips, Representative (ZOOM)

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Scott Petersen, Water Policy Director (ZOOM)
Ray Tarka, Director of Finance
Jamie McNeil, Engineering Manager
Cindy Meyer, Special Programs Manager (ZOOM)
Eddie Reyes, Information Systems Technician

Others Present

Patrick McGowan, Panoche Water District
Chase Hurley, Pacheco Water District
Ric Ortega, Grasslands Water District (ZOOM)
John Varela, Valley Water (ZOOM)
Lea Emmons, City of Tracy (ZOOM)
Kristin Olsen-Cate, California Strategies (ZOOM)
John Wiersma, Henry Miller Reclamation District
Levi Johnson, Reclamation (ZOOM)
Cindy Kao, Valley Water
Dennis Cardoza, Foley & Lardner, LLP (ZOOM)
Don Wright, WaterWrights, (ZOOM)

Agenda

Item	Topic	Lead

- 1. Call to Order/Roll Call** – The meeting was called to order at approximately 9:30 a.m. by Chair Cannon Michael and roll was called.
During roll call, two Directors were identified as participating via teleconference: (1) Director Allison Febbo, who was participating remotely pursuant to Government Code section 54953.8.3(c)(1) for just cause, and (2) Friant Water Authority Representative Justin Phillips, who was participating remotely pursuant to Government Code section 54953(b) consistent with traditional teleconference rules.
- 2 Additions or Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq.** – No additions or corrections.

3. **Opportunity for Public Comment** – No public comment.
4. **Agenda Items 4-6: Board to Consider: 4) December 11, 2025 Meeting Minutes and December 18, 2025 Special Workshop Minutes, 5) Acceptance of the Financial & Expenditures Reports, and 6) Acceptance of Staff Reports** - M/S - Motion by Director Richard Santos, seconded by Alternate Chris White, the Board accepted the December 11, 2025 meeting minutes with minor edits, December 18, 2025 Special Workshop Meeting Minutes with minor edits, financial & expenditure reports, and staff reports. Roll Call Vote: Ayes – Pierce, Hansen, Pattison, Diener, Bourdeau, Barcellos, Lon Martin, White, Jarrett Martin, Michael, Baker, Santos, Jacobson, Tonascia, Febbo, Amorelli; Nays – 0; Abstentions – 0.
5. **Agenda Item 7: Approval of Executive Compensation for Executive Director and General Counsel** - Chair Cannon Michael orally reviewed the handout and reported on proposed salaries and total benefit packages for the Executive Director and General Counsel.
Michael
M/S - Motion by Director Anthea Hansen, seconded Director Manny Amorelli, the Board approved Executive Compensation for the Executive Director and General Counsel. Roll Call Vote: Ayes – Pierce, Hansen, Pattison, Diener, Bourdeau, Barcellos, Lon Martin, White, Jarrett Martin, Michael, Baker, Santos, Jacobson, Tonascia, Febbo, Amorelli, Phillips; Nays – 0; Abstentions – 0.
6. **Agenda Item 8: Finance & Administration Committee Recommendation Regarding Fiscal Year 2027 OM&R Budget, Water Resources Committee Recommendation Regarding Fiscal Year 2027 Activity Budget, and Resolution Adopting the Complete Fiscal Year 2027 Budget** – Executive Director Federico Barajas reviewed the memo and attachments included in the packet, and outlined the budget development process for both the OM&R & Activity Budgets, which included a Joint Budget Workshop held in December. Chief Operating Officer Pablo Arroyave provided a review of the OM&R Budget, which includes a 3.5% salary increase for all staff, a 5-step salary schedule, and two new apprentice positions. Arroyave noted that the budget resolution included authorization of a small number of contracts, consistent with past practice. Barajas then provided a review of the Activity Budget including the FY 2027 budget expenditure summary, and membership assessment.
Barajas, Arroyave
M/S - Motion by Director Richard Santos, seconded Director Anthea Hansen, the Board adopted the resolution adopting the complete Fiscal Year 2027 Budget. Roll Call Vote: Ayes – Pierce, Hansen, Pattison, Diener, Bourdeau, Barcellos, Lon Martin, White, Jarrett Martin, Michael, Baker, Santos, Jacobson, Tonascia, Febbo, Amorelli, Phillips; Nays – 0; Abstentions – 0.
7. **Agenda Item 9: Finance & Administration Committee Recommendation Regarding Fifth Amendment to DMC Subsidence Correction Project Task Order with Hallmark Group Capital Program**
Arroyave, McNeil

Management and Related Increase in Expenditure of Up to \$198,580 Utilizing the FY 2021, FY 2022, and/or FY 2023 EO&M Budget Funds –

Engineering Manager Jaime McNeil reported that given the increased work required to further the project this fiscal year, Hallmark's actual spend rate is currently tracking at \$80,000 a month, leading to a budget deficit necessitating this proposed Fifth Amendment and the need for Board authorization for an increase in expenditure of up to \$198,580 utilizing FY 2021, FY 2022, and/or FY 2023 EO&M budget funds. McNeil reported that EO&M budget funds would be used to cover cash flow needs, which would later be reimbursed utilizing DWR grant funds.

M/S - Motion by Director Richard Santos, seconded by Alternate Chris White, the Board approved the Fifth Amendment to DMC Subsidence Correction Project Task Order with Hallmark Group Capital Program Management and related increase in expenditure of up to \$198,580 utilizing the FY 2021, FY 2022, and/or FY 2023 EO&M Budget Funds. Roll Call Vote: Ayes – Pierce, Hansen, Pattison, Diener, Bourdeau, Barcellos, Lon Martin, White, Jarrett Martin, Michael, Baker, Santos, Jacobson, Tonascia, Febbo, Amorelli, Phillips; Nays – 0; Abstentions – 0.

8. **Agenda Item 10: Report on State & Federal Affairs –** Water Policy Petersen, Cardoza, Olsen-Cate
Director Scott Petersen provided federal updates related to ESA comments, WOTUS, appropriation bills, ESA legislation, and golden mussels legislation. Petersen additionally provided a California legislative update. Petersen answered Board questions throughout his presentation. Dennis Cardoza provided additional Federal Affairs updates, including the unexpected and tragic passing of California water champion Congressman Doug LaMalfa, and Kristin Olsen-Cate provided a State Affairs update.
9. **Agenda Item 11: Executive Director's Report** Barajas
a. **South of Delta Drought Plan** – Executive Director Federico Barajas reminded the Board that Chief Operating Officer Pablo Arroyave sent out an email requesting input from participating members regarding districts decisions on restoration of the 1% water loss in advance of meeting with Reclamation.
b. **Water Users Conference** - Executive Director Federico Barajas reported there will not be any "speed dating" meetings with Reclamation, but Reclamation staff will be available for individual meetings upon request.
10. **Agenda Item 12: Chief Operating Officer's Report** Arroyave
a. **Intertie Operations** – Chief Operating Officer Pablo Arroyave reported that all six units at the Intertie were operated yesterday from noon until this morning. Arroyave thanked Reclamation for their assistance with testing.
b. **Transformer Rehab** – Chief Operating Officer Pablo Arroyave reported that staff is working with Reclamation on rescheduling the outage.

- c. **Estimated Deliveries** – Chief Operating Officer Pablo Arroyave reported that staff sent out an email requesting estimated deliveries at 25% and 50% ag contract allocations by January 13, 2026.
 - d. **Golden Mussels** – Special Programs Manager Cindy Meyer provided a brief update on golden mussels.
- 11. **Agenda Item 13: Update on Water Operations and Forecasts** – Levi Johnson from Reclamation provided updates regarding operations, CVP supply, and reservoir storage. Johnson and Chief Operating Officer Pablo Arroyave answered Board member questions throughout the presentation. Arroyave, USBR
- 12. **Agenda Item 14: Committee Reports** – No reports.
- 13. **Agenda Item 15: Outside Agency/Organization Reports**
 - a. **Family Farm Alliance (FFA)** – Report included in the packet.
 - b. **Farm Water Coalition** – Mike Wade reviewed the report included in the packet, and provided additional information.
 - c. **Association of California Water Agencies** – No report.
 - d. **San Joaquin Valley Water Blueprint Effort** – Water Policy Director Scott Petersen provided a brief update.
 - e. **San Joaquin Collaborative Action Plan** – Water Policy Director Scott Petersen provided a brief update.
 - f. **Central Valley Project Water Association** – No report.
 - g. **Great Valley Farm Water Partnership** – Chair Cannon Michael reported that there is a meeting January 14, 2026 at the Authority office.
- 14. **Agenda Item 16: Board Member Reports** – Chair Cannon Michael acknowledged that today is Friant Water Authority Representative Jason Phillips last meeting.
- 15. **Agenda Items 17-19: Closed Session** – Chair Cannon Michael adjourned the open session to address the items listed on the Closed Session Agenda at approximately 10:58 a.m. Upon return to open session at approximately 11:27 a.m., General Counsel Rebecca Akroyd reported that the direction to intervene in an action has been given, and the action, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry. The vote on that action of every member was as follows: Ayes – Hansen, Pattison, Diener, Bourdeau, Barcellos, Lon Martin, White, Jarrett Martin, Michael, Baker, Santos, Jacobson, Tonascia, Febbo, Amorelli; Nays – 0; Abstentions – 0. Akroyd, Barajas
- 16. **Agenda Item 20: Reports Pursuant to Government Code Section 54954.2(a)(3)** – No reports.
- 17. **Agenda Item 21: Adjournment** – The meeting was adjourned at approximately 11:29 a.m.



Official Memorandum

TO: Pablo Arroyave, Chief Operating Officer
FROM: Raymond Tarka, Director of Finance

SUBJECT: February 2026 BOD Meeting Report – Finance
Fiscal Year - March 1, 2025 through February 28, 2026

DATES: February 05, 2026

Attached are the Financial & Expenditures Reports.

San Luis & Delta-Mendota Water Authority

Receivable Activity Report (Does Not Include Water Payment Transactions)

Month Ending December 31, 2025

	MEMBERS	USBR EMERGENCY	OTHER	TOTAL RECEIVABLE
RECEIVABLE BALANCE NOVEMBER 30, 2025	\$ 969,541.63	\$ -	\$ 1,901,043.72	\$ 2,870,585.35
Billings:				
Cobra - Various Employees			2,518.40	2,518.40
Miscellaneous - Reimbursement for Pass Through Expenses			343.99	343.99
TOTAL BILLINGS	\$ -	\$ -	\$ 2,862.39	\$ 2,862.39
Collections:				
Cobra - Various Employees			4,764.37	4,764.37
Miscellaneous - Reimbursement for Pass-through Expenses			15.00	15.00
Membership - FY26 Installments	350,400.34			350,400.34
SJRECWA Transfers - Various Districts			11,321.51	11,321.51
Yuba County Water Agency Transfer - Various Districts			9,711.00	9,711.00
San Joaquin Valley Drainage Authority			2,668.64	2,668.64
USBR - DMC Subsidence Correction Project - R21AC10471			262,604.03	262,604.03
TOTAL COLLECTIONS	\$ 350,400.34	\$ -	\$ 291,084.55	\$ 641,484.89
RECEIVABLE BALANCE DECEMBER 31, 2025	\$ 619,141.29	\$ -	\$ 1,612,821.56	\$ 2,231,962.85

San Luis & Delta-Mendota Water Authority
SLDMWA
AR | Aging Summary by Category
As of December 31, 2025

ID	Customer	Current	(30)	(60)	(90)	(>90)	Category	Total
CAMP-MEMB	CAMP-MEMB Camp 13 Drainage District	\$0.00	\$0.00	\$0.00	\$0.00	\$79,309.00	MEMBERSHIP	\$79,309.00
FARMERS WD-MEMBER	FARMERS WD-MEMBER Farmers Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$190,706.00	MEMBERSHIP	\$190,706.00
OFWD-MEMB	OFWD-MEMB Oak Flat Water District	\$0.00	\$0.00	\$0.00	\$0.00	(\$1,188.00)	MEMBERSHIP	(\$1,188.00)
PDD-MEMB	PDD-MEMB Panoche Drainage District	\$0.00	\$0.00	\$0.00	\$0.00	\$52,240.00	MEMBERSHIP	\$52,240.00
PWD-MEMB	PWD-MEMB Pacheco Water District	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.01)	MEMBERSHIP	(\$0.01)
SLWD-MEMB	SLWD-MEMB San Luis Water District	\$0.00	\$0.00	\$0.00	\$0.00	(\$10.00)	MEMBERSHIP	(\$10.00)
WWD-MEMB	WWD-MEMB Westlands Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$298,084.30	MEMBERSHIP	\$298,084.30
0265	0265 St of CA Depart of Tax & Fee Admin	\$0.00	\$0.00	\$0.00	\$2,033.00	\$0.00	MISC	\$2,033.00
0276		\$0.00	\$0.00	\$111.71	\$0.00	\$0.00	MISC	\$111.71
0333		\$0.00	\$0.00	(\$166.86)	\$0.00	\$0.00	MISC	(\$166.86)
0339		\$0.00	\$328.99	\$0.00	\$0.00	\$0.00	MISC	\$328.99
CCWD-MISC	CCWD-MISC Contra Costa Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$11,364.00	MISC	\$11,364.00
DWR	DWR Department of Water Resources	\$0.00	\$0.00	\$0.00	\$0.00	\$1,066,324.47	MISC	\$1,066,324.47
EBMUD-MISC	EBMUD-MISC East Bay Municipal Utility District	\$0.00	\$0.00	\$0.00	\$0.00	\$11,364.00	MISC	\$11,364.00
EFWD-MISC	EFWD-MISC Eagle Field Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$239.46	MISC	\$239.46
GWD-MISC	GWD-MISC Grassland Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$6,224.73	MISC	\$6,224.73
MSWD-MISC	MSWD-MISC Mercy Springs Water Distirct	\$0.00	\$0.00	\$0.00	\$0.00	\$384.61	MISC	\$384.61
PANOCH-MISC	PANOCH-MISC Panoche Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$4,946.98	MISC	\$4,946.98
PATT CITY MISC	PATT CITY MISC City of Patterson	\$0.00	\$0.00	\$0.00	\$0.00	\$10,797.47	MISC	\$10,797.47
PID-MISC	PID-MISC Patterson Irrigation District	\$0.00	\$0.00	\$0.00	\$0.00	\$723.89	MISC	\$723.89
PWD-MISC	PWD-MISC Pacheco Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$530.49	MISC	\$530.49
SBCWD-MISC	SBCWD-MISC San Benito County Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$1,870.90	MISC	\$1,870.90
SLWD-MISC	SLWD-MISC San Luis Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$6,348.50	MISC	\$6,348.50
USBR-MISC	USBR-MISC U.S. Bureau of Reclamation	\$0.00	\$0.00	\$123,754.00	\$44,536.00	\$0.00	MISC	\$168,290.00
VALLEY-MISC	VALLEY-MISC Valley Water	\$0.00	\$0.00	\$0.00	\$0.00	\$1,824.32	MISC	\$1,824.32
WSID-MISC	WSID-MISC West Stanislaus Irrigation District	\$0.00	\$0.00	\$0.00	\$289.00	\$0.00	MISC	\$289.00
WWD-MISC	WWD-MISC Westlands Water District	\$0.00	\$0.00	\$0.00	\$0.00	\$318,991.90	MISC	\$318,991.90
Total		\$0.00	\$328.99	\$123,698.85	\$46,858.00	\$2,061,077.01		\$2,231,962.85

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending December 31, 2025

Daily Interest Rates: Type of Account: Account #:		Cash on Hand	0.00% CWB Checking 0471	0.00% CWB Payroll 0489	0.50% CWB Transactional 0463	0.50% CWB Emergency Reserve 4858	4.06% CWB Money Mkt 8343	3.96% Cal Trust 2510 Short Term 201	3.92% Cal Trust 2510 Medium Term 202	3.90% Cal Trust 2510 Liquidity 203	0.00% LAIF 4-006	Petty Cash	Total
Cash Balance as of 11/28/2025		0.00	(72,327.31)	5,000.00	466,427.79	2,198,213.21	3,234,058.41	584,435.50	537,895.64	32,936,022.63	69,659.42	1,000.00	39,960,385.29
Date	Receipts - Remote Deposit												
12/01/25	Deposit	0.00	0.00	0.00	14,320.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,320.94
12/02/25	Deposit	0.00	0.00	0.00	149,078.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	149,078.67
12/08/25	Deposit	0.00	0.00	0.00	2,750.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,750.92
12/09/25	Deposit	0.00	0.00	0.00	718.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	718.00
12/11/25	Deposit	0.00	0.00	0.00	9,584.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,584.64
12/11/25	Deposit	0.00	0.00	0.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.00
12/15/25	Deposit	0.00	0.00	0.00	353,662.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	353,662.06
12/22/25	Deposit	0.00	0.00	0.00	160,569.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	160,569.49
12/23/25	Deposit	0.00	0.00	0.00	26.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.00
12/29/25	Deposit	0.00	0.00	0.00	1,604.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,604.34
12/30/25	Deposit	0.00	0.00	0.00	1,231.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,231.39
		0.00	0.00	0.00	693,561.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	693,561.45
Date	Receipts - Wires & ACH												
12/05/25	San Benito County Water District	0.00	0.00	0.00	40,740.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40,740.84
12/11/25	Panoche Drainage District	0.00	0.00	0.00	52,243.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52,243.00
12/11/25	Panoche Water District	0.00	0.00	0.00	69,532.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	69,532.75
12/15/25	Westlands Water District	0.00	0.00	0.00	672,246.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	672,246.35
12/17/25	Bureau of Reclamation	0.00	0.00	0.00	600,087.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	600,087.00
12/18/25	Panoche Water District	0.00	0.00	0.00	544.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	544.00
12/18/25	Byron Bethany Irrigation District	0.00	0.00	0.00	1,764.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,764.24
		0.00	0.00	0.00	1,437,158.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,437,158.18
Date	To/From Operational / DHCCP												
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	To/From Grant Funds-Trans												
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Date	Checks Written												
12/09/25	Accounts Payable	0.00	(5,238,109.67)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,238,109.67)
12/11/25	SPA Awards	0.00	0.00	(3,500.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(3,500.00)
12/23/25	Accounts Payable	0.00	(573,556.72)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(573,556.72)
12/30/25	Accounts Payable	0.00	(119,975.42)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(119,975.42)
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	(5,931,641.81)	(3,500.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,935,141.81)
Date	ACH Payments												
12/09/25	Bureau of Reclamation-Transformer Rehab WAPA	0.00	0.00	0.00	(150,000.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(150,000.00)
12/11/25	EE Assoc 11/22/25-12/5/25	0.00	(445.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(445.00)
12/11/25	ICMA Retirement 11/22/25-12/5/25	0.00	(107,989.33)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(107,989.33)
12/22/25	Bureau of Reclamation-Advance Deposit	0.00	0.00	0.00	(10,000.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(10,000.00)
12/23/25	EE Assoc 12/6/25-12/19/25	0.00	(445.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(445.00)
12/23/25	ICMA Retirement 12/6/25-12/19/25	0.00	(107,454.12)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(107,454.12)
12/23/25	Shepherd OU	0.00	(3,408.09)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(3,408.09)
		0.00	(219,741.54)	0.00	(160,000.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(379,741.54)
Date	Transfers												
12/09/25	To Fund Accounts Payable	0.00	0.00	0.00	2,800,000.00	0.00	(2,800,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
12/10/25	To Fund Accounts Payable	0.00	0.00	0.00	2,750,000.00	0.00	0.00	0.00	0.00	(2,750,000.00)	0.00	0.00	0.00
12/10/25	Funding for SPA Award	0.00	0.00	3,500.00	(3,500.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/11/25	To Fund Accounts Payable	0.00	0.00	0.00	300,000.00	0.00	(300,000.00)	0.00	0.00	0.00	0.00	0.00	0.00
12/12/25	To Fund Accounts Payable	0.00	0.00	0.00	5,000,000.00	0.00	0.00	0.00	0.00	(5,000,000.00)	0.00	0.00	0.00
12/22/25	To Fund Accounts Payable	0.00	0.00	0.00	2,000,000.00	0.00	0.00	0.00	0.00	(2,000,000.00)	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	3,500.00	12,846,500.00	0.00	(3,100,000.00)	0.00	0.00	(9,750,000.00)	0.00	0.00	0.00

**San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - Operational
For Month Ending December 31, 2025**

[illegible]

Note: Daily Interest Rates are through 12/31/2025

San Luis & Delta-Mendota Water Authority
Grant and USBR Funds Cash Activity Detail Report
For Month Ending December 31, 2025

		CWB Checking Grants	CWB Checking DMC Subsidence Correction Funding	CWB Checking USBR Rewind	CWB Checking IRWM P1R1	CalTrust Solar Over Canal	Total
Account #:		*8778	*1787	*8751	*0659	0200	
Cash Balance as of 11/28/2025		0.00	0.00	0.00	0.00	22,208.17	0.00
Date	Receipts - Remote Deposit						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Receipts - Wires & ACH						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Checks Written						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Wires In from						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Wires Out						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Interest Earned						
12/31/25	Interest Earned	0.00	0.00	0.00	0.00	73.61	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	73.61	0.00
Date	Reversal of Annual Fee						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Date	Bank Fee/Bank Error/Adjustments						
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00
Cash Balance as of 12/31/2025		0.00	0.00	0.00	0.00	22,281.78	22,281.78

San Luis & Delta-Mendota Water Authority
Cash Activity Detail Report - JPP Unit Rewinds Bond 2021A
For Month Ending December 31, 2025

Account Information:		CWB Bond 2021A	US Bank Bond 2021A	Total
Cash Balance as of 11/28/2025		0.00	457,126.59	457,126.59
Date	Payment Receipts			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Date	To/From CAR - Operational			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Date	Reversal of Annual Fee			
		0.00	0.00	0.00
		0.00	0.00	0.00
		0.00	0.00	0.00
Date	Interest Earned / Adjustments			
12/31/25	Interest Earned	0.00	1,355.08	1,355.08
		0.00	0.00	0.00
		0.00	1,355.08	1,355.08
Cash Balance as of 12/31/2025		0.00	458,481.67	458,481.67

**San Luis & Delta-Mendota Water Authority
SLDMWA**

AR | Monthly Invoices

December 1, 2025 - December 31, 2025

Customer	Trans Type	Date	Document #	Category	Amount	Memo
	Invoice	12/5/2025	INVWA1585	MISC	\$1,231.39	
	Invoice	12/5/2025	INVWA1587	MISC	\$55.62	
	Invoice	12/5/2025	INVWA1588	MISC	\$1,231.39	
0338 Titan Legal Services, Inc.	Invoice	12/10/2025	INVWA1589	MISC	\$15.00	Rufino Frank Ramos Titan Ref #SU436208-01 Doc Request Reimbursement
	Invoice	12/31/2025	INVWA1592	MISC	\$328.99	Reimbursement for Hotel, Reimbursement paid to employee rather than WA
Total					\$2,862.39	

San Luis & Delta-Mendota Water Authority
SLDMWA
AR | Monthly Payment History
December 1, 2025 - December 31, 2025

Transaction	Type	Date	Payment	Check #	Amount	Memo
Payment #PYMTWA2934 - EFWD-MISC Eagle Field Water District	Payment	12/1/2025	Check	003564	\$11,321.51	WY25 SJRECWA Water Transfer - October 2025
Amount Unapplied - Payment #PYMTWA2934 - EFWD-MISC Eagle Field Water District					\$11,321.51	
	Payment	12/1/2025	Check	2350	\$1,119.68	
					\$1,119.68	
Payment #PYMTWA2933 - WWD-MEMB Westlands Water District	Payment	12/2/2025	Check	056949	\$149,078.67	FY26 2nd Installment Membership Dues Payment #3 of 6
Amount Unapplied - Payment #PYMTWA2933 - WWD-MEMB Westlands Water District					\$149,078.67	
	Payment	12/8/2025	Check	1120	\$1,119.68	
					\$1,119.68	
	Payment	12/8/2025	Check	1146	\$1,119.68	
					\$1,119.68	
Payment #PYMTWA2938 - SLWD-MISC San Luis Water District	Payment	12/9/2025	Check	48035	\$718.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2938 - SLWD-MISC San Luis Water District					\$718.00	
Payment #PYMTWA2955 - PDD-MEMB Panoche Drainage District	Payment	12/11/2025	Wire		\$52,243.00	FY26 2nd Installment Membership Dues
Amount Unapplied - Payment #PYMTWA2955 - PDD-MEMB Panoche Drainage District					\$52,243.00	
Payment #PYMTWA2956 - SJVDA San Joaquin Valley Drainage Authority	Payment	12/11/2025	Check	2213	\$2,668.64	Expenses March thru September 2025
Amount Unapplied - Payment #PYMTWA2956 - SJVDA San Joaquin Valley Drainage Authority					\$2,668.64	
Payment #PYMTWA2957 - WWD-MISC Westlands Water District	Payment	12/11/2025	Check	057027	\$6,916.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2957 - WWD-MISC Westlands Water District					\$6,916.00	
Payment #PYMTWA2968 - 0338 Titan Legal Services, Inc.	Payment	12/11/2025	Check	642257	\$15.00	Rufino Frank Ramos Titan Ref #SU436208-01 Doc Request Reimbursement
Amount Unapplied - Payment #PYMTWA2968 - 0338 Titan Legal Services, Inc.					\$15.00	
Payment #PYMTWA2970 - BBID-MISC Byron-Bethany Irrigation District	Payment	12/15/2025	Check	48009	\$119.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2970 - BBID-MISC Byron-Bethany Irrigation District					\$119.00	
	Payment	12/15/2025	Check	1529	\$173.94	
					\$173.94	
Payment #PYMTWA2972 - PID-MISC Patterson Irrigation District	Payment	12/15/2025	Check	008770	\$95.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2972 - PID-MISC Patterson Irrigation District					\$95.00	
Payment #PYMTWA2973 - DWR Department of Water Resources	Payment	12/15/2025	Check	05-852876	\$262,604.03	DMC Subsidence Agreement #4600014564 Inv # 7
Amount Unapplied - Payment #PYMTWA2973 - DWR Department of Water Resources					\$262,604.03	
Payment #PYMTWA2969 - PANOCHÉ-MISC Panoche Water District	Payment	12/17/2025	Wire		\$544.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2969 - PANOCHÉ-MISC Panoche Water District					\$544.00	
Payment #PYMTWA2958 - DPWD-MISC Del Puerto Water District	Payment	12/22/2025	Check	19513	\$811.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2958 - DPWD-MISC Del Puerto Water District					\$811.00	
Payment #PYMTWA2959 - SBCWD-MISC San Benito County Water District	Payment	12/22/2025	Check	60597	\$206.00	Down Payment Invoice 2100301 Yuba Water 2026-2050

Amount Unapplied - Payment #PYMTWA2959 - SBCWD-MISC San Benito County Water District				\$206.00	
Payment #PYMTWA2960 - WWD-MEMB Westlands Water District					
	Payment 12/22/2025	Check	057112	\$149,078.67	FY26 2nd Installment Membership Dues
Amount Unapplied - Payment #PYMTWA2960 - WWD-MEMB Westlands Water District				\$149,078.67	
Payment #PYMTWA2954 - EFWD-MISC Eagle Field Water District					
	Payment 12/23/2025	Check	003570	\$26.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2954 - EFWD-MISC Eagle Field Water District				\$26.00	
Payment #PYMTWA2965 - MSWD-MISC Mercy Springs Water Distirct					
	Payment 12/29/2025	Check	01619	\$17.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2965 - MSWD-MISC Mercy Springs Water Distirct				\$17.00	
Payment #PYMTWA2966 - PWD-MISC Pacheco Water District					
	Payment 12/29/2025	Check	7736	\$58.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2966 - PWD-MISC Pacheco Water District				\$58.00	
Payment #PYMTWA2967 - VALLEY-MISC Valley Water					
	Payment 12/29/2025	Check	727675	\$201.00	Down Payment Invoice 2100301 Yuba Water 2026-2050
Amount Unapplied - Payment #PYMTWA2967 - VALLEY-MISC Valley Water				\$201.00	
	Payment 12/30/2025	Check	2353	\$1,231.39	
				\$1,231.39	
Amount Unapplied				\$641,484.89	

San Luis & Delta-Mendota Water Authority
SLDMWA
A/P Register
December 1, 2025 - December 31, 2025

Account Type	Date	Documer	Vendor	Billed	Paid
ACCOUNTS PAYABLE					
Vendor Bill Payment	12/9/2025	43963	1041 ACWA/JPIA - Insurance Premiums		\$251,565.23
Vendor Bill Payment	12/9/2025	43964	25700 AGILE OCCUPATIONAL MEDICINE		\$900.00
Vendor Bill Payment	12/9/2025	43965	15069-EMPLOYEE		\$221.89
Vendor Bill Payment	12/9/2025	43966	25716 AMAZON CAPITAL SERVICES, INC.		\$1,523.12
Vendor Bill Payment	12/9/2025	43967	5503 ARCTIC GLACIER USA, INC. / LOS BANOS 9610309		\$340.00
Vendor Bill Payment	12/9/2025	43968	1268 AT&T 831-001-0165 694		\$2,031.96
Vendor Bill Payment	12/9/2025	43969	1267 AT&T 831-001-0165 911		\$2,208.77
Vendor Bill Payment	12/9/2025	43970	1269 AT&T 831-001-0448 912		\$995.00
Vendor Bill Payment	12/9/2025	43971	10195 AT&T 960 758 3850 555 7		\$1,404.55
Vendor Bill Payment	12/9/2025	43972	10196 AT&T LONG DISTANCE BAN:806492911		\$16.41
Vendor Bill Payment	12/9/2025	43973	25610 AT&T MOBILITY 287312990252		\$1,036.62
Vendor Bill Payment	12/9/2025	43974	25615 AT&T MOBILITY 287314028407		\$3,070.42
Vendor Bill Payment	12/9/2025	43975	1654 BOBCAT CENTRAL INC.		\$907.10
Vendor Bill Payment	12/9/2025	43976	25535 BRAND SCAFFOLD SERVICES, INC.		\$20,961.85
Vendor Bill Payment	12/9/2025	43977	2217 C.A. SHORT COMPANY, INC		\$764.52
Vendor Bill Payment	12/9/2025	43978	25508 C.H.W ENTERPRISES INC./dba INTEGRATED POV		\$467.79
Vendor Bill Payment	12/9/2025	43979	2088 CAL-SIERRA PIPE, INC.		\$0.10
Vendor Bill Payment	12/9/2025	43980	2332 CALIFORNIA FARM WATER COALITION		\$36,300.00
Vendor Bill Payment	12/9/2025	43981	2362 CALTRONICS BUSINESS SYSTEMS		\$2,129.07
Vendor Bill Payment	12/9/2025	43982	2407 CDM SMITH INC.		\$76,508.49
Vendor Bill Payment	12/9/2025	43983	2250 CDW GOVERNMENT		\$2,703.89
Vendor Bill Payment	12/9/2025	43984	9619-EMPLOYEE		\$293.75
Vendor Bill Payment	12/9/2025	43985	2105 COUNTY OF STANISLAUS / Fink Road Landfill		\$157.55
Vendor Bill Payment	12/9/2025	43986	2639 DHR HYDRO SERVICES INC.		\$68,886.30
Vendor Bill Payment	12/9/2025	43987	2611 DIEPENBROCK ELKIN		\$8,694.00
Vendor Bill Payment	12/9/2025	43988	2568 DLT SOLUTIONS, LLC		\$2,138.14
Vendor Bill Payment	12/9/2025	43989	25689 EMERALD LANDSCAPE COMPANY, INC.		\$1,678.00
Vendor Bill Payment	12/9/2025	43990	3075 EVOQUA WATER TECHNOLOGIES LLC, A Xylem Br		\$1,635.34
Vendor Bill Payment	12/9/2025	43991	4546 FORENSIC ANALYTICAL CONSULTING SERVICES I		\$1,896.58
Vendor Bill Payment	12/9/2025	43992	25831 GANNETT FLEMING, INC.		\$25,192.75
Vendor Bill Payment	12/9/2025	43993	25550 GILTON SOLID WASTE MANAGEMENT INC. / LBF		\$88.85
Vendor Bill Payment	12/9/2025	43994	4004 GILTON SOLID WASTE MANAGEMENT INC. / O'Nei		\$117.90
Vendor Bill Payment	12/9/2025	43995	12019 GRAINGER INC.		\$2,837.68
Vendor Bill Payment	12/9/2025	43996	4610 H.T. HARVEY & ASSOCIATES		\$5,562.94
Vendor Bill Payment	12/9/2025	43997	25626 HALLMARK GROUP		\$226,206.02
Vendor Bill Payment	12/9/2025	43998	4531 HIXCO		\$1,656.30
Vendor Bill Payment	12/9/2025	43999	4500 HOLT OF CALIFORNIA		\$393.46
Vendor Bill Payment	12/9/2025	44000	4528 HOME DEPOT CREDIT SERVICES		\$6,122.69
Vendor Bill Payment	12/9/2025	44001	5047 INDUSTRIAL SCIENTIFIC CORP.		\$971.19
Vendor Bill Payment	12/9/2025	44002	5033 INDUSTRY PACKING & SEALS, INC.		\$10,905.75
Vendor Bill Payment	12/9/2025	44003	2503-EMPLOYEE		\$371.90
Vendor Bill Payment	12/9/2025	44004	5507 JORGENSEN & CO. INC.		\$6,566.06
Vendor Bill Payment	12/9/2025	44005	7559-EMPLOYEE		\$55.00
Vendor Bill Payment	12/9/2025	44006	6049 KAHN, SOARES & CONWAY, LLP		\$228.42
Vendor Bill Payment	12/9/2025	44007	6071 KELLOGG'S SUPPLY		\$1,258.64
Vendor Bill Payment	12/9/2025	44008	6081 KINGS RIVER WATER QUALITY COALITION		\$578.00
Vendor Bill Payment	12/9/2025	44009	6026 KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD		\$4,075.70
Vendor Bill Payment	12/9/2025	44010	25518 LOS BANOS PROPERTY MANAGEMENT SERVICE		\$9,009.95
Vendor Bill Payment	12/9/2025	44011	6801 LUHDORFF & SCALMANINI CONSULTING ENGINEE		\$3,746.00
Vendor Bill Payment	12/9/2025	44012	7008 MARFAB INC.		\$112.63
Vendor Bill Payment	12/9/2025	44013	25863 MATARAZZO LAW, A PROFESSIONAL CORPORAT		\$196.60
Vendor Bill Payment	12/9/2025	44014	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH		\$14,273.60
Vendor Bill Payment	12/9/2025	44015	25596-EMPLOYEE		\$204.02
Vendor Bill Payment	12/9/2025	44016	7198 MELLO TRUCK REPAIR CO., INC.		\$350.00
Vendor Bill Payment	12/9/2025	44017	2512 MERCED COUNTY ENVIRONMENTAL HEALTH		\$2,108.00
Vendor Bill Payment	12/9/2025	44018	7009 MERCED COUNTY REG. WASTE MGMT AUTHORIT		\$363.54
Vendor Bill Payment	12/9/2025	44019	7032 MID PACIFIC REGION		\$1,335.00
Vendor Bill Payment	12/9/2025	44020	5555 MLJ ENVIRONMENTAL		\$21,321.76
Vendor Bill Payment	12/9/2025	44021	25769 N & S TRACTOR		\$545.45
Vendor Bill Payment	12/9/2025	44022	7529 NEW YORK LIFE INSURANCE		\$778.03

Vendor Bill Payment	12/9/2025	44023	25547 O'REILLY / LOS BANOS 1068974	\$625.06
Vendor Bill Payment	12/9/2025	44024	8595 PACIFIC ECO-RISK LAB. INC.	\$16,005.60
Vendor Bill Payment	12/9/2025	44025	25879 PACIFIC GALVANIZING, INC.	\$4,195.08
Vendor Bill Payment	12/9/2025	44026	8583 PANOCHÉ DRAINAGE DISTRICT	\$15.16
Vendor Bill Payment	12/9/2025	44027	25773 PENTAIR FLOW TECHNOLOGIES, LLC	\$1,130,195.27
Vendor Bill Payment	12/9/2025	44028	25529 PG&E 0664015301-8	\$61.28
Vendor Bill Payment	12/9/2025	44029	25531 PG&E 2125628853-7	\$77.96
Vendor Bill Payment	12/9/2025	44030	8511 PG&E 7262165466-3	\$5,070.45
Vendor Bill Payment	12/9/2025	44031	25530 PG&E 8833159983-2	\$2,498.69
Vendor Bill Payment	12/9/2025	44032	15074 PLATT	\$16,753.15
Vendor Bill Payment	12/9/2025	44033	8581 PREMIER URGENT CARE/DBA PATEL, PULLIAM & I	\$1,648.00
Vendor Bill Payment	12/9/2025	44034	25794 RAMOS OIL COMPANY	\$4,592.28
Vendor Bill Payment	12/9/2025	44035	6805 RELX INC. DBA LEXISNEXIS	\$242.00
Vendor Bill Payment	12/9/2025	44036	25623 REXEL USA, INC.	\$78,833.04
Vendor Bill Payment	12/9/2025	44037	9634 RICHARDSON & COMPANY, LLP	\$45,000.00
Vendor Bill Payment	12/9/2025	44038	25785 ROBERT HALF, INC.	\$10,092.00
Vendor Bill Payment	12/9/2025	44039	10016 SAFETY-KLEEN SYSTEMS, INC.	\$414.45
Vendor Bill Payment	12/9/2025	44040	10164 SAN JOAQUIN RIVER EXCHANGE CONTRACTORS	\$2,931,540.67
Vendor Bill Payment	12/9/2025	44041	10245 SCHWEITZER ENGINEERING LABORATORIES, IN	\$2,509.00
Vendor Bill Payment	12/9/2025	44042	10269 SHERWIN-WILLIAMS	\$165.84
Vendor Bill Payment	12/9/2025	44043	10325 SHRED-IT, C/O STERICYCLE, INC.	\$416.75
Vendor Bill Payment	12/9/2025	44044	10227 SONTEK, INC. / YSI INC., A XYLEM BRAND	\$1,215.33
Vendor Bill Payment	12/9/2025	44045	25706 SOUTHERN TIRE MART, LLC	\$416.68
Vendor Bill Payment	12/9/2025	44046	10069 SUMMERS ENGINEERING, INC.	\$66,493.38
Vendor Bill Payment	12/9/2025	44047	10180 SWRCB - Waste Discharge	\$19,627.00
Vendor Bill Payment	12/9/2025	44048	10208 SWRCB - Water System	\$4,492.00
Vendor Bill Payment	12/9/2025	44049	10312 SYN-TECH SYSTEMS INC.	\$825.00
Vendor Bill Payment	12/9/2025	44050	10665 TALLEY OIL INC.	\$20,957.26
Vendor Bill Payment	12/9/2025	44051	25873 THE FERGUSON GROUP, LLC	\$5,000.00
Vendor Bill Payment	12/9/2025	44052	25700-EMPLOYEE	\$1,359.81
Vendor Bill Payment	12/9/2025	44053	10640 TRACY TOYOTA	\$156.31
Vendor Bill Payment	12/9/2025	44054	10601 TURLOCK IRRIGATION DISTRICT	\$156.05
Vendor Bill Payment	12/9/2025	44055	11042 ULINE	\$5,652.33
Vendor Bill Payment	12/9/2025	44056	25779 ULTEIG OPERATIONS, LLC	\$13,961.25
Vendor Bill Payment	12/9/2025	44057	11029 UNITED PARCEL SERVICE	\$25.00
Vendor Bill Payment	12/9/2025	44058	12116 WALMART	\$86.25
Vendor Bill Payment	12/9/2025	44059	25622 WESTSIDE TRUCK REPAIR, INC.	\$110.00
Vendor Bill Payment	12/9/2025	44060	12096 WEX BANK	\$713.75
Vendor Bill Payment	12/9/2025	44061	12119 WIENHOFF DRUG TESTING	\$1,700.00
Vendor Bill Payment	12/9/2025	44062	4122 WILLIAM R. GRAY & CO./DBA Gray-Bowen-Scott	\$3,454.75
Vendor Bill Payment	12/9/2025	44063	25656 ZOLEO USA INC.	\$206.05
Vendor Bill Payment	12/9/2025	44064	13605 ZORO TOOLS, INC.	\$1,579.47
ACH	12/9/2025	26223	1628 BUREAU OF RECLAMATION	\$150,000.00
WIRE	12/11/2025	26224	2514 DEPT. OF WATER RESOURCES	\$437,487.73
ACH	12/11/2025	26225	5004 ICMA RETIREMENT TRUST	\$107,989.33
ACH	12/11/2025	26226	25536 SLDMWA EE ASSOCIATION	\$445.00
WIRE	12/16/2025	26227	11045 BUREAU OF RECLAMATION - SL JOINT/USBR POI	\$4,344,843.58
ACH	12/22/2025	26228	1628 BUREAU OF RECLAMATION	\$10,000.00
Vendor Bill Payment	12/23/2025	44065	10508 A. TEICHERT & SON, INC. dba TEICHERT AGGREG	\$284.40
Vendor Bill Payment	12/23/2025	44066	1154 AIRGAS, INC.	\$2,224.80
Vendor Bill Payment	12/23/2025	44067	25716 AMAZON CAPITAL SERVICES, INC.	\$11.00
Vendor Bill Payment	12/23/2025	44068	10195 AT&T 960 758 3850 555 7	\$2,468.67
Vendor Bill Payment	12/23/2025	44069	10196 AT&T LONG DISTANCE BAN:806492911	\$3.00
Vendor Bill Payment	12/23/2025	44070	25615 AT&T MOBILITY 287314028407	\$3,033.15
Vendor Bill Payment	12/23/2025	44071	1671 BAKER MANOCK & JENSEN	\$8,354.93
Vendor Bill Payment	12/23/2025	44072	1602 BILL'S MOWER & SAW	\$45.00
Vendor Bill Payment	12/23/2025	44073	2294 CABELA'S LLC / BASS PRO SHOPS LLC	\$238.10
Vendor Bill Payment	12/23/2025	44074	25568 CALIFORNIA STRATEGIES & ADVOCACY, LLC	\$37,500.00
Vendor Bill Payment	12/23/2025	44075	2362 CALTRONICS BUSINESS SYSTEMS	\$15.00
Vendor Bill Payment	12/23/2025	44076	2250 CDW GOVERNMENT	\$2,728.68
Vendor Bill Payment	12/23/2025	44077	CGH (DUDLEY-INDART)	\$6,476.90
Vendor Bill Payment	12/23/2025	44078	25704 CITRIN COOPERMAN ADVISORS LLC	\$2,820.00
Vendor Bill Payment	12/23/2025	44079	2188 COUNTY OF ALAMEDA	\$90.00
Vendor Bill Payment	12/23/2025	44080	2248 CPUTREND	\$2,597.50
Vendor Bill Payment	12/23/2025	44081	2631 D8A COMMUNICATION TECHNOLOGIES	\$853.00
Vendor Bill Payment	12/23/2025	44082	2519 DELTA DISPOSAL SERVICE - 3354700	\$867.76
Vendor Bill Payment	12/23/2025	44083	25665 DELTA DISPOSAL SERVICE, INC - 3354600	\$3,016.00
Vendor Bill Payment	12/23/2025	44084	2629 DK ENTERPRISES INC. dba KINGS ROOFING	\$14,219.29
Vendor Bill Payment	12/23/2025	44085	2632 DOC BAILEY CONSTRUCTION EQUIPMENT INC	\$2,185.40
Vendor Bill Payment	12/23/2025	44086	3086 EKI ENVIRONMENT & WATER, INC.	\$6,075.16

Vendor Bill Payment	12/23/2025	44087	3542 FGL ENVIRONMENTAL, INC.	\$160.00
Vendor Bill Payment	12/23/2025	44088	3597 FOLEY & LARDNER LLP	\$32,000.00
Vendor Bill Payment	12/23/2025	44089	12019 GRAINGER INC.	\$2,489.18
Vendor Bill Payment	12/23/2025	44090	25626 HALLMARK GROUP	\$83,918.12
Vendor Bill Payment	12/23/2025	44091	4531 HIXCO	\$214.41
Vendor Bill Payment	12/23/2025	44092	2503-EMPLOYEE	\$306.00
Vendor Bill Payment	12/23/2025	44093	25723 JOE HASSAN'S INC.	\$764.58
Vendor Bill Payment	12/23/2025	44094	KK CARVALHO REVOCABLE TRUST	\$834.76
Vendor Bill Payment	12/23/2025	44095	6049 KAHN, SOARES & CONWAY, LLP	\$810.30
Vendor Bill Payment	12/23/2025	44096	25884-EMPLOYEE	\$250.00
Vendor Bill Payment	12/23/2025	44097	6026 KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD	\$83,678.34
Vendor Bill Payment	12/23/2025	44098	25886-EMPLOYEE	\$250.00
Vendor Bill Payment	12/23/2025	44099	25889 LUCAS PUBLIC AFFAIRS, LLC	\$13,375.00
Vendor Bill Payment	12/23/2025	44100	6801 LUHDORFF & SCALMANINI CONSULTING ENGINEE	\$5,623.42
Vendor Bill Payment	12/23/2025	44101	7008 MARFAB INC.	\$170.89
Vendor Bill Payment	12/23/2025	44102	25863 MATARAZZO LAW, A PROFESSIONAL CORPORAT	\$3,528.00
Vendor Bill Payment	12/23/2025	44103	10262 MATRIX SCIENCES INTERNATIONAL INC./SOUTH	\$2,902.90
Vendor Bill Payment	12/23/2025	44104	25760 MCCLATCHY SHARED SERVICES, LLC	\$1,570.12
Vendor Bill Payment	12/23/2025	44105	7009 MERCED COUNTY REG. WASTE MGMT AUTHORIT	\$278.29
Vendor Bill Payment	12/23/2025	44106	7182 MERCED TRUCK & TRAILER, INC.	\$124.27
Vendor Bill Payment	12/23/2025	44107	25636 MIZUNO CONSULTING, INC.	\$2,012.50
Vendor Bill Payment	12/23/2025	44108	5555 MLJ ENVIRONMENTAL	\$5,957.08
Vendor Bill Payment	12/23/2025	44109	7027 MODESTO WELDING PRODUCTS INC.	\$12.00
Vendor Bill Payment	12/23/2025	44110	7083 MSC INDUSTRIAL SUPPLY CO. / 00300038	\$46.28
Vendor Bill Payment	12/23/2025	44111	8055 O'REILLY / TRACY 2347935	\$787.08
Vendor Bill Payment	12/23/2025	44112	8570 PACIFIC BAY EQUIPMENT	\$19,316.82
Vendor Bill Payment	12/23/2025	44113	7005 PACIFIC VALLEY COFFEE	\$233.23
Vendor Bill Payment	12/23/2025	44114	15066 PAPE MACHINERY INC. / 353006	\$4,211.62
Vendor Bill Payment	12/23/2025	44115	8502 PITNEY BOWES GLOBAL FINANCIAL SERVICES LL	\$826.60
Vendor Bill Payment	12/23/2025	44116	8581 PREMIER URGENT CARE/DBA PATEL, PULLIAM & P	\$68.00
Vendor Bill Payment	12/23/2025	44117	25850 PRIMO BRANDS / LBAO	\$254.80
Vendor Bill Payment	12/23/2025	44118	25851 PRIMO BRANDS / LBFO	\$146.89
Vendor Bill Payment	12/23/2025	44119	25847 PRIMO BRANDS / OPP	\$92.93
Vendor Bill Payment	12/23/2025	44120	25859 PRIMO BRANDS / TFO	\$349.62
Vendor Bill Payment	12/23/2025	44121	15003 PROVOST & PRITCHARD CONSULTING GROUP	\$7,130.09
Vendor Bill Payment	12/23/2025	44122	25794 RAMOS OIL COMPANY	\$3,998.50
Vendor Bill Payment	12/23/2025	44123	25637-EMPLOYEE	\$113.40
Vendor Bill Payment	12/23/2025	44124	25623 REXEL USA, INC.	\$11,062.53
Vendor Bill Payment	12/23/2025	44125	25785 ROBERT HALF, INC.	\$1,957.50
Vendor Bill Payment	12/23/2025	44126	9629-EMPLOYEE	\$306.00
Vendor Bill Payment	12/23/2025	44127	25808 SAF-GARD SAFETY SHOE CO.	\$1,760.32
Vendor Bill Payment	12/23/2025	44128	4592 SGS NORTH AMERICA, INC.	\$35.70
Vendor Bill Payment	12/23/2025	44129	10002 SORENSEN'S ACE HARDWARE	\$323.46
Vendor Bill Payment	12/23/2025	44130	10184 SPRAYTEC	\$273.44
Vendor Bill Payment	12/23/2025	44131	25652 SUN AUTO TIRE & SERVICE dba BRUCE'S TIRE &	\$1,124.91
Vendor Bill Payment	12/23/2025	44132	10517 TARGET SPECIALTY PRODUCTS	\$130,326.06
Vendor Bill Payment	12/23/2025	44133	11042 ULINE	\$152.38
Vendor Bill Payment	12/23/2025	44134	11036 UNITED RENTALS INC.	\$7,606.45
Vendor Bill Payment	12/23/2025	44135	11060 UNWIRED BROADBAND INC. A00015979	\$799.97
Vendor Bill Payment	12/23/2025	44136	25521 UNWIRED BROADBAND INC. A00019063	\$249.98
Vendor Bill Payment	12/23/2025	44137	11563 VIRGINIA MECHANICAL, INC.	\$425.00
Vendor Bill Payment	12/23/2025	44138	12111 WARDEN'S	\$2,580.27
Vendor Bill Payment	12/23/2025	44139	25770 WEST NETWORKS, LLC	\$1,610.18
Vendor Bill Payment	12/23/2025	44140	WESTSIDE AGRICULTURE LLC	\$392.94
Vendor Bill Payment	12/23/2025	44141	25622 WESTSIDE TRUCK REPAIR, INC.	\$220.00
Vendor Bill Payment	12/23/2025	44142	12091 WHITE CAP, L.P.	\$167.82
Vendor Bill Payment	12/23/2025	44143	12057 WINDECKER. INC.	\$8,775.57
Vendor Bill Payment	12/23/2025	44144	12123 WOODARD & CURRAN INC.	\$28,400.00
Vendor Bill Payment	12/23/2025	44145	13605 ZORO TOOLS, INC.	\$92.48
ACH	12/23/2025	26229	25536 SLDMDWA EE ASSOCIATION	\$445.00
ACH	12/23/2025	26230	5004 ICMA RETIREMENT TRUST	\$107,454.12
ACH	12/23/2025	26231	10327 SHEPHERD OU	\$3,408.09
WIRE	12/29/2025	26232	11045 BUREAU OF RECLAMATION - SL JOINT/USBR PO	\$2,600,000.00
Vendor Bill Payment	12/30/2025	44146	1141 AFLAC	\$1,110.93
Vendor Bill Payment	12/30/2025	44147	25716 AMAZON CAPITAL SERVICES, INC.	\$2,653.10
Vendor Bill Payment	12/30/2025	44148	25844 APEX POWER, ELECTRICAL SUPPLY AND SOLUT	\$5,201.38
Vendor Bill Payment	12/30/2025	44149	1268 AT&T 831-001-0165 694	\$2,031.96
Vendor Bill Payment	12/30/2025	44150	1267 AT&T 831-001-0165 911	\$2,208.85
Vendor Bill Payment	12/30/2025	44151	25610 AT&T MOBILITY 287312990252	\$1,059.18
Vendor Bill Payment	12/30/2025	44152	1234 AUTOMATION DIRECT	\$125.69

Vendor Bill Payment	12/30/2025	44153	1652 BONANDER AUTO, TRUCK & TRAILER, INC.	\$249.82
Vendor Bill Payment	12/30/2025	44154	2088 CAL-SIERRA PIPE, INC.	\$3,467.32
Vendor Bill Payment	12/30/2025	44155	2362 CALTRONICS BUSINESS SYSTEMS	\$1,880.06
Vendor Bill Payment	12/30/2025	44156	2250 CDW GOVERNMENT	\$176.34
Vendor Bill Payment	12/30/2025	44157	2639 DHR HYDRO SERVICES INC.	\$47,013.50
Vendor Bill Payment	12/30/2025	44158	3037 E&M ELECTRIC & MACHINERY, INC. dba AVEVA Se	\$12,590.00
Vendor Bill Payment	12/30/2025	44159	25767 EAGLE GRAPHICS LLC	\$45.00
Vendor Bill Payment	12/30/2025	44160	3604 FIRESTONE COMPLETE AUTO CARE	\$360.34
Vendor Bill Payment	12/30/2025	44161	12019 GRAINGER INC.	\$135.21
Vendor Bill Payment	12/30/2025	44162	5533 JOE'S SMOG SHACK, INC.	\$243.75
Vendor Bill Payment	12/30/2025	44163	10291-EMPLOYEE	\$146.63
Vendor Bill Payment	12/30/2025	44164	25881-EMPLOYEE	\$150.00
Vendor Bill Payment	12/30/2025	44165	10310-EMPLOYEE	\$795.20
Vendor Bill Payment	12/30/2025	44166	7008 MARFAB INC.	\$191.66
Vendor Bill Payment	12/30/2025	44167	7030 MCMASTER-CARR	\$268.46
Vendor Bill Payment	12/30/2025	44168	7009 MERCED COUNTY REG. WASTE MGMT AUTHORIT'	\$460.23
Vendor Bill Payment	12/30/2025	44169	5001-EMPLOYEE	\$212.61
Vendor Bill Payment	12/30/2025	44170	7529 NEW YORK LIFE INSURANCE	\$778.03
Vendor Bill Payment	12/30/2025	44171	25547 O'REILLY / LOS BANOS 1068974	\$1,744.71
Vendor Bill Payment	12/30/2025	44172	8055 O'REILLY / TRACY 2347935	\$579.94
Vendor Bill Payment	12/30/2025	44173	15035 PAPE KENWORTH / 1051618	\$991.63
Vendor Bill Payment	12/30/2025	44174	25529 PG&E 0664015301-8	\$91.74
Vendor Bill Payment	12/30/2025	44175	25531 PG&E 2125628853-7	\$240.51
Vendor Bill Payment	12/30/2025	44176	25530 PG&E 8833159983-2	\$3,737.22
Vendor Bill Payment	12/30/2025	44177	15074 PLATT	\$2,609.37
Vendor Bill Payment	12/30/2025	44178	15015 PRINCIPAL LIFE INSURANCE COMPANY	\$6,984.66
Vendor Bill Payment	12/30/2025	44179	8579 PROTECTION ENGINEERING	\$1,349.30
Vendor Bill Payment	12/30/2025	44180	25794 RAMOS OIL COMPANY	\$3,760.10
Vendor Bill Payment	12/30/2025	44181	25814 RAT INCORPORATED	\$220.00
Vendor Bill Payment	12/30/2025	44182	25638-EMPLOYEE	\$468.02
Vendor Bill Payment	12/30/2025	44183	9603 REFRIGERATION SUPPLIES DISTRIBUTOR	\$9,073.32
Vendor Bill Payment	12/30/2025	44184	25785 ROBERT HALF, INC.	\$3,110.25
Vendor Bill Payment	12/30/2025	44185	25808 SAF-GARD SAFETY SHOE CO.	\$137.80
Vendor Bill Payment	12/30/2025	44186	25652 SUN AUTO TIRE & SERVICE dba BRUCE'S TIRE &	\$430.35
Vendor Bill Payment	12/30/2025	44187	12096 WEX BANK	\$373.03
Vendor Bill Payment	12/30/2025	44188	13605 ZORO TOOLS, INC.	\$518.22
Total - ACCOUNTS PAYABLE				\$0.00 \$13,693,714.66

San Luis & Delta-Mendota Water Authority

Activity Agreements Budget to Actual

Paid/Pending Comparison Summary

March 1, 2025 through December 31, 2025

FAC 2/2/26 & BOD 2/5/26

	FY Budget 3/1/25 - 2/28/26	Actual To Date Paid/Expense	% of Budget	Amount Remaining
03 General Membership	1,253,323	929,633	74.17%	323,690
05 Leg/CVP Operations	3,789,242	1,840,870	48.58%	1,948,372
35 Contract Renewal Coordinator	200	908	454.17%	(708)
28 Yuba County Water Transfers	23,000	27,761	120.70%	(4,761)
22 Grassland Basin Drainage #3A	1,793,749	824,505	45.97%	969,244
63 SGMA - Coordinated	1,320,895	647,956	49.05%	672,939
64 SGMA - Northern Delta-Mendota Region	451,451	178,853	39.62%	272,598
65 SGMA - Central Delta-Mendota Region	451,451	170,476	37.76%	280,975
67 Integrated Regional Water Management	110,977	11,465	10.33%	99,512
68 Los Vaqueros Reservoir Expansion Project	1,700	246	14.49%	1,454
44 Exchange Contractors - 5 Year Transfer	20,000	41,232	206.16%	(21,232)
56 Long-Term North to South Water Transfer	40,832	3,012	7.38%	37,820
57 North to South Water Transfer Program	88,448	44,274	50.06%	44,175
69 B.F. Sisk Dam Raise & Reservoir Exp	4,084,755	1,402,891	34.34%	2,681,864
16 DHCCP	166	77	46.20%	89
TOTAL	13,430,189	6,124,159	45.60%	7,306,030
10/12 X 13,430,189		\$ 11,191,824	83.33%	
Budget vs. Actual		<u>5,067,665</u>		



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Finance & Administration Committee, Alternates

From: Raymond Tarka, Treasurer/Director of Finance

Date: February 05, 2026

RE: Quarter Ending December 31, 2025 Treasurer's Report

Issue for Decision

Whether the Finance & Administration Committee should recommend to the Board of Directors that it accept the Treasurer's Report for the quarter ending December 31, 2025.

Recommendation

Staff recommend that the Finance & Administration Committee recommend to the Board of Directors that it accept the Treasurer's Report for the quarter ending December 31, 2025.

Analysis

This Treasurer's Report was prepared in accordance with the Investment Policy for the San Luis & Delta-Mendota Water Authority (adopted via Resolution No. 2013-367) and California Government Code sections 6505.5(e) and 53646(b).

Consistent with the Water Authority's Investment Policy and Government Code requirements, the Water Authority hereby makes the following statements:

- The Water Authority's investments are in compliance with the Investment Policy;
- All required O&M rate conveyance payments and Membership Dues are being received timely, with few exceptions, rendering the Water Authority able to meet its expenditure/cash demand requirements for the next six months.

Appendix 1 to this Report includes the most recent statements from LAIF, CalTrust and other banks holding Water Authority funds. Appendix 1 is available upon request.

San Luis & Delta-Mendota Water Authority

Treasurer's Report

Quarter Ended December 31, 2025

Page 2 of 4

Prepared by: R. Tarka

HOLDINGS REPORT BY INVESTMENT TYPE

	Maturity	Positions Value	Market Price	Market Value	Unrealized Gain/(Loss)	Average Qtr Yield @12/31/25	Yield 12/31/2025	Yield 11/30/2025	Yield 10/31/2025
<u>CASH</u>									
CWB - Checking - Sweep	Daily	\$ -		\$ -		0.000%	n/a	n/a	n/a
CWB - Payroll	Daily	\$ 5,000.00		\$ 5,000.00		0.000%	n/a	n/a	n/a
CWB - Transactional	Daily	\$ 1,180,756.79		\$ 1,180,756.79		0.600%	0.500%	0.650%	0.650%
CWB - Muni	Daily	\$ 2,199,206.92		\$ 2,199,206.92		0.600%	0.500%	0.650%	0.650%
CWB - Money Market	Daily	\$ 137,996.37		\$ 137,996.37		4.060%	4.060%	4.060%	4.060%
LOCAL AGENCY INVESTMENT FUND (LAIF)	Daily	\$ 69,659.42 1		\$ 69,659.42		4.090%	3 4.025%	4.096%	4.150%
CalTRUST - Short Term	Next Day	\$ 587,105.76 2	10.08	\$ 587,105.76	\$ -	4.043%	3.960%	4.050%	4.120%
CalTRUST - Medium Term	Monthly	\$ 539,802.35 2	9.93	\$ 539,802.35	\$ -	3.950%	3.920%	3.970%	3.960%
CalTRUST - Liquidity	Daily	\$ 23,298,512.04	1.00	\$ 23,298,512.04	\$ -	4.060%	3.900%	4.090%	4.190%
TOTAL OPERATIONAL CASH		\$ 28,018,039.65		\$ 28,018,039.65	\$ -				
<u>OTHER</u>									
<u>OM&R Project</u>									
US Bank - Series 2021A Bond Reserve Fund	2045	\$ 458,481.67		\$ 458,481.67		3.550%	3.390%	3.610%	3.650%

Notes:

The year-to-date weighted average yield on all funds invested or maintained in financial institutions/Federal Securities is 0.99% (this considers the interest rates trend since January).

1. LAIF: Average Life of Portfolio (Average Maturity in days) is 287 days or 0.79 years.
2. CalTRUST: Average Life of Portfolio is 0.75 years for short term (ST) and 2.18 years for medium term (MT).
3. Quarter Ending 12/31/25 LAIF Apportionment Rate.

San Luis & Delta-Mendota Water Authority

Treasurer's Report

Quarter Ended December 31, 2025

Detail to Support Report
Page 3 of 4
Prepared by: R. Tarka

CASH

Central Valley Community Bank (CVCB)

	1	2	3	4	5
	9/30/2025				12/31/2025
	Beginning Balance	Deposits or	Draws or	Change in Value	Ending Balance
	Market Value	Transfer IN	Transfer OUT		Market Value
CWB - Checking - Sweep	\$ -	\$ -	\$ -	N/A	\$ -
CWB - Payroll	\$ 5,700.00	\$ 3,500.00	\$ (4,200.00)	N/A	\$ 5,000.00
CWB - Transactional	\$ 8,093,658.84	\$ 36,723,695.02	\$ (43,636,597.07)	N/A	\$ 1,180,756.79
CWB - Muni	\$ 2,195,905.40	\$ 3,301.52	\$ -	N/A	\$ 2,199,206.92
CWB - Money Market	\$ 6,908,218.94	\$ 5,029,777.43	\$ (11,800,000.00)	N/A	\$ 137,996.37
		\$ -	\$ -		
Local Agency Invest. Fund-State of Ca.	\$ 68,906.70	\$ 752.72	\$ -	N/A	\$ 69,659.42
<u>Investment Trust of California (CalTRUST)</u>					
CalTRUST - Short Term	\$ 581,166.53	\$ 5,935.41	\$ -	\$ 3.82	\$ 587,105.76
CalTRUST - Medium Term	\$ 533,920.19	\$ 5,340.30	\$ -	\$ 541.86	\$ 539,802.35
CalTRUST - Liquidity	\$ 32,731,177.21	\$ 317,334.83	\$ (9,750,000.00)	\$ -	\$ 23,298,512.04
TOTAL- OPERATIONAL CASH	\$ 51,118,653.81	\$ 42,089,637.23	\$ (65,190,797.07)	\$ 545.68	\$ 28,018,039.65

Other

US Bank-Series 2021A Reserve Fund-OM&R Project	\$ 454,250.39	\$ 4,231.28	\$ -	\$ -	\$ 458,481.67

1 Beginning Balance = Market Value at end of previous quarter

2 Deposits or Transfers IN = O&M collections, Membership collections, Interest and Other Revenue, and also includes Transfer IN from Other SLDMWA Accounts

3 Draws or Transfers OUT = O&M and Membership paid expenditures, and also Transfers OUT to Other SLDMWA Accounts

4 Change in Value = CalTRUST Investment is based on share price, change in price results in change in value

5 Ending Balance = Market Value at end of current quarter

San Luis & Delta-Mendota Water Authority

Treasurer's Report

Quarter Ended December 31, 2025

Detail to Support Report

Page 4 of 4

Prepared by: R. Tarka

CALENDAR YEAR 2025 INTEREST EARNED

(Month End Balance)	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	AVG BAL/ YTD INT TOTALS
CWB - Payroll (#0489)	9,878.51	6,700.00	5,000.00	5,000.00	5,000.00	5,000.00	10,789.77	11,265.48	5,700.00	5,000.00	5,000.00	5,000.00	6,611.15
CWB - Transactional (#0463)	17,659,146.64	2,457,914.80	4,445,563.16	4,811,459.07	2,430,150.16	6,083,290.09	956,332.64	1,238,461.02	8,093,658.84	4,329,983.77	466,427.79	1,180,756.79	4,512,762.06
CWB - Muni (#4858)	2,186,114.65	2,187,372.41	2,188,672.85	2,189,932.09	2,190,670.07	2,192,311.65	2,193,521.93	2,194,654.75	2,195,905.40	2,197,117.66	2,198,213.21	2,199,206.92	2,192,807.80
CWB - MM (#0343)	5,460,960.40	5,479,811.93	1,487,843.16	1,493,285.00	4,207,478.31	6,333,708.12	8,056,230.90	6,079,897.91	6,908,218.94	429,333.67	3,234,058.41	137,996.37	4,109,068.59
CalTrust - Investment Account	18,235,937.51	25,215,332.95	10,322,753.66	10,363,253.06	20,424,941.56	28,511,437.33	28,613,676.50	33,725,914.36	33,846,263.93	33,965,578.66	34,080,561.94	24,425,420.15	25,144,255.97
LAIF - Investment Account	67,417.01	67,417.01	67,417.01	68,159.94	68,159.94	68,159.94	68,906.70	68,906.70	68,906.70	69,659.42	69,659.42	69,659.42	68,535.77
US Bank - Series 2021A Reserve Fund	461,469.64	463,039.98	454,132.45	455,661.97	457,145.80	458,677.58	460,158.50	461,697.19	454,250.39	455,681.57	457,126.59	458,481.67	458,126.94
US Bank - Series 2013A Revenue Funds													-
US Bank - Series 2013A Escrow Account													-
	44,080,924.36	35,877,589.08	18,971,382.29	19,386,751.13	29,783,545.84	43,652,584.71	40,359,616.94	43,780,797.41	51,572,904.20	41,452,354.75	40,511,047.36	28,476,521.32	36,492,168.28
INTEREST EARNED													
CWB - Transactional (#0463)	4,942.73	4,116.20	2,919.82	3,557.69	2,001.84	3,762.38	3,067.97	1,855.43	3,015.71	2,207.46	1,092.81	1,360.35	33,900.39
CWB - Muni (#4858)	1,391.64	1,257.76	1,300.44	1,259.24	737.98	1,641.58	1,210.28	1,132.82	1,250.65	1,212.26	1,095.55	993.71	14,483.91
CWB - MM (#0343)	21,062.08	18,851.53	8,031.23	5,441.84	14,193.31	26,229.81	23,224.27	23,667.01	28,321.03	21,114.73	4,724.74	3,937.96	198,799.54
CalTrust - Investment Account	68,017.12	78,284.13	38,447.04	37,297.37	44,327.35	83,735.27	105,511.70	107,884.66	119,775.11	120,429.50	113,903.20	94,277.84	1,011,890.29
LAIF - Investment Account *	775.06	-	-	742.93	-	-	746.76	-	-	752.72	-	-	3,017.47
USbank - Series 2021A Reserve Fund	1,632.78	1,570.34	1,417.95	1,529.52	1,483.83	1,531.78	1,480.92	1,538.69	1,535.89	1,431.18	1,445.02	1,355.08	17,952.98
	97,821.41	104,079.96	52,116.48	49,828.59	62,744.31	116,900.82	135,241.90	136,078.61	153,898.39	147,147.85	122,261.32	101,924.94	1,280,044.58
YIELDS													
YTD Average Yield												3.51%	
													**
Days in the month	31	28	31	30	31	30	31	31	30	31	30	31	
Cumulative days - Fiscal YTD	31	59	90	120	151	181	212	243	273	304	334	365	
													C

Notes:

* LAIF interest computed quarterly.

**

(A / B)/C*365

linked to above for test:

1,280,044.58 A

36,492,168.28 B

3.51% change cumulative # of days.



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

TO: Pablo Arroyave, Chief Operating Officer

FROM: Raymond Tarka, Director of Finance
Darlene Neves, Accounting Supervisor

DATES: 02.02.26 FAC and 02.05.26 BOD

RE: FY26 O&M Budget to Actual Report Through December 31, 2025

2025 Water Year (FY 3/1/24-2/28/25 attachment 1

Self-Funding actual expenses (paid and pending) for SLDMWA Routine O&M through December 31, 2025 are under budget by \$1,021,801, or 5.4 %. This favorable variance is the result of timing differences for O&M expenses in all cost pools except for the DCI Conveyance Pool, which is \$593,998 over budget. DCI Conveyance Costs continue to trend over budget as a result of rate increases and is expected to continue to exceed budget throughout the remainder of the fiscal year.

2022 Water Year (FY 3/1/22-2/28/23)

With the completion of the FY23 Audit, staff has completed the final accounting for Water Year 2022. Final Accountings refunds were sent out to members on January 27, 2026.

Intertie Conveyance Cost Update

On April 23, 2025 Staff was advised by DWR that the FY26 conveyance charges for water movement from the DCI to O'Neill Forebay have been revised to include a capital component. The new conveyance rate for the current year is \$ 32.66 per acre-foot. This is an increase of \$3.93 (14%) over the previous rate used in WY25 rate setting. In addition to the current year rate change, DWR advised us in letters dated June and September, 2025 of revisions to their conveyance charges for Calendar year 2024 totaling an additional \$1.07 per Acre-Foot. The change increased conveyance costs for FY24 by \$114,415, and \$905,498 for FY25.

Outstanding

Audited Financial Statements FY2024 & FY2025

Staff is working toward completing the FY2024 and FY2025 as soon as possible and have begun providing the auditors with the necessary information.



San Luis & Delta Mendota-Water Authority
FY26 O&M Budget to Actual Report
02.02.26 FAC and 02.05.26 BOD

ANNUAL R, O&M BUDGET BY COST POOLS MARCH 1, 2025 - FEBRUARY 28, 2026

	Total	UPPER	Intertie	Volta Wells	LWR/POOL	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC	\$ 9,181,247	\$ 5,539,964			\$ 3,641,283			
JPP	\$ 5,118,006	\$ 5,489,363						
WW	\$ 138,430	\$ 103,823			\$ 34,609			
Intertie O&M	\$ 571,255	\$ 571,255						
DCI DWR Conveyance	\$ 3,519,425		\$ 3,519,425					
Volta Wells	\$ 31,810			\$ 69,935				
Mendota Pool	\$ 226,779				\$ 226,779			
O'Neill	\$ 3,783,275					\$ 2,988,787	\$ 794,487.75	
SL Drain	\$ 180,904							\$ 245,213
	\$ 22,751,131	\$ 11,704,405	\$ 3,519,425	\$ 69,935	\$ 3,902,670	\$ 2,988,787	\$ 794,488	\$ 245,213
O&M	\$ 19,231,706							
DCI DWR Conveyance	\$ 3,519,425							

R, O&M BUDGET BY COST POOLS THROUGH: DECEMBER 31, 2025
83.33%

	Total	UPPER	Intertie	Volta Wells	LWR	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC	\$ 7,651,039	\$ 4,616,637			\$ 3,034,402			
JPP	\$ 4,265,005	\$ 4,265,005						
WW	\$ 115,358	\$ 86,519			\$ 28,840			
Intertie O&M	\$ 476,046		\$ 476,046					
DCI DWR Conveyance	\$ 2,932,854		\$ 2,932,854					
Volta Wells	\$ 26,508			\$ 26,508				
Mendota Pool	\$ 188,983				\$ 188,983			
O'Neill	\$ 3,152,729					\$ 2,881,425	\$ 271,305	
SL Drain	\$ 150,753							\$ 150,753
	\$ 18,959,276	\$ 8,968,161	\$ 3,408,900	\$ 26,508	\$ 3,252,224	\$ 2,881,425	\$ 271,305	\$ 150,753

R, O&M Actual COSTS BY COST POOLS THROUGH: DECEMBER 31, 2025

	Total	UPPER	Intertie	Volta Wells	LWR/POOL	O'NEILL O&M		
						DIRECT	STORAGE	SL DRAIN
DMC	\$ 6,397,210	\$ 3,860,077			\$ 2,537,133			
JPP	\$ 3,948,097	\$ 3,948,097						
WW	\$ 84,634	\$ 63,476			\$ 21,159			
Intertie O&M	\$ 368,604	\$ 368,604						
DCI DWR Conveyance	\$ 4,002,898		\$ 4,002,898					
Volta Wells	\$ 2,062			\$ 2,062				
Mendota Pool	\$ 237,921				\$ 237,921			
O'Neill	\$ 2,810,894					\$ 2,569,006	\$ 241,888	
SL Drain	\$ 85,155							\$ 85,155
	\$ 17,937,475	\$ 8,240,253	\$ 4,002,898	\$ 2,062	\$ 2,796,213	\$ 2,569,006	\$ 241,888	\$ 85,155

R, O&M BUDGET vs Actual COSTS THROUGH: DECEMBER 31, 2025

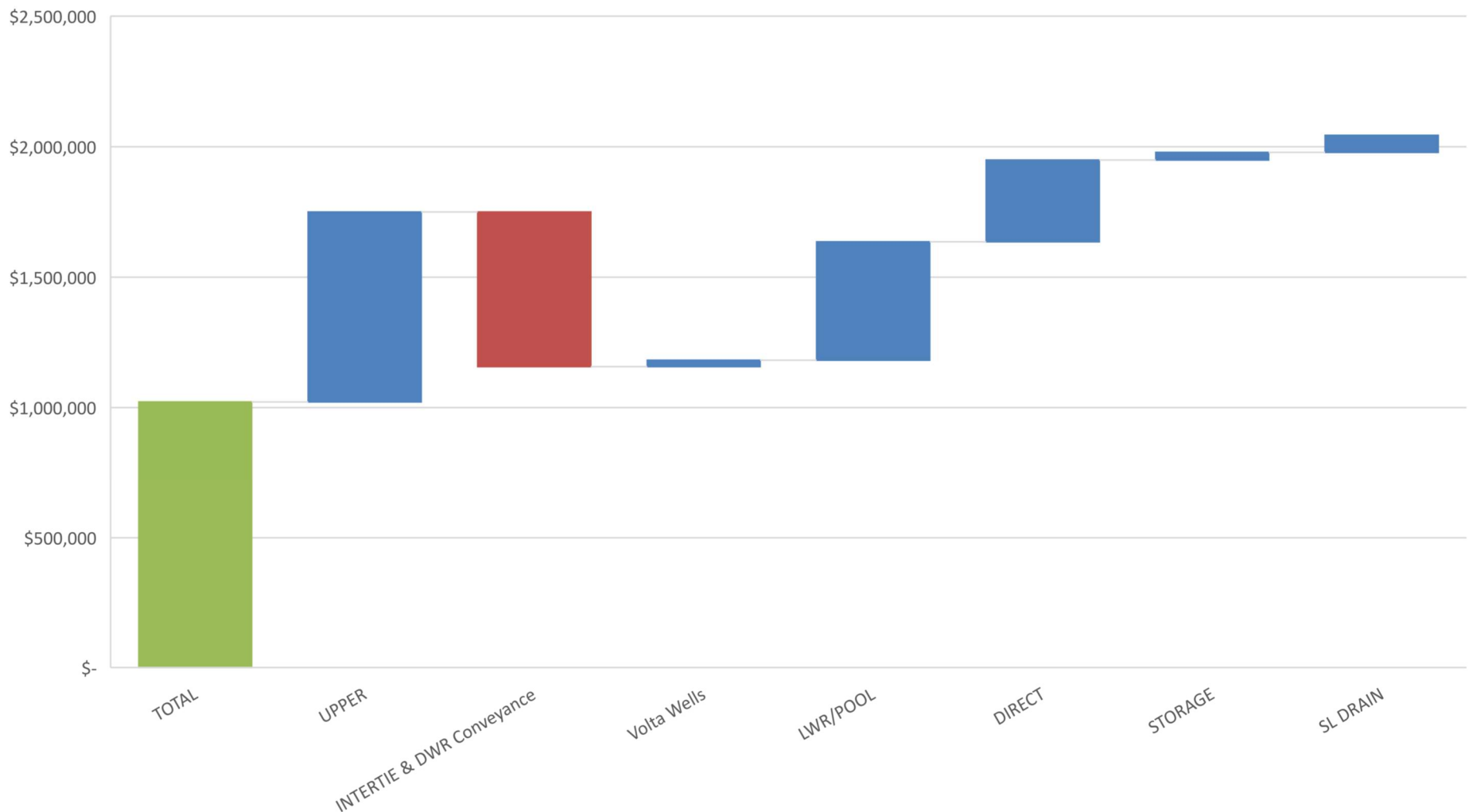
	TOTAL	UPPER	INTERTIE & DWR		Volta Wells	LWR/POOL	O'NEILL O&M		
			Conveyance				DIRECT	STORAGE	SL DRAIN
R, O&M Budget	\$ 18,959,276	\$ 8,968,161	\$ 3,408,900		\$ 26,508	\$ 3,252,224	\$ 2,881,425	\$ 271,305	\$ 150,753
R, O&M Actual	\$ 17,937,475	\$ 8,240,253	\$ 4,002,898		\$ 2,062	\$ 2,796,213	\$ 2,569,006	\$ 241,888	\$ 85,155
Difference	\$ 1,021,801	\$ 727,908	\$ (593,998)		\$ 24,446	\$ 456,011	\$ 312,419	\$ 29,416	\$ 65,598
	UNDER	UNDER	OVER		UNDER	UNDER	UNDER	UNDER	UNDER
	5.389451% UNDER BUDGET								

subject to rounding



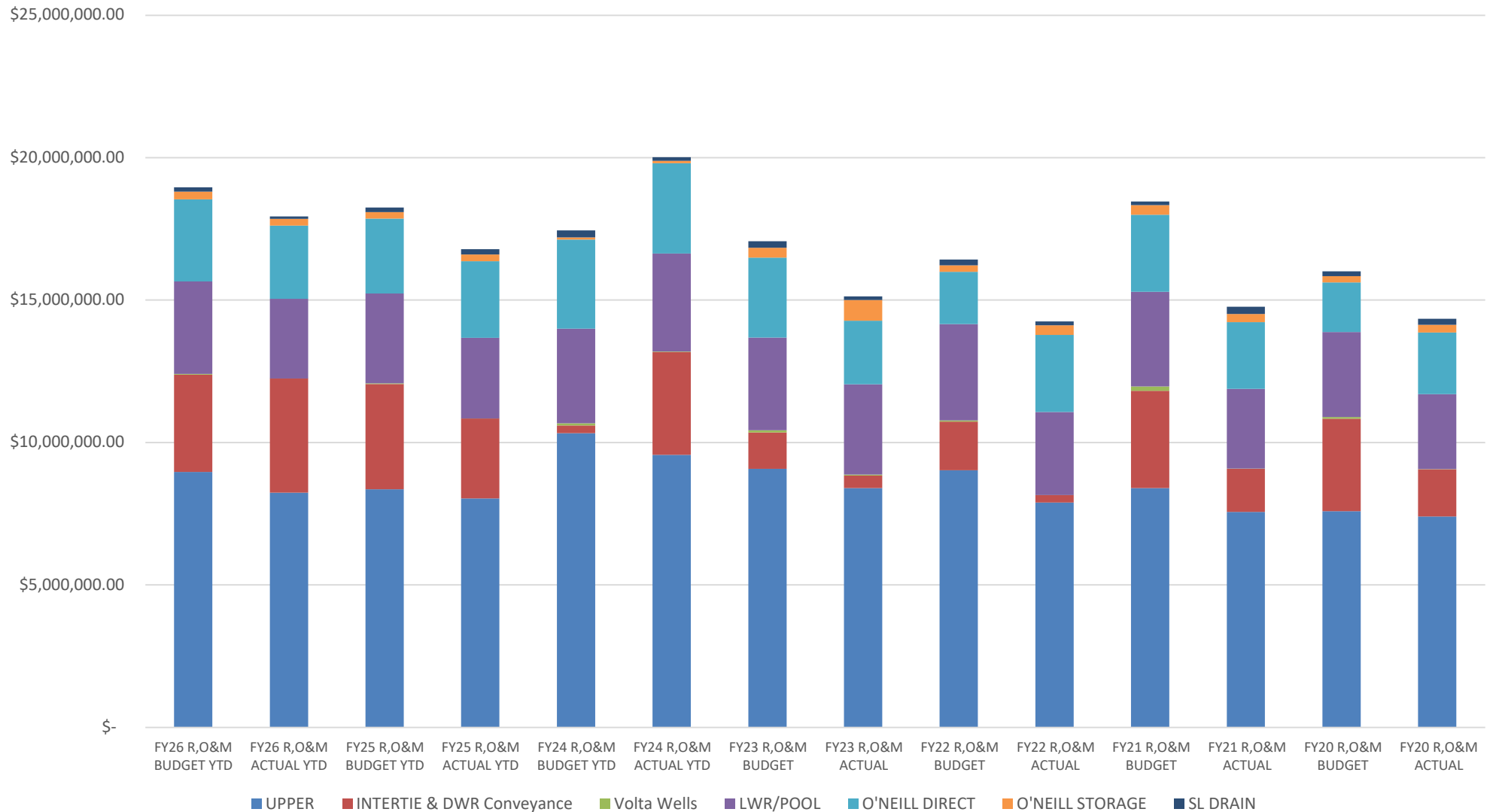
San Luis & Delta Mendota Water Authority
FY26 Budget to Actual Report through December 31, 2025
BUDGET VARIANCES
FAC 02/02/2026 BOD 02/05/2026

■ Increase ■ Decrease ■ Total



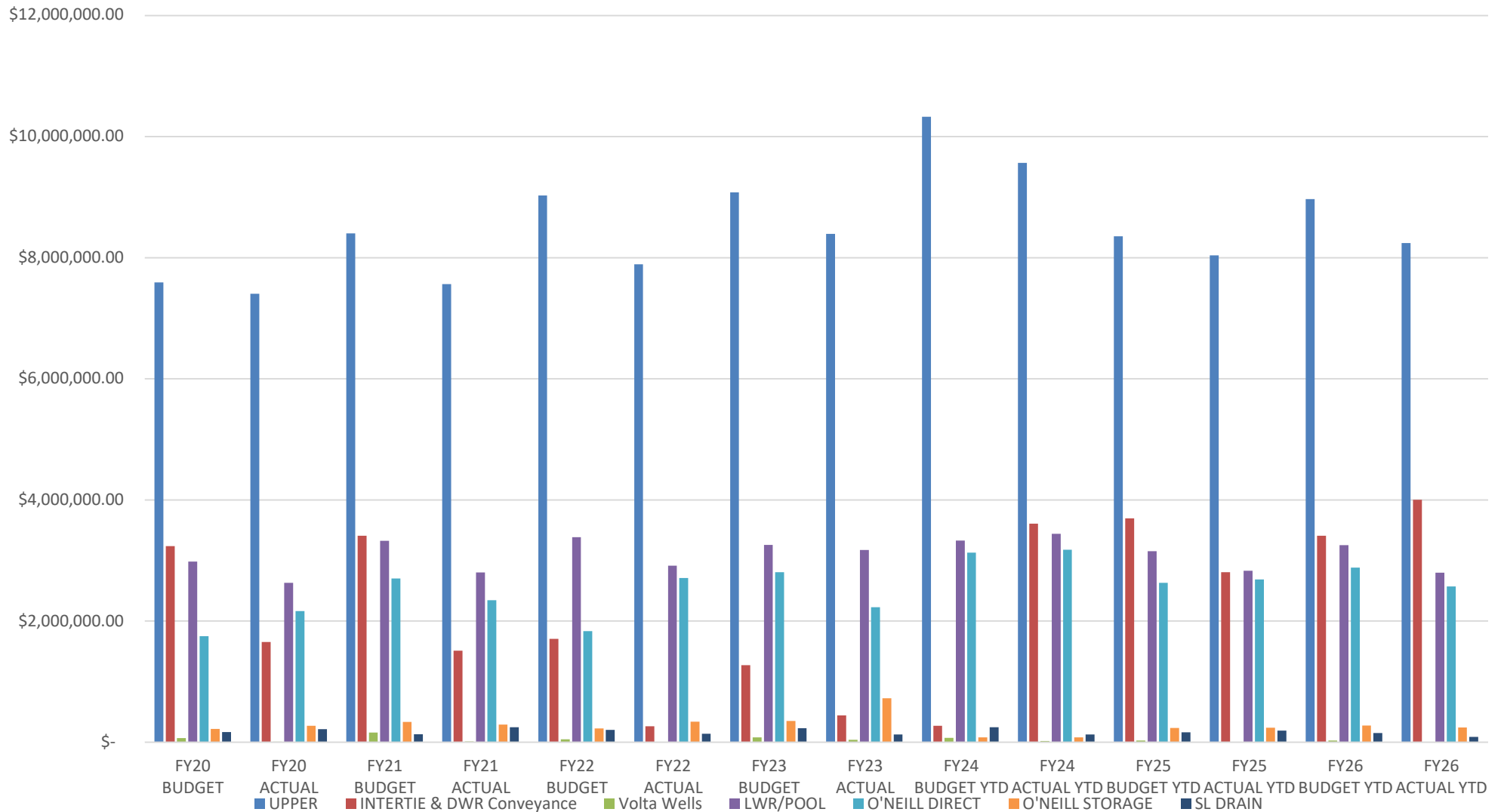


San Luis and Delta-Mendota Water Authority
O&M Budget to Actual -Stacked
FY20-F26 YTD (12/31/2025)
FAC 02/02/2026 BOD 02/05/2026



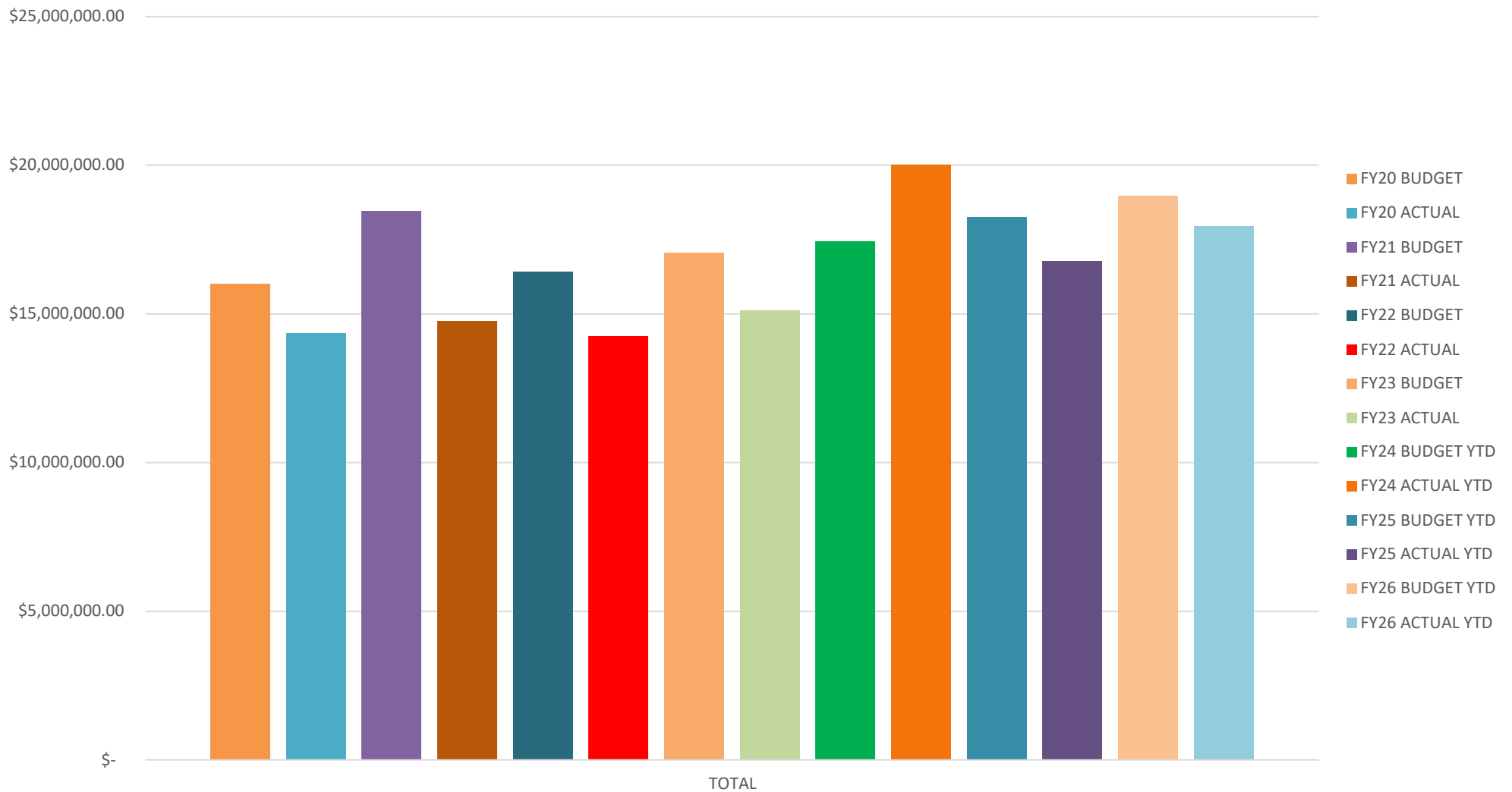


San Luis and Delta-Mendota Water Authority
O&M Budget to Actual-Side by Side
FY20-FY26 YTD (12/31/2025)
FAC 02/02/2026 BOD 02/05/2026





San Luis and Delta-Mendota Water Authority
HISTORICAL O&M BUDGET TO ACTUAL TOTAL
FY20-FY26 YTD (12/31/2025)
FAC 02/02/2026 BOD 02/05/2026
Total By Year





February 5, 2026

To: Pablo Arroyave, Chief Operating Officer

From: Bob Martin, Facilities O&M Director

Subject: O&M Report for January 2026

OPERATIONS DEPARTMENT

The C.W. "Bill" Jones Pumping Plant (JPP) operated with 3-5 units for the month of January. The average rate of pumping for the JPP was 3,588 CFS during the first 28 days of the month.

Total pumping at the JPP for the first 28 days of January was 199,281 acre-feet. The O'Neill Pump/Generating Plant (OPP) generated 0 acre-feet, and pumped 178,504 acre-feet for the same period. 6,524 acre-feet were pumped at the Delta-Mendota Canal/California Aqueduct Intertie Plant (DCI) and 0 acre-feet was reversed from the DCI into the DMC for the first 28 days of January.

The Federal share in the San Luis Reservoir on the 28th of January was 589,815 acre-feet as compared to 622,841 acre-feet for the end of January 2025.

During the first 28 days of January, releases from Friant Dam ranged from 415 to 502 cfs with 8,764 acre-feet entering the Mendota Pool. Flows for the San Joaquin River Restoration Program (SJRRP) were 8,251 acre-feet for the same period.

Canal Operations Department

The Canal Operations crews worked on the following activities this month:

- Open channel & pitot tube flow measurements at MP's

4.98	25.02 R	42.53 L	50.70 R
80.99 L	85.65 RA	115.90	Volta F&W Pump

- Maintenance and serviced flow meters at MP's

11.28 L	12.37 L	18.05 L	19.15 R
19.18 L	22.20 L	25.02 L	25.18 L
25.65 L	27.80 R	31.31 L DP	31.60 L
32.61 R	33.90 R	35.04 R	36.45 R
39.20 R	41.03 L	41.53 L	42.10 R
42.50 R	42.51 L	42.68 L	43.22 L
43.73 L	59.53 L	107.85 R	

- Bi-weekly meter readings on all active 200 plus turnouts
- Inspected Wasteways
 - Westley
 - Newman
 - Volta
 - Firebaugh
- Water samples taken at MP sites: 10.62, 20.63, 29.95, 39.21, and 45.77
- Groundwater well soundings
 - USGS Monitoring Wells
 - Upper DMC Warren Act Wells
 - Lower DMC Warren Act Wells
- Routine patrols
 - DMC
 - Mendota Pool
 - San Luis Drain
- Additional operational activities
 - San Joaquin River flow measurement (SJRRP)

Control Operations

The Control Operations crew performed the following switching/clearance orders this month:

- C-26-DCI-01 DCI Plant
- C-26-JP-02 JPP Unit 5 warranty inspection
- C-26-JP-02A JPP Unit 5 warranty inspection
- C-26-JP-02B JPP Unit 5 warranty inspection
- C-26-JP-02C JPP Unit 5 warranty inspection
- C-26-JP-03 JPP Unit 5 suction elbow

Jones Pumping Plant (JPP)

Electrical/C&I Maintenance Crews:

- JPP Unit 6 710X relay display malfunction troubleshoot and repair
- JPP Unit 5 5-year warranty inspection work
- JPP ½ ton monorail hoist test and inspection 3-month PM
- JPP ¼ ton monorail hoist test and inspection 3-month PM
- JPP plant lighting test and inspection 3-month PM
- JPP C&I test and inspection 1-month PM
- JPP station service battery bank test and inspection 1-month PM
- JPP emergency lighting test and inspection 1-month PM
- Replace 125 DC control power cable from JPP to the Siphon House Bldg.
- JPP sewer pump #2 lift station pump failure troubleshoot and repair
- JPP station service battery room A/C unit install

Mechanical Maintenance Crews:

- JPP Unit 5 5-year warranty inspection work
- WAPA yard water line relocation and plumbing repair
- JPP monorail gripper rake hydraulic fault troubleshoot and repair
- JPP stop log rehabilitation

Civil Maintenance Crews:

- Hauled Unit 5 bridge from the top of JPP to the Machine Shop

O'Neill Pumping/Generating Plant (OPP)

Electrical/C&I Maintenance Crews:

- OPP ½ ton chain hoist crane test and inspection 1-month PM
- OPP security gates North/South test and inspection 1-month PM
- OPP station service dry transformer test and inspection 1-month PM
- OPP annunciator panels test and inspection 1-month PM
- OPP compressed air systems LP test and inspection 1-month PM
- OPP emergency lighting inspection 1-month PM
- OPP cathodic protection system anode test and inspection 1-month PM
- OPP domestic water filter room equipment status and O/L development SCADA
- OPP CCA panel alarm communication failure troubleshooting and repair
- OPP high pressure compressor switch and relay installation to monitor SCADA
- Hoist crane trolley and control burnt relay troubleshoot and replacement

Mechanical Maintenance Crews:

- OPP Unit 3 stuffing box water leak troubleshoot and repair
- OPP oil storage room area cleanup, organization and reconfiguration
- OPP battery room fan motor bracket repair and replacement
- OPP trash rack cleaner main drive motor and gear box troubleshoot and repair
- OPP trash rack crane maintenance and basket teeth replacement
- OPP domestic water check valve replacement on Pump #1
- South gate broken safety stop troubleshoot and repair

Civil Maintenance Crews:

- 50'x100' concrete pad removal at OPP

DMC/CA Intertie Pumping Plant (DCI)

Electrical/C&I Maintenance Crews:

- DCI Jib hoist test and inspection 3-month PM

Mechanical Maintenance Crews:

- None to report

Civil Maintenance Crews:

- DCI support to the Electric Shop

Delta-Mendota Canal (DMC)

Electrical/C&I Maintenance Crews:

- LBFO main gate controller test and inspection 1-month PM
- LBFO electrical lighting panel LA3A purchase and replacement
- DMC Checks 14 – 21 UPS backup system inspections
- MP 115 flow meter battery replacement/replacement
- LBFO storage shed lighting and receptacle upgrades
- SJR Bifurcation level transmitter battery replacement and troubleshoot
- DMC Check 1, Gate 2 communication error troubleshoot and repair

Mechanical Maintenance Crews:

- DMC Checks 13 – 21 radial gate gear box inspections

Civil Maintenance Crews:

- DMC trash collection at MP's 24.43, 25.20 and NWW
- DMC pre-emergent application on DMC from MP 3.50 to 110.99, TFO & OPP

- Fence repair at Check 13
- Install new shoulder drain at MP 52.85
- Fabricate and install new handrails at MP's 8.01 & 19.85
- Repair pipe leak at MP 30.33
- Erosion repair within the TFO yard
- Float line repair at MP's 8.60 & 51.99
- Installed new pole and replaced a stop sign at MP's 74.40 & 107.52
- Fabricate metal cover for meters at MP 14.80 and 20.43
- WAPA yard water line relocation, plumbing repair and backfill
- NWW roadway gate inspections and maintenance
- Remove duck weed from TFO frog pond
- LBFO vehicle lift concrete pad modifications and prep
- Trench digging for electrical upgrades to the LBFO storage shed
- Painting safety ladders on the DMC liner from MP 81.79 to 84.38
- Road repair to TFCF levee access road to pit area
- Numerous vehicle oil changes and minor repairs

Tracy Field Office

Electrical/C&I Maintenance Crews

- Control Building HVAC system test and inspection 6-month PM
- TFO/ESHOP 2-ton monorail hoist electrical test and inspection 3-month PM
- SLDMWA entrance gate test and inspection 3-month PM
- USBR entrance gate test and inspection 3-month PM
- USBR exit gate test and inspection 3-month PM
- WAPA yard sewer line relocation and plumbing repair
- Tracy Warehouse dock gate test and inspection 3-month PM
- Control Building emergency lighting system test and inspection 1-month PM
- Tracy battery bank test and inspection 1-month PM
- TAO Conference Room electrical outlets and fixture updating
- Replace lighting fixtures and lights throughout TFO compound

Mechanical Maintenance Crews:

- None to report

Civil Maintenance Crews:

- Assemble furniture and fixtures for TAO Conference Room Refresh

Other Activities:

- None to report

USBR Support Services

The Water Authority crews supported the following work at USBR facilities during the outage this month:

- TFCF louver cleaning and dump truck support
- Received contract extension through March 31, 2026

ENGINEERING DEPARTMENT

The Engineering staff worked on the following O&M projects this month:

- Data management of well readings and creation of Warren Act hydrographs
- LBFO vehicle lift upgrade

- JPP U-4 brake malfunction report
- JPP station service battery troubleshooting and replacement
- OPP battery room ventilation review
- Upgrade to DC Ramp test equipment
- Pressure vessel certification
- OPP Units DC ramp tests planning
- TSY UZ6A relay settings review
- OPP crane control relay replacement
- JPP Siphon House cable replacement

Land Management Activity Summary

The Engineering staff issued eight (8) access permits this month:

- Access Permit Amendment P2602037 was issued to City of Tracy to begin the demolition of the existing International Parkway bridge and construction of the new bridge expansion located at Milepost 9.29 on the DMC
- Access Permit P2604040 was issued to Santa Nella County Water District allowing the temporary storage of equipment and material in support of the district's pipeline installation project
- Access Permit P2641042 was issued to the City of Los Banos allowing the use of the San Luis Drain O&M Roadway to access the city's project located at Milepost 91.09-L
- Access Permit P2602044 was issued to Byron-Bethany Irrigation District allowing the installation of the pipeline crossing attached to the existing farm bridge located at Milepost 15.10 on the DMC
- Access Permit P2602045 was issued to Del Puerto Water District allowing a landowner to use goats to graze along the DMC right-of-way from Milepost 60.6-L to Milepost 62.09-L
- Access Permit P2602046 was issued to Del Puerto Water District to repair the existing underground pipeline servicing the turnout at Milepost 47.37-R on the DMC
- Access Permit P2604047 was issued to Westside Hulling Association to remove unauthorized stockpile of walnuts from the Westley Wasteway
- Access Permit P2602048 was issued to Del Puerto Water District to repair the underground pipeline servicing the turnout at Milepost 43.22-L

The Engineering staff was involved with the following land management projects this month:

- International Parkway Bridge Replacement Project
- Koster Road guard rail replacement and access road realignment
- City of Patterson MP37.95 Trade Center Bridge Project
- Stanislaus County request to install water line over DMC at Fink Road
- Costco development of adjacent land at MP10.62R – MP11.28R

Contract Updates

Spec. No.	Title	Status
F26-LBFO-008	NPDES Permit Consulting Services - Task 1 FY26	Work ongoing, pending FY27 Task Order renewal
F26-LBFO-008	NPDES Permit Consulting Services Master Agreement	Master Agreement, per task, pending FY27 Task Order renewal
TBD	CP System Survey Blanket	Working with Charles, pending SOW
F25-ALL-002	Biological Surveying	Work ongoing, 1st amendment executed 1/12/26 to increase total contract amount from \$30,000 to \$40,000
F22-DMC-065	Feasibility Study	5th amendment executed 1/13/26 to reallocate existing funds. 6th amendment pending Board approval to increase total contract from \$2,429,308.92 to \$2,645,895.68
F26-DMC-012	DMC Subsidence Correction Project - Phase 1	NOIA sent on 1/21/26, pending board approval at February Board Meeting
F25-DMC-005	DMC Subsidence Utility Locating and Mapping Services	Work completed
F25-ALL-018	Hallmark Project Management - Task 1 FY26	5th Amendment executed 1/12/26 to increase funds from \$766,187.00 to \$964,767.00 per January board approval
F25-ALL-016	Project Management & Engineer Support Services - Task 1 DCI Arc Flash Investigation - FY26	Work ongoing, pending FY27 Task Order renewal
F25-ALL-016	Project Management & Engineer Support Services - Task 2 Transformer Rehab FY26	Work ongoing, pending FY27 Task Order renewal
F26-ALL-009	Procurement Support Services - Master Agreement	Master Agreement executed 1/7/26. Per task, no pending task orders
F25-ALL-016	Project Management & Engineer Support Services - Task 3 JPP Excitation Design - FY26	Work ongoing, pending FY27 Task Order renewal
F25-JPP-007b	Excitation System - Unit 4	Contract executed 8/18/25, bonds and required documents will be requested in the future prior to NTP

F25-JPP-007c	Excitation System - Unit 2	Contract executed 8/18/25, bonds and required documents will be requested in the future prior to NTP
F25-JPP-007d	Excitation System - Unit 3	Contract executed 8/18/25, bonds and required documents will be requested in the future prior to NTP
F25-JPP-007e	Excitation System - Unit 5	Contract executed 8/18/25, bonds and required documents will be requested in the future prior to NTP
F25-JPP-007f	Excitation System - Unit 6	Contract executed 8/18/25, bonds and required documents will be requested in the future prior to NTP
F26-JPP-014	JPP Station Battery Replacement	Pending contract execution, bonds
F26-ALL-019	Voith Maintenance and Support Services	Pending negotiations
F26-O&M-011	Miscellaneous Professional Consulting Services -Task Order 1 FY26	Work ongoing, pending FY27 Task Order renewal
F25-ALL-018	Hallmark Project Management	Master Agreement, per task. 5th amendment executed for Task Order 1 FY26 to increase task amount from \$766,187.00 to \$964,767.00
F25-ALL-016	Project Management & Engineer Support Services	Master Agreement, work ongoing, pending FY27 Task Orders
F26-ALL-001	NetSuite Support Services - Task Order 1 FY26	Work ongoing, pending FY27 Task Order renewal
F26-ALL-001	NetSuite Support Services - Master Agreement	Master Agreement, Per task, pending FY27 Task Orders
F25-ALL-033	Gannet Fleming Engineering Services Task Order 2 FY26	Work ongoing, pending FY27 Task Order renewal
F25-ALL-033	Gannet Fleming Engineering Services Task Order 1 FY26	Work ongoing, pending FY27 Task Order renewal
F25-ALL-033	Gannett Fleming Engineering Services - Master Agreement	Work ongoing, pending FY27 Task Order renewal

F26-JPP-016	JPP Impeller Balancing	NOIA submitted 1/15/26, pending contract execution / bonds.
F26-JPP-015	JPP Rehabilitate Coating	NOIA sent on 1/16/26, pending Board Approval at February Board Meeting

SAFETY DEPARTMENT

The Safety Department worked on the following items this month:

- Issued Safety Training materials for the month of January to all staff members
- Finalizing contract and PO for new FR clothing program
- Rolled out new monthly training calendar
- Began process for reviewing and revamping FHECP with Operation Supervisor
- Preparing to perform FHECP gap assessment at facilities

PROCUREMENT AND WAREHOUSE MANAGEMENT DEPARTMENT

The Procurement and Warehouse Management Department worked on the following items this month:

- 202 Purchase Orders were issued this month
- 79 Inventory Checkouts
- Prepared final weekly PO Invoicing Packages for submittal to A/P for payment
- Completed review of Procurement Technician and buyer job duties, provided feedback to HR for job posting; review buyer resumes
- Completed prior month department report
- Held internal meeting regarding paperless invoice processes and procedures
- Assisted with various Activity Agreements/task orders/amendments
- Met with Safety Officer regarding Piggyback contract for uniform rental and cleaning services; provided training on use of Cooperative Agreements
- Office 365 training
- Provided some procurement training to Safety Officer
- Completed annual sales tax report to accounting
- Reviewed and closed out old open requisitions

Ongoing:

- Purchasing in support of the O&M crews, and maintaining/replenishing warehouse stock
- Warehouse receiving, stocking, and distribution
- Inventory cycle counts
- Invoicing/vendor bills/vendor credits processing/invoice disputes
- Routine janitorial activities at the TAO/TFO/JPP/Control Room facilities
- NetSuite bi-weekly meetings
- Bi-weekly staff meetings to discuss updates/issues
- Bi-weekly project update meetings with O&M Director
- Bi-weekly COO Staff Meetings
- Bi-weekly working sessions with Citrin Cooperman (NetSuite Consultant)
- Review/approve timesheets

INFORMATION TECHNOLOGY DEPARTMENT

The Information Technology Department worked on the following items this month:

Administrative Activities:

- Monthly FAC, WRC and BOD Meetings
- Management of FY26 RO&M and EO&M Budgets
- Support FY27 EO&M & RO&M budgets, regions 51 and 53
- Crafts Coordination Meeting to discuss status of various projects and open SO
- Push Requisition approvals
- Schedule Campus Security vendor site walks, SOW

General Network & Desktop Support:

- Desktop support per incident
- Research alternative AV options for Board Room
 - Review submitted quotes
- TAO Conference Room Refresh
- iNet Confined space Gas Meter configuration
- Order VOIP for x229
- O365 Rollout and Training
- Repair fiber converter and DCI Phone x289

Ongoing:

- Prep new iPhones and iPads for MDM and deployment
- iPad(s) configured and deployed to Water Operations
- Android Tablets to ESHOP and craft teams for CMMS
- Conversion to Net Extender for VPN Access to network
- Desktop/printer/peripheral
 - 26-D0-FY24/FY25 laptop refresh
 - Surface Pro deployment
 - Rugged laptop order
- Servers
 - Performance monitoring
 - Prepping servers for redeployment and Sandbox
 - LBFO AD server migration
 - System wide critical server patches deployed
- Document Management
 - Monthly Status Meetings
 - Server data file inventory
 - Legal Dept Sandbox testing completed
 - HR Dept. data migration
- NetSuite
 - User and Administration
 - Bi-Weekly Implementation Team Meetings
 - Monitor Citrin Cooperman activities for NetSuite
 - Gravity software
- Shepherd
 - Weekly progress meetings
 - Continue testing tablets in field

- Additional modifications to User roles
- Cybersecurity
 - Monitor Active Directory
 - Monitor Symantec anti-virus management console
 - Update Symantec definitions
 - Update additional AV security settings
 - Monitor Firewall logs and alerts
 - Multi Factor Authentication
 - Cybersecurity training and webinars
 - Cyber Readiness Institution Certification Course
 - Monitor Knowbe4 Phishing Campaign
 - Cybersecurity Team
 - Cybersecurity Incidence Response Plan
 - Disaster Recovery Plan
 - Business Continuity Plan
 - Table Top Exercise Plan
 - Monitor IBM (MAAS360) mobile device management
 - Symantec message gateway server
 - Review InfraGard dispatches – FBI Cyber Security group
 - Monitoring Darktrace Cybersecurity appliance in IT network
 - Monitor and adjust Cloud immutable backups
 - Monitor and adjust “Cold” air gapped local backups
 - GPOs for domain administration and Cybersecurity
- DWR regarding use of fiber from a 1992 contract agreement
 - USBR contact DWR
 - Zoom, emails, phone calls
 - Gather requested info for DWR
 - Begin creation of requirements and SOW
- Data migration
 - GIS server migration Phase 2
- New asset control and tracking
- AP installs
 - OPP break room - completed
 - OPP office and motor floor
 - LBFO office
 - SAC office
 - JPP control floor
- VLAN's for network segmentation
- AT&T discussions/negotiations for future terms
 - Replacing Unwired with FirstNet cellular to OPP and LBFO
 - Updates to existing copper analog lines
- 26D0 Avaya phone system upgrades

SCADA DEPARTMENT

The SCADA staff worked on the following items this month:

Administrative Activities:

- InfraGard application process
- Monthly Crafts Coordination Meeting

General SCADA Network Support:

- Troubleshoot annunciator OPP and SCADA alarms
 - Repairing and developing alarms for SCADA A and B
 - OPP Annunciator troubleshooting and repairs
- JPP troubleshoot West tube totalizer
- JPP U5 SCADA alarm SEL relay mismatch
- Del Puerto NVRRWP meter located at MP 37.33 Left
- Support for OPP Syphon house error

Ongoing:

- Installation of direct wireless connection to Syphon House with Ubiquity devices
 - More bandwidth temporarily until fiber pull complete
- Bi-weekly review of DCI plans for SCADA and remote annunciation
- New Un-Wired circuit installed at Control Room Building.
- Continued writing scope for Aveva to Ignition conversion
 - Ignition conversion in progress
- Network segregation plan and design
- Continued Cybersecurity training
- Research gate encoder replacements to update EOL existing units
- OPC Network optimization and clean-up of obsolete devices
- Server Room
 - Upgrades of Operator A and B in progress
- DCI
 - Pump indicator, flows and UPS status info on display-Completed
 - U1 & U2 MWh conversion from new SEL relays-Completed
 - Upgrade 9 PLCs to version 15-Completed
 - Edit start/stop logic in U1 through U6 PLC's
 - Verify logic function on U1 & U2 PLCs after contract work
 - U6 failure to stop-referred to Electric Shop
- OPP
 - Vibration sensor testing for replacement of outdated sensors
 - AT&T FirstNet to move SCADA data from OPP to Control Room
 - Support for Transformer Upgrade Project
 - Battery room sensors and venting controls
- DMC
 - AT&T FirstNet to start APN with DIGI devices
 - APN configuration and setup
 - Volta Wasteway
 - Convert to FirstNet
 - Level sensor received for testing
 - Flow Meter Replacement Research
 - Meter 115 move to FirstNet or Radio to Check

- JPP
 - Water treatment plant SCADA integration
 - Termination/SCADA connect
 - Scaling configuration and adjustments
 - Andon board creation for monitoring
 - Excitation Project support
 - Meeting with vendors and Droose
 - Build Proxmox virtual server
 - Provide settings from existing devices to vendors
- 26-M7; Siphon House communications
 - Received PLC parts for project
 - CCA panel equipment
 - New fiber to Siphon House to be pulled
 - C&I redlined CCA Panel - complete
 - Visio drawings
 - Point to Point WIFI for temporary comms to accommodate pulling of existing control and signal lines to make room for fiber - completed
 - awaiting new control cable to be pulled on WAPA poles
- 26-M8; Trash Rake
 - Received PLC parts for project
 - Started program rewrite and documentation
 - Fiber pulled from cable floor to trash rake panel
 - Fiber pulled from cable floor to server room
 - C&I terminated into SCADA cabinet at trash rake
 - Fiber Hub installed at cable floor and cross patch server room to trash rake
 - Development of Headless HMI for control interface
 - Additional trash rake configs to accommodate concrete slab pours
 - Returned PLC controls back to normal location operation
 - No additional work in January
- LBFO
 - Andon board configuration

HUMAN RESOURCE DEPARTMENT

The Human Resources Department worked on the following items this month:

General Administrative Activities:

- Active Recruitments
 - Procurement Technician
 - Buyer
- Closed Recruitments
 - Plant Mechanic
- Resume/Candidate Reviews
 - Plant Mechanic
- Interviews/Skills Testing
 - Plant Mechanic (interviews)
- Job Offers –
 - None

Trainings:

- Cyber Security training tracking (all staff)
- Sexual Harassment Prevention training tracking (all staff)
- Defensive Driving training tracking (all staff)
- Ethics training tracking (executive & supervisory staff)
- Workplace Violence Prevention training (all staff)
- Navigating reasonable accommodations
- Data management software training RiskStar (Property Insurance, JPIA)

Government Reporting:

- EEOC tracking/reporting
- Affirmative Action report tracking

Ongoing:

- Performance appraisal tracking
- FMLA notices/follow-ups
- COBRA notices/follow-ups
- Worker's Comp follow-ups
- Monthly safety points distribution
- Health benefits eligibility/employee assistance
- Job Description updates
- Policy updates
- Employment Law updates
- Maintain OSHA logs for calendar year
- PIV Cards (USBR)
- Wellness Program

EXTRAORDINARY O&M & CAPITAL PROJECTS



DELTA-MENDOTA CANAL (DMC)

Bridge Abutment Repair at MP 92.73 (FY21)

Status: No activity this month. Repair plan has been designed, and the conflicting PG&E line has been relocated. Project needs to be scheduled.

DMC Subsidence Correction Project

Status: SLDMWA continues to work closely with Reclamation on the DMC Subsidence Correction Project (Project) and is managing the \$2.4M CDM Smith Feasibility Study contract, the \$5.7M Upper DMC Design contract with USBR Technical Services Center (TSC), and a \$2.15M contract for utility locating and mapping along the Upper DMC. As approved by the Planning Committee, Phase 1 is the current focus. Phase 1 consists of 4 tasks, (1) Lining & Embankment Raise MP 3.5 to 7.2, (2) Liner Raises at Sag Locations, (3) Upper DMC Underwater Liner Repairs, and (4) Lower DMC Underwater Liner Repairs. The RFP for Phase 1 posted in December with two proposals received. An evaluation committee comprised of Water Authority, Reclamation, and consultant staff reviewed the proposals on technical and cost merits. While both contractors were qualified and competent, the highest scoring proposer was issued a Notice of Intent to award. Staff will be presenting their recommendation to award the contract to the winning proposer at the February board meeting. Preconstruction services, including the development of a Guaranteed Maximum Price (GMP), will begin immediately with the intent to award a construction contract up to the GMP by May at the latest.

Feasibility Study: Feasibility Study has been approved and FONSI (Finding of No Significant Impact) and ROD (Record of Decision) are anticipated in early 2026. Coordination continues on Federal permitting efforts with Fish & Wildlife Services (FWS), and Army Corp of Engineers to obtain the Biological Opinion (BO). State Historical Preservation Office (SHPO), Water Authority, and Reclamation have signed the Programmatic Agreement and are now consulting on the areas specific to Phase 1 activities. Once the BO is finalized, Reclamation will approve the FONSI and ROD to enable the start of construction activities.

Design Data Support: Staff continued to manage the Professional Services Agreement with Sandis Engineering (executed Aug 2024) for utility locating and mapping services. The Design team has received and approved updated utility mapping and awaiting final deliverables. Upon receipt of the final deliverables, the contract will be closed out substantially below budget. Final closeout activities of the contract are currently underway.

Funding:

- CA Department of Water Resources (DWR): SLDMWA is currently in agreement with DWR for entire \$42M appropriation.
- Aging Infrastructure Act (AIA): \$25M awarded in FY23. \$50M awarded in FY24. Received notice of \$204M award for FY25 for a total award of \$279M. The Water Authority has requested to begin repayment negotiations with Reclamation and is awaiting action from Reclamation.

EXTRAORDINARY O&M and CAPITAL PROJECTS

Staff submitted a new application in July 2025 for the remaining balance of the Upper DMC.

DMC Solar Over Canals 5 Year Pilot Project – USBR Grant Funded

Status: No activity this month. Project is on hold until further notice.

DMC Underdrain Sedimentation Removal Project (FY25)

Status: No activity this month, project is on hold.

C.W. “BILL” JONES PUMPING PLANT (JPP)

JPP Excitation System & Control Cabinet Modernization

Status: Contract award was executed in August to Power Pros. Two advance funding progress payments have been received from Reclamation, with two more submitted, awaiting funds. SLDMWA and TSC continue to provide support and site access for design information. The 30% design meeting was completed in December, with the 60% occurring late January. Bi-weekly meetings are being held to review submittal status, requests for information (RFI's), and critical path items. The preliminary schedule includes an eight month design process, six month fabrication process, and four months of site work for each unit. Completion of the contract is anticipated by the end of 2028.

JPP Siphon Breaker Communication Upgrades (FY25)

Status: Project underway, see SCADA Department O&M Report

JPP Trash Rake Controls Modernization (FY25)

Status: Project underway, see SCADA Department O&M Report

JPP Machine Shop Crane Rehabilitation (FY25)

Status: No activity this month. Staff is in conversation with vendors who can perform the preliminary inspection for this project.

JPP Rehabilitate Coating on Pump Casings & Bifurcation (FY25)

Status: Staff is working closely with Gannett Fleming (GFT) on scheduling and planning and executing the project. A formal Request for Proposal (RFP) was released on November 24th with two proposals received and evaluated by a technical team comprised of Water Authority and GFT staff. The winning proposer was issued a Notice of Intent to Award and staff is bring the recommendation to award the contract to the Board in February. Site work is scheduled to occur in April and May of 2026 during the anticipated reduced pumping period.

JPP Plant Flow Metering System Rehabilitation (FY25)

Status: No activity this month.

JPP Sand Filter System Rehabilitation (FY25)

Status: Staff worked with consultant and received a price proposal. Staff is reviewing the price proposal and available budget.

EXTRAORDINARY O&M and CAPITAL PROJECTS

JPP Unit 5 Leak Investigation & Repair

Status: Pentair came onsite early November to perform an Advanced Machinery Health Survey on JPP Unit 5. This was to establish vibration levels and potential issues prior to disassembly. Sensors were placed throughout the pump and motor assembly, and data was collected. A report of their findings is pending. A task order has been added to the existing professional services agreement with GFT that encompasses the management of this project and will be done in coordination with the project to replace the coating on the JPP pump casing and bifurcation. A formal Request for Proposal (RFP) was released on November 24th with two proposals received and evaluated by a technical team comprised of Water Authority and GFT staff. The winning proposer was issued a Notice of Intent to Award and staff is bring the recommendation to award the contract to the Board in February. Site work is scheduled to occur in April and May of 2026 during the anticipated reduced pumping period. Staff also prepared and solicited an informal RFP for impeller balancing, which was released December 8th with bids due January 8th with one proposal received from Unico. Given Unico's successful work history with the Water Authority, a Notice of Intent to award was issued. The contract will be executed upon receiving certain documentation from Unico.

O'NEILL PUMPING/GENERATING PLANT (OPP)

Main Transformers Rehabilitation

Status: The Water Authority remains in contract with CEI to complete the Main Transformer Rehabilitation. To date, the Spare has been rehabilitated, and will be used to swap into service to rehabilitate one transformer at a time. Various contracting and workmanship issues were encountered in October and the spare was unable to be put into service. Since then, staff have been engaging closely with TSC, CVO, and CEI on ensuring the next swap is a success. CEI has submitted a lessons learned document with a work plan to ensure only quality work is performed and staff is reviewing it. The next outage is planned for mid-September and expected to last 9 days.

OPP Upgrades – Pump Bowl Fabrication & Governor Rehabilitation

Status: Staff continues to work with Pentair on Phase II of the contract. 100% design of the bowls and the governor have been received, and staff has reviewed and approved them in conjunction with USBR. Phase 1 is complete, and Phase 2 notice to proceed was issued to Pentair after the October board approval. Staff witnessed the factory acceptance testing of the hydraulic manifold for the governor system from November 11 - 14. The first bowl is scheduled to be delivered October 2026. Repayment negotiations occurred early December, and executed by the Board and Reclamation mid-January 2026. An advance payment request will be submitted next month to Reclamation to support the progress payments for this project.

EXTRAORDINARY O&M and CAPITAL PROJECTS

OPP Upgrades – Unit Rewind

Status: No activity this month. Start of this project is contingent upon signing a repayment agreement for the IIJA funds. Staff submitted another IIJA application in July 2025.

OPP Upgrades – Unit Rehabilitation

Status: Staff is working with Pentair to develop a quote for the pump components and the work to be performed. The start of this project will be timed appropriately with the Unit Rewinds, Pump Bowl Fabrication, and Governor Rehabilitation projects as well as the availability of IIJA funds.

OPP Sand Filter System Rehabilitation Design (FY24)

Status: Staff worked with consultant and received a price proposal. Staff is reviewing the price proposal and available budget.

OPP Warehouse Building (Design & Construction)

Status: Reclamation requested and Water Authority staff provided the Scope of Work for the project. Staff is now focusing on developing an RFP for the design and construction of the building.

DELTA-MENDOTA CANAL/CALIFORNIA AQUEDUCT INTERTIE PUMPING PLANT (DCI)

DCI Motor Protection Relay Replacement (FY25)

Status: The new protective relays (SEL-710-5's) were procured in January 2025. Staff has uploaded and tested the relays with settings designed by Reclamation TSC. The updated relays were seen at the Eaton plant during the factory acceptance testing (FAT) for the motor controller sections which was performed in September. Units 1 & 2 replacement motor control panels included the new relays and have been installed and passed electrical tests. Installation of the new relays for Units 3, 4, 5 & 6 to be planned.

DCI HVAC System Rehabilitation/ Replacement (FY23)

Status: No activity this month.

DCI U1 & U2 Restoration and Plant Electrical Upgrades

Status: Two separate arc flash incidents occurred in summer 2024 resulting in the loss of the motor control panels for Units 1 and 2. Installation of new motor control panels was completed in December through an agreement involving Rexel, Contra Costa Electric and Eaton. The commissioning was performed by staff with CVO witnessing. Both units have been returned to service, however Reclamation has requested additional testing to be completed before fully accepting the work.

In response to the arc flash incident, multiple other plant improvements were identified and SLDMWA, USBR, Ulteig and DHR have been working to complete them. Plant improvements completed to date include installation of Fire Alarm

EXTRAORDINARY O&M and CAPITAL PROJECTS

System, UPS, Synchronizing clock and Automatic Transfer Switch (ATS). Improvements to Annunciation, and Protective Relays are still in process. Power Solutions performed SF6 breaker and Station Service Breaker tests. Fire Suppression Panel Replacement was completed in December. Staff have also been working on multiple tests and maintenance activities as required by USBR.

WATER OPERATIONS REPORTING





**San Luis & Delta-Mendota Water Authority
OPERATIONS SUMMARY**

NOTE: ALL FIGURES ARE IN ACRE FEET

	December-2025	December-2024
JONES PUMPING PLANT - PUMPED	126,875	173,267
DCI PLANT - PUMPED	3,200	8,031
DCI PLANT - RETURNED	0	0
O'NEILL P/G PLANT - PUMPED	101,239	137,570
O'NEILL P/G PLANT - GENERATED	0	0
DMC DELIVERIES	8,367	4,929
RIVER/WELL/RECYCLE WATER INTO DMC	6,953	1,213
MENDOTA POOL DELIVERIES	23,578	27,101
SHASTA RESERVOIR STORAGE	3,295,400	3,477,400
SAN LUIS RESERVOIR STORAGE	1,397,244	1,408,327
SLR FEDERAL SHARE	437,678	520,033

	December-2025	December-2024
*SAN LUIS UNIT DELIVERIES	638	506
SAN LUIS UNIT WELL WATER	0	0
SAN FELIPE UNIT DELIVERIES	6,757	7,331

Jones Pumping Plant monthly average = 2,063 cfs



San Luis & Delta-Mendota Water Authority
Monthly Deliveries
December 2025

Date 1/13/26

<u>District/Other</u>	Total Available Water into System (INCOMING) (Acre Feet)	AG/Refuge Deliveries (Acre Feet)	M & I Deliveries (Acre Feet)	Total Deliveries (OUTGOING) (Acre Feet)
Total Pumped @ Jones Pumping Plant	126,875			
Total Pumped @ DCI	(3,200)			
Total Reversed @ DCI	0			
City of Tracy		0	248	248
Byron Bethany I.D.		4	1	5
West Side I.D.		0	0	0
Banta Carbona I.D.		0	0	0
West Stanislaus I.D.		0	0	0
Patterson I.D.		0	0	0
Del Puerto W.D.		52	1	53
Central California I.D. - above check #13		1,817	0	1,817
Santa Nella County W.D.		0	0	0
Volta Wildlife Mgmt. Area (Fish & Game)		142	0	142
Fish & Wildlife (Volta) Santa Fe - Kesterson		0	0	0
Grasslands W.D. (Volta)		0	0	0
Total Pumped @ O'Neill PP	(101,239)			
Total Generated @ O'Neill PP	0			
Central California I.D. - below check #13		9	0	9
Grasslands W.D. (76.05-L)		2,688	0	2,688
Fish & Game Los Banos Refuge (76.05-L)		638	0	638
Fish & Wildlife Kesterson (76.05-L)		787	0	787
Freitas Unit (76.05-L)		865	0	865
Salt Slough Unit (76.05-L)		696	0	696
China Island (76.05-L)		361	0	361
San Luis W.D. - below check #13		55	0	55
Panoche W.D.		1	2	3
Eagle Field W.D.		0	0	0
Oro Loma W.D.		0	0	0
Mercy Springs W.D.		0	0	0
Firebaugh Canal W.D. (D.M.C.)		0	0	0
River and Groundwater well pump-in	4,780			
North Valley Regional Recycled Water Program	2,173			
Change in Canal Storage	(331)			
Wasteway Flushing and Spill	0			
Total Available in Delta-Mendota Canal	29,058			
TOTAL DELIVERY FROM DELTA-MENDOTA CANAL	(8,367)	8,115	252	8,367
Theoretical DMC Delivery to Mendota Pool	20,691			
Total Calculated DMC Delivery to MP	16,019			
Estimated (Loss) or Gain in DMC	(4,672)			
Estimated % Loss or Gain in DMC	-3.50%			



San Luis & Delta-Mendota Water Authority
Monthly Deliveries
December 2025

<u>District/Other</u>	Total Available Water into System (INCOMING) (Acre Feet)	AG/Refuge Deliveries (Acre Feet)	M & I Deliveries (Acre Feet)	Total Deliveries (OUTGOING) (Acre Feet)
Estimated DMC Inflow to MP	16,019			
Mendota Pool Groundwater Well Pump-In	82			
(+)SJRRP Releases into Mendota Pool	10,859			
(+)Available Flood Releases from Friant into Mendota Pool	0			
(+)Other San Joaquin River Water	0			
(+)Kings River Flood Releases into Mendota Pool	0			
<u>Mendota Pool Delivery Information</u>				
<u>Exchange Contractors:</u>				
Central California Irrigation District (CCID)		19	0	19
Columbia Canal Company (CCC)		0	0	0
Firebaugh Canal Water District (FCWD)		409	0	409
San Luis Canal Company (SLCC)		1,001	0	1,001
<u>Refuge:</u>				
Conveyance Losses		0	0	0
Calif Dept of F/G-LB Unit (CCID)		234	0	234
Calif Dept of F/G-LB Unit (SLCC)		53	0	53
Calif Dept of F/G-Salt Slough Unit (CCID)		255	0	255
Calif Dept of F/G-China Island Unit (CCID)		133	0	133
US Fish & Wildlife-San Luis Refuge (SLCC)		4,472	0	4,472
US Fish & Wildlife-Freitas (CCID)		317	0	317
US Fish & Wildlife-Kesterson (CCID)		289	0	289
Grasslands WD (CCID)		292	0	292
Grasslands WD (SLCC)		1,089	0	1,089
Grasslands (Private)		694	0	694
San Luis WD Conveyance (CCID)		1	0	1
Del Puerto WD Conveyance (CCID)		0	0	0
<u>San Joaquin River Restoration Project:</u>				
SJRRP		10,731		10,731
<u>Other: (see MP Operations Report)</u>		3,589	0	3,589
<i>Total Available Water in Mendota Pool</i>	26,960			
TOTAL DELIVERY FROM MENDOTA POOL	(23,578)	23,578	0	23,578
*Estimated (Loss) or Gain in Mendota Pool	(3,382)			
*Estimated % Loss or Gain in Mendota Pool	-12.54%			
Total System Delivery	(31,945)			
*Total Estimated System (Loss) or Gain	(8,054)			
*Total Estimated % System Loss or Gain	-5.58%			

Special Notes:



Jones Pumping Plant
December - 2025

Date	# OF UNITS	TIME ON/OFF	AVG DAILY CFS
1	2	Continuously	1874
2	2	Continuously	1782
3	2	Continuously	1779
4	1	Continuously	923
5	1	Continuously	911
6	1	Continuously	930
7	1	Continuously	973
8	1	Continuously	972
9	1	Continuously	972
10	1	Continuously	954
11	1	Continuously	965
12	1	Continuously	965
13	1	Continuously	967
14	1	Continuously	969
15	1	Continuously	922
16	1	Continuously	969
17	1	Continuously	970
18	1	Continuously	972
19	1	Continuously	983
20	3	Continuously	2659
21	4	Continuously	3525
22	4	Continuously	3531
23	5	Continuously	4146
24	5	Continuously	4070
25	5	Continuously	4082
26	4	Continuously	3545
27	4	Continuously	3517
28	4	Continuously	3527
29	4	Continuously	3525
30	4	Continuously	3536
31	4	Continuously	3551
AVG CFS for the month			2063



NON-PROJECT WATER CREDITS REPORT

(ALL FIGURES IN ACRE FEET)

December 2025 WA Credits

Date: 1/5/26

CREDITS UNDER WARREN ACT CONTRACTS									
Turnout	Start Meter Reading	End Meter Reading	Factor	Adjust	District	Total	Less 5%	Month	Year
3.32-R1	0	0	1	0	BBID	0	0	0	0
3.32-R2	0	0	1	0	BBID	0	0	0	0
3.32-R3	19,253	19,254	1	(1)	BBID	0	0	0	3,478
13.31-L	4,804	4,804	1	0	BBID	0	0	0	0
15.11-R	3,609	3,609	1	0	BBID	0	0	0	36
20.42-L	57,714,248	58,855,723	1	0	BCID	0	0	0	0
20.42-L	57,714,248	58,855,723	1	0	USBR/FWA	3,503	0	3,503	14,135
21.12-L	990	990	1.01	0	DPWD	0	0	0	0
21.86-L	771	771	1	0	DPWD	0	0	0	0
24.38-L	3,081	3,081	1	0	DPWD	0	0	0	0
29.95-R	1,342	1,342	0.87	0	DPWD	0	0	0	0
30.43-L	7,464	7,464	1	0	DPWD	0	0	0	0
30.43-R	2,123	2,123	0.92	0	DPWD	0	0	0	0
30.95-L	2,160	2,160	1.03	0	DPWD	0	0	0	0
31.31-L1	89,366	89,366	1	0	WSTAN	0	0	0	1,449
31.31-L2	89,366	89,366	1	0	DPWD	0	0	0	0
31.31-L3	89,366	89,366	1	0	PID	0	0	0	0
31.60-L	8,183	8,183	0.93	0	DPWD	0	0	0	0
32.35-L	1,807	1,807	0.86	0	DPWD	0	0	0	0
33.71-L	761	761	0.94	0	DPWD	0	0	0	0
36.80-L	1,856	1,856	1	0	DPWD	0	0	0	0
37.10-L	3,875	3,875	0.94	0	DPWD	0	0	0	0
37.32-L	2,653	2,653	0.91	0	DPWD	0	0	0	0
42.50-R	0	0	0.96	0	DPWD	0	0	0	0
42.53-L	8,081,270	8,136,916	1	0	PID	0	0	0	0
42.53-L	8,081,270	8,136,916	1	0	DPWD	0	0	0	0
42.53-L	8,081,270	8,136,916	1	0	USBR/FWA	1,277	0	1,277	5,953
43.22-L	55	55	1	0	DPWD	0	0	0	0
48.97-L	881	881	1	0	SLWD	0	0	0	373
50.46-L	6,026	6,026	1.07	0	DPWD	0	0	0	0
51.00-R	297	297	0.89	0	DPWD	0	0	0	0
51.66-L	3,435	3,435	0.98	0	DPWD	0	0	0	0
52.40-L	4,966	4,966	1	0	DPWD	0	0	0	0
58.28-L	3,371	3,371	1.02	0	SLWD	0	0	0	0
58.60-L	917	917	0.96	0	DPWD	0	0	0	0
58.73-R	494	494	1	0	DPWD	0	0	0	0
64.85-L	1,662	1,662	0.72	0	DPWD	0	0	0	0
UPPER DMC SUB TOTAL								4,780	25,424



NON-PROJECT WATER CREDITS REPORT

(ALL FIGURES IN ACRE FEET)

December 2025 WA Credits

CREDITS UNDER WARREN ACT CONTRACTS									
Turnout	Start Meter Reading	End Meter Reading	Factor	Adjust	District	Total	Less 5%	Month	Year
78.31-L	4,469	4,469	1.08	0	SLWD	0	0	0	0
79.12-R	6,051	6,051	0.91	0	SLWD	0	0	0	87
79.13-L	1,546	1,546	1	0	SLWD	0	0	0	156
79.13-R	5,033	5,033	1.08	0	SLWD	0	0	0	56
79.60-L	7,413	7,413	0.84	0	SLWD	0	0	0	140
80.03-L	840	840	0.94	0	SLWD	0	0	0	0
80.03-R	717	717	1.05	0	SLWD	0	0	0	0
98.60-R	14,194	14,194	1	0	PANOCHE/MS	0	0	0	0
98.74-L	5,695	5,695	1.14	0	PANOCHE/MS	0	0	0	0
99.24-L	10,493	10,493	0.92	0	PANOCHE/MS	0	0	0	0
100.70-L	6,211	6,211	1	0	PANOCHE/MS	0	0	0	0
102.04-R	4,090	4,090	1	0	WIDREN WD	0	0	0	0
LOWER DMC SUB TOTAL								0	439
WARREN ACT CONTRACT CREDIT TOTAL								4,780	25,863
TOTAL GROSS PUMP-IN								CREDIT	
TOTAL (BYRON BETHANY IRRIGATION DISTRICT)						0		0	36
TOTAL (BANTA CARBONA IRRIGATION DISTRICT)						0		0	0
TOTAL (DEL PUERTO WATER DISTRICT)						0		0	0
TOTAL (WEST STANISLAUS IRRIGATION DISTRICT)						0		0	0
TOTAL (PATTERSON IRRIGATION DISTRICT)						0		0	0
TOTAL (SAN LUIS WATER DISTRICT)						0		0	812
TOTAL (PANOCHE WATER DISTRICT)						0		0	0
TOTAL (MERCY SPRINGS WATER DISTRICT)						0		0	0
TOTAL (WIDREN WATER DISTRICT)						0		0	0
Other Warren Act Conveyance Credit Totals									
Del Puerto Water District:						0		0	0
Banta Carbona Irrigation District:						0		0	0
West Stanislaus Irrigation District:						0		0	1,449
Byron Bethany Irrigation District:						0		0	3,478
Patterson Irrigation District:						0		0	0
San Joaquin River Restoration Pump Back BCID:						3,503		3,503	14,135
San Joaquin River Restoration Pump Back PID:						1,277		1,277	5,953
Central California Irrigation District L.B. Creek Diversion Structure						0		0	100
Grassland Water District L.B. Creek Diversion Structure						0		0	5,319
San Luis Water District L.B. Creek Diversion Structure						0		0	0



MENDOTA POOL OPERATIONS

2025

ALL FIGURES IN ACRE-FEET

Date: 1/6/26

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
FRESNO SLOUGH	0	0	0	0	0	0	0	0	0	0	0	0	0
TPUD	0	0	22	0	0	15	25	23	0	0	0	0	85
JAMES I.D.	1,033	2,260	45	1,192	3,960	7,003	7,030	6,352	1,454	774	527	0	31,630
WESTSIDE AGRICULTURE ₃	1,035	687	23	77	206	190	205	232	29	54	0	436	3,174
M.L. DUDLEY & INDART ₁	31	32	314	451	167	256	471	217	124	187	82	94	2,426
MID VALLEY (Kings River)	0	0	0	0	0	0	0	0	0	0	0	0	0
REC. DIST. 1606	0	0	0	0	75	19	54	28	17	0	0	0	193
STATE FISH & WILDLIFE	1,674	874	245	849	1,443	860	1,250	1,167	2,908	3,796	2,318	1,987	19,371
TRACTION	651	159	170	559	782	749	671	684	1,005	1,412	560	743	8,145
UNMETERED	25	45	20	120	140	100	40	80	400	120	40	30	1,160
Total	2,350	1,078	435	1,528	2,365	1,709	1,961	1,931	4,313	5,328	2,918	2,760	28,676
COELHO FAMILY TRUST ₂	160	116	328	834	952	775	804	560	400	405	66	110	5,510
TRANQUILITY I.D.	0	1,081	1,378	2,363	4,033	3,723	3,106	2,395	1,689	1,304	840	189	22,101
WESTLANDS LATERAL-6	0	0	0	0	138	0	0	0	0	0	0	0	138
WESTLANDS LATERAL-7	0	0	0	0	0	0	0	0	0	0	0	0	0
CARVALHO TRUST	0	15	40	89	134	122	110	45	39	50	10	0	654
TOTAL	4,609	5,269	2,585	6,534	12,030	13,812	13,766	11,783	8,065	8,102	4,443	3,589	94,587

NUMBERS SHOWN IN **BOLD** WERE REVISED AFTER DISTRIBUTION OF REPORT

1 aka COELHO-GARDNER-HANSEN 2 aka TERRA LINDA FARMS 3 aka MEYERS FARMING

Article 215 Water

n/a

Kings River Water

n/a

Duck Clubs (Percent Full)

BECK	120	PATOS	COLE	TRANQUILITY	1 ACRE
100%	100%	100%	0%	100%	100%

Jan, 2025

DMC Inflow 22,037 AF

James Bypass Flows 0 AF

Feb, 2025

DMC Inflow 38,728 AF

James Bypass Flows 0 AF

Mar, 2025

DMC Inflow 39,251 AF

James Bypass Flows 0 AF

Apr, 2025

DMC Inflow 49,637 AF

James Bypass Flows 0 AF

May, 2025

DMC Inflow 89,456 AF

James Bypass Flows 0 AF

June, 2025

DMC Inflow 117,770 A.F

James Bypass Flows 0 AF

July, 2025

DMC Inflow 130,623 AF

James Bypass Flows 0 AF

Aug, 2025

DMC Inflow AF 100,117

James Bypass Flows AF 0

Sept, 2025

DMC Inflow 85,489 AF

James Bypass Flows 0 AF

Oct, 2025

DMC Inflow 74,232 AF

James Bypass Flows 0 AF

Nov, 2025

DMC Inflow 37,837 AF

James Bypass Flows 0 AF

Dec, 2025

DMC Inflow 16,019 AF

James Bypass Flows 0 AF



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
COELHO FAMILY TRUST ₁	0	5	200	1,506	1,565	441	0	595	673	23	100	42	5,150
M.L. DUDLEY & INDART ₂	0	37	13	0	557	530	319	241	461	243	69	38	2,508
FORDEL	0	505	511	440	428	372	412	50	0	0	0	0	2,718
COELHO WEST	0	0	47	298	314	262	284	279	86	92	0	0	1,662
CASACA VINYARDS	0	0	46	185	180	89	82	94	0	0	5	0	681
DPF	0	0	0	0	0	0	42	86	0	0	0	0	128
SOLO MIO	0	0	14	75	80	90	59	0	0	0	0	0	318
BAKER FARMS	0	0	0	0	0	0	0	0	0	0	0	0	0
FARMERS W.D.	0	0	184	973	991	0	0	0	651	0	0	0	2,799
WESTSIDE AGRICULTURE ₃	0	0	28	104	189	236	166	0	28	57	0	0	808
WESTSIDE AGRICULTURE BANKED ₃	0	0	0	0	0	0	0	0	0	0	0	0	0
SILVER CREEK	0	0	53	233	374	114	73	236	219	227	0	0	1,529
TRANQUILITY I.D.	0	0	0	0	0	0	0	0	0	0	0	0	0
FCWD	0	0	0	69	80	68	74	69	57	43	2	0	462
ALMENDRA	0	0	0	0	114	168	181	175	180	93	1	2	914
YRIBARREN FARMS	0	0	0	0	0	0	0	0	0	0	0	0	0
CARVALHO TRUST	0	0	0	0	76	53	0	1	0	0	0	0	130
ETCHEGOINBERRY	0	0	0	0	0	0	0	0	0	0	0	0	0
FRESNO SLOUGH W.D.	0	0	0	0	0	0	0	0	0	0	0	0	0
LSK-1	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	547	1,096	3,883	4,948	2,423	1,692	1,826	2,355	778	177	82	19,807

1 aka TERRA LINDA FARMS
2 aka COELHO-GARDNER-HANSEN
3 aka MEYERS FARMING

James ID (per JID)

[illegible]

TABLE 19: GOVERNOR EDMUND G. BROWN CALIFORNIA AQUEDUCT
SAN LUIS FIELD DIVISION MONTHLY DELIVERIES

Updated 01.12.2026

DECEMBER 2025

REACH TOTALS	POOL	INFLOW INTO AQUEDUCT	CUSTOMERS	AMOUNT IN AF
R3A 6757			Parks & Rec. @ San Luis Reservoir	0
			Santa Clara Valley Water District	4963
			Casa de Fruta (Santa Clara Valley Water District)	0
			San Benito Water District	1794
R3 202	13		CDFW @ O'Neill Forebay	143
	13		Parks & Rec. @ O'Neill Forebay	0
	13		Cattle Program @ O'Neill Forebay	0
	13		Santa Nella County Water District	13
	13		San Luis Water District	46
R4 1595	14		City of Dos Palos	122
	14		Pacheco Water District	14
	14		San Luis Water District	2
	14		Panoche Water District	47
	15		San Luis Water District	0
	15		Panoche Water District	371
	15		Westlands Water District	1039
R5 3282	16		CDFW @ Lat. 4L (Pilibos)	0
	16		CDFW @ Lat. 4L	0
	16		CDFW @ Lat. 6L	0
	16		CDFW @ Lat. 7L	0
	16		Westlands Water District	128
	17		Westlands Water District	340
	18		DWR Truck @ 13R	0
	18		City of Coalinga	407
	18		Pleasant Valley Pumping Plant	1054
	18		Westlands Water District	1353
R6 1413	19		Alta Gas	0
	19		City of Huron (P&R-Area 11) @ 22R	0
	19		DWR Water Truck @ 22R/CDFW @ 22R	0
	19		Lemoore N.A.S. thru WWD 28L,29L,&30L	120
	19		Kings County thru WWD 30L	0
	19		Westlands Water District	1293
R7 999	20		City of Huron @ 23R	51
	20		DWR Water Truck @ 23R	0
	20		Westlands Water District	583
	21		City of Avenal	133
	21		Kings County thru WWD 37L,38L	0
	21		Westlands Water District	232
14248		0	<---TOTALS--->	14248
TOTALS BY CUSTOMERS				
Inflow Into Aqueduct:				
0 AF TOTAL for PUMP-IN				
0 AF TOTAL for FLOOD				
			Santa Nella County Water District	13
			Pacheco Water District	14
			San Luis Water District	48
			Panoche Water District	418
			Westlands Water District	6022
			AltaGas	0
			City of Huron @ 23R	51
			City of Huron (P&R/Area 11 @ 22R)	0
			Lemoore N.A.S. thru WWD @ 28L,29L&30L	120
			Kings County thru WWD Laterals	0
			City of Avenal	133
			City of Dos Palos	122
			City of Coalinga	407
			CDFW @ O'Neill Forebay	143
			San Felipe -Pacheco Tunnel	6757
			CDFW @ 4L, 6L, 7L	0
			DWR Water Truck @ 13R	0
			Parks & Recreation	0
			Cattle Program @ O'Neill Forebay	0
Customers Total:				14248
Pool 12 - Reach 2B				
VA Turnout Use AF = 1				
DWR 3137(Rev.9/15)				14249



Monthly Availability Report

CW "Bill" Jones Pumping Plant

December - 2025

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts	Comments
							Pump	
Unit-1	744	47.4	6.37%	0.0	0.00%	93.63%	1	
Unit-2	744	11.5	1.55%	0.0	0.00%	98.45%	2	
Unit-3	744	16.3	2.19%	13.2	1.77%	96.04%	4	
Unit-4	744	16.7	2.24%	0.0	0.00%	97.76%	4	
Unit-5	744	16.7	2.24%	0.0	0.00%	97.76%	2	
Unit-6	744	445.0	59.81%	0.0	0.00%	40.19%	1	
Total	4464	553.6	12%	13.2	0.30%	87.70%	14	

Notes:

(1) Planned maintenance

(2) Emergency outages and maintenance performed with less than 24 hours advance notice



Monthly Availability Report

O'Neill Pump/Generating Plant

December - 2025

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts		Comments
							Pump	Gen	
Unit-1	744	4.1	0.55%	0.0	0.00%	99.45%	1	0	
Unit-2	744	4.1	0.55%	0.0	0.00%	99.45%	2	0	
Unit-3	744	4.1	0.55%	0.0	0.00%	99.45%	1	0	
Unit-4	744	4.1	0.55%	17.9	2.41%	97.04%	3	0	
Unit-5	744	4.1	0.55%	0.0	0.00%	99.45%	1	0	
Unit-6	744	4.1	0.55%	0.0	0.00%	99.45%	1	0	
Total	4464	24.6	1%	17.9	0.40%	98.60%	9	0	

Notes:

(1) Planned maintenance

(2) Emergency outages and maintenance performed with less than 24 hours advance notice



Monthly Availability Report

DCI Pumping Plant

December - 2025

Unit #	Max Hours	Scheduled Outages (1)	%	Unscheduled Outages (2)	%	Over-all Availability %	Starts	Comments
							Pump	
Unit-1	744	0.0	0.00%	744.0	100.00%	0.00%	1	
Unit-2	744	0.0	0.00%	744.0	100.00%	0.00%	1	
Unit-3	744	187.6	25.22%	93.9	12.62%	62.16%	3	UNIT 1 & 2 CABINET REPLACEMENT OUTAGE
Unit-4	744	187.6	25.22%	93.9	12.62%	62.16%	2	UNIT 1 & 2 CANINET REPLACEMENT OUTAGE
Unit-5	744	187.6	25.22%	93.9	12.62%	62.16%	3	UNIT 1 & 2 CABINET REPLACEMENT OUTAGE
Unit-6	744	187.6	25.22%	93.9	12.62%	62.16%	3	UNIT 1 & 2 CABINET REPLACEMENT OUTAGE
Total	4464	750.4	17%	1863.6	41.75%	41.25%	13	

Notes:

(1) Planned maintenance

(2) Emergency outages and maintenance performed with less than 24 hours advance notice



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Board of Directors and Alternates

From: Scott Petersen, Water Policy Director
Cynthia Meyer, Special Programs Manager

Date: February 5, 2026

RE: Staff Report on Science Program – January 2026

Summary

The San Luis & Delta-Mendota Water Authority's ("Water Authority") current science commitments for Fiscal Year 26 (March 1, 2025 – February 28, 2026) may be considered in two categories. First, the Water Authority re-budgeted \$265,000 from the FY25 budget to fund three activities and/or studies previously authorized to be funded. Second, the Water Authority has budgeted \$591,250 in the current budget for science studies. More detail regarding the various science commitments is provided below. In total, the Water Authority started the current fiscal year with \$856,250 available to fund science, of which \$734,296 has been obligated, leaving \$121,954 in unobligated funds available for the remainder of the fiscal year.

Previous Commitments - \$265,000 in FY 26 Budget

Subject	Description of Work / Objective(s)	FY 26 Budget
Joint Funding Delta Coordination Group Structured Decision-making Facilitation	Funds support and assistance with the structured decision making for recommendations for summer-fall habitat actions for delta smelt by the Delta Coordination Group to the U.S. Bureau of Reclamation and the Department of Water Resources. Main contract with Dr. Jennie Hoffman with Adaptation/Insight, using Compass Resources.	\$15,000
University of California, Merced Science Partnership	Funds support initiating a partnership with the University of California, Merced, for capacity building in the Science Enterprise and to conduct research into issues of importance to member agencies. 1. Water Regulations Workbook 2. Economic Modeling Project Funding issues on the federal government side have resulted in delays in the implementation of these projects, which began in earnest in October. Staff anticipates much of this work continuing into FY 27.	\$250,000



New Science - \$591,250 in FY 26 Budget

Subject	Description of Work / Objective(s)	FY 26 Budget
Science Studies/Efforts		\$591,000
SLDMWA Technical, Science and Regulatory Support	Funds will be used for engagement in Science Program, technical or regulatory efforts that arise in FY 2026. Anticipated use includes technical support for the implementation of long-term operations of the CVP and SWP and supporting E.O. 14181, ESA/CESA listing decisions, and engagement in efforts associated with the Bay-Delta Plan Update and HRL Science Plan. Funding obligated to date includes: 1. Facilitation and Technical Support for Development of Healthy Rivers and Landscapes 2. Science and Water Operations Technical Support, including consultant support 3. Recreational Ocean Harvest Monitoring Survey and Development of Machine Learning Video Analytical Tool 4. SLDMWA facility Vulnerability Assessment and Recommended Response for Golden Mussel 5. Development of Particle Tracking Model Tool and Associated As-Needed Analysis	\$200,000
LTO Implementation – Special Studies Program	Funds support special studies to enhance the scientific basis for implementation of the Long-term Operations of the CVP. Funding obligated to date includes: 1. Tidal Delta Salmonid Acoustic Tag Data Analysis 2. Steelhead Hydroacoustic Telemetry Pilot	\$150,000
Delta Coordination Group Summer Fall Habitat Action Structured Decision-Making Facilitation Support	Funds support facilitation and assistance with Delta Coordination Group Structured Decision Making for Delta Coordination Group recommendations to Reclamation and DWR related to Summer Fall Habitat Actions in the Biological Opinions and State Incidental Take Permit. Project jointly funded with State Water Contractors and the contract is with Compass Resources, with a subcontract held by Jennie Hoffman of Adaptation/Insight, who is performing facilitation support services for the Group.	\$10,000
Dissolved Oxygen Aerator	Joint funded project to maintain the Dissolved Oxygen Aerator at the Port of Stockton to meet Water Quality Standards.	\$6,250



University of California, Merced Science Partnership	Funds will be used to expand the partnership with the University of California, Merced, established last fiscal year, for capacity building in the Science Enterprise and to conduct research into issues of importance to member agencies.	\$225,000

Science Program Activities

Staff participates in several science forums and coordination activities. The highlights include:

Agreements for Healthy Rivers and Landscapes (“Agreements”) Science Committee (Bay-Delta Plan Update)

The Agreements Science Committee received initial drafts of three tributary specific science plans for review. These plans will be revised and provided for a broader review. Staff is assisting with the development of the Data Management Strategy associated with the science plan activities. In addition, the Science Committee is refining the timelines associated with early implementation projects and the value of contribution to the program. The Science Committee was requested to provide cost estimates for the implementation of the Science Plan activities in early 2026.

Delta Coordination Group (DCG)

Due to the implementation of the LTO 2024 Record of Decision, the DCG has been disbanded as of January 2026.

The DCG provided an initial draft of the synthesis report to review the effects of previous summer-fall habitat actions to better inform future adaptive management decisions. The final report is anticipated for March 2026. Staff is providing technical support for analyses and interpretation of results.

For the 2025 Summer-Fall Action, DWR completed 60-day operation of the Suisun Marsh Salinity Control Gates for June 23, 2025 through August 22, 2025. In addition, DWR completed a subsequent gate operation from September 5-12, 2025. Due to the implementation of the 2024 ITP, the timeline for release of the annual Summer-Fall Habitat Action Report shifted to June 2026. As of December 17, 2025, the DCG has been discontinued due to changes in governance adopted by the federal government in the recently executed Record of Decision for the Long-Term Operations of the Central Valley Project and State Water Project (“LTO”) referenced below.

ESA Consultation for the Long-Term Operations (“LTO”) of the CVP and SWP

On December 4, 2025, Reclamation signed a Record of Decision implementing modified operations for the CVP and SWP. This action was in response to Presidential Executive Order 14181. The 2024 LTO documents are available on the Reclamation website: <https://www.usbr.gov/mp/bdo/lto/index.html>

The National Academies of Sciences, Engineering, and Medicine independent panel completed review of the Long-term Water Operations of the CVP and SWP and issued the final report on November 10, 2024. Staff is reviewing the report for priority actions and participate in informational meetings. The documents and recordings of the public meetings and presentations are available at <https://www.nationalacademies.org/our-work/review-of-the-long-term-operations-of-the-central-valley-project>



Water Authority Science Coordination Workgroup

The Science Coordination Workgroup met on January 20, 2025. Staff provided an update on the Science Program accomplishments including the two projects in partnership with UC Merced, activities pertaining to Golden Mussels, objectives for the year, and potential projects. Regarding the Socio-Economic Water Supply Model being developed by UC Merced, staff will be sending data requests to member agencies. Staff is participating in the planning committee for the upcoming Interagency Ecological Program Conference in March 2026.

The Water Authority is providing funding and coordination support for the 2025 Ocean Recreational Salmon Fishing Monitoring project led by Brad Cavallo, Science Director at Westlands Water District. There is a well-known data gap associated with connecting the ocean fishing harvest to the returning spawning population in the rivers. The integration of improved recreational harvest data will assist with updated and potentially more accurate population estimates. This year, the recreational fishery was only allowed to harvest one weekend in June. This concentrated season provided an opportunity to deploy video monitoring stations to estimate the increase in fishing effort. The final technical report should be available in January 2026. Staff will provide a summary in March 2026.

Staff has been participating in the Golden Mussel Response Task Force meetings, coordinating with Valley Water, Westlands, and Contra Costa, and working with staff to begin a monitoring and response plan in the Delta-Mendota Canal and associated facilities. Golden Mussels are an invasive species first detected in October 2024. Similar to Quagga/Zebra Mussels, the Golden Mussels have potential to impact infrastructure with their expedient colonization. Staff placed monitoring plates in April 2025 along the Delta Mendota Canal and pumping plants, which are examined monthly. Golden Mussels have been detected at Jones Pumping Plant, as well as O'Neill forebay and Pumping/Generating Plant. Staff is providing information and scientific support to members, as needed. The development of a vulnerability assessment and response plan is currently underway. The site visit and recommendations for control should be completed in February, with a final report anticipated in April 2026. Staff is leading a Water Agency coordination effort on methods to control and mitigate for Golden Mussel infestation.



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Board of Directors and Alternates

From: Scott Petersen, Water Policy Director
Chris Linneman, Regional Drainage Coordinator
Orvil McKinnis, Westside Watershed Coalition Coordinator

Date: February 5, 2026

RE: Staff Report on Activity Agreements – January 2026

Background

This memorandum serves as the Staff Report for January 2026 regarding specified¹ Water Authority activities not separately addressed on the Board meeting agenda.

Integrated Regional Water Management Activity (IRWM) Summary

The Roundtable of Regions met to determine potential paths forward for the IRWM Program in the future, given the limited amount of funding provided in Proposition 4 for IRWM Activities (\$100M), and has released a transition plan that may be of interest to member agencies².

Westside San Joaquin Integrated Regional Water Management Plan (IRMWP)

Self-Help Enterprises has prepared a draft Community Water Needs Assessment for disadvantaged communities (DACs) in the Westside San Joaquin IRWM Region, incorporating revisions from staff. The Assessment is being updated to identify and prioritize the most critical drinking water needs for DACs in the region, especially during drought years. The revised draft will be distributed to an IRWM Activity Agreement Member subcommittee for review and input prior to completion, which is anticipated by the end of the fiscal year.

At present, all tasks for the Proposition 1 IRWM grant are on schedule. An amendment request letter for Amendment 7 was submitted to DWR to accommodate construction delays for both CCID and Westlands. The requested amendment would extend the agreement end date to June 30, 2026 with no funds to be

¹ For the sake of completeness, this includes those Activity Agreements that have been approved by the Board of Directors, but not yet signed by all interested members and/or participants (i.e., the Los Vaqueros Expansion Project Activity Agreement, the Exchange Contractors 2019-2023 Transfer Program Activity Agreement, and the Westside-San Joaquin Integrated Regional Water Management Activity Agreement).

² Request from Authority staff.



requested after September 30, 2026. DWR has granted the amendment request and the term of the grant has been extended to June 30, 2026.

Finally, staff has executed a contract with The Ferguson Group for grant support to support implementation of IRWM projects in the region. Staff will be rolling out the introduction to the program for member agencies for calls for projects throughout the region to be aggregated into a master list to seek funding support.

Staff intends to produce a master list of member agency projects, with the intention of using this list to identify funding opportunities, as well as programs that need additional funding support, to assist in guiding educational efforts related to infrastructure funding to advance member agency and Water Authority priority projects.

Sustainable Groundwater Management Activity (SGMA) Activity Summary

Delta-Mendota Subbasin SGMA Program Transition

In January, the final Groundwater Sustainability Agencies in the Delta-Mendota Subbasin took Board action to join the Delta-Mendota Subbasin GSA JPA, which is the entity that will take up implementation of the Delta-Mendota Subbasin Groundwater Sustainability Plan and allow the Water Authority to transition out of its role supporting GSA's in the subbasin as a fiscal and administrative agent.

General SGMA Activities

Q4 water level and quality measurements are being uploaded by the GSAs into the subbasin database for evaluation by technical consultants for the 2025 report and associated monitoring for GSP implementation.

Groundwater Sustainability Agencies (GSAs) in the Delta-Mendota Subbasin have finalized and adopted Pumping Reduction Plans (PRPs) for their respective Zones. The PRPs are part of the adopted GSP for the Subbasin. They are specific to identified “zones” and are a key component to effective local SGMA implementation. The PRPs will guide GSAs as they seek to avoid “undesirable results” as defined in the law for six sustainability indicators. These indicators include groundwater levels, subsidence, water quality, loss of storage, and interconnected surface water. PRPs began implementation in January 2025.

Coordinated Activities

A subgroup of Coordination Committee members and technical consultants are meeting with State Water Resources Control Board (SWRCB) staff as the Subbasin seeks to avoid a possible “Probation” designation. SWRCB Staff continues to request additional details on the GSP's proposed actions on the water quality sustainability indicators, but positive momentum is occurring and there seems to be general agreement between Board staff and subbasin representatives on a path forward that could move the subbasin off the probation pathway.

Finally, work continues to advance the construction of interconnected surface water monitoring well installations and additional survey monuments to improve the Subbasin's monitoring subsidence and interconnected surface water monitoring network. Authority staff are coordinating with needs for the Delta-Mendota Canal, in addition to the general monitoring network, in discussions about subsidence monitoring stations.



Drainage Activity Summary

Grassland Basin Drainage Management Steering Committee Activity

The Grassland Bypass Channel gates have remained closed since February of 2024, despite substantial rain events in February and March of 2025. Storm events at the end of December caused the Grassland Basin Authority to pump water into the Short-Term Storage Basins to prevent discharge through the Grassland Bypass Project, which continued until January 13, 2026. Selenium concentrations in Mud Slough and the San Joaquin River remain below the water quality objective.

Grassland Basin Program Activities

- General administration: Review and approve consultant billing. Field review of drainage conditions and correspondence with SJRIP manager. Correspondence with Regional Board staff occurred as required. The FY26/27 budget was adopted at the December meeting.

The Annual Stakeholder Meeting was held on January 16, as required by the Waste Discharge Order. The meeting had low attendance and lasted only 40 minutes.

- Mud Slough Restoration Project: The intent of this project is to restore Mud Slough in accordance with the 2010 MOU between the Authority and California Department of Fish and Wildlife (CDFW). The Water Authority adopted the CEQA for the project in December 2021, which was not challenged. CDFW provided a letter in January 2024 that accepted the Water Authority's proposed actions to restore Mud Slough as it relates to the MOU, focused on the removal of old flow control structures. These structures were removed in August and this work is now complete. There is an issue separate from the MOU concerning restoring Mud Slough flows into Newman Lake. Alternatives to address that are still in discussion.
- Compliance Monitoring: Monitoring in compliance with the 2019 revised WDRs and 2019 Use Agreement is a continuous and daily effort. Regular flow, water quality and toxicity monitoring are required at eight locations at a frequency that varies from monthly to daily.
- Grassland Drainage Area Coalition: Work continues to provide coverage for farmers within the Grassland Drainage Area for the Irrigated Lands Regulatory Program.
- Proposition 84 Grant: Work is ongoing to support the Prop 84 Grant administered by Panoche Drainage District for improvements to the San Joaquin River Improvement Project. The Short-Term Storage Basins construction is completion. Two additional projects are in progress.

San Luis & Delta-Mendota Water Authority
Contract/Procurement Activity Report
From January 1, 2026 to January 31, 2026

Date Executed	Contract Title	Vendor or Service Provider	Contract Amount	Contract Solicitation Type	Contract Type	Funding Source	Notes
1/14/2026	F26-JPP-014 JPP Station Battery Replacement	Nor-Cal Battery Co.	\$198,880.26	Informal IFB	Construction	EO&M Fund 26 11-60	Contract executed 1/14/2026 via informal bidding process.
1/26/2026	PO11349 F-150 Pickup Trucks	Price Ford of Turlock, Inc.	\$184,900.24	Informal Bid	Materials, Supplies, & Equipment (MSE)	EO&M Fund 26 D1-46	Purchase Order executed 1/26/2026 via informal bidding process.

CONTRACT CHANGE ORDER NOTIFICATIONS:

Date Executed	Contract Title	Vendor or Service Provider	Change Order Amount	Original Contract Amount	% Change	Justification
1/12/2026	F25-ALL-018 - Fifth Amendment Task Order 1 FY26 - Project Management & Design Review Services for the Delta-Mendota Canal Subsidence Correction Project	HGCPM, Inc.	\$198,580.00	\$766,187.00	26%	Fifth Amendment approved at January 08, 2026 Board Meeting.

This Procurement Activity Report is intended to satisfy the requirements in the San Luis & Delta-Mendota Water Authority's Consolidated Procurement Policy that the Board be notified of all contracts awarded under informal and formal bidding procedures and single-source procedures, as well as certain change orders, promptly following award.



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Water Resources Committee Members and Alternates / Board of Directors and Alternates

From: Scott Petersen, Water Policy Director

Date: February 2, 2026

RE: Water Resources Committee to Consider Recommendations on Legislation / Board of Directors to Consider Same

Recommendation

Recommend to the Water Resources Committee and Board of Directors to adopt the following positions on legislation:

Federal Legislation

- Adopt a position of "Favor and Amend" on H.R. 6639 (Gray), Water Agency and Transparency Enhancement Review (WATER) Act
- Adopt a position of "Favor" on H.R. 6640 (Gray), Build Now Act
- Adopt a position of "Support and Amend" on H.R. 6641 (Gray), Central Valley Water Solution Act

State Legislation

- Ratify the Position of "Support" adopted by the Executive Director under delegated authority on A.B. 35 (Alvarez), Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedures Act: exemption: program guidelines and selection criteria.

Federal Legislation

H.R. 6639 (Gray), Water Agency and Transparency Enhancement Review (WATER) Act

RECOMMENDATION: Favor and Amend

POLICY SCOPE: Water Supply Reliability, Environmental and Regulatory Compliance

Summary

The bill codifies portions of E.O. 14181 and establishes a framework for identifying major water-supply and storage projects in California that fall under the joint or individual responsibilities of the Department of the Interior and Commerce. It mandates that each department designate a compliance official to evaluate regulatory hurdles that unnecessarily delay or impede project development, including those stemming from recent legislative changes like the Fiscal Responsibility Act of 2023. These officials must identify any rules that unduly burden water projects and propose plans to suspend, revise, or rescind such regulations if they do not serve the public interest or comply



with existing laws. The process emphasizes coordination and information sharing to improve efficiency and reduce unnecessary delays in water infrastructure development.

Status

H.R. 6639 was introduced on December 11, 2025, and has been referred to the House Committee on Natural Resources.

Importance to the Authority

This legislation codifies provisions in [Executive Order 14181](#) that would require the Secretaries of Interior and Commerce to identify major water supply and storage projects in California and to develop plans to address any major regulatory hurdles to their completion.

The legislation could lead to increased focus on priority projects that can improve California water supply, particularly when integrated with the state-level framework associated with implementation of S.B. 72, which establishes long term water supply planning targets at the state level.

Suggested Amendments

Staff recommends seeking amendments to require the coordination to occur at the beginning of each 4-year term of a federal Administration and to be implemented throughout the administration, rather than a one-time coordination effort.

H.R. 6640 (Gray), Build Now Act

RECOMMENDATION: Favor

POLICY SCOPE: Water Supply Reliability, Water Quality and Resource Management, Environmental and Regulatory Compliance

Summary

The Build Now Act mandates that environmental reviews for Central Valley Project enhancement projects must be completed within one year of permit application submission. If the responsible agency cannot meet this deadline, it may grant an extension with the applicant's approval or deny the permit. Applicants denied due to failure to meet the timeline may reapply at any time after denial, and the lead agency must provide relevant environmental review data to facilitate a faster review process on the new application. The Act defines CVP enhancement projects to include groundwater recharge, aquifer storage, and water source substitution projects, and specifies that environmental review includes compliance with the National Environmental Policy Act and Section 7 of the Endangered Species Act.

Status

H.R. 6640 was introduced on December 11, 2025, and has been referred to the House Committee on Natural Resources.

Importance to the Authority

This legislation makes changes to environmental review processes under the National Environmental Policy Act and Section 7 of the Endangered Species Act, with the intent to improve the completion of groundwater recharge, aquifer storage, and water source substitution projects. Many of these projects take substantial time and expense



to permit under these federal laws, with sometimes uncertain rationales for the long delays in completion of permitting processes. This legislation would mandate completion of environmental compliance documents from the action agency within a year, with specific provisions associated with next steps in the instance where approvals are not granted within that year.

H.R. 6641 (Gray), Central Valley Water Solution Act

RECOMMENDATION: Support and Amend

POLICY SCOPE: Water Supply Reliability, Funding and Finance

Summary

The bill provides funding for a range of water projects in California, such as groundwater banking and storage, recharge basins, pipeline construction for in-lieu recharge, and subsidence correction across key canals like the Delta-Mendota and San Luis Canal. Projects include reverse flow pumpback systems, aquifer storage and recovery, and improvements to irrigation infrastructure. The funding is allocated to specific districts and projects, with emphasis on enhancing water supply reliability, supporting agricultural needs, and addressing environmental and operational challenges. All projects must comply with environmental laws and involve coordination with tribal entities, state agencies, and public irrigation districts. Includes all projects in joint SLDMWA-SJRECWA-FWA letter related to the available \$4 billion dollars in Inflation Reduction Act drought funding passed and signed into law during the Biden Administration.

Status

H.R. 6641 was introduced on December 11, 2025, and has been referred to the House Committee on Natural Resources.

Importance to the Authority

This legislation authorizes nonreimbursable funding for a substantial number of specific water infrastructure projects that would improve water supply reliability for south-of-delta Central Valley Project contractors, as well as improve water resilience in the greater San Joaquin Valley. This legislation, if enacted, would advance many Water Authority and Water Authority member agency priority projects, while improving affordability by providing nonreimbursable federal funding for the named projects.

Suggested Amendments

Ensure sufficient funding is authorized for listed projects and add additional priority member agency projects.



State Legislation

A.B. 35 (Alvarez), Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedures Act: exemption: program guidelines and selection criteria.

RECOMMENDATION: Ratification of Executive Director Delegated Authority Position of “Support”

POLICY SCOPE: Water Supply Reliability, Environmental and Regulatory Compliance, Funding and Finance

Summary

This bill would exempt the adoption of regulations needed to effectuate or implement programs of the act from the requirements of the Administrative Procedure Act, as provided. The bill would require a state entity that receives funding under Proposition 4 to administer a competitive grant program established using the Administrative Procedure Act exemption to do certain things, including develop draft project solicitation and evaluation guidelines and to submit those guidelines to the Secretary of the Natural Resources Agency, except as provided. The bill would require the Secretary of the Natural Resources Agency to post an electronic form of the guidelines submitted by a state entity and the subsequent verifications on the Natural Resources Agency’s internet website. The bill would authorize the use of certain previously developed program guidelines and selection criteria for these purposes, as provided. This bill would declare that it is to take effect immediately as an urgency statute.

Status

A.B. 35 was last amended on January 14, 2026, and passed the Assembly on January 26, 2026, with a 76-0 vote.

Importance to the Authority

This legislation would expedite the release of funds for important water resource projects under Proposition 4, including subsidence mitigation, groundwater recharge, community drinking water, dam safety, and wildfire mitigation and avoidance projects.

Guidelines for Taking Positions on Legislation

A number of controversial bills are introduced in the Congress and in the California Legislature. It is important to understand how the Authority takes positions on legislation.

Policy

By Agenda Item 7, dated December 12, 2025, the Board adopted the Policy Framework and Fiscal Year 2027 Policy Action Plan.



Water Authority's Positions on Legislation

The Water Authority takes positions on legislation that, if enacted, would impact Water Authority members, consistent with Water Authority Board adopted Goals and Objectives in the Strategic Plan, as implemented through the Policy Framework and Annual Policy Action Plan.

The Water Authority may take the following positions on legislation: Oppose, Support, Oppose Unless Amended, Support if Amended, Support and Amend, Not Favor, Favor, Not Favor Unless Amended, Favor if Amended, Favor and Amend, and Watch (neutral).

The Water Authority's staff and consultants testify and advocate with legislators and staff through direct meetings and coordination of member agency contacts on all positions except Watch, Favor and Not Favor. For Favor and Not Favor positions, written communication of the Water Authority's position is provided to the legislator, the Water Authority's delegation, and relevant Committees.

Nothing in this section should be read to preclude the Executive Director or his or her delegee from taking an informal support or informal oppose position on behalf of the Water Authority that is consistent with the Policy Framework and Annual Policy Action Plan, or to preclude the Executive Director from communicating a position on emergency legislation after obtaining the concurrence of the Chair, or the Chair's designee, provided that the Executive Director informs the Board regarding such positions on emergency legislation no later than the next regularly scheduled Board meeting.

Amendment Development Process

If the Water Authority takes a position contingent on amendments, the Water Authority will typically discuss the concepts for the amendments at the meeting. Then Water Authority staff, in consultation with Committee and/or Board Members as needed, will develop the amendments after the meeting.

Information Sharing

To provide adequate information to the entire Water Authority membership, the Water Authority provides legislative updates, posts positions and other information on our website, and sends out advisories and alerts on key legislation.

The Water Authority's legislative department is available to provide specific information on bills on request and Board Members are encouraged to communicate Water Authority positions on priority legislation in meetings with legislative staff, consistent with Water Authority policy. The Water Authority's Water Policy Director appreciates being informed by Water Authority members of positions taken by Water Authority members on legislation.



BILL TEXT

119TH CONGRESS
1ST SESSION

H. R. 6639

To codify certain sections of Executive Order 14181 relating to emergency measures to provide water resources in California and improve disaster response in certain areas.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2025

Mr. GRAY (for himself and Mr. COSTA) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To codify certain sections of Executive Order 14181 relating to emergency measures to provide water resources in California and improve disaster response in certain areas.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Water Agency and
5 Transparency Enhancement Review (WATER) Act”.

1 **SEC. 2. PLANS TO ADDRESS REGULATORY HURDLES FOR**
2 **MAJOR WATER-SUPPLY AND STORAGE**
3 **PROJECTS.**

4 (a) IDENTIFICATION OF MAJOR WATER-SUPPLY AND
5 STORAGE PROJECTS.—The Secretary of the Interior and
6 the Secretary of Commerce shall identify all ongoing or
7 potential major water-supply and storage projects (includ-
8 ing surface and ground water storage projects, aquifer re-
9 charge projects, and State conveyance projects) within the
10 State of California for which they have joint responsibility
11 under section 7(a) of the Endangered Species Act of 1973
12 (16 U.S.C. 1536(a)) or individual responsibilities under
13 the National Environmental Policy Act of 1969 (42 U.S.C.
14 4321 et seq.).

15 (b) PLANS.—

16 (1) DESIGNATION OF COMPLIANCE OFFI-
17 CIALS.—With respect to the projects identified under
18 subsection (a), the Secretary of the Interior and the
19 Secretary of Commerce shall each designate one
20 Federal official to coordinate each agency's respec-
21 tive compliance responsibilities under the National
22 Environmental Policy Act of 1969 (42 U.S.C. 4321
23 et seq.) and the Endangered Species Act of 1973
24 (16 U.S.C. 1531 et seq.).

25 (2) IDENTIFICATION OF REGULATORY HUR-
26 DLES.—Not later than 30 days after the date of en-

actment of this section, each Federal official designated under paragraph (1) shall—

(A) identify any regulatory hurdles that unduly burden each project identified under subsection (a);

(B) identify any recent changes in applicable State or Federal law that may impact such projects from a regulatory perspective, including changes made by the Fiscal Responsibility Act of 2023 (Public Law 118–5); and

(C) develop a proposed plan, for review by the Secretaries, to appropriately suspend, revise, or rescind any regulations or procedures that unduly burden such projects and are not necessary to protect the public interest or otherwise comply with the law.

(3) COORDINATION.—In carrying out paragraph (2), each Federal official designated under paragraph (1) shall coordinate and share all appropriate information that will enable improved efficiencies.

(c) UNDULY BURDEN DEFINED.—In this section, the term “unduly burden” means to unnecessarily obstruct, delay, curtail, impede, or otherwise impose significant

- 1 costs on the permitting, utilization, transmission, delivery,
- 2 or supply of water resources and water infrastructure.



119TH CONGRESS
1ST SESSION

H. R. 6640

To optimize the environmental review process for Central Valley Project permits, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2025

Mr. GRAY (for himself and Mr. COSTA) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To optimize the environmental review process for Central Valley Project permits, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Build Now Act”.

5 **SEC. 2. CENTRAL VALLEY PROJECT ENVIRONMENTAL RE-**
6 **VIEW TIMELINE.**

7 (a) IN GENERAL.—Notwithstanding any other provi-
8 sion of law, if a federally issued permit for a CVP en-
9 hancement project requires an environmental review, the
10 environmental review shall be completed not later than 1

1 year after the date on which the permit application is sub-
2 mitted by the permit applicant.

3 (b) FAILURE TO MEET DEADLINE.—If the agency
4 responsible for carrying out an environmental review de-
5 scribed in subsection (a) is unable to meet the timeline
6 under that subsection, the head of the agency issuing the
7 applicable permit shall—

8 (1) with the approval of the permit applicant,
9 grant an extension for the environmental review; or

10 (2) deny the permit.

11 (c) ACTION AFTER DENIAL.—

12 (1) IN GENERAL.—An applicant for a permit
13 that is denied due to a failure to meet the timeline
14 under this section may re-apply for the permit at
15 any time after the denial is issued.

16 (2) LEAD AGENCY.—If an applicant re-applies
17 for a permit under paragraph (1), the head of the
18 agency responsible for carrying out the environ-
19 mental review required under the previous applica-
20 tion shall furnish to the applicant, to the extent per-
21 mitted by law, any information gathered as part of,
22 or related to, such environmental review to facilitate
23 an expedited environmental review for the new appli-
24 cation.

25 (d) DEFINITIONS.—In this Act:

1 (1) CVP ENHANCEMENT PROJECT.—The term
2 “CVP enhancement project” means a project with a
3 primary purpose of supporting, enhancing, or main-
4 taining the Central Valley Project and related infra-
5 structure, including—

6 (A) groundwater recharge projects;

7 (B) aquifer storage projects; and

8 (C) water source substitution projects.

9 (2) ENVIRONMENTAL REVIEW.—The term “en-
10 vironmental review” means fulfilling the require-
11 ments applicable to a CVP enhancement project per-
12 mit under the National Environmental Policy Act of
13 1969 (42 U.S.C. 4331 et seq.) and section 7 of the
14 Endangered Species Act of 1973 (16 U.S.C. 1536).

○

119TH CONGRESS
1ST SESSION

H. R. 6641

To provide for financial and technical support of certain projects related to the Central Valley Project, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2025

Mr. GRAY (for himself, Mr. COSTA, and Mr. HARDER of California) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To provide for financial and technical support of certain projects related to the Central Valley Project, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Central Valley Water
5 Solution Act”.

6 **SEC. 2. CENTRAL VALLEY PROJECT WATER PROJECTS.**

7 (a) **PROJECTS AUTHORIZED.**—The Secretary shall
8 provide financial and technical assistance for the following
9 projects in the State, and there is authorized to be appro-

1 priated to the Secretary the corresponding amounts in pa-
2 rentheses to carry out this section:

3 (1) Westland Water District Recharge Basins
4 (\$85,000,000), for the purchase by the District on
5 a willing seller basis of 1,800 acres of land along the
6 Coalinga Canal to build recharge basins in prime
7 areas with greater percolation rates and within the
8 unconfined zone of the subbasin, retrofitting the
9 Coalinga Canal's existing turnouts to improve the
10 conveyance capacity to the recharge facilities, and
11 the construction of terraced berms to retain water at
12 the recharge sites to enhance percolation and elimi-
13 nate runoff.

14 (2) Westlands Water District Reverse Osmosis
15 Treatment Plants and High-Capacity Shallow Aqui-
16 fer Wells (\$30,000,000), for constructing 2 reverse
17 osmosis treatment plants and 8 high-capacity shal-
18 low aquifer wells to reclaim approximately 20,000
19 acre-feet of poor-quality, perched groundwater to
20 drinking quality levels.

21 (3) East San Joaquin Valley Groundwater
22 Banking and Storage Program (\$360,000,000), for
23 a suite of groundwater banking, in-lieu groundwater
24 recharge, groundwater quality treatment, and stor-
25 age projects.

1 (4) Lindsay-Strathmore Irrigation District—
2 Rancho de Kaweah Groundwater Bank
3 (\$30,000,000), for constructing 1,200 acres of
4 groundwater banking in multiple phases, including
5 recovery wells, pipelines, and a new turnout and pi-
6 lots to determine recharge and recovery rates.

7 (5) Pixley Irrigation District Joint Ground-
8 water Bank (\$25,000,000), for constructing 560
9 acres of groundwater banking in multiple phases, in-
10 cluding recovery wells, pipelines, a new turnout and
11 pilots to determine recharge and recovery rates. The
12 project is anticipated to be completed within 2–3
13 years of funding availability.

14 (6) Shafter-Wasco Irrigation District Annex
15 Groundwater Bank (\$55,000,000), for constructing
16 3,000 acres of groundwater banking in multiple
17 phases, including recovery wells, pipelines, and a
18 new turnout and pilots to determine recharge and
19 recovery rates.

20 (7) Arvin Edison Water Storage District
21 DiGiorgio Unit In-Lieu Project (\$12,900,000), for
22 constructing a total of 11.8 miles of pipeline to con-
23 vey and deliver surface water to support in-lieu
24 groundwater recharge.

1 (8) Arvin Edison Water Storage District Frick
2 Unit In-Lieu Project (\$8,100,000), for constructing
3 a total of 6 miles of pipeline to serve 2,843 acres of
4 irrigated agriculture to support in-lieu groundwater
5 recharge.

6 (9) Arvin Edison Water Storage District Pan-
7 ama Unit In-Lieu Project (\$13,400,000), for con-
8 structing a total of 8.8 miles of pipeline to serve
9 4,816 acres of irrigated agriculture to support in-
10 lieu groundwater recharge.

11 (10) Arvin Edison Water Storage District
12 Sandrini Unit In-Lieu Project (\$28,300,000), for
13 constructing 1 mile of new canal and 21.1 miles of
14 pipeline to serve 11,000 acres of irrigated agri-
15 culture to support in-lieu groundwater recharge.

16 (11) Arvin Edison Water Storage District Re-
17 covery Wells and Groundwater Quality Treatment
18 Project (\$174,000,000), for constructing 7 new
19 wells, and providing water quality treatment for new
20 wells and over 65 existing wells to meet treatment
21 standards and support conjunctive use and oper-
22 ational flexibility of the California Aqueduct.

23 (12) Tulare Irrigation District Seaborn Res-
24 ervoir (\$23,000,000), for constructing an internal

1 berm and inlet, outlet, and pump facilities off of the
2 St. Johns River, and native habitat improvements.

3 (13) City of Tracy Recycled Water and Ex-
4 change Program (\$10,000,000), for expanding the
5 City of Tracy's Recycled Water Project project, in-
6 cluding a pumping station and associated convey-
7 ance pipeline to convey recycled water to city infra-
8 structure and to the DMC to supplement the City's
9 CVP supply.

10 (14) City of Tracy Aquifer Storage and Recov-
11 ery Program (\$22,000,000), for installing 4 Aquifer
12 Storage and Recovery wells.

13 (15) Water Conservation Improvement Projects
14 Planning Work (\$1,000,000), for developing a feasi-
15 bility and environmental study to analyze lining
16 areas within the Exchange Contractors service area
17 that are drainage impacted to generate conserved
18 water for future implementation.

19 (16) Del Puerto Canyon Reservoir Project
20 (\$1,010,000), for constructing an 82,000 acre-foot
21 reservoir located on Del Puerto Creek, providing
22 needed South of Delta storage to provide drought re-
23 sistance for the region's agricultural and environ-
24 mental water supplies, supporting disadvantaged

1 communities, and providing public safety flood pro-
2 tection for the City of Patterson.

3 (17) Upper Delta-Mendota Canal Reverse Flow
4 Pumpback Project (\$25,000,000), for designing and
5 constructing 3 permanent lift stations along the
6 DMC that will allow reverse flow of CVP and non-
7 CVP water stored in the San Luis Reservoir (SLR)
8 to be delivered to the CVP contractors along the
9 northern reaches of the DMC, mitigating drought
10 related water supply shortages for Upper DMC con-
11 tractors.

12 (18) Lower Delta-Mendota Canal Reverse Flow
13 Pumpback Project (\$280,000,000), for planning and
14 constructing facilities enabling reverse flow of the
15 DMC from the Mendota Pool to O'Neil Forebay and
16 interconnecting the Central California Irrigation
17 District Outside and Main Canals to the DMC to
18 convey flood water into the San Luis Reservoir for
19 storage or direct use, or exchange.

20 (19) Delta-Mendota Canal Subsidence Correc-
21 tion Project (\$830,000,000), for modifying the 116-
22 mile-long DMC to restore the original design convey-
23 ance capacity and avoid constraints on the operation
24 of the Central Valley Project, and addressing oper-
25 ational safety concerns generated by subsidence.

1 (20) San Luis Canal/California Aqueduct Sub-
2 sidence Correction Project (\$850,000,000), for
3 modifying the San Luis Canal/California Aqueduct
4 to restore the original design conveyance capacity
5 and avoid constraints on the operation of the Cen-
6 tral Valley Project, and addressing operational safe-
7 ty concerns generated by subsidence.

8 (21) Friant-Kern Canal Phase II Capacity Cor-
9 rection Project (\$730,000,000), for remaining pre-
10 construction and construction activities for Upper
11 and Lower Reach Capacity Correction, including em-
12 bankment and lining raises, and structure modifica-
13 tions or replacements necessary to restore the design
14 capacity of the from the Kings River Check to the
15 Fifth Avenue Check, and from Reservoir Check to
16 the Kern Check.

17 (22) Turlock Irrigation Intertie Project
18 (\$800,000,000), for connecting the New Melones
19 and Don Pedro Reservoirs.

20 (b) COORDINATION.—The Secretary shall participate
21 in and enter into agreements and coordinate with affected
22 Indian Tribes, the State (including subdivisions and de-
23 partments of the State), and public agencies organized
24 pursuant to State law (including irrigation entities) as
25 necessary to carry out this Act.

1 (c) COST SHARING.—

2 (1) IN GENERAL.—Except as provided in para-
3 graph (2)—

4 (A) for the purposes of section 203 of the
5 Reclamation Reform Act of 1982 (43 U.S.C.
6 390cc) or section 3404(a) of the Reclamation
7 Projects Authorization and Adjustment Act of
8 1992 (Public Law 102–575; 106 Stat. 4708), a
9 contract or agreement entered into pursuant to
10 this section shall not be treated as a new or
11 amended contract; and

12 (B) none of the funds provided under this
13 section shall be reimbursable or subject to
14 matching or cost sharing requirements.

15 (2) EXCEPTION.—Paragraph (1) does not apply
16 to the study described in subsection (a)(15).

17 (d) ENVIRONMENTAL LAWS.—In providing funding
18 for a project under this section, the Secretary shall comply
19 with all applicable environmental laws, including—

20 (1) the National Environmental Policy Act of
21 1969 (42 U.S.C. 4321 et seq.);

22 (2) any obligations for fish, wildlife, or water
23 quality protection in permits or licenses granted by
24 a Federal agency or the State; and

1 (3) any applicable Federal or State laws (in-
2 cluding regulations).

3 (e) DEFINITIONS.—In this Act:

4 (1) SECRETARY.—The term “Secretary” means
5 the Secretary of the Interior, acting through the
6 Commissioner of Reclamation.

7 (2) STATE.—The term “State” means the State
8 of California.

9 (3) CVP.—The term “CVP” means the Central
10 Valley Project.

11 (4) DMC.—The term “DMC” means the Delta-
12 Mendota Canal.

○

AMENDED IN ASSEMBLY JANUARY 14, 2026

AMENDED IN ASSEMBLY JANUARY 5, 2026

AMENDED IN ASSEMBLY APRIL 21, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 35

Introduced by Assembly Member Alvarez
(Principal coauthor: Assembly Member Hadwick)

(Principal coauthor: Senator Arreguín)

(Coauthor: Assembly Member Connolly)

**(Coauthors: Assembly Members Alanis, Ávila Farías, Berman,
Boerner, Carrillo, Connolly, Davies, Jeff Gonzalez, Mark González,
Hoover, Kalra, Patel, Pellerin, Petrie-Norris, Rogers, Solache, Stefani,
Wallis, Ward, Wicks, and Zbur)**

(Coauthor: Senator Allen)

**(Coauthors: Senators Allen, Blakespear, Grayson, Jones, Padilla,
Seyarto, and Valladares)**

December 2, 2024

An act to amend Section 90135 of the Public Resources Code, relating to environmental ~~protection~~: *protection, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 35, as amended, Alvarez. Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedure Act: exemption: program guidelines and selection criteria.

Existing law, the Administrative Procedure Act, sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies.

The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (act), approved by the voters as Proposition 4 at the November 5, 2024, statewide general election, authorized the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.

Existing law authorizes certain regulations needed to effectuate or implement programs of the act to be adopted as emergency regulations in accordance with the Administrative Procedure Act, as provided. Existing law requires the emergency regulations to be filed with the Office of Administrative Law and requires the emergency regulations to remain in effect until repealed or amended by the adopting state agency.

~~This bill would delete the above provisions relating to the adoption of regulations to implement the act as emergency regulations and would instead exempt the adoption of those regulations from the Administrative Procedure Act.~~

This bill, notwithstanding the above, would exempt the adoption of regulations needed to effectuate or implement programs of the act from the requirements of the Administrative Procedure Act, as provided. The bill would require a state entity that receives funding to administer a competitive grant program established using the Administrative Procedure Act exemption to do certain things, including develop draft project solicitation and evaluation guidelines and to submit those guidelines to the Secretary of the Natural Resources Agency, except as provided. The bill would require the Secretary of the Natural Resources Agency to post an electronic form of the guidelines submitted by a state entity and the subsequent verifications on the Natural Resources Agency's internet website. The bill would authorize the use of certain previously developed program guidelines and selection criteria for these purposes, as provided.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 90135 of the Public Resources Code is
2 amended to read:
3 90135. (a) The Secretary of the Natural Resources Agency
4 shall publish a list of all program and project expenditures pursuant
5 to this division not less than annually, in written form, and shall
6 post an electronic form of the list on the agency's internet website
7 in a downloadable spreadsheet format. The spreadsheet shall
8 include all of the following information:
9 (1) Information about the location and footprint of each funded
10 project.
11 (2) The project's objectives.
12 (3) The status of the project.
13 (4) Anticipated outcomes.
14 (5) The public benefits to be derived from the project, including
15 whether the project has meaningful and direct benefits to vulnerable
16 populations, disadvantaged communities, or severely disadvantaged
17 communities.
18 (6) The total cost of the project, if known.
19 (7) The amount of bond funding provided.
20 (8) Any matching moneys provided for the project by the grant
21 recipient or other partners.
22 (9) The applicable chapter of this division pursuant to which
23 the recipient received moneys.
24 (b) The Department of Finance shall provide for an independent
25 audit of expenditures pursuant to this division. If an audit, required
26 by law, of any entity that receives funding authorized by this
27 division is conducted pursuant to state law and reveals any
28 impropriety, the California State Auditor or the Controller may
29 conduct or arrange for a full audit of any or all of the activities
30 funded pursuant to this division. Any audit of a federal Department
31 of Energy or National Aeronautics and Space Administration
32 research and development center pursuant to this section shall be
33 conducted in accordance with the Federal Laboratory Contracting
34 Act (Chapter 7 (commencing with Section 12500) of Part 2 of
35 Division 2 of the Public Contract Code).

(c) A state agency issuing any grant with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant.

(d) The costs associated with the publications, audits, statewide bond tracking, cash management, and related oversight activities provided for in this section shall be funded from the proceeds of bonds authorized by this division. These costs shall be shared proportionally by each program funded by this division. Actual costs incurred to administer nongrant programs authorized by this division shall be paid from the proceeds of bonds authorized by this division.

(e) (1) A regulation for the purposes of developing and adopting program guidelines and selection criteria needed to effectuate or implement the programs included in Chapter 2 (commencing with Section 91000) to Chapter 9 (commencing with Section 94500), inclusive, of this division may be adopted as an emergency regulation in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. A state agency shall be exempt from the requirement that it describe facts showing the need for immediate action.

(2) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, an emergency regulation adopted pursuant to this subdivision shall be filed with, but not be repealed by, the Office of Administrative Law, and shall remain in effect until repealed or amended by the adopting state agency.

(f) (1) Notwithstanding subdivision (e), a regulation for the purpose of developing and adopting program guidelines and selection criteria needed to effectuate or implement the programs included in Chapter 2 (commencing with Section 91000) to Chapter 9 (commencing with Section 94500), inclusive, of this division, may be adopted pursuant to this subdivision.

~~(e)~~

(2) Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to

1 the development and adoption of program guidelines and selection
2 criteria needed to effectuate or implement the programs included
3 in Chapter 2 (commencing with Section 91000) to Chapter 9, 9
4 (commencing with Section 94500), inclusive, of this division.

5 (3) Before disbursing grants pursuant to this division, a state
6 entity that receives funding to administer a competitive grant
7 program, established using the exemption pursuant to this
8 subdivision, shall do all of the following:

9 (A) Develop draft project solicitation and evaluation guidelines.

10 (B) Publish the draft solicitation and evaluation guidelines on
11 its internet website for a public comment period of at least 30 days.
12 All written public comments received shall be posted on the state
13 entity's internet website, unless indicated otherwise by the person
14 who provided the written public comment. The state entity shall
15 respond to each public comment.

16 (C) Offer opportunity for tribal consultation to impacted tribes.

17 (D) After completing the requirements contained in
18 subparagraphs (A) to (C), inclusive, finalize project solicitation
19 and evaluation guidelines.

20 (E) (i) Submit the final guidelines to the Secretary of the Natural
21 Resources Agency. The Secretary of the Natural Resources Agency
22 shall verify that the guidelines are consistent with applicable
23 statutes and for all the purposes enumerated in this division. The
24 Secretary of the Natural Resources Agency shall post an electronic
25 form of the guidelines submitted by a state entity and the
26 subsequent verifications on the Natural Resources Agency's
27 internet website.

28 (ii) The requirement to submit final guidelines to the Secretary
29 of the Natural Resources shall not apply to the State Water
30 Resources Control Board.

31 (4) Notwithstanding paragraph (3), if a state entity, before the
32 effective date of the act adding this paragraph, developed and
33 adopted project solicitation and evaluation guidelines that comply
34 with the requirements of this division for a program described in
35 Chapter 2 (commencing with Section 91000) to Chapter 9
36 (commencing with Section 94500), inclusive, of this division, the
37 use of those guidelines shall constitute compliance with the
38 requirements of this subdivision.

39 SEC. 2. This act is an urgency statute necessary for the
40 immediate preservation of the public peace, health, or safety within

1 *the meaning of Article IV of the California Constitution and shall*
2 *go into immediate effect. The facts constituting the necessity are:*
3 *Climate change has intensified wildfire risk, drought conditions,*
4 *and threats to safe and reliable drinking water, including impacts*
5 *to farmland and agricultural communities. Immediate effect is*
6 *necessary to prevent increased risks to public health and safety,*
7 *and to allow state agencies to promptly administer and distribute*
8 *funds appropriated pursuant to the Safe Drinking Water, Wildfire*
9 *Prevention, Drought Preparedness, and Clean Air Bond Act of*
10 *2024, approved by the voters as Proposition 4 at the November 5,*
11 *2024, statewide general election, consistent with voter intent, to*
12 *support wildfire resilience, climate adaptation, protection of*
13 *agricultural water resources, and access to safe drinking water.*



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Board of Directors, Alternates
SLDMWA Finance & Administration Committee, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Manager

Date: February 2, 2026

RE: Recommendation to Board of Directors to Authorize Award and Execution of Construction Agreement for Jones Pumping Plant (JPP) Pump Casing & Bifurcation Pipe Recoating Project, and expenditure of up to \$1,037,350 Utilizing Fiscal Year 2025 and 2026 EO&M Budget Funds

Background

The interior coatings of the pumps at C.W. "Bill" Jones Pumping Plant (JPP) are critical for ensuring the cast iron and steel components of the pump and discharge piping are protected from corrosion, erosion, and cavitation. The coatings have not been replaced since the Water Authority was formed, and per the U.S. Bureau of Reclamation (Reclamation), it is likely that the coatings are original. These coatings have failed in various places and need to be replaced in order to preserve the integrity of the bifurcation piping and pump casing. In addition, Reclamation has issued several Routine Operation & Maintenance (RO&M) exam recommendations specific to the failed coatings, which remain outstanding. The JPP Rehabilitate Coating on Pump Casings & Bifurcation Project (Bifurcation Project) was incorporated into the Fiscal Year (FY) 2025 budget to address these coating concerns.

Relatedly, the JPP U5 Leak Investigation Repair Project (Leak Investigation Project) was added to the FY 2026 budget due to an intermittent, yet persistent leak that was detected surrounding Unit 5. Additional funds for the Bifurcation Project were also incorporated into the Leak Investigation Project due to a budget deficit that was identified after an initial solicitation for the Bifurcation Project.

Given the close proximity and similar nature of the work for the Bifurcation and the Leak Investigation Projects, staff combined the projects into one recoating contract. To assist with the work planning and contracting, the Water Authority entered into a professional services agreement with engineering consultant, GFT. GFT has assisted with the preparation of the technical specifications and the request for proposals (RFP) solicitation process, and will continue to assist staff with the management of the project.

The principal components of the combined recoating work include removing the existing lining material from the suction elbow and pump casing of Unit 5, and from the butterfly valves and discharge piping of both Units 5 and 6. Once this work is completed, the new lining material will be applied to the same areas.

Issue for Decision

Whether to authorize award and execution of construction agreement with Hartman Walsh for the JPP Pump Casings & Bifurcation Pipe Recoating Project (Recoating Project), and expenditure of up to \$1,037,350 utilizing FY 2025 and 2026 EO&M budget funds.

Recommendation

Staff recommends authorizing award and execution of construction agreement with Hartman Walsh for the Recoating Project, and recommended expenditure.

Analysis

The Water Authority formally solicited for electronic proposals to provide all labor, equipment, and services for the Project. The solicitation included the following critical dates:

November 24, 2025: RFP issued
December 9, 2025: Mandatory Pre-Proposal Conference / Site Visit
December 19, 2025: Last day to submit questions
December 29, 2025: Last day for Responses to Questions
January 13, 2026: Proposals due via PlanetBids
January 14 –16, 2026: Proposal Evaluation
January 16, 2026: Notice of intent to award

The Formal RFP was publicly posted on PlanetBids and in two newspapers: San Francisco Chronicle and Sacramento Bee. In addition, the RFP was sent directly to six contractors. Six contractors attended the Mandatory Pre-Proposal Conference and Site Visit, with two proposals submitted. The two responsive proposals were submitted by Hartman Walsh and Euro Style Management. Technical Proposals were reviewed and scored by an evaluation committee consisting of Water Authority and GFT staff. The proposals were reviewed and accepted by the Contract Specialist for responsiveness and responsibility. Upon conclusion of the evaluation committee, the best qualified and responsive/responsible proposer was determined to be Hartman Walsh. The Notice of Intent to Award was transmitted to Hartman Walsh on January 16, 2026.

Budget Implications

The proposed expenditure of up to \$1,037,350 will be funded utilizing approved budgeted funds from Fiscal Years 2025 and 2026 EO&M Budget. Note: \$1,268,700 was the budgeted amount for this project, comprised of \$618,700 in the JPP Rehabilitate Coating on Pump Casings & Bifurcation Project budget, and \$650,000 in the JPP U5 Leak Investigation Repair Project budget.

Attachments

The following documents are included with this Agenda Item;

1. Draft Construction Agreement
2. Notice of Intent to Award; and

The following documents are available upon request;

1. Notice Inviting Bid, Addenda, Sealed Bid Form, Bid Guarantee, Performance and Payment Bond, Guarantee Form, the General Conditions, Specifications, Exhibits, Permits, Contract Drawings and Plans, hazardous material requirements, Contract Schedule, as applicable.

CONSTRUCTION AGREEMENT

For

Jones Pumping Plant (JPP) Pump Casing & Bifurcation Pipe Recoating

THIS AGREEMENT, dated as of February ___, 2026 is between the **SAN LUIS & DELTA-MENDOTA WATER AUTHORITY**, a California Joint Powers Agency, (hereinafter called "SLDMWA"), and Hartman-Walsh Painting Company, a Missouri Corporation (hereinafter called "Contractor"). SLDMWA and Contractor may be referenced herein individually as "Party" or collectively as the "Parties."

The parties hereto mutually agree to the terms and condition set forth herein.

I. CONTRACT DOCUMENTS

- A. The Contract Documents referred to herein are incorporated herein by reference as if set forth in full in this Agreement.
- B. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained herein and in said documents are solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretations of the provisions to which they refer.
- C. The Contract Documents shall include the Notice inviting bids, Addenda, Sealed Bid Form, Construction Agreement, the Bid Guarantee, the Performance Bond, the Payment Bond, Guarantee Form, the General Conditions, the Special Provisions, Specifications, Exhibits, Permits from other agencies that may be required by law, the Contract Drawings and Plans, hazardous material requirements, the Contract Schedule, and any and all supplemental agreements amending or extending the Work contemplated and which may be required to complete the Work in an acceptable manner. Supplemental agreements are written agreements covering alterations, amendments or extensions to the Contract Documents and include Change Orders, Construction Change Directives, Field Directives, Field Orders, Bulletins and supplemental drawings.

II. DEFINITIONS

Unless otherwise specifically provided herein, all works and phrases defined in the General Conditions shall have the same meaning and intent in this Agreement.

III. ORDER OF PRECEDENCE

In case of conflict among the Contract Documents, this Agreement shall govern over General Conditions and Special Provisions (if any), detail drawings shall govern over small-scale drawings, the specifications shall govern over the drawings, Special Provisions (if any) shall govern over the drawings and General Conditions, and change orders shall govern over the original documents, unless a different order of precedence is noted.

IV. SCOPE OF CONTRACT

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, material, and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of SLDMWA, all the work required for the Contract for the Project entitled:

Jones Pumping Plant (JPP) Pump Casing and Bifurcation Pipe Recoating

V. CONTRACT AMOUNT AND PAYMENTS

SLDMWA agrees to pay and Contractor agrees to accept, in full payment for the above work, One Million Thirty-Seven Thousand Three Hundred Fifty DOLLARS (\$1,037,350.00) as the stipulated sum price which Contractor bid in its Sealed Bid Form, subject to additions and deductions by Change Order(s) as provided in the General Conditions.

Progress and final payments shall be in accordance with the General Conditions.

Invoices must be submitted to Accounts Payable at accounts.payable@sldmwa.org. Approved invoices will be paid within 30 days.

SLDMWA may dispute any invoice or portion thereof which is not properly documented and in accordance with the Agreement. For any disputed payment, SLDMWA shall provide written notice describing its dispute to Consultant. 30-day payment period does not begin until an approved, undisputed invoice is received. There will be no interruption in services while invoices are being disputed. Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of SLDMWA. This decision shall be final and conclusive unless within ten (10) days from the date of the receipt of its copy, Contractor mails or otherwise furnishes a written appeal to SLDMWA's Chief Operating Officer. In connection with any such appeal, Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Chief Operating Officer shall be binding upon Contractor and Contractor shall abide by the decision. Unless otherwise directed by SLDMWA, Contractor shall continue performance under this Agreement while matters in dispute are being resolved. In the event of a dispute between each parties Terms & Conditions, SLDMWA terms will prevail

VI. LICENSE AND DIR REGISTRATION.

By executing this Agreement, Contractor represents that it is currently licensed by the California Contractors State License Board, Class A, License number 984923, and that Contractor is registered with the California Department of Industrial Relations as required by California Labor Code section 1725.5, registration number 1000032918.

VII. RETENTION OF SUMS CHARGED AGAINST CONTRACTOR

When, under the provisions of this contract, SLDMWA shall charge any sum of money against Contractor, SLDMWA shall deduct and retain the amount of such charge from the amount of the next succeeding progress estimate, or from any other moneys due or that may become due to the Contractor from SLDMWA. If, on completion or termination of the Contract, sums due contractor are insufficient to pay SLDMWA's charges against Contractor, SLDMWA shall have the right to recover the balance from Contractor or its sureties.

VIII. TIME OF COMPLETION

A. The entire Work shall be brought to completion in the manner and within the time period

provided for in the Contract Documents, together with such additional time as may be provided by any change order issued pursuant to the Contract Documents, commencing on the date specified in the Notice to Proceed.

- B. Failure to complete the Work by the completion date and in the manner provided for by the Contract Documents shall subject Contractor to liquidated damages as hereinafter provided in this Agreement. Time is of the essence in these Contract Documents.

IX. INSURANCE

Contractor shall maintain in full force and effect at all times during the term of the Agreement, at its sole expense, policies of insurance in accordance with the General Conditions.

X. NO WAIVER OF REMEDIES

- A. Neither the inspection by SLDMWA or its agents, nor any order or certificate for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by SLDMWA, nor any extensions of time, nor any position taken by SLDMWA or its agents shall operate as a waiver of any provision of this Agreement or of any power herein reserved to SLDMWA or any right to damages herein provided, nor shall any waiver of any breach of the Agreement be held to be a waiver of any other or subsequent breach.
- B. All remedies provided in this Agreement shall be taken and construed as cumulative; that is, in addition to each and every other remedy herein provided, and SLDMWA shall have any and all equitable and legal remedies which it would in any case have.

XI. DETERMINATION OF DAMAGES

- A. The actual fact of the occurrences of damages and the actual amount of the damages which SLDMWA would suffer if the work were not completed within the specified times set forth are dependent upon many circumstances and conditions which could prevail in various combinations, and, from the nature of the case, it is impracticable and extremely difficult to fix the actual damages.
- B. Damages which SLDMWA would suffer in the event of delay include loss of the use of the Project, and, in addition, expenses of prolonged employment of an architectural and engineering staff; costs of administration, inspection, and supervision; and the loss suffered by the public within the San Luis & Delta-Mendota Water Authority by reasons of the delay in the completion of the Project to serve the public at the earliest possible time.
- C. Accordingly, the parties hereto agree, and by execution of this Agreement, Contractor acknowledges that it understands, has ascertained and agrees, that the amounts set forth herein as liquidated damages shall be presumed to be that amount of damages sustained by the failure of Contractor to complete the entire work within the times specified.

XII. LIQUIDATED DAMAGES

- A. The amount of the liquidated damages to be paid by Contractor to SLDMWA for failure to complete the entire work in the specified number of Working or Calendar Days (as extended, if applicable) will be (\$5,000) for each **Calendar day**, continuing to the time at which the Work is completed.
- B. Such amount is the actual cash value agreed upon as the loss to SLDMWA resulting from Contractor's delay.

- C. The provision for liquidated damages shall not act as a limitation on SLDMWA if Contractor abandons the Work, and shall not stop accruing if Contractor abandons the Work. In such event, Contractor shall be liable to District for all losses incurred, including but not limited to liquidated damages for delay through completion.

XIII. PERFORMANCE AND PAYMENT BONDS

- A. The Contractor shall, before beginning said work, file two bonds with the SLDMWA, each made payable to the SLDMWA. These bonds shall be issued by a Surety Company authorized to do business in the State of California, and shall be maintained during the entire life of the Contract at the expense of the Contractor.
 - 1. One bond shall be the Performance Bond in the amount of one hundred percent (100%) of the Contract and shall guarantee the faithful performance of the Contract.
 - 2. The second bond shall be the Payment Bond required by Part 6, Title 3, Chapter 5, Division Four of the Civil Code of the State of California, commencing with section 9550, and shall be in the amount of one hundred percent (100%) of the Contract.
- B. Any alteration or alterations made in any provision of this Contract shall not operate to release any surety from liability on any bond required hereunder and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of Section 2819 of the Civil Code.
- C. Bonds shall only be accepted from an “*Admitted surety insurer*”, which means an insurer to which the Insurance Commissioner has issued a certificate of authority to transact surety insurance in this state. ***Contractor must submit all of the following with the bonds:***
 - 1. The original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws or other instrument entitling or authorizing the person who executed the bond to do so.

XIV. LABOR CODE COMPLIANCE

SLDMWA affirmatively identifies this project as a “public work” as that term is defined by Labor Code section 1720, and the project is, therefore, subject to prevailing wages under Labor Code section 1771. As addressed in greater detail in the General Conditions, Contractor and its subcontractors shall fully comply with all the provisions of the California Labor Code governing the performance of public works contracts including, but not limited to, payment of prevailing wages, limitations on time worked, compliance with apprentice requirements, maintenance of payroll records, posting of wages at job site and prohibitions against discrimination.

XV. UNFAIR COMPETITION

- A. The following provision is included in this agreement pursuant to California Public Contract Code §7103.5.

“In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the contractor or subcontractor offers and agrees to assigning to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials

”

pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the contractor, without further acknowledgment by the parties."

XVI. ASSIGNMENT

Neither this Agreement nor any rights herein of Contractor shall be assigned without the written consent of SLDMWA first obtained.

XVII. NO THIRD PARTY BENEFICIARIES

This Agreement is entered into solely between the SLDMWA and Contractor. There are no third party beneficiaries, intended, unintended, or otherwise to this Agreement.

XVIII. AGREEMENT BINDING

This Agreement shall bind and insure to the heirs, devisees, assignees and successors in interest of Contractor and to the successors in interest of District in the same manner as if such parties had been expressly named herein.

XIX. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the State of California.

//////SIGNATURE PAGE FOLLOWS//////

IN WITNESS WHEREOF, the parties hereto have signed the Agreement on the date set forth opposite their names.

Contractors are required by law to be licensed and regulated by the Contractor's State License Board, which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, P.O. Box 26000, Sacramento, California 95826.

CONTRACTOR:

(California Corporations: must be signed by company's 1) CEO or President or 2) by its Vice President *as well as* the Secretary or CFO.)

Date

Tax I.D. Number

Signature

Signature

Print Name

Print Name

Title

Title

**SAN LUIS & DELTA-MENDOTA WATER
AUTHORITY, A Joint Powers Agency:**

Date

ATTEST:

Pablo R. Arroyave, Chief Operating Officer

NOTICE OF INTENT TO AWARD

Date: January 16, 2026

To: Matt Huebener
Hartman Walsh Painting Company DBA Hartman Walsh Industrial Services
7144 North Market St.
Saint Louis, MO 63133

Project Title: JPP Pump Casing and Bifurcation Pipe Recoating

Project Specification Number: F26-JPP-015

On January 13, 2026, San Luis and Delta-Mendota Water Authority (SLDMWA) received two (2) proposals for the subject project from Euro Style Management, Inc. (ESM) and Hartman Walsh Industrial Services.

The Evaluation Committee has deemed Hartman Walsh Industrial Services, to be the most qualified respondent to provide the requested services for this project.

You are hereby notified that on February 5, 2026, SLDMWA Staff will recommend to the SLDMWA Board of Directors, award of the Contract for JPP Pump Casing and Bifurcation Pipe Recoating to Hartman Walsh Industrial Services for an amount not to exceed \$1,037,350.00.

In accordance with the solicitation documents, contract award will be made once the protest period is up. Please refer to the solicitation for protest periods.

SLDMWA appreciates the time and effort that all of the proposing firms dedicated to preparing and submitting a proposal for this project.

Regards,



Travis Roberts

Contract Specialist

San Luis & Delta-Mendota Water Authority



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Board of Directors, Alternates
SLDMWA Finance & Administration Committee, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Manager

Date: February 2, 2026

RE: Recommendation to Board of Directors to Authorize Sixth Amendment to Agreement for Professional Services Supporting DMC Subsidence Correction Project with CDM Smith, Inc. and Related Increase in Expenditure of Up to \$216,587 Utilizing FY 2021, FY2022, and/or FY 2023 EO&M Budget Funds

Background

On February 10th, 2022, the Board of Directors authorized the award of a Professional Services Agreement with CDM Smith, Inc. (CDM) for \$2,395,529 for the completion of a Feasibility Study for the DMC Subsidence Correction Project (Subsidence Project), including Cultural Resources Support Services, Environmental Compliance through a joint National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) document, and the preparation of a Feasibility Report. While the Feasibility Study is complete, CDM Smith continues to provide environmental compliance and technical support for the Subsidence Project.

Issue for Decision

Whether or not to authorize a Sixth Amendment to the Agreement for Professional Services supporting the DMC Subsidence Correction Project with CDM Smith, Inc. and related increase in expenditure of up to \$216,587 utilizing FY 2021, FY2022, and/or FY2023 EO&M Budget Funds.

Recommendation

Staff recommends authorizing the proposed Sixth Amendment and related increase in expenditure.

Analysis

The original Professional Services Agreement with CDM has been ongoing for four years, with only one small budget adjustment of \$34,000 in April 2023 to include California Endangered Species Act Compliance (CESA) coverage support (Task 7). There have been numerous other amendments, extending the contract term and shifting budgets among tasks to fund additional scope, however, all within the existing authorized budget. The fourth contract amendment created a task to provide technical support to the Hallmark Group, consisting of water supply modeling that supported Hallmark's presentations to the Planning Committee and Board of Directors. CDM was also relied upon to provide technical support during the Request for Proposal (RFP) development process for Phase 1 of the Subsidence Project. CDM's expertise was crucial to delivering a high-quality solicitation package that enabled the selection of a high-quality Construction

Manager/General Contractor (CMGC) and was key in keeping the accelerated schedule on pace. Their increased effort to support the RFP was not planned and exhausted the Task 7 budget.

The proposed Sixth Amendment would increase the total not-to-exceed amount by approximately \$216,587 and replace the current classification and rate schedule with a new 2026 rate sheet. All other tasks, terms, and conditions on the original Agreement would remain unchanged.

Budget Implications

The additional proposed expenditure of up to \$216,587 will be funded utilizing existing FY 2021, FY 2022, and/or FY 2023 EO&M Funds, reimbursed by the DWR Grant.

Attachments

1. Draft Sixth Amendment to DMC Subsidence Correction Project Feasibility Study with CDM Smith, Inc.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY
SIXTH AMENDMENT TO AGREEMENT
FOR PROFESSIONAL SERVICES for DMC Feasibility Study
Agreement No.: F22-DMC-065

This Sixth Amendment to Agreement No. F22-DMC-065 is made and entered into effective February ___, 2026 by and between San Luis & Delta-Mendota Water Authority (“SLDMWA”) and CDM Smith Inc., a Massachusetts Corporation (“Consultant”).

WHEREAS, on February 10, 2022, SLDMWA and Consultant entered into an Agreement Whereby Consultant would perform professional services; and

WHEREAS, on April 27, 2023, SLDMWA and Consultant executed a First Amendment to Add Task – 7 titled ‘California Endangered Species Act Compliance’ and Compensation for \$33,779.92.

WHEREAS, on January 18, 2024, SLDMWA and Consultant executed a Second Amendment to Modify Tasks 3 and 6, Modify and reallocate Task Amounts for Task 1 through 6, and Modify the Term of Agreement for a total of three (3) years.

WHEREAS, on February 6, 2025, SLDMWA and Consultant executed a Third Amendment to Modify the Term of the Agreement for a total of five (5) years.

WHEREAS, on March 26, 2025, SLDMWA and Consultant executed a Fourth Amendment to add a Task – 8 titled Hallmark Group Project Implementation Support and reallocated existing funds to create a budget for Task – 8.

WHEREAS, on January 13, 2026, SLDMWA and Consultant executed a Fifth Amendment to reallocate funds between existing tasks to read as a Total Not-To-Exceed Amount.

WHEREAS, the parties now agree that a Sixth Amendment to said Agreement is advisable;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS SIXTH AMENDMENT TO AGREEMENT WITH THE CHANGES OUTLINED BELOW:

- 1. Modify Exhibit C – Fees, Hourly Rates and Reimbursable Costs/Expenses**
 - a. Increase total Not-To-Exceed amount by \$216,586.76.**
 - i. Currently reads as: \$2,429,308.92**
 - ii. Change to read as: \$2,645,895.68**
 - b. Replace the current classification & rate schedule with a new 2026 rate sheet.**

Please refer to Attachment 1 for budget implication(s) and updated Rate Sheet.

All other tasks, terms and conditions on original agreement remain unchanged.

IN WITNESS WHEREOF, this Amendment has been executed by and on behalf of the parties hereto, the day, month and year so indicated above. If Consultant is a corporation, partnership or limited liability company, documentation must be provided that the person signing below for Consultant has the authority to do so and to so bind Consultant to the terms of this Agreement.

<u>Consultant</u>	<u>San Luis & Delta-Mendota Water Authority</u>
By: _____ Signature _____ Title _____ Print Name _____ Company Name	By: _____ Pablo R. Arroyave Chief Operating Officer San Luis & Delta-Mendota Water Authority

2295 Gateway Oaks Drive, Suite 250
Sacramento, CA 95833
tel: 916 567-9900

January 26, 2026

To: Jacob Bejarano, San Luis & Delta-Mendota Water Authority

From: Chris Park, CDM Smith

Subject: DMC Subsidence Correction Project Feasibility Study Amendment 4 – Proposed Scope Modification and Budget

Dear Jacob:

This memorandum presents changes to CDM Smith's existing scope of work for the Delta-Mendota Canal (DMC) Subsidence Correction Project Feasibility Study developed in response to ongoing coordination between the San Luis & Delta-Mendota Water Authority (Authority), the Hallmark Group and CDM Smith (Consultant). CDM Smith has been requested to support the Authority during upcoming preconstruction and construction activities for Phase 1 of the DMC Subsidence Correction Project scheduled to start in 2026. These activities will include support for the completion of the Authority and Reclamation environmental permits for the Phase 1 activities planned in 2026. CDM Smith will also support the Authority and the Bureau of Reclamation in its early planning work with the construction manager/general (CM/GC) contractor in February 2026.

Scope of Work Modification

The task description presented below reflects a revision to CDM Smith's existing scope of work to detail the current completion status for multiple tasks. Other ongoing tasks included in CDM Smith's existing scope of work have been revised to detail their current completion status and the work planned for each task through February 2026.

Task 1: Project Management and Reporting - Ongoing

The Consultant will plan for regularly scheduled meetings with the Authority and Reclamation staff on a biweekly basis. Meetings may be conducted in hybrid format where meetings alternate between in-person and virtual. The Consultant will maintain an administrative record file that documents references, project decisions, and regular meeting documentation including agendas and summaries. Consultant will be responsible for maintaining the existing data sharing site for managing documents and sharing large files with the Authority and Reclamation project personnel.

The Consultant will prepare a master schedule, compatible with Microsoft Project, and provide monthly adjustments to the team in response to significant changes. For scheduling, the Consultant will assume a 2-week review duration for each deliverable and 90-day Policy Review period after the 2nd Administrative Draft Feasibility Report. Monthly progress reports and invoices will be prepared and submitted and summarized in Quarterly Reporting per the Assistance Agreement in Appendix D.

Amendment 3 to CDM Smith's contract that was executed in 2025, extended the overall period of performance for this contract to February 2027. As requested by the Authority this new modification will revise the period of performance to end on February 28, 2026. To support the remaining project management and reporting work required to cover this ongoing work in February 2026, the budget for this task has been augmented consistent with the average monthly spend rate for this task over the last year.

Task 2: Environmental Compliance - Ongoing

Consultant is responsible for the preparation of joint environmental compliance documents and permits, as necessary, to comply with Reclamation's D&S and applicable Principles, Requirements and Guidelines to meet regulatory requirements of both NEPA and CEQA. It is anticipated that the recommended alternative will require an Environmental Assessment (EA)/Initial Study (IS) with an associated Finding of No Significant Impact (FONSI), if applicable, and a Negative Declaration (ND) or Mitigated Negative Declaration (MND). It is possible that greater environmental compliance documentation may be required such as an Environmental Impact Statement (EIS)/Environment Impact Report (EIR), but at this time Consultant should assume the current work requirement for this Project does not exceed the EA/IS efforts. The Authority will be the lead agency for CEQA, and Reclamation will be the lead agency for NEPA.

The scope of Task 2 will include environmental review and technical analyses for all potentially impacted resources, and preparation of administrative, public, and final environmental documents for review. Consultant will prepare the Draft EA/IS-MND in a format based on the most current CEQA/NEPA requirements and checklist per the Office of Planning and Research (OPR), with any amendments or additions made by Reclamation or the Water Authority. Cultural information obtained in Task 3 will be incorporated/summarized into the EA/IS-MND. All public documents for posting (draft and final PDFs) must be individually 50 MB or less and prepared in compliance with Section 508 of the United States Workforce Rehabilitation Act of 1973, a Federal law mandating that all electronic information technology developed, procured, maintained, or used by the Federal government be accessible to people with disabilities (508 Compliant). Additionally, Consultant will provide electronic copies of documents and materials designated for public access on the Authority's public website consistent with Web Content Accessibility Guidelines (WCAG) 2 Level AA Conformance and/or current state and federal standards for accessibility.

Upon completion of the First Administrative Draft EA/IS joint document, the Consultant will work with Reclamation and the Authority staff to review and comment. Comments will be addressed in the Second Administrative Draft EA/IS joint document, which will be sent to Reclamation and the Authority for concurrence. Upon concurrence, a 508 Compliant Public Draft EA/IS-MND will be created by the Consultant and provided to Reclamation and the Authority to release for public review. If public comments are received on the draft document, major comments will be summarized and responded to in a Final EA/ISMND. An Administrative Draft Final EA/IS-MND will be provided for Reclamation and the Authority to review and approve. Once completed, a Final 508 Compliant EA/IS-MND will be provided for Reclamation and Authority to post.

Consultant will reformat the previously developed Final EA/IS-MND to support posting of that document by SLDMWA for CEQA compliance. Reclamation posted its version of the Final EA/IS-MND in October 2024. Consultant will also support Reclamation's issuance of a Finding of No Significant Impact, and the development of SLDMWA's Findings of Fact for adoption of the CEQA Documentation and the distribution of required CEQA noticing.

Deliverables from Task 2 will include:

- First Administrative Draft EA/IS-MND - Complete
- Second Administrative Draft EA/IS-MND - Complete
- Public Draft EA/IS-MND (508 Compliant PDFs) - Complete
- Administrative Draft Final EA/IS-MND and Response to Comments - Complete
- Public Final EA/IS-MND (508 Compliant PDFs) - Complete
- Mitigation Monitoring and Reporting Program (MMRP) - Complete
- Findings of Fact for adoption of the CEQA documentation
- Prepare and distribute required CEQA public noticing

Task 3: Cultural Resources Support Services - Ongoing

The Consultant, in consultation with Reclamation and the Authority, will develop the Area of Potential Effect (APE), anticipated to include all of Reclamation's right of way for the DMC and some adjacent parcels; conduct cultural resources surveys to document on Department of Parks and Recreation 523 site records any built environment and archaeological resources within the APE (estimated up to 12 cultural resources, including the DMC and its components); complete a geoarchaeological investigation of the APE; possibly conduct archaeological sub-surface investigations if recommended by the geoarchaeological investigation and/or pedestrian surveys (with up to two cultural resources estimated to need this); document National Register of Historic Places evaluations and finding of effect findings, and prepare draft and final cultural resources survey reports in compliance with NHPA Section 106. The Consultant will also support the Authority's AB 52 notice and consultation process and prepare the cultural resources sections for the joint NEPA/CEQA document. Reclamation will negotiate and implement a Programmatic Agreement with SHPO for the Project to be compliant with NHPA Section 106.

Consultant will provide support for Reclamation's final NHPA consultations consistent with the Programmatic Agreement. Consultant will work with the CMGC to refine the project footprint and description in anticipation of cultural consultation by Reclamation. Consultant will provide a draft letter to Reclamation identifying the effect of specific construction actions identified by the CMGC in the Phase 1 construction area for implementation in 2026. The draft letter will be formatted for use by Reclamation pursuant to the Programmatic Agreement for submittal to the SHPO and consulting parties.

Deliverables from Task 3 shall include:

- Draft and Final Survey Field Methodology Report - Complete

- Draft and Final Cultural Resources Inventory Report (including geoarchaeological investigation) - Complete
- Draft and Final Historic Properties Treatment Plans - Complete
- Geospatial and Digital Data - Complete
- Artifact, catalogs, and associated records - Complete

Task 4: Biological Assessment - *Complete*

Work on this task is complete.

Task 5: Clean Water Act Compliance - Ongoing

A Wetlands Delineation will be conducted along the length of the DMC pursuant to the Clean Water Act and applicable requirements. The delineation will be submitted to Reclamation and Authority for review. The Consultant will assist Reclamation and the Authority in its coordination with the U.S. Army Corps of Engineers (USACE) and State Water Resources Control Board (SWRCB) Clean Water Act Permitting, if applicable.

Consultant will support revisions to the materials needed to support Reclamation's ongoing negotiations with the USACE to complete the Clean Water Act Section 404 Permit. Consultant will develop a draft USACE application for use by Reclamation. The packet will include a description of the Phase 1 construction action that will be completed by the CMGC and the previously finalized Wetland Delineation Report. In addition, the consultant will develop a Clean Water Act Section 401 Permit application for Reclamation's submittal to the SWRCB.

Deliverables from Task 5 will include:

- Wetlands Delineation of Project area - Complete
- Wetland Delineation Report - Complete
- Draft Permit Application Documentation

Task 6: Feasibility Report - *Complete*

Work on this task is complete.

Task 7: California Endangered Species Act Compliance - *Complete*

Work on this task is complete.

Task 8: Hallmark Group Project Implementation Support – *Ongoing*

Development of the implementation plan for the DMC Subsidence Correction Project evaluated in the Feasibility Report and EA/IS continues with the identification of additional detail in the completion schedule and specific reach by reach configuration refinement. To support the advancement of the implementation plan, refined evaluations of each configuration will be required. These evaluations are likely to require updated water supply modeling, qualitative assessment of potential challenged to their implementation, and cost and benefit comparison to support their ranking and potential selection. Additional support in the form of continued coordination with SLDMWA staff and member agency staff may also be needed to support the

implementation of the project. *The consultant will support the Authority's early work in February 2026 to select the CM/GC contractor, and then once selected to start work on preconstruction environmental compliance and support of the Authority as an owner's advisor.*

Preconstruction Environmental Compliance: The Project has committed in the EA/IS, and is anticipated to be further required by the pending Biological Opinion to complete pre- and during-construction environmental avoidance, minimization, and mitigation measures. The Consultant will support the Authority's early compliance with these requirements in February 2026 by completing:

- *Preconstruction Planning and Coordination with the Authority, Reclamation and the CM/GC – Work immediately following award of the CM/GCs contract will need to include coordination on the schedule for geotechnical investigations planned as a part of the preconstruction work by the CM/GC. Those geotechnical investigations will trigger specific compliance requirements including surveys of testing sites identified by the CM/GC for to special status species and permitting stipulations. Coordination with the CM/GC on the overall construction schedule will also support planning for protocol level surveys that would be assumed to start in March 2026.*
- *Geotechnical Investigations - Immediately after project kick-off, CDM Smith will work with the Construction Management/General Contractor (CMGC) to identify up to 24 locations for geotechnical investigations. CDM Smith will survey potential geotechnical testing sites to identify any issues related to special status species or permitting stipulations. CDM Smith will, following the completion of biological surveys and clearance of the site, provide a biologist for daily oversight of geotechnical investigations.*
- *Worker Environmental Awareness Training - As required by Measure BIO-2 of the project's EA/IS and Measure 2.4.1 of the BA, the consultant will prepare a Worker Environmental Awareness Training (WEAT) program prior to the start of construction. The WEAT will present descriptions of biological resources potentially present in the project area, including physical characteristics, photographs, habitats, and natural history. Additionally, the training will outline species-specific avoidance and minimization measures, as well as general biological resource protection measures. CDM Smith will provide training materials including sign-in sheets and summary pamphlets in both English and Spanish for use during training.*

Preconstruction Owners Advisor Support: The consultant will provide technical oversight and advisory support to the Authority for CMGC-led administrative and collaborative activities during the selection of the CM/GC, and then during early initiation of the CM/GC's work in February 2026. The consultant will support this technical oversight and advisory role by providing:

- *Proposal Stage Support – During procurement of the CM/GC, the consultant will participate in the evaluation of proposals. This work will include the scoring of technical proposals using metrics provided by the Authority, participating in interview sessions, and*

supporting fee proposal evaluation. The consultant will also review the CMGC's submittal contents to assess conformance with CMGC contract requirements.

- *Collaboration, Partnering, and Administration – The consultant will provide technical oversight and advisory support to the Authority for CMGC-led administrative and collaborative activities during the Preconstruction period for Task 1 and Task 2 in the month of February 2026. The consultant's role will be to review and provide feedback on the structured program of meetings and project administration to assess and advise the Authority and the Engineer (Reclamation) on the consultant's observations of the CMGC's alignment with expected design progress, constructability, risk, and GMP development.*

Assumptions:

- The USFWS Biological Opinion for the Project will be received by January 31, 2026
- Prior to any geotechnical investigations, the CMGC will work with CDM Smith to identify areas for ground disturbing work. CDM Smith will confirm via a reconnaissance survey that no special status species will be impacted by the work. It is assumed that no special permit conditions (i.e., SJKE den excavations) would be triggered by this work. Geotechnical investigations will include up to 24 sites and occur within a 2-week period
- Reclamation and SLDMWA staff overseeing preconstruction compliance will be available for calls to address issues if they arise on site. It is assumed that up to four calls of up to 30 minutes each will be required
- Sites will be accessible during survey periods, including pre-dawn and post-sunset hours
- Work under Task 8 to support the Authority's selection of the CM/GC contractor, and then once selected to start work on preconstruction environmental compliance and support of the Authority as an owner's advisor will be completed by March 7, 2026.
- The Authority will lead the legal procurement process; CDM Smith will act as a technical evaluator for the CM/GC contractor.
- One CDM Smith engineer will participate in the procurement process in one on-site technical evaluation workshop and one day of on-site interviews.

Project Budget with Amendment

Table 1 presents the costs incurred to date by CDM Smith in support of completing the existing scope of work and the funding that remains under each of those tasks. The funding that currently remains unused under the completed Task 2 and Task 4 will be used to support the new work identified in this memorandum. CDM Smith will track the level of effort required to complete the remaining work on the tasks still underway that are detailed in this memorandum and the costs of those efforts and will notify SLDMWA if additional funding is required.

Table 2 presents the updated 2026 billing rates that were used to develop the estimates in Table 1.



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Sacramento, CA 95833
tel: 916 567-9900

Table 1. Proposed Modification to CDM Smith's Budget

Task		Existing Budget	Cost Incurred to Date ¹	Remaining	Budget Required to Complete New Work	Modified Budget	Change from Existing Budget
Task 1	Project Management	\$437,068.45	\$458,461.23	\$(21,392.78)	\$19,056.00	\$477,517.23	\$40,448.78
Task 2	Environmental Compliance	\$415,424.74	\$380,854.94	\$34,569.80	\$36,490.00	\$417,344.94	\$1,920.20
Task 3	Cultural Resources Support Services	\$489,177.91	\$469,096.79	\$20,081.12	\$65,600.00	\$534,696.79	\$45,518.88
Task 4	Biological Assessment	\$204,502.52	\$184,421.40	\$20,081.12	\$ -	\$184,421.40	\$(20,081.12)
Task 5	Clean Water Act Compliance	\$250,034.85	\$227,281.94	\$22,752.91	\$32,600.00	\$259,881.94	\$9,847.09
Task 6	Feasibility Report	\$372,670.35	\$372,670.35	\$ -	\$ -	\$372,670.35	\$ -
Task 7	CA ESA ITP	\$25,916.81	\$25,916.81	\$ -	\$ -	\$25,916.81	\$ -
Task 8	Hallmark Group Project Implementation Support	\$234,513.29	\$265,578.22	\$(31,064.93)	\$107,868.00	\$373,446.22	\$138,932.93
Total		\$2,429,308.92	\$2,384,281.68	\$45,027.24	\$261,614.00	\$2,645,895.68	\$216,586.76

Notes: 1. Costs incurred through January 3, 2026, reflected in CDM Smith's December 2026 invoice submitted January 7, 2026.





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Table 2. CDM Smith 2026 Rates

Labor Category	Rate
Engineer/Planner/Scientist 1	\$125.00
Engineer/Planner/Scientist 2	\$140.00
Engineer/Planner/Scientist 3	\$154.00
Engineer/Planner/Scientist 4	\$182.00
Engineer/Planner/Scientist 5	\$230.00
Engineer/Planner/Scientist 6	\$242.00
Engineer/Planner/Scientist 7	\$270.00
Engineer/Planner/Scientist 8	\$300.00
Editor	\$175.00
Subject Matter Expert	\$350.00
Project Manager	\$250.00
Principal In Charge	\$385.00
Project Controls	\$82.00
Project Delivery Assistant	\$138.00
Project Financials	\$200.00





Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Finance & Administration Committee, Alternates
SLDMWA Board of Directors, Alternates

From: Pablo Arroyave, Chief Operating Officer

Date: February 2, 2026

RE: Execution of DMC Subsidence Correction Project Advanced Funds Agreement with Westlands Water District

Background

The San Luis & Delta-Mendota Water Authority (Water Authority) has been pursuing the Delta-Mendota Canal (DMC) Subsidence Correction Project to restore the lost conveyance capacity of the DMC. To date, the Water Authority has been awarded \$47.6 million in non-reimbursable grant funding from the California Department of Water Resources (DWR) and \$204 million in reimbursable Infrastructure Investment and Jobs Act (IIJA) funding¹, and anticipates being awarded additional non-reimbursable funding pursuant to the One Big Beautiful Bill Act to support the planning, designing, permitting, and construction of the DMC Subsidence Correction Project.

In May 2025, the SLDMWA Board of Directors adopted a phased approach for the DMC Subsidence Correction Project, which has been refined to include a “Phase 1” comprised of four defined tasks: (1) an approximate two-foot freeboard raise of the DMC between Jones Pumping Plant and the Delta-Mendota Canal/California Aqueduct Intertie, (2) sag area repairs, (3) panel repairs in the upper DMC, and (4) panel repairs in the lower DMC.

In November 2025, the SLDMWA Board of Directors adopted cost allocation recommendations for each task included in Phase 1 of the DMC Subsidence Correction Project, and directed staff to pursue Phase 1, with a scheduled Board consideration of contract award in February 2026.

For Fiscal Year (FY) 2027, the cash flow need associated with Phase 1 is an estimated \$4,100,000. Staff has worked with Westlands Water District (Westlands) to draft an Advanced Funds Agreement, attached, which establishes the terms under which Westlands would advance \$4,100,000 to the Water Authority in FY 2027 to support cash flow requirements to initiate Phase 1.

The Westlands Board of Directors considered the Advanced Funds Agreement at its January 22, 2026 Board meeting, and authorized execution of the Agreement, included delegated authority to increase the \$4,100,000 amount if necessary.

Issue for Decision

Whether the Finance & Administration Committee should recommend, and the Board of Directors should authorize, execution of the Delta-Mendota Canal Subsidence Correction Project Advanced Funds Agreement.

Recommendation

Staff recommends authorizing execution of the proposed Advanced Funds Agreement.

Analysis

As noted above, the Water Authority has secured substantial state and federal funding for the DMC Subsidence Correction Project. Ultimately, SLDMWA intends to use the DWR grant funding or other non-reimbursable funding for repayment of the \$4,100,000 cash flow needs estimated for FY 2027.

The proposed Agreement would allow Westlands to provide the \$4,100,000 to the Water Authority on or about March 1, 2026. Repayment would extend over five years, beginning in 2028, net of applicable water delivery credits and subject to annual accounting true up. A fixed 4.35% per annum interest rate would apply to the advanced funds. Prepayment is allowed at any time without penalty.

The proposed Agreement provides a mechanism to bridge short-term funding needs without materially increasing OM&R rates in FY 2027, while preserving the expectation that the advanced funds will ultimately be repaid from non-reimbursable sources.

Budget Implications

Executing the proposed Agreement would have a beneficial impact on the FY 2027 budget. For FY 2028 – FY 2032, repayment of the advanced funds would require a payment of approximately \$970,500 annually.

Attachments

1. Draft DMC Subsidence Correction Project Advanced Funds Agreement
2. Exhibit A – Cash Flow Analysis
3. Exhibit B – Repayment Schedule

DELTA-MENDOTA SUBSIDENCE CORRECTION PROJECT – ADVANCED FUNDS AGREEMENT

This Advanced Funds Agreement (“**Agreement**”) is made and entered into by and among the San Luis & Delta-Mendota Water Authority (“**SLDMWA**”), a joint powers agency formed pursuant to California Government Code section 6500 et seq., and the Westlands Water District (“**WWD**”), a California water district formed pursuant to California Government Code section 34000 et seq., which are referred to herein individually as a “**Party**” and collectively as “**Parties.**”

RECITALS

WHEREAS, SLDMWA was created on or about January 1, 1992, to allow for the exercise of the common powers of SLDMWA member agencies and certain other powers authorized by law, including to perform extraordinary maintenance on Central Valley Project (“**CVP**”) facilities such as the Delta-Mendota Canal (“**DMC**”), to support the delivery of water for beneficial use; and

WHEREAS, pursuant to that certain January 14, 2020 Agreement to Transfer the Operation, Maintenance and Replacement and Certain Financial and Administrative Activities Related to the San Luis and Delta-Mendota Canals, Tracy Pumping and O’Neill Pumping/Generating Plant, San Luis Drain and Associated Works between the United States of America and the Water Authority, Contract No. 8-07-20-X0354, (“**Transfer Agreement**”), which obligates SLDMWA to provide operations, maintenance and replacement (“**OM&R**”) to project works including the DMC, and to develop a methodology to recover “**OM&R costs**,” as such term is defined in the Transfer Agreement, SLDMWA is required to include, and has consistently included, OM&R costs in its water rates; and

WHEREAS, the DMC Subsidence Correction Project would restore the lost conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings; and

WHEREAS, SLDMWA has been awarded \$47.6 million in non-reimbursable grant funding from the California Department of Water Resources (“**DWR**”) and \$204 million in reimbursable Infrastructure Investment and Jobs Act (“**IJA**”) funding¹, and anticipates being awarded additional non-reimbursable funding pursuant to the One Big Beautiful Bill Act to support the planning, designing, permitting, and construction of the DMC Subsidence Correction Project; and

WHEREAS, in May 2025, the SLDMWA Board of Directors adopted a phased approach for the DMC Subsidence Correction Project, which has been refined to include a “Phase 1” comprised of four defined tasks: (1) an approximate two-foot freeboard raise of the DMC between Jones Pumping Plant and the Delta-Mendota Canal/California Aqueduct Intertie, (2) sag area repairs, (3) panel repairs in the upper DMC, and (4) panel repairs in the lower DMC; and

¹ In order to utilize the IJA funding, SLDMWA must first negotiate and execute a repayment contract with the United States.

WHEREAS, in November 2025, the SLDMWA Board of Directors adopted cost allocation recommendations for each task included in Phase 1 of the DMC Subsidence Correction Project, and directed staff to pursue Phase 1, with a scheduled Board consideration of contract award in February 2027; and

WHEREAS, for SLDMWA's Fiscal Year ("FY") 2027, the cash flow need associated with Phase 1 is an estimated \$4,100,000, described in Exhibit "A" hereto, which SLDMWA will ultimately utilize the DWR grant funding or other non-reimbursable funding for repayment; and

WHEREAS, this Advanced Funds Agreement is being entered to provide the terms and conditions under which WWD will advance funds in the form of a loan for costs SLDMWA incurs in FY 2027 for Phase 1 of the DMC Subsidence Correction Project, to avoid a significant impact on FY 2027 OM&R rates.

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. **Effective Date.** This Agreement will be effective as of the date last signed by either of the Parties.
2. **Term.** The term of this Agreement commences on the effective date, and will continue until the advanced funds (the "**Loan Amount**"), plus any accrued interest as described below, are repaid in accordance with the repayment schedule set forth in Exhibit "B" hereto.
3. **Prepayment; Extensions.** The Loan Amount provided below may be prepaid by SLDMWA at any time without penalty. In addition, the repayment schedule set forth in Exhibit "B" may be extended by mutual written agreement of the Parties at any time and for any reason. If the repayment schedule is extended, Exhibit "B" of this Agreement will be amended accordingly.
4. **Loan Amount.** To provide for the initial funding needs for Phase 1 of the DMC Subsidence Correction Project, WWD will provide \$4,100,000 to SLDMWA on March 1, 2026, as a payment in advance of future extraordinary OM&R Costs payable to SLDMWA in accordance with the Transfer Agreement.
5. **Repayment of Loan Amount.** As set forth in Exhibit "B" hereto, SLDMWA will repay the Loan Amount annually beginning February 28, 2028, through five (5) equal annual payments of principal and interest, net of amounts credited through each FY for water deliveries to the benefit of WWD. The repayment amounts by contractor will be subject to true-up based on SLDMWA final accounting exercises for each water year this obligation is outstanding. Interest will be calculated based on a 365-day year and actual days elapsed, at a fixed rate of 4.35% per annum.

6. No Admission of Liability. This Agreement is entered into solely for the purpose of establishing the Parties respective rights and responsibilities with respect to the Loan Amount for Phase 1 of the DMC Subsidence Correction Project. Nothing in this Agreement shall be construed as an admission of liability, responsibility, fault, or wrongdoing by any Party for the subsidence requiring the DMC Subsidence Correction Project. Each Party expressly denies any such liability, fault, or wrongdoing, and nothing in this Agreement or in the negotiations leading to it shall be deemed or interpreted as evidence of any such admission.

7. Party Representatives and Notices. Each Party's designated representative for administration of this Agreement and receipt of notices is identified below ("**Party Representatives**"). All notices or other communications provided for by the Agreement must be in writing and shall be hand-delivered or mailed. United States first-class postage prepaid, or electronic mail followed by written notice sent by U.S. mail and addressed as follows:

<u>SLDMWA</u>	<u>WWD</u>
Federico Barajas, Executive Director San Luis & Delta-Mendota Water Authority P.O. Box 2157 Los Banos, CA 93635 E-mail: federico.barajas@sldmwa.org Phone: (209) 826-9696	Allison Febbo, General Manager Westlands Water District P.O. Box 5199 Fresno, CA 93755 Email: afebbo@wwd.ca.gov Phone: (559) 224-1523

Notice shall be deemed given (a) two (2) calendar days following mailing via regular or certified mail, return receipt requested, (b) one (1) business day after deposit with any one-day delivery service assuring "next day" delivery, (c) upon actual receipt of notice, or (d) upon transmission, if by facsimile, whichever is earlier. A Party may change its address for notices under the Agreement by giving notice as provided herein.

8. Amendment and Modification. This Agreement may be amended or modified only by a subsequent writing, approved and signed by both Parties.

9. Dispute Resolution. In the event of any dispute regarding this Agreement, the Parties shall endeavor to resolve the dispute by meeting within thirty (30) days after the request of a Party. If the dispute is unresolved, the Parties shall use the service of a mutually acceptable consultant in an effort to resolve the dispute and share the fees and expenses of the consultant equally. If a consultant cannot be agreed upon, or if the consultant's recommendations are not acceptable to the Parties, the matter may be resolved by litigation and any Party may, at its option, pursue any available legal remedy at law or equity.

10. Entire Agreement. This Agreement, including the Exhibits hereto, constitutes the sole, entire, integrated, and exclusive agreement between the Parties regarding the contents herein. Any other contracts, agreements, terms, understandings, promises, or representations not expressly set forth or referenced in this writing are null and void and of no force and effect.

*** *Signature page follows* ***

DRAFT

IN WITNESS WHEREOF, the Parties execute this Agreement on the date set forth below.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

WESTLANDS WATER DISTRICT

By: _____

By: _____

Federico Barajas
Executive Director

Allison Febbo
General Manager

Date: _____

Date: _____

DRAFT

EXHIBIT A

[INSERT CASH FLOW ANALYSIS]

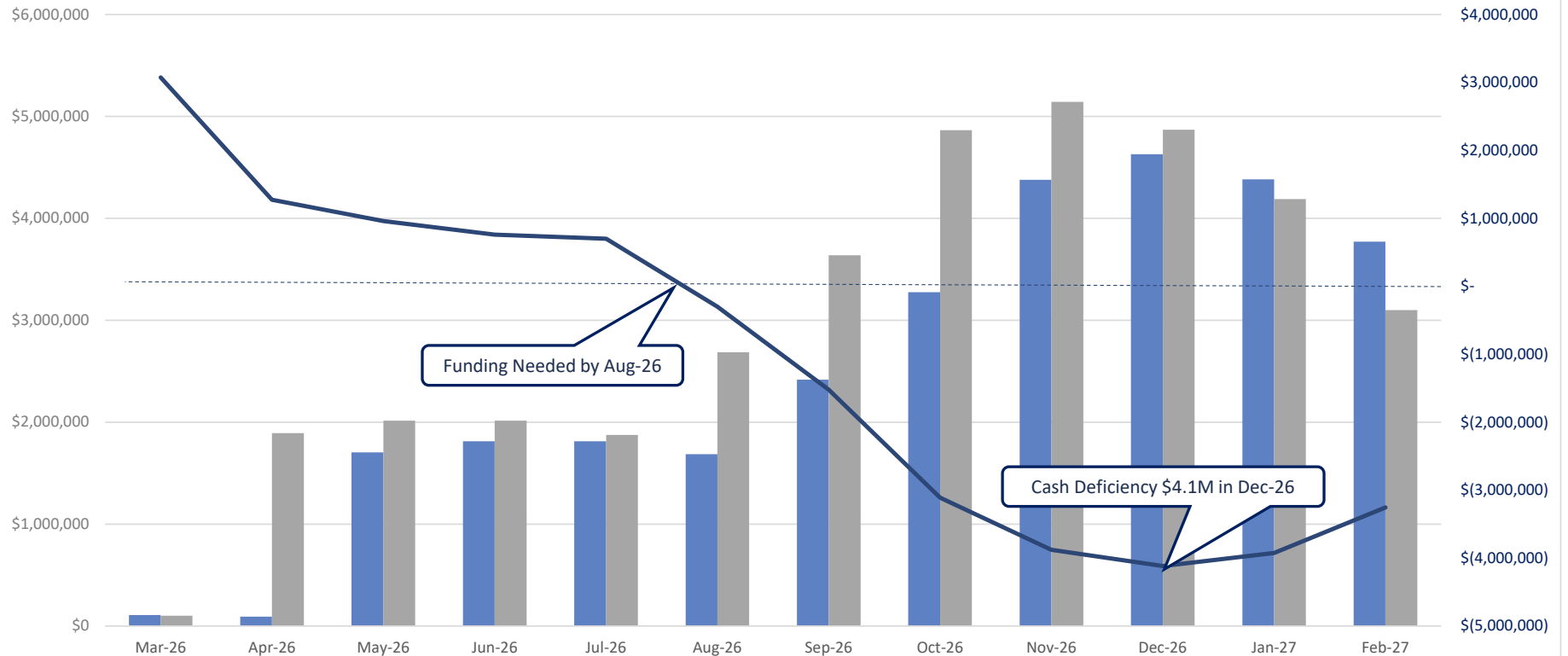
DRAFT

San Luis Delta-Mendota Water Authority
Projected Cash Flow
FY2027

FY2027				End Q1 FY27				End Q2 FY27				End Q3 FY27				End Q4 FY27				Total Cash Sources and Uses
Monthly Reimbursement from DWR w/10% retention				Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27					
BEGINNING CASH BALANCE*				\$ 3,068,285	\$ 3,074,110	\$ 1,272,945	\$ 961,836	\$ 760,399	\$ 698,913	\$ (300,176)	\$ (1,521,540)	\$ (3,111,562)	\$ (3,876,441)	\$ (4,116,475)	\$ (3,924,005)					
CASH SOURCES	Sldmwa	Funding Max	Remaining																	
Water Authority Internal Funding	\$ 3,061,229			-	-	-	-	-	-	-	-	-	-	-	-	-				
DWR Grant Reimbursement		\$ 45,200,000	\$ 34,556,336	107,325	91,350	1,703,264	1,812,935	1,812,935	1,686,979	2,417,461	3,274,943	4,378,469	4,629,013	4,382,142	3,770,704	30,067,519				
BIL Funding - FY23		\$ 25,000,000		-	-	-	-	-	-	-	-	-	-	-	-	-				
BIL Funding - FY24		\$ 50,000,000		-	-	-	-	-	-	-	-	-	-	-	-	-				
BIL Funding - FY25		\$ 204,000,000		-	-	-	-	-	-	-	-	-	-	-	-	-				
Other Funding Source				-	-	-	-	-	-	-	-	-	-	-	-	-				
TOTAL CASH SOURCES	\$ 3,061,229	\$324,200,000	\$ 34,556,336	107,325	91,350	1,703,264	1,812,935	1,812,935	1,686,979	2,417,461	3,274,943	4,378,469	4,629,013	4,382,142	3,770,704	30,067,519				
TOTAL CASH AVAILABLE				\$ 3,175,610	\$ 3,165,460	\$ 2,976,209	\$ 2,774,771	\$ 2,573,334	\$ 2,385,892	\$ 2,117,285	\$ 1,753,403	\$ 1,266,906	\$ 752,571	\$ 265,667	\$ (153,300)					
CASH EXPENDITURES	Budget	Remaining	Current A/P																	
Program Management				101,500	186,500	308,357	308,357	328,357	187,245	187,245	187,245	192,245	187,245	187,245	187,245	2,548,788				
Task 1				-	927,652	927,652	927,652	1,101,818	1,781,193	2,460,568	3,139,943	3,139,943	2,460,568	1,781,193	1,101,818	19,750,000				
Task 2				-	778,364	778,364	778,364	444,247	717,629	991,012	1,537,777	1,811,159	2,221,233	2,221,233	1,811,159	14,090,540				
TOTAL CASH EXPENDITURES		-	-	101,500	1,892,516	2,014,372	2,014,372	1,874,421	2,686,068	3,638,825	4,864,965	5,143,348	4,869,046	4,189,671	3,100,223	36,389,327				
ENDING CASH BALANCE				\$ 3,074,110	\$ 1,272,945	\$ 961,836	\$ 760,399	\$ 698,913	\$ (300,176)	\$ (1,521,540)	\$ (3,111,562)	\$ (3,876,441)	\$ (4,116,475)	\$ (3,924,005)	\$ (3,253,523)					

* Starting with \$3.06M Cash Balance
* FY27 Peak Cash Deficiency of \$4.1M occurs in Dec 2026

DMC Projected Cash Flow FY2027



	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27
Total Cash Sources	107,325	91,350	1,703,264	1,812,935	1,812,935	1,686,979	2,417,461	3,274,943	4,378,469	4,629,013	4,382,142	3,770,704
Total Cash Expenditures	101,500	1,892,516	2,014,372	2,014,372	1,874,421	2,686,068	3,638,825	4,864,965	5,143,348	4,869,046	4,189,671	3,100,223
Ending Cash Balance	\$3,074,110	\$1,272,945	\$961,836	\$760,399	\$698,913	\$(300,176)	\$(1,521,540)	\$(3,111,562)	\$(3,876,441)	\$(4,116,475)	\$(3,924,005)	\$(3,253,523)

*Starting cash balance \$3.06M

** FY27 Peak Cash Deficiency of \$4.1M occurs in Dec 2026

EXHIBIT B

[INSERT REPAYMENT SCHEDULE]

DRAFT

Proposed Westlands Water District Funding Proposal for San Luis Delta-Mendota Water Authroity
Repayment Schedule

Rate: 4.3500%
Principal: \$ 4,100,000.00
First Year (2027) Interest: \$ 178,350.00
Balance to Amortize: \$ 4,278,350.00

TERM: 5 Years

		Payment	Interest	Principal	Balance	Estimated WWD's Allocable Share of Payment @ 43.98%	Estimated Others' Allocable Share of Payment @ 56.02%
1	2028	\$ 970,502.28	\$ 186,108.23	\$ 784,394.06	\$ 3,493,955.95	\$ 426,826.90	\$ 543,675.38
2	2029	\$ 970,502.28	\$ 151,987.08	\$ 818,515.20	\$ 2,675,440.75	\$ 426,826.90	\$ 543,675.38
3	2030	\$ 970,502.28	\$ 116,381.67	\$ 854,120.61	\$ 1,821,320.14	\$ 426,826.90	\$ 543,675.38
4	2031	\$ 970,502.28	\$ 79,227.43	\$ 891,274.85	\$ 930,045.29	\$ 426,826.90	\$ 543,675.38
5	2032	\$ 970,502.26	\$ 40,456.97	\$ 930,045.29	\$ (0.00)	\$ 426,826.89	\$ 543,675.37
	Total	\$ 4,852,511.38	\$ 574,161.38	\$ 4,278,350.00		\$ 2,134,134.50	\$ 2,718,376.88

** WY12-WY21

**Average Reserve Volume for rate component: 1,764,015

Reserve Rate component: \$0.55 per acre-foot for 5 Years
(payment/avg Volume)



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Finance & Administration Committee, Alternates
SLDMWA Board of Directors, Alternates

From: Pablo Arroyave, Chief Operating Officer
Ray Tarka, Director of Finance

Date: February 2, 2026

RE: Finance & Administration Committee Recommendation / Board Approval of Water Year 2026 OM&R Water Rates

Background

Following standard practice, in December, staff requested south-of-Delta CVP contractors, member agencies, to submit their anticipated Water Year (WY) 2026 deliveries to identify delivery volumes through the various cost pools of the transferred works on which to calculate the self-funding rates. The projections were requested to be reported under two allocation scenarios: 25%, and 50% for agricultural contractors. In addition, staff included 25% “minimum participation” for CVP contractors whose survey response was below their contractual participation amount. The inclusion of the minimum participation added 13,860 acre-feet (AF) to the delivery base at 25%, and 13,206 AF to the delivery base at 50%.

Costs to be recovered through the WY2025 OM&R water rate include: (1) FY2027 Self-Funding OM&R budget of \$20,202,798, (2) FY2027 EO&M budget of \$6,201,354, (3) FY2027 Debt Service on repayment agreements for the Jones Pumping Plant Rewinds of Units 6, 5, and 3, of \$255,239, \$266,714, and \$332,869 respectively, (4) FY2027 Debt Service on the Series 2021A bonds of \$452,157, and (5) unbudgeted FY2027 pass-thru costs for Project Use Energy of \$28,186,164, San Luis Joint Use of \$18,397,000, and DWR conveyance fees associated with the use of the Intertie estimated at \$4,801,020.

Following the three-year historical average volume pumped through the Intertie facility, a volume of 150,000 acre-feet applied to the current DWR wheeling rate charged for water conveyance to the O’Neill Forebay from the Intertie was used to calculate this cost. The FY2027 costs associated with each cost pool have been identified in the self-funding budget.

Issue for Decision

Whether the Finance & Administration Committee should recommend, and the Board should approve, Water Year 2026 OM&R water rates that assume a 25% or 50% agricultural contractor allocation.

Recommendation

Staff recommends approval of Water Year 2026 OM&R water rates assuming a 25% agricultural contractor allocation and member-reported anticipated deliveries with minimum participation volumes included. (Attachment 1.) Staff also recommends approval of the Water Year 2026 OM&R water rates assuming a 50% agricultural contractor allocation and member-reported anticipated deliveries with minimum participation volumes included, to become effective immediately in the event the Bureau of Reclamation increases the

agricultural contractor allocation to 50% or higher. (Attachment 2.)

Analysis

At the end of December 2025, members provided staff with their anticipated water deliveries for Water Year 2026 under the requested allocation scenarios in sufficient detail to include other sources of water beyond their expected contractual allocation. This included anticipated transfers between members, pumped in water, carryforward water from prior water years and water acquired through other activity agreements among members and non-members.

As in prior years, the anticipated delivery information provided by members was entered into a delivery assumption model that segregated and summed the volumes by cost pool. In addition, staff followed the direction of the Board to include minimum participation amounts in the model, where applicable.

Under the SLDMWA OM&R Cost Recovery Plan, minimum participation amounts include 25% of an Irrigation Water Contractor's maximum contractual entitlement in years when the contractor's total deliveries are below 25%.

The summed deliveries by cost pool were used as the numerator in the equation to determine the rate component per cost pool. The exercise was repeated for both allocation scenarios to derive an estimated cost per acre foot in each cost pool. These costs were then aggregated by delivery area to arrive at Water Year 2026 Water Rates. The results of those calculations are as follows:

	<u>ILLUSTRATIVE</u> <u>WY2025 Rate</u> 3/1/26-2/28/27	<u>Approved Rate</u> 3/1/25-2/28/26	
	<u>AMENDED MOU</u> WY2026	<u>AMENDED MOU (R2)</u> WY25 R2	Variance
WATER SUPPLY			
Irrigation	25%	55%	-30%
M&I	75%	80%	-5%
Refuge	100%	100%	0%
Exchange/Water Rights	100%	100%	0%
RATES			
Upper DMC	\$27.84	\$24.36	\$3.48
Upper DMC - Exchange/Wtr Rts	\$22.92	\$21.21	\$1.71
Mendota Pool Only	\$0.68	\$0.57	\$0.11
Lower DMC Only	\$29.24	\$25.75	\$3.49
Lower DMC/Pool	\$29.92	\$26.32	\$3.60
Lower DMC - Exchange/Wtr Rts	\$24.32	\$22.60	\$1.72
Lower DMC/Pool - Exchange/Wtr Rts	\$25.00	\$23.17	\$1.83
San Felipe	\$35.25	\$28.53	\$6.72
SLC Above Dos Amigos	\$60.27	\$43.88	\$16.39
SLC Below Dos Amigos	\$74.96	\$51.09	\$23.87
Volta Wells	\$14.52	\$13.26	\$1.26
San Luis Drain	\$0.36	\$0.21	\$0.15

Delivery Volumes through O'Neill
(Direct and Storage)

1,865,811

2,214,895

(349,085)

	<u>ILLUSTRATIVE</u> <u>WY2025 Rate</u> 3/1/26-2/28/27	<u>Approved Rate</u> 3/1/25-2/28/26	
	<u>AMENDED MOU</u> WY2026	<u>AMENDED MOU (R2)</u> WY25 R2	Variance
WATER SUPPLY			
Irrigation	50%	55%	-5%
M&I	75%	80%	-5%
Refuge	100%	100%	0%
Exchange/Water Rights	100%	100%	0%
RATES			
Upper DMC	\$23.06	\$24.36	(\$1.30)
Upper DMC - Exchange/Wtr Rts	\$19.32	\$21.21	(\$1.89)
Mendota Pool Only	\$0.66	\$0.57	\$0.09
Lower DMC Only	\$24.44	\$25.75	(\$1.31)
Lower DMC/Pool	\$25.10	\$26.32	(\$1.22)
Lower DMC - Exchange/Wtr Rts	\$20.70	\$22.60	(\$1.90)
Lower DMC/Pool - Exchange/Wtr Rts	\$21.36	\$23.17	(\$1.81)
San Felipe	\$27.87	\$28.53	(\$0.66)
SLC Above Dos Amigos	\$44.28	\$43.88	\$0.40
SLC Below Dos Amigos	\$53.90	\$51.09	\$2.81
Volta Wells	\$14.52	\$13.26	\$1.26
San Luis Drain	\$0.23	\$0.21	\$0.02

Delivery Volumes through O'Neill
(Direct and Storage)

2,210,367

2,214,895

(4,529)

Attachments

1. PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%
2. PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

ATTACHMENT 1



San Luis & Delta-Mendota Water Authority

FAC 02/02/2026 BOD 02/05/2026

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%

1

Notes to Support the discussion on Proposed WY26 O&M Rates under new MOU

1 O&M Budget - Self Funded

WY26 - Fiscal Year 3/1/26-2/28/27

RO&M \$ 20,848,553 TOTAL, \$20,202,798 SLDMWA Water Users, \$ 645,755 USBR

1 EO&M \$ 5,358,368 - includes indirect, Additional CIP Water User Funding \$ 842,986

ADDED ADDITIONAL COST POOLS FOR LOWER DMC, MENDOTA POOL, INTERTIE VARIABLE COSTS

INTERTIE O&M COSTS INCLUDED IN UPPER COST POOL

2 Delivery Assumptions

Ag - Contractor Estimates, 25%, with Contractor projections

M&I - Contractor Estimates, 75%, with Contractor projections

Refuge - 100% used BOR Refuge Estimate

Exchange/Water Rights - 100%

Estimated Rescheduled Water

Pump-Ins

Miscellaneous Transfers

Mendota Pool Pumpers

Volta Well Pumping

3 Intertie

Intertie RO&M included in Upper Rate for WY26

Intertie FY27 O&M Budget: \$ 651,675

Intertie DWR Wheeling charges for WY26 -Per Prior 3 year trend- estimated at 150,000 A-F

@ DWR FY26/WY25 rate of \$32.66 (net of 2% loss) \$4,801,020 **not applicable to ECIFWA due to allocation exceeding 5%**

4 Volta Wells

Volta Wells Program estimated at 2,400 a/f - Costs split between DPWD and SLWD

5 PUE SLDMWA Meters

WY26 PUE estimates based on BOR PUE FYE 9/8/25 Billing Plan

PUE Budget relating to WY25- FY 3/1/25- 2/28/26 = \$30,360,000

PUE Budget relating to WY26- FY 3/1/26- 2/28/27 = \$28,186,164

6 DWR San Luis Joint Use

WY26 SLJU costs based on DWR 2025 Calendar Year Budget Estimates & Historical Actuals

SLJU Budget relating to WY25 - FY 3/1/25- 2/28/26 = \$18,397,000

SLJU Budget relating to WY26- FY 3/1/26- 2/28/27 = \$18,397,000 (SALY)

Federal cost allocation for 2025-2026= 37.67%

7 EO&M Funding

Funding Obligation:

1 EO&M Funding Obligation WY26 FY 3/1/26 - 2/28/27 = \$5,358,368, CIP Funding Obligation =	\$	842,986	\$	6,201,354
Revised Rewind Debt Service Funding Obligation-BOR Repayment Contract Unit 6 WY26 FY 3/1/26-2/28/27 =	\$		\$	255,239
Revised Rewind Debt Service Funding Obligation-BOR Repayment Contract Unit 5 WY26 FY 3/1/26-2/28/27 =	\$		\$	266,174
Revised Rewind Debt Service Funding Obligation-BOR Repayment Contract Unit 3 WY26 FY 3/1/26-2/28/27 =	\$		\$	332,869
Rewind Debt Service Funding Obligation-2021A Bonds WY26 FY 3/1/26-2/28/27 =	\$		\$	452,157
DMC Subsidence Phase 1 CIP Obligation	\$		\$	-

8 Overall increase in Estimated Recoverable Costs over Prior Year.

Total Estimated Recoverable Costs in Water Year 2025 = \$ 83,352,475

Total Estimated Recoverable Costs in Water Year 2026 = \$ 79,094,775



San Luis & Delta-Mendota Water Authority

2

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%

FAC 02/02/2026 BOD 02/05/2026

RATE COMPARISON TO BOD Approved WY25 RATES

	<u>ILLUSTRATIVE WY2025</u> Rate 3/1/26-2/28/27 <u>AMENDED MOU</u> WY2026	<u>Approved Rate</u> 3/1/25-2/28/26 <u>AMENDED MOU (R2)</u> WY25 R2	Variance
WATER SUPPLY			
Irrigation	25%	55%	-30%
M&I	75%	80%	-5%
Refuge	100%	100%	0%
Exchange/Water Rights	100%	100%	0%
RATES			
Upper DMC	\$27.84	\$24.36	\$3.48
Upper DMC - Exchange/Wtr Rts	\$22.92	\$21.21	\$1.71
Mendota Pool Only	\$0.68	\$0.57	\$0.11
Lower DMC Only	\$29.24	\$25.75	\$3.49
Lower DMC/Pool	\$29.92	\$26.32	\$3.60
Lower DMC - Exchange/Wtr Rts	\$24.32	\$22.60	\$1.72
Lower DMC/Pool - Exchange/Wtr Rts	\$25.00	\$23.17	\$1.83
San Felipe	\$35.25	\$28.53	\$6.72
SLC Above Dos Amigos	\$60.27	\$43.88	\$16.39
SLC Below Dos Amigos	\$74.96	\$51.09	\$23.87
Volta Wells	\$14.52	\$13.26	\$1.26
San Luis Drain	\$0.36	\$0.21	\$0.15

Delivery Volumes through O'Neill
(Direct and Storage)

1,865,811

2,214,895

(349,085)



San Luis & Delta-Mendota Water Authority
FAC 02/02/2026 BOD 02/05/2026
PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%

COST POOLS	SLDMWA ANNUAL O&M and POWER								SLDMWA		SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLJU		TOTAL
	UPPER	UPPER	JPP PWR	VOLTA	Mendota Pool	Lower DMC	Lower DMC/ Mendota Pool	O'NEILL P/G		RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	DWR COSTS		POWER	
	Upper DMC/DCI JPP O&M	Intertie Variable		WELLS				O'Neill O&M & PWR		EO&M & CIP	Unit 6 Rewind BOR Repayment	Unit 5 Rewind BOR Repayment	Unit 3 Rewind BOR Repayment	Two Rewind Units 2021A Bonds	DMC Subsidence Correction Phase 1	San Luis Canal O&M	Dos Amigos O&M	Dos Amigos Power	
PARTICIPANTS	All Users	All Users Excludes Exchange Cont. and Water Rights and Water Rights when Ag Alloc > 5%	All Users (Actual Pumping Only)	DPWD	MP Only	Lower Only	LowerDMC & MP Users	All Users		All Users	All Users	All Users	All Users	All Users Excludes FWA	All Users Excludes FWA	All SLJU Users	Dos Amigos Users	Dos Amigos Users	
				SLWD				"Direct"	"Storage"										
COSTS TO BE ALLOCATED**	\$11,999,366	\$5,136,609	\$19,930,028	\$34,851	\$1,386,343	\$2,878,949	\$4,265,291	\$6,177,571	\$1,544,393	\$6,201,354	\$255,239	\$266,174	\$332,869	\$452,157	\$0	\$14,093,534	\$3,997,918	\$4,220,361	\$78,907,715
ACRE FEET	1,819,166	1,137,165	1,778,129	2,400	58,499	973,683	1,032,182	707,200	1,158,611	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	563,424	559,798	559,798	
RATE PER AF	\$6.59	\$4.52	\$11.21	\$14.52	\$0.68	\$1.40	\$2.08	\$8.74	\$1.33	\$3.33	\$0.14	\$0.14	\$0.18	\$0.40	\$0.00	\$25.02	\$7.15	\$7.54	
	A	Aa	B	C	D	E	F	G	H	I	J	K	L	M	Q	N	O	P	

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR		
Upper DMC	\$27.84	A+Aa+B+H+I+J+K+L+M+Q
Exchange/Wtr Rts (Upper)	\$22.92	A+B+H+I+J+K+L Excludes Intertie VC & 2021A Bonds Reserve
Lower DMC/Pool	\$29.92	A+Aa+B+F+H+I+J+K+L+M+Q
Lower DMC	\$29.24	A+Aa+B+E+H+I+J+K+L+M+Q
Pool Only	\$0.68	D
San Felipe	\$35.25	A+Aa+B+G+I+J+K+L+M+Q
San Luis Canal Above Dos Amigos	\$60.27	A+Aa+B+G+I+J+K+L+M+N+Q
San Luis Canal Below Dos Amigos	\$74.96	A+Aa+B+G+I+J+K+L+M+N+O+P+Q
Exchange/Wtr Rts (Lower)	\$24.32	A+B+E+H+I+J+K+L Excludes Intertie VC & 2021A Bonds Reserve
Refuge (Lower)	\$29.24	A+Aa+B+E+H+I+J+K+L+M+Q
Volta Wells	\$14.52	C
San Luis Drain	\$0.36	\$187,059

	Direct	Storage
O&M = \$4.20		O&M = \$.64
O&M DWR = \$.35		O&M DWR = \$.05
Pwr = \$4.19		Pwr = \$.64
O&M	\$4.20	\$0.64
DWR	0.35	\$0.05
PUE	4.19	\$0.64
	\$8.74	\$1.33

SLC CIP O&M-DWR SLC / Dos Amigos		\$	5.00
SLD			\$187,059
Total Budget			<u>\$79,094,774</u>
WATER SUPPLY ASSUMPTIONS			
Irrigation	25%		
M&I	75%		
Refuge	100%		
Ex/Wtr Rts	100%		
Note: Supply assumptions are based on contractor estimates			

**COSTS TO BE ALLOCATED			\$	4.20
				0.64
		included in \$		
O&M Budget per above -(excludes Volta Wells O&M)	\$24,781,907	\$	3,716,230.00	\$ 2,972,984.00
Required Reserve Funding	\$6,201,354			\$ 743,246.00
Rewind Reserve Funding -Debt Service Unit 6 BOR Rpm Contract	\$255,239			\$ 3,716,230.00
Rewind Reserve Funding (Est) -Debt Service Unit 5BOR Rpm Contract	\$266,174			
Rewind Reserve Funding (Est) -Debt Service Unit 3BOR Rpm Contract	\$332,869			
Rewind Reserve Funding -2021A Bonds	\$452,157			
San Luis Drain	\$187,059			
Volta Wells -DPWD/SLWD	\$34,851			
POWER				
JPP	\$19,930,028			
Intertie	\$335,589			\$ 4.19
Volta Wells	\$0			0.64
O'Neill	\$3,700,186	\$23,965,803	\$ 3,700,186.00	\$ 2,960,148.80
SAN LUIS JOINT USE				\$ 740,037.20
DWR - San Luis Canal O&M	\$14,093,534			\$ 3,700,186.00
DWR - Dos Amigos O&M	\$3,997,918			
DWR - O'Neill	\$305,548	\$	305,547.64	\$ 244,438.11
POWER				\$ 61,109.53
				\$ 305,547.64
Dos Amigos				\$4,220,361
Total				\$79,094,774
DCI Wheeling 150,000 A-F at Current DWR Rate (net of 2% loss)				\$4,801,020

Intertie Conveyance	\$	4.22
Intertie PUE	\$	0.30
	\$	4.52

O'Neill Split
80%/20%

80% O'Neill Direct
20% O'Neill Storage

	PUE	SLJU
	\$28,186,164	\$18,397,000
check	\$ -	
Column W Total less Line 69 Total		\$187,059
San Luis Drain		\$187,059
		\$0



San Luis & Delta-Mendota Water Authority

4

FAC 02/02/2026 BOD 02/05/2026
PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%
Self-Funding O&M Budget Comparison WY26/WY25

	RO&M	EO&M Self-Funding Reserve Obligation	DMC Subsidence Phase 1 Self-Funding Reserve Obligation	Self-Funding PUE	Self-Funding SLJU	Volta Wells (DPWD & SLWD Only)	Intertie DWR Conveyance	TOTALS
WY26BUDGET	\$ 20,167,947	\$ 7,507,793	\$ -	\$ 28,186,164	\$ 18,397,000	\$ 34,851	\$ 4,801,020	\$ 79,094,775
WY25 BUDGET	\$ 19,199,895	\$ 10,162,875	\$ -	\$ 30,360,000	\$ 19,597,045	\$ 31,810	\$ 4,000,850 a)	\$ 83,352,475
Variance	\$ 968,052	\$ (2,655,082)	\$ -	\$ (2,173,836)	\$ (1,200,045)	\$ 3,041	\$ 800,170	\$ (4,257,701)
	*	*	*	*	*	*	*	

* Included in O&M Rate Calculations

O&M
 Reserve Obligations
 Project Use Energy (PUE)
 San Luis Joint Use (SLJU)
 Volta Wells (DPWD & SLWD only)
 Intertie DWR Conveyance



SLDMWA - WY 2026 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%

Rates based on the following
WY26 Supply Assumptions:

AG 25%
M & I 75%
Refuge 100%
Exchange/Water Rights 100%
Adjustments to Base Supplies Include:
Rescheduled Water
Transfers
Exchanges
Pump Ins

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR		
Upper DMC	\$27.84	A+Aa+B+H+I+J+K+L+M
Exchange/Wtr Rts (Upper)	\$22.92	A+B+H+I+J+K+L
Lower DMC/Pool	\$29.92	A+Aa+B+F+H+I+J+K+L+M
Lower DMC	\$29.24	A+Aa+B+E+H+I+J+K+L+M
Pool Only	\$0.68	D
San Felipe	\$35.25	A+Aa+B+G+I+J+K+L+M
San Luis Canal Above Dos Amigos	\$60.27	A+Aa+B+G+I+J+K+L+M+N
San Luis Canal Below Dos Amigos	\$74.96	A+Aa+B+G+I+J+K+L+M+N+O+P
Exchange/Wtr Rts Lower DMC	\$24.32	A+B+E+H+I+J+K+L
Exchange/Wtr Rts Lower DMC/POOL	\$25.00	A+B+F+H+I+J+K+L
Refuge (Lower)	\$29.24	A+Aa+B+E+H+I+J+K+L+M
Volta Wells	\$14.52	C
San Luis Drain	\$0.36	

	SLDMWA ANNUAL O&M and POWER									SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLJU		TOTAL	
COST POOLS	UPPER	UPPER	JPP PWR	VOLTA			Lower DMC/ Mendota Pool	O'NEILL P/G		RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	DWR COSTS		POWER	
	Upper DMC/DCI	Intertie Variable		WELLS	Mendota Pool	Lower DMC		O'Neill O&M & PWR	EO&M & CIP	Unit 6 Rewind BOR Repayment	Unit 5 Rewind BOR Repayment	Unit 3 Rewind BOR Repayment	Two Rewind Units 2021A Bonds	San Luis Canal	Dos Amigos O&M	Dos Amigos Power		
	JPP O&M													O&M	O&M	Power		
PARTICIPANTS	All Users	All Users Excludes Exchange Cont.	All Users (Actual Pumping Only)	DPWD SLWD	MP Only	Lower Only	LowerDMC & MP Users	All Users		All Users	All Users	All Users	All Users	All Users Excludes Exchange Cont. and Water Rights	All SLJU Users	Dos Amigos Users	Dos Amigos Users	
								"Direct"	"Storage"									
COSTS TO BE ALLOCATED**	\$11,999,366	\$5,136,609	\$19,930,028	\$34,851	\$1,386,343	\$2,878,949	\$4,265,291	\$6,177,571	\$1,544,393	\$6,201,354	\$255,239	\$266,174	\$332,869	\$452,157	\$14,093,534	\$3,997,918	\$4,220,361	\$78,907,715
ACRE FEET	1,819,166	1,137,165	1,778,129	2,400	58,499	973,683	1,032,182	707,200	1,158,611	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	563,424	559,798	559,798	
RATE PER AF	\$6.59	\$4.52	\$11.21	\$14.52	\$0.68	\$1.40	\$2.08	\$8.74	\$1.33	\$3.33	\$0.14	\$0.14	\$0.18	\$0.40	\$25.02	\$7.15	\$7.54	
A Aa B C D E F G H I J K L M N O P																		

Subject to Rounding



San Luis & Delta-Mendota Water Authority

FAC 02/02/2026 BOD 02/05/2026

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 25%

WY26 - Other Deliveries - Adjusted Rates

6

1		
Pumped in Upper DMC		
Upper DMC	\$6.59	A
Intertie Variable	\$4.52	Aa
O'Neill Storage	\$1.33	H
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
Delivered Upper DMC	\$16.63	
Check 13 and Above		

2		
Pumped in Upper DMC		
Upper DMC	\$6.59	A
Intertie Variable	\$4.52	Aa
Lower DMC	\$1.40	E
O'Neill Storage	\$1.33	H
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
Delivered Lower DMC	\$18.03	
Below Check 13		

3		
Pumped in Upper DMC		
Upper DMC	\$6.59	A
Intertie Variable	\$4.52	Aa
O'Neill Direct	\$8.74	G
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
Delivered San Felipe	\$24.04	

4		
Pumped in Upper DMC		
Upper DMC	\$6.59	A
Intertie Variable	\$4.52	Aa
Mendota Pool	\$0.68	D
Lower DMC	\$1.40	E
O'Neill Storage	\$1.33	H
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
Delivered MP	\$18.71	

5		
Pumped in Upper DMC		
Upper DMC	\$6.59	A
Intertie Variable	\$4.52	Aa
O'Neill Direct	\$8.74	G
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
San Luis Canal O & M	\$25.02	N
Delivered SLC (ADA)	\$49.06	

6		
Pumped in Upper DMC		
Upper DMC	\$6.59	A
Intertie Variable	\$4.52	Aa
O'Neill Direct	\$8.74	G
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
San Luis Canal O & M	\$25.02	N
Dos Amigos O & M	\$7.15	O
Dos Amigos Power	\$7.54	P
Delivered SLC (BDA)	\$63.75	

7		
Pumped in Lower DMC		
O'Neill Storage	\$1.33	H
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
Lower DMC	\$1.40	E
Delivered Lower DMC	\$6.92	
Below Check 13		

8		
Pumped in Lower DMC		
O'Neill Storage	\$1.33	H
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
Lower DMC	\$1.40	E
Mendota Pool	\$0.68	D
Delivered Lower Mendota Pool	\$7.60	

9		
Pumped in Lower DMC		
O'Neill Direct	\$8.74	G
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
San Luis Canal O & M	\$25.02	N
Exchanged & Delivered SLC ADA	\$37.95	

10		
Pumped in Lower DMC		
O'Neill Direct	\$8.74	G
Reserves	\$3.33	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.14	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.14	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.18	L
Reserves - 2021 A Bonds	\$0.40	M
San Luis Canal O & M	\$25.02	N
Dos Amigos O & M	\$7.15	O
Dos Amigos Power	\$7.54	P
Exchanged & Delivered SLC BDA	\$52.64	

11		
WY26 Facility Use Fee		
	\$5.00	

12		
Flows/Pumped In at MP, delivered MP		
Mendota Pool	\$0.68	D
Delivered MP	\$0.68	

13		
Picked up @ O'Neill		
O'Neill Storage	1.33	H
Reserves	3.33	I
Reserves - Unit 6 Rewind BOR Repayment	0.14	J
Reserves - Unit 5 Rewind BOR Repayment	0.14	K
Reserves - Unit 3 Rewind BOR Repayment	0.18	L
Reserves - 2021 A Bonds	0.40	M
Lower DMC	1.40	E
Delivered Lower DMC	\$6.92	

14		
Picked up @ O'Neill		
Mendota Pool	0.68	D
Lower DMC	1.40	E
O'Neill Storage	1.33	H
Reserves	3.33	I
Reserves - Unit 6 Rewind BOR Repayment	0.14	J
Reserves - Unit 5 Rewind BOR Repayment	0.14	K
Reserves - Unit 3 Rewind BOR Repayment	0.18	L
Reserves - 2021 A Bonds	0.40	M
Delivered Mendota Pool	\$7.60	

15		
Picked up @ O'Neill		
O'Neill Direct	8.74	G
Reserves	3.33	I
Reserves - Unit 6 Rewind BOR Repayment	0.14	J
Reserves - Unit 5 Rewind BOR Repayment	0.14	K
Reserves - Unit 3 Rewind BOR Repayment	0.18	L
Reserves - 2021 A Bonds	0.40	M
Delivered San Felipe	\$12.93	

16		
Picked up @ O'Neill		
O'Neill Direct	8.74	G
Reserves	3.33	I
Reserves - Unit 6 Rewind BOR Repayment	0.14	J
Reserves - Unit 5 Rewind BOR Repayment	0.14	K
Reserves - Unit 3 Rewind BOR Repayment	0.18	L
Reserves - 2021 A Bonds	0.40	M
San Luis Canal O & M	25.02	N
Delivered SLC (ADA)	\$37.95	

17		
Picked up @ O'Neill		
O'Neill Direct	8.74	G
Reserves	3.33	I
Reserves - Unit 6 Rewind BOR Repayment	0.14	J
Reserves - Unit 5 Rewind BOR Repayment	0.14	K
Reserves - Unit 3 Rewind BOR Repayment	0.18	L
Reserves - 2021 A Bonds	0.40	M
San Luis Canal O & M	25.02	N
Dos Amigos O & M	7.15	O
Dos Amigos Power	7.54	P
Delivered SLC (BDA)	\$52.64	

ATTACHMENT 2



San Luis & Delta-Mendota Water Authority

FAC 02/02/2026 BOD 02/05/2026

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

1

Notes to Support the discussion on Proposed WY26 O&M Rates under new MOU

1 O&M Budget - Self Funded

WY26 - Fiscal Year 3/1/26-2/28/27

RO&M \$ 20,848,553 TOTAL, \$20,202,798 SLD MWA Water Users, \$ 645,755 USBR

1 EO&M \$ 5,358,368 - includes indirect, Additional CIP Water User Funding \$ 842,986

ADDED ADDITIONAL COST POOLS FOR LOWER DMC, MENDOTA POOL, INTERTIE VARIABLE COSTS

INTERTIE O&M COSTS INCLUDED IN UPPER COST POOL

2 Delivery Assumptions

Ag - Contractor Estimates, 50%, with Contractor projections

M&I - Contractor Estimates, 75%, with Contractor projections

Refuge - 100% used BOR Refuge Estimate

Exchange/Water Rights - 100%

Estimated Rescheduled Water

Pump-Ins

Miscellaneous Transfers

Mendota Pool Pumpers

Volta Well Pumping

3 Intertie

Intertie RO&M included in Upper Rate for WY26

Intertie FY27 O&M Budget: \$ 651,675

Intertie DWR Wheeling charges for WY26 -Per Prior 3 year trend- estimated at 150,000 A-F

@ DWR FY26/WY25 rate of \$32.66 (net of 2% loss) \$4,801,020 **not applicable to ECIFWA due to allocation exceeding 5%**

4 Volta Wells

Volta Wells Program estimated at 2,400 a/f - Costs split between DPWD and SLWD

5 PUE SLD MWA Meters

WY26 PUE estimates based on BOR PUE FYE 9/8/25 Billing Plan

PUE Budget relating to WY25- FY 3/1/25- 2/28/26 = \$30,360,000

PUE Budget relating to WY26- FY 3/1/26- 2/28/27 = \$28,186,164

6 DWR San Luis Joint Use

WY26 SLJU costs based on DWR 2025 Calendar Year Budget Estimates & Historical Actuals

SLJU Budget relating to WY25 - FY 3/1/25- 2/28/26 = \$18,397,000

SLJU Budget relating to WY26- FY 3/1/26- 2/28/27 = \$18,397,000 (SALY)

Federal cost allocation for 2025-2026= 37.67%

7 EO&M Funding

Funding Obligation:

1 EO&M Funding Obligation WY26 FY 3/1/26 - 2/28/27 = \$5,358,368, CIP Funding Obligation =	\$	842,986	\$	6,201,354
Revised Rewind Debt Service Funding Obligation-BOR Repayment Contract Unit 6 WY26 FY 3/1/26-2/28/27 =	\$			255,239
Revised Rewind Debt Service Funding Obligation-BOR Repayment Contract Unit 5 WY26 FY 3/1/26-2/28/27 =	\$			266,174
Revised Rewind Debt Service Funding Obligation-BOR Repayment Contract Unit 3 WY26 FY 3/1/26-2/28/27 =	\$			332,869
Rewind Debt Service Funding Obligation-2021A Bonds WY26 FY 3/1/26-2/28/27 =	\$			452,157
DMC Subsidence Phase 1 CIP Obligation	\$			-

8 Overall increase in Estimated Recoverable Costs over Prior Year.

Total Estimated Recoverable Costs in Water Year 2025 = \$ 83,352,475

Total Estimated Recoverable Costs in Water Year 2026 = \$ 79,094,775



San Luis & Delta-Mendota Water Authority

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PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

FAC 02/02/2026 BOD 02/05/2026

RATE COMPARISON TO BOD Approved WY25 RATES

	ILLUSTRATIVE WY2025 Rate 3/1/26-2/28/27 AMENDED MOU WY2026	Approved Rate 3/1/25-2/28/26 AMENDED MOU (R2) WY25 R2	Variance
WATER SUPPLY			
Irrigation	50%	55%	-5%
M&I	75%	80%	-5%
Refuge	100%	100%	0%
Exchange/Water Rights	100%	100%	0%
RATES			
Upper DMC	\$23.06	\$24.36	(\$1.30)
Upper DMC - Exchange/Wtr Rts	\$19.32	\$21.21	(\$1.89)
Mendota Pool Only	\$0.66	\$0.57	\$0.09
Lower DMC Only	\$24.44	\$25.75	(\$1.31)
Lower DMC/Pool	\$25.10	\$26.32	(\$1.22)
Lower DMC - Exchange/Wtr Rts	\$20.70	\$22.60	(\$1.90)
Lower DMC/Pool - Exchange/Wtr Rts	\$21.36	\$23.17	(\$1.81)
San Felipe	\$27.87	\$28.53	(\$0.66)
SLC Above Dos Amigos	\$44.28	\$43.88	\$0.40
SLC Below Dos Amigos	\$53.90	\$51.09	\$2.81
Volta Wells	\$14.52	\$13.26	\$1.26
San Luis Drain	\$0.23	\$0.21	\$0.02

Delivery Volumes through O'Neill

(Direct and Storage)

2,210,367

2,214,895

(4,529)



San Luis & Delta-Mendota Water Authority

FAC 02/02/2026 BOD 02/05/2026

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

COST POOLS	SLDMWA ANNUAL O&M and POWER										SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLJU		TOTAL
	UPPER	UPPER	JPP PWR	VOLTA			Lower DMC/ Mendota	O'NEILL P/G		RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	DWR COSTS		POWER	
	Upper DMC/DCI JPP O&M	Intertie Variable		WELLS	Mendota Pool	Lower DMC	Pool	O'Neill O&M & PWR		EO&M & CIP	Unit 6 Rewind BOR Repayment	Unit 5 Rewind BOR Repayment	Unit 3 Rewind BOR Repayment	Two Rewind Units 2021A Bonds	DMC Subsidence Correction Phase 1	San Luis Canal O&M	Dos Amigos O&M	Dos Amigos Power	
PARTICIPANTS	All Users	All Users Excludes Exchange Cont. and Water Rights and Water Rights when Ag Alloc > 5%	All Users (Actual Pumping Only)	DPWD SLWD	MP Only	Lower Only	LowerDMC & MP Users	All Users		All Users	All Users	All Users	All Users	All Users Excludes FWA	All Users Excludes FWA	All SLJU Users	Dos Amigos Users	Dos Amigos Users	
								"Direct"	"Storage"										
COSTS TO BE ALLOCATED**	\$11,999,366	\$5,136,609	\$19,930,028	\$34,851	\$1,386,343	\$2,878,949	\$4,265,291	\$6,177,571	\$1,544,393	\$6,201,354	\$255,239	\$266,174	\$332,869	\$452,157	\$0	\$14,093,534	\$3,997,918	\$4,220,361	\$78,907,715
ACRE FEET	2,178,522	1,496,521	2,139,685	2,400	56,499	987,104	1,043,603	1,013,297	1,197,070	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	858,987	854,159	854,159	
RATE PER AF	\$5.51	\$3.43	\$9.31	\$14.52	\$0.66	\$1.38	\$2.04	\$6.10	\$1.29	\$2.82	\$0.12	\$0.12	\$0.15	\$0.31	\$0.00	\$16.41	\$4.68	\$4.94	

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR		
Upper DMC	\$23.06	A+Aa+B+H+I+J+K+L+M+Q
Exchange/Wtr Rts (Upper)	\$19.32	A+B+H+I+J+K+L Excludes Intertie VC & 2021A Bonds Reserve
Lower DMC/Pool	\$25.10	A+Aa+B+F+H+I+J+K+L+M+Q
Lower DMC	\$24.44	A+Aa+B+E+H+I+J+K+L+M+Q
Pool Only	\$0.66	D
San Felipe	\$27.87	A+Aa+B+G+I+J+K+L+M+Q
San Luis Canal Above Dos Amigos	\$44.28	A+Aa+B+G+I+J+K+L+M+N+Q
San Luis Canal Below Dos Amigos	\$53.90	A+Aa+B+G+I+J+K+L+M+N+O+P+Q
Exchange/Wtr Rts (Lower)	\$20.70	A+B+E+H+I+J+K+L Excludes Intertie VC & 2021A Bonds Reserve
Refuge (Lower)	\$24.44	A+Aa+B+E+H+I+J+K+L+M+Q
Volta Wells	\$14.52	C
San Luis Drain	\$0.23	\$187,059

	Direct	Storage
O&M = \$2.94	O&M = \$2.94	O&M = \$.62
O&M DWR = \$.24	O&M DWR = \$.24	O&M DWR = \$.05
Pwr = \$2.92	Pwr = \$2.92	Pwr = \$.62
O&M	\$2.94	\$0.62
DWR \$	0.24	\$0.05
PUE \$	2.92	\$0.62
	\$6.10	\$1.29

SLC CIP O&M-DWR SLC / Dos Amigos		\$	3.28
WATER SUPPLY ASSUMPTIONS			
Irrigation	50%		
M&I	75%		
Refuge	100%		
Ex/Wtr Rts	100%		
Note: Supply assumptions are based on contractor estimates			
Total Budget		\$187,059	\$79,094,774

**COSTS TO BE ALLOCATED				\$	2.93
					0.62
O&M Budget per above -(excludes Volta Wells O&M)				\$24,781,907	
				\$ 3,716,230.00	\$ 2,972,984.00
Required Reserve Funding				\$6,201,354	\$ 743,246.00
Rewind Reserve Funding -Debt Service Unit 6 BOR Rpmt Contract				\$255,239	\$ 3,716,230.00
Rewind Reserve Funding (Est) -Debt Service Unit 5BOR Rpmt Contract				\$266,174	
Rewind Reserve Funding (Est) -Debt Service Unit 3BOR Rpmt Contract				\$332,869	
Rewind Reserve Funding -2021A Bonds				\$452,157	
San Luis Drain				\$187,059	
Volta Wells -DPWD/SLWD				\$34,851	
POWER					
JPP		\$19,930,028			
Intertie		\$335,589		\$	2.92
Volta Wells		\$0			0.62
O'Neill		\$3,700,186	\$23,965,803	\$ 3,700,186.00	\$ 2,960,148.80
					\$ 740,037.20
					\$ 3,700,186.00
SAN LUIS JOINT USE					
DWR - San Luis Canal O&M		\$14,093,534		\$	0.24
DWR - Dos Amigos O&M		\$3,997,918			0.05
DWR - O'Neill		\$305,548	\$ 305,547.64	\$ 244,438.11	80% O'Neill Direct
					\$ 61,109.53
					\$ 305,547.64
POWER					
Dos Amigos		\$4,220,361			20% O'Neill Storage
Total				\$79,094,774	
DCI Wheeling 150,000 A-F at Current DWR Rate (net of 2% loss)				\$4,801,020	

PUE	\$28,186,164	SLJU	\$18,397,000
check	\$	-	

Column W Total less Line 69 Total	\$187,059
San Luis Drain	\$187,059
	\$0



San Luis & Delta-Mendota Water Authority

FAC 02/02/2026 BOD 02/05/2026

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

Self-Funding O&M Budget Comparison WY26/WY25

	RO&M	EO&M Self-Funding Reserve Obligation	DMC Subsidence Phase 1 Self-Funding Reserve Obligation	Self-Funding PUE	Self-Funding SLJU	Volta Wells (DPWD & SLWD Only)	Intertie DWR Conveyance	TOTALS
WY26BUDGET	\$ 20,167,947	\$ 7,507,793	\$ -	\$ 28,186,164	\$ 18,397,000	\$ 34,851	\$ 4,801,020	\$ 79,094,775
WY25 BUDGET	\$ 19,199,895	\$ 10,162,875	\$ -	\$ 30,360,000	\$ 19,597,045	\$ 31,810	\$ 4,000,850 a)	\$ 83,352,475
Variance	\$ 968,052	\$ (2,655,082)	\$ -	\$ (2,173,836)	\$ (1,200,045)	\$ 3,041	\$ 800,170	\$ (4,257,700)
	*	*	*	*	*	*	*	

* Included in O&M Rate Calculations

O&M
Reserve Obligations
Project Use Energy (PUE)
San Luis Joint Use (SLJU)
Volta Wells (DPWD & SLWD only)
Intertie DWR Conveyance



SLDMWA - WY 2026 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

Rates based on the following

WY26 Supply Assumptions:

AG 50%

M & I 75%

Refuge 100%

Exchange/Water Rights 100%

Adjustments to Base Supplies Include:

Rescheduled Water

Transfers

Exchanges

Pump Ins

SLDMWA COMPONENT RATE PER ACRE FOOT - BY DELIVERY AREA / CONTRACTOR

Upper DMC	\$23.06	A+Aa+B+H+I+J+K+L+M
Exchange/Wtr Rts (Upper)	\$19.32	A+B+H+I+J+K+L
Lower DMC/Pool	\$25.10	A+Aa+B+F+H+I+J+K+L+M
Lower DMC	\$24.44	A+Aa+B+E+H+I+J+K+L+M
Pool Only	\$0.66	D
San Felipe	\$27.87	A+Aa+B+G+I+J+K+L+M
San Luis Canal Above Dos Amigos	\$44.28	A+Aa+B+G+I+J+K+L+M+N
San Luis Canal Below Dos Amigos	\$53.90	A+Aa+B+G+I+J+K+L+M+N+O+P
Exchange/Wtr Rts Lower DMC	\$20.70	A+B+E+H+I+J+K+L
Exchange/Wtr Rts Lower DMC/POOL	\$21.36	A+B+F+H+I+J+K+L
Refuge (Lower)	\$24.44	A+Aa+B+E+H+I+J+K+L+M
Volta Wells	\$14.52	C
San Luis Drain	\$0.23	

COST POOLS	SLDMWA ANNUAL O&M and POWER									SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLDMWA	SLJU			TOTAL
	UPPER	UPPER	JPP PWR	VOLTA	Mendota Pool	Lower DMC	Lower DMC/ Mendota Pool	O'NEILL P/G		RESERVES	RESERVES	RESERVES	RESERVES	RESERVES	DWR COSTS		POWER	
	Upper DMC/DCI	Intertie Variable		WELLS				O'Neill O&M & PWR		EO&M & CIP	Unit 6 Rewind	Unit 5 Rewind	Unit 3 Rewind	Two Rewind	San Luis	Dos	Dos	
	JPP O&M										BOR Repayment	BOR Repayment	BOR Repayment	2021A Bonds	O&M	O&M	Power	
PARTICIPANTS	All Users	All Users Excludes Exchange Cont.	All Users	DPWD SLWD	MP Only	Lower Only	MP Users	All Users		All Users	All Users	All Users	All Users	All Users Excludes Exchange Cont. and Water Rights	All SLJU Users	Dos Amigos Users	Dos Amigos Users	
		and Water Rights when Ag Alloc > 5%						"Direct"	"Storage"									
COSTS TO BE ALLOCATED**	\$11,999,366	\$5,136,609	\$19,930,028	\$34,851	\$1,386,343	\$2,878,949	\$4,265,291	\$6,177,571	\$1,544,393	\$6,201,354	\$255,239	\$266,174	\$332,869	\$452,157	\$14,093,534	\$3,997,918	\$4,220,361	\$78,907,715
ACRE FEET	2,178,522	1,496,521	2,139,685	2,400	56,499	987,104	1,043,603	1,013,297	1,197,070	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	% of 10 Yr Historical Use	858,987	854,159	854,159	
RATE PER AF	\$5.51	\$3.43	\$9.31	\$14.52	\$0.66	\$1.38	\$2.04	\$6.10	\$1.29	\$2.82	\$0.12	\$0.12	\$0.15	\$0.31	\$16.41	\$4.68	\$4.94	
	A	Aa	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	



San Luis & Delta-Mendota Water Authority

FAC 02/02/2026 BOD 02/05/2026

PROPOSED WY26 SELF-FUNDING RATES WITH BOR SOD AG ALLOCATION @ 50%

WY26 - Other Deliveries - Adjusted Rates

6

Pumped in Upper DMC		
Upper DMC	\$5.51	A
Intertie Variable	\$3.43	Aa
O'Neill Storage	\$1.29	H
Reserves	\$2.82	I
1 Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
Delivered Upper DMC	\$13.75	
Check 13 and Above		

Pumped in Upper DMC		
Upper DMC	\$5.51	A
Intertie Variable	\$3.43	Aa
Lower DMC	\$1.38	E
O'Neill Storage	\$1.29	H
2 Reserves	\$2.82	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
Delivered Lower DMC	\$15.13	
Below Check 13		

Pumped in Upper DMC		
Upper DMC	\$5.51	A
Intertie Variable	\$3.43	Aa
O'Neill Direct	\$6.10	G
Reserves	\$2.82	I
3 Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
Delivered San Felipe	\$18.56	

Pumped in Upper DMC		
Upper DMC	\$5.51	A
Intertie Variable	\$3.43	Aa
Mendota Pool	\$0.66	D
Lower DMC	\$1.38	E
O'Neill Storage	\$1.29	H
4 Reserves	\$2.82	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
Delivered MP	\$15.79	

Pumped in Upper DMC		
Upper DMC	\$5.51	A
Intertie Variable	\$3.43	Aa
O'Neill Direct	\$6.10	G
Reserves	\$2.82	I
5 Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
San Luis Canal O & M	\$16.41	N
Delivered SLC (ADA)	\$34.97	

Pumped in Upper DMC		
Upper DMC	\$5.51	A
Intertie Variable	\$3.43	Aa
O'Neill Direct	\$6.10	G
Reserves	\$2.82	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
6 Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
San Luis Canal O & M	\$16.41	N
Dos Amigos O & M	\$4.68	O
Dos Amigos Power	\$4.94	P
Delivered SLC (BDA)	\$44.59	

Pumped in Lower DMC		
O'Neill Storage	\$1.29	H
Reserves	\$2.82	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
7 Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
Lower DMC	\$1.38	E
Delivered Lower DMC	\$6.19	
Below Check 13		

Pumped in Lower DMC		
O'Neill Storage	\$1.29	H
Reserves	\$2.82	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
8 Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
Lower DMC	\$1.38	E
Mendota Pool	\$0.66	D
Delivered Lower Mendota Pool	\$6.85	

Pumped in Lower DMC		
O'Neill Direct	\$6.10	G
Reserves	\$2.82	I
9 Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
San Luis Canal O & M	\$16.41	N
Exchanged & Delivered SLC ADA	\$26.03	

Pumped in Lower DMC		
O'Neill Direct	\$6.10	G
Reserves	\$2.82	I
Reserves - Unit 6 Rewind BOR Repayment	\$0.12	J
10 Reserves - Unit 5 Rewind BOR Repayment	\$0.12	K
Reserves - Unit 3 Rewind BOR Repayment	\$0.15	L
Reserves - 2021 A Bonds	\$0.31	M
San Luis Canal O & M	\$16.41	N
Dos Amigos O & M	\$4.68	O
Dos Amigos Power	\$4.94	P
Exchanged & Delivered SLC BDA	\$35.65	

11 WY26 Facility Use Fee	\$3.28	

Flows/Pumped In at MP, delivered MP		
12 Mendota Pool	\$0.66	D
Delivered MP	\$0.66	

Picked up @ O'Neill		
O'Neill Storage	1.29	H
Reserves	2.82	I
13 Reserves - Unit 6 Rewind BOR Repayment	0.12	J
Reserves - Unit 5 Rewind BOR Repayment	0.12	K
Reserves - Unit 3 Rewind BOR Repayment	0.15	L
Reserves - 2021 A Bonds	0.31	M
Lower DMC	1.38	E
Delivered Lower DMC	\$6.19	

Picked up @ O'Neill		
Mendota Pool	0.66	D
Lower DMC	1.38	E
O'Neill Storage	1.29	H
14 Reserves	2.82	I
Reserves - Unit 6 Rewind BOR Repayment	0.12	J
Reserves - Unit 5 Rewind BOR Repayment	0.12	K
Reserves - Unit 3 Rewind BOR Repayment	0.15	L
Reserves - 2021 A Bonds	0.31	M
Delivered Mendota Pool	\$6.85	

Picked up @ O'Neill		
O'Neill Direct	6.10	G
Reserves	2.82	I
15 Reserves - Unit 6 Rewind BOR Repayment	0.12	J
Reserves - Unit 5 Rewind BOR Repayment	0.12	K
Reserves - Unit 3 Rewind BOR Repayment	0.15	L
Reserves - 2021 A Bonds	0.31	M
Delivered San Felipe	\$9.62	

Picked up @ O'Neill		
O'Neill Direct	6.10	G
Reserves	2.82	I
16 Reserves - Unit 6 Rewind BOR Repayment	0.12	J
Reserves - Unit 5 Rewind BOR Repayment	0.12	K
Reserves - Unit 3 Rewind BOR Repayment	0.15	L
Reserves - 2021 A Bonds	0.31	M
San Luis Canal O & M	16.41	N
Delivered SLC (ADA)	\$26.03	

Picked up @ O'Neill		
O'Neill Direct	6.10	G
Reserves	2.82	I
17 Reserves - Unit 6 Rewind BOR Repayment	0.12	J
Reserves - Unit 5 Rewind BOR Repayment	0.12	K
Reserves - Unit 3 Rewind BOR Repayment	0.15	L
Reserves - 2021 A Bonds	0.31	M
San Luis Canal O & M	16.41	N
Dos Amigos O & M	4.68	O
Dos Amigos Power	4.94	P
Delivered SLC (BDA)	\$35.65	



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Water Resources Committee, Alternates
SLDMWA Finance & Administration Committee, Alternates
SLDMWA Board of Directors, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Manager

Date: February 2, 2026

RE: Recommendation to Board of Directors to Adopt Resolutions Relating to the DMC Subsidence Correction Project A. Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan, and B. Authorizing Award and Execution of Construction Manager/General Contractor Agreement (CMGC)

Background

The Delta-Mendota Canal (DMC) Subsidence Correction Project (“Subsidence Correction Project” or “Project”) includes restoring the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings. The DMC is one of the major components of the Delta Division of the U.S. Bureau of Reclamation’s (Reclamation) Central Valley Project (CVP), and is considered critical infrastructure. The San Luis & Delta-Mendota Water Authority (Authority) and Reclamation are committed to restoring the original capacity to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it.

Over the last several years, the Authority has been working in partnership with Reclamation to complete a Feasibility Study, which included completing Environmental Compliance through a joint National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) document. In addition to the EA/IS, Reclamation and the Authority have been engaged in interagency consultation in connection with the Project under Section 7(a)(2) of the Endangered Species Act, Section 106 of the National Historic Preservation Act, and other applicable requirements, and continue to consult and coordinate with state and federal agencies as appropriate.

Concurrently, the Authority has engaged with the Planning Committee, Finance & Administration Committee, the Board of Directors (Board), and Reclamation to develop and gain approval of a phased approach to construction to be implemented through an alternative contracting method including early contractor involvement. Through a variety of workshops, meetings, and discussions, a scope for Phase 1 was developed that would be the most economical and provide immediate capacity restoration and ensure the Department of Water Resources (DWR) grant be fully utilized. In June 2025, Reclamation provided concurrence with the scope of Phase 1 and approval for the Authority to solicit and administer the Phase 1 construction work. Final approval by the Authority Board of Directors to proceed with the Phase 1 scope was granted in September 2025. Phase 1 scope consists of the following Tasks:

- Task 1: Approximate 2 ft freeboard raise between MP 3.5 (JPP) to MP 7.2 (DCI) at a current estimated cost of \$19.75M, based on 4,600 cfs design flow and no future anticipated subsidence.
- Task 2: Sag area repairs (9 areas in Pools 3, 4, 6, and 8) at a current estimated cost of \$18.23M
- Task 3: Panel Repair Program on Upper DMC (24 sites over 5 years) at a current estimated cost of \$27.9M.
- Task 4: Panel Repair Program on Lower DMC at a current estimated cost of \$28M.

In November 2025, the Board of Directors adopted cost allocation recommendations for each task included in Phase 1. Cost allocation recommendations were adopted with the knowledge that staff intends to utilize non-reimbursable grant funds to fund Phase 1 to the maximum extent possible. If Phase 1 is wholly funded with non-reimbursable grant funding, there will be no rate impact associated with this action.

In anticipation of the early contractor contracting approach, the Authority recommended and the Board approved certain amendments in August 2025 to the Authority's Consolidated Procurement Policy (Procurement Policy) to add provisions to authorize procurement of Construction Manager/General Contractor (CMGC) contracts under a specified competitive procedure for public works projects in excess of one million dollars. Per section 4.10(g) of the Procurement Policy, awards of CMGC contracts shall be made by the Authority's Board.

With all necessary approvals acquired, the Authority proceeded with drafting and soliciting a CMGC Construction contract for Phase 1 work.

Issue for Decision

Whether the Board of Directors should authorize adoption of resolutions relating to the DMC Subsidence Correction Project

- A. Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan per the Water Resources Committee recommendation, and;
- B. Authorizing award and execution of Construction Manager/General Contractor (CMGC) Agreement per the Finance & Administration Committee recommendation.

Recommendation

Staff recommends adoption of proposed resolutions.

Analysis

A. Resolution Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan

In accordance with CEQA and applicable state and federal regulations, a joint Environmental Assessment (EA)/ Initial Study/Mitigated Negative Declaration (IS/MND) was prepared to evaluate the potential environmental effects associated with implementation of the Project. The Authority is the Lead Agency for the proposed Project under CEQA.

Because the Project Initial Study identified potentially significant effects of the project, mitigation measures applicable to the Project were identified in a proposed Mitigated Negative Declaration (MND) to avoid or reduce the Project's potentially significant effects to a less-than-significant level. On February 13, 2023, a Notice of Intent to Adopt the MND was circulated for public comments for a 30-day period that concluded on March 14, 2023. All comments of persons and agencies received during the public comment period and responses to those comments are included in Appendix P and Appendix Q of the MND.

Based on the IS/MND, and in light of the record of proceedings as a whole, the Authority has determined that the proposed Project, as mitigated, would not have a significant impact on the environment. Through the proposed resolution, the Board would adopt the MND, including CEQA findings of Fact, and a Mitigation Monitoring and Reporting Plan (MMRP) to require that all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the MMRP. Following adoption of the resolution the Authority would file a Notice of Determination with the State Clearinghouse.

B. Resolution Authorizing Execution of Construction Manager/General Contractor (CMGC) Agreement

The Authority formally solicited for electronic proposals to provide all labor, equipment, and services for Construction Manager/General Contractor (CM/GC) Services for Delta-Mendota Canal (DMC) Subsidence Correction Project Phase 1 - Tasks 1 through 4 (Project). Critical dates are below:

- Nov. 12, 2025: RFP issued
- Nov. 21, 2025: Mandatory Pre-Proposal Conference / Site Visit
- Dec. 5, 2025: Last Day for Contractors to Submit Questions
- Dec. 12, 2025: Last day for Responses to Questions and Posting of Final Addendum
- Jan. 9, 2026: Proposals due via PlanetBids
- Jan. 13 – Jan. 16, 2026: Proposal Evaluation
- Jan. 20, 2026: In-Person Contractor Interviews
- Jan. 21, 2026: Notice of Intent to Award

The Formal Request for Proposals (RFP) was publicly posted on PlanetBids and in two newspapers: San Francisco Chronicle and Sacramento Bee. In addition, the RFP was sent directly to seven contractors. Seven contractors attended the Mandatory Pre-Proposal Conference and Site Visit, with two proposals submitted. The two responsive proposals were submitted by Kiewit Corporation and NW Construction Inc. Technical Proposals were reviewed and scored by an evaluation committee consisting of Authority staff, a member from the Bureau of Reclamation, and two members from consulting teams to the Authority (Hallmark & CDM Smith). The Proposals were reviewed and accepted by the Authority's Contract Specialist for responsiveness and responsibility. Upon conclusion of the evaluation committee, the proposers received the following scores: Kiewit Corporation 322; and NW Construction, Inc. 223. The best qualified and responsive/responsible proposer was determined to be Kiewit Corporation. The Notice of Intent to Award was transmitted to Kiewit Corporation on January 21, 2026.

The proposed award will be to fund preconstruction services for Task 1 and Task 2 only, with Preconstruction Services for Tasks 3 and 4 to be added in the future by amendment at the Authority's discretion given

available funding and Board approval. Once the Notice to Proceed is issued, the Authority and the CMGC Contractor will work collaboratively to complete preconstruction services as outlined in the RFP and to develop a Guaranteed Maximum Price (GMP) for Task 1 and Task 2 for the construction phase of the project. The Authority anticipates bringing the GMP back to the Finance & Administration Committee for recommendation regarding the proposed GMP and to the Board for approval of the GMP and Notice to Proceed with construction in May, or earlier if possible.

Budget Implications

The proposed expenditure of up to \$200,000 will be funded utilizing approved EO&M funds from Fiscal Years 2021-2023, which will be reimbursed through the DWR grant.

Exhibits

1. Draft Board Resolution Adopting Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan
Exh. A: Final EA/ IS/MND
Exh. B: Mitigation Monitoring and Reporting Plan
Exh. C: Notice of Determination
2. Draft Board Resolution Authorizing Award and Execution of Construction Manager/General Contractor (CMGC) Agreement
Exh. 1: Notice of Intent to Award (NOIA)
Exh. 2: Draft CMGC Agreement

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2026-

**RESOLUTION ADOPTING THE MITIGATED NEGATIVE DECLARATION/CEQA
FINDINGS OF FACT AND MITIGATION MONITORING AND REPORTING PLAN
FOR THE DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION PROJECT**

WHEREAS, a joint Environmental Assessment (EA)/ Initial Study/Mitigated Negative Declaration (IS/MND) was prepared by the San Luis & Delta-Mendota Water Authority (SLDMWA) and the United States Bureau of Reclamation on the effects of the proposed subsidence correction project to restore the Delta-Mendota Canal (DMC) to its originally authorized conveyance capacity (Project); and

WHEREAS, SLDMWA is the Lead Agency for the proposed Project under the California Environmental Quality Act (CEQA) and Reclamation is the Lead Agency under the National Environmental Policy Act (NEPA); and

WHEREAS, the Project Initial Study identified potentially significant effects of the Project. Mitigation measures applicable to the Project were identified in a proposed Mitigated Negative Declaration (MND) to avoid or reduce the Project's potentially significant effects to a less-than-significant level; and

WHEREAS, on February 13, 2023, a Notice of Intent to Adopt the MND (NOI) was circulated for public comments for a 30-day period that concluded on March 14, 2023. The NOI was published in the Fresno Bee and Merced Sun Star, and was sent to those public agencies that have jurisdiction by law with respect to the proposed Project and to other interested parties and agencies, seeking the comments of such persons and agencies; and

WHEREAS, all comments of persons and agencies received during the public comment period and responses to those comments are included in Appendix P and Appendix Q of the MND; and

WHEREAS, based on the record of proceedings as a whole, SLDMWA has determined that there are no changed circumstances or new information of substantial importance that would require significant modifications to the MND and that all text revisions included in Appendix R of the MND consist of clarifications and insignificant modifications that do not affect the conclusions of the impact findings and do not require recirculation; and

WHEREAS, based on the IS/MND and in light of the record of proceedings as a whole, SLDMWA has determined that the proposed DMC Subsidence Correction Project, as mitigated, would not have a significant impact on the environment.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board of Directors (Board) so finds and determines.

Section 2. The Board has reviewed and considered the information contained in the MND, including the Initial Study, revisions, and conditions incorporated into the Project, the comments received during the public review process and the hearing on the Project, and all oral and documentary evidence received during the hearing on the Project. The Board has determined that the MND constitutes an adequate, accurate, objective, and complete review of the proposed Project.

Section 3. The Board hereby finds that the MND reflects the Board's independent judgment and analysis.

Section 4. Based on its review of the MND and in light of the record of proceedings as a whole, the Board finds that the record contains no substantial evidence that the proposed Project, as mitigated, could have a significant effect on the environment. The Board further finds that substantial evidence supports adoption and use of the MND pursuant to CEQA.

Section 5. The Board hereby adopts the attached Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan (MMRP) to require that all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the MMRP.

PASSED, APPROVED AND ADOPTED this 5th day of February, 2026, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

Cannon Michael, Chair
San Luis & Delta-Mendota Water Authority

Attest:

Federico Barajas, Secretary

I hereby certify that the foregoing Resolution No. 2026- was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 5th day of February, 2026.

Federico Barajas, Secretary

MITIGATED NEGATIVE DECLARATION FOR DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION PROJECT

LEAD AGENCY: San Luis & Delta-Mendota Water Authority
PO Box 2157
Los Banos, CA, 93635

AVAILABILITY OF DOCUMENTS: The initial study for this mitigated negative declaration is available for review at: <https://sldmwa.org/dmc-subsidence-project>.

Questions or comments regarding this mitigated negative declaration and initial study may be addressed to:

San Luis & Delta-Mendota Water Authority
Attention: Mr. Pablo Arroyave
PO Box 2157
Los Banos, CA, 93635
E-mail: pablo.arroyave@sldmwa.org

Project Description: Since its original construction, the Delta-Mendota Canal (DMC) has been affected by land subsidence which has reduced the capacity the DMC can convey. These limits on conveyance capacity have introduced operational constraints that can affect deliveries to south-of-Delta Central Valley Project (CVP) contractors. The continued, safe, and reliable operation of the DMC is critical to the users that it serves and the economies that it supports. The proposed project would restore the designed conveyance capacity of the DMC (a maximum flow capacity of 4,600 cfs at the origin and a minimum flow capacity of 3,210 cfs at the terminus) by (1) raising deficient concrete lining segments and bank segments to meet the minimum freeboard requirements; (2) installing riprap for erosion protection to stabilize the banks along the earthen-lined segment; (3) replacing bridges and pipeline crossings that do not have enough clearance above water surface elevation to meet minimum required clearings; (4) raising the gates of check structures and wasteways to design level and modify impacted structures; and (5) evaluating existing drainage structures to modify them for safe passage of stormwater.

Project Location: Proposed project effects would occur within Alameda, San Benito, Santa Clara, San Joaquin, Stanislaus, Merced, and Fresno counties (see Figure 1 below).

Findings: An initial study was prepared to assess the DMC Subsidence Correction Project's potential effects on the environment and the significance of those impacts. Based on the initial study, the San Luis & Delta-Mendota Water Authority (SLDMWA) has determined that the proposed project would not have a significant impact on the environment. This conclusion is supported by the following findings:

- The project would result in beneficial impacts on south-of-Delta CVP agricultural water supply.
- The project would result in less than significant impacts on water supply, air quality, greenhouse gas emissions, visual resources, noise and vibration, recreation, and public utilities and power.
- The project will result in less than significant impacts after mitigation to water quality, traffic and transportation, hazards and hazardous materials, biological resources, cultural resources, geology, and soils.

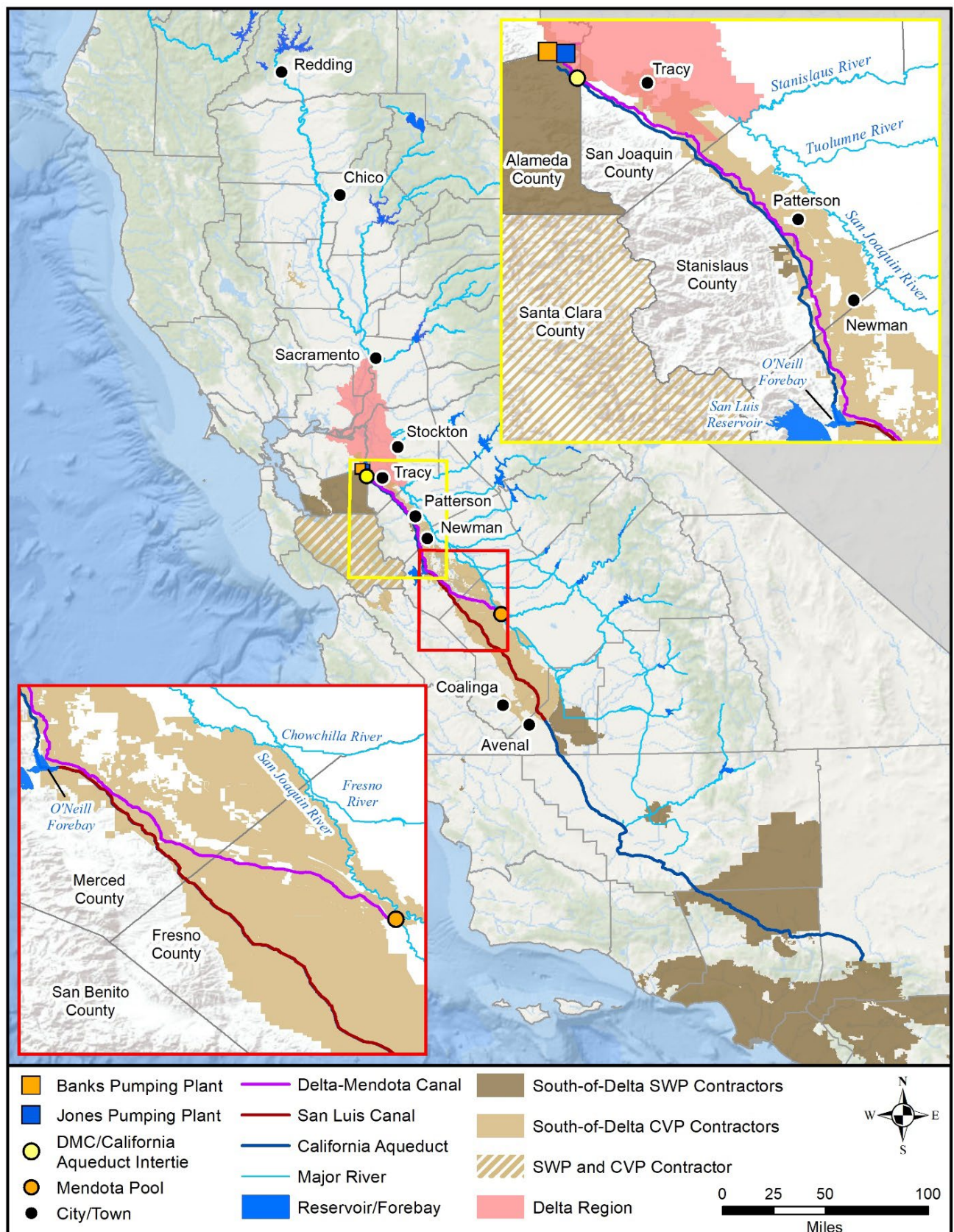


Figure 1. Project Area

Mitigation Measures: The initial study incorporated the following mitigation measures:

Mitigation Measure WQ-1: Prepare Site-Specific Stormwater Pollution Prevention Plan (SWPPP)

The objectives of the SWPPP would be to: (1) identify pollutant sources that may affect the quality of stormwater associated with construction activity; and (2) identify, construct, and implement stormwater pollution prevention measures to reduce pollutants in stormwater discharges during and after construction. The SWPPP would also include details of how the sediment and erosion control practices, referred to as BMPs would be implemented. The implementation of the SWPPP would comply with state and federal water quality regulations.

Mitigation Measure TR-1: Develop a Temporary Traffic Control Plan

The following construction management actions will be documented in a temporary traffic control plan developed by the contractor as a requirement that will be included in its construction contract. The temporary traffic control plan will be submitted for Caltrans' review and approval during the Encroachment Permit process.

- Construction contractors will install signage at roadways and intersections identified as dangerous in accordance with the California Manual on Uniform Traffic Control Devices guidelines warning motorists of slow-moving construction traffic and lane closures. Signage shall also be posted at these locations one month in advance to allow motorists time to plan for delays or alternate routes.
- Construction contractors shall implement dust abatement and perform proper construction traffic management actions, including signage warning motorists of construction activity and traffic controls like flaggers or temporary traffic lights where construction equipment will be entering roadways, to reduce conflicts during periods of high traffic volume in and around each construction site and to avoid conflicts with emergency responders entering and existing the area during an emergency.
- In addition to the temporary traffic control plan, before the initiation of any construction actions, construction contractors shall develop and adhere to a health and safety plan outlining all applicable Occupational Safety and Health Administration requirements, and important traffic safety plans, including identification of emergency access routes in and through construction areas that would still need to be kept clear at all times during construction. The health and safety plan shall include coordination with emergency service personnel to ensure adequate mitigation for all impacts.

Mitigation Measure HAZ-1: Activity Containment and Spills Management

During construction and operations, all associated activities, equipment, and machinery shall be restricted to the canal ROW. To ensure containment, construction contractors should place boundaries and noticeable signs of entry and exit, restricting access to within the ROW. All construction equipment and vehicles used shall be maintained properly according to manufacturer specifications and should be inspected to identify and fix any excessive fluid leakages prior to arriving to the construction site. Additionally, the construction contractor shall also prepare a Spill Prevention and Response Plan for preventing spills and responding to chemical or hazardous substance spills. This plan will include spill prevention management, including employee training, hazardous substance inventory, and spill response equipment. The plan will also include a spill response plan, including evacuation procedures, spill containment and cleanup, and reporting a release.

Mitigation Measure HAZ-2: Risk Reduction – Airborne Hazardous Materials

To reduce risks of hazards involving release of airborne hazardous materials, the construction contractor shall implement the United States Occupational Safety and Health Administration's

(OSHA's) regulations for asbestos and lead (29 CFR 1910.1001, 1926.1101, and 1926.62) prior to demolition of any structures that could contain asbestos or lead paint. Demolition of structures suspected to contain lead paint (structures built prior to 1978) should be wetted prior to demolition to reduce the likelihood of inhaling lead dust particles. Construction workers should be outfitted in the proper personal protective equipment, including an appropriate respirator, before completing demolition work.

Under AB 203, the construction contractor shall implement health and safety awareness training before excavation of any topsoil to reduce infection of by Valley fever. Safety and MMs that should be included in the training include wetting down soil before digging to reduce aggravation of dust and dirt, wearing a N95 mask or respirator, and halting work in the presence of a dust storm or windy conditions and staying indoors or in an enclosed area away from dust.

Mitigation Measure HAZ-3: Fire Prevention Controls

Construction contracts should be required to provide (1) fire prevention controls such as spark arrestors and (2) fire safety training to avoid risk of wildfire. Since work is year-round, all temporary heaters should be used in accordance with manufacturer instructions and monitored by employees in compliance with fire safety training. In addition, the construction contractor shall prepare a Fire Prevention Plan to prevent a fire from occurring, compliant with OSHA regulations. The plan shall include:

- List of all major fire hazards, proper handling and storage procedures for hazardous materials, potential ignition sources and their control, and the type of fire protection equipment necessary to control each major hazard
- Procedures to control accumulations of flammable and combustible waste materials
- Procedures for regular maintenance of safeguards installed on heat-producing equipment to prevent the accidental ignition of combustible materials
- Name or job title of employees responsible for maintaining equipment to prevent or control sources of ignition or fires; and
- Name or job title of employees responsible for the control of fuel source hazards

Mitigation Measure HAZ-4: Contaminated Soil/Groundwater Remediation Plan

The construction contractor in coordination with the Lead Agencies shall work with the California Department of Parks and Recreation (CDPR) and the Central Valley RWQCB to review existing monitoring data of the hazardous materials/waste sites within the study area to evaluate the potential for interacting with hazardous soil contamination during construction. If the construction contractor and the Lead Agencies (as the responsible party for this potential disturbance) determine that interaction with contaminated soil cannot be avoided and these construction actions could generate a release of this soil to nearby water bodies or elsewhere off-site, the construction contractor shall prepare a Contaminated Soil / Groundwater Remediation Plan. This remediation plan shall detail the nature of the contaminants on-site, measures required to avoid interaction with these contaminants including (if necessary) a pre-construction cleanup of the site, and a response action plan in the event of an inadvertent release of contaminated soils from the construction site. This plan shall be submitted to the CDPR and the Central Valley RWQCB for review and approval prior to the initiation of any construction.

Mitigation Measure HAZ-5: Airport Safety

Construction contracts shall include requirements for the contractor to prepare a construction safety plan prior to any construction activities in collaboration with the City of Tracy Department of Parks and Recreation (owners of the Tracy Municipal Airport) to coordinate construction activities, including a schedule, coordination of personnel with aviation radios, and notice

requirements. The contractor shall also coordinate with emergency service personnel to ensure adequate mitigation for all impacts.

Mitigation Measure BIO-1: Measures to Minimize Impacts on Special-Status Plants

A botanical survey shall be conducted prior to construction activities to determine the presence or absence of special-status plant species within the Project area. The surveys shall be conducted in general accordance with the Protocols for Surveying and Evaluating Impacts to Special-Status Native Plant Populations and Natural Communities (CDFW 2021) and shall be timed to appropriately coincide with the blooming period of special-status plant species with the potential to occur in the Project disturbance areas.

If more than five years lapse after the botanical survey is conducted prior to ground disturbance, two botanical surveys (early and late season) shall be conducted in all suitable habitat located within the Project disturbance areas to determine the presence or absence of special-status plants.

If special-status plant species are found during the botanical surveys, the locations of the special-status plants and a 50-foot buffer will be marked as avoidance areas both in the field using flagging, staking, fencing, or similar devices and on construction plans.

If non-listed, special-status plants are identified during botanical surveys and complete avoidance is not practicable, and the Project would directly or indirectly affect more than 25 percent of a local occurrence by either number of plants or square footage of occupied habitat, then a qualified biologist will determine whether implementation of a conservation plan is recommended. If federal- or state-listed plants are identified during botanical surveys and complete avoidance is not practicable, coordination with California Department of Fish and Wildlife (CDFW) and/or United States Fish and Wildlife Service (USFWS) will be conducted as appropriate to develop the conservation plan. No take of state-listed or federally listed species will occur without an Incidental Take Permit from either CDFW or USFWS.

The special-status plant conservation plan may consist of, but would not necessarily be limited to, purchase of mitigation credits at a regional conservation bank; plant salvage and relocation; collection and subsequent planting of seed or incorporating seed from native nursery into seed mix used for revegetation efforts; stockpiling, storing, and replacing topsoil containing the local seed bank; or other measures determined practicable based on the species and site conditions. If on-site conservation measures are implemented, the objective is to restore the impacted special-status plant species community to pre-existing conditions by providing for the restoration of a self-sustaining population of special-status plants in the general area where the impact occurred at a minimum of a 1:1 ratio (e.g., number of plants, square footage occupied). For on site conservation measures, the conservation plan will identify success criteria and provide for annual or other regular monitoring to evaluate whether the conservation effort has met the success criteria. The conservation plan will also include measures for remedial actions (e.g., additional plantings, supplemental irrigation, increased monitoring) if monitoring efforts indicate that success criteria are not being met.

For some species and site conditions, the biologist may determine that a conservation plan is not recommended. Some of these circumstances may include but are not limited to the following: (1) there are other nearby populations that will not be disturbed; (2) plant relocation, seeding, or revegetation would not have a reasonable probability of success; (3) implementation of measures could result in detrimental effects on existing special-status plant populations; or (4) incompatibility with required operations and maintenance activities. If the biologist determines, in coordination with CDFW and/or USFWS, that a conservation plan is not warranted, then no additional measures are required.

Mitigation Measure BIO-2: General Measures to Minimize Impacts on Special-Status Animal Species

A Biological Resources Management and Monitoring Plan (BRMMP) shall be developed and implemented for the Project. The BRMMP shall provide for the following:

- 1) Overall implementation and monitoring of the MMs for biological resources and the terms and conditions of any agency permits/authorizations throughout the duration of Project construction and restoration/revegetation of riparian habitat, per BIO-2c.
- 2) Designation of an overall Project biologist and the roles and responsibilities of the Project biologist and other monitoring biologists and the roles of Reclamation, SLDMWA, and construction personnel in coordinating and implementing the BRMMP.
- 3) Adaptive management in scheduling worker environmental awareness training (WEAT) and conducting pre-construction surveys for special-status species. In some cases, additional biological surveys beyond those identified in the MMs may be warranted to proactively avoid biological constraints or conflicts with protective measures. For example, early monitoring for nesting birds or occupied mammal burrows may be needed to preserve opportunities for vegetation removal, removal of nesting starts before egg laying, and burrow monitoring and closure prior to the initiation of breeding or nesting activities.
- 4) procedure and authorizations required to modify the MMs, if needed, to resolve conflicts with constructability requirements or other measures required by agency permits/authorizations or to provide for equivalent avoidance/minimization of adverse effects on sensitive biological resources under changing conditions over the life of Project construction. For example, nesting birds or other special-status species may initiate nesting or denning activities in proximity to construction areas while active construction activities are ongoing, including those within the 'no-disturbance buffers.' In these cases, it may be that the animals are acclimated to the level of construction disturbance, and continuance of construction activities would not be expected to adversely affect the animals or their nesting/breeding activities (assuming that increased levels of disturbance or closer proximity of construction activities is not planned). The BRMMP will include provisions for how these and similar circumstances will be addressed and how determinations regarding additional biological monitoring or agency coordination will be addressed.
- 5) Procedure to record and document implementation of the MMs and other measures including any pre-construction survey reports, WEAT sign-in forms, routine biological monitoring forms, photographs, and other materials related to implementation of the BRMMP.
- 6) Procedure to comply with the terms and conditions and notification and reporting requirements of any agency permits/authorizations required for the Project, and the procedure for coordination/consultation with resource or permitting agencies, as necessary.
- 7) Procedure to inform, document, and monitor restoration and revegetation activities associated with restoring temporary impacts on terrestrial and aquatic habitats and vegetation communities. This includes any post-construction monitoring/reporting and remedial measures that may be required.

Prior to the initiation of ground disturbance, a qualified biologist(s) will conduct a WEAT for all construction personnel. Training sessions will be repeated for all new personnel before they access the Project site. Sign-in sheets identifying attendees and the contractor/company they represent will be prepared for each training session, and records of attendance will be maintained by the Project. At minimum, the WEAT will include a description of the protected

species and biological resources that may occur in the Project area and their physical description, habitats, and natural history, as well as the measures that are being implemented to avoid or minimize Project-related impacts, penalties for noncompliance, and the boundaries of the work area. As appropriate, training will be conducted in languages other than English to ensure that employees and contractors understand their roles and responsibilities. A written summary of the training will be provided to all attendees, and an electronic copy will be provided so that the Project can make and distribute future copies. The WEAT will be conducted annually, at minimum, for all construction personnel.

A litter control program will be instituted at each Project site. All workers will place their food scraps, paper wrappers, food containers, cans, bottles, and other trash in covered or closed trash containers. The trash containers should be removed from the Project area at the end of each working day.

No firearms (except as possessed by federal, state, or local law enforcement officers) or pets will be permitted on construction sites.

To prevent inadvertent entrapment of wildlife during construction, all excavated steep-walled holes or trenches greater than two-feet deep should be covered or filled at the end of each working day or provided with one or more escape ramps no greater than 200 feet apart. Before such trenches or holes are filled, they shall be thoroughly inspected for trapped animals. If protected species are found in any of the holes or trenches, work shall cease until an escape ramp is provided and the animal leaves on its own volition, or until the animal has been relocated by a USFWS-approved biologist, and/or in coordination with USFWS, as appropriate.

All construction activity will be confined within the Project site, which may include temporary access roads, haul roads, and staging areas specifically designated and marked for these purposes.

Restoration and revegetation work associated with temporary impacts shall be done using California native plant material from on-site or local sources (i.e., local ecotype). Plant materials from non-local sources shall be allowed only with written authorization from USFWS. To the maximum extent practical (i.e., presence of natural lands), topsoil shall be removed, cached, and returned to the site according to successful restoration protocols. Loss of soil from runoff or erosion shall be prevented with straw bales, straw wattles, or similar means provided they do not entangle, block escape, or dispersal routes of listed animal species.

The Project construction area shall be delineated with high visibility temporary fencing, flagging, or other barrier to prevent encroachment of construction personnel and equipment onto any sensitive areas during Project work activities. Such fencing shall be inspected and maintained daily until completion of the Project. The fencing will be removed only when all construction equipment is removed from the site. No Project activities will occur outside the delineated Project construction area.

Only USFWS-approved personnel holding valid permits issued pursuant to Section 10(a)(1)(A) of the Act will be allowed to trap or capture listed species. Any relocation plan will be approved by USFWS prior to release of any listed species.

Tightly woven fiber netting or similar material (no monofilament material) will be used for erosion control or other purposes at the Project site to ensure that animals do not become trapped.

Prior to Project implementation, Reclamation will consult with USFWS to ensure its actions do not jeopardize the continued existence of any federally listed species or destroy/adversely modify critical habitat pursuant to Section 7(a)(2) of the ESA. If consultation with USFWS results in the issuance of a biological opinion, the Proposed Action will be conducted in compliance with all reasonable and prudent measures and terms and conditions set forth in the biological opinion.

To inform discussions between SLDMWA and CDFW regarding the potential for the Proposed Action to impact species currently protected under the CESA, and out of an abundance of caution, a qualified biologist familiar with the behavior and life history of the Crotch bumble bee will conduct surveys to determine the presence/absence of the species within the project area within 1 year prior to the initiation of construction. These surveys will be conducted during the Crotch bumble bee flying season (i.e., March 1 to September 1) when the species is most likely to be detected above ground. Survey results, including negative findings, will be submitted to CDFW prior to the initiation of project-related ground disturbing activities. At a minimum, the survey report will provide the following:

- a. A description and map of the survey area, focusing on areas that could provide suitable habitat for the Crotch bumble bee.
- b. Field survey conditions that include the name(s) of qualified biologist(s) and their qualifications, date and time of the survey, survey duration, general weather conditions, and survey goals.
- c. A map(s) showing the location of Crotch bumble bee nests/colonies identified during the surveys.
- d. A description of the physical (e.g., soil, moisture, slope) and biological (e.g., plant composition) conditions where each Crotch bumble bee nest/colony was found. A sufficient description of biological conditions, primarily impacted habitat, including native plant composition (e.g., density, cover, and abundance) within the impacted habitat (e.g., species list separated by vegetation class, density, cover, and abundance of each plant species).

Prior to Project implementation, SLDMWA will consult with CDFW if any species protected under CESA are confirmed present within the project area and it is determined that take of one or more of these species cannot be avoided during Project implementation. Should it be determined that the Proposed Action would result in take of one or more species protected under CESA, SLDMWA would obtain take authorization through the acquisition of an ITP from CDFW, pursuant to Fish and Game Code Section 2081 subdivision (b).

Mitigation Measure BIO-3: Measures to Minimize Impacts on Bats

To the extent practicable, the removal of large trees with cavities or the modification of canal infrastructure with the potential to provide bat roosts will occur before maternity colonies form (i.e., prior to March 1) or after young are volant (able to fly) (i.e., after August 15).

If construction (including the removal of large trees and/or the modification of canal infrastructure) occurs during the non-volant season (March 1 to August 15), a qualified biologist will conduct a pre-construction survey of the Project area for maternity colonies. The pre-construction survey will be performed no more than 14 days prior to the implementation of construction activities (including staging and equipment access). If a lapse in construction activities for 14 days or more occurs between those dates, another pre-construction survey will be performed. If any maternity colonies are detected, appropriate conservation measures (as determined by a qualified biologist) will be implemented. These measures may include, but are not limited to, establishing a construction-free buffer zone around the maternity colony site, biological monitoring of the maternity colony, and delaying construction activities within the vicinity of the maternity site.

Mitigation Measure BIO-4: Measures to Minimize Impacts on the American Badger

Any American badger detected within the Project area during Project-related activities will be allowed to move out of the work area of its own volition.

Concurrent with other required surveys, during winter and spring months before new Project activities, and concurrent with other pre-construction surveys (e.g., San Joaquin kit fox [SJKF] and burrowing owl), a qualified biologist will perform a survey to identify the presence of active

or inactive American badger dens. If this species is not found, no further mitigation will be required. If badger dens are identified within the construction footprint during the surveys or afterward, they will be inspected and closed using the following methodology:

- When unoccupied dens are encountered outside of work areas but within 100 feet of proposed activities, vacated dens will be inspected to ensure they are empty and temporarily covered using plywood sheets or similar materials.
- If badger occupancy is determined at a given site within the work area, work activities at that site should be halted. Depending on the den type, reasonable and prudent measures to avoid harming badgers will be implemented and will include seasonal limitations on Project construction near the site (e.g., restricting the construction period to avoid spring–summer pupping season) or establishing a construction exclusion zone around the identified site or resurveying the den at a later time to determine the species' presence or absence.
- Badgers will be passively relocated using burrow exclusion (e.g., installing one-way doors on burrows) or similar CDFW-approved exclusion methods. In unique situations, it may be necessary to actively relocate badgers (using live traps) to protect individuals from potentially harmful situations. Such relocation would be performed with advance CDFW coordination and concurrence.

Mitigation Measure BIO-5: Measures to Minimize Impacts on San Joaquin Kit Fox

Determine the presence of SJKF dens:

- a) Pre-construction monitoring will be performed no less than 14 days and no more than 30 days prior to construction to identify kit fox habitat features within the Project area.
- b) Areas within which pre-construction monitoring have been completed more than 30 days prior to construction will be re-inventoried not more than 30 days prior to construction.
- c) Pre-construction monitoring for dens will be conducted by qualified biologists familiar with SJKF biology, natural history, and potential dens.
- d) Pipes and culverts will be searched for SJKF immediately prior to being moved or sealed to ensure that an animal has not been trapped. If SJKF is observed, a USFWS-approved biologist will gently encourage it to leave the area (i.e., without using loud noise, physical force, or physical movement of the pipe or culvert such that the animal could be injured or startled while it is leaving the area).

Identify and document locations of potential or occupied dens (natal or non-natal) and their status (occupied or unoccupied). Definitions:

- a) Known den: any existing natural den or manmade structure that is used or has been used at any time in the past by SJKF. Evidence of use may include historical records, past or current radiotelemetry or spotlighting data, kit fox sign such as tracks, scat, and/or prey remains, or other reasonable proof that a given den is being or has been used by a kit fox. USFWS discourages use of the terms “active” and “inactive” when referring to any kit fox den because a great percentage of occupied dens show no evidence of use, and because kit foxes change dens often, with the result that the status of a given den may change frequently and abruptly.
- b) Potential den: any subterranean hole within the species' range that has entrances of appropriate dimensions (five to eight inches in diameter) for which available evidence is insufficient to conclude that it is being used or has been used by a kit fox. Potential dens shall include the following: (1) any suitable subterranean hole five to eight inches in diameter within the species' range; or (2) any den or burrow of another species (e.g., coyote, badger, red fox, or ground squirrel) that otherwise has appropriate characteristics for kit fox use.

- c) Natal/pupping den: any den used by kit foxes to whelp and/or rear their pups. Natal/pupping dens may be larger with more numerous entrances than dens occupied exclusively by adults. These dens typically have more kit fox tracks, scat, and prey remains in the vicinity of the den, and may have a broader apron of matted dirt and/or vegetation at one or more entrances. A natal den, defined as a den in which kit fox pups are actually whelped but not necessarily reared, is a more restrictive version of the pupping den. In practice, however, it is difficult to distinguish between the two, therefore, for purposes of this definition either term applies.
- d) Atypical den: any manmade structure which has been or is being occupied by SJKF. Atypical dens may include pipes, culverts, and diggings beneath concrete slabs and buildings.

Identify and execute appropriate action(s) regarding notification, buffers, excavation and fill, or seal off:

- a) Occupied natal den: if an occupied natal den is visible or encountered within the Project limits or on publicly accessible land sufficiently close to the Project construction area such that it would be disturbed (based on qualified biologist opinion and monitoring), USFWS and CDFW will be contacted immediately and before any Project action occurs to determine permissible actions to permit resumption of work.
- b) Unless determined necessary for safety or constructability by Reclamation, SLDMWA, or the Project contractor, the Project site will not be lighted between sunset and sunrise.
- c) Pipes or culverts with a diameter greater than four inches will be capped or taped closed when it is ascertained that no SJKF are present. Any SJKF found in a pipe or culvert will be allowed to escape unimpeded.

If a natural den or burrow is determined to meet size criteria (i.e., greater than four inches in diameter) and cannot be avoided per the no-disturbance buffers recommended in the USFWS Standardized Recommendations for Protection of the SJKF Prior to or During Ground Disturbance (USFWS 2011) or shall be destroyed, the following guidelines will be followed:

- a) Prior to den destruction, areas scheduled for construction within the vicinity of potential kit fox dens shall be monitored by a qualified biologist to determine their status. Monitoring will begin with pedestrian surveys to identify locations of potential kit fox dens and observe for suitable surrounding habitat. Because it is logistically impractical to monitor all dens using remote cameras and tracking medium (or to hand excavate to confirm vacancy), baited camera traps may be used to assess presence or absence of SJKF activity. Prior to ground-disturbing activities in Project segments that require excavation, baited camera traps will be deployed in approximate 0.25-mile increments for four consecutive nights. Baited camera traps may be placed farther than 0.25 mile apart, depending on the suitability of surrounding habitat and land uses that are observed during pedestrian surveys and in areas with lower densities of potential kit fox dens. If no kit foxes are detected by the camera traps during this time period, it can be assumed that kit foxes are not currently using the area, and ground-disturbing activities may commence in that area. If a kit fox is detected by a camera trap, then further investigation will be required, as described below.
- b) If a kit fox is detected by a baited camera trap or otherwise observed in an area, further pre-construction monitoring will be conducted to determine which den(s) are being used. Baited camera traps will be deployed in the area, and tracking medium will be placed at the entrances of suspected dens to monitor the area for four consecutive nights. If no SJKF activity is observed during this period, the den will be deemed unoccupied and destroyed immediately under the supervision of a USFWS-approved biologist to preclude subsequent use. If SJKF activity is observed at the den during this period, then the den will be monitored for at least five consecutive days from the time of observation to allow any resident animal to move to another den during its normal activities. Use of

the den can be discouraged during this period by partially plugging the entrance(s) with soil in such a manner that any resident animal can escape easily. Destruction of the den may begin when, in the judgment of a USFWS-approved biologist, the animal has vacated. The biologist will be trained and familiar with SJKF biology. If the animal is still present after five or more consecutive days of plugging and monitoring, the den may be excavated when, in the judgment of a USFWS-approved biologist, it is temporarily vacant (e.g., during the animal's normal foraging activities). All den destruction shall be conducted under the supervision of a USFWS-approved biologist.

- c) All dens requiring excavation will be excavated under the supervision of a USFWS-approved biologist. In no event will an excavation that meets the definition of a confined space (i.e., a space large enough and so configured that a person can bodily enter but has limited or restricted means for entry or exit) be initiated. In this circumstance, discouragement (as described above) would be used.
- d) The den will be fully excavated and then filled with dirt and compacted so that SJKF cannot reenter or use the den during the construction period. If, at any point during excavation, an SJKF is discovered inside the den, the excavation activity will cease immediately, and monitoring of the den will be resumed. Destruction of the den may be resumed when, in the judgment of a USFWS-approved biologist, the animal has escaped from the partially destroyed den.

Before and during construction:

- Project-related vehicles should observe a daytime speed limit of 20 mph throughout the site in all Project areas, except on county roads and state and federal highways; this is particularly important at night when kit foxes are most active. Nighttime construction should be minimized to the extent possible. However, if it does occur, then the speed limit should be reduced to 10 mph. Off-road traffic outside of designated Project areas should be prohibited.
- Kit foxes are attracted to den-like structures, such as pipes, and may enter stored pipes and become trapped or injured. All construction pipes, culverts, or similar structures with a diameter of four inches or greater that are stored at a construction site for one or more overnight periods should be thoroughly inspected for kit foxes before the pipe is subsequently buried, capped, or otherwise used or moved in any way. If a kit fox is discovered inside a pipe, that section of pipe should not be moved until USFWS has been consulted. If necessary, and under the direct supervision of the biologist, the pipe may be moved only once to remove it from the path of construction activity, until the fox has escaped.
- A representative shall be appointed by the Project proponent who will be the contact source for any employee or contractor who might inadvertently kill or injure a kit fox or who finds a dead, injured or entrapped kit fox. The representative will be identified during the employee education program and their name and telephone number shall be provided to USFWS.
- In the case of trapped animals, escape ramps or structures should be installed immediately to allow the animal(s) to escape, or USFWS should be contacted for guidance. If at any time a trapped or injured kit fox is discovered, USFWS and CDFW shall be contacted as noted below.
- Any contractor, employee, or military or agency personnel who are responsible for inadvertently killing or injuring a SJKF shall immediately report the incident to their representative. This representative shall contact USFWS immediately in the case of a dead, injured, or entrapped kit fox.
- The Sacramento Fish and Wildlife Office and CDFW shall be notified in writing within three working days of the accidental death or injury to a SJKF during Project-related

activities. Notification shall include the date, time, and location of the incident or of the finding of a dead or injured animal and any other pertinent information.

- New sightings of kit fox shall be reported to the CNDDDB. A copy of the reporting form and a topographic map clearly marked with the location of where the kit fox was observed should also be provided to USFWS.
- Because this species most actively forages during dusk and dawn, to the extent practicable, all construction activities will cease one-half hour before sunset and will not begin prior to one-half hour before sunrise. Except when necessary for driver or pedestrian safety, lighting of a Project site by artificial lighting during nighttime hours is prohibited.

Mitigation Measure BIO-6: Measures to Minimize Impacts on the Tricolored Blackbird and the Yellow-Headed Blackbird

Prior to construction, appropriately timed surveys for tricolored blackbirds and yellow-headed blackbirds will be conducted in areas supporting potentially suitable habitat within 0.25 mile of construction areas. Habitat within 0.25 mile of tricolored blackbird or yellow-headed blackbird colonies will be avoided during nesting season, which can begin as early as mid-March and extend through August. If colonies cannot be avoided, CDFW will be consulted to potentially reduce buffer distances with active monitoring during construction by a qualified biologist.

Mitigation Measure BIO-7: Measures to Minimize Impacts on the Burrowing Owl

A minimum of one pre-construction survey for burrowing owls within a minimum of 500 feet of the Project area (where accessible) will be conducted by a qualified biologist within 15 days prior to the initiation of construction activities in a given area, regardless of the timing of construction. Pre-construction surveys each year of construction during the nonbreeding season (September 1 to January 31) will take place in order to determine the presence of burrowing owls before breeding activities begin. If any occupied burrows are identified, appropriate conservation measures (as determined by a qualified biologist) will be implemented. No disturbance will occur within 150 feet of occupied burrows during the nonbreeding season (September 1 to January 31) or within 250 feet during the breeding season (February 1 to August 31). These measures may also include establishing a construction-free buffer zone around the active nest site in coordination with the CDFW, biological monitoring of the active nest site, and delaying construction activities in the vicinity of the active nest site until the young have fledged.

If burrowing owls are detected within the Project area during the nonbreeding season and maintaining a 150-foot, no-disturbance buffer is not practicable, a qualified biologist will submit an exclusion and passive relocation plan to CDFW. The exclusion and passive relocation plan will generally follow the guidelines outlined in Appendix E of the Staff Report on Burrowing Owl Mitigation (CDFW 2012). The exclusion and passive relocation plan will consist of installing one-way doors in potential burrows, daily monitoring, and collapsing burrows once it is determined that the burrows are unoccupied. Exclusion may only take place during the nonbreeding season (September 1 to January 31) and may be an ongoing effort during this time period. This will allow the owls to exit burrows if they are present, but not return. The exclusion and passive relocation plan will also detail plans to replace collapsed burrows with artificial burrows at a minimum 1:1 ratio or describe why artificial burrows are not needed (e.g., numerous available natural burrows are available in nearby areas that will not be disturbed). Monitoring of collapsed burrows will be conducted as needed so that burrowing owls do not recolonize the area prior to construction disturbance.

If occupied burrows are detected during the breeding season and maintaining a 250-foot no-disturbance buffer is not practicable, CDFW will be consulted to determine alternative measures to minimize the potential for disturbance to occupied burrows and nesting activities. Measures may include but are not limited to continuous biological monitoring by a qualified biologist until it has been determined that the young have fledged and are no longer reliant on the nest or

parental care for survival or construction is complete. No direct disturbance of burrows with eggs or young can be conducted without written authorization from the CDFW and USFWS.

Mitigation Measure BIO-8: Measures to Minimize Impacts on the Golden Eagle, Swainson's Hawk, Northern Harrier, or White-Tailed Kite

For construction activities that occur between February 1 and August 31, a qualified biologist will conduct pre-construction surveys for golden eagles, Swainson's hawks, northern harriers, and white-tailed kites. The pre-construction surveys will include the Project footprint and a minimum of a 0.50-mile radius where access is permitted around the construction area in suitable nesting habitat (i.e., large trees for Swainson's hawk and white-tailed kite, cliff faces for golden eagle, and grasslands for northern harrier). The pre-construction surveys will be conducted no more than 10 days before ground disturbance in a given area and will be phased based on the construction schedule.

If nesting golden eagles, Swainson's hawks, northern harriers, or white-tailed kites are detected, an appropriate no-disturbance buffer (minimum of 500 feet for northern harrier, 0.50 mile for golden eagle, Swainson's hawk, and white-tailed kite) will be established and monitored daily by a qualified biologist. Buffers will be maintained until a qualified biologist has determined that the young have fledged and are no longer reliant on the nest or parental care for survival. A 0.50-mile no-disturbance buffer will also be maintained from any overwintering eagles if they are detected in the Project area or surrounding areas; the buffer will be maintained for the duration that the bird(s) are present. If any bald eagles or golden eagles are detected, Reclamation will coordinate with USFWS, as necessary, to comply with the Bald and Golden Eagle Protection Act.

If maintaining the minimum no-disturbance buffer around an active golden eagle, Swainson's hawk, northern harrier, or white-tailed kite nest (or any overwintering eagles) is not practicable, CDFW will be consulted to determine whether reduced minimum no-disturbance buffers are appropriate based on site-specific circumstances (e.g., visual barriers between nest and construction area, existing level of disturbance) or to identify alternative measures to minimize the potential for Project-related disturbance to the nest site that could result in nest abandonment or other forms of take. Measures may include, but are not limited to, continuous biological monitoring by a qualified biologist until it has been determined that the young have fledged and are no longer reliant on the nest or parental care for survival or construction is complete. If the nesting pair shows signs of distress (i.e., adults leaving the nest when eggs or young chicks are present) as a result of Project-related activities, the monitoring biologist will have authority to stop work until it is determined that the adults have returned and are no longer showing signs of distress.

If trees suitable for nesting by Swainson's hawk are scheduled to be removed during the non-nesting season, a qualified biologist will conduct a pre-construction survey during the nesting season prior to tree removal to determine whether Swainson's hawks are using the trees for nesting. If the trees proposed for removal are being used by nesting Swainson's hawk, consultation with CDFW will take place per BIO-8. prior to tree removal.

If CESA compliance is required, and consultation with CDFW results in a determination that take of an active Swainson's hawk nest cannot be avoided, then take authorization pursuant to CESA will be obtained from CDFW prior to initiation of any activities that are likely to result in such take.

If an active golden eagle or white-tailed kite nest may not be avoidable, then all activities that are likely to result in take will be delayed until a qualified biologist has determined that the young have fledged and are no longer reliant on the nest or parental care for survival.

Mitigation Measure BIO-9: Measures to Minimize Impacts on Nesting Migratory Birds

To the extent practicable, vegetation removal will be scheduled to avoid the breeding season for nesting raptors and other special-status birds (generally February 1 through August 31,

depending on the species). Removal of vegetation outside of the nesting season is intended to minimize the potential for delays in vegetation removal because of active nests.

Regardless of when vegetation removal is scheduled, a qualified biologist will conduct a minimum of one pre-construction survey for nesting migratory birds and raptors within the Project area and a buffer (250 feet for migratory birds, 500 feet for raptors) around the Project area (where accessible) for all construction-related activities that will occur during the nesting season. The pre-construction survey will be conducted no more than 15 days prior to the initiation of construction in a given area and will be phased based on the construction schedule. Because of the ongoing, phased approach to construction, multiple pre-construction surveys per year may be required. If an active nest is found, a construction-free buffer zone (250 feet for migratory birds, 500 feet for raptors) will be established around the active nest site. If establishment of the construction-free buffer zone is not practicable, appropriate conservation measures (as determined by a qualified biologist) will be implemented. These measures may include, but are not limited to, consultation with CDFW to establish a different construction-free buffer zone around the active nest site, daily biological monitoring of the active nest site, and delaying construction activities in the vicinity of the active nest site until the young have fledged.

If removal of bridges or other bridge work is scheduled to occur during the swallow nesting season, exclusionary devices (e.g., netting) will be installed around the bridges prior to the initiation of the avian breeding season (before February 15) during the same year as the bridges are scheduled for removal and after a qualified biologist has determined no active nests (i.e., nests with eggs or young) are present. The exclusionary devices will remain in place until August 15 or until the bridge removal or other bridge work is completed. The exclusionary devices will be anchored such that swallows cannot attach their nests to the structure through gaps. Exclusionary devices will be regularly inspected as necessary to confirm that they are adequately preventing initiation of nest building. If swallows have breached the exclusionary devices and began building nests on the structure, nesting material (i.e., partially built nests) can be removed only if a qualified biologist has determined that eggs or young are not present. No removal of nests with eggs or young can be conducted without written authorization from CDFW and USFWS, or until a qualified biologist has determined that the nest is no longer active (e.g., the nest has failed, the young have fledged and are no longer dependent on the nest).

Mitigation Measure BIO-10: Measures to Minimize Impacts on the California Tiger Salamander (CTS) and the California Red-legged Frog (CRLF)

Before and during construction:

- Protocol presence/absence surveys shall be conducted by a USFWS-approved biologist in suitable habitat prior to construction with a negative finding. As the Project is multi-year, protocol presence/absence surveys can be conducted in portions of the Project area that have work scheduled the following year. Alternatively, presence can be assumed in suitable habitat and the measures below can be implemented.
- To the maximum extent practicable, the Project design and construction implementation will avoid impacts to suitable breeding habitat. Areas of avoidance shall be indicated on Project plan sets and shall be clearly delineated in the field. Signage indicating "Environmentally Sensitive Area: Keep Out" shall be posted.
- Protocol aquatic surveys shall be conducted by a USFWS-approved biologist in suitable breeding habitat within areas that will be disturbed by construction in the following year, and within 1.3 miles of those areas to detect occupied breeding resources (one survey in March, April, and May each). Any occupied breeding resources will be prioritized for avoidance.
- Resources documented to support breeding populations of CTS/CRLF shall be avoided during construction with a buffer sufficient to ensure the continued functioning of that

breeding resource. If adherence to this buffer is not feasible, USFWS shall be contacted to determine whether moving individuals prior to construction is authorized.

- A USFWS-approved biologist shall survey the work sites where suitable habitat has been identified no more than 30 days before the onset of construction. Adult individuals detected during the surveys shall be relocated out of the area of disturbance by a USFWS-approved biologist.
- Work in occupied habitat shall only occur during the dry season.
- Areas beneath construction equipment and vehicles shall be inspected daily, prior to operation, for presence of CTS/CRLF under tracks/tires and within machinery by a USFWS-approved biologist until the biologist determines a designated contractor is sufficiently trained to monitor. A USFWS-approved biologist will ensure that this individual receives training consistent with USFWS requirements. A USFWS-approved biologist will be on-call to come to the site if CTS/CRLF are found.
- CTS/CRLF one-way, exclusion fencing shall be installed between construction areas and occupied habitat. This fencing shall extend 1.3 miles from the boundary of the occupied habitat along the alignment of the Project area.
- Overnight staging of vehicles or equipment shall be prohibited within 100 feet of occupied or assumed-occupied breeding resources.
- Work in occupied breeding habitat shall only occur during the dry season.

After construction:

- Temporary disturbance of occupied habitat shall be mitigated by restoring the area to pre-Project contours and revegetation.

Mitigation Measure BIO-11: Measures to Minimize Impacts on the Western Spadefoot Toad

If a western spadefoot toad is encountered during construction activities, it will be allowed to move out of harm's way of its own volition, or a qualified biologist will relocate it to the nearest suitable habitat that is at least 100 feet outside of the construction impact area.

Prior to moving equipment or materials each day, construction personnel will inspect for western spadefoot toads underneath and around equipment and other Project materials (e.g., stored pipes greater than two inches in diameter) that are located within 200 feet of aquatic habitat. If western spadefoot toads are found, they will be allowed to move out of the construction area under their own volition, or a qualified biologist will relocate individuals to the nearest suitable habitat that is at least 100 feet outside of the construction impact area.

Mitigation Measure BIO-12: Measures to Minimize Impacts on the Northern California Legless Lizard, California Glossy Snake, San Joaquin Coachwhip, and Coast Horned Lizard

Prior to moving equipment or materials each day, construction personnel will inspect underneath and around equipment for northern California legless lizard, California glossy snake, San Joaquin coachwhip, and coast horned lizard. If these species are encountered during construction activities, they will be allowed to move out of harm's way of their own volition, or a qualified biologist will relocate the organism(s) to the nearest suitable habitat that is at least 100 feet outside of the construction impact area.

Mitigation Measure BIO-13: Measures to Minimize Impacts on the Giant Garter Snake

Before and during construction:

- Protocol presence/absence surveys shall be conducted by a USFWS approved biologist in suitable habitat prior to construction. As the project is multi-year, protocol presence/absence surveys can be conducted in portions of the Project Area that have

work scheduled the following year. Alternatively, presence can be assumed in suitable habitat and the measures below implemented.

- Avoid construction activities within 200 feet from the banks of occupied or potential giant garter snake aquatic habitat. Confine movement of heavy equipment to existing roadways to minimize habitat disturbance.
- Construction activity within suitable habitat should be conducted between May 1 and October 1. This is the active period for giant garter snakes and direct mortality is lessened, because snakes are expected to actively move and avoid danger. Impacts to winter hibernacula should be avoided during the period of October 2 and April 30.
- The Project area shall be surveyed for giant garter snakes 24 hours prior to construction activities. Survey of the Project area should be repeated if a lapse in construction activity of two weeks or more has occurred. If a snake is encountered during construction, activities shall cease until appropriate corrective measures have been completed or it has been determined that the snake will not be harmed.
- Any dewatered habitat should remain dry for at least 15 consecutive days after April 15 and prior to excavating or filling of the dewatered habitat.

Mitigation Measure BIO-14: Measures to Minimize Impacts on the Western Pond Turtle

Before construction activities begin, a qualified biologist will conduct western pond turtle surveys within creeks and in other ponded areas affected by the Project. Adjacent upland areas will be examined for evidence of nests and individual turtles. The Project biologist will be responsible for the survey and for the relocation of pond turtles, if found. Construction will not proceed until reasonable effort has been made to capture and relocate as many western pond turtles as possible to minimize take. However, some individuals may remain undetected or enter sites after surveys and could be subject to injury or mortality. If a nest is observed, a biologist with the appropriate permits and prior approval from CDFW will move eggs to a suitable location or facility for incubation and release hatchlings into the creek system the following autumn.

Mitigation Measure BIO-15: Measures to Minimize Impacts on the Longhorn Fairy Shrimp, Vernal Pool Fairy Shrimp, and Vernal Pool Tadpole Shrimp

Before and during construction:

- Protocol presence/absence surveys shall be conducted by a USFWS-approved biologist in suitable habitat prior to construction with a negative finding. As the Project is multi-year, protocol presence/absence surveys can be conducted in portions of the Project area that have work scheduled the following year. Alternatively, presence can be assumed in suitable habitat.
- Work in occupied listed vernal pool branchiopod habitat shall only occur during the dry season.
- The authorized limits of branchiopod habitat (i.e., 250 feet from the pool edge) will be clearly staked in the field to prevent construction personnel from causing impacts to areas outside of work limits.
- Where temporary impacts will occur to occupied or assumed-occupied listed vernal pool branchiopod habitat, the top 1 to 3 inches of soil shall be salvaged to preserve the cyst bank. Saved topsoil shall be covered to avoid erosion. Topsoil shall be replaced as soon as possible upon completion of work in the impacted habitat.
- Overnight staging of vehicles or equipment shall be prohibited within 100 feet of occupied or assumed-occupied fairy shrimp.

After construction:

- Temporary impacts to listed branchiopod habitat shall be mitigated for by restoring the affected area to pre-Project contours, compaction levels, and revegetation.

Mitigation Measure BIO-16: Measures to Minimize Impacts on Sensitive Natural Communities

Temporary and permanent impacts on sensitive natural communities known to occur within the Project area will be minimized to the greatest extent practicable. Trees and other vegetation will not be removed if it can otherwise be reasonably avoided. In determining areas where vegetation shall be removed to provide adequate access for construction or staging, consideration will be given to selecting areas that require the least amount of removal of mature trees and canopy cover in coordination with a qualified biologist.

Prior to the initiation of construction activities, exclusionary fencing will be installed along the boundaries of all environmentally sensitive areas to be avoided, which will include sensitive natural communities and aquatic resources adjacent to the areas of Project-related impacts, so that impacts on environmentally sensitive areas outside of the construction area are minimized. Locations of environmentally sensitive areas and exclusionary fencing will be identified on construction plans. The exclusionary fencing will be inspected and maintained on a regular basis throughout Project construction in the areas where the fencing is needed to avoid unintended disturbance.

A Post-Construction Revegetation and Monitoring Plan will be developed and implemented to provide for the restoration of temporarily impacted riparian habitats to pre-existing conditions. The plan will include provisions for the planting of native woody vegetation and native seed mix or otherwise provide for the reestablishment of self-sustaining native riparian vegetation similar to the existing native riparian vegetation community. Planting of native riparian vegetation will include, but is not limited to, replacement of any trees removed by the Project at a 3:1 ratio (replaced to removed) with appropriate native tree species. For the purposes of this requirement, a tree is defined as a native woody plant (i.e., tree or mature shrub) with at least one stem measuring two inches or greater diameter at breast height. The plan will also identify success criteria and provide for annual or other regular monitoring to evaluate whether the revegetation effort has met the success criteria. The plan will include measures for remedial actions (e.g., additional plantings, supplemental irrigation, increased monitoring) if monitoring efforts indicate that success criteria are not being met.

Mitigation Measure BIO-17: Measures to Minimize Impacts on Wetlands

Prior to any temporary or permanent impacts on aquatic resources, any required permits/authorizations from RWQCB and USACE will be obtained. All terms and conditions of the required permits/authorizations will be implemented.

Where jurisdictional wetlands and other waters cannot be avoided, to offset temporary and permanent impacts that would occur as a result of the Project, restoration and compensatory mitigation to ensure no net loss will be provided as described below.

A wetland mitigation and monitoring plan will be developed in coordination with CDFW, USACE, or RWQCB to detail mitigation and monitoring obligations for temporary and permanent impacts to wetlands and other waters owing to construction activities and for other CDFW jurisdictional areas. The plan will quantify the total acreage affected; provide for mitigation, as described below, to wetland or riparian habitat; specify annual success criteria for mitigation sites; specify monitoring and reporting requirements; and prescribe site-specific plans to compensate for wetland losses resulting from the Project consistent with USACE's no net loss policy.

Prior to construction, the aquatic structure of wetland and riparian areas to be disturbed will be photo-documented and measurements of width, length, and depth will be recorded. Recontouring and revegetation of the disturbed portions of jurisdictional areas in areas temporarily affected by construction prior to demobilization by the construction contractor will be completed at the end of Project construction. Creek banks will be recontoured to a more stable condition, if necessary.

Revegetation will include a palette of species native to the watershed area according to a revegetation plan to be developed by Reclamation and submitted to USACE, CDFW, and RWQCB for approval. Following removal, woody trees habitat acreage would be replanted at a minimum 1:1 ratio, or as determined and agreed upon by the permitting agencies. Interim vegetation or other measures will be implemented, as necessary, to control erosion in disturbed areas prior to final revegetation.

Wetland and other waters impact in the construction and inundation area will be compensated at a ratio of 2:1 or at a ratio agreed upon by the wetland permitting agencies. Compensatory mitigation will be conducted by creating or restoring wetland and aquatic habitat at an agency-approved location on nearby lands or through purchasing mitigation credits at a USACE- or CDFW-approved mitigation bank (depending on the resource). If mitigation is conducted on- or off-site, a five-year wetland mitigation and monitoring program for on- and off-site mitigation will be developed. Appropriate performance standards may include a 75-percent survival rate of restoration plantings; absence of invasive plant species; and a viable, self-sustaining creek or wetland system at the end of five years.

A weed control plan for the Project to limit the spread of noxious or invasive weeds will be developed. This plan would be consistent with current integrated pest management plans already in practice on lands surrounding the reservoir. Noxious or invasive weeds include those rated as 'high' in invasiveness by the California Invasive Plant Council. The plan will include a baseline survey to identify the location and extent of invasive weeds in the Project area prior to ground-disturbing activity, a plan to destroy existing invasive weeds in the construction area prior to initiation of ground-disturbing activity, weed-containment measures while the Project is in progress, and monitoring and control of weeds following completion of construction.

Mitigation Measure CR-1: Implement a Formal Agreement Document to National Historic Preservation Act (NHPA) Section 106 Compliance and Resolve any Adverse Effects/Significant Impacts to Cultural Resources

The resolution of adverse effects to historic properties occurs through the implementation of measures agreed on through consultation with the SHPO, Advisory Council on Historic Preservation (ACHP), and other Section 106 consulting parties. These measures are discussed in the draft Programmatic Agreement Between the Bureau of Reclamation, Interior Region 10 California-Great Basin; and the California State Historic Preservation Officer Regarding Compliance with Section 106 of the National Historic Preservation Act Pertaining to the Implementation of the Delta-Mendota Canal Subsidence Correction Project, Alameda, Contra Costa, San Joaquin, Stanislaus, Merced, and Fresno counties, which remains in review. In general, significant impacts to cultural resources under NEPA would be mitigated through the measures agreed to through the Section 106 process. Cultural resources that are formally determined not eligible for inclusion in the NRHP or the CRHR would require no further management prior to Project implementation. If cultural resources determined 'not eligible for listing in the NRHP but eligible for listing in the CRHR' are identified as part of the Project, such resources will be managed per CEQA requirements.

Mitigation Measure GEO-1: Prepare for Unexpected Failures of Erosion Control Measures

To prepare for unexpected failures of erosion control measures, a supply of erosion control materials will be maintained on-site during the construction period to facilitate a quick response to unanticipated storm events or emergencies.

MANDATORY FINDINGS OF SIGNIFICANCE

- No substantial evidence exists that the proposed project would have a negative or adverse effect on the environment.
- The project would not substantially degrade the quality of the environment, significantly reduce the habitat for fish and wildlife species, result in fish or wildlife populations below a self-sustaining level, reduce the number or restrict the range of a special-status species, or eliminate important examples of California history or prehistory.
- The project would not have environmental effects that would cause substantial direct or indirect adverse effects on humans.
- The project would not have environmental effects that are individually limited but cumulatively considerable.

In accordance with Section 21082.1 of the California Public Resources Code, SLDMWA has independently reviewed and analyzed the initial study (attached) and proposed mitigated negative declaration for the proposed project and finds that the initial study and proposed mitigated negative declaration reflect the independent judgment of SLDMWA.

Pablo Arroyave, Chief Operating Officer
San Luis & Delta-Mendota Water Authority

Date

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Appendix S: Mitigation Monitoring and Reporting Plan

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Appendix S Mitigation Monitoring and Reporting Program

S.1 Introduction

The proposed Delta-Mendota Canal Subsidence Correction Project (Project) would result in the potential for significant environmental impacts associated with water quality, traffic and transportation, hazardous materials, biological resources, cultural resources, and geology, seismicity, and soils. Mitigation measures have been incorporated into the Project to reduce impacts. The mitigation measures for the Project must be adopted by Bureau of Reclamation (Reclamation) and the San Luis & Delta-Mendota Water Authority (SLDMWA), in conjunction with adoption of the Environmental Assessment/Initial Study (EA/IS).

Section 21081.6 of the Public Resources Code (PRC) and California Environmental Quality Act (CEQA) Guidelines section 15097 require the Lead Agency for each project that is subject to CEQA to monitor performance of the mitigation measures included in any environmental document to ensure that implementation does, in fact, take place. The PRC requires the Lead Agency to adopt a monitoring and reporting program for assessing and ensuring the implementation of required mitigation measures.

In accordance with PRC Section 21081.6, SLDMWA has developed this Mitigation Monitoring and Reporting Program (MMRP) for the Project. The purpose of the MMRP is to ensure activities associated with transferring water comply with all applicable environmental mitigation requirements.

S.2 Mitigation and Monitoring

Table S-1 lists the mitigation measures identified in the EA/IS, responsible parties, method for verification, and the time frame for implementation. SLDMWA, as the CEQA lead agency, is the ultimate agency responsible to make sure that mitigation measures are implemented. Other parties, including Reclamation, as the National Environmental Policy Act (NEPA) lead agency will have a role in implementation.

Table S-1. Mitigation Measures

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
WQ-1	Prepare Site-Specific Stormwater Pollution Prevention Plan (SWPPP) The objectives of the SWPPP would be to: (1) identify pollutant sources that may affect the quality of stormwater associated with construction activity; and (2) identify, construct, and implement stormwater pollution prevention measures to reduce pollutants in stormwater discharges during and after construction. The SWPPP would also include details of how the sediment and erosion control practices, referred to as BMPs would be implemented. The implementation of the SWPPP would comply with state and federal water quality regulations.	Reclamation/SLDMWA in coordination with Construction contractor(s)	Final Design and Construction contract requirement	Prior to, during, and after construction
TR-1	Develop a Temporary Traffic Control Plan The following construction management actions will be documented in a temporary traffic control plan developed by the contractor as a requirement that will be included in its construction contract. The temporary traffic control plan will be submitted for California Department of Transportation's review and approval during the Encroachment Permit process. Construction contractors will install signage at roadways and intersections identified as dangerous in accordance with the California Manual on Uniform Traffic Control Devices guidelines warning motorists of slow-moving construction traffic and lane closures. Signage shall also be posted at these locations one month in advance to allow motorists time to plan for delays or alternate routes. Construction contractors shall implement dust abatement and perform proper construction traffic management actions, including signage warning motorists of construction activity and traffic controls like flaggers or temporary traffic lights where construction equipment will be entering roadways, to reduce conflicts during periods of high traffic volume in and around each construction site and to avoid conflicts with emergency responders entering and existing the area during an emergency.	Reclamation/SLDMWA in coordination with Construction contractor(s)	Final Design and Construction contract requirement	Prior to and during construction

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	In addition to the temporary traffic control plan, before the initiation of any construction actions, construction contractors shall develop and adhere to a health and safety plan outlining all applicable Occupational Safety and Health Administration (OSHA) requirements, and important traffic safety plans, including identification of emergency access routes in and through construction areas that would still need to be kept clear at all times during construction. The health and safety plan shall include coordination with emergency service personnel to ensure adequate mitigation for all impacts.			
HAZ-1	Activity Containment and Spills Management During construction and operations, all associated activities, equipment, and machinery shall be restricted to the canal ROW. To ensure containment, construction contractors should place boundaries and noticeable signs of entry and exit, restricting access to within the ROW. All construction equipment and vehicles used shall be maintained properly according to manufacturer specifications and should be inspected to identify and fix any excessive fluid leakages prior to arriving to the construction site. Additionally, the construction contractor shall also prepare a Spill Prevention and Response Plan for preventing spills and responding to chemical or hazardous substance spills. This plan will include spill prevention management, including employee training, hazardous substance inventory, and spill response equipment. The plan will also include a spill response plan, including evacuation procedures, spill containment and cleanup, and reporting a release.	Reclamation/SLDMWA in coordination with Construction contractor(s)	Construction contract requirement	Prior to and during construction
HAZ-2	Risk Reduction – Airborne Hazardous Materials To reduce risks of hazards involving release of airborne hazardous materials, the construction contractor shall implement the United States OSHA's regulations for asbestos and lead (29 C.F.R. 1910.1001, 1926.1101, and 1926.62) prior to demolition of any structures that could contain asbestos or lead paint. Demolition of structures suspected to contain lead paint (structures built prior to 1978) should be wetted prior to demolition to reduce the likelihood of inhaling lead dust particles. Construction workers should be outfitted in the	Reclamation/SLDMWA in coordination with Construction contractor(s)	Construction contract requirement	During construction prior to excavation and/or demolition

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Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	proper personal protective equipment, including an appropriate respirator, before completing demolition work. Under AB 203, the construction contractor shall implement health and safety awareness training before excavation of any topsoil to reduce infection of by Valley fever. Safety and MMs that should be included in the training include wetting down soil before digging to reduce aggravation of dust and dirt, wearing a N95 mask or respirator, and halting work in the presence of a dust storm or windy conditions and staying indoors or in an enclosed area away from dust.			
HAZ-3	Fire Prevention Controls Construction contracts should be required to provide (1) fire prevention controls such as spark arrestors and (2) fire safety training to avoid risk of wildfire. Since work is year-round, all temporary heaters should be used in accordance with manufacturer instructions and monitored by employees in compliance with fire safety training. In addition, the construction contractor shall prepare a Fire Prevention Plan to prevent a fire from occurring, compliant with OSHA regulations. The plan shall include: • List of all major fire hazards, proper handling and storage procedures for hazardous materials, potential ignition sources and their control, and the type of fire protection equipment necessary to control each major hazard • Procedures to control accumulations of flammable and combustible waste materials • Procedures for regular maintenance of safeguards installed on heat-producing equipment to prevent the accidental ignition of combustible materials • Name or job title of employees responsible for maintaining equipment to prevent or control sources of ignition or fires; and • Name or job title of employees responsible for the control of fuel source hazards	Reclamation/SLDMWA in coordination with Construction contractor(s)	Construction contract requirement	Prior to construction

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
HAZ-4	Contaminated Soil/Groundwater Remediation Plan The construction contractor in coordination with the Lead Agencies shall work with the California Department of Parks and Recreation (CDPR) and the Central Valley Regional Water Quality Control Board (RWQCB) to review existing monitoring data of the hazardous materials/waste sites within the study area to evaluate the potential for interacting with hazardous soil contamination during construction. If the construction contractor and the Lead Agencies (as the responsible party for this potential disturbance) determine that interaction with contaminated soil cannot be avoided and these construction actions could generate a release of this soil to nearby water bodies or elsewhere off-site, the construction contractor shall prepare a Contaminated Soil/ Groundwater Remediation Plan. This remediation plan shall detail the nature of the contaminants on-site, measures required to avoid interaction with these contaminants including (if necessary) a pre-construction cleanup of the site, and a response action plan in the event of an inadvertent release of contaminated soils from the construction site. This plan shall be submitted to the CDPR and the Central Valley RWQCB for review and approval prior to the initiation of any construction.	Reclamation, SLDMWA, and Construction contractor(s)	Final Design and Construction contract requirement	Prior to construction
HAZ-5	Airport Safety Construction contracts shall include requirements for the contractor to prepare a construction safety plan prior to any construction activities in collaboration with the City of Tracy Department of Parks and Recreation (owners of the Tracy Municipal Airport) to coordinate construction activities, including a schedule, coordination of personnel with aviation radios, and notice requirements. The contractor shall also coordinate with emergency service personnel to ensure adequate mitigation for all impacts.	Reclamation, SLDMWA, and Construction contractor(s)	Construction contract requirement	Prior to construction
BIO-1	Measures to Minimize Impacts on Special-Status Plants A botanical survey shall be conducted prior to construction activities to determine the presence or absence of special-status plant species within the Project area. The surveys shall be conducted in general accordance with the	SLDMWA and Reclamation	Field verification	Prior to and during construction

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Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	Protocols for Surveying and Evaluating Impacts to Special-Status Native Plant Populations and Natural Communities (CDFW 2021) and shall be timed to appropriately coincide with the blooming period of special-status plant species with the potential to occur in the Project disturbance areas. If more than five years lapse after the botanical survey is conducted prior to ground disturbance, two botanical surveys (early and late season) shall be conducted in all suitable habitat located within the Project disturbance areas to determine the presence or absence of special-status plants. If special-status plant species are found during the botanical surveys, the locations of the special-status plants and a 50-foot buffer will be marked as avoidance areas both in the field using flagging, staking, fencing, or similar devices and on construction plans. If non-listed, special-status plants are identified during botanical surveys and complete avoidance is not practicable, and the Project would directly or indirectly affect more than 25 percent of a local occurrence by either number of plants or square footage of occupied habitat, then a qualified biologist will determine whether implementation of a conservation plan is recommended. If federal- or state-listed plants are identified during botanical surveys and complete avoidance is not practicable, coordination with California Department of Fish and Wildlife (CDFW) and/or United States Fish and Wildlife Service (USFWS) will be conducted as appropriate to develop the conservation plan. No take of state-listed or federally listed species will occur without an Incidental Take Permit from either CDFW or USFWS. The special-status plant conservation plan may consist of, but would not necessarily be limited to, purchase of mitigation credits at a regional conservation bank; plant salvage and relocation; collection and subsequent planting of seed or incorporating seed from native nursery into seed mix used for revegetation efforts; stockpiling, storing, and replacing topsoil containing the local seed bank; or other measures determined practicable based on the species and site conditions. If on-site conservation measures are implemented, the objective is to restore the impacted special-status plant species community			

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	to pre-existing conditions by providing for the restoration of a self-sustaining population of special-status plants in the general area where the impact occurred at a minimum of a 1:1 ratio (e.g., number of plants, square footage occupied). For on site conservation measures, the conservation plan will identify success criteria and provide for annual or other regular monitoring to evaluate whether the conservation effort has met the success criteria. The conservation plan will also include measures for remedial actions (e.g., additional plantings, supplemental irrigation, increased monitoring) if monitoring efforts indicate that success criteria are not being met. For some species and site conditions, the biologist may determine that a conservation plan is not recommended. Some of these circumstances may include but are not limited to the following: (1) there are other nearby populations that will not be disturbed; (2) plant relocation, seeding, or revegetation would not have a reasonable probability of success; (3) implementation of measures could result in detrimental effects on existing special-status plant populations; or (4) incompatibility with required operations and maintenance activities. If the biologist determines, in coordination with CDFW and/or USFWS, that a conservation plan is not warranted, then no additional measures are required.			
BIO-2	General Measures to Minimize Impacts on Special-Status Animal Species A Biological Resources Management and Monitoring Plan (BRMMP) shall be developed and implemented for the Project. The BRMMP shall provide for the following: 1) Overall implementation and monitoring of the MMs for biological resources and the terms and conditions of any agency permits/authorizations throughout the duration of Project construction and restoration/revegetation of riparian habitat, per BIO-2c. 2) Designation of an overall Project biologist and the roles and responsibilities of the Project biologist and other monitoring biologists and the roles of Reclamation, SLDMWA, and construction personnel in coordinating and implementing the BRMMP.	Reclamation, SLDMWA, and Construction contractor(s) with Project Biologist	Field verification and documentation on file with Reclamation	Prior to, during and after construction

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Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	3) Adaptive management in scheduling worker environmental awareness training (WEAT) and conducting pre-construction surveys for special-status species. In some cases, additional biological surveys beyond those identified in the MMs may be warranted to proactively avoid biological constraints or conflicts with protective measures. For example, early monitoring for nesting birds or occupied mammal burrows may be needed to preserve opportunities for vegetation removal, removal of nesting starts before egg laying, and burrow monitoring and closure prior to the initiation of breeding or nesting activities. 4) Procedure and authorizations required to modify the MMs, if needed, to resolve conflicts with constructability requirements or other measures required by agency permits/authorizations or to provide for equivalent avoidance/minimization of adverse effects on sensitive biological resources under changing conditions over the life of Project construction. For example, nesting birds or other special-status species may initiate nesting or denning activities in proximity to construction areas while active construction activities are ongoing, including those within the 'no-disturbance buffers.' In these cases, it may be that the animals are acclimated to the level of construction disturbance, and continuance of construction activities would not be expected to adversely affect the animals or their nesting/breeding activities (assuming that increased levels of disturbance or closer proximity of construction activities is not planned). The BRMMP will include provisions for how these and similar circumstances will be addressed and how determinations regarding additional biological monitoring or agency coordination will be addressed. 5) Procedure to record and document implementation of the MMs and other measures including any pre-construction survey reports, WEAT sign-in forms, routine biological monitoring forms, photographs, and other materials related to implementation of the BRMMP.			

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	6) Procedure to comply with the terms and conditions and notification and reporting requirements of any agency permits/authorizations required for the Project, and the procedure for coordination/consultation with resource or permitting agencies, as necessary. 7) Procedure to inform, document, and monitor restoration and revegetation activities associated with restoring temporary impacts on terrestrial and aquatic habitats and vegetation communities. This includes any post-construction monitoring/reporting and remedial measures that may be required. Prior to the initiation of ground disturbance, a qualified biologist(s) will conduct a WEAT for all construction personnel. Training sessions will be repeated for all new personnel before they access the Project site. Sign-in sheets identifying attendees and the contractor/company they represent will be prepared for each training session, and records of attendance will be maintained by the Project. At minimum, the WEAT will include a description of the protected species and biological resources that may occur in the Project area and their physical description, habitats, and natural history, as well as the measures that are being implemented to avoid or minimize Project-related impacts, penalties for noncompliance, and the boundaries of the work area. As appropriate, training will be conducted in languages other than English to ensure that employees and contractors understand their roles and responsibilities. A written summary of the training will be provided to all attendees, and an electronic copy will be provided so that the Project can make and distribute future copies. The WEAT will be conducted annually, at minimum, for all construction personnel. A litter control program will be instituted at each Project site. All workers will place their food scraps, paper wrappers, food containers, cans, bottles, and other trash in covered or closed trash containers. The trash containers should be removed from the Project area at the end of each working day.			

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	No firearms (except as possessed by federal, state, or local law enforcement officers) or pets will be permitted on construction sites. To prevent inadvertent entrapment of wildlife during construction, all excavated steep-walled holes or trenches greater than two-feet deep should be covered or filled at the end of each working day or provided with one or more escape ramps no greater than 200 feet apart. Before such trenches or holes are filled, they shall be thoroughly inspected for trapped animals. If protected species are found in any of the holes or trenches, work shall cease until an escape ramp is provided and the animal leaves on its own volition, or until the animal has been relocated by a USFWS-approved biologist, and/or in coordination with USFWS, as appropriate. All construction activity will be confined within the Project site, which may include temporary access roads, haul roads, and staging areas specifically designated and marked for these purposes. Restoration and revegetation work associated with temporary impacts shall be done using California native plant material from on-site or local sources (i.e., local ecotype). Plant materials from non-local sources shall be allowed only with written authorization from USFWS. To the maximum extent practical (i.e., presence of natural lands), topsoil shall be removed, cached, and returned to the site according to successful restoration protocols. Loss of soil from runoff or erosion shall be prevented with straw bales, straw wattles, or similar means provided they do not entangle, block escape, or dispersal routes of listed animal species. The Project construction area shall be delineated with high visibility temporary fencing, flagging, or other barrier to prevent encroachment of construction personnel and equipment onto any sensitive areas during Project work activities. Such fencing shall be inspected and maintained daily until completion of the Project. The fencing will be removed only when all construction equipment is removed from the site. No Project activities will occur outside the delineated Project construction area.			

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	Only USFWS-approved personnel holding valid permits issued pursuant to Section 10(a)(1)(A) of the Act will be allowed to trap or capture listed species. Any relocation plan will be approved by USFWS prior to release of any listed species. Tightly woven fiber netting or similar material (no monofilament material) will be used for erosion control or other purposes at the Project site to ensure that animals do not become trapped. Prior to project implementation, Reclamation will consult with USFWS to ensure its actions do not jeopardize the continued existence of any federally listed species or destroy/adversely modify critical habitat pursuant to Section 7(a)(2) of the ESA. If consultation with USFWS results in the issuance of a biological opinion, the Proposed Action will be conducted in compliance with all reasonable and prudent measures and terms and conditions set forth in the biological opinion. To inform discussions between SLDMWA and CDFW regarding the potential for the Proposed Action to impact species currently protected under the CESA, and out of an abundance of caution, a qualified biologist familiar with the behavior and life history of the Crotch bumble bee will conduct surveys to determine the presence/absence of the species within the project area within 1 year prior to the initiation of construction. These surveys will be conducted during the Crotch bumble bee flying season (i.e., March 1 to September 1) when the species is most likely to be detected above ground. Survey results, including negative findings, will be submitted to CDFW prior to the initiation of project-related ground disturbing activities. At a minimum, the survey report will provide the following: a. A description and map of the survey area, focusing on areas that could provide suitable habitat for the Crotch bumble bee. b. Field survey conditions that include the name(s) of qualified biologist(s) and their qualifications, date and time of the survey, survey duration, general weather conditions, and survey goals.			

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	c. A map(s) showing the location of Crotch bumble bee nests/colonies identified during the surveys. d. A description of the physical (e.g., soil, moisture, slope) and biological (e.g., plant composition) conditions where each Crotch bumble bee nest/colony was found. A sufficient description of biological conditions, primarily impacted habitat, including native plant composition (e.g., density, cover, and abundance) within the impacted habitat (e.g., species list separated by vegetation class, density, cover, and abundance of each plant species). Prior to project implementation, SLDMWA will consult with CDFW to determine whether the Proposed Action can be implemented such that take of species protected under CESA can be avoided. Should it be determined that take of one or more species protected under CESA cannot be avoided, SLDMWA would obtain take authorization through acquisition of an Incidental Take Permit from CDFW, pursuant to Fish and Game Code section 2081 subdivision (b).			
BIO-3	Measures to Minimize Impacts on Bats To the extent practicable, the removal of large trees with cavities or the modification of canal infrastructure with the potential to provide bat roosts will occur before maternity colonies form (i.e., prior to March 1) or after young are volant (able to fly) (i.e., after August 15). If construction (including the removal of large trees and/or the modification of canal infrastructure) occurs during the non-volant season (March 1 to August 15), a qualified biologist will conduct a pre-construction survey of the Project area for maternity colonies. The pre-construction survey will be performed no more than 14 days prior to the implementation of construction activities (including staging and equipment access). If a lapse in construction activities for 14 days or more occurs between those dates, another pre-construction survey will be performed. If any maternity colonies are detected, appropriate conservation measures (as determined by a qualified biologist) will be implemented. These measures may include, but are not limited to, establishing	SLDMWA and Reclamation	Field verification	Prior to and during construction

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	a construction-free buffer zone around the maternity colony site, biological monitoring of the maternity colony, and delaying construction activities within the vicinity of the maternity site.			
BIO-4	Measures to Minimize Impacts on the American Badger Any American badger detected within the Project area during Project-related activities will be allowed to move out of the work area of its own volition. Concurrent with other required surveys, during winter and spring months before new Project activities, and concurrent with other pre-construction surveys (e.g., San Joaquin kit fox [SJKF] and burrowing owl), a qualified biologist will perform a survey to identify the presence of active or inactive American badger dens. If this species is not found, no further mitigation will be required. If badger dens are identified within the construction footprint during the surveys or afterward, they will be inspected and closed using the following methodology: • When unoccupied dens are encountered outside of work areas but within 100 feet of proposed activities, vacated dens will be inspected to ensure they are empty and temporarily covered using plywood sheets or similar materials. • If badger occupancy is determined at a given site within the work area, work activities at that site should be halted. Depending on the den type, reasonable and prudent measures to avoid harming badgers will be implemented and will include seasonal limitations on Project construction near the site (e.g., restricting the construction period to avoid spring–summer pupping season) or establishing a construction exclusion zone around the identified site or resurveying the den at a later time to determine the species’ presence or absence. • Badgers will be passively relocated using burrow exclusion (e.g., installing one-way doors on burrows) or similar CDFW-approved exclusion methods. In unique situations, it may be necessary to actively relocate badgers (using live traps) to protect individuals from potentially	SLDMWA and Reclamation	Field verification	Prior to construction

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	harmful situations. Such relocation would be performed with advance CDFW coordination and concurrence.			
BIO-5	Measures to Minimize Impacts on San Joaquin Kit Fox Determine the presence of SJKF dens: a) Pre-construction monitoring will be performed no less than 14 days and no more than 30 days prior to construction to identify kit fox habitat features within the Project Area. b) Areas within which pre-construction monitoring have been completed more than 30 days prior to construction will be re-inventoried not more than 30 days prior to construction. c) Pre-construction monitoring for dens will be conducted by qualified biologists familiar with SJKF biology, natural history, and potential dens. d) Pipes and culverts will be searched for SJKF immediately prior to being moved or sealed to ensure that an animal has not been trapped. If SJKF is observed, a USFWS-approved biologist will gently encourage it to leave the area (i.e., without using loud noise, physical force, or physical movement of the pipe or culvert such that the animal could be injured or startled while it is leaving the area). Identify and document locations of potential or occupied dens (natal or non-natal) and their status (occupied or unoccupied). Definitions: a) Known den: any existing natural den or manmade structure that is used or has been used at any time in the past by SJKF. Evidence of use may include historical records, past or current radiotelemetry or spotlighting data, kit fox sign such as tracks, scat, and/or prey remains, or other reasonable proof that a given den is being or has been used by a kit fox. USFWS discourages use of the terms "active" and "inactive" when referring to any kit fox den because a great percentage of occupied dens show no evidence of use, and because kit foxes change dens	SLDMWA and Reclamation with Project Biologist	Field verification	Prior to and during construction

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	often, with the result that the status of a given den may change frequently and abruptly. b) Potential den: any subterranean hole within the species' range that has entrances of appropriate dimensions (five to eight inches in diameter) for which available evidence is insufficient to conclude that it is being used or has been used by a kit fox. Potential dens shall include the following: (1) any suitable subterranean hole five to eight inches in diameter within the species' range; or (2) any den or burrow of another species (e.g., coyote, badger, red fox, or ground squirrel) that otherwise has appropriate characteristics for kit fox use. c) Natal/pupping den: any den used by kit foxes to whelp and/or rear their pups. Natal/pupping dens may be larger with more numerous entrances than dens occupied exclusively by adults. These dens typically have more kit fox tracks, scat, and prey remains in the vicinity of the den, and may have a broader apron of matted dirt and/or vegetation at one or more entrances. A natal den, defined as a den in which kit fox pups are actually whelped but not necessarily reared, is a more restrictive version of the pupping den. In practice, however, it is difficult to distinguish between the two, therefore, for purposes of this definition either term applies. d) Atypical den: any manmade structure which has been or is being occupied by SJKF. Atypical dens may include pipes, culverts, and diggings beneath concrete slabs and buildings. Identify and execute appropriate action(s) regarding notification, buffers, excavation and fill, or seal off: a) Occupied natal den: if an occupied natal den is visible or encountered within the Project limits or on publicly accessible land sufficiently close to the Project construction area such that it would be disturbed (based on qualified biologist opinion and monitoring), USFWS and CDFW will			

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	be contacted immediately and before any Project action occurs to determine permissible actions to permit resumption of work. b) Unless determined necessary for safety or constructability by Reclamation, SLDMWA, or the Project contractor, the Project site will not be lighted between sunset and sunrise. c) Pipes or culverts with a diameter greater than four inches will be capped or taped closed when it is ascertained that no SJKF are present. Any SJKF found in a pipe or culvert will be allowed to escape unimpeded. If a natural den or burrow is determined to meet size criteria (i.e., greater than four inches in diameter) and cannot be avoided per the no-disturbance buffers recommended in the USFWS <i>Standardized Recommendations for Protection of the SJKF Prior to or During Ground Disturbance</i> (USFWS 2011) or shall be destroyed, the following guidelines will be followed: a) Prior to den destruction, areas scheduled for construction within the vicinity of potential SJKF dens shall be monitored by a qualified biologist to determine their status. Monitoring will begin with pedestrian surveys to identify locations of potential SJKF dens and observe for suitable surrounding habitat. Because it is logistically impractical to monitor all dens using remote cameras and tracking medium (or to hand excavate to confirm vacancy), baited camera traps may be used to assess presence or absence of SJKF activity. Prior to ground-disturbing activities in Project segments that require excavation, baited camera traps will be deployed in approximate 0.25-mile increments for four consecutive nights. Baited camera traps may be placed farther than 0.25 mile apart, depending on the suitability of surrounding habitat and land uses that are observed during pedestrian surveys and in areas with lower densities of potential SJKF dens. If no SJKFs are detected by the camera traps during this time period, it can be assumed that SJKFs are not currently using the area, and ground-disturbing activities may commence in that area. If a SJKF is detected by			

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	a camera trap, then further investigation will be required, as described below. b) If a SJKF is detected by a baited camera trap or otherwise observed in an area, further pre-construction monitoring will be conducted to determine which den(s) are being used. Baited camera traps will be deployed in the area, and tracking medium will be placed at the entrances of suspected dens to monitor the area for four consecutive nights. If no SJKF activity is observed during this period, the den will be deemed unoccupied and destroyed immediately under the supervision of a USFWS-approved biologist to preclude subsequent use. If SJKF activity is observed at the den during this period, then the den will be monitored for at least five consecutive days from the time of observation to allow any resident animal to move to another den during its normal activities. Use of the den can be discouraged during this period by partially plugging the entrance(s) with soil in such a manner that any resident animal can escape easily. Destruction of the den may begin when, in the judgment of a USFWS-approved biologist, the animal has vacated. The biologist will be trained and familiar with SJKF biology. If the animal is still present after five or more consecutive days of plugging and monitoring, the den may be excavated when, in the judgment of a USFWS-approved biologist, it is temporarily vacant (e.g., during the animal's normal foraging activities). All den destruction shall be conducted under the supervision of a USFWS-approved biologist. c) All dens requiring excavation will be excavated under the supervision of a USFWS-approved biologist. In no event will an excavation that meets the definition of a confined space (i.e., a space large enough and so configured that a person can bodily enter but has limited or restricted means for entry or exit) be initiated. In this circumstance, discouragement (as described above) would be used.			

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	d) The den will be fully excavated and then filled with dirt and compacted so that SJKF cannot reenter or use the den during the construction period. If, at any point during excavation, an SJKF is discovered inside the den, the excavation activity will cease immediately, and monitoring of the den will be resumed. Destruction of the den may be resumed when, in the judgment of a USFWS-approved biologist, the animal has escaped from the partially destroyed den. Before and during construction: • Project-related vehicles should observe a daytime speed limit of 20 mph throughout the site in all Project areas, except on county roads and state and federal highways; this is particularly important at night when SJKFs are most active. Nighttime construction should be minimized to the extent possible. However, if it does occur, then the speed limit should be reduced to 10 mph. Off-road traffic outside of designated Project areas should be prohibited. • Kit foxes are attracted to den-like structures, such as pipes, and may enter stored pipes and become trapped or injured. All construction pipes, culverts, or similar structures with a diameter of four inches or greater that are stored at a construction site for one or more overnight periods should be thoroughly inspected for SJKFs before the pipe is subsequently buried, capped, or otherwise used or moved in any way. If a SJKF is discovered inside a pipe, that section of pipe should not be moved until USFWS has been consulted. If necessary, and under the direct supervision of the biologist, the pipe may be moved only once to remove it from the path of construction activity, until the fox has escaped. • A representative shall be appointed by the Project proponent who will be the contact source for any employee or contractor who might inadvertently kill or injure a SJKF or who finds a dead, injured or entrapped SJKF. The representative will be identified during the			

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	employee education program and their name and telephone number shall be provided to USFWS. • In the case of trapped animals, escape ramps or structures should be installed immediately to allow the animal(s) to escape, or USFWS should be contacted for guidance. If at any time a trapped or injured kit fox is discovered, USFWS and CDFW shall be contacted as noted below. • Any contractor, employee, or military or agency personnel who are responsible for inadvertently killing or injuring a SJKF shall immediately report the incident to their representative. This representative shall contact USFWS immediately in the case of a dead, injured, or entrapped SJKF. • The Sacramento Fish and Wildlife Office and CDFW shall be notified in writing within three working days of the accidental death or injury to a SJKF during Project-related activities. Notification shall include the date, time, and location of the incident or of the finding of a dead or injured animal and any other pertinent information. • New sightings of SJKF shall be reported to the CNDDDB. A copy of the reporting form and a topographic map clearly marked with the location of where the SJKF was observed should also be provided to USFWS. • Because this species most actively forages during dusk and dawn, to the extent practicable, all construction activities will cease one-half hour before sunset and will not begin prior to one-half hour before sunrise. Except when necessary for driver or pedestrian safety, lighting of a Project site by artificial lighting during nighttime hours is prohibited.			
BIO-6	Measures to Minimize Impacts on the Tricolored Blackbird and the Yellow-Headed Blackbird Prior to construction, appropriately timed surveys for tricolored blackbirds and yellow-headed blackbirds will be conducted in areas supporting potentially suitable habitat within 0.25 mile of construction areas. Habitat within 0.25 mile	SLDMWA and Reclamation with Project Biologist	Field verification	Prior to construction

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	of tricolored blackbird or yellow-headed blackbird colonies will be avoided during nesting season, which can begin as early as mid-March and extend through August. If colonies cannot be avoided, CDFW will be consulted to potentially reduce buffer distances with active monitoring during construction by a qualified biologist.			
BIO-7	Measures to Minimize Impacts on the Burrowing Owl A minimum of one pre-construction survey for burrowing owls within a minimum of 500 feet of the Project area (where accessible) will be conducted by a qualified biologist within 15 days prior to the initiation of construction activities in a given area, regardless of the timing of construction. Pre-construction surveys each year of construction during the nonbreeding season (September 1 to January 31) will take place in order to determine the presence of burrowing owls before breeding activities begin. If any occupied burrows are identified, appropriate conservation measures (as determined by a qualified biologist) will be implemented. No disturbance will occur within 150 feet of occupied burrows during the nonbreeding season (September 1 to January 31) or within 250 feet during the breeding season (February 1 to August 31). These measures may also include establishing a construction-free buffer zone around the active nest site in coordination with the CDFW, biological monitoring of the active nest site, and delaying construction activities in the vicinity of the active nest site until the young have fledged. If burrowing owls are detected within the Project area during the nonbreeding season and maintaining a 150-foot, no-disturbance buffer is not practicable, a qualified biologist will submit an exclusion and passive relocation plan to CDFW. The exclusion and passive relocation plan will generally follow the guidelines outlined in Appendix E of the Staff Report on Burrowing Owl Mitigation (CDFW 2012). The exclusion and passive relocation plan will consist of installing one-way doors in potential burrows, daily monitoring, and collapsing burrows once it is determined that the burrows are unoccupied. Exclusion may only take place during the nonbreeding season (September 1 to January 31) and may be an ongoing effort during this time period. This will allow the owls to exit burrows if	SLDMWA and Reclamation	Field verification	Prior to construction

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	they are present, but not return. The exclusion and passive relocation plan will also detail plans to replace collapsed burrows with artificial burrows at a minimum 1:1 ratio or describe why artificial burrows are not needed (e.g., numerous available natural burrows are available in nearby areas that will not be disturbed). Monitoring of collapsed burrows will be conducted as needed so that burrowing owls do not recolonize the area prior to construction disturbance. If occupied burrows are detected during the breeding season and maintaining a 250-foot no-disturbance buffer is not practicable, CDFW will be consulted to determine alternative measures to minimize the potential for disturbance to occupied burrows and nesting activities. Measures may include but are not limited to continuous biological monitoring by a qualified biologist until it has been determined that the young have fledged and are no longer reliant on the nest or parental care for survival or construction is complete. No direct disturbance of burrows with eggs or young can be conducted without written authorization from the CDFW and USFWS.			
BIO-8	Measures to Minimize Impacts on the Golden Eagle, Swainson's Hawk, Northern Harrier, or White-Tailed Kite For construction activities that occur between February 1 and August 31, a qualified biologist will conduct pre-construction surveys for golden eagles, Swainson's hawks, northern harriers, and white-tailed kites. The pre-construction surveys will include the Project footprint and a minimum of a 0.50-mile radius where access is permitted around the construction area in suitable nesting habitat (i.e., large trees for Swainson's hawk and white-tailed kite, cliff faces for golden eagle, and grasslands for northern harrier). The pre-construction surveys will be conducted no more than 10 days before ground disturbance in a given area and will be phased based on the construction schedule. If nesting golden eagles, Swainson's hawks, northern harriers, or white-tailed kites are detected, an appropriate no-disturbance buffer (minimum of 500 feet for northern harrier, 0.50 mile for golden eagle, Swainson's hawk, and white-	SLDMWA and Reclamation	Field verification	Prior to and during construction

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	tailed kite) will be established and monitored daily by a qualified biologist. Buffers will be maintained until a qualified biologist has determined that the young have fledged and are no longer reliant on the nest or parental care for survival. A 0.50-mile no-disturbance buffer will also be maintained from any overwintering eagles if they are detected in the Project area or surrounding areas; the buffer will be maintained for the duration that the bird(s) are present. If any bald eagles or golden eagles are detected, Reclamation will coordinate with USFWS, as necessary, to comply with the Bald and Golden Eagle Protection Act. If maintaining the minimum no-disturbance buffer around an active golden eagle, Swainson's hawk, northern harrier, or white-tailed kite nest (or any overwintering eagles) is not practicable, CDFW will be consulted to determine whether reduced minimum no-disturbance buffers are appropriate based on site-specific circumstances (e.g., visual barriers between nest and construction area, existing level of disturbance) or to identify alternative measures to minimize the potential for Project-related disturbance to the nest site that could result in nest abandonment or other forms of take. Measures may include, but are not limited to, continuous biological monitoring by a qualified biologist until it has been determined that the young have fledged and are no longer reliant on the nest or parental care for survival or construction is complete. If the nesting pair shows signs of distress (i.e., adults leaving the nest when eggs or young chicks are present) as a result of Project-related activities, the monitoring biologist will have authority to stop work until it is determined that the adults have returned and are no longer showing signs of distress. If trees suitable for nesting by Swainson's hawk are scheduled to be removed during the non-nesting season, a qualified biologist will conduct a pre-construction survey during the nesting season prior to tree removal to determine whether Swainson's hawks are using the trees for nesting. If the trees proposed for removal are being used by nesting Swainson's hawk, consultation with CDFW will take place per BIO-8. prior to tree removal.			

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	If CESA compliance is required, and consultation with CDFW results in a determination that take of an active Swainson's hawk nest cannot be avoided, then take authorization pursuant to CESA will be obtained from CDFW prior to initiation of any activities that are likely to result in such take. If an active golden eagle or white-tailed kite nest may not be avoidable, then all activities that are likely to result in take will be delayed until a qualified biologist has determined that the young have fledged and are no longer reliant on the nest or parental care for survival.			
BIO-9	Measures to Minimize Impacts on Nesting Migratory Birds To the extent practicable, vegetation removal will be scheduled to avoid the breeding season for nesting raptors and other special-status birds (generally February 1 through August 31, depending on the species). Removal of vegetation outside of the nesting season is intended to minimize the potential for delays in vegetation removal because of active nests. Regardless of when vegetation removal is scheduled, a qualified biologist will conduct a minimum of one pre-construction survey for nesting migratory birds and raptors within the Project area and a buffer (250 feet for migratory birds, 500 feet for raptors) around the Project area (where accessible) for all construction-related activities that will occur during the nesting season. The pre-construction survey will be conducted no more than 15 days prior to the initiation of construction in a given area and will be phased based on the construction schedule. Because of the ongoing, phased approach to construction, multiple pre-construction surveys per year may be required. If an active nest is found, a construction-free buffer zone (250 feet for migratory birds, 500 feet for raptors) will be established around the active nest site. If establishment of the construction-free buffer zone is not practicable, appropriate conservation measures (as determined by a qualified biologist) will be implemented. These measures may include, but are not limited to, consultation with CDFW to establish a different construction-free buffer zone around the active nest site, daily biological monitoring of the active nest site,	SLDMWA and Reclamation	Field verification	Prior to construction

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	and delaying construction activities in the vicinity of the active nest site until the young have fledged. If removal of bridges or other bridge work is scheduled to occur during the swallow nesting season, exclusionary devices (e.g., netting) will be installed around the bridges prior to the initiation of the avian breeding season (before February 15) during the same year as the bridges are scheduled for removal and after a qualified biologist has determined no active nests (i.e., nests with eggs or young) are present. The exclusionary devices will remain in place until August 15 or until the bridge removal or other bridge work is completed. The exclusionary devices will be anchored such that swallows cannot attach their nests to the structure through gaps. Exclusionary devices will be regularly inspected as necessary to confirm that they are adequately preventing initiation of nest building. If swallows have breached the exclusionary devices and began building nests on the structure, nesting material (i.e., partially built nests) can be removed only if a qualified biologist has determined that eggs or young are not present. No removal of nests with eggs or young can be conducted without written authorization from CDFW and USFWS, or until a qualified biologist has determined that the nest is no longer active (e.g., the nest has failed, the young have fledged and are no longer dependent on the nest).			
BIO-10	Measures to Minimize Impacts on the California Tiger Salamander (CTS) and the California Red-legged Frog (CRLF) Before and during construction: Protocol presence/absence surveys shall be conducted by a USFWS-approved biologist in suitable habitat prior to construction with a negative finding. As the Project is multi-year, protocol presence/absence surveys can be conducted in portions of the Project area that have work scheduled the following year. Alternatively, presence can be assumed in suitable habitat and the measures below can be implemented.	SLDMWA and Reclamation with Project Biologist	Field verification	Prior to, during, and after construction

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	- To the maximum extent practicable, the Project design and construction implementation will avoid impacts to suitable breeding habitat. Areas of avoidance shall be indicated on Project plan sets and shall be clearly delineated in the field. Signage indicating "Environmentally Sensitive Area: Keep Out" shall be posted. - Protocol aquatic surveys shall be conducted by a USFWS-approved biologist in suitable breeding habitat within areas that will be disturbed by construction in the following year, and within 1.3 miles of those areas to detect occupied breeding resources (one survey in March, April, and May each). Any occupied breeding resources will be prioritized for avoidance. - Resources documented to support breeding populations of CTS/CRLF shall be avoided during construction with a buffer sufficient to ensure the continued functioning of that breeding resource. If adherence to this buffer is not feasible, USFWS shall be contacted to determine whether moving individuals prior to construction is authorized. - A USFWS-approved biologist shall survey the work sites where suitable habitat has been identified no more than 30 days before the onset of construction. Adult individuals detected during the surveys shall be relocated out of the area of disturbance by a USFWS-approved biologist. - Work in occupied habitat shall only occur during the dry season. - Areas beneath construction equipment and vehicles shall be inspected daily, prior to operation, for presence of CTS/CRLF under tracks/tires and within machinery by a USFWS-approved biologist until the biologist determines a designated contractor is sufficiently trained to monitor. A USFWS-approved biologist will ensure that this individual receives training consistent with USFWS requirements. A USFWS-approved biologist will be on-call to come to the site if CTS/CRLF are found.			

Delta-Mendota Canal Subsidence Correction Project
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Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	- CTS/CRLF one-way, exclusion fencing shall be installed between construction areas and occupied habitat. This fencing shall extend 1.3 miles from the boundary of the occupied habitat along the alignment of the Project area. - Overnight staging of vehicles or equipment shall be prohibited within 100 feet of occupied or assumed-occupied breeding resources. - Work in occupied breeding habitat shall only occur during the dry season. After construction: - Temporary disturbance of occupied habitat shall be mitigated by restoring the area to pre-Project contours and revegetation.			
BIO-11	Measures to Minimize Impacts on the Western Spadefoot Toad If a western spadefoot toad is encountered during construction activities, it will be allowed to move out of harm's way of its own volition, or a qualified biologist will relocate it to the nearest suitable habitat that is at least 100 feet outside of the construction impact area. Prior to moving equipment or materials each day, construction personnel will inspect for western spadefoot toads underneath and around equipment and other Project materials (e.g., stored pipes greater than two inches in diameter) that are located within 200 feet of aquatic habitat. If western spadefoot toads are found, they will be allowed to move out of the construction area under their own volition, or a qualified biologist will relocate individuals to the nearest suitable habitat that is at least 100 feet outside of the construction impact area.	SLDMWA and Reclamation with Project Biologist	Field verification	Prior to, during, and after construction
BIO-12	Measures to Minimize Impacts on the Northern California Legless Lizard, California Glossy Snake, San Joaquin Coachwhip, and Coast Horned Lizard Prior to moving equipment or materials each day, construction personnel will inspect underneath and around equipment for northern California legless lizard, California glossy snake, San Joaquin coachwhip, and coast horned lizard. If these species are encountered during construction activities, they will be allowed to	SLDMWA, Reclamation, and Construction contractor(s)	Field verification	Prior to and during construction

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	move out of harm's way of their own volition, or a qualified biologist will relocate the organism(s) to the nearest suitable habitat that is at least 100 feet outside of the construction impact area.	with Project Biologist		
BIO-13	Measures to Minimize Impacts on the Giant Garter Snake Before and during construction: • Protocol presence/absence surveys shall be conducted by a USFWS approved biologist in suitable habitat prior to construction. As the project is multi-year, protocol presence/absence surveys can be conducted in portions of the Project Area that have work scheduled the following year. Alternatively, presence can be assumed in suitable habitat and the measures below implemented. • Avoid construction activities within 200 feet from the banks of occupied giant garter snake aquatic habitat. Confine movement of heavy equipment to existing roadways to minimize habitat disturbance. • Construction activity within suitable habitat should be conducted between May 1 and October 1. This is the active period for giant garter snakes and direct mortality is lessened, because snakes are expected to actively move and avoid danger. Impacts to winter hibernacula should be avoided during the period of October 2 and April 30. • The Project area shall be surveyed for giant garter snakes 24 hours prior to construction activities. Survey of the Project area should be repeated if a lapse in construction activity of two weeks or more has occurred. If a snake is encountered during construction, activities shall cease until appropriate corrective measures have been completed or it has been determined that the snake will not be harmed. • Any dewatered habitat should remain dry for at least 15 consecutive days after April 15 and prior to excavating or filling of the dewatered habitat.	SLDMWA, Reclamation, and Construction contractor(s) with Project Biologist	Field verification	Prior to and during construction

Delta-Mendota Canal Subsidence Correction Project
Environmental Assessment/Initial Study

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
BIO-14	Measures to Minimize Impacts on the Western Pond Turtle Before construction activities begin, a qualified biologist will conduct western pond turtle surveys within creeks and in other ponded areas affected by the Project. Adjacent upland areas will be examined for evidence of nests and individual turtles. The Project biologist will be responsible for the survey and for the relocation of pond turtles, if found. Construction will not proceed until reasonable effort has been made to capture and relocate as many western pond turtles as possible to minimize take. However, some individuals may remain undetected or enter sites after surveys and could be subject to injury or mortality. If a nest is observed, a biologist with the appropriate permits and prior approval from CDFW will move eggs to a suitable location or facility for incubation and release hatchlings into the creek system the following autumn.	Reclamation and SLDMWA with Project Biologist	Field verification	Prior to construction
BIO-15	Measures to Minimize Impacts on Sensitive Natural Communities Before and during construction: • Protocol presence/absence surveys shall be conducted by a USFWS-approved biologist in suitable habitat prior to construction with a negative finding. As the Project is multi-year, protocol presence/absence surveys can be conducted in portions of the Project area that have work scheduled the following year. Alternatively, presence can be assumed in suitable habitat. • Work in occupied listed vernal pool branchiopod habitat shall only occur during the dry season. • The authorized limits of branchiopod habitat (i.e., 250 feet from the pool edge) will be clearly staked in the field to prevent construction personnel from causing impacts to areas outside of work limits. • Where temporary impacts will occur to occupied or assumed-occupied listed vernal pool branchiopod habitat, the top one to three inches of soil shall be salvaged to preserve the cyst bank. Saved topsoil shall be covered to avoid erosion. Topsoil shall be replaced as soon as possible upon completion of work in the impacted habitat.	SLDMWA and Reclamation with Project Biologist	Field verification	Prior to, during, and after construction

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	- Overnight staging of vehicles or equipment shall be prohibited within 100 feet of occupied or assumed-occupied fairy shrimp. After construction: - Temporary impacts to listed branchiopod habitat shall be mitigated for by restoring the affected area to pre-Project contours, compaction levels, and revegetation.			
BIO-16	Measures to Minimize Impacts on Sensitive Natural Communities Temporary and permanent impacts on sensitive natural communities known to occur within the Project area will be minimized to the greatest extent practicable. Trees and other vegetation will not be removed if it can otherwise be reasonably avoided. In determining areas where vegetation shall be removed to provide adequate access for construction or staging, consideration will be given to selecting areas that require the least amount of removal of mature trees and canopy cover in coordination with a qualified biologist. Prior to the initiation of construction activities, exclusionary fencing will be installed along the boundaries of all environmentally sensitive areas to be avoided, which will include sensitive natural communities and aquatic resources adjacent to the areas of Project-related impacts, so that impacts on environmentally sensitive areas outside of the construction area are minimized. Locations of environmentally sensitive areas and exclusionary fencing will be identified on construction plans. The exclusionary fencing will be inspected and maintained on a regular basis throughout Project construction in the areas where the fencing is needed to avoid unintended disturbance. A Post-Construction Revegetation and Monitoring Plan will be developed and implemented to provide for the restoration of temporarily impacted riparian habitats to pre-existing conditions. The plan will include provisions for the planting of native woody vegetation and native seed mix or otherwise provide for the reestablishment of self-sustaining native riparian vegetation similar to the existing native riparian vegetation community. Planting of native riparian vegetation will include, but is not limited to, replacement of any trees removed	Reclamation, SLDMWA, and Construction contractor(s) with Project Biologist	Field verification and documentation on file with Reclamation	Prior to, during and after construction

Delta-Mendota Canal Subsidence Correction Project
Environmental Assessment/Initial Study

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	by the Project at a 3:1 ratio (replaced to removed) with appropriate native tree species. For the purposes of this requirement, a tree is defined as a native woody plant (i.e., tree or mature shrub) with at least one stem measuring two inches or greater diameter at breast height. The plan will also identify success criteria and provide for annual or other regular monitoring to evaluate whether the revegetation effort has met the success criteria. The plan will include measures for remedial actions (e.g., additional plantings, supplemental irrigation, increased monitoring) if monitoring efforts indicate that success criteria are not being met.			
BIO-17	Measures to Minimize Impacts on Wetlands Prior to any temporary or permanent impacts on aquatic resources, any required permits/authorizations from RWQCB and United States Army Corps of Engineers (USACE) will be obtained. All terms and conditions of the required permits/authorizations will be implemented. Where jurisdictional wetlands and other waters cannot be avoided, to offset temporary and permanent impacts that would occur as a result of the Project, restoration and compensatory mitigation to ensure no net loss will be provided as described below. A wetland mitigation and monitoring plan will be developed in coordination with CDFW, USACE, or RWQCB to detail mitigation and monitoring obligations for temporary and permanent impacts to wetlands and other waters owing to construction activities and for other CDFW jurisdictional areas. The plan will quantify the total acreage affected; provide for mitigation, as described below, to wetland or riparian habitat; specify annual success criteria for mitigation sites; specify monitoring and reporting requirements; and prescribe site-specific plans to compensate for wetland losses resulting from the Project consistent with USACE's no net loss policy. Prior to construction, the aquatic structure of wetland and riparian areas to be disturbed will be photo-documented and measurements of width, length, and depth will be recorded. Recontouring and revegetation of the disturbed portions of jurisdictional areas in areas temporarily affected by construction	Reclamation, SLDMWA, and Construction contractor(s) with Project Biologist	Field verification and documentation on file with Reclamation	Prior to, during and after construction

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
	prior to demobilization by the construction contractor will be completed at the end of Project construction. Creek banks will be recontoured to a more stable condition, if necessary. Revegetation will include a palette of species native to the watershed area according to a revegetation plan to be developed by Reclamation and submitted to USACE, CDFW, and RWQCB for approval. Following removal, woody trees habitat acreage would be replanted at a minimum 1:1 ratio, or as determined and agreed upon by the permitting agencies. Interim vegetation or other measures will be implemented, as necessary, to control erosion in disturbed areas prior to final revegetation. Wetland and other waters impact in the construction and inundation area will be compensated at a ratio of 2:1 or at a ratio agreed upon by the wetland permitting agencies. Compensatory mitigation will be conducted by creating or restoring wetland and aquatic habitat at an agency-approved location on nearby lands or through purchasing mitigation credits at a USACE- or CDFW-approved mitigation bank (depending on the resource). If mitigation is conducted on- or off-site, a five-year wetland mitigation and monitoring program for on- and off-site mitigation will be developed. Appropriate performance standards may include a 75-percent survival rate of restoration plantings; absence of invasive plant species; and a viable, self-sustaining creek or wetland system at the end of five years. A weed control plan for the Project to limit the spread of noxious or invasive weeds will be developed. This plan would be consistent with current integrated pest management plans already in practice on lands surrounding the reservoir. Noxious or invasive weeds include those rated as 'high' in invasiveness by the California Invasive Plant Council. The plan will include a baseline survey to identify the location and extent of invasive weeds in the Project area prior to ground-disturbing activity, a plan to destroy existing invasive weeds in the construction area prior to initiation of ground-disturbing activity, weed-containment measures while the Project is in progress, and monitoring and control of weeds following completion of construction.			

Delta-Mendota Canal Subsidence Correction Project
Environmental Assessment/Initial Study

Measure No.	Mitigation Measure	Responsible Party	Method of Verification	Timing of Verification
CR-1	Implement a Formal Agreement Document to National Historic Preservation Act (NHPA) Section 106 Compliance and Resolve any Adverse Effects/Significant Impacts to Cultural Resources The resolution of adverse effects to historic properties occurs through the implementation of measures agreed on through consultation with the State Historic Preservation Office, Advisory Council on Historic Preservation, and other Section 106 consulting parties. These measures are discussed in the draft <i>Programmatic Agreement Between the Bureau of Reclamation, Interior Region 10 California-Great Basin; and the California State Historic Preservation Officer Regarding Compliance with Section 106 of the National Historic Preservation Act Pertaining to the Implementation of the Delta-Mendota Canal Subsidence Correction Project, Alameda, Contra Costa, San Joaquin, Stanislaus, Merced, and Fresno counties</i>, which remains in review. In general, significant impacts to cultural resources under NEPA would be mitigated through the measures agreed to through the Section 106 process. Cultural resources that are formally determined not eligible for inclusion in the National Register of Historic Places (NRHP) or the California Register of Historic Resources (CRHR) would require no further management prior to Project implementation. If cultural resources determined 'not eligible for listing in the NRHP but eligible for listing in the CRHR' are identified as part of the Project, such resources will be managed per CEQA requirements.	Reclamation, SLDMWA, and Construction contractor(s)	Documentation on file with Reclamation	Prior to and during construction
GEO-1	Prepare for Unexpected Failures of Erosion Control Measures To prepare for unexpected failures of erosion control measures, a supply of erosion control materials will be maintained on-site during the construction period to facilitate a quick response to unanticipated storm events or emergencies.	SLDMWA and Reclamation	Field verification	During construction

S.3 List of Acronyms

BRMMP – Biological Resources Management and Monitoring Plan
CDFW – California Department of Fish and Wildlife
CDPR – California Department of Parks and Recreation
CEQA – California Environmental Quality Act
CRHR – California Register of Historic Resources
CRLF – California red-legged frog
CTS – California Tiger Salamander
EA/IS – Environmental Assessment/Initial Study
MMRP – Mitigation Monitoring and Reporting Program
NEPA – National Environmental Policy Act
NHPA – National Historic Preservation Act
NRHP – National Register of Historic Places
OSHA – Occupational Safety and Health Administration
PRC – Public Resources Code
Project – Delta-Mendota Canal Subsidence Correction Project
Reclamation – Bureau of Reclamation
RWQCB – Regional Water Quality Control Board
SJKF – San Joaquin kit fox
SLDMWA – San Luis & Delta-Mendota Water Authority
SWPPP – Specific Stormwater Pollution Prevention Plan
USACE – United States Army Corps of Engineers
USFWS – United States Fish and Wildlife Service
WEAT – worker environmental awareness training

S.4 References

California Department of Fish and Wildlife (CDFW). 2021. *Protocols for Surveying and Evaluating Impacts to Special-status Native Plant Populations and Natural Communities*. February. Accessed on September 27, 2022. Available at:
<https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=18959&inline>

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Notice of Determination**Appendix D****To:**

☒ Office of Planning and Research
 U.S. Mail: _____ Street Address: _____
 P.O. Box 3044 1400 Tenth St., Rm 113
 Sacramento, CA 95812-3044 Sacramento, CA 95814

☒ County Clerk
 County of: See attached list.
 Address: _____

From: San Luis & Delta-Mendota
 Public Agency: Water Authority
 Address: P.O. Box 2157
Los Banos, CA 93635
 Contact: Pablo Arroyave
 Phone: (209) 826-9696

Lead Agency (if different from above): _____
 Address: _____

 Contact: _____
 Phone: _____

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2023020323

Project Title: Delta-Mendota Canal Subsidence Correction Project

Project Applicant: San Luis & Delta-Mendota Water Authority

Project Location (include county): Multiple- see project description

Project Description: This Environmental Assessment (EA)/Initial Study (IS) and Mitigated Negative Declaration (MND) analyzes environmental impacts of restoring the Delta-Mendota Canal (DMC) to its originally authorized conveyance capacity (proposed project). The project analyzed in this EA/IS would raise currently deficient canal lining, embankment, and other impacted structures to allow the DMC to convey its originally authorized capacity. Project effects would occur within Alameda, San Joaquin, Stanislaus, Merced, Fresno, San Benito and Santa Clara counties.

This is to advise that the San Luis & Delta-Mendota Water Authority has approved the above
 (☒ Lead Agency or ☐ Responsible Agency)

described project on February 5, 2026 and has made the following determinations regarding the above
 (date)
 described project.

1. The project [☐ will ☒ will not] have a significant effect on the environment.
2. ☐ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
☒ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [☒ were ☐ were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [☒ was ☐ was not] adopted for this project.
5. A statement of Overriding Considerations [☐ was ☒ was not] adopted for this project.
6. Findings [☒ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:

842 6th Street, Los Banos, CA 93635

Signature (Public Agency): _____ Title: Chief Operating Officer

Date: February 5, 2026 Date Received for filing at OPR: _____



Official Memorandum

PO Box 2157
Los Baños, CA 93635
sldmwa.org

To: SLDMWA Water Resources Committee, Alternates
SLDMWA Finance & Administration Committee, Alternates
SLDMWA Board of Directors, Alternates

From: Pablo Arroyave, Chief Operating Officer
Jaime McNeil, Engineering Manager

Date: February 2, 2026

RE: Recommendation to Board of Directors to Adopt Resolutions Relating to the DMC Subsidence Correction Project A. Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan, and B. Authorizing Award and Execution of Construction Manager/General Contractor Agreement (CMGC)

Background

The Delta-Mendota Canal (DMC) Subsidence Correction Project (“Subsidence Correction Project” or “Project”) includes restoring the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings. The DMC is one of the major components of the Delta Division of the U.S. Bureau of Reclamation’s (Reclamation) Central Valley Project (CVP), and is considered critical infrastructure. The San Luis & Delta-Mendota Water Authority (Authority) and Reclamation are committed to restoring the original capacity to ensure the DMC can meet the needs of the communities and ecosystems reliant upon it.

Over the last several years, the Authority has been working in partnership with Reclamation to complete a Feasibility Study, which included completing Environmental Compliance through a joint National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) document. In addition to the EA/IS, Reclamation and the Authority have been engaged in interagency consultation in connection with the Project under Section 7(a)(2) of the Endangered Species Act, Section 106 of the National Historic Preservation Act, and other applicable requirements, and continue to consult and coordinate with state and federal agencies as appropriate.

Concurrently, the Authority has engaged with the Planning Committee, Finance & Administration Committee, the Board of Directors (Board), and Reclamation to develop and gain approval of a phased approach to construction to be implemented through an alternative contracting method including early contractor involvement. Through a variety of workshops, meetings, and discussions, a scope for Phase 1 was developed that would be the most economical and provide immediate capacity restoration and ensure the Department of Water Resources (DWR) grant be fully utilized. In June 2025, Reclamation provided concurrence with the scope of Phase 1 and approval for the Authority to solicit and administer the Phase 1 construction work. Final approval by the Authority Board of Directors to proceed with the Phase 1 scope was granted in September 2025. Phase 1 scope consists of the following Tasks:

- Task 1: Approximate 2 ft freeboard raise between MP 3.5 (JPP) to MP 7.2 (DCI) at a current estimated cost of \$19.75M, based on 4,600 cfs design flow and no future anticipated subsidence.
- Task 2: Sag area repairs (9 areas in Pools 3, 4, 6, and 8) at a current estimated cost of \$18.23M
- Task 3: Panel Repair Program on Upper DMC (24 sites over 5 years) at a current estimated cost of \$27.9M.
- Task 4: Panel Repair Program on Lower DMC at a current estimated cost of \$28M.

In November 2025, the Board of Directors adopted cost allocation recommendations for each task included in Phase 1. Cost allocation recommendations were adopted with the knowledge that staff intends to utilize non-reimbursable grant funds to fund Phase 1 to the maximum extent possible. If Phase 1 is wholly funded with non-reimbursable grant funding, there will be no rate impact associated with this action.

In anticipation of the early contractor contracting approach, the Authority recommended and the Board approved certain amendments in August 2025 to the Authority's Consolidated Procurement Policy (Procurement Policy) to add provisions to authorize procurement of Construction Manager/General Contractor (CMGC) contracts under a specified competitive procedure for public works projects in excess of one million dollars. Per section 4.10(g) of the Procurement Policy, awards of CMGC contracts shall be made by the Authority's Board.

With all necessary approvals acquired, the Authority proceeded with drafting and soliciting a CMGC Construction contract for Phase 1 work.

Issue for Decision

Whether the Board of Directors should authorize adoption of resolutions relating to the DMC Subsidence Correction Project

- A. Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan per the Water Resources Committee recommendation, and;
- B. Authorizing award and execution of Construction Manager/General Contractor (CMGC) Agreement per the Finance & Administration Committee recommendation.

Recommendation

Staff recommends adoption of proposed resolutions.

Analysis

A. Resolution Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan

In accordance with CEQA and applicable state and federal regulations, a joint Environmental Assessment (EA)/ Initial Study/Mitigated Negative Declaration (IS/MND) was prepared to evaluate the potential environmental effects associated with implementation of the Project. The Authority is the Lead Agency for the proposed Project under CEQA.

Because the Project Initial Study identified potentially significant effects of the project, mitigation measures applicable to the Project were identified in a proposed Mitigated Negative Declaration (MND) to avoid or reduce the Project's potentially significant effects to a less-than-significant level. On February 13, 2023, a Notice of Intent to Adopt the MND was circulated for public comments for a 30-day period that concluded on March 14, 2023. All comments of persons and agencies received during the public comment period and responses to those comments are included in Appendix P and Appendix Q of the MND.

Based on the IS/MND, and in light of the record of proceedings as a whole, the Authority has determined that the proposed Project, as mitigated, would not have a significant impact on the environment. Through the proposed resolution, the Board would adopt the MND, including CEQA findings of Fact, and a Mitigation Monitoring and Reporting Plan (MMRP) to require that all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the MMRP. Following adoption of the resolution the Authority would file a Notice of Determination with the State Clearinghouse.

B. Resolution Authorizing Execution of Construction Manager/General Contractor (CMGC) Agreement

The Authority formally solicited for electronic proposals to provide all labor, equipment, and services for Construction Manager/General Contractor (CM/GC) Services for Delta-Mendota Canal (DMC) Subsidence Correction Project Phase 1 - Tasks 1 through 4 (Project). Critical dates are below:

- Nov. 12, 2025: RFP issued
- Nov. 21, 2025: Mandatory Pre-Proposal Conference / Site Visit
- Dec. 5, 2025: Last Day for Contractors to Submit Questions
- Dec. 12, 2025: Last day for Responses to Questions and Posting of Final Addendum
- Jan. 9, 2026: Proposals due via PlanetBids
- Jan. 13 – Jan. 16, 2026: Proposal Evaluation
- Jan. 20, 2026: In-Person Contractor Interviews
- Jan. 21, 2026: Notice of Intent to Award

The Formal Request for Proposals (RFP) was publicly posted on PlanetBids and in two newspapers: San Francisco Chronicle and Sacramento Bee. In addition, the RFP was sent directly to seven contractors. Seven contractors attended the Mandatory Pre-Proposal Conference and Site Visit, with two proposals submitted. The two responsive proposals were submitted by Kiewit Corporation and NW Construction Inc. Technical Proposals were reviewed and scored by an evaluation committee consisting of Authority staff, a member from the Bureau of Reclamation, and two members from consulting teams to the Authority (Hallmark & CDM Smith). The Proposals were reviewed and accepted by the Authority's Contract Specialist for responsiveness and responsibility. Upon conclusion of the evaluation committee, the proposers received the following scores: Kiewit Corporation 322; and NW Construction, Inc. 223. The best qualified and responsive/responsible proposer was determined to be Kiewit Corporation. The Notice of Intent to Award was transmitted to Kiewit Corporation on January 21, 2026.

The proposed award will be to fund preconstruction services for Task 1 and Task 2 only, with Preconstruction Services for Tasks 3 and 4 to be added in the future by amendment at the Authority's discretion given

available funding and Board approval. Once the Notice to Proceed is issued, the Authority and the CMGC Contractor will work collaboratively to complete preconstruction services as outlined in the RFP and to develop a Guaranteed Maximum Price (GMP) for Task 1 and Task 2 for the construction phase of the project. The Authority anticipates bringing the GMP back to the Finance & Administration Committee for recommendation regarding the proposed GMP and to the Board for approval of the GMP and Notice to Proceed with construction in May, or earlier if possible.

Budget Implications

The proposed expenditure of up to \$200,000 will be funded utilizing approved EO&M funds from Fiscal Years 2021-2023, which will be reimbursed through the DWR grant.

Exhibits

1. Draft Board Resolution Adopting Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan
Exh. A: Final EA/ IS/MND
Exh. B: Mitigation Monitoring and Reporting Plan
Exh. C: Notice of Determination
2. Draft Board Resolution Authorizing Award and Execution of Construction Manager/General Contractor (CMGC) Agreement
Exh. 1: Notice of Intent to Award (NOIA)
Exh. 2: Draft CMGC Agreement

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2026-

**RESOLUTION AUTHORIZING AWARD AND EXECUTION OF CONSTRUCTION
MANAGER/GENERAL CONTRACTOR AGREEMENT FOR PHASE I OF THE
DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION PROJECT**

WHEREAS, the San Luis & Delta-Mendota Water Authority (SLDMWA) is responsible for operating and maintaining the Delta-Mendota Canal (DMC), and proposes to authorize award and execution of a Construction Manager/General Contractor (CMGC) Agreement for the initial component (Phase 1) of that portion of the subsidence correction project to restore the DMC to its originally authorized conveyance capacity (Project) as fully described in the Mitigated Negative Declaration (MND), Findings of Fact pursuant to the California Environmental Quality Act (CEQA), and Mitigation Monitoring and Reporting Plan (MMRP), as adopted by Resolution No. 2026- ; and

WHEREAS, in broad terms, the Project includes restoring the original design conveyance capacity of the DMC by raising the canal lining and embankments, as well as other structures such as bridges, overchutes, and pipe crossings; and

WHEREAS, SLDMWA has determined it is necessary and appropriate to pursue a phased approach for the Project, where Phase 1 would include four tasks: (1) an approximate two-foot freeboard raise between milepost (MP) 3.5 to MP, based on 4,600 cubic feet per second (cfs) design flow and no future subsidence; (2) sag area repairs in 9 areas, in Pools 3, 4, 6, and 8; (3) panel repair program on the upper DMC; and (4) panel repair program on the lower DMC; SLDMWA intends to contract separately for additional future phases to address subsidence along the remainder of the DMC; and

WHEREAS, SLDMWA formally solicited proposals to provide all labor, equipment, and services for CMGC Services for the DMC Subsidence Correction project Phase 1 – Tasks 1-4 and received two responsive proposals; and

WHEREAS, Kiewit Corporation has demonstrated the ability to timely complete the scope of work listed in the Contract Documents and has been scored as the best qualified and responsive/responsible proposer with a score of 322 and an initial preconstruction cost of \$200,000, with the guaranteed maximum price for construction to be developed during preconstruction services; and

WHEREAS, Section 4.10(g) of the Authority's Consolidated Procurement Policy, adopted by Resolution No. 2025-547, requires the Board of Directors (Board) to specifically authorize award of CMGC agreements; and

WHEREAS, initial work on Phase 1 of the DMC Subsidence Correction Project will be funded utilizing funds that remain available in the Fiscal Year (FY) 2021-2023 Extraordinary

Operation and Maintenance budgets, to be reimbursed by California Department of Water Resources grant funds; and

WHEREAS, based on the adopted MND, CEQA Findings of Fact, and MMRP, and in light of the record of proceedings as a whole, SLDMWA has determined that implementation of Phase I of the DMC subsidence correction project, as mitigated, would not have a significant impact on the environment; and

WHEREAS, SLDMWA staff recommends that the Board authorize execution of a CMGC Agreement with Kiewit Corporation.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS, THAT:

Section 1. The facts stated in the recitals above are true and correct, and the Board so finds and determines.

Section 2. The Board has reviewed and considered the environmental effects of the Project as set forth in the adopted MND and as mitigated in the adopted MMRP, and finds that the MND and MMRP were prepared and adopted consistent with CEQA and the state CEQA Guidelines.

Section 3. The Board hereby finds that the MND reflects the Board's independent judgment and analysis.

Section 4. Based on its review of the MND and MMRP in light of the record of proceedings as a whole, including but not limited to the Initial Study, all comments received and the responses thereto, the Board finds that the record contains no substantial evidence that the Project, as mitigated, could have a significant effect on the environment. The Board further finds that substantial evidence supports adoption and use of the MND pursuant to CEQA.

Section 5. Based on the above Recitals, the Board hereby finds that Kiewit Corporation is qualified to complete Phase 1 of the DMC Subsidence Correction Project.

Section 6. The Executive Director, for and on behalf of SLDMWA, is hereby authorized and directed to award and execute a CMGC Agreement with Kiewit Corporation for services on substantially the terms discussed with the Board, as well as to take such actions as may be required or authorized by this Board to effectuate that agreement, subject to the condition that the mitigation measures specified in the adopted MMRP shall be carried out as applicable in conjunction with implementation of Phase 1.

Section 7. All documents constituting the record of proceedings upon which this Resolution is based are located in the SLDMWA office at 842 6th Street, Los Banos, California, 93635; (209) 826-9696.

Section 8. A Notice of Determination (NOD) shall be prepared and transmitted by SLDMWA's designee to the County Clerks of Alameda, San Benito, Santa Clara, San Joaquin, Stanislaus, Merced, and Fresno, and to the State Clearinghouse pursuant to CEQA Guidelines section 15075.

PASSED, APPROVED AND ADOPTED this 5th day of February, 2026, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

Cannon Michael, Chair
San Luis & Delta-Mendota Water Authority

Attest:

Federico Barajas, Secretary

I hereby certify that the foregoing Resolution No. 2026- was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 5th day of February, 2026.

Federico Barajas, Secretary

NOTICE OF INTENT TO AWARD

Date: January 21, 2026

To: Brian Gardner
Kiewit Infrastructure West Co. (Kiewit)
4650 Business Center Dr.
Fairfield, CA 94534

Project Title: Delta-Mendota Canal (DMC) Subsidence Correction Project – Phase 1

Specification Number: F26-DMC-012

On January 9, 2026, San Luis and Delta-Mendota Water Authority (SLDMWA) received two (2) proposals for the subject project NW Construction, Inc. dba Neil W Construction and Kiewit Infrastructure West Co.

The Evaluation Committee has deemed Kiewit Infrastructure, to be the most qualified respondent to provide the requested services for this project.

You are hereby notified that on February 5, 2026, SLDMWA Staff will recommend to the SLDMWA Board of Directors, award of the Contract for Delta-Mendota Canal (DMC) Subsidence Correction Project – Phase 1 to Kiewit Infrastructure West Co. (Kiewit) for the fixed fee of \$200,000.00.

In accordance with the solicitation documents, contract award will be made once the protest period is up. Please refer to the solicitation for protest periods.

SLDMWA appreciates the time and effort that all of the proposing firms dedicated to preparing and submitting a proposal for this project.

Regards,



Travis Roberts

Contract Specialist

San Luis & Delta-Mendota Water Authority



**CONSTRUCTION MANAGER/
GENERAL CONTRACTOR AGREEMENT
FOR**

**DELTA-MENDOTA CANAL SUBSIDENCE
CORRECTION PROJECT – PHASE 1**

San Luis & Delta-Mendota Water Authority
15990 Kelso Rd.
Byron, CA 94514

CONSTRUCTION MANAGER/GENERAL CONTRACTOR AGREEMENT
For
DELTA-MENDOTA CANAL SUBSIDENCE CORRECTION PROJECT – PHASE 1

THIS CONSTRUCTION MANAGER/GENERAL CONTRACTOR AGREEMENT (“CM/GC Agreement” or “Agreement”), dated as of February __, 2026 is between the **SAN LUIS & DELTA MENDOTA WATER AUTHORITY**, a California Joint Powers Agency (“SLDMWA”), and Kiewit Infrastructure West Co., a Delaware Corporation with its address at 4650 Business Center Drive Fairfield, CA 94534 (“CMGC”). SLDMWA and CMGC may be referenced herein individually as “Party” or collectively as the “Parties.”

The parties hereto mutually agree to the terms and conditions set forth herein.

I. CONTRACT DOCUMENTS

- A. The Contract Documents referred to herein are incorporated herein by reference as if set forth in full in this Agreement. The following documents are bound herewith and a part of this Agreement:
- Exhibit A** General Conditions for Construction (“General Conditions”)
 - Exhibit B** [NOT USED]
 - Exhibit C** Special Provisions – Federal Contracting Requirements (“Special Provisions”)
 - Exhibit D** Preconstruction Services
 - Exhibit E** Worker’s Compensation Certificate
 - Exhibit F** (Optional) Agreement for Securities in Lieu of Retention
 - Exhibit G** Payment and Performance Bond Forms
 - Exhibit H** Guarantee Form
- B. Work called for in any one Contract Document and not mentioned in another is to be performed and executed as if mentioned in all Contract Documents. The table of contents, titles and headings contained herein and in said documents are solely to facilitate reference to various provisions of the Contract Documents and in no way affect or limit the interpretations of the provisions to which they refer.
- C. The Contract Documents consist solely of the items listed in Section 1.A (Contract Documents Index), together with any executed GMP Amendment for a Task, and any approved Change Order or Construction Change Directive. The Request for Proposals, all addenda, and the CMGC’s Proposal are incorporated only to define Preconstruction Services, procurement representations, and commercial commitments, and they do not add to, modify, or control the construction Work. For construction Work authorized by a GMP Amendment, the GMP Amendment and the Construction Documents identified in that amendment govern scope, price, and performance.
- D. In case of conflict among the Contract Documents, the order of precedence of Section 4.07 of Exhibit A, General Conditions applies.

- E. Reference Documents. SLDMWA has provided or may provide Reference Documents to Contractor. The Reference Documents are not Contract Documents. The Reference Documents are for information only, and are not mandatory or binding on Contractor, except to the extent information in the Reference Documents is expressly referenced within and made a contractual requirement as part of the Specifications or other Contract Documents. Prior to the execution of this Agreement, Contractor has conducted its own due diligence as to the accuracy, completeness and relevance of the information contained in the Reference Documents. SLDMWA provides no representations or warranties with respect to the information contained in the Reference Documents. Contractor is not entitled to rely on the Reference Documents as accurately describing existing conditions, presenting design or engineering solutions or directions, or defining means or methods for complying with the requirements of the Contract Documents. However, the information contained in the Reference Documents shall be evidence of whether a risk, condition, matter or other information was known or knowable with reasonable due diligence.

II. DEFINITIONS

Unless otherwise specifically provided herein, all words and phrases defined in the General Conditions shall have the same meaning and intent in this Agreement.

Task. For purposes of this Agreement, a Task is a discrete portion of the Construction Work that SLDMWA may authorize by executing a GMP Amendment. References to a capitalized Task relate to Construction Work only. The activities described in Exhibit D are Preconstruction Services, are not Tasks, and do not authorize construction Work.

Contractor / CMGC. The term “Contractor” as used in the Contract Documents (including the General Conditions, bonds, and statutory forms) means the Construction Manager/General Contractor (“CM/GC” or “CMGC”) entering into this Agreement. References to “Contractor,” “CM/GC,” or “CMGC” are interchangeable and refer to the same entity providing Preconstruction Services and, if authorized, construction Work.

Authority / SLDMWA. San Luis & Delta-Mendota Water Authority, a California joint powers authority. References in the Contract Documents to “SLDMWA” or “Authority” are interchangeable and refer to the same entity. Actions of SLDMWA may be taken by its Board of Directors, Executive Director, or a duly authorized designee under applicable law and internal delegations.

III. PROJECT OVERVIEW

3.1 Nature of Agreement. The Parties wish to fully embrace the principles of collaboration and construction-manager-general-contractor best practice in the performance of the Work and agree to employ the following techniques to maximize the benefits of this Agreement:

- (a) proceed on the basis of trust and good faith and create a culture of open and honest communication;
- (b) attempt to resolve disputes efficiently, in good faith, and at the earliest possible stage of dispute resolution;
- (c) establish a cooperative and collaborative environment where all parties (including

SLDMWA, Engineer, CMGC, and subcontractors) have the opportunity to contribute their best efforts for the benefit of the Work rather than to the benefit of individual parties;

(d) integrate the design team and construction teams (including SLDMWA, Engineer, CMGC, and major subcontractors) as early as possible into the design process;

(e) utilize lean construction methods efficiently and effectively; and

(f) maximize the value of Work delivered for the preconstruction services fee and the GMP (as applicable).

3.2 Construction Manager/General Contractor (“CMGC”) Delivery. SLDMWA has retained CMGC to serve as construction manager for the Project and to perform preconstruction services during the design of the Project before the start of construction. During Preconstruction Services, CMGC will prepare a proposed Guaranteed Maximum Price (“GMP”) for the construction of the Task, subject to approval by the SLDMWA Board, which shall be incorporated into the Contract by written amendment (the “GMP Amendment”). Construction of the Task shall commence upon issuance by the SLDMWA of a Notice to Proceed (NTP) for construction and shall continue through Final Completion. If the Parties execute a GMP Amendment, CMGC shall serve as general contractor for the construction of the Task during the Construction Phase. The Construction Phase may commence for Tasks while the Preconstruction Services are ongoing for other Tasks.

3.3 Anticipated Tasks. This Agreement contemplates up to four Tasks of construction Work, to be authorized, if at all, only by execution of a GMP Amendment and issuance of a Notice to Proceed for the applicable Task. The brief descriptions below are planning aids only, and do not authorize construction Work, set a price ceiling, or modify the Scope. Preconstruction Services to support development of each Task are described in Exhibit D, and do not constitute or authorize construction Work.

Task 1: Pool 1, MP 3.5 to MP 7.2 (DMC Headworks to the DMC Intertie Pumping Plant). The Work generally consists of raising the existing canal embankment and concrete lining by approximately two feet within Pool 1. The Work includes excavation adjacent to the current lining, placement and compaction of embankment material from approved borrow sources, trimming and shaping of embankment slopes to support lining operations, surface preparation of the existing concrete, and placement of additional concrete at the top of the lining to achieve the higher section. Appurtenant features, including turnouts, drainage structures, and roadway or utility crossings, will be adjusted to accommodate the higher normal water surface.

Task 2: Targeted locations between the DMC Intertie and O’Neill Forebay, MP 7.2 to MP 70.1. The Work generally consists of embankment and lining raises similar to Task 1 at six locations of varying length along both canal banks within the noted mileposts. The shortest location is approximately two hundred feet, and the longest exceeds one mile. These six areas are locations along this section of the canal with the highest levels of subsidence. In Task 2, five of the six identified sag areas include displaced or distorted concrete panels requiring replacement. The panel replacement will necessitate underwater work and the design, installation, and removal of a contractor-designed cofferdam or equivalent system to permit concrete placement in the dry.

Task 3: The Work generally consists of removal and replacement of concrete canal lining panels that are failed, distorted, or missing. The Work includes saw cutting and removal of existing panels, subgrade preparation to receive new concrete, and placement of new lining panels. The current constructability concept contemplates cofferdams or similar means to create dry work zones for panel removal and placement. Cofferdam installation will involve underwater activities, will constrain flows, and will reduce delivery capacity, requiring coordination with SLDMWA so the canal remains operational.

Task 4: The Work is similar in character to Task 3, consisting of removal of distressed or missing lining panels, subgrade preparation, and placement of new concrete panels in the lower canal pools. Cofferdams or equivalent methods may be used to work in the dry, which will restrict flows and reduce delivery capacity. Construction sequencing will be coordinated with SLDMWA's delivery schedule so the canal remains operational. Pool and check identifiers will be confirmed during Preconstruction Services.

The SLDMWA reserves the right to terminate this Agreement without authorizing construction of any Tasks; to award Tasks to another CMGC or contractor due to price, schedule, or other factors within the SLDMWA's sole discretion; and to direct performance of Tasks in any order, including concurrently. At the time of entering into this Agreement, the SLDMWA does not have sufficient funding to complete all Tasks, but anticipates identifying funding in an amount of the expected cost of each of the Tasks prior to the anticipated commencement of construction of each of the Tasks. CMGC agrees to furnish all tools, equipment, apparatus, facilities, labor, material, and transportation necessary to perform and complete in a good and workmanlike manner to the satisfaction of SLDMWA, all the work required for the Task of the Project for which a Notice to Proceed is Issued.

3.4 Preconstruction Services. Upon execution of this Agreement, CMGC shall commence performance of Task 1 and Task 2 Preconstruction Services, as defined in and governed by Exhibit D hereto. Preconstruction Services for any other Task shall be authorized by written direction to proceed with the Preconstruction Services for that Task. While the SLDMWA anticipates authorizing CMGC to proceed with construction services following completion of Preconstruction Services for any Task, performance of Preconstruction Services shall not entitle CMGC to perform any construction services and no construction services shall be performed prior to receipt of a written NTP for the specific services. Preconstruction Services include, in part, establishment of the Guaranteed Maximum Price ("GMP") for the performance of the construction work of each Task.

CMGC acknowledges that, unless directed by SLDMWA, CMGC may not proceed with any construction Work prior to issuance of the NTP with construction of the Task. The division of work into Preconstruction Services and construction services is solely for the benefit of SLDMWA, to enable the use of a delivery methodology allowing award of the Agreement prior to determination of the GMP for each of the Tasks and to permit CMGC to begin performing the Work while SLDMWA obtains funding for later Tasks. Nothing shall require SLDMWA to approve construction of any Task, and the decision by SLDMWA not to issue a NTP with any construction shall not be subject to dispute or any claim for lost profits or other claimed damages.

3.5 Construction. Following approval of the GMP for each Task by the SLDMWA Board of Directors, if the SLDMWA elects to proceed with construction, then the SLDMWA shall issue to CMGC a NTP with the Task. CMGC may not perform any construction work or incur any cost to be reimbursed as part of the construction work prior to issuance of that NTP, and the

SLDMWA shall make no payment for construction services unless it issues a NTP applicable to those services.

- 3.5.1 Bonds. As a condition precedent to issuance of a Notice to Proceed, CMGC shall furnish performance, labor, and material payment bonds on forms supplied by SLDMWA, with a surety company licensed to do business in California and acceptable to SLDMWA.
- 3.5.2 Insurance. Prior to commencing the Work, CMGC shall purchase and maintain, at its own expense, insurance coverage as required by the Contract Documents.
- 3.5.3 Subcontracts. Work that CMGC is not going to self-perform shall be performed under a subcontract. Subletting and Subcontracting Fair Practices Act, Public Contract Code: sections 4100 et seq., shall apply to approved subcontractors.
- 3.5.4 Progress Meetings. CMGC shall schedule and conduct meetings to discuss such matters as procedures, progress, coordination, scheduling, and status of the Work. CMGC shall prepare and promptly distribute minutes to SLDMWA and Designer.

These acknowledgments are made following completion of the CM/GC's Preconstruction Services described in Exhibit D, including review of furnished geotechnical data, authorized additional investigation, and review of design documents.

- 3.5.5 Progress Reports. CMGC shall record the progress of the Project. On a monthly basis, or otherwise as agreed to by SLDMWA, CMGC shall submit written progress reports to SLDMWA and Engineer, showing percentages of completion and other information required by SLDMWA. CMGC shall also keep, and make available to SLDMWA and Engineer, a daily log containing a record for each day of weather, portions of the Work in progress, number of workers on site, identification of equipment on site, problems that might affect progress of the Work, accidents, injuries, and other information required by SLDMWA.
- 3.5.6 Cost Control. CMGC shall develop a system of cost control for the Work, including regular monitoring of actual costs for activities in progress and estimates for uncompleted tasks and proposed changes. CMGC shall identify variances between actual and estimated costs and report the variances to SLDMWA and Engineer and shall provide this information in its monthly progress reports to SLDMWA and Engineer.
- 3.5.7 Construction of Each Task. The CMGC, in conjunction with the SLDMWA, agrees to cause each Task of the Project for which it is given a Notice to Proceed to be developed, constructed, and installed in accordance with the terms hereof, the General Construction Terms and Conditions set forth in Exhibit A, the Plans and Specifications, and those things reasonably inferable from the aforementioned documents as being within the scope of the Project Task and necessary to produce the stated result even though no mention is made thereof. The CMGC, in conjunction with the SLDMWA, further agrees that it will cause the development, construction, and installation of each Task of the Project to be diligently performed.
- 3.5.8 Time of Completion. Following receipt of the NTP with the construction of a Task, the CMGC shall proceed with the construction of the Task with due diligence. The construction of the Task shall be fully complete no later than the dates stated in the

NTP, and construction of the entire Project shall be fully complete no later than the date stated in the NTP for the final Task, together with such additional time as may be provided by amendment (change order). Included in the time to complete is an allowance of up to [to be added by Amendment] weather days of excusable weather delays. "Completion" means completion of all contract Task work, including punch list items.

- 3.5.9 Acceptance of the Project. The Project, and any Task, shall only be considered fully complete after the SLDMWA accepts completion of the Task or Project. The SLDMWA shall have no obligation to accept completion of the Task until the entire authorized work has been completed in accordance with the Plans and Specifications, including any amendments thereto and all close-out documents and submissions required of the CMGC have been provided to the SLDMWA. The Project, or any Task of the Project, will not be accepted until approved for completion by the SLDMWA, which approval shall not be unreasonably withheld. If the SLDMWA determines not to accept the Project or any Task, then the SLDMWA shall provide the CMGC with a written statement indicating those deficiencies remaining and what measures are necessary in the reasonable opinion of the SLDMWA to correct such deficiencies prior to acceptance by the SLDMWA. Within fifteen (15) days after the SLDMWA accepts a Task as complete, the SLDMWA will record a Notice of Completion with the County Recorder in the county where the Task is located.
- 3.6 Engineer and Design Authority. The United States Bureau of Reclamation is the Engineer for the Project, and retains responsible charge for the design of permanent features of the Work. The Engineer will prepare the Drawings and Specifications for each Task, issue design clarifications, and provide design decisions.
- 3.7 Design Reviews and Approvals. No construction Work may proceed on a Task until the Construction Documents for that Task are accepted by the Engineer, and, where applicable, by other permitting authorities, and until SLDMWA executes a GMP Amendment and issues a Notice to Proceed for that Task. The Engineer's review, acceptance, or comment does not relieve the CMGC of obligations under the Contract Documents.
- 3.8 Delegated Design and Temporary Works. Where the Construction Documents identify Delegated Design or Temporary Works, the Engineer will state the requirements. The CMGC will cause such design to be prepared and stamped by a California professional engineer, and will submit it to the Engineer for review and acceptance for conformance with the stated requirements. The CMGC remains responsible for means and methods, temporary works, and contractor-designed items. The Engineer's acceptance of Delegated Design does not transfer responsibility for those items to the Engineer.

IV. TERM

This Agreement shall take effect on the Effective Date and shall remain in effect until expiration of the Warranty Period or earlier termination. Time is of the essence for Preconstruction Services and construction Work. Contract Time for each Task is established in the GMP Amendment and runs from the Notice to Proceed for that Task.

V. REPRESENTATIONS AND WARRANTIES

5.1 Representations of the SLDMWA. The SLDMWA represents and warrants to the CMGC as follows:

- 5.1.1 SLDMWA is a joint powers authority duly organized and existing under the Constitution and laws of the State of California.
- 5.1.2 SLDMWA has the full power and authority to enter into, to execute and to deliver this Agreement, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Agreement. The representatives of SLDMWA executing this Agreement are fully authorized to execute the same.
- 5.1.3 Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach or default under the organizational instruments of SLDMWA or any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order.
- 5.1.4 No action, suit, proceeding, or litigation pending and served on SLDMWA challenges (i) SLDMWA's authority to execute, deliver, or perform hereunder, or the validity or enforceability of this Agreement; or (ii) the authority of the SLDMWA official executing this Agreement.

5.2 Representations of CMGC. CMGC represents and warrants to the SLDMWA as follows:

- 5.2.1 CMGC is a [corporation or other entity type] duly organized and existing under the laws of the State of [California]; duly licensed to do business in the State of California; holding a California contractor's Class A license, CSLB License number 433176, and DIR registration number 1000001147; and with the power to enter into this Agreement.
- 5.2.2 CMGC has the full power and authority to enter into, to execute, and to deliver this Agreement, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Agreement. The representatives of CMGC executing this Agreement are fully authorized to execute the same.
- 5.2.3 Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach or default under the organizational instruments of CMGC or any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order.
- 5.2.4 No action, suit, proceeding, or litigation pending and served on CMGC challenges (i) CMGC's authority to execute, deliver, or perform hereunder, or the validity or enforceability of this Agreement; or (ii) the authority of the CMGC official executing this Agreement. There is no pending or, to the knowledge of CMGC, threatened action or proceeding before any court or administrative agency which will materially adversely affect the ability of CMGC to perform its obligations under this Agreement.

- 5.2.5 CMGC will perform all work hereunder under the supervision of persons who hold all necessary and valid authority, licenses, registrations, certifications, and skills to perform the Work hereunder, by personnel who are skilled, experienced, and competent in their respective trades or professions and otherwise qualified to perform the Work in accordance with this Agreement.
- 5.2.6 CMGC and each subcontractor performing Work under this Agreement shall be registered and maintain registration with the Department of Industrial Relations to perform public work pursuant to Section 1725.5 of the Labor Code at all times during the term of this Agreement.

VI. CONTRACT AMOUNT AND PAYMENTS

- 6.1 Contract Sum. SLDMWA shall pay the CMGC the Contract Sum in accordance with the Contract Documents. The Contract Sum consists of (i) a fixed fee for Preconstruction Services by Task as stated in Agreement Exhibit D, and (ii) for each Task authorized for Construction, the Cost of the Work plus the CMGC's Fee, not to exceed the GMP established in the applicable GMP Amendment.
- 6.1.1 Preconstruction Services - Fixed Fee by Task. Preconstruction Services are compensated on a lump-sum, fixed-fee basis by Task as identified in Agreement Exhibit D. The lump sum includes the CMGC's labor, overhead, profit, ordinary reimbursables, meetings, workshops, estimates, constructability reviews, and GMP development for that Task, unless Agreement Exhibit D expressly lists an item as separately reimbursable. Payments shall be made as provided in Article 8 (Payments) of the General Conditions.
- 6.1.1.1 Directive services outside Agreement Exhibit D will be performed only upon SLDMWA's written authorization and will be compensated by lump-sum amendment or, if directed, on a not-to-exceed basis using agreed rates.
- 6.1.1.2 Except as the Parties expressly agree in a GMP Amendment, no additional fee or reimbursement is payable for Preconstruction Services performed after execution of a GMP Amendment for that Task.
- 6.1.2 Construction - GMP by Task. For each Task that proceeds to Construction, the Contract Sum equals the Cost of the Work plus the CMGC's Fee, subject to and capped by the GMP stated in the GMP Amendment for that Task. The GMP Amendment will identify the Construction Documents by title, date, and revision, and will state the agreed basis for General Conditions, allowances, contingencies, and the CMGC's Fee. Acceptance or negotiation of a GMP proposal does not, by itself, authorize Construction. SLDMWA may issue Notices to Proceed at different times for different Tasks, or decline to accept any GMP proposal and procure the Work by other means, without liability beyond payment for authorized Preconstruction Services. Once established, the GMP is the fixed price for construction, subject to adjustment only as allowed in the Contract Documents.
- 6.2 CMGC's Fee (Construction Only). The CMGC's Fee compensates the CMGC for overhead and profit not included in the Cost of the Work.

- 6.2.1 Basis. The CMGC's Fee will be calculated as **20%** of the Cost of self-performed Work and of the Cost of Work performed by Subcontractors. The total cumulative overhead and profit of the CMGC and all Subcontractors of any tier shall not exceed twenty percent in the aggregate.
- 6.2.2 Non-Fee-Bearing Items. The CMGC's Fee is not applied to Performance and Payment Bonds, Builder's Risk Insurance, SLDMWA-provided or SLDMWA-controlled insurance, Preconstruction Services or Preconstruction expenses, or any other non-fee-bearing items listed in the GMP Amendment.
- 6.2.3 Changes in the Work. For Changes in the Work during Construction, the CMGC's Fee is adjusted up or down based on the net change in the Cost of the Work. For Changes performed on a time-and-material or other cost-reimbursable basis, markups shall not exceed **20%** on self-performed work and on work performed by a sub-subcontractor, subject to further limits in the Contract Documents.
- 6.3 Cost of the Work (Construction Only). "Cost of the Work" means the actual, reasonable, and necessary costs to perform the Work, determined in accordance with the Contract Documents and the GMP Amendment. It is the Parties' expectation that most Construction items will be paid on Unit Price or Lump Sum pay items, which are fully inclusive of all Cost of the Work and the CMGC's Fee for the covered scope and are adjusted only as provided for Changes. Work not covered by a Unit Price or Lump Sum item will be reimbursed on an actual-cost basis as Cost of the Work.
- 6.3.1 Included Costs. Included costs are limited to items identified in the Contract Documents and the GMP Amendment, such as site-assigned labor at agreed classifications and fringe, materials and equipment incorporated into the Work, Subcontractor payments, approved consultants, consumables, equipment rentals and mobilization, taxes for which the CMGC is liable, utilities at the Site, required bonds and insurance at agreed rates, and other direct construction expenses approved by SLDMWA.
- 6.3.2 Excluded Costs. Excluded costs include the CMGC's home-office overhead, corporate administrative costs, capital charges and interest, costs due to the CMGC's or a Subcontractor's negligence or breach, and any other costs expressly listed as non-reimbursable in the Contract Documents.
- 6.3.3 Rates and Records. When rates are used, labor and equipment rates shall be those audited and agreed in writing by SLDMWA or as otherwise set in the Contract Documents. Equipment costs will be based on the Rental Rate Blue Book applicable in California, or as otherwise stated in the GMP Amendment. The CMGC shall keep full, open-book records and provide cost backup acceptable to SLDMWA for audit during the Work and for three years after Final Payment.
- 6.3.4 Unit Price and Lump Sum Items. If any portion of the Work is paid on a Unit Price or Lump Sum basis, the amount due for such Work is the applicable Unit Price or Lump Sum set forth in the Contract Documents, and may only be adjusted under the provisions governing Changes. There shall be no duplication in payment.

- 6.4 Allowances and Contingencies. Allowances and Contingencies are construction items. If needed, they will be established by Task during GMP development performed under Exhibit D (Preconstruction Services) and included in the applicable GMP Amendment. They are not part of Preconstruction compensation and will be administered under the Agreement and General Conditions once a GMP is approved.
- 6.5 Payments, Retention, and Audit (Construction). Progress and final payments during Construction will be made in accordance with the General Conditions. Retention for Construction will be withheld and released as required by California law and the General Conditions, with substitution of securities permitted as provided by law. SLDMWA's audit rights and the CMGC's record-keeping obligations are as set forth in the General Conditions.
- 6.6 Limits on Contract Sum. The Contract Sum shall not exceed (i) the fixed Preconstruction amount stated in Agreement Exhibit D for Preconstruction Services, or (ii) the GMP stated in the applicable GMP Amendment for construction Work. Any costs incurred in excess of those amounts are at the CMGC's sole risk and expense, without right of reimbursement from SLDMWA.
- 6.7 Taxes. The CMGC shall include in its prices, and shall pay, all sales, use, consumer, excise, and other similar taxes applicable to the Work under California law. SLDMWA is not exempt from California sales or use tax. In accordance with California Revenue and Taxation Code section 107.6, performance of the Work may create a possessory interest; the CMGC is responsible for any personal property or possessory-interest taxes that arise from that interest. If any exemption, deduction, refund, or credit becomes available under applicable law, SLDMWA may direct the CMGC to pursue it. The CMGC shall cooperate, and shall cause its Subcontractors to cooperate, and any refund or credit shall accrue to SLDMWA to the extent permitted by law.
- 6.8 Open Book Accounting and Audit. The CMGC shall maintain complete and detailed books and records supporting all amounts billed under the Contract. Records shall be kept in accordance with generally accepted accounting principles and the Contract Documents. SLDMWA and its auditors may audit, inspect, and copy such records during the Work and for three years after Final Payment, or longer if required by law. If federal funds are used, the federal awarding agency, the Comptroller General of the United States, and the agency Inspector General may also audit these records for the same period under 2 CFR Part 200. Any agreed multipliers or markups are subject to audit to confirm they were applied as agreed.

VII. KEY PERSONNEL

- A. SLDMWA and CMGC each shall designate an individual who shall be authorized to make decisions on matters relating to this Agreement. The CMGC Representative shall be present at the site of the Work at all times reasonably necessary to ensure that CMGC is complying with all of its obligations under this Agreement. CMGC shall be deemed to have received any direction given to the CMGC Representative. The initial CMGC Representative shall be: Adam McNutt, (916) 248-2287, adam.mcnutt@kiewit.com. The initial SLDMWA Representative shall be: Richard Welsh, (530) 308-9839, rwelshconsultingllc@gmail.com.
- B. Replacing Key Personnel. CMGC shall employ and utilize all Key Personnel identified in its Proposal in the roles and for the time periods specified in the Proposal. CMGC shall not replace any such Key Personnel without prior written request to and approval of SLDMWA. The request

shall identify the proposed replacement Key Personnel, including that person's qualifications for the role for which they are proposed. Prior written approval shall not be required where the original Key Person resigns from CMGC's employment or is unavailable due to disability, leave of absence, death, termination, or otherwise. In such case, CMGC shall provide SLDMWA as much notice as reasonably possible of the substitution. Any Key Person shall be replaced with a person of at least equivalent experience, ability, and expertise, who is approved, in writing, by the SLDMWA Representative.

- C. Key Personnel Liquidated Damages. If the CMGC removes or reassigns one of the Key Personnel identified in its Proposal (excluding, however, instances where such personnel become unavailable due to death, disability, or voluntary separation from the employment of the CMGC) without receiving the prior written consent of SLDMWA, the CMGC shall pay to SLDMWA the sum of Twenty-Five Thousand Dollars (\$25,000) as liquidated damages. No liquidated damages will accrue if CMGC fills the position with an Authority-approved equal or better replacement within ten days after written notice. The CMGC acknowledge and agree that the Key Staff Liquidated Damages payable under this Agreement (i) are a genuine pre-estimate of the anticipated or actual loss that will be suffered or incurred by SLDMWA as a result of the applicable event; (ii) do not constitute penalties and are agreed upon and fixed because of the difficulty of ascertaining the exact amount of loss that SLDMWA would suffer in such circumstances; (iii) shall be applicable regardless of the actual loss that SLDMWA sustains; and (iv) will be recoverable from CMGC as a debt due and payable to SLDMWA. This liquidated damage amount shall not bar recovery of any other damages, costs, or expense incurred by SLDMWA in order to successfully complete the Work.

VIII. FUNDING SOURCES

CMGC acknowledges that any Task under this Agreement may be paid for with funds received through State or Federal grants, and that such grants may impose conditions on performance under this Agreement. CMGC further acknowledges that such funding, particularly as applies to Tasks 3 and 4, may be received after the effective date of this Agreement. CMGC agrees to provide such information, documentation, and administrative assistance to SLDMWA as may be reasonably required to secure such funding, and shall take all actions and execute such documents as are required to meet all requirements of such funding programs. CMGC expressly acknowledges that the Federal funding provisions, included in the Special Provisions to this Agreement (Exhibit C hereto) as they may be revised based on changes to Federal requirements, will apply to the extent any Task is funded by Federal grant.

IX. INSURANCE

CMGC shall maintain in full force and effect at all times during the term of the Agreement, at its sole expense, policies of insurance in accordance with General Conditions, Article 3.

X. NO WAIVER OF REMEDIES

- A. Neither the inspection by SLDMWA or its agents, nor any order or certificate for the payment of money, nor any payment for, nor acceptance of the whole or any part of the Work by SLDMWA, nor any extensions of time, nor any position taken by SLDMWA or its agents shall operate as a waiver of any provision of this Agreement or of any power herein reserved to SLDMWA or any

right to damages herein provided, nor shall any waiver of any breach of the Agreement be held to be a waiver of any other or subsequent breach.

- B. All remedies provided in this Agreement shall be taken and construed as cumulative; that is, in addition to each and every other remedy herein provided, and SLDMWA shall have any and all equitable and legal remedies which it would in any case have.

XI. LIQUIDATED DAMAGES

This Article applies to construction Work authorized by a GMP Amendment for a Task.

- A. The Project is a critical component of the SLDMWA's ongoing operations, which will be impacted if the Project or any Task is not timely completed. Therefore, if the Project or any Task is not completed within the time required, as such completion date may be revised from time to time, it is understood that the SLDMWA will suffer damage, and that it is impractical and unfeasible to determine the amount of actual damages.
- B. Damages which SLDMWA would suffer in the event of delay include loss of the use of the Project, and, in addition, expenses of prolonged employment of an engineering staff; costs of administration, inspection, and supervision; and the loss suffered by the public within the San Luis & Delta-Mendota Water Authority by reasons of the delay in the completion of the Project to serve the public at the earliest possible time. Moreover, SLDMWA may lose funding if various Tasks are not timely completed and/or if funding anticipated for the Task is not timely spent.
- C. Accordingly, the Parties hereto agree, and by execution of this Agreement, CMGC acknowledges that it understands, has ascertained and agrees, that the amounts set forth herein as liquidated damages shall be presumed to be that amount of damages sustained by the failure of CMGC to complete the entire work within the times specified.
- D. *See also* GENERAL CONDITIONS SECTION 8.10. LIQUIDATED DAMAGES FOR DELAY. Such amount is the actual cash value agreed upon as the loss to SLDMWA resulting from CMGC's delay.
- E. Liquidated-Damages Rates. The daily liquidated damages amount for each Task, and for any interim milestones if used, will be stated in the applicable GMP Amendment for that Task (the "LD Schedule"). Unless the GMP Amendment states otherwise, liquidated damages accrue per calendar day from the required date of Substantial Completion in the Notice to Proceed for that Task until the date Substantial Completion is achieved. Liquidated damages are a reasonable estimate of SLDMWA's damages at the time the GMP Amendment is executed and are not a penalty.
- F. The provision for liquidated damages shall not act as a limitation on SLDMWA if CMGC abandons the Work, and shall not stop accruing if CMGC abandons the Work. In such event, CMGC shall be liable to SLDMWA for all losses incurred, including but not limited to liquidated damages for delay through completion.
- G. Both the CMGC and the CMGC's surety shall be liable for the total amount of assessed liquidated damages. SLDMWA shall have the right to deduct the amount of accrued liquidated damages from any money due or to become due to the CMGC.

XII. PERFORMANCE AND PAYMENT BONDS

This Article applies only to construction Work authorized by a GMP Amendment for a Task.

- A. As a condition of Board approval of the GMP Amendment for that Task, CMGC shall submit two bonds to SLDMWA, in substantially the form attached hereto as Exhibit G. These bonds shall be issued by a Surety Company authorized to do business in the State of California, and shall be maintained from issuance through Final Completion of that Task and the correction period at the expense of the CMGC.
 - 1. One bond shall be the Performance Bond in the amount of at least one hundred percent (100%) of the GMP and shall guarantee the faithful performance of the Contract. The Performance Bond shall be updated each time the GMP is amended to include the amount for construction of any additional Task.
 - 2. The second bond shall be the Payment Bond required by Part 6, Title 3, Chapter 5, Division Four of the Civil Code of the State of California, commencing with section 9550, and shall be in the amount of at least one hundred percent (100%) of the GMP. The Payment Bond shall be updated each time the GMP is amended to include the amount for construction of any additional Task.
- B. Any proposed increase in GMP, including the proposed increase to add construction of Tasks 2, 3, and/or 4, shall not operate to release the surety from liability on any bond required hereunder and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of Section 2819 of the Civil Code.
- C. Bonds shall only be accepted from an “*Admitted surety insurer*,” which means an insurer to which the Insurance Commissioner has issued a certificate of authority to transact surety insurance in this state. ***CMGC must submit the following with the bonds:*** The original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws or other instrument entitling or authorizing the person who executed the bond to do so.

XIII. LABOR CODE COMPLIANCE

SLDMWA affirmatively identifies this project as a “public work” as that term is defined by Labor Code section 1720, and the project is, therefore, subject to prevailing wages under Labor Code section 1771. As addressed in greater detail in the General Conditions, CMGC and its Subcontractors shall fully comply with all the provisions of the California Labor Code governing the performance of public works contracts including, but not limited to, payment of prevailing wages, limitations on time worked, compliance with apprentice requirements, maintenance of payroll records, posting of wages at job site, and prohibitions against discrimination.

XIV. UNFAIR COMPETITION

The following provision is included in this Agreement pursuant to California Public Contract Code §7103.5.

"In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to a public works contract, the CMGC or Subcontractor offers and agrees to assigning to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final

payment to the CMGC, without further acknowledgment by the parties."

XV. MISCELLANEOUS

- A. Assignment. Neither this Agreement nor any rights herein of CMGC shall be assigned without the written consent of SLDMWA first obtained.
- B. No Third-Party Beneficiaries. This Agreement is entered into solely between the SLDMWA and CMGC. There are no third-party beneficiaries, intended, unintended, or otherwise, to this Agreement.
- C. Agreement Binding. This Agreement shall bind and insure to the heirs, devisees, assignees and successors in interest of CMGC and to the successors in interest of SLDMWA in the same manner as if such parties had been expressly named herein.
- D. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.
- E. Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, unless elimination of such invalid provision materially alters the rights and obligations embodied in this Agreement.
- F. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- G. Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Agreement.
- H. Interpretation. The Parties agree and acknowledge that the provisions of this Agreement and its Exhibits have been arrived at through negotiation, and that each Party had a full and fair opportunity to revise portions of this Agreement and its Exhibits and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement and its Exhibits.

////SIGNATURE PAGE FOLLOWS////

IN WITNESS WHEREOF, the parties hereto have signed the Agreement on the date set forth opposite their names.

Contractors are required by law to be licensed and regulated by the Contractors State License Board, which has jurisdiction to investigate complaints against contractors if a complaint is filed within three years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors State License Board, P.O. Box 26000, Sacramento, California 95826.

CMGC:

(California Corporations: must be signed by company's 1) CEO or President or 2) by its Vice President *as well as* the Secretary or CFO.)

Date

Tax I.D. Number

Signature

Signature

Print Name

Print Name

Title

Title

**SAN LUIS & DELTA-MENDOTA WATER
AUTHORITY, A Joint Powers Agency:**

Date

ATTEST:

Federico Barajas, Executive Director

CERTIFICATE OF ACKNOWLEDGMENT pursuant to Civil Code, Section 1189, must be provided for CMGC's signature.

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

CERTIFICATE OF ACKNOWLEDGMENT

State of _____

County of _____

On _____, 20__, before me, _____, **Notary Public**, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit A

Section 00 72 00 - GENERAL CONDITIONS

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ARTICLE 1. DEFINITIONS AND PRINCIPLES OF INTERPRETATION

SECTION 1.01. GENERAL.

Where a location is not specified with the words “shown,” “specified,” or “described”, interpret:

1. “Shown” as “shown on the plans.”
2. “Specified” as “specified in the Specifications.”
3. “Described” as “described in the Contract Documents.” “Described” means “shown, specified or both.”

Whenever the following terms, titles, or abbreviations are used in the Contract Documents, the intent and meaning shall be as herein defined.

SECTION 1.01. ABBREVIATIONS

AASHTO American Association of State Highway and Transportation Officials

AC Asphalt Concrete

ACI American Concrete Institute

ADA Americans with Disabilities Act

AISC American Institute of Steel Construction

AISI American Iron and Steel Institute

APA American Plywood Association

ARB California Air Resources Board

ASA American Standards Association

ASME American Society of Mechanical Engineers

ASTM American Society for Testing and Materials

AT&T American Telephone and Telegraph

AWG American Wire Gage

AWS American Welding Society

AWWA American Water Works Association

BMP Best Management Practice

California-
MUTCD California Manual of Uniform Traffic Control Devices

Cal-OSHA California Occupational Safety and Health Administration

Caltrans California Department of Transportation

CDFW California Department of Fish and Wildlife

CEQA California Environmental Quality Act of 1970

CL Centerline

CPM Critical Path Method

CSI Construction Specifications Institute

CWA Clean Water Act

CY Cubic Yards

DI Drop Inlet

DIR California Department of Industrial Relations

DLSE Division of Labor Standards Enforcement

DWR Daily Work Report

EA Each

EP Edge of Pavement

ESCP Erosion and Sediment Control Plan

FS Federal Specifications

IEEE Institute of Electrical and Electronic Engineers

LF Linear Feet

LS Lump Sum

MSDS Material Safety Data Sheet

NEC National Electrical Code

NEMA National Electrical Manufacturers Association

OSHA Occupational Safety and Health Act

OPRL	DIR, Director's Office of Policy, Research and Legislation
PCC	Portland Cement Concrete
PG&E	Pacific Gas & Electric
PS	Pump Station
QC	Quality Control
QSD	Qualified SWPPP Developer
QSP	Qualified SWPPP Practitioner
SD	Storm Drain or Storm Drainage
SF	Square Foot/Feet
SS	Sanitary Sewer
STA	Station
SWPPP	Storm Water Pollution Prevention Plan
SWRCB	State Water Resources Control Board
TCP	Traffic Control Plan
Title 8	Title 8 (Construction Safety Orders) of the California Code of Regulations
Title 19	Title 19 (Public Safety) of the California Code of Regulations
Title 24	Title 24 (Building Standards) of the California Code of Regulations
TOC	Top of Curb
Typ. or TYP	Typical
UL	Underwriters' Laboratories, Inc.
UBC	Uniform Building Code (latest edition)
UMC	Uniform Mechanical Code (latest edition)
UPC	Uniform Plumbing Code (latest edition)
USA	Underground Service Alert

All references to the specifications, standards, or other publications of any of the above are understood to refer to the current issue as revised or amended at the date of receipt of bids.

Unless otherwise noted, all references to statutes are to the laws of the State of California and/or of the United States as codified in the various specified codes.

SECTION 1.02. DEFINITIONS.

Whenever the following terms, titles, or phrases are used in the Contract Documents, the intent and meaning thereof shall be as defined in this article.

Acceptance, Final Acceptance.

"Acceptance" or "Final Acceptance" shall mean formal action of the SLDMWA in determining that the CMGC's work has been completed in accordance with the Contract Documents and in notifying the CMGC in writing of the acceptability of the Work.

Addendum/Addenda.

"Addendum" or "Addenda" are written documents furnished by the SLDMWA before award of the Contract, interpreting or modifying plans and specifications or answering questions of intended bidders, and shall be incorporated in and are a part of the Contract Documents.

Agreement.

The "Agreement" is the written agreement signed by the SLDMWA and the CMGC covering the Work.

Allowance.

An "Allowance" is an amount of money set aside under the Contract for a special purpose identified in the Contract.

As Approved, Etc.

Where "as directed," "as permitted," "as approved," or words of similar import are used, they shall mean the written direction, permission, or approval of the SLDMWA.

Bid.

“Bid” shall mean the proposal or other offer of the CMGC to do the work in response to the Solicitation Documents, including all documents that comprise a portion of the proposal, and which is the basis for the Contract.

Change Order.

“Change Order” shall mean a written amendment approved by the SLDMWA that includes, but is not limited to, alterations, deviations, additions to, or deletions from, the Contract which are required for the proper completion of the Work. A Change Order may include adjustments to the Contract Time and/or to the Contract Sum. A fully executed Change Order shall constitute an amendment to the Contract.

Closeout Documents.

Documents as required to meet the requirements of final completion as referenced in Section 7.22 of these General Conditions.

CMGC.

“The CMGC” shall mean the person or persons, partnership, or corporation, who have entered into the Contract for the Work with the SLDMWA or its legal representatives, or successors, assigns, executors, or heirs. The CMGC is required by law to be licensed and will perform work or render services as a prime contractor in or about the construction of the Work.

Completion.

“Completion” is the point in the Project at which the Work, including punch list items and final cleaning, and all required close-out reports and submissions are 100% performed. The date of Completion, for the purpose of determining when the Work is complete, is the completion date stated on any Notice of Completion filed by the SLDMWA. If no Notice of Completion is filed, the date of Completion shall be the date that the Work is complete in accordance with Public Contract Code section 7107(c).

Construction.

“Construction” means all labor and services necessary for the construction and delivery of the Project, and all materials, equipment, tools, supplies and incidentals incorporated or to be incorporated in such construction as described in the Construction Documents. Unless otherwise expressly stipulated, the CMGC shall perform all Work and provide and pay for all materials, labor, tools equipment and utilities, including, but not limited to, light, water and power, necessary for the proper execution and completion of the Project pursuant to the Construction Documents.

Construction Change Directive (CCD).

“Construction Change Directive” (“CCD”) or “Directive” or “Field Directive” shall mean a written order to the CMGC, issued after execution of the Contract, signed by the SLDMWA or the SLDMWA’s Representative directing a change in the Work and stating a proposed basis for adjustment, if any, in the Contract Sum or Contract Time, or both, and which shall be used in the absence of total agreement with the CMGC on the terms of a Change Order or when time does not permit processing of a Change Order prior to implementation of the change.

Construction Documents.

The “Construction Documents” shall include the Plans and Specifications including any addenda, these General Conditions, Change Orders, Interpretations, Directives, Supplemental Drawings, the CMGC’s Guarantee Form, Instruction Bulletins, the Performance Bond and the Payment Bond, and other documents as defined in the Contract to be prepared and/or assembled by Engineer and the SLDMWA, with input from CMGC during Preconstruction Services, to define the Work to be constructed as part of the Project.

Contract.

The “Contract” is the entire binding agreement and contract between the SLDMWA and CMGC relating to the Project, including the Agreement, and all documents incorporated into the Agreement by reference and all Contract Documents.

Contract Documents.

The “Contract Documents” shall include the Request for Proposals, Addenda, the Bid, Escrow Agreement for Security Deposits in Lieu of Retention (if used), the Agreement, the Performance Bond, the Payment Bond, Guarantee Form, the General Conditions, the Special Provisions, Specifications, Exhibits, Permits from other agencies that may be required by law, the Contract Drawings and Plans, Storm Water Pollution Prevention Plan (whether prepared by the SLDMWA or the CMGC), the Notices to Proceed, the Contract Schedule, and any and all supplemental agreements amending or extending the Work contemplated and which may be required to complete the Work in an acceptable manner. Supplemental agreements are written agreements covering alterations, amendments or extensions to the Contract Documents and include Change Orders, Construction Change Directives, Field Directives, Field Orders, Bulletins and supplemental drawings.

Contract Drawings or Plans.

The “Contract Drawings” (sometimes referred to as “Drawings” or “Plans”) are the graphic and pictorial portions of the Contract Documents, showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams. This information may be developed and stored in a 3D or 4D model of the Project. Once approved, all such drawings are incorporated into and become a part of the Contract Documents.

Contract Schedule.

The “Contract Schedule” is the schedule produced by the CMGC in response to the requirements of the Contract Documents.

Contract Sum.

“Contract Sum” is the total price for all Work under the Contract, including the GMP and compensation for Preconstruction Services, including any additions or subtractions via Change Orders.

Contract Time.

“Contract Time” shall mean the period specified for completion of the Work, as set forth in the Contract, reflected in any Notice to Proceed, and adjusted by any Change Order issued pursuant to the Contract Documents.

Delegated Design.

“Delegated Design” means the design of a specific component or system of the Permanent Work that the Contract Documents assign to the CMGC to complete to stated performance and interface criteria. The CMGC shall engage a Specialty Engineer who is a Professional Engineer licensed in California to prepare and seal the calculations, drawings, and submittals for the Delegated Design. Delegated Design covers only the assigned component or system. It does not relieve the Engineer of responsibility for the overall design shown in the Contract Documents. Review, comment, or approval by the Authority or the Engineer does not transfer responsibility for the Delegated Design, the CMGC’s means and methods, or safety.

Day.

Unless otherwise expressly identified as a “working day” or “business day,” “Day” shall mean every day of 24 hours shown on the calendar. When the Contract Time is stated in Days, every Day will be charged toward the Contract Time.

Engineer.

The “Engineer” is a person or persons, firm, partnership, joint venture, corporation, agency, or combination thereof or authorized representative thereof, acting in the capacity designated by the SLDMWA. For Work affecting the Delta-Mendota Canal, the Engineer is the United States Bureau of Reclamation Technical Services Center. The Engineer issues directions to the CMGC through the SLDMWA. When the Contract Documents require approval by the Engineer, the request will be transmitted through SLDMWA, the approval will be issued by the Engineer, and SLDMWA will record the approval. Contractual approvals, including Change Orders, Construction Change Directives, and payments, are issued by SLDMWA.

Equal (as in “or equal”).

“Equal” shall mean a system, process, product or material which is similar in all material respects to that shown or specified but produced by a manufacturer not listed in the specification. See also: Substitution.

Guaranteed Maximum Price (GMP)

“Guaranteed Maximum Price” or “GMP” shall mean the amount proposed by the CMGC, when agreed upon by the SLDMWA Board, establishing the total price for construction of the Work, as that amount may be amended to include the cost of each subsequent Task for which a Notice to Proceed is issued.

Hazardous Waste.

“Hazardous Waste” shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.

Inspector.

The “Inspector” or “Project Inspector” shall mean the person or persons authorized to act as agent(s) for the SLDMWA in the inspection of the Work.

Instruction Bulletin or Bulletin.

“Instruction Bulletins” or “Bulletins” are supplemental drawings, clarifications, instructions, explanations or interpretations which may be issued by the Engineer as necessary from time to time pursuant to Article 5 to make clear or define in greater detail the intent of the Contract Drawings and Specifications. There may be a change in Contract Sum or Contract Time involved with the work shown in the Bulletin.

Legal Holidays.

Legal Holidays shall include the following holidays designated by the SLDMWA: New Year’s Day, Martin Luther King Jr. Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving Day, the day after Thanksgiving, and Christmas Day.

Notice to Proceed.

“Notice to Proceed” or “NTP” is the written authorization by the SLDMWA to the CMGC specifying the date the Work of any Task may begin and any conditions regarding the beginning of the Work.

Preconstruction Services

“Preconstruction Services” shall mean all services to be performed by the CMGC for the amounts stated in the Bid, as set forth in detail on Exhibit D to the Agreement.

Progress Schedule.

The Progress Schedule is the CMGC’s schedule indicating the current status of the Work and the projected activities, tasks, and durations planned to complete the Work in accordance with the Contract Time of Completion dates.

Project.

“Project” means the overall undertaking described in the Contract Documents for which the Work is to be performed. The Project may include Preconstruction Services, Construction, or both, and may be delivered in one or more phases or under one or more separate contracts.

Proposed Change Order (PCO).

A “Proposed Change Order” (“PCO”) is a document issued by the CMGC proposing a change to the Work and stating a proposed basis for adjustment, if any, in the Contract Sum or Contract Time, or both. A PCO shall be used by the CMGC to respond to a Request for Proposal, a Request for Information or an Instructional Bulletin. A PCO is not effective to authorize the proposed change to the Work, to the Contract Sum or to the Contract Time unless it is accepted in writing by the SLDMWA.

Record Drawings.

“Record Drawings” are drawings prepared by the CMGC that document changes to, additions to, or deductions from the Plans and that represent the Work as constructed, including, but not limited to existing utilities found during construction of the Work.

Request for Information (RFI).

“Request for Information” (“RFI”) is a document issued by the CMGC seeking clarification and/or additional information regarding an aspect of the Work. An RFI is not to be used to request materials/equipment substitutions or value engineering/cost reduction incentive proposals. The response to the RFI does not constitute authorization or direction to proceed with any changed or additional work. Changed or additional work must be separately authorized by the SLDMWA.

Request for Proposal.

A “Request for Proposal” or “RFP” is the name given to a document issued by the SLDMWA Representative requesting pricing information and/or an adjustment in Contract Time for a described scope of work. An RFP is not a Change Order, a Directive, or a direction to proceed with the scope of work described in the RFP. The CMGC’s response to the RFP shall be in the form of a Proposed Change Order.

Schedule of Values.

“Schedule of Values” is the statement furnished by the CMGC to the SLDMWA reflecting the portions of the Contract Sum allotted for the various parts of the Work, separated by Task, for each work activity contained on the Contract Schedule. Unless otherwise indicated in the Specifications, the total of the Schedule of Values shall equal the GMP, including all labor, material, equipment, overhead, and profit. The Schedule of Values is the basis for reviewing the CMGC’s application for progress payments.

SLDMWA.

“SLDMWA” shall mean the San Luis & Delta-Mendota Water Authority. References in the Contract Documents to “SLDMWA” or “Authority” are interchangeable and refer to the same entity.

SLDMWA Representative.

“SLDMWA Representative” shall mean the SLDMWA’s designated agent, which may be a third-party consultant, engaged to perform all functions delegated to the SLDMWA Representative by the Contract Documents. The SLDMWA Representative may or may not be a Construction Manager or Project Manager. The SLDMWA Representative will be the CMGC’s primary contact during construction of the Project.

Solicitation Documents.

“Solicitation Documents” shall mean the Request for Proposals, proposal form, subcontractor listing form, non-collusion affidavit, Iran Contracting Act certification, and all Contract Documents available at or before the Bid due date.

Special Provisions.

“Special Provisions” include the requirements for federal grant projects, as well as any Special Provisions that may be developed during the preconstruction phase to include specific clauses setting forth conditions or requirements peculiar to the Work and supplementary to the General Conditions.

Specifications.

“Specifications” include any Special Provisions developed during the preconstruction phase, General Requirements, and Technical Specifications applicable to the Work.

Subcontractor.

“Subcontractor” shall mean each person or firm who is required by law to be and who is licensed to and will perform work, labor, or render services to the CMGC in or about the construction of the Work, or who, under subcontract to the CMGC, fabricates and installs a portion of the work or improvement. “Subcontractor” shall include all persons or firms within the authority of the Subletting and Subcontracting Fair Practices Act, Chapter 2 of Division 5, Title I of

the Public Contract Code, commencing with Section 4100. "Subcontractor" does not include a material supplier, unless expressly stated. Subcontractors may be identified in the Bid, or may be identified as part of determining the GMP during Preconstruction Services.

Substantial Completion.

"Substantial Completion" is the stage in the progress of the Work when the Work or Task is sufficiently complete in accordance with the Contract Documents so the SLDMWA can utilize the Work for its intended use, and only minor corrective Work remains to be performed, all required approvals, certificates of occupancy and other sign-off from any other public agencies with jurisdiction have been obtained, (provided such approvals are not delayed as a result of causes unrelated to CMGC's or its Subcontractors', sub-subcontractors', or suppliers' performance or failure to perform the Work or to satisfy its obligations under the Contract Documents), and CMGC has cleaned up and removed all equipment, tools and other materials from the Work area. CMGC shall secure and deliver to the SLDMWA written warranties and guaranties from its Subcontractors, sub-subcontractors and suppliers bearing the date of Substantial Completion or some other date as may be agreed to by the SLDMWA and stating the period of warranty as required by the Contract Documents.

Substitution.

"Substitution" shall mean a system, process, product or material similar in form or function and equal in quality and performance to that shown or specified, but differing in some essential element, e.g., chemical composition, mechanism of action, surface finish, dimensions, durability, electrical or mechanical or plumbing requirements. See also: Equal.

Technical Specifications.

"Technical Specifications" are the provisions of the Specifications that describe the technical aspects of the Work, including all technical references contained therein.

Temporary Works.

"Temporary Works" means all temporary structures, systems, utilities, and procedures needed to construct the Work and to protect the Project, workers, and the public. Temporary Works include falsework, formwork, shoring, bracing, scaffolding, cofferdams, dewatering, access trestles, working platforms, temporary bridges, traffic control, haul roads, staging areas, temporary supports and underpinning, temporary power and water, weather protection, and environmental controls. Temporary Works are designed, furnished, installed, and removed by the Contractor, and are not part of the Permanent Work unless the Contract Documents state otherwise. The Contractor is solely responsible for the adequacy, safety, and performance of the Temporary Works, and shall use a Professional Engineer licensed in California where required by law or by the Contract Documents. Review, comment, or approval by SLDMWA or the Engineer does not transfer that responsibility.

Time.

"Time" if stated as a number of days, calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

Work.

The "Work" shall mean all obligations and/or actions which the CMGC is contractually required to fulfill and/or perform as specified, indicated, shown, contemplated, or implied in the Contract, including but not limited to (1) all Preconstruction Services, (2) all alterations, amendments, or extensions made by Change Order or other written directives or directives of the SLDMWA; (3) furnishing of all materials, supplies, equipment, tools, labor, transportation, supervision, and all incidentals necessary to perform all construction required by the Contract; (4) all other tasks, duties and obligations required by the Contract; and (5) closing documents for the Contract such as complete Record Drawings and submission of all manuals.

Working Day.

"Working Day" shall mean any day except: (a) Sundays, and Legal Holidays; (b) days on which the CMGC is specifically required by the Contract Documents or by law to suspend construction operations; or (c) days on which

the CMGC is prevented from proceeding with the current controlling operation or operations of the Work for at least five (5) hours per day due to inclement weather, or conditions resulting immediately therefrom.

Working Drawing.

“Working Drawings” detail a particular item of work and the manner in which it is to be accomplished or performed. Working Drawings are prepared by the CMGC as a submittal or a portion of a submittal and may be specifically requested by the SLDMWA or required in the Contract or a Field Directive or other written directive.

ARTICLE 2. BID REQUIREMENTS AND CONDITIONS

SECTION 2.01. BID FORM.

The Contract was awarded based on the CMGC's Bid submitted on the SLDMWA Proposal Form.

SECTION 2.02. RELIANCE ON THE BID.

By submission of a Bid, and as represented in the Bid, the CMGC acknowledged acceptance of the nature and location of the Work, the general and local conditions, conditions of the site, the character, quality and scope of work to be performed, the availability of labor, electric power, water, the kind of surface and subsurface materials on the site, the materials and equipment to be furnished, and all requirements of the Contract or other matters which may affect the Work. Any failure of the CMGC to become acquainted with all of the available information concerning conditions does not relieve the CMGC from the responsibility for estimating properly the difficulties or cost of the Work. SLDMWA relied on this representation in awarding the Contract.

SECTION 2.03. NOT USED.

SECTION 2.04. SUBSURFACE CONDITIONS.

Where investigations of subsurface conditions have been made by the SLDMWA with respect to subsurface conditions, utilities, foundation, or other structural designs, and that information is shown in the Plans, it represents only a statement by the SLDMWA as to the character of materials which have actually been encountered by the SLDMWA's investigation. This information is only included for the convenience of Bidders.

Investigations of subsurface conditions are made for the purpose of design only. The SLDMWA assumes no responsibility with respect to the sufficiency or accuracy of borings or of the log of test borings or other preliminary investigations or of the interpretation thereof. There is no guaranty, either expressed or implied, that the conditions indicated are representative of those existing throughout the Work, or any part of it, or that unanticipated conditions may not occur. When a log of test borings is included in the Plans, it is expressly understood and agreed that said log of test borings does not constitute a part of the Contract. The log of test borings represents only an opinion of the SLDMWA as to the character of the materials to be encountered, and is included in the Plans only for the convenience of the Bidders. The CMGC must satisfy itself through its own investigations as to conditions to be encountered.

SECTION 2.05. CMGC/SUBCONTRACTORS REQUIRED TO BE LICENSED AND REGISTERED.

The CMGC shall be licensed throughout the performance of Project Work under the provisions of Chapter 9, Division 3, of the Business and Professions Code to do the type of work contemplated in the Project, and shall be skilled and regularly engaged in the general class or type of work called for under the Contract.

All Subcontractors engaged to perform portions of the Work shall be licensed throughout performance of Project Work under the provisions of Chapter 9, Division 3, of the Business and Professions Code to do the type of work for which they are subcontracted, and shall be skilled and regularly engaged in the general class or type of work called for under their subcontracts.

The Project is a public works project within the requirements of Division 2, Part 7, Chapter 1 of the California Labor Code. The CMGC and each listed Subcontractor is required to be registered pursuant to Labor Code section 1725.5 throughout performance of Project Work. Failure of the CMGC to be registered at any time during Contract performance shall be a material breach and grounds for terminating the Contract. An unregistered Subcontractor will not be permitted to work on the Project and CMGC may be required to substitute, at its cost and with no adjustment in the Contract Sum, an unregistered Subcontractor with a registered Subcontractor.

SECTION 2.06. COMPETENCY OF CMGC.

By submitting its Bid, the CMGC represented that it has the requisite experience and ability, and has sufficient capital, facilities, and plant to enable the CMGC to prosecute the Work successfully and promptly, and to complete the Work within the time stated in the Contract. The SLDMWA relied on this representation in awarding the Contract.

If any question as to the CMGC's ability or capacity to perform arises during Contract performance, the SLDMWA may request, and CMGC agrees to provide, relevant evidence that the CMGC, and/or its key personnel assigned to the Project, and/or the Subcontractor(s), has sufficient experience and resources to satisfactorily perform the Work.

SECTION 2.07. NOT USED.

SECTION 2.08. SUBCONTRACTORS.

Except as noted otherwise in the Contract Documents, the CMGC shall perform, with the CMGC's own organization and with workers under the CMGC's immediate supervision, work of a value not less than twenty-five percent (25%) of the value of the GMP, as the GMP may be amended for various Tasks, less "Specialty Items." "Specialty Items" may be performed by subcontract and the cost of any "Specialty Items" so performed must be identified in the proposed GMP for any Task, prior to approval by the SLDMWA Board. The CMGC is obligated to use each approved first tier Subcontractor performing more than one-half of one percent of the construction Work, whether listed in the Bid or listed in the proposed GMP for any Task, for the portion of work for which the Subcontractor was listed, unless and until the CMGC requests and receives authority from the SLDMWA to substitute the listed Subcontractor in accordance with the requirements of the Subletting and Subcontracting Fair Practices Act, Public Contract Code sections 4100 *et seq.* (the "Act").

If after the award of the Contract or approval of the GMP for any Task, the CMGC subcontracts any portion of the Work, except as provided in Section 4107 or 4109 of the Act, the CMGC shall be subject to the penalties specified in Section 4111 of the Act.

Pursuant to Public Contract Code Section 6109, a CMGC may not perform work with a Subcontractor who is ineligible to perform work on public works projects pursuant to Labor Code Section 1777.1.

The CMGC shall include provisions in every subcontract and/or purchase order that the Contract between the CMGC and the SLDMWA is part of the subcontract or purchase order, and that all terms and provisions of the Contract are incorporated in the subcontract or purchase order. Copies of all subcontracts and purchase orders shall be available to the SLDMWA upon written request.

SECTION 2.09. ADDENDA.

Any correction of any material discrepancies in, or material additions to/omissions from, the Plans, Specifications, or other Contract Documents, or any interpretation thereof, made during the bidding period by an Addendum issued by the SLDMWA shall continue to be binding throughout performance of Project Work.

SECTION 2.10. ASSIGNMENT OF ANTITRUST ACTIONS.

In accordance with Public Contract Code Section 7103.5(b), by execution of the Contract Documents, or any subcontract awarded by the CMGC, the CMGC and any Subcontractor offers and agrees to assign and hereby does assign to the SLDMWA all rights, title, and interest in and to all causes of action the CMGC or Subcontractor may have under Section 4 of the Clayton Act (15 USC Section 15) or under the Cartwright Act (Chapter 2 of Part 2 of Division 7 of the Business and Professions Code, commencing with Section 16700), arising from purchases of goods, services, or materials pursuant to this public works contract or subcontract. This assignment shall be made and shall become effective at the time the SLDMWA tenders final payment to the CMGC for each Task, without further acknowledgment by the parties.

SECTION 2.11. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT OR SUSPENSION AND OTHER RESPONSIBILITY MATTERS.

As stipulated in the Certification Regarding Debarment, Suspension, Proposed Debarment or Suspension submitted with the Bid, the CMGC certified, to the best of its knowledge and belief, except as expressly disclosed the referenced Certificate, that the CMGC and/or any of its Principals (as defined in the Certification):

1. Was not debarred, suspended, proposed for debarment or suspension, or declared ineligible for award of the contract by any Federal, State, or local agency.

2. Had not, within a three-year period preceding the Bid, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property.
3. Was not indicted for, or otherwise criminally or civilly charged by a government entity with, commission of any of the offenses enumerated in Item 2. above.
4. The CMGC had not, within a three-year period preceding the Bid, had one or more contracts terminated for default by any Federal, State, or local agency.

The CMGC shall provide immediate written notice to the SLDMWA if the CMGC learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

The Certification was a material representation of fact upon which SLDMWA relied when awarding the Contract. If it is later determined that the CMGC knowingly rendered an erroneous certification, in addition to other remedies available to the SLDMWA, the SLDMWA may terminate the Contract for default.

ARTICLE 3. BONDS AND INSURANCE

SECTION 3.01. PERFORMANCE AND PAYMENT BONDS.

Prior to beginning construction work, CMGC shall furnish a Performance Bond and a Payment Bond in the forms attached to the Agreement as Exhibit G. Bonds shall be executed by a surety company authorized to do business in the State of California and listed in the current Federal Department of Treasury Circular 570. The bonds must include the original, or a certified copy, of the unrevoked appointment, power of attorney, bylaws or other instrument entitling or authorizing the person who executed the bond to do so.

The CMGC shall provide to SLDMWA local contact information for the surety on the Performance and Payment Bonds, including a local contact name, telephone number, email address, and address to which legal notices may be sent.

SECTION 3.02. Performance Bond.

The Performance Bond, to guarantee the performance of all covenants and stipulations of the Contract, shall be on the form provided by the SLDMWA and shall be in a sum not less than one hundred percent (100%) of the GMP. The Performance Bond amount shall be updated each time the GMP is amended to include the amount for construction of any additional Task.

SECTION 3.03. Payment Bond.

The Payment Bond, to guarantee the payment of wages and of bills contracted for materials, supplies, or equipment used in the performance of the Contract, shall be on the form provided by the SLDMWA, which in all respects complies with Civil Code sections 3247-3252, inclusive, and shall be in a sum not less than one hundred percent (100%) of the GMP. The Payment Bond amount shall be updated each time the GMP is amended to include the amount for construction of any additional Task.

SECTION 3.04. NOTIFICATION OF SURETY COMPANIES.

The surety company shall be familiar with all the provisions and conditions of the Contract, including without limitation that the Contract includes up to four separate Tasks, each of which would add to the GMP. It is understood and agreed that the surety company waives notice of change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or to the specifications accompanying the same, or any other act or acts by the SLDMWA or the SLDMWA's authorized agents under the terms of the Contract; and failure to so notify the surety company of changes shall in no way relieve the surety company of its obligations under the Contract. Any alteration or alterations made in any provision of this Contract shall not operate to release any surety from liability on any bond required hereunder and the consent to make such alterations is hereby given, and any surety on said bonds hereby waives the provisions of Section 2819 of the Civil Code.

SECTIONS 3.05 through 3.08. NOT USED.

SECTION 3.09. INSURANCE.

The CMGC shall procure, maintain, and keep in force at all times during the term of the Contract and any guarantee period (or during such longer period specified below), with insurance companies acceptable to the SLDMWA and at the CMGC's sole expense, the insurance specified below. Nothing contained in these insurance requirements is to be construed as limiting in any way the extent to which CMGC or any Subcontractor may be held responsible for payment of damages resulting from its or their operations under this Contract.

Where insurance is required to include an "additional insured" endorsement, "Additional Insured" shall mean the SLDMWA, the Construction Manager (if any), and each of their officers, officials, directors, trustees, agents, employees, and volunteers, Engineer, the Construction Manager (if any), and each of their officers, officials, directors, trustees, agents, employees, and volunteers.

SECTION 3.09A. Commercial General Liability.

CMGC shall provide and require its Subcontractors to provide Commercial General Liability insurance including, but not limited to, protection for premises and operations; claims of bodily injury and broad form property damage liability; personal and advertising injury liability; contractual liability applicable to the CMGC's assumed liability under the Contract; coverage for explosion, collapse, subsidence, and underground hazards; and products and completed operations liability. Coverage shall be at least as broad as "Insurance Services Office Commercial General Liability Coverage Form CG 0001" (occurrence). The policy shall be maintained in full force and effect at all times during prosecution of the Work and for no less than ten (10) years following SLDMWA's acceptance of the Work. The limits of liability shall be not less than:

Each Occurrence	Five Million Dollars (\$5,000,000) combined single limits for Bodily Injury and Property Damage
Personal and Advertising Injury	One Million Dollars (\$1,000,000)
Products and Completed Operations Aggregate	Five Million Dollars (\$5,000,000) combined single Limits for Bodily Injury and Property Damage
General Aggregate	Ten Million Dollars (\$10,000,000) combined single limits for Bodily Injury and Property Damage
Fire Damage	One Hundred Thousand Dollars (\$100,000)

The CMGC shall procure and maintain Products and Completed Operations Coverage with a carrier acceptable to the SLDMWA through the expiration of the patent deficiency in the statute of repose set forth in the Code of Civil Procedure section 337.1, if such period is greater than three (3) years.

"Modified occurrence" or "claims made" policies are not acceptable.

The policy or policies shall include duty to defend **in addition to** (without reducing) the limits of the policy. The policy shall include coverage for all independent contractors, and shall include "action over" coverage.

If the Work is to be performed within fifty (50) feet of any railroad, CMGC's policy shall be endorsed to delete the exclusion for work performed within fifty (50) feet of a railroad.

Additional Insured endorsements must be furnished, naming each as an Additional Insured on a primary and noncontributing basis. Coverage for Additional Insureds shall be provided via ISO form CG 20 10 11 85 or via a combination of ISO forms CG 20 10 07 04 and CG 20 37 07 04. The primary and noncontributory endorsement shall be at least as broad as ISO form CG 20 01.

SECTION 3.09B. Automobile Liability.

CMGC shall provide and require its Subcontractors to provide Automobile Liability insurance providing protection against claims of bodily injury and property damage arising out of ownership, operation, maintenance, or use of owned, leased, hired, and non-owned automobiles as well as trucks and trailers or semi-trailers, including any machinery or apparatus attached thereto. Coverage shall be at least as broad as "Insurance Services Office Business Auto Coverage Form CA 0001," symbol 1 (any auto) and shall include, without limitation, contractual liability coverage. Additional Insured endorsements must be furnished naming each on a primary and noncontributing basis. The Additional Insured endorsement shall be at least as broad as ISO form CA 20 48 02 99. The limits of liability shall not be less than:

Bodily Injury and Property Damage Combined Single Limit	One Million Dollars (\$1,000,000)

If CMGC transports any hazardous materials, substances, or waste, the automobile liability policy shall include endorsement forms MCS-90 and ISO CA 99 48 or equivalent endorsements providing coverage for environmental and pollution claims.

SECTION 3.09C. Workers' Compensation.

In accordance with the provisions of Article 5, Chapter 1, Part 7, Division 2 (commencing with Section 1860) and Chapter 4, Part 1, Division 4 (commencing with Section 3700) of the California Labor Code, the CMGC and Subcontractors are required to secure the payment of compensation to their employees and, for that purpose, to obtain and keep in effect adequate Workers' Compensation Insurance.

CMGC shall provide and require its Subcontractors to provide Workers' Compensation insurance, with coverage as required by the State of California (unless the CMGC is a qualified self-insurer with the State of California), and Employers' Liability coverage. The limits of Employers' Liability shall not be less than:

Each Accident	One Million Dollars (\$1,000,000)
Disease Each Employee	One Million Dollars (\$1,000,000)
Disease Policy Limit	One Million Dollars (\$1,000,000)

The Workers' Compensation policy required hereunder shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against the SLDMWA, its officers, officials, directors, employees, agents, authorized representatives or volunteers.

In the event the CMGC is self-insured, the CMGC shall furnish a Certificate of Permission to Self-Insure by the Department of Industrial Relations Administration of Self-Insurance, Sacramento. CMGC shall provide evidence of waiver of its right of subrogation against the SLDMWA, its offices, officials, employees, agents, or volunteers as a self-insurer.

SECTION 3.09D. Excess or Umbrella Liability.

CMGC must carry, maintain and keep in force at all times during the term of the Contract, at the CMGC's sole expense, an Excess or Umbrella Liability policy in the amount of \$10 Million Dollars (\$10,000,000).

SECTION 3.09E. CMGC's Equipment.

The CMGC, and each of its Subcontractors, shall separately insure its own equipment for loss and damage. The CMGC's Property and Inland Marine policies shall include, or be endorsed to include, a waiver of subrogation against the SLDMWA, its officers, officials, directors, employees, agents, authorized representatives and volunteers which might arise by reason of damage to the CMGC's property or equipment (owned, leased, or borrowed) in connection with work performed under this Contract by the CMGC.

SECTION 3.09F. Railroad Protective Liability.

The CMGC shall procure, maintain, and keep in force at all times during the term of the Contract, at the CMGC's sole expense, Railroad Protective Liability insurance with limits of liability as set forth in the Contract Documents.

SECTION 3.09G. Builder's Risk Insurance.

The CMGC may be required to procure, maintain, and keep in force at all times during the term of the Contract and until the date of transfer of the insurable interest to and acceptance by the SLDMWA, at the CMGC's sole expense, Builder's Risk insurance with limits of liability equal to one hundred percent (100%) of the full replacement cost of the Work, without deduction for depreciation, and shall also provide coverage for "soft costs" such as but not limited to design and engineering fees and inspection costs caused by an insured peril, up to a maximum total for all soft costs of \$750,000. The Builder's Risk Insurance may contain sub-limits not less than the following: Debris removal - \$250,000; Pollution Clean-up cost - \$25,000.

Coverage shall be written on a Replacement Cost basis without application of coinsurance and shall cover the Project site against losses included in perils usually included in a "Special Form" policy format. In addition, the policy shall include:

- a. Loss that ensues from fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, smoke damage, damage by aircraft or vehicles, vandalism and malicious mischief, theft, collapse, and flood, without excluding damages resulting from design error, defective materials, or faulty workmanship.
- b. Collapse, falsework, and temporary buildings.
- c. Debris removal, including demolition as may be made reasonably necessary by the application of any law, ordinance, or regulation.
- d. Mechanical breakdown or electrical damage, including start up and testing, magnetic disturbance and changes in temperature or humidity disturbance, and changes in temperature or humidity.
- e. Reasonable compensation for engineers, and other design professionals required as a result of such insured loss.
- f. Terrorism coverage.

The property covered shall include the Work and appurtenances, including any materials, equipment, or other items to be incorporated therein while the same are located at the construction site, stored off site, while in transit or at the place of manufacture. The policy shall contain a provision that the interests of the SLDMWA and the CMGC, Subcontractors and material suppliers are insureds under the policy and that any loss shall be payable to the insureds as their interests may appear.

When stated as a requirement in the Contract Documents, Builder's Risk Insurance shall include Delay in Opening coverage with limits of liability, and for the period of time, as set forth in the Contract Documents. Coverage shall include debt service, expense, loss of earnings or rental income or other loss incurred by the SLDMWA, without deduction, due to the failure of the Project being completed on schedule.

If the Project **is not** financed by revenue bonds **and** the Contract Documents do not require earthquake insurance, then the maximum amount for which the CMGC is liable as a result of "Acts of God," as defined in California Public Contract Code section 7105 shall be five percent (5%) of the Contract Sum.

The maximum deductible for all other perils allowable under this policy shall be ten thousand dollars (\$10,000), unless expressly approved by the SLDMWA in writing. All deductibles shall be borne solely by the CMGC, Subcontractors, or material suppliers, and the SLDMWA shall not be responsible to pay any deductible, in whole or in part.

In the event of a covered loss, proceeds of Builder's Risk insurance shall be applied first to reimburse actual costs of demolition, debris removal, reconstruction, and repair or replacement incurred in the discharge of the CMGC's obligations of repair or replacement. Insurance proceeds shall be deposited in a separate account in a local bank satisfactory to the SLDMWA and shall be withdrawn only with the SLDMWA's written approval to reimburse such actual costs as the Builder's Risk carrier has agreed to reimburse. The SLDMWA shall have no liability for failure of the Builder's Risk carrier to pay for any particular cost of repairs. In the event of the termination of the CMGC for default, the CMGC shall forfeit all rights to Builder's Risk insurance proceeds and the SLDMWA may expend such proceeds to complete the Project as if they were unpaid contract monies.

The SLDMWA and the CMGC waive all rights against each other and against all other CMGCs for loss or damage to the extent reimbursed by Builder's Risk insurance or any other property or equipment insurance applicable to the Work, except such rights as they may have to the proceeds of such insurance. If the policies of insurance referred to in this section require an endorsement or consent of the insurance company to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed to obtain such consent.

If not covered by Builder's Risk insurance or any other property or equipment insurance required by this Contract, the CMGC shall procure, maintain, and keep in force at all times during the term of the Contract, at the CMGC's sole expense, property insurance for portions of the CMGC's work and/or equipment to be incorporated therein stored offsite or in transit.

SECTION 3.09H. Environmental Liability Insurance/Pollution Liability Endorsement.

The CMGC shall procure, maintain, and keep in force at all times during the term of the Contract, at the CMGC's sole expense, Environmental Liability insurance, using an occurrence form (Claims Made forms are not acceptable unless expressly allowed by the SLDMWA), which includes coverage for sudden and accidental pollution arising out of the handling of hazardous materials or hazardous wastes; non-hazardous materials or non-hazardous wastes that, when released into the environment, violate regulatory standards of the Federal, State or Local Government; and coverage for liability arising out of any hazardous materials remediation, such as the handling of asbestos or removal of lead contamination.

CMGC's Pollution Liability limits: CMGC shall provide \$10,000,000 each loss and annual aggregate for bodily injury, property damage, or environmental damage caused by pollution conditions resulting from CMGC's operations or operations of anyone or entity employed or hired by CMGC, including its agents and representatives.

Pollution Legal Liability Endorsement: \$10,000,000 combined single limit, annual aggregate for bodily injury, sickness, disease, mental anguish or shock, property damage and defense costs; with a minimum of \$5,000,000 per occurrence. Pollution Legal Liability insurance shall cover liability of the insured disposal or treatment facility that is accepting any waste or soil under this Project. CMGC shall require such disposal or treatment facilities to furnish proof of the required coverage or CMGC provides proof of coverage for Pollution Legal Liability for Non-Owned Disposal Site.

If coverage for Environmental Liability insurance is allowed by the SLDMWA to be written on a claims-made form, the following provisions apply:

Limit of coverage shall be not less than twenty million dollars combined single limits for Bodily Injury and Property Damage (\$20,000,000).

Insurance must be maintained and evidence of insurance must be provided for at least ten (10) years after completion of the Work. Additional provisions, including Project specific coverage may be required at the sole discretion of the SLDMWA.

SECTION 3.09(I). Other Provisions.

The CMGC's General Liability, Automobile Liability, and any Excess or Umbrella Liability or other insurances required in the Contract Documents, shall contain the following provisions:

- a. Additional Insured endorsements as respects to liability arising out of the activities performed by or on behalf of the CMGC, products and completed operations of the CMGC, premises owned, occupied, or used by the CMGC, or automobiles owned, leased, hired, or borrowed by the CMGC. The policy shall contain no special limitations on the scope of coverage afforded to Additional Insureds. All policies shall name the SLDMWA, its officers, officials, directors, agents, authorized volunteers, representatives and employees as additional insured.
- b. For any claims related to this Contract, the CMGC's insurance coverage shall be primary insurance as respects Additional Insureds. The Additional Insured endorsement shall state that the policy is primary and that any insurance or self-insurance maintained by the SLDMWA or other Additional Insureds shall be excess of the CMGC's (or Subcontractor's) insurance and shall not be called upon to contribute to any loss.

Any failure to comply with reporting or other provisions of the policies on the part of the CMGC, including breaches of warranties, shall not affect coverage provided to the Additional Insureds.

The CMGC's General Liability and any Excess or Umbrella Liability insurance policies shall contain an endorsement stating that any aggregate limits shall apply separately to each project for which the CMGC provides services away from premises owned by or rented to the CMGC per ISO form CG 25 03 11 85 or equivalent. If the CMGC elects not to provide a separate aggregate, the general aggregate limit shall be twice the required general aggregate limit noted above.

CMGC waives its rights of recovery from the SLDMWA with regard to all causes of property and/or liability loss and all of CMGC's insurance policies shall provide, by endorsements or otherwise, that the insurer(s) waive any and all of its or their rights of recovery, by subrogation or otherwise, against the SLDMWA and any Additional Insureds. CMGC will also require its Subcontractors to include a similar waiver their rights of recovery and to include a waiver of subrogation endorsement to be provided in favor of the SLDMWA and any Additional Insureds on all insurance. The Waiver of Subrogation endorsement must be at least as broad as ISO form CG 24 04.

The CMGC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Each insurance policy by endorsement or provision shall state that coverage shall not be suspended, voided, cancelled, reduced in scope of coverage or in limits, non-renewed, or materially changed unless the insurer(s) provide thirty (30) Calendar Days written notice by certified mail to the SLDMWA prior to such change. Ten (10) Calendar Days prior written notice by certified mail shall be given to the SLDMWA in the event of cancellation due to nonpayment of premium.

All of the CMGC's insurance coverage, except as noted below, shall be placed with insurance companies with a current A.M. Best rating of at least A-VII. or equivalent and that are admitted to do business and in good standing in California, unless otherwise approved by the SLDMWA.

Exception: Workers' Compensation which is provided through a State Compensation Insurance Fund or a qualified self-insurer for Workers' Compensation under California law.

The CMGC shall sign and file with the SLDMWA the following certification prior to commencing performance of the work of the Contract:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the Work of this Contract."

Said certification is included in the Contract, and signature and return of the Contract shall constitute signing and filing of the said certification.

The SLDMWA, at its discretion, may require new types of insurance coverage or increase the limits of insurance coverage required hereunder at any time during the term of the Contract by giving thirty (30) Calendar Days written notice to the CMGC. CMGC shall immediately procure such insurance or increase the limits of coverage and provide certificates of insurance, including copies of all required endorsements, to the SLDMWA within thirty (30) Calendar Days of receipt of the SLDMWA's request.

The required insurance coverage shall be subject to the approval of the SLDMWA, but any acceptance of insurance certificates by the SLDMWA shall in no way limit or relieve the CMGC of its duties and responsibilities in this Contract.

Regardless of the Contract minimum insurance requirements, the CMGC and its insurer shall agree to commit the CMGC's full policy limits, and the minimum requirements shall not restrict the CMGC's liability or coverage limit obligations to the SLDMWA.

If the CMGC fails to procure or maintain insurance as required by this Section 3.09 and each of its subsections and any Contract Documents, or fails to furnish the SLDMWA with proof of such insurance, the SLDMWA, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the SLDMWA shall be deducted and retained from any sums due the CMGC under the Contract. Failure of the SLDMWA to obtain such insurance shall in no way relieve the CMGC from any

of the CMGC's responsibilities under the Contract. Any failure of the CMGC to maintain any item of the required insurance is sufficient cause for termination of the Contract as a material breach.

The making of progress payments to the CMGC shall not be construed as relieving the CMGC of responsibility for loss, damage, or destruction occurring prior to final acceptance by the SLDMWA.

The SLDMWA is authorized to execute amendments and waivers, with or without conditions, to the insurance requirements of the Contract. The SLDMWA will provide such amendments or waivers in writing to the CMGC.

The failure of the SLDMWA to enforce in a timely manner any of the provisions of this Section 3.09 and/or any of its subsections shall not act as a waiver to enforcement of any of these provisions at any time during the term of the Contract.

SECTION 3.09J. Deductibles and Self-Insurance Retention.

Any deductible or self-insured retention over \$10,000 that applies to General Liability or Automobile Liability must be declared to and approved by the SLDMWA in writing.

SECTION 3.09K. Subcontractor's Insurance.

The CMGC is responsible for the acts and omission of all of its Subcontractors and shall require all of its Subcontractors to maintain adequate insurance in accordance with the policy limits and other requirements specified above, including without limitation "Other Provisions" (Section 3.09I), unless otherwise approved by the SLDMWA. Notwithstanding the foregoing, Subcontractors CGL insurance may be a minimum of one million dollars (\$1,000,000.00) per occurrence for bodily injury and property damage, two million dollars (\$2,000,000.00) aggregate.

The CMGC shall not allow any Subcontractor to commence work on its subcontract until the Subcontractor has provided the insurance specified herein. The CMGC shall require each of its Subcontractors to procure and to maintain, during the life of the subcontract, bodily and personal injury liability and property damage insurance, and workers' compensation insurance, of the type and in the same amount as specified in above, including, without limitation, the requirement that the Subcontractor's policy shall be endorsed to include Additional Insureds.

Should any Subcontractor's work include elements that may give rise to a pollution claim, the Subcontractor shall be required to carry Pollution Liability coverage with limits of at least \$2,000,000 per pollution event. The SLDMWA may require higher limits by written request. The policy shall be endorsed to include the Additional Insureds, and shall include a waiver of subrogation endorsement in favor of the Additional Insureds.

All submittals required of CMGC which are to be prepared by a licensed California engineer shall be prepared only by a licensed engineer who is covered by a professional liability insurance policy issued by a California-admitted carrier or a carrier authorized to do business in California with a Best's rating of A-:VII or better, with a limit per claim of at least \$1,000,000. Such insurance shall be maintained in effect by said engineer at all times while performing work on the Project and for at least three (3) years after final completion and acceptance of the Project. CMGC shall submit an insurance certificate for such engineer at any time upon request of the SLDMWA.

It shall be the responsibility of the CMGC to ensure that all Subcontractors comply with this provision, and to verify their compliance when requested by the SLDMWA.

If requested by the SLDMWA, the CMGC shall deliver certificates of insurance or copies of the insurance policies and endorsements of all Subcontractors; provided, however, that this authority shall not relieve the CMGC of its obligation to ascertain the existence of such insurance.

SECTION 3.09L. Notification of Accident or Occurrence.

The CMGC shall report by telephone and email to the SLDMWA within twenty-four (24) hours and also report in writing to the SLDMWA within fifteen (15) Calendar Days after the CMGC or any Subcontractors or agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess

of ten thousand dollars (\$10,000) to the Work, property of the SLDMWA or others, arising out of any work done by or on behalf of the CMGC as part of the Contract. Such report shall contain:

1. The date and time of the occurrence,
2. The names and addresses of all persons involved, and
3. A description of the accident or occurrence and the nature and extent of injury or damage.

The report to be provided within 24 hours shall include as much information as is available at the time.

The CMGC shall furnish the SLDMWA with a copy of the Employer's Report of Injury immediately following any incident requiring the listing of said report on the OSHA Log during the prosecution of the Work under this Contract. The CMGC shall also furnish the SLDMWA with a copy of the Employer's Report of injury involving any Subcontractor on the Project.

SECTION 3.09M. Notification of Claim.

If any claim for damages is filed with the CMGC or if any lawsuit is instituted against the CMGC that arises out of or is in any way connected with the CMGC's performance under this Contract and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect the SLDMWA, CMGC shall give prompt and timely notice thereof to the SLDMWA. Notice shall be prompt and timely if given as soon as the CMGC is reasonably aware that SLDMWA may be entitled to notice under this Section, but no later than thirty (30) Calendar Days following the date of receipt of a claim or ten (10) Calendar Days following the date of service of process of a lawsuit.

ARTICLE 4. SCOPE OF WORK

SECTION 4.01. THE CONTRACT.

The Contract Documents form the Contract, which represents the entire and integrated agreement between the SLDMWA and the CMGC and supersedes all prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Change Order, including an amendment to add or increase the GMP when each Task is authorized. Nothing contained in the Contract Documents shall create any contractual relationship between the SLDMWA, the SLDMWA Representative, or the Engineer and any Subcontractor or sub-Subcontractor, or between the SLDMWA Representative or the Engineer and the CMGC.

SECTION 4.02. INTENT OF CONTRACT DOCUMENTS.

It is the overriding intent of the Contract Documents that the work performed shall result in a complete and operable project in satisfactory condition for use, with all components in functional operating condition and fit for the use for which it is intended, and which complies in all respects with the Contract Documents. No extra compensation will be allowed for anything omitted but fairly implied to be included in the Contract Documents. The prices paid for the various items in the bid shall include full compensation for furnishing all labor, materials, tools, equipment and incidentals, and doing all items necessary to complete the Work as provided by the Contract Documents. The prices paid include all overhead, markups, and profit.

Unless otherwise specified, the CMGC agrees to do all of the work and furnish and pay for all materials, supplies, equipment, tools, labor, transportation, supervision, resources, and everything else necessary or proper to perform and complete the Work herein required, including any Change Order work or disputed work directed by the SLDMWA, within the time specified and in a good and workmanlike manner to the satisfaction of the SLDMWA, in the manner designated, and in strict conformity with the Plans, Specifications, and all provisions of the Contract and any applicable code or statute, whether or not specifically described herein, as long as same is reasonably inferable therefrom as being necessary to produce the intended results, whether temporary or permanent, and whether or not incorporated or to be incorporated in the Work.

When portions of the Work are described in general terms, but not in complete detail, it is understood that the CMGC will employ only the best general practice and incorporate only the best quality materials and workmanship in the Work.

Scale drawings, full-size details, and specifications are intended to be fully coordinated and to agree. Where not specifically stated otherwise, all work and materials necessary for each unit of construction, even though only briefly mentioned or indicated, shall be furnished and installed fully and completely, including, but not limited to, the manufacturer's instructions and/or recommendations, as part of this Contract.

If the Contract does not specifically allow the CMGC a choice of quality or cost of items to be furnished, but could be interpreted to permit such a choice, the CMGC shall furnish the highest quality under current industry standards, regardless of the cost of the item.

If the CMGC discovers any discrepancies during the course of the Work between the Plans and conditions in the field, or any errors or omissions in the Plans and conditions in the field, or any errors or omissions in the Plans, the Specifications, or in the layout given by stakes, points, or instructions, it shall be the CMGC's duty to inform the SLDMWA immediately, and the SLDMWA shall promptly verify the same. Any work done after such discovery, until authorized by the SLDMWA, will be done at the CMGC's risk.

SECTION 4.03. CONFORMANCE WITH CODES AND STANDARDS.

See also Specification Section 01 42 10.

The Work shall be in full compliance with the latest adopted edition of the following applicable standards and regulations:

- The State Fire Marshal
- The UBC
- Title 8
- Title 22
- Title 24
- The NEC
- The UPC
- Storm Water Pollution Plans and Standards
- Other codes, laws or regulations applicable to the Work or the Contract.

Nothing in the Contract is to be construed to permit work not conforming to these requirements. When the Work detailed in the Plans and Specifications differs from governing codes, the CMGC shall complete the Work in accordance with the higher standard. If the higher standard is more expensive than the Work detailed in the Plans and Specifications, the CMGC will be compensated for the CMGC's additional costs by Contract Change Order as provided in Article 9, "Changes and Claims," of these General Conditions.

SECTION 4.04. DIAGRAMMATIC DRAWINGS.

Drawings showing the locations of equipment, wiring, piping, etc., unless dimensioned, are diagrammatic, and conditions will not always permit their installation in the exact location shown. In such event, the CMGC shall submit an RFI and obtain a response before proceeding with the work in question. Unless there is a material increase in the CMGC's scope of work, installation as specified in the response to the RFI shall be without any additional compensation to the CMGC and without any increase in the Contract Time. Any work done after discovery of the issue, until authorization to proceed based on the response to the RFI, will be done at the CMGC's risk.

SECTION 4.05. INSTRUCTION BULLETINS AND DRAWINGS.

In addition to the Drawings incorporated in the Contract Documents, the Engineer may furnish such supplemental drawings or instructions from time to time as may be necessary to make clear or to define in greater detail the intent of the Contract Drawings and Specifications. In furnishing additional drawings or instructions, the Engineer shall have the authority to make minor changes in the Work, not involving any extra cost, and not inconsistent with the overall design of the Project. If extra cost is known to be involved, these instructions will be accompanied by an RFP. These supplemental drawings and instructions shall become a part of the Contract Documents; the CMGC shall make its work conform to them.

SECTION 4.06. FIELD DIRECTIVES OR OTHER WRITTEN DIRECTIVES.

The SLDMWA may issue Field Directives or other written directives from the office or field during the course of the Work, and the CMGC shall immediately comply with the Field Directive or other written directive. CMGC must perform all work directed by a field directive, whether or not CMGC believes the work is included in the Contract and regardless of any disputes regarding money, time and/or other issues. CMGC acknowledges that continued progress of the Work is of high importance and that such disputes can be resolved as the Work progresses.

A Field Directive or other written directive may be used to add, delete, modify, or reject work, to note deficiencies in work, to clarify the Contract or to order work to be performed. Work required by a Field Directive or other written directive shall be in accordance with the Contract and any previously executed Change Orders, except as delineated otherwise in the directive. Drawings included with Field Directives or other written directives are part of the Contract and shall be incorporated into the Record Drawings.

If the CMGC refuses or neglects to comply with or make progress in the execution of any Field Directive or other written directive, the SLDMWA, in addition to all other rights under the Contract and/or applicable law, may employ

any person or persons to perform such work at CMGC's cost, and the CMGC shall not interfere with the person or persons so employed.

At appropriate intervals, Field Directives and/or other written directives that alter the Contract may be grouped to form a Change Order as described in Article 9, "Changes and Claims," of these General Conditions.

SECTION 4.07. COMPLEMENTARY FEATURE OF CONTRACT DOCUMENTS; ORDER OF PRECEDENCE.

The Contract Documents, including the Specifications and Plans and Drawings, are complementary and what is called for by any one shall be as binding as if called for by all. In case of conflict, the following order of precedence will govern interpretation of the Contract:

1. Permits from other agencies as may be required by law;
2. The Special Provisions containing the requirements for federally funded projects;
3. The Agreement for Construction, as amended by Change Orders and any other Contract amendments;
4. Special Provisions that may be developed during preconstruction services;
5. Technical Specifications;
6. Plans and Drawings;
7. General Conditions;
8. Request for Proposals, including attachments and addenda;

In addition, the following shall also apply:

1. Written numbers and notes on a drawing shall govern over graphics.
2. A detail drawing governs over a general drawing.
3. A detail specification governs over a general specification.
4. A specification in a section governs over a specification referenced by that section.
5. Changes last in time govern prior requirements.

In case of conflict between the Project Plans and Technical Specifications, the Plans shall govern in matters of quantity and size, the Technical Specifications in matters of quality. In case of conflict within the Plans involving quantities or within the Technical Specifications involving quality, the greater quantity and the higher quality shall be provided.

Where on any Drawing a portion of the Work is drawn out and the remainder is indicated in outline, the drawn out parts shall apply to all other like portions of the Work. Where ornament or other detail is indicated as starting, such detail shall be continued throughout the courses or parts in which it occurs and shall also apply to other similar parts in the Work, unless otherwise indicated.

All work shown on the Plans, the dimensions of which are not figured, shall be accurately followed to the scale to which the drawings are made; however, figured dimensions shall in all cases be followed, even if they differ from scaled measurements. Full-size drawings shall be followed in the execution of the Work.

Any material specified by reference to the number, symbol, or title of a specified standard such as a Commercial Standard, a Federal Specification, a trade association standard, or other similar standards, shall comply with the requirements in the latest approved revision thereof and any amendments or supplements thereto in effect on the date of Notice Inviting Bids, except as limited to type, class, or grade, or modified in such reference. The standards referred to, except as modified in the Specifications, shall have full force and effect as though printed in these Specifications.

SECTION 4.08. INTERPRETATION AND ADDITIONAL INSTRUCTIONS; REQUESTS FOR INFORMATION.

SECTION 4.08A. General.

CMGC shall prepare a Request for Information (RFI) when additional information, clarification, or interpretation of the Contract is required. RFIs may also be used for apparent conflicts, inconsistencies, ambiguities, or omissions.

RFIs shall be submitted to the SLDMWA sufficiently in advance of the work to permit time for investigation and preparation of a response. Any work undertaken prior to receipt of a response to an RFI will be at the CMGC's risk.

RFIs shall not be used for submittals or for substitution of material or equipment, or for waiving of requirements.

SECTION 4.08B. Procedure.

An RFI shall be submitted on an approved form as defined at the preconstruction meeting, and shall be numbered consecutively. A status log shall be prepared and updated by the CMGC and reviewed with the SLDMWA at each progress meeting. Each RFI shall deal with only one topic, item, issue, or system. The RFI shall clearly describe and specifically state what is being requested. Relevant portions of the Contract shall be cited, marked-up, and attached.

The CMGC shall review each RFI before submittal and compare it with the Contract to verify that a response is required. RFIs will only be accepted from the CMGC and not from Subcontractors or suppliers. A recommendation or proposed solution may be included when appropriate or expedient. RFIs that are not clear or RFIs for which a response is clearly identified in the Contract will not be accepted.

SECTION 4.08C. Response.

The SLDMWA will normally respond within fifteen (15) Working Days. The SLDMWA will provide a written response, and that response shall control. The CMGC shall indicate a priority for responses to RFIs if more than five (5) RFIs are pending at the same time. In case of a dispute between the CMGC and the SLDMWA, protest may be made as provided in Section 9.15, "Dispute Regarding Contract Requirements," of these General Conditions.

Subsequent resubmittals of an RFI shall be identified with the same RFI number and a letter designation. Resubmittals shall clearly state the reason for the resubmittal.

Responses to RFIs indicating a change to drawings shall be recorded by the CMGC on the Record Documents.

SECTION 4.09. NOTIFICATION OF DISAGREEMENT REGARDING SCOPE OF WORK.

If agreement cannot be reached as to cost, and the CMGC does not agree that work due to an interpretation or supplemental drawing or instruction or directive is within the scope of the Contract Documents, the CMGC shall, within seven (7) days after receipt of the interpretation, supplemental drawing, instruction or directive, submit a Proposed Change Order to the SLDMWA specifying in detail in what particulars the Contract requirements were exceeded and the change in cost resulting therefrom. The SLDMWA shall then determine whether a Change Order shall be issued in accordance with Article 9 of these General Conditions. The CMGC shall nevertheless perform such work without delay.

The time during which the disagreement is pending shall not affect the Contract Time.

SECTION 4.10. DELETED ITEMS.

The SLDMWA may delete from the Work any one or more items of work. The CMGC will be paid for all work done toward the completion of the item prior to such deletion, as provided in Article 9, "Changes and Claims," of these General Conditions, but in no event will the amount paid exceed the Bid or Schedule of Values amount less the value of the deleted work. The CMGC shall make no claim, nor receive any compensation for profits, for loss of profit, for damages, or for any extra payment whatever because of any deleted items of work.

SECTION 4.11. EXTRA WORK.

Work not covered by the Contract but necessary for the proper completion of the Project will be classed as extra work and shall be performed by the CMGC when directed in writing by the SLDMWA. Extra work shall be performed in accordance with the Contract and as directed by the SLDMWA.

Extra work must be authorized in writing by the SLDMWA before the work is started. Payment for extra work will not be made unless such prior written authorization is obtained.

In the event of an emergency or other situation that endangers the Work or endangers public safety, the SLDMWA will direct the CMGC to perform such extra work necessary to protect the Work or the public.

SECTION 4.12. USE OF COMPLETED PORTIONS.

The SLDMWA has the right during the progress of the Work to occupy and/or use any completed or partially completed portion of the Work. Such use shall not be deemed acceptance of that portion, nor of any other portions of the Work, nor of work not completed in accordance with the Contract.

Under unusual circumstances on an exception basis, and only by written approval of the SLDMWA, the SLDMWA may provide a field acceptance of a completed portion of the Work under Section 7.21, "Final Inspection and Field Acceptance," of these General Conditions, such that the warranty period for that portion will be considered to commence and the CMGC will be relieved of any further maintenance and protection of that portion. No final payment shall occur for a limited portion of the work. The CMGC will not be relieved of the Contract requirements for repairing or replacing defective work and materials in accordance with Sections 7.21 and 7.23, "Warranty Work," of these General Conditions.

SECTION 4.13. LANDS AND RIGHTS-OF-WAY.

The SLDMWA shall provide the lands, rights-of-way, and easements upon which the Work is to be done, and such other lands as may be designated on the Plans for the use of the CMGC. The CMGC shall confine its operations to within these limits. The CMGC shall comply with the terms and conditions of right of entry, right of way and easement documents. The SLDMWA shall provide photocopies of these documents to the CMGC prior to the CMGC's use of, or commencement of Work, in the lands in question.

The CMGC shall provide at the CMGC's own expense any additional land and access that is required for temporary construction facilities or storage of materials. The CMGC shall obtain all required permissions for use of private property prior to taking possession or use. The permission shall be obtained in writing and a copy forwarded to the SLDMWA prior to the CMGC taking possession of said property.

SECTION 4.14. WARRANTY.

Unless otherwise specified in the Contract Documents, the warranty time period will be one year after the SLDMWA acceptance of Work (see Section 7.22, "Final Acceptance and Notice of Completion," of these General Conditions) and subject to the terms of the CMGC Guarantee Form. The Performance Bond furnished by the CMGC as part of the execution of the Contract shall include the terms and time period of the Warranty of the CMGC's work. In lieu of continuing the original performance bond through the warranty period, the CMGC may submit a warranty bond, on a form substantially the same as the Performance Bond, for a minimum of ten percent (10%) of the total project value to be valid for one year from the date of acceptance by the SLDMWA, subject to extension in accordance with the CMGC Guarantee Form for corrected defective work.

If required by the Contract Documents, the CMGC shall enter into and sign Warranty statements in the form provided to warranty various segments of the Work for the time specified.

If failure of any portion of the Work can be attributed to faulty materials, poor workmanship, defective equipment, or any other reason that can be attributed to CMGC's performance, and this failure occurs prior to the end of the specified warranty period, the CMGC shall promptly make the needed repairs at the CMGC's expense in accordance with Section 7.23, "Warranty Work," of these General Conditions.

ARTICLE 5. CONTROL OF WORK AND MATERIALS

SECTION 5.01. AUTHORITY OF SAN LUIS AND DELTA-MENDOTA WATER AUTHORITY.

The SLDMWA will decide all questions regarding the quality and acceptability of materials furnished, work performed, and rate of progress of the Work. The SLDMWA will decide all questions regarding the interpretation and fulfillment of the Contract on the part of the CMGC, and all questions as to the rights of different CMGCs that may be involved with the Work.

The SLDMWA will determine the amount and quality of the Work performed and materials furnished for which payment is to be made under the Contract.

The SLDMWA will administer its authority through a duly designated representative identified at the preconstruction meeting. The CMGC and the SLDMWA Representative shall make good faith attempts to resolve disputes that arise during the performance of the Work.

Any order given by the SLDMWA not otherwise required by the Contract to be in writing will be given or confirmed by the SLDMWA in writing at the CMGC's request. Such request shall state the specific subject of the decision, directive, instruction, or notice and, if it has been given orally, its date, time, place, author, and recipient.

SECTION 5.02. ATTENTION AND COOPERATION OF CMGC.

The CMGC shall comply with any written instruction delivered to the CMGC or the CMGC's authorized representative by appropriately authorized representatives of the SLDMWA.

SECTION 5.03. SUGGESTIONS TO CMGC.

Any plan or method suggested to the CMGC by the SLDMWA, but not specified or required in writing, if adopted or followed in whole or in part by the CMGC, shall be used at the risk and responsibility of the CMGC. The SLDMWA assumes no responsibility.

SECTION 5.04. SEPARATE CONTRACTS.

The SLDMWA reserves the right to award other contracts in connection with the Work, including awarding a separate contract or contracts for Tasks initially anticipated to be performed by CMGC. The CMGC shall afford other contractors reasonable opportunity for the delivery and storage of their materials and the execution of their work and shall properly connect and coordinate its work with the other contractors.

If any part of the CMGC's work depends upon the work of any other contractor for proper execution or results, the CMGC shall inspect and promptly report to the SLDMWA any defects in such work that render the other contractor's work unsuitable for proper execution and results. The CMGC's failure to so inspect and promptly report shall constitute an acceptance of the other contractor's work as fit and proper for the reception of the CMGC's work, unless defects develop in the other contractor's work after the execution of the CMGC's work.

SECTION 5.05. COOPERATION WITH OTHER CONTRACTORS.

Other contractors and other forces, including the SLDMWA and/or adjacent property owners, may perform work adjacent to or within the Work area concurrent with the CMGC's operations. The CMGC shall conduct operations to minimize interference with the work of other forces or contractors. Any disputes or conflicts between the CMGC and other forces or contractors retained by the SLDMWA which create delays or hindrance to each other shall be referred to the SLDMWA for resolution. If the CMGC's work is delayed because of the acts or omissions of any other force or contractor, the CMGC shall have no claim against the SLDMWA other than for an extension of time (see Section 7.18, "Extension of Time," of these General Conditions).

SECTION 5.06. SUPERVISION PROCEDURES.

The CMGC shall supervise and direct the Work using its best skill and attention. The CMGC shall be solely responsible for all construction means, methods, techniques, and procedures and for coordinating all portions of the Work under the Contract.

The CMGC shall be responsible to the SLDMWA for the acts and omissions of its employees, Subcontractors, their agents and employees, and other persons performing any of the Work.

It is prohibited to hire undocumented workers. The CMGC shall secure and cause its Subcontractors to secure proof of eligibility/citizenship to work from all workers.

The CMGC shall not be relieved from its obligations to perform the Work in accordance with the Contract Documents either by the activities or duties of the Engineer or the SLDMWA Representative in their administration of the Contract or by inspections, tests, or approvals (or the lack thereof) required or performed by persons other than the CMGC.

SECTION 5.07. SKILLED LABOR.

All non-apprentice labor shall have the skills of a journeyperson in the applicable trade. All workmanship shall be of the highest quality and finish in all respects.

SECTION 5.08. CMGC'S DISMISSAL OF UNSATISFACTORY EMPLOYEES.

If any person employed by the CMGC or any Subcontractor shall fail or refuse to carry out the directions of the SLDMWA or the provisions of the Contract; or is, in the opinion of the SLDMWA, incompetent, unfaithful, intemperate, or disorderly; or uses threatening or abusive language or conduct to any person on or associated with the Work or with the public; or is acting or working in a manner that compromises the safety of the public, Work, or persons or property involved with the Work; or is otherwise unsatisfactory, the CMGC shall, when requested by the SLDMWA, remove the worker from the Work site immediately, and shall not again employ the removed worker on the Project, under this contract or any other contract, except with the written consent of the SLDMWA.

SECTION 5.09. CMGC'S EQUIPMENT.

The CMGC shall provide adequate and suitable equipment, labor, and means of construction to meet all the requirements of the Work, including completion within the Contract Time. Only equipment suitable to produce the quality of work required will be permitted to operate on the Project. Specific types of equipment may be requested by the SLDMWA on component parts of the Work.

The SLDMWA may, at the SLDMWA's option, permit the use of new or improved equipment, at the CMGC's cost. If such permission is granted, it is understood that it is granted for the purpose of testing the quality and continuous attainment of work produced by the equipment, and the SLDMWA shall have the right to withdraw such permission at any time that the SLDMWA determines that the alternative equipment is not producing work that is equal in all respects to that specified, or will not complete the Work in the time specified in the Contract. The cost for mobilizing and demobilizing new or improved equipment shall be borne by the CMGC.

In any case where the use of a particular type or piece of equipment has been banned, or in cases where the SLDMWA has condemned for use on the Work any piece or pieces of equipment, the CMGC shall promptly remove such equipment from the site of the Work at its cost. Failure to do so within a reasonable time may be considered a breach of contract. The cost for mobilizing and demobilizing replacement equipment shall be borne by the CMGC.

SECTION 5.10. CMGC'S SUBMITTALS.

SECTION 5.10A. Submittals – General.

The CMGC shall furnish all working drawings, plans, specifications, descriptive data, certificates, samples, tests, methods, schedules, and manufacturer's instructions as required in the Contract, and any other information required to demonstrate that the materials and equipment to be furnished and the methods of work comply with the provisions and intent of the Contract. Submittals shall be submitted by the dates specified in the Contract.

Submittals for systems shall be bound together and include all information for the system.

For any sample or other submittal that is not submitted electronically, a minimum of five (5) copies of all submittals shall be furnished, two (2) of which will be returned after review. Depending on the complexity of the submittal, the number of submittals, and the express needs of the CMGC as reflected in the schedule and noted in the submittal, the submittal will be returned to the CMGC within twenty-eight (28) Calendar Days unless otherwise specified in the Contract Documents, exclusive of any time awaiting clarification or further information. Submittals shall be transmitted using submittal transmittal forms provided by the SLDMWA. Unless otherwise agreed to by the CMGC and the SLDMWA or required by the nature of the submittal (*e.g.*, the requirement to submit a sample), the CMGC will make all submittals using an electronic submittal transmittal form. The SLDMWA will provide the CMGC with an electronic copy of its submittal log. Where any item of the work is required to be installed in accordance with the manufacturer's recommendations and the manufacturer's recommendations are not available electronically, the CMGC shall furnish five (5) complete paper sets of the manufacturer's installation recommendations to the SLDMWA prior to starting the installation, which paper copies will be retained by the SLDMWA.

If the information furnished in a submittal shows any deviation from the Contract requirements, the CMGC shall, by a statement in writing accompanying the information, advise the SLDMWA of the deviation and state the reasons. It shall be the CMGC's responsibility to ensure there is no conflict with other submittals and to notify the SLDMWA in any case where the CMGC's submittal may concern work by another CMGC, adjacent property owners, other forces, or the SLDMWA.

The CMGC is solely responsible for coordination of submittals among all related crafts performing the Work. The CMGC shall verify that its Subcontractors' submittals are complete in every way and meet the requirements of the Contract.

Direction from the SLDMWA to proceed following return of the CMGC's submittals shall not relieve the CMGC of responsibility for any error or of any obligation for accuracy of dimensions and details; for agreement with and conformity to the Contract; or responsibility to fulfill the Contract as prescribed; nor shall such direction be considered as approval of any deviation or conflict in the submittal unless the SLDMWA has been expressly advised in writing of the same as set forth immediately above, and the SLDMWA has expressly approved such deviation or conflict in writing.

The CMGC shall make no changes to any approved submittal after it has been returned, and the equipment or materials shall not deviate in any way except with written approval by the SLDMWA. Fabrication or other work performed in advance of return of the submittal with a direction to proceed shall be done entirely at the CMGC's risk.

Minimum requirements for submittals are contained in these Specifications. Additional and/or project-specific requirements may be contained in the Contract. The CMGC is responsible for identifying and providing all required submittals.

SECTION 5-10B. Resubmittals.

Resubmittals shall address all comments from the SLDMWA. Partial resubmittals may be returned 'REVISE AND RESUBMIT.' The CMGC is responsible for the SLDMWA's review costs for each resubmittal in excess of the first resubmittal. These costs will be charged to the CMGC and will be deducted from progress payments.

SECTION 5.10C. Submittals Containing Proprietary Information.

All required information shall be provided even though some or all of such information may be considered proprietary. If any of the information required herein is considered proprietary, then it shall be clearly identified as such by the CMGC, who shall clearly mark the material as “confidential” or with similar other notation, but only to the extent that the material is proprietary. Such material shall be kept confidential by the SLDMWA unless disclosure is required by another government agency or ordered by a court of competent jurisdiction. If any individual or entity seeks disclosure of material marked “proprietary,” then the SLDMWA will make reasonable attempts to notify the CMGC prior to disclosure to allow the CMGC to defend its “proprietary” marking. Proprietary information is defined as any information or data describing or defining a product, process, or system which 1) was developed at the expense of the CMGC, a Subcontractor, or supplier; 2) is not generally available in the industry; and 3) is kept secret by its owner for purposes of preventing its use by others. Application software and all other documentation, or any other product prepared by the CMGC, Subcontractor, or supplier at the expense of the SLDMWA for specific use on the facility being constructed under the Contract, shall not be considered proprietary.

All submitted proprietary information shall describe the final record Work. No part of the Work identified as “proprietary” shall be modified after proprietary submittal acceptance until updated proprietary information has been submitted by the CMGC and accepted by the SLDMWA. Updated proprietary information shall fully document all modifications to be implemented. All proprietary data shall be marked “PROPRIETARY” by the CMGC.

SECTION 5.10D. NOT USED**SECTION 5.10E. Operations and Maintenance (O&M) Submittals.**

For use in subsequent operations and maintenance, the CMGC shall furnish, unless otherwise provided for in the Contract Documents, one (1) original and two (3) copies, all bound and indexed, and one bookmarked electronic copy in pdf format, of maintenance and operation information, including all the highest level of factory maintenance manuals (greatest level of detail) that are available to factory representatives with a three-year subscription to newsletters and updates supplied by the manufacturer covering all equipment and systems included in the Contract. The SLDMWA may withhold up to ten percent (10%) of the GMP amount attributable to the Task until O&M submittals have been submitted and approved. The submittal shall include at a minimum:

- Drawings
- Illustrations
- Parts lists
- Wiring diagrams of systems
- Internal wiring diagrams and circuit board schematics and layout drawings
- Manufacturer's recommended spare parts lists
- Name, address, and phone number of nearest parts and service provider
- Systems balance data
- Maintenance and service instructions
- Operation instructions
- Software, including annotated source lists and programs

The submittal of maintenance and operation information is required for all mechanical, electrical, instrumentation, control, communications, sound, or special equipment and systems.

The CMGC shall obtain approval of the required data at least thirty (30) Calendar Days prior to any required training or the final inspection date.

SECTION 5.11. DAILY REPORTS.

No less than on a weekly basis, the CMGC shall submit, upon request of the SLDMWA, to the SLDMWA daily reports, which shall include, without limitation, the identity of Subcontractors on the site, an accurate headcount of workers on the site, materials and equipment delivered to the site, visitors to the site, work performed, any problems encountered, and representative photos.

SECTION 5.12. SURVEYS.

SECTION 5.12A. Surveys.

Except as set forth in this Section or in the Contract Documents, the CMGC shall be responsible for performing all necessary surveys to lay out and control the Work to the locations, elevations, lines, and dimensions shown or specified in the Contract. Any deviations must receive prior written approval of the SLDMWA. All surveys affecting the line or elevation of underground drainage, sewers, or utilities, and all other work within public rights-of-way or easements, shall be performed by or under the direction and supervision of a California Registered Civil Engineer authorized to practice land surveying or a California Licensed Land Surveyor. The CMGC shall be responsible for protecting and perpetuating survey monuments affected by construction activities in accordance with Business and Professions Code Section 8771(b). The CMGC shall be responsible for the accuracy of the CMGC's own layout work, and shall be liable for the preservation of all established lines and grades.

Stakes damaged or destroyed by the operations of the CMGC shall be replaced at the CMGC's expense.

Dimensions for existing structures, piping, paving, and other nonstructural items are taken from the available information during the SLDMWA's planning and design.

- CMGC shall field verify dimensions and conditions in advance of any construction in the area.
- Any discrepancy between the field survey and the information indicated in the Contract Documents shall be immediately brought to the attention of the SLDMWA Representative by written notification.
- In questions arising as to proper location of lines and grades, the decision of SLDMWA's Representative will be final.

Accuracy of the CMGC's stakes, alignments, and grades may be periodically and randomly checked by SLDMWA's Representative.

- If requested by SLDMWA's Representative, the CMGC shall supply field labor as required, at no extra charge to the SLDMWA, to aid and assist SLDMWA's Representative in checking location and grades of the work as set by the CMGC. This shall include postponing parts of the Work affected by survey check and moving materials and equipment that interfere with a clear line of sight between horizontal control points and the construction work.
- The CMGC is not to assume that SLDMWA's Representative's check substitutes for or complements the CMGC's required field quality control procedures.

The CMGC's registered land surveyor shall check the line and grade of the slab or footing concrete forms prior to the first slab or footing pour at each structure.

SECTION 5.12B. Survey Monuments.

The SLDMWA shall show on the construction Plans, to the best of its knowledge, the location and character of survey monuments located within the construction area. It is the CMGC's responsibility to arrange and pay for a diligent and thorough search for survey monuments. This shall be performed by or under the direction of a California Licensed Land Surveyor or a California Registered Civil Engineer authorized to practice Land Surveying, prior to the beginning of construction or maintenance work that could disturb or destroy a survey monument. Any monuments found shall be referenced and reset by or under the direction of a California Licensed Land Surveyor or a California Registered Civil Engineer authorized to practice Land Surveying in accordance with Business and Professions Code Section 8771.

On thin surface treatments, such as chip seals, the monuments can be covered in advance of the maintenance treatment with a suitable material and then removed to expose the monument.

When survey monuments not shown on the Plans are discovered, the CMGC shall bring them to the attention of the SLDMWA prior to damaging them. Any SLDMWA survey monuments damaged or destroyed by the CMGC shall be reset by the SLDMWA or CMGC at the CMGC's expense. Any other damaged or destroyed survey monuments shall be reset by the CMGC at its sole expense in accordance with the Land Surveyors Act (Business & Professions Code 8700 et seq.).

When the Contract Documents require that the CMGC provide all surveys, the CMGC shall be responsible for referencing, resetting, and filing of corner records for all survey monuments disturbed or destroyed by construction activities in accordance with Business and Professions Code Section 8771.

All survey monuments and references shall be set or reset by or under the direction of a California Licensed Land Surveyor or a California Registered Civil Engineer authorized to practice Land Surveying.

SECTION 5.12C. Documentation.

CMGC shall furnish SLDMWA's Representative with one (1) copy of all land surveyor notes, calculations, sketches, and drawings within 48 hours after completion of each survey task.

CMGC shall prepare, maintain, and submit Record Documents as required in the Contract Documents. CMGC's land surveyor is to affix its signature and registration number to applicable record drawings certifying the accuracy of lines and grades shown.

CMGC shall submit survey Record Drawings before final completion.

SECTION 5.13. RESPONSIBILITY FOR ACCURACY.

The CMGC shall obtain all necessary measurements for and from the Work, and shall check dimensions, elevations, and grades for all layout and construction work and shall supervise such work; the accuracy for all of which the CMGC shall be responsible. The CMGC is responsible for adjusting, correcting, and coordinating the work of all Subcontractors so that no discrepancies result.

SECTION 5.14. DUTIES AND POWERS OF INSPECTORS.

Inspectors are the authorized representatives of the SLDMWA. Their duty is to inspect materials and workmanship of those portions of the Work to which they are assigned, either individually or collectively, under instructions of the SLDMWA, and to report all deviations from the Contract.

The Project Inspector shall have the authority to order the work designated for inspection stopped if a determination is made that work is proceeding in violation of the Contract Documents or any orders issued by the SLDMWA, its representatives, or the Engineer. The failure of the Project Inspector to order the work stopped does not excuse the CMGC from complying with the Contract Documents for that work.

Upon issuing a stop work notice, the Project Inspector shall notify the Engineer, who shall inspect the work in question and determine whether it does or does not comply with the Contract Documents. The decision of the Engineer shall be final, subject to the disputes procedures in Article 9, "Changes and Claims," of these General Conditions. The CMGC shall thereafter comply with the instructions of the Engineer regarding corrections needed to cure the defect. The suspended work shall be resumed only when the Engineer's instructions are fulfilled. The CMGC shall not be entitled to an extension of time in the event of such suspension of work, provided the stop work notice is determined to be supported by the facts.

The SLDMWA work site inspections will only be conducted Monday through Friday from 7:00 am to 5:30 pm, excluding weekends and Legal Holidays. Any inspections outside of these hours shall be requested at least three (3)

days prior, must be approved by the Project Manager, and all added costs associated with the inspections outside specified times shall be paid by the CMGC.

SECTION 5.15. INSPECTION.

The inspection of the Work does not relieve the CMGC of the obligation to fulfill all Contract requirements. The purpose of inspection is not to assure CMGC that all of the Work is meeting all of the Contract requirements.

All work and materials furnished pursuant to the Contract shall be subject to inspection and approval by the SLDMWA. The CMGC shall provide the SLDMWA and Inspectors with access to the Work during construction and shall furnish every reasonable facility and assistance for ascertaining that the materials, equipment and the workmanship are in accordance with the requirements and intent of the Contract. Any work, materials, or equipment not meeting the requirements and intent of the Contract will be rejected, and unsuitable work, equipment, or materials shall be made good, notwithstanding the fact that such work, materials, or equipment may have been previously inspected or approved and /or payment may have been made. The CMGC shall be solely responsible for any costs associated with the removal of any defective work, equipment, or materials discovered during the inspection and the complete cost of reconstruction.

Unless authorized in writing by the SLDMWA, any work done in the absence of an Inspector, whether completed or in progress, shall be subject to inspection. The CMGC shall furnish all tools, labor, materials, access facilities, and other facilities necessary to allow such inspection, even to the extent of uncovering or taking down completed portions of the Work. The CMGC shall pay all costs incurred, whether or not any defective work is discovered. The CMGC shall also be solely responsible for any costs associated with the removal of any defective work discovered during the inspection and the complete cost of reconstruction.

Reexamination of any part of the Work may be ordered by the SLDMWA, and such part of the Work shall be uncovered by the CMGC. The CMGC shall pay the entire cost of such uncovering, reexamination, and replacement if the reexamined work does not conform to the Contract.

The CMGC shall notify the SLDMWA of the time and place of any factory tests and submit test procedures for approval thirty (30) Calendar Days in advance for any tests that are required by the Contract. The CMGC shall report the time and place of preparation, manufacture, or construction of any material for the Work, or any part of the Work, that the SLDMWA wishes to inspect. The CMGC shall give five (5) Working Days' notice in advance of the beginning of work on any such material or of the beginning of any such test to allow the SLDMWA to make arrangements for inspecting and testing or witnessing.

SECTION 5.16. QUALITY OF MATERIALS AND WORKMANSHIP.

Unless otherwise allowed or required by the Contract Documents, all equipment and materials shall be new and of a quality at least equal to that specified. All workmanship shall also be of the highest quality. When the CMGC is required to furnish equipment, materials, or manufactured articles or to do work for which no detailed specifications are set forth, the equipment, materials, or manufactured articles shall be of the best grade in quality and workmanship obtainable in the market. If not ordinarily carried in stock, the articles shall conform to the usual standards for first-class materials or articles of the kind required. The work performed shall secure the best standard of construction and equipment of the Work as a whole or in part.

Materials shall be furnished in sufficient quantities and at such times to ensure uninterrupted progress of the Work. All required spare parts shall be delivered in new condition, not in a used or unknown condition, and with any certificates required. Materials, supplies, and equipment shall be stored properly and protected as required. The CMGC shall be entirely responsible for damage or loss by weather or other causes.

SECTION 5.17. SUBSTITUTIONS.

Certain materials, articles, or equipment may be designated in the Contract by brand or trade name or manufacturer together with catalog designation or other identifying information. Substitute material, article, or equipment which is of equal quality and of required characteristics for the intended purpose may be proposed for use, provided the CMGC complies with the requirements of the following paragraphs. Notwithstanding the foregoing, all known requests for

substitutions are expected to be made during preconstruction services. Such substitutions approved during preconstruction services shall not be subject to the following process.

SECTION 5.17A. Written Request.

The CMGC shall submit any request for substitution in writing.

SECTION 5.17B. Documentation.

A proposal for substitution must be accompanied by complete information and descriptive data, including cost of operation, cost of maintenance, and physical requirements necessary to determine the equality of offered materials, articles, or equipment.

The CMGC shall also submit such shop drawings, descriptive data, and samples as requested. The burden of proof of comparative quality, suitability, and performance of the offered proposal shall be upon the CMGC. The determination of equal quality, suitability, and performance shall be at the sole discretion of the SLDMWA. The SLDMWA will examine such submittals with reasonable promptness. If the SLDMWA rejects the request for such substitution, then one of the particular products designated by brand name in the Contract shall be furnished. Acceptance of substitution by the SLDMWA shall not relieve the CMGC from responsibility for deviations from the Plans and Specifications or from responsibility for errors in submittals. Failure by the CMGC to identify deviations in the request material from the Plans and Specifications shall void the submittal or request for substitution and any action taken thereon by the SLDMWA.

Changes required for proper installation and fit of substitute materials, articles, or equipment, or because of deviations from the Contract, shall not be made without the written consent of the SLDMWA and shall be made by the CMGC without additional cost to the SLDMWA. The CMGC shall pay the costs of design, drafting, engineering services, and alterations of the construction required to accommodate any CMGC substitution or construction error to maintain the original function and design.

SECTION 5.18. PREPARATION FOR TESTING.

The CMGC shall maintain proper facilities and provide safe access for inspection by the SLDMWA to all parts of the Work and to the shops wherein parts of the Work are in preparation.

Where the Contract requires work to be tested or approved, such work shall not be tested or covered up without at least a five (5) Working Day notice to the SLDMWA of its readiness for inspection, unless the written approval of the SLDMWA for such testing or covering is first obtained.

SECTION 5.19. MATERIALS SAMPLING AND TESTING.

Materials to be used in the Work will be subject to sampling and tests by the SLDMWA. The CMGC shall furnish the SLDMWA with a list of the CMGC's sources of materials and the locations at which such materials will be available for inspection. The list shall be furnished to the SLDMWA in time to permit the inspection and testing of materials in advance of their use.

Testing shall be done to such standards as set forth in the Plans, Specifications, or Special Provisions. References made in these documents to standard methods of testing materials shall make such standards a part of the Specifications.

Whenever a reference is made in the Specifications to a specification or test designation of any recognized State or national organization or State of California agency, and the number or other identification representing the year of adoption or the latest revision is omitted, it shall mean the specification or test designation in effect on the date of the original Notice Inviting Bids for the Work.

When requested by the SLDMWA, samples or test specimens of the proposed materials shall be prepared at the expense of the CMGC and furnished by the CMGC in such quantities and sizes required for proper examination and tests, and with complete information describing type, kind, or size of material, and its source. All samples shall be submitted in time to permit the making of proper tests, analyses, or examinations before incorporating the materials into the Work. No material shall be used in the Work unless or until it has been approved by the SLDMWA. All

material tests shall be made by the SLDMWA in accordance with recognized standard practice. The CMGC shall pay the cost of any retest of any area or material. The SLDMWA will secure and test samples whenever necessary.

SECTION 5.20. APPROVAL OF MATERIALS OR EQUIPMENT.

SECTION 5.20A. Sources of Supply.

The SLDMWA's approval at the source of supply may be required prior to procurement. Such approval shall not prevent subsequent disapproval or rejection of materials or equipment by the SLDMWA if the quality is less than required by the Contract.

SECTION 5.20B. Plant Inspection.

The SLDMWA assumes no obligation to inspect materials or equipment at the source of supply. The CMGC is responsible for incorporating satisfactory materials and equipment into the Work, notwithstanding any prior inspections or tests.

The SLDMWA will inspect materials or equipment at the source if the CMGC submits a written request and if the SLDMWA deems the inspection necessary. The CMGC and the supplier will cooperate with and assist the SLDMWA while performing the inspection. The SLDMWA shall have access to all production areas of the material or equipment source or place of manufacturing.

SECTION 5.21. PROVISIONS FOR EMERGENCIES.

The SLDMWA may provide necessary labor, material, and equipment to correct any emergency resulting from the CMGC's operation including non-compliance with the Contract, public convenience, safety, and protection of Work, persons, environment, and property. The nature of the emergency may prevent the SLDMWA from notifying the CMGC prior to taking action. The costs of such labor, material, and equipment shall be borne by the CMGC and will be deducted from progress payments.

The performance of such emergency work under the direction of the SLDMWA shall not relieve the CMGC from any damages resulting from the emergency.

SECTION 5.22. RIGHT TO RETAIN IMPERFECT WORK.

If any portion of the work done or materials or equipment furnished under the Contract shall prove defective or not in accordance with the Contract, and a) if the defect in the work, materials, or equipment is not of sufficient magnitude or importance to make the work, materials, or equipment dangerous or undesirable, or b) if the removal of such work, materials, or equipment is impracticable or will create conditions which are dangerous or undesirable, then the SLDMWA shall have the right and authority to retain the work, materials, or equipment instead of requiring it to be removed and reconstructed or replaced. Progress payment deductions will be made as described in Section 8.09, "Deductions for Imperfect Work," of these General Conditions.

SECTION 5.23. REMOVAL OF REJECTED MATERIALS OR WORK.

The CMGC shall remove all rejected or condemned materials, equipment, or Work within two (2) Working Days of the SLDMWA's written directive, unless otherwise specified in the directive. No such rejected or condemned materials or equipment shall again be offered for use in the Work. The CMGC shall, at the CMGC's expense, bring into Contract compliance all rejected material, equipment, or Work in a manner acceptable to the SLDMWA.

The SLDMWA may bring into Contract compliance the rejected material or equipment if the CMGC fails to comply with this Section. All costs shall be borne by the CMGC and will be deducted from the Progress Payment.

SECTION 5.24. TEMPORARY SUSPENSION OR DELAY OF WORK.

The SLDMWA has the authority to suspend or delay the Work, wholly or in part, for any period the SLDMWA deems necessary. The CMGC shall immediately comply with the SLDMWA's written directive to suspend or delay the Work. The suspended or delayed work shall be resumed only when conditions are favorable or methods are corrected, as ordered or approved in writing by the SLDMWA. Public safety and convenience must be maintained throughout the suspension or delay.

Delays due to suspension of work shall be classified as Inexcusable or Excusable Delays in accordance with Section 7.12, "Delays," of these General Conditions. Such suspension shall not relieve the CMGC of the CMGC's responsibilities as described in the Contract.

SECTION 5.25. TERMINATION.

SECTION 5.25A. Reasons for Termination.

The SLDMWA reserves the right to terminate the Contract, any Task, the CMGC's right to proceed, and/or the CMGC's control over the Work or any Task for any of the reasons listed below.

SECTION 5.25A.1. Termination for Convenience.

The SLDMWA may at any time and for any reason terminate the Contract or the CMGC's performance of the Work or any Contract Task, in whole or in part, for the SLDMWA's convenience by written notice to the CMGC. Upon receipt of such notice, the CMGC shall, unless the notice directs otherwise, immediately discontinue its work and the placing of orders for materials and supplies in connection therewith, and shall, if requested, make every reasonable effort to cancel all existing orders or contracts upon terms satisfactory to the SLDMWA, or, at the option of the SLDMWA, the SLDMWA shall have the right to assume those obligations directly, including all benefits to be derived therefrom. The CMGC hereby assigns to the SLDMWA all of its interest in said orders and/or contracts, and the assignment of said orders and/or contracts shall be effective upon notice of acceptance by the SLDMWA in writing, and only as to those orders and/or contracts which the SLDMWA designates in writing. Following receipt of notice of termination for convenience, the CMGC shall thereafter do only such work as may be necessary to preserve and protect portions of its work already in progress and to protect materials and equipment on or in transit to the Project.

Upon such termination, the CMGC shall be entitled to payment as follows: 1) the CMGC's unpaid Contract price for the Task completed in accordance with the Contract, but in no event to exceed the amount of the GMP allocable to the portion of the Task completed in conformity with the Contract; plus 2) previously unpaid costs of materials delivered to the Site or which have been ordered that the SLDMWA elects to accept, without markup; plus 3) reasonable costs of terminating subcontracts and material supply contracts, including without limitation reasonable restocking fees; plus 4) reasonable costs of securing the Site upon termination; plus 5) reasonable demobilization costs. The costs referred to in this Section shall be calculated and documented as required for a change order. The CMGC shall not be entitled to any claim for lost profits or unrecovered overhead as a consequence of the termination for convenience.

If the Contract or any Task or the CMGC's control over the Work is terminated for cause and if it is later determined that the termination for cause was wrongful, such termination for cause automatically shall be converted to and treated as a termination for convenience. In such event, the CMGC shall be entitled to receive only the amount payable under this Section, and the CMGC specifically waives any claim for any other amounts or damages, including any claim for consequential damages or lost profits.

SECTION 5.25A.2. Termination for Cause.

The SLDMWA may terminate the Contract or any Task or the CMGC's control over the Work and so notify the CMGC's sureties for the following causes:

- The CMGC is adjudged bankrupt or makes an assignment for the benefit of the CMGC's creditors, or if a receiver is appointed because of the CMGC's insolvency.
- The SLDMWA has made a determination that the CMGC will be unable to complete the Work or any Task on or before the completion date as adjusted by Change Order, or the CMGC has not completed the Work or any Task on or before the completion date as adjusted by Change Order.
- The CMGC abandons the Work.
- The Work or any portion is sublet or assigned without the SLDMWA's consent.
- The rate of progress is not in accordance with the Contract.

- Any portion of the Work is unnecessarily delayed.
- The CMGC willfully violates any terms or conditions of the Contract.
- The CMGC does not supply sufficient materials or properly skilled and staffed labor.
- The CMGC fails to promptly pay its Subcontractors.
- The CMGC disregards laws, ordinances, or orders of the SLDMWA or other government agency with authority over the Work.
- The CMGC fails to correct defective work in response to defective work notices.
- The CMGC fails to comply with written directives.

SECTION 5.25B. Termination After Contract Time.

In addition to any other rights it may have, the SLDMWA may terminate the Contract or any Task or the CMGC's right to proceed at any time after the expiration of the Contract Time attributable to any Task(s), as adjusted by Change Order. Upon such termination, in addition to the CMGC's other obligations under the Contract, the CMGC shall not be entitled to receive any compensation after such termination until the Work is completed, and the CMGC shall be liable to the SLDMWA for liquidated damages for all periods of time from the expiration of the Contract Time attributable to any Task(s), as adjusted by Change Order, until the date of Completion, as well as for all losses incurred by the SLDMWA in completing the Work, as set forth in Section 5.25D of these General Conditions.

SECTION 5.25C. Notice of Termination; SLDMWA Completion.

If grounds exist to terminate under Sections 5.25A.2 or 5.25B above, then the SLDMWA may issue to the CMGC and its sureties a Notice of Default and Intent to Terminate the Contract or the CMGC's Control Over the Work for Cause ("Notice"). The Notice shall state the grounds for default that exist and demand that CMGC cure the grounds, or make satisfactory arrangement for cure of the grounds, within ten (10) days of the date of the Notice, or else the SLDMWA will terminate the Contract or the CMGC's control over the Work.

If the CMGC fails to cure the grounds, or make satisfactory arrangement for cure of the grounds, stated in the Notice within ten (10) days of the date of the Notice, the SLDMWA may give written Notice of Termination for Cause to the CMGC and the CMGC's sureties that the Contract, or a portion of the Contract, has been terminated and/or that the CMGC's control over the Work, or a portion of the Work, has been terminated for the reasons stated in the Notice of Termination. The Notice of Termination shall also demand that CMGC's surety take over and perform the Work through Completion. The CMGC's surety shall then have the right to take over and perform the Work through Completion. The SLDMWA may take over the Work through Completion at the CMGC's and surety's expense if the surety does not commence performance within thirty (30) Calendar Days from the date of mailing the Notice of Termination or if immediate resumption of the Work is necessary to avoid significant additional cost.

If the SLDMWA is forced to take over the Work, it may prosecute the same to completion by day labor, by contract or by any other method it may deem advisable, for the account and at the expense of the CMGC and its sureties, and the CMGC and its sureties shall be liable to the SLDMWA for any excess costs, including management, supervision, and design support, occasioned thereby. In such event, the SLDMWA may, without liability, take possession of and utilize in completing the Work, the CMGC's materials whether stored at the Site or elsewhere, that are necessary for completion. The SLDMWA may also take possession of and use all or any part of the CMGC's tools, equipment, and appliances on the premises to complete the Work. The SLDMWA assumes the responsibility for returning such equipment in as good condition as when it was taken over, reasonable wear and tear excepted. The items shall be returned to the CMGC when the Work is complete or sooner, at the SLDMWA's discretion. The SLDMWA agrees to pay a reasonable amount for the use of such tools and equipment.

The CMGC hereby assigns to the SLDMWA all of its interest in orders and/or contracts existing at the time of termination. The assignment of said orders and/or contracts shall be effective upon notice of acceptance by the SLDMWA in writing, and only as to those orders and/or contracts which the SLDMWA designates in writing.

Whenever the Contract or the CMGC's control over the Work is terminated for cause, the CMGC and its sureties and shall be liable to the SLDMWA for liquidated damages for all periods of time from the expiration of the Contract Time, as adjusted by Change Order, until the date of Completion, as well as for all losses incurred by the SLDMWA in completing the Work, as set forth in Section 5.25D of these General Conditions.

Immediately upon receipt of a Notice of Termination for Cause or for Convenience, except as otherwise directed in writing by the SLDMWA, the CMGC shall:

1. Stop work under the Contract on the date and to the extent specified in the Notice of Termination.
2. Place no further orders or subcontracts for materials, services, or facilities except as necessary to complete the portion of the Work that is not terminated.
3. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination.
4. Assign to the SLDMWA, in the manner, at the times, and to the extent directed by the SLDMWA, all of the rights, titles, and interests of the CMGC under the orders and subcontracts so terminated. The SLDMWA shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
5. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts with the approval or ratification of the SLDMWA. The SLDMWA's approval or ratification shall be final.
6. Transfer title to the SLDMWA, and deliver in the manner, at the times, and to the extent directed by the SLDMWA, fabricated or unfabricated parts, work in process, completed work, supplies, other material produced as a part of, or acquired in connection with, the terminated work, and the completed or partially completed drawings, information, and other property that, if the Contract had been completed, would have been submitted to the SLDMWA.
7. Sell, in the manner, at the times, to the extent, and at the price that the SLDMWA directs or authorizes, any property of the types referred to in Item 6 of this Section (Section 5.25C). The CMGC is not required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed and at a price approved by the SLDMWA. The proceeds of any such transfer or disposition shall be used to reduce any payments made to the CMGC under the Contract or be credited to the cost of the work covered by the Contract or paid as the SLDMWA directs.
8. Complete performance of the Work not terminated by the Notice of Termination.
9. Take necessary action, or as the SLDMWA directs, to protect and preserve the property related to the Contract in which the SLDMWA has an interest.

SECTION 5.25D. Payments to CMGC Upon Termination for Cause.

In the event of a termination for cause, the CMGC is not entitled to receive any portion of the amount to be paid under the Contract until it is fully completed. After completion, if the unpaid balance exceeds the sum of the amount expended by the SLDMWA in finishing the work, plus all damages sustained or to be sustained by the SLDMWA, including, without limitation, legal expenses, the SLDMWA forces, administration, and management, direct and indirect, plus liquidated damages, plus any unpaid claims on account of labor, materials, tools, equipment, or supplies contracted for by the CMGC for the Work, provided that sworn statements of said claims shall have been filed as required by Article 9, "Changes and Claims," of these General Conditions, the excess not otherwise required by the Contract Documents to be retained shall be paid to the CMGC. If the sum so expended to complete, plus the SLDMWA's damages as described herein, plus liquidated damages, plus unpaid claims as described herein exceeds the unpaid balance of the Contract Sum, the CMGC and the CMGC's surety are liable to the SLDMWA for the amount of such excess.

SECTION 5.25E. Completion Not a Waiver of SLDMWA Rights.

No act by the SLDMWA before the Work is finally accepted shall operate as a waiver or stop the SLDMWA from acting upon any subsequent event, occurrence, or failure by the CMGC to fulfill the terms and conditions of the

Contract. The rights of the SLDMWA pursuant to this Section 5.25 and all of its subsections are in addition to all other rights of the SLDMWA pursuant to the Contract, and at law or in equity.

SECTION 5.25F. Survival of Obligations.

No termination of this Contract or of the CMGC's control over the Work shall excuse or otherwise relieve the CMGC of its responsibilities under the Contract with respect to any Work performed prior to the date of termination, including, without limitation, its obligation to perform the Work in a good and workmanlike manner, free of defects, and in accordance with the Contract, its warranty obligations with respect to the Work, and its obligation to make all payments due. All of the CMGC's responsibilities under the Contract with respect to the Work performed prior to the date of termination shall survive any termination.

SECTION 5.26. TERMINATION OF UNSATISFACTORY SUBCONTRACTS.

When any portion of the Work subcontracted by the CMGC is not prosecuted in a satisfactory manner, the CMGC shall immediately terminate the subcontract upon written notice from the SLDMWA. The Subcontractor shall not again be employed for any portion of the Project on which the Subcontractor's performance was unsatisfactory. Substitution of a new Subcontractor shall be accomplished in accordance with California Public Contract Code sections 4100 *et seq.*, and at the CMGC's expense.

ARTICLE 6. LEGAL RELATIONS AND RESPONSIBILITIES

SECTION 6.01. COMPLIANCE WITH LAWS AND REGULATIONS.

The CMGC shall be familiar and comply with all Federal, State, and local laws, ordinances, codes, and regulations which in any manner affect the Work, those engaged or employed in the Work, or the material or equipment used in or upon the Work, or in any way affect the conduct of the Work. No pleas of misunderstanding of such laws, ordinances, codes, or regulations or of ignorance of the same on the part of the CMGC shall modify the provisions of the Contract. The CMGC and the CMGC's surety shall indemnify, defend, and save harmless the SLDMWA and the SLDMWA's officers, officials, agents, employees, volunteers, members, affiliates, and their duly authorized representatives against any claim for liability arising from, or based upon, the violation of any such law, ordinance, regulation, decree, or order, whether by the CMGC or by the CMGC's employees, Subcontractors, or suppliers.

The attention of the CMGC is directed to certain laws that affect the Contract. The listing of these laws in this Article is not to be construed as a listing of all applicable laws. The CMGC is solely responsible for familiarity and compliance with all applicable laws.

See also Special Provisions.

SECTION 6.02. WAGES, HOURS AND EQUAL OPPORTUNITY

See also Special Provisions regarding compliance with the Davis-Bacon Act. In accordance with the Davis-Bacon Act, CMGC must pay the required wages not less than once per week.

SECTION 6.02A. Hours of Labor.

Eight (8) hours of labor shall constitute a legal day's work and the CMGC or any Subcontractor under the CMGC, in the execution of the Contract, shall not require more than eight (8) hours of labor in any Calendar Day, and forty (40) hours of labor in any calendar week, from any person employed by the CMGC in the performance of the Work under the Contract, except as permitted under the provisions of California Labor Code Sections 1810 through 1815. The CMGC shall forfeit, as penalty to the SLDMWA, the amount specified in Labor Code section 1813 for each worker employed by the CMGC or any Subcontractor under the CMGC in the execution of the Contract for each Calendar Day during which any worker is required or permitted to labor more than eight (8) hours and for each calendar week during which any worker is required or permitted to labor more than forty (40) hours in violation of the provisions of Labor Code Sections 1810 to 1815.

Overtime shall be paid at the rate of not less than one and one half (1 1/2) times the basic rate of pay, or at such higher rate as may be required by the DIR, applicable statutes, or collective bargaining agreements.

The SLDMWA reserves the right to approve or disapprove the days scheduled for work, and the hours during which work is in progress. Overtime and shift work may be established by the CMGC with reasonable notice and the written permission of the SLDMWA. No work other than overtime and shift work shall be done between the hours of 6:00 p.m. and 7:00 a.m., except such work as is necessary for the proper care and protection of the work already performed, in case of an emergency, or as approved in writing by the SLDMWA. Failure of the CMGC to perform the work in accordance with this policy shall be deemed to be a failure on the CMGC's part to comply with the Contract and is cause for termination.

SECTION 6.02B. Prevailing Wage.

Pursuant to Labor Code Section 1772, workers employed by CMGCs or Subcontractors in the execution of any contract for public work are deemed to be employed upon public work as defined in Labor Code Sections 1720 through 1725. Therefore, the CMGC and all Subcontractors on the Project shall pay not less than the prevailing rate of per diem wages, including, but not limited to, overtime, Saturday, Sunday, and holiday work, travel and subsistence, as determined by the Director of the DIR pursuant to Labor Code Section 1773. If the Special Provisions make this Contract subject to Federal Davis-Bacon Act requirements (40 U.S.C. sections 3141-3148, as supplemented by 20 C.F.R. Part 5), then, in any conflict between the Davis-Bacon Act and the provisions in this Section 6, the higher requirements will apply. Copies of such prevailing rate of per diem wages are available upon request at the office of the SLDMWA at 15990 Kelso Road, Byron, CA 94514 or on the Internet at <http://www.dir.ca.gov/OPRL/PWD> or, in the case of Davis Bacon, at www.wdol.gov/dba.aspx.

The CMGC shall obtain and post copies of these prevailing wage rates in a prominent place at the job site, in accordance with the regulations of the DIR.

The responsibility to check prevailing wage rates is the CMGC's. Pursuant to Labor Code Section 1773.4 the CMGC may file with the Director of DIR or the Chief of the Division of Labor Standards Enforcement ("DLSE") a petition to review a determination of any rate or rates made by the Director of DIR. The CMGC may also petition the Director of DIR to make a determination for a particular craft, classification, or type of work not covered by a general determination. Pending the review or determination, the wages may be assumed to be those in the applicable collective bargaining agreement, but no adjustment in the Bid or Contract Sum shall be made if such assumption is incorrect.

The wage rates determined by the Director of the California DIR refer to expiration dates. Prevailing wage determinations with a single asterisk (*) after the expiration date that are in effect on the date of establishing the GMP for any Task remain in effect for the duration of the Project. Prevailing wage determinations with double asterisks (**) after the expiration date indicate that the basic hourly wage rate, overtime and holiday wage rates, and employer payments to be paid for work performed after this date have been determined. If work extends past this date, the new rate shall be paid and should be incorporated in contracts entered into for the Project. The CMGC should contact the DIR as indicated in the prevailing wage determinations to obtain predetermined wage changes. All determinations that do not have double asterisks (**) after the expiration date remain in effect for the duration of the Project.

The CMGC agrees that in the event of underpayment of wages to any employee on the Project, whether by the CMGC or any Subcontractor, the SLDMWA may retain from payments due to the CMGC an amount sufficient to pay such worker the difference between the wages required to be paid by the DIR and the wages actually paid such worker for the total number of hours worked. The SLDMWA may disburse such retention to such employees.

For each worker paid less than the applicable prevailing wages for any work done under this Contract by the CMGC or any Subcontractor, the CMGC shall forfeit to the SLDMWA as a penalty the sum determined by the Labor Commissioner in accordance with the considerations set forth in Labor Code Section 1775, over and above any retention or withholds otherwise authorized by the Contract. If a worker employed by a Subcontractor is paid less than the prevailing wages by the Subcontractor, the CMGC is not subject to this penalty assessment if the CMGC can demonstrate that it did not have knowledge of that failure of the Subcontractor to pay the prevailing wages and that it strictly complied with the requirements of Labor Code Section 1775(b). In addition to applicable penalties, the CMGC or Subcontractor shall pay each worker the difference between the prevailing wage and the amount paid for every hour the worker was paid less than the prevailing wage.

SECTION 6.02C. Payroll Records.

CMGC shall comply with Labor Code Section 1776. Regulations implementing Section 1776 are located in Section 16000 and Sections 16401 through 16403 of Title 8, California Code of Regulations. The CMGC shall be responsible for compliance by all Subcontractors on the Project.

The CMGC and Subcontractors shall keep accurate payroll records, showing the name, address, Social Security number, work classification, dates of payroll period, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the CMGC and by each Subcontractor in connection with the Work. Such records shall be certified under penalty of perjury that the information contained in the payroll record is true and correct and that the employer has complied with the requirements of Labor Code sections 1771, 1811, and 1815 for any work performed by its employees, and shall be available for inspection at all reasonable hours at the principal offices of the CMGC and Subcontractors in a manner set forth in Labor Code Sections 1776 and 1812.

Upon a written request, the CMGC and Subcontractors shall file a certified copy of the records enumerated above with the SLDMWA no later than ten (10) Days after receipt of the written request. The CMGC shall be held responsible for all Subcontractors' compliance with this requirement.

Failure to submit timely, complete certified payrolls shall subject the CMGC and/or Subcontractor to the penalties specified in subdivision (h) of Labor Code section 1776, which penalties may be deducted from progress payments to the CMGC.

The CMGC shall not carry on its payrolls any person not actually employed by the CMGC, nor shall it carry on its payroll employees of a Subcontractor. The CMGC shall show on its payrolls all persons actually employed by the CMGC on the Project, in any capacity. The CMGC shall supervise all Subcontractors to ensure that all Subcontractors comply with this Section.

In accordance with Government Code Section 8546.7, or any amendments thereto, all books, records, and files of the CMGC, or any Subcontractor connected with the performance of this Contract, shall be subject to examination and audit by the California State Auditor and/or by the United States Department of Labor. CMGC shall preserve and cause to be preserved such books, records and files for a period of three (3) years after final payment unless additional time is requested by the California State Auditor or the United States Department of Labor.

SECTION 6.02D. Additional Requirements for Labor Compliance.

The CMGC shall comply with all applicable and current requirements of the DIR and the DLSE, including without limitation the following additional requirements, and shall cause all Subcontractors on the Project, whether under contract with the CMGC or under contract with any Subcontractor, to comply.

The records kept by the Contactor and all Subcontractors of the hours and wages of all employees employed on Project also shall be open at all times for inspection by the DIR and DLSE, in accordance with Sections 1776 and 1812 of the Labor Code. Such records shall be furnished electronically to the Labor Commissioner of the DIR monthly, unless more frequent submission is required herein, and shall be furnished within 10 days of any separate request by the DIR or DLSE. Payroll records shall be furnished in a format prescribed by the DIR and uploaded into the electronic certified payroll reporting (eCPR) system.

On a random basis and at such other times as it deems appropriate, the DIR also may confirm the accuracy of payroll reports, including by corroboration of information in payroll reports through independent sources, including without limitation worker interviews, examination of any time and pay records found within the definition of "Payroll Records" in section 16000 of Title 8 of the California Code of Regulations, direct verification of "Employer Payments" (as defined at section 16000 of Title 8 of the California Code of Regulations) through third-party recipients of those payments, or any other legal and reasonable method of corroboration. As part of its confirmation process, the DIR may require the CMGC and any of its Subcontractors to furnish for inspection itemized statements prepared in accordance with Labor Code Section 226. The DIR may conduct random confirmation based on a recognized statistical sampling of the records submitted.

The DIR may conduct in-person inspection(s) at the site or sites at which the Work of the Project is being performed ("On-Site Visits"). On-Site Visits may include visual inspection of required job site notices, including but not limited to (1) the determination(s) of the Director of DIR of the prevailing wage rate of per diem wages required to be posted at each job site in compliance with Labor Code Section 1773.2; (2) the Notice of pay days and time and place of payment required by Labor Code Section 207; and (3) any other notices prescribed by law. On-Site Visits may also include inspections of records, inspections of the work site and observation of work activities, interviews of workers and others involved with the Project, and any other activities deemed necessary by the DIR to ensure compliance with prevailing wage requirements. In accordance with Labor Code Section 90, the Labor Commissioner and his deputies and agents shall have free access to any construction site or other place of labor and may obtain any information or statistics pertaining to the lawful duties of the Labor Commissioner, including but not limited to evidence of compliance with Labor Code Section 226 (itemized wage statements for employees) and any other laws enforced by the Labor Commissioner.

In accordance with Section 16463 of Title 8 of the California Code of Regulations ("8 CCR Section 16463"), the SLDMWA may, on its own or if required by the Labor Commissioner, withhold funds due to the CMGC when payroll records are delinquent or inadequate. The amount withheld shall be those payments due or estimated to be due to the CMGC or Subcontractor whose payroll records are delinquent or inadequate, plus any additional amount that the

Labor Commissioner has reasonable cause to believe may be needed to cover a back wage and penalty assessment against the CMGC or Subcontractor whose payroll records are delinquent or inadequate. The CMGC shall cease all payments to a Subcontractor whose payroll records are delinquent or inadequate until the Labor Commissioner provides notice that the Subcontractor has cured the delinquency or deficiency. When payments are withheld under 8 CCR Section 16463, the Labor Commissioner will provide the CMGC and Subcontractor, if applicable, with immediate written notice that includes all of the following: (1) a statement that payments are being withheld due to delinquent or inadequate payroll records, and that identifies what records are missing or states why records that have been submitted are deemed inadequate; (2) specifies what amounts the SLDMWA has been directed to withhold; and (3) informs the CMGC or Subcontractor of the right to request an expedited hearing to review the withholding of payments under Labor Code Section 1742, limited to the issue of whether the records are delinquent or inadequate or the Labor Commissioner has exceeded his or her authority under 8 CCR Section 16463. Where the violation is by a Subcontractor, the CMGC shall be notified of the nature of the violation and reference shall be made to CMGC's rights to withhold or recover payments from the Subcontractor under Labor Code Section 1729. The withholdings under 8 CCR Section 16463 do not preclude assessment of penalties under Labor Code Section 1776(g) for failure to timely comply with a written request for certified payroll records, as set forth above.

SECTION 6.02D. Nondiscrimination.

The CMGC shall comply with Section 1735 of the Labor Code, which provides as follows:

A CMGC shall not discriminate in the employment of persons upon public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code. Every CMGC for public works who violates this section is subject to all the penalties imposed for a violation of this chapter.

SECTION 6.02E. Apprentices.

Attention is directed to the provisions of Sections 1777.5, 1777.6, and 1777.7 of the Labor Code concerning the employment of apprentices by the CMGC or any Subcontractor.

The CMGC and all Subcontractors shall comply with the requirements of Section 1777.5 and Section 1777.6 in the employment of apprentices. Violation of these requirements shall subject the CMGC and/or Subcontractor to the penalties set forth in Section 1777.7 of the Labor Code and/or otherwise provided by law or Contract.

Information relative to apprentice standards, wage schedules, and other requirements may be obtained from the Director of DIR, *ex officio* the Administrator of Apprenticeship, San Francisco, California, or from the Division of Apprenticeship Standards and its branch offices and/or on the OPRL website at www.dir.ca.gov/OPRL/PWD. Apprentices employed on the Project must at all times work with or be under the direct supervision of one or more journeypersons.

SECTION 6.02F. Workers' Compensation.

Pursuant to Labor Code Section 1860, in accordance with the provisions of Section 3700 of the Labor Code, the CMGC is required to secure the payment of compensation to its employees.

SECTION 6.02G. Fair Labor Standards.

The CMGC shall comply with the Fair Labor Standards Act of 1938 as amended (29U.S.C. 3201 et seq.) as applicable.

SECTION 6.02H. Reporting Requirements and Sanctions.

Failure to provide specific information, records, reports, certifications, or any other documents required for compliance with the Contract will be considered noncompliance. At a minimum, documents required include:

1. List of Subcontractors

A list is required from the CMGC of all Subcontractors, including all lower tier Subcontractors, who are or will be performing work on the Project. This list is due prior to authorization to proceed with each Task.

2. Certified Payroll Reports

Certified Payroll Reports are required to be maintained by the CMGC and each Subcontractor, regardless of the subcontract amount or the type of procurement, for every payroll period in which work is performed, in accordance with Section 6.02C above. These reports are due to the SLDMWA no later than ten (10) Days after receipt of a request.

3. Fringe Benefit Statement

A Fringe Benefit Statement is required from the CMGC and each Subcontractor if fringe benefits are paid to an approved plan, fund, or program. The statement is due to the SLDMWA within ten (10) Days of a request and shall include the statement applicable to the first certified payroll report and any time the fringe benefit amounts change. The statement is not required if the fringe benefits are paid in cash to the employees.

4. Other Documentation

When required by the Special Provisions, other reporting documentation may be required depending on the source of funding for the project.

If the CMGC fails to comply with the provisions of this Section, the CMGC will be advised of the specific deficiencies and requested to make immediate corrections. The CMGC will also be advised that monetary deductions will be made for failure to effect corrections or delinquencies.

If the CMGC fails to correct a deficiency in the reporting requirements within fifteen (15) Days after notification, a deduction may be made. In such cases, the deduction will be ten percent (10%) of the estimated value of the work done during the month, except that the deduction will not exceed ten thousand dollars (\$10,000), nor be less than one thousand dollars (\$1,000), and will be deducted from the next progress payment.

Deductions for non-compliance will be in addition to all other deductions provided for in the Contract and will apply irrespective of the number of instances of noncompliance. Deductions will be made separately and cumulatively for each estimate period in which a new deficiency appears. When all deficiencies for a period have been corrected, the deduction covering that period will be released on the next progress payment. Otherwise, the deduction will be retained.

SECTION 6.03. SUBCONTRACTING.

The CMGC shall comply with all requirements of the Subletting and Subcontracting Fair Practices Act, Chapter 4 of Part 1 of Division 2 of the Public Contract Code, commencing with Section 4100, forbidding bid shopping and bid peddling, requiring accurate listing of all Subcontractors, and requiring Subcontractors to be licensed. The CMGC shall not, without the written consent of the SLDMWA: (a) substitute any party as Subcontractor in place of the Subcontractor designated in connection with the approval of the GMP; (b) permit any such subcontract to be assigned or transferred; or (c) allow the subcontracted work to be performed by anyone other than the original Subcontractor listed on the bid, including the CMGC itself. Consent for substitution or subletting shall only be given pursuant to Section 4107 of the Public Contract Code. Should the CMGC violate any of the provisions of this Section, the violation shall be deemed a breach of this Contract and the SLDMWA shall have all remedies provided by California law, including but not limited to those provided in Public Contract Code Section 4110, allowing termination of the Contract or a penalty assessment of ten percent (10%) of the subcontract amount.

SECTION 6.04. USE OF PESTICIDES.

The CMGC shall comply with all rules and regulations that govern the use of pesticides required in the performance of the Work, including any certifications that may be required for purchase, use, storage, or application.

Pesticides include, but are not limited to, herbicides, insecticides, fungicides, rodenticides, germicides, nematocides, bactericides, inhibitors, fumigants, defoliants, desiccants, soil sterilants, and repellants.

Any substance or mixture of substances intended for preventing, repelling, mitigating, or destroying weeds, insects, diseases, rodents, or nematodes, and any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant, shall be considered a pesticide.

SECTION 6.05. OCCUPATIONAL SAFETY AND HEALTH.

The CMGC must comply with all applicable provisions of the California Occupational Safety and Health Act (Labor Code Sections 6300 et seq.). The foregoing includes, but is not limited to, all applicable Title 8 Safety Orders issued by the State of California Occupational Safety and Health Administration (Cal/OSHA). Failure of the SLDMWA to suspend the work or notify the CMGC of the inadequacy of the safety precautions or non-compliance with existing laws and regulations shall not relieve the CMGC of this responsibility.

SECTION 6.06. INDEMNIFICATION.

SECTION 6.06A. CMGC's Performance.

To the fullest extent permitted by law, the CMGC shall indemnify, defend with counsel acceptable to the SLDMWA, and hold harmless the SLDMWA, its officers, officials, employees, agents, and volunteers from and against any and all losses, claims, demands, damages, costs, expenses, attorney's fees, or liability of every nature arising out of or in any way connected with the performance or attempted performance of the provisions of this Contract, caused in whole or in part by any negligent or willful act or omission of the CMGC, its officers, employees, or agents, or anyone directly or indirectly acting on behalf of the CMGC, regardless of whether caused in part by a party indemnified hereunder. Nothing contained in the foregoing indemnity provisions shall be construed to require the CMGC to indemnify the indemnified party in contravention of Section 2782 of the Civil Code for the active or sole negligence or willful misconduct of that indemnified party.

To the fullest extent permitted by law, the CMGC's duty to defend shall extend, without limitation, to any suit or action founded upon any losses, claims, demands, damages, costs, expenses, attorney's fees, or liability of every nature arising out of or in any way connected with the performance or attempted performance of the provisions hereof, or in any way arising out of or connected with this Contract.

The defense and indemnity obligations expressly extend to and include any and all claims, demands, damages, costs, expenses, or liability occasioned as a result of damages to adjacent property caused by the conduct of the Work.

The defense and indemnity obligations expressly extend to and include any and all claims, demands, damages, costs, expenses, or liability occasioned as a result of the violation by the CMGC, the CMGC's agents, employees, or independent contractors, Subcontractors, or suppliers of any provisions of federal, State, or local law, including applicable administrative regulations.

The defense and indemnity obligations also expressly extend to and include any claims, demands, damages, costs, expenses, or liability occasioned by injury to or death of any person, or any property damage to property owned by any person while on or about the site or as a result of the Work, whether such persons are on or about the site by right or not, whenever the Work is alleged to have been a contributing cause in any degree whatsoever.

In claims against any person or entity herein indemnified that are made by an employee of the CMGC or an employee of any of the CMGC's agents, independent contractors, Subcontractors, or suppliers, a person indirectly employed by the CMGC or by any of the CMGC's agents, independent contractors, Subcontractors, or suppliers, or anyone for whose acts the CMGC or any of the CMGC's agents, independent contractors, Subcontractors, or suppliers may be liable, the defense and/or indemnification obligation herein shall not be limited by any limitation on amount or type of damages, compensation, or benefits payable by or for the CMGC or the CMGC's agents, independent contractors, Subcontractors, or suppliers under workers' compensation acts, disability acts, or other employee benefit acts.

The defense and indemnification obligations herein shall not be limited by any assertion or finding that the person or entity indemnified is liable by reason of a non-delegable duty.

The defense and indemnities set forth herein shall not be limited by the insurance requirements, including without limitation the amount of insurance required, set forth in the Contract.

The defense and indemnification requirements herein set forth shall extend to claims occurring after this Contract is terminated as well as while it is in force.

SECTION 6.06B. Indemnification of Adjacent Property Owners.

In the event the CMGC enters into any agreement with the owners of any adjacent property to enter upon or adjacent to such property for the purpose of performing this Contract, the CMGC shall fully indemnify, defend, and save harmless such person, firm, corporation, or State or other governmental agency which owns or has any interest in the adjacent property. The form and content of the indemnification agreement shall be approved by the SLDMWA prior to commencement of any work on or about such property. The CMGC also shall indemnify the SLDMWA and other indemnities identified in Section 6.06A as provided in the Contract. These provisions shall be in addition to any other requirements of the owners of adjacent property.

SECTION 6.07. CMGC'S LEGAL ADDRESS; WRITTEN NOTICE.

The CMGC's address stated in the Agreement is designated as places that samples, notices, letters, or other articles or communications to the CMGC may be mailed or delivered. Written notice may be accomplished by personal delivery, United States mail, overnight mail, delivery receipt email, or any other form of commercially accepted communication. The written notice shall become effective upon delivery. Delivery is complete when the notice is hand delivered; one business day after mailing by overnight mail (unless a signature on a delivery receipt reflects a different date, in which case the delivery date shall control); five business days after mailing by U.S. Mail; or upon actual email delivery during normal business hours, or on the following business day if delivered outside of normal business hours, as evidenced by a delivery receipt.

The address may be changed at any time by written notice from the CMGC to the SLDMWA. Nothing herein shall be deemed to preclude or render inoperative the service of any drawing, sample, notice, letter, or other article or communication to the CMGC at a specified address sent prior to the time any change is communicated to the SLDMWA.

SECTION 6.08. CMGC NOT AN AGENT OF SLDMWA.

The CMGC shall be an independent contractor and not an employee, agent, or other representative of the SLDMWA. Nothing in the Contract shall be construed to create any relationship of joint venture, partnership, or any other association of any nature whatsoever between the SLDMWA and the CMGC other than that of owner and independent contractor.

The SLDMWA shall have the right to direct the CMGC as provided in the Contract. The aforementioned right of supervision shall not reduce or abrogate the CMGC's liability of all damage or injury to persons, public property, or private property that may arise directly or indirectly from the CMGC's execution of the Work.

SECTION 6.09. ASSIGNMENT OF CONTRACT.

The Contract or the performance of the Contract may be assigned by the CMGC, but only upon written consent of the SLDMWA and the CMGC's surety, unless the surety has waived its right of notice of assignment. Award of the Contract constitutes written consent by the SLDMWA to all subcontracting identified in the CMGC's Bid. No such assignment or subcontracting shall be permitted that would relieve the CMGC or the CMGC's surety of their responsibilities under the Contract.

SECTION 6.10. ASSIGNMENT OF MONIES.

The CMGC may assign monies due the CMGC under the Contract, and such assignment will be recognized by the SLDMWA, if given proper written notice, to the extent permitted by law. Any assignment of monies shall be subject to all deductions provided for in the Contract. All money withheld may be used by the SLDMWA for the completion of the Work if the CMGC defaults.

SECTION 6.11. PROTECTION OF SLDMWA AGAINST PATENT CLAIMS.

The CMGC shall assume all costs arising from the use of patented materials, equipment, devices, and processes on or incorporated in the Work and shall indemnify and hold harmless the SLDMWA and the SLDMWA's officers, officials, agents, employees, volunteers, members, affiliates, and their duly authorized representatives from all actions for, or on account of, the use of any patented materials, equipment, devices, or processes in the construction of, or subsequent operation of, the Work. Before final payment, if requested by the SLDMWA, the CMGC shall furnish

acceptable proof of a proper release from all costs or claims arising from the use of patented materials, equipment, devices, or processes used on or incorporated in the Work.

SECTION 6.12. RIGHTS AND REMEDIES.

The duties and obligations of the CMGC imposed by the Contract Documents and the rights and remedies of the SLDMWA available thereunder shall be in addition to, and not a limitation of, any duties, obligations, rights, and remedies otherwise imposed or available by law.

The failure of the SLDMWA, the SLDMWA Representative, the Project Inspector, or the Engineer to insist in any one or more instances upon the strict performance of any one or more of the provisions of this Contract, or to exercise any right herein contained or provided by law, shall not be construed as a waiver or relinquishment of the performance of such provision or right(s) or of the right to subsequently demand such strict performance or exercise such right(s) and the rights shall continue unchanged and remain in full force and effect.

The CMGC agrees that it can be adequately compensated by money damages for any breach of this Contract which may be committed by the SLDMWA and hereby agrees that no default, act or omission of the SLDMWA, the SLDMWA Representative, the Project Inspector, or the Engineer, shall constitute a material breach of the Contract entitling the CMGC to cancel or rescind the provisions of the Contract or to suspend or abandon performance of all or any part of the Work. The CMGC hereby waives any and all rights and remedies to which it might otherwise be or become entitled, saving only its right to money damages.

SECTION 6.13. UNENFORCEABILITY OF ANY CLAUSE.

If any clause or provision of the Contract Documents is held to be unenforceable or invalid, then that provision of the Contract shall be stricken and the remaining portion shall remain in full force and effect.

SECTION 6.14. RESPONSIBILITY OF THE CMGC.

The CMGC shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, procedures, and coordination of all portions of the Work under the Contract, unless otherwise provided in the Contract.

The Work shall be under the CMGC's responsible care and charge until completion and final acceptance, and the CMGC shall bear the entire risk of injury, loss, or damage to any part by any cause. The CMGC shall rebuild, repair, restore, and make good all injuries, losses or damage to any portion of the Work, equipment, or the materials occasioned by any cause, and shall bear the entire expense, *except that*, if the CMGC's liability for "Acts of God" is limited in accordance with Public Contract Code section 7105 and insurance covering such causes is not required, then CMGC's liability for damages arising from such Acts of God shall be limited to five percent (5%) of the Contract Sum.

In no case shall the CMGC's use of Subcontractors in any way alter the position of the CMGC or the CMGC's sureties with relation to the Contract. When a Subcontractor is used, the responsibility for every portion of the Work shall remain with the CMGC. No Subcontractor will be recognized as having a direct contractual relationship with the SLDMWA. All persons engaged in the Work under the Contract will be considered as employees of the CMGC and their work shall be subject to all the provisions of the Contract. The SLDMWA will deal only with the CMGC who is responsible for the proper execution of the Work. The CMGC shall pay when due all valid claims of Subcontractors, suppliers, and workmen with respect to the Work.

The mention herein of any specific duty or responsibility imposed upon the CMGC shall not be construed as a limitation or restriction of any other responsibility or duty imposed upon the CMGC by the Contract, said reference being made herein merely for the purpose of explaining the specific duty or responsibility.

The CMGC shall do all of the work and furnish all labor, materials, tools, equipment, and appliances, except as otherwise herein expressly stipulated, necessary, or proper for performing and completing the Work herein required, including any change order work or disputed work directed by the SLDMWA in conformity with the true meaning and intent of the Plans, Specifications, and all provisions of the Contract, within the time specified.

If the CMGC discovers any discrepancies during the course of the Work between the Plans and conditions in the field, or any errors or omissions in the Plans and conditions in the field, or any errors or omissions in the Plans, the Specifications, or in the layout given by stakes, points, or instructions, it shall be the CMGC's duty to inform the SLDMWA immediately, and the SLDMWA shall promptly verify the same. Any work done after such discovery, until authorized by the SLDMWA, will be done at the CMGC's risk.

SECTION 6.15. CMGC'S LICENSE.

The CMGC shall comply, and requires all Subcontractors to comply, with Chapter 9 of Division 3 of the Business & Professions Code.

SECTION 6.16. PERMITS AND LICENSES.

Except as set forth in the Contract Documents, the CMGC shall, at the CMGC's sole expense, obtain all necessary permits and licenses for the construction of the Work, give all necessary notices, pay all fees required by law, and comply with all laws, ordinances, rules and regulations relating to the Work and to the preservation of the public health and safety. The CMGC shall also procure all permits and licenses necessary for the normal conduct of the CMGC's business and construction operations.

The California Environmental Quality Act of 1970 (CEQA) may be applicable to permits, licenses, and other authorizations that the CMGC shall obtain from local agencies in connection with performing the Work. The CMGC shall comply with the provisions of CEQA in obtaining such permits, licenses, and other authorizations, which will be obtained in time to prevent delays to the Work. The CMGC shall also comply with all mitigation measures identified in the Special and/or Technical Provisions.

SECTION 6.17. SAFETY REQUIREMENTS.

SECTION 6.17A. Ensuring Safety; Compliance With Safety & Health Regulations.

Safety is a prime consideration in all SLDMWA contracts. The CMGC shall conform to all applicable occupational safety and health standards, rules, regulations, and orders established by the State of California or Federal Government and shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work, for maintaining all safety and health conditions on the site, and for ensuring against and/or correcting any hazardous conditions on the site. The CMGC shall at all times, until final acceptance and payment hereunder, maintain adequate protection against (1) injury to persons, including employees, inspectors, and all other persons who may enter the site, and (2) damage to property, on or near the Project, or adjacent to the site. In no case shall the SLDMWA or any of its agents, officials, officers, employees, independent contractors, or representatives have either direct or indirect responsibility for the means, methods, techniques, sequences, or procedures utilized by the CMGC, or for safety precautions and programs in connection with the Work, or for maintaining any safety or health conditions on the site, or for ensuring against or correcting any hazardous conditions on the site. The SLDMWA or any of its agents, employees or independent contractors may call to the attention of the CMGC any safety, health, or hazardous conditions at the site but, by doing so, they do not assume any liability or responsibility for remediation or correction of the condition, which liability and responsibility lie solely with the CMGC.

The CMGC shall designate a responsible member of its organization at the site whose duty shall be the prevention of accidents and overall jobsite safety for CMGCs/Subcontractors, employees, and visitors and who shall have the authority to make decisions regarding safety and health concerns on the project and to direct the CMGC's personnel to abate any hazard identified by the SLDMWA. This person shall be the CMGC's superintendent unless otherwise designated by the CMGC in writing to the SLDMWA.

The CMGC shall submit to the SLDMWA a written safety program in accordance with Specification Section 01-35-20 and shall submit to the SLDMWA all updates and revisions thereto for review. The CMGC is required to fulfill the requirements of its safety program during the prosecution of the work.

SECTION 6.17B. 24-Hour Contact Information.

The CMGC shall have on record with the SLDMWA twenty-four (24) hour emergency contact telephone numbers for 1) the CMGC's representative who has the authority to make decisions and the ability to respond to an emergency at

the Project at any time and 2) the CMGC's safety representative. If the CMGC's representative and the safety representative are the same person, then the CMGC shall designate a second, back-up emergency contact and provide telephone contact information for that person.

SECTION 6.17C. Protection and Repair of Work.

The CMGC shall protect the SLDMWA's structures, facilities, equipment, tools, materials, and any other property on or adjacent to the site against damage, loss, or theft by providing adequate security measures for its work. The CMGC shall, until final payment hereunder, maintain protection of all of its work and work performed by others under this Contract from damage, loss, defacement, or vandalism. The CMGC shall provide protection of completed work which may be subject to damage as a result of the CMGC's failure to perform as scheduled.

The CMGC shall repair or replace any damage and remove any damaged or defaced material and/or equipment from the Site at no cost to the SLDMWA.

SECTION 6.17D. Protection of Workers.

The CMGC shall take every precaution for the safety of all employees and others on the Work, and to comply with all applicable provisions of federal, state and local safety laws and building codes to prevent accidents or injury to persons on, about, or adjacent to the premises where the Work is being performed.

The CMGC shall erect and properly maintain at all times, as required by the conditions and progress of the Work, all necessary safeguards for the protection of workers and the public, and shall post danger signs warning against hazards created by construction including, but not limited to, protruding nails or reinforcing steel, hod hoists, elevator hatchways, scaffolding, window openings, stairways, and falling materials.

The CMGC shall immediately replace or repair any unsafe ladder, scaffolding, shoring, or bracing, and correct any other dangerous or hazardous situation that may exist.

SECTION 6.17E. Working Limits and Regulations.

The CMGC shall confine its apparatus, storage and materials, and construction operations within the limits established by the SLDMWA and shall not unreasonably encumber the site or adjacent areas with its materials and/or equipment.

The CMGC shall enforce any instructions from the SLDMWA regarding fires, placement of signs, danger signals, barricades, radios, noise, and smoking.

SECTION 6.17F. Protection of Existing Improvements and Property.

The CMGC shall take all necessary precautions to protect all existing improvements, facilities, and property from any damage resulting from the operations, equipment, or workers of the CMGC during the course of the construction, and CMGC shall be strictly liable for failure to adequately protect any existing improvements and/or facilities. Trees and shrubbery that are to remain, pole lines, fences, signs, survey markers and monuments, buildings and structures, conduits, under- or above-ground pipelines, and any other improvements and facilities shall be protected from injury or damage. If ordered by the SLDMWA, the CMGC shall provide and install suitable safeguards to protect such objects from injury or damage.

The CMGC shall take all necessary precautions to protect existing facilities against the effects of the elements, and CMGC shall be strictly liable for failure to adequately protect any facility.

The CMGC shall clean the portions of existing improvements and facilities which are used by, traversed, or dirtied by the workers on the Work, normal maintenance due to use by SLDMWA employees or the public excepted.

All improvements, facilities, or property injured or damaged by reason of the CMGC's operations, shall be replaced, repaired, and restored to their original condition without additional cost to the SLDMWA and without an extension of the Contract Time.

SECTION 6.17G. Traffic Signals and Traffic Control.

Existing signs, lights, traffic signals, control boxes, hydrants, meters, and other similar items occurring within the street or sidewalk areas shall be kept free of obstructions and accessible at all times. All such items shall be protected from the CMGC's operations and shall not be obliterated or obscured by its equipment or materials.

Should it be necessary to cover up, move, or alter such items, this shall be done only with permission of the authorities having jurisdiction over the items involved.

Should it be necessary to block a street or sidewalk, the CMGC shall first notify the SLDMWA and the police and fire departments and other agencies with jurisdiction, and shall comply with their instructions, including scheduling limitations.

SECTION 6.17H. Security of the Site.

The CMGC's attention is directed to Specifications Section 01 14 19 regarding requirements for fencing the site, gates, and screening.

SECTION 6.17(I). Removal of Barricades.

Upon completion of the work, the CMGC shall remove from the site all materials used for barricades, temporary scaffolding, or any other temporary uses.

SECTION 6.17J. Protection of Adjacent Property; Notices.

In addition to any requirements imposed by law, the CMGC shall shore up, brace, underpin, and protect as may be necessary all foundations and other parts of all existing structures on the site or adjacent to the site which are in any way affected by the excavations or other operations connected with the completion of the Work.

Prior to commencing any work which in any way affects adjoining or adjacent land or buildings thereon, or public utilities, the CMGC shall notify the SLDMWA, who will send the occupants thereof a notice that specifies the type of work to be done, the schedule of the work, the impacts expected from the work, and the protective measures being taken by the CMGC. The notice shall also specify that any person receiving notice who has questions regarding it may contact the SLDMWA.

Whenever any notice is required to be given to any adjoining or adjacent landowner, utility, governmental agency, or other party before commencement of any work, the notice shall be given by the CMGC at least seven days in advance of the work, or longer if required by law or regulation, with a copy delivered to the SLDMWA.

The CMGC shall, at the written instruction of the SLDMWA, meet with any recipient of such notice to explain and discuss the proposed work.

SECTION 6.17K. Work on Private Property.

The CMGC must obtain written permission from the owner of any privately-owned property prior to beginning any work, storing materials, or otherwise conducting any operations on said property. The written approval from the property owner must be on file with the SLDMWA before any operations will be permitted on said property.

SECTION 6.17L. Fire Protection.

The CMGC shall take all steps necessary to protect all structures from fires and sparks originating from the Work, shall comply with all laws and regulations regarding fire protection, and shall comply with all instructions of the fire department with jurisdiction.

The CMGC shall notify the SLDMWA and the fire department in writing at least 72 hours prior to disconnection of either water or electrical service to the Project site, and shall comply with the fire department's instructions regarding fire safety.

The CMGC must keep the fire and intrusion detection systems operational throughout the duration and scope of its work.

SECTION 6.17M. Repairs or Replacement.

Any damage to existing conditions, or to any other improvement or property above or below the surface of the ground, whether private or public, arising from performance of this Contract shall be repaired within 48 hours by the CMGC, without expense to the SLDMWA, unless disruption of SLDMWA operations or creation of a safety hazard has occurred, in which case damage will be corrected immediately.

If, in the opinion of the Engineer, the best interest of the SLDMWA requires that repairs be made prior to the execution of any further work, the SLDMWA will so notify the CMGC who shall delay or discontinue that part of the Work until the necessary repair has been made. Such delay shall be considered non-compensable, and no extension of the Contract Time will be granted therefore.

Upon the failure of the CMGC to comply with any such order, or upon the CMGC's failure to make immediate emergency repairs which are necessary to protect the Work, the SLDMWA may do that work itself as is necessary to protect life and property, in its sole discretion, and deduct the total cost of such work from the next progress payment. No prior notice to the CMGC shall be necessary for the SLDMWA to take this action.

SECTION 6.17N. Emergency Safety Actions.

In an emergency affecting the safety of life or property, including adjoining property, the CMGC, without previous instructions or authorizations from the SLDMWA, is authorized and shall act at its discretion and risk to prevent such threatened loss or injury, and the CMGC shall bear all costs of that action. The CMGC shall immediately notify the SLDMWA, and thereafter shall comply with any instructions issued by the SLDMWA.

SECTION 6.17(O). Work During Hours of Darkness.

Working areas utilized by the CMGC during the hours of darkness shall be illuminated to conform to the minimum illumination intensities established by Cal-OSHA, Construction Safety Orders, and the Traffic Control Plans (TCP).

SECTION 6.18. CONFINED SPACES.**SECTION 6.18A. CMGC Responsibilities and Qualifications.**

When working in a confined space, the CMGC shall comply with all confined space requirements of Title 8, General Industry Safety Orders (Cal-OSHA), Article 108, Sections 5156 through 5159.

Prior to any confined space entry, the CMGC shall submit for SLDMWA review:

1. The CMGC's procedures for confined space operations.
2. Copies of all documents and certificates that qualify the CMGC to safely perform work in permit-required confined spaces. The CMGC shall also submit all applicable Material Safety Data Sheets (MSDS) and hazard information on chemicals, products, materials, or procedures.
3. Sufficient documentation and evidence that a permit-required confined space entry can be made in accordance with Article 108. Documentation shall include, but not be limited to the following:
 - Equipment availability, suitability, and integrity.
 - Personnel training.
 - Experience.
 - Supervision.
 - Safety.
 - Accident experience.
 - Permit-required confined space policy.
 - Hot work procedures (if applicable).

- Lock-out/tag-out procedures (if applicable).

The CMGC's submittal shall be made thirty (30) Calendar Days prior to any confined space entry.

The CMGC will not be allowed to make a permit-required confined space entry until the SLDMWA has reviewed the CMGC's qualifications and proposed methods.

The CMGC shall conform to the procedures established by the CMGC's submittal during all confined space operations. The CMGC shall provide all monitoring and safety equipment necessary to perform pre-entry checks of confined spaces. The CMGC shall also provide all monitoring, safety, and communications equipment required for confined space operations.

SECTION 6.18B. Existing Storm Sewers and Storm Drains.

Because of the potential danger of solvents, gasoline, and other hazardous material in existing sewers and storm drainpipes, these areas shall be treated as permit-required confined spaces unless it has been proven, through appropriate testing, that no hazards exist or are expected to develop.

SECTION 6.19. EXISTING UTILITIES.

SECTION 6.19A. General.

The CMGC shall coordinate and fully cooperate with the SLDMWA, utility owners, and governmental agencies for the location, relocation, and protection of utilities. The CMGC's attention is directed to the existence of utilities, underground and overhead, necessary for all buildings in the Work area. Before proceeding with trenching or other operations that may cause damage to existing utilities, CMGC shall, in accordance with Government Code Section 4216.2, arrange with utility owners for the location of existing utilities and shall arrange for the relocation of such facilities, if necessary, by the utility owner or the CMGC.

SECTION 6.19B. Maintenance and Protection.

Unless otherwise shown or specified in the Contract, the CMGC shall maintain in service all drainage, water, gas, sewer lines, power, lighting, telephone conduits, and any other surface or subsurface utility structure that may be affected by the Work. However, the CMGC, for convenience, may arrange with the SLDMWA to temporarily disconnect service lines or other facilities along the line of the Work. The cost of disconnecting and restoring such utilities shall be borne by the CMGC.

When connecting to existing utilities, CMGC shall expose all underground facilities that are to be connected to, or that might be affected by, the construction of the proposed improvements for verification of location and elevation prior to ordering materials.

Unless otherwise specified in the Contract Documents, the CMGC shall protect all existing utilities on all projects being constructed. The utility owner may elect to provide the necessary protective measures and bill the CMGC for the cost.

SECTION 6.19C. Exact Locations Unknown.

Where locations of existing utility facilities are shown on the Plans, they are approximate and represent the best information obtainable from utility maps and other information furnished by the various utility owners involved. The SLDMWA warrants neither the accuracy nor the extent of actual installations as shown on the Plans. There may be additional utilities on the property unknown to either party to the Contract. If, during the course of the Work, additional subsurface utilities are discovered, the SLDMWA may make adjustments to the Work. Compensation for such adjustments will be in accordance with Article 9, "Changes and Claims," of these General Conditions.

In accordance with Government Code Section 4215, the SLDMWA will compensate the CMGC for the costs of locating, repairing damage not due to the failure of the CMGC to exercise reasonable care, removing, relocating, or protecting existing main or trunk line utility facilities not indicated in the Plans and Specifications with reasonable accuracy, and for equipment on the Work necessarily idled during such work. In no event shall the SLDMWA be liable for any further or additional costs resulting directly or indirectly from any such occurrence.

Compensation will be in accordance with Article 9, "Changes and Claims," of these General Conditions. Nothing herein shall be deemed to require the SLDMWA to indicate the presence of existing utility services, laterals, or appurtenances whenever their presence can be inferred from other visible facilities such as buildings, meters, junction boxes, valves, service facilities, identification markings, and other indicators on or adjacent to the Work.

If the CMGC discovers utilities not identified in the Plans or Specifications, the CMGC shall immediately notify the SLDMWA and the utility owner by the most expeditious means available and later confirm in writing. If the completion of the Work is delayed by failure of the SLDMWA or the utility owner to remove, repair, or relocate the utility, such delay may be an excusable delay as defined and provided for in Section 7.12B, "Excusable Delays," of these General Conditions. Nothing herein shall preclude the SLDMWA from pursuing any appropriate remedy against the utility for delays that are the responsibility of the utility. The CMGC shall not be assessed liquidated damages for delay in completion of the Work for that portion of such delay as is caused by failure of the SLDMWA or the owner of a utility to provide for the removal or relocation of existing utilities.

SECTION 6.19D. Damage to Existing Utilities.

The CMGC shall notify the affected utility of any contact, scrape, dent, nick, or damage to their facility. Any operator or excavator who negligently violates Government Code Section 4215 is subject to a civil penalty in an amount not to exceed ten thousand dollars (\$10,000). Any operator or excavator who knowingly and willfully violates Government Code Section 4215 is subject to a civil penalty in an amount not to exceed fifty thousand dollars (\$50,000).

SECTION 6.20. EXCAVATION AND TRENCH SAFETY.

SECTION 6.20A. Permit.

The CMGC must obtain a permit from the Division of Industrial Relations per Labor Code Section 6500, as specified in California Code of Regulations, Title 8, Article 6, Section 1539 "Permits" of the Construction Safety Orders, for all excavations five feet (5') or deeper to which an employee is required to descend. The permit shall be kept at the construction site at all times.

SECTION 6.20B. Shoring, Bracing, Shielding, and Sheeting.

In accordance with Labor Code Section 6705, at least five (5) Working Days in advance of excavation of any trench or trenches five feet (5') or more in depth, with a total value of twenty-five thousand dollars (\$25,000) or more, the CMGC shall submit to the SLDMWA a detailed plan showing the design of shoring, bracing, sloping, or other provisions for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a California Licensed Professional Civil or Structural Engineer. A signed copy of the detailed plan shall be on the site at the time of the excavation. Nothing in this Section shall be deemed to allow the use of a shoring, sloping, or protective system less effective than that required by the Construction Safety Orders. Nothing in this Section shall be construed to impose tort liability on the SLDMWA or any of its employees. These systems must support the sides of the excavation and prevent soil movement that could cause injury to any person or structure. Any damage resulting from a lack of adequate shoring, bracing, shielding, or sheeting shall be repaired at the CMGC's expense.

The CMGC shall immediately replace or repair any unsafe ladder, scaffolding, shoring, or bracing, or correct any other dangerous or hazardous situation that exists.

A Competent Person, as defined in California Code of Regulations, Title 8, Construction Safety Orders, Section 1504, "Definitions," shall be on site at all times when the CMGC's employees are working within the trench. A "Competent Person" is one who is capable of identifying existing and predictable hazards in the surroundings, or working conditions which are unsanitary, hazardous, or dangerous to employees, and who has authorization to take prompt corrective measures to eliminate them.

The price bid for work that will require an excavation of five feet (5') or deeper (or less if conditions warrant) includes the cost of adequate sheeting, shoring, and bracing, or equivalent method conforming to applicable safety orders, unless a separate Bid Item for such work is included in the Bid.

SECTION 6.21. OVERLOADING.

The CMGC shall determine safe loading capacities and shall not overload any structure, equipment, pavement, or material beyond its safe capacity, or significantly deteriorate the preconstruction condition, during construction. In addition to assuming full responsibility for bodily injury resulting from any such overloading, the CMGC shall repair to the SLDMWA's satisfaction or reimburse the SLDMWA for the costs of repairing the damage.

SECTION 6.22. APPROVAL OF CMGC'S PLANS NO RELEASE FROM LIABILITY.

The review or approval by the SLDMWA of any submittal, working drawing or any method of work proposed by the CMGC shall not relieve the CMGC of any of the CMGC's responsibility for any errors and shall not be regarded as any assumption of risk or liability by the SLDMWA or any officer, official, agent, employee, member, volunteer, affiliate, or their duly authorized representatives. The CMGC shall have no claim under the Contract because of the failure or partial failure or inefficiency of any reviewed or approved plan or method. The SLDMWA review or approval means that the SLDMWA has no objection to the CMGC using the proposed plan or method at the CMGC's responsibility and risk.

SECTION 6.23. CMGC SHALL NOT MORTGAGE EQUIPMENT.

The CMGC shall not mortgage or otherwise convey the title of the plant, machinery, tools, appliances, supplies, or materials that may at any time be in use, or further required or useful, in the prosecution of the Work, without prior written consent of the SLDMWA.

SECTION 6.24. PROPERTY RIGHTS IN MATERIALS.

Nothing in the Contract shall be construed as vesting in the CMGC any right of property in the materials used after they have been installed, attached, or affixed to the Work, and on which partial payments have been made by the SLDMWA. All such materials shall be the property of the CMGC and the SLDMWA jointly as their interests may appear, and shall not be removed from the Work by the CMGC without the SLDMWA's consent.

SECTION 6.25. CONFLICT OF INTEREST.

No official of the SLDMWA who is authorized on behalf of the SLDMWA to negotiate, make, accept, or approve, any engineering, inspection, construction, or materials supply contract, or any subcontract in connection with the construction of the Project, or any land acquisition in connection with the Project, shall become directly or indirectly interested personally in this contract or in any part thereof.

No officer, employee, attorney, engineer, or inspector of or for the SLDMWA who is authorized on behalf of the SLDMWA to exercise any executive, supervisory, or other similar function in connection with the construction of the Project shall become directly or indirectly interested personally in this contract or any part thereof.

SECTION 6.26. NO AGREEMENTS.

No oral agreement or conversation with any officer, agent, or employee of the SLDMWA, either before, during, or after the execution of the Contract Documents, shall affect or modify any term or condition contained in the Contract Documents, nor shall such oral agreement or conversation entitle the CMGC to any additional payment or time to perform whatsoever under the terms of this agreement.

ARTICLE 7. PROSECUTION OF THE WORK

SECTION 7.01. BEGINNING OF WORK.

No work may take place prior to receipt of the prescribed bonds and insurance and executed Contract. A Notice to Proceed will be issued which will constitute authorization to begin work. The counting of Contract Time shall begin upon issuance of the Notice to Proceed or other date as specified in that notice.

SECTION 7.02. AMOUNT OF WORK UNDER CONSTRUCTION.

The CMGC shall not have more work under construction than can be undertaken properly with regard to the rights of the public and the safety and integrity of the Project.

SECTION 7.03. NOT USED.

SECTION 7.04. WORK TO BE UNDERTAKEN WITH ADEQUATE SUPERVISION, LABOR FORCE, EQUIPMENT AND METHODS.

The CMGC shall undertake the Work under the Contract with all materials, tools, machinery, apparatus, and labor necessary to complete the Work as described, shown, or reasonably implied under the Contract, or as directed by the SLDMWA, within the Contract Time.

If CMGC is not diligently proceeding with the prosecution of the Work as set forth in the construction schedule, CMGC shall, immediately and at no additional cost to SLDMWA, take all measures necessary to ensure completion within the Contract Time, including but not limited to increasing the number of employees, working overtime, working additional shifts or crews, and working Sundays, or holidays, subject to approval by the SLDMWA for any work outside normal working hours and other Contract requirements.

SECTION 7.04A. Superintendence.

The CMGC shall keep on the Work, throughout its progress, a competent superintendent who shall have complete authority to represent and act for the CMGC. Such superintendent shall be capable of reading and understanding the Contract, and shall receive and follow any instruction given by the SLDMWA.

Whenever the CMGC or the CMGC's superintendent is not present on a particular part of the Work where it may be desired to give direction, orders will be given by the SLDMWA and shall be received and obeyed by the foreman or other representative who may have charge of the particular work in reference to which the orders are given, or the SLDMWA may stop the work until the CMGC or the CMGC's superintendent arrives.

SECTION 7.04B. Labor.

Workers, laborers, or mechanics skilled in each class of work shall accomplish every part of the Work. The CMGC is responsible for the efficiency, safety, and adequacy of its labor force and those of all Subcontractors.

SECTION 7.04C. Equipment and Methods.

Only equipment and methods suitable to produce the quality required by the Contract will be permitted to operate on the Work. If any part of the CMGC's plant, equipment, or methods of executing the Work is unsafe, inefficient, or inadequate to ensure the required quality or rate of progress of the Work, the SLDMWA may order the CMGC to modify the CMGC's facilities or methods. The CMGC shall promptly comply with such orders at the CMGC's expense. However, neither compliance with such orders nor failure of the SLDMWA to issue such orders shall relieve the CMGC from the obligation to secure the degree of safety, the quality of the Work, and the rate of progress required by the Contract. The CMGC is responsible for the safety, adequacy, and efficiency of its plant, equipment, and methods.

SECTION 7.05. SCHEDULES.

The CMGC shall submit a baseline schedule and updated schedules in accordance with this Section 7.05, Section 5.10, “CMGC’s Submittals,” of these General Conditions, and Specifications Section 01 31 30, which shall illustrate the CMGC’s planned schedule for carrying out each Task of the Work and completing the Task within the Contract Time allotted to the Task. The CMGC’s updated schedules shall show the as-built schedule with actual start dates and completion dates for work completed.

All schedules must show completion by any milestone dates required in the Contract Documents and within the Contract Time.

CMGC expressly waives any early completion delay claim. CMGC has the right to try to complete the Work ahead of any milestone date and/or the scheduled Contract completion date, but, if CMGC is somehow delayed from doing so, CMGC may not base a claim for additional compensation on such delay.

CMGC acknowledges that a purpose of submitting reasonable, accurate and adequate schedules is to protect the SLDMWA and CMGC against unjustified delay and disruption claims or unjustified rejections of such claims. CMGC agrees to devote all resources necessary to provide scheduling services, as with any other item of Work on the project. CMGC agrees that its failure to submit reasonable, accurate and adequate schedules will bar claims by CMGC for additional compensation and/or time extensions based on the information contained in such a schedule, including but not limited to delay, disruption, or inefficiency claims.

The SLDMWA will review all schedules for conformance with the Contract. SLDMWA review and/or approval of a schedule does not relieve the CMGC of responsibility for the feasibility of the schedule or for accomplishing milestones and completion within Contract Time, nor does SLDMWA review and/or approval warrant or acknowledge the reasonableness of the schedule’s logic, durations, labor estimates, or equipment productivity. SLDMWA review and/or approval of a schedule does not indicate approval by the SLDMWA of the schedule, nor does it relieve CMGC of responsibility for any characteristics of the schedule that breach the Contract or that are unreasonable, inaccurate, inadequate, or deficient.

If no separate item is provided in the Bid Form for scheduling, the cost for preparing the baseline schedule and preparing updates and revisions of the baseline schedule shall be included in payments for mobilization. If no bid item for mobilization is included in the Bid Form, conformance with this provision is incidental to and included in the various bid items and no additional payment will be made. Updates and revisions of the schedules are included in the prices paid for other items of work.

Because the SLDMWA places a high value on project scheduling information as a management tool, the SLDMWA may deduct 10 percent (10%) of the monthly progress payment, but not more than twenty-five thousand dollars (\$25,000), for failure by CMGC to timely obtain approval of the baseline Contract schedule or to submit any monthly updated progress schedule with each monthly progress payment request. These deductions are cumulative, and may be made for every month that CMGC fails to provide the required information. If CMGC does not correct the deficiency by providing an updated schedule within ten (10) Days of submitting the monthly progress payment request, the deduction may become permanent via a deductive Change Order.

SECTION 7.05A. Baseline (Contract) Schedule.

Within ten (10) Days after receiving the Notice to Proceed for each Task, the CMGC shall submit a detailed proposed baseline schedule presenting an orderly and realistic plan for completion of the Task, in conformance with the requirements of the Specifications. The proposed baseline schedule shall be in electronic, native format and pdf.

The proposed baseline schedule shall be a time scaled critical path method (CPM) schedule and is subject to SLDMWA acceptance. The SLDMWA will review the proposed baseline schedule for conformance with the requirements of the Contract and, within twenty-one (21) Days after receipt, will approve the proposed baseline schedule or will return it with comments. If the proposed baseline schedule is not approved, CMGC shall revise the schedule to incorporate comments and resubmit the schedule for approval within seven (7) Days after receipt of comments. The approved baseline schedule shall become the Contract Schedule.

The Contract Schedule shall be the basis for evaluating job progress, payment requests, and time extension requests. The CMGC is responsible for developing the Contract Schedule and monitoring actual progress as compared to the schedule. Failure of the Contract Schedule to include any element of the Work or any inaccuracy in the Contract Schedule will not relieve CMGC from responsibility for accomplishing all the Work in accordance with the Contract. Approval of the Contract Schedule will not relieve the CMGC of the responsibility for accomplishing the Work in accordance with the Contract and the Contract Time.

SECTION 7.05B. Progress Schedules.

The CMGC shall submit to the SLDMWA each month with its payment application an electronic (native format and pdf) and hard copy up-to-date Progress Schedule with a narrative describing the general status of the Work and addressing any problem areas or delays, with impacts on critical path items of work highlighted. A corrective course of action shall also be included when problem areas or delays are encountered. The Progress Schedule shall be in the same software format and version as that used to create the Contract Schedule and comply with the requirements of Specifications Section 01 32 10. In addition, the Progress Schedules shall show:

1. The CMGC's estimated percentage complete and remaining duration for each activity not yet complete.
2. Actual start/finish dates for activities as appropriate.
3. Identification of processing errors, if any on the previous update reports.
4. Revisions, if any, to the assumed activity durations including revisions for weather impact for any activities due to the effect of the previous update on the schedule.
5. Identification of activities that are affected by requested or proposed changes to the Work.
6. Resolution of conflict between actual work progress and schedule logic. When out of sequence activities develop in the Contract Schedule because of actual construction progress, the CMGC shall submit revisions to schedule logic to conform to current status and direction.

The SLDMWA will review the updated schedule information and meet with the CMGC each month, unless the SLDMWA requests more frequent meetings, to determine the status of the Work. If agreement cannot be reached on any issue, the CMGC will use the SLDMWA's determination in the processing of the update.

Progress payments pursuant to the Contract will be based on the Progress Schedules.

SECTION 7.05C. Schedule Revisions.

If the sequence of construction differs significantly, as determined by the SLDMWA, from the Contract Schedule, the CMGC shall submit within fifteen (15) Calendar Days a revised schedule to the SLDMWA for approval.

When a requested or proposed change to the Work will have an impact on the critical path, the CMGC shall submit a Time Impact Analysis in accordance with Specifications Section 01 32 10 showing this impact. If the requested or proposed change is accepted by the SLDMWA, the Time Impact Analysis shall be incorporated into the Contract Schedule. Time extensions will be considered only to the extent there is insufficient remaining float to accommodate these changes, and pursuant to Sections 7.12, "Delays," and 7.18, "Extension of Time," of these General Conditions. No additional cost beyond that provided in Article 9, "Changes and Claims," of these General Conditions will be allowed for the incorporation of approved changes into the Contract Schedule.

Should the CMGC, after approval of the Contract Schedule, intend to change its plan of construction, it shall submit its requested revisions to the SLDMWA, along with a written statement of the revision, including a description of the logic for rescheduling the work, methods of maintaining adherence to Intermediate milestones and other specific dates and the reasons for the revisions. If the requested changes are acceptable to the SLDMWA, they will be incorporated into the Contract Schedule in the next reporting period.

The SLDMWA will have no less than seven (7) Calendar Days to review any proposed schedule revisions.

SECTION 7.05D. Short Interval Schedules.

The CMGC shall, if required by the SLDMWA, prepare Short Interval Schedules (SIS) throughout the duration of Work. The SIS shall include all current activities and projected activities for the succeeding two (2) weeks. The SIS shall include actual start/finish dates for the preceding one (1) week. The SIS shall be submitted to the SLDMWA prior to each progress construction meeting. The CMGC shall participate in short interval scheduling coordination during the progress construction meetings.

SECTION 7.05E. Float.

All float in any activity or in the overall Schedule is owned by the Project and, as such, is a resource available to both the SLDMWA and the CMGC. Neither the SLDMWA nor the CMGC owns the float time.

Unless otherwise provided herein, float is synonymous with total float and total float is the period of time measured by the number of Working or Calendar Days (as specified in the Contract) any non-critical path activity may be delayed before it and its succeeding activities become part of the critical path. If a non-critical path activity is delayed beyond its float period, then that activity becomes part of the critical path and controls the completion date of the Work. Thus, delay of a non-critical path activity beyond its float period will cause delay to the Contract itself.

Acceptance of any schedule based on less time than the maximum time allowed for accomplishment of milestones or Contract completion within Contract Time does not serve to contractually change any Contract duration, nor does it serve as a waiver of either the CMGC's or the SLDMWA's right to utilize the full amount of time specified in the Contract.

SECTION 7.05F. SLDMWA's Right to Revise the Schedule.

In the event of a delay to critical path work which is not the fault of the CMGC, the SLDMWA may elect to re-sequence work or otherwise modify the Contract Schedule in an attempt to minimize the effect of the delay. It shall be the responsibility of the CMGC to cooperate in this effort. It is not the SLDMWA's responsibility to ensure the CMGC the ability to use "optimal" crew size throughout the Project, and no adjustment of the Contract Sum will be made for minor variations in crew size or claimed loss of efficiency or disruption that result from schedule adjustments. However, overtime work or weekend work required by the SLDMWA to meet schedule objectives other than those of the CMGC will be reimbursed per the provisions of Article 9, "Changes and Claims," of these General Conditions, provided that the CMGC has not contributed to the delay which the SLDMWA is seeking to overcome and the CMGC was not otherwise intending to perform overtime or weekend work to complete the required Work, or any portion thereof, within the scheduled time. If the CMGC contends that a schedule adjustment will cause a significant disruption of its work sequence or ability to perform work efficiently, it shall notify the SLDMWA within forty-eight (48) hours of receipt of the adjustment. Failure to provide timely notice constitutes a waiver by the CMGC of any claim for compensation arising out of the schedule adjustment.

SECTION 7.05G. Responsibility for Completion.

The CMGC shall furnish sufficient manpower, materials, facilities and equipment and shall work sufficient hours, including night shifts, overtime operations, Sundays, and holidays (in accordance with Section 7.08) as may be necessary to insure the progression and completion of the Work in accordance with the Contract Time. If work on the critical path is behind the currently updated Progress Schedule and it becomes apparent that the Work will not be completed within the Contract Time, the CMGC will implement whatever steps it deems necessary to make up all lost time at no additional cost to the SLDMWA. If the CMGC's solution is not successful, it will make further attempts using the following sequence of events:

1. Reschedule activities to achieve maximum practical concurrence of accomplishment of activities.
2. If the above cannot be achieved then;
 - a. The CMGC shall increase manpower in such quantities and crafts as will substantially eliminate, in the judgment of the SLDMWA, the backlog of work; or increase the number of working hours, shifts per working day, working days per week or the amount of equipment or any combination of the foregoing sufficiently to substantially eliminate in the judgment of the SLDMWA the backlog of work.

- b. In addition, the SLDMWA may require the CMGC to submit a recovery schedule demonstrating its program and proposed plan to make up a lag in scheduled progress and to ensure completion of the Work within the Contract Time. If the SLDMWA finds the proposed recovery schedule unacceptable, it may require the CMGC to submit a new plan and may require the CMGC to address any of the actions set forth in the previous paragraph.

Failure of the CMGC to comply with the requirements of this Section 7.05G shall be considered grounds for a determination by the SLDMWA that the CMGC is failing to undertake the Work with such diligence as will ensure its completion within the time specified and will subject the CMGC to all rights and remedies of the SLDMWA under the Contract Documents.

SECTION 7.06. UNUSUAL SITE CONDITIONS.

The CMGC shall promptly upon discovery, and before the following conditions are disturbed, notify the SLDMWA, in writing, of any:

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

Upon receipt of notice from the CMGC, the SLDMWA shall promptly investigate the conditions. If it is determined that the conditions do materially so differ or do involve hazardous waste, and that the conditions cause a decrease or increase in the CMGC's cost of, or the time required for, performance of any part of the Work, then the SLDMWA shall issue a Change Order or Directive under the procedures described in the Contract Documents.

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

No contract adjustment which results in a benefit to the CMGC will be allowed unless the CMGC has provided the required written notice set forth in this Section 7.06.

No contract adjustment will be allowed under the provisions specified in this section for any effects caused on unchanged work.

No contract adjustment will be made if (a) the CMGC knew of the condition at the time of contracting, (b) the condition reasonably could have been discovered or revealed by any Site examination, investigation, exploration, test, or study expressly required by the Contract Documents to be performed by or for the CMGC before committing to price or time, or (c) the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, or study of the Contract Documents and/or Reference Documents prior to execution of the Contract.

SECTION 7.07. PURSUANCE OF WORK DURING INCLEMENT WEATHER.

During inclement or unsuitable weather or other unfavorable conditions, the CMGC shall pursue only such portions of the Work that will not be damaged by the weather or unfavorable conditions. When the weather or unfavorable conditions creates hazardous travel or working conditions, as determined by the SLDMWA, the CMGC may be directed to stop that portion of the Work, in accordance with Section 5.24, "Temporary Suspension or Delay of Work," of these General Conditions, until the weather clears or the conditions are no longer unfavorable. The CMGC must keep roads safe and inspect and maintain stormwater pollution prevention and erosion control devices during

inclement weather or unfavorable conditions. Lane and road closures may not be allowed if the SLDMWA determines that the traffic controls will create unnecessary risk to the traveling public, the CMGC, and/or SLDMWA employees.

SECTION 7.08. PEAK HOURS, HOURS OF DARKNESS, HOLIDAYS, AND WEEKENDS.

SECTION 7.08A. Allowable Times and Hours of Work.

Unless otherwise noted in the Contract Documents or approved by the SLDMWA, no work shall be done between the hours of 6 p.m. and 7 a.m., or Sundays, or Legal Holidays.

SECTION 7.08B. Off-Period Work.

A written request to work between 6 p.m. and 7 a.m. or on Sundays, or Legal Holidays must be submitted at least two (2) Working Days in advance of the intended work. The SLDMWA will evaluate the CMGC's request to determine if there is a benefit to the SLDMWA, a nuisance or a hazard to the public, the Project, or the area surrounding the site, and if the CMGC should pay any SLDMWA overtime costs related to the off-period work. The SLDMWA may place conditions on any approval of off-period work based on this analysis.

SECTION 7.08C. Emergency Repairs.

An emergency repair is a repair to the Work required as a result of an unforeseen event that poses a danger to the public or jeopardizes the integrity of the Work, whether completed or not. The CMGC may be allowed to work at night, on Sundays, or Legal Holidays for an emergency repair. The CMGC must notify the SLDMWA within one (1) hour of dispatch of the CMGC's repair crews, and give their names, an emergency contact number, the location of the emergency repair, and a tentative completion date and time. The CMGC shall notify the SLDMWA when the emergency repair is completed. If an extension of time is required, the CMGC must identify the requested time extension and rationale for the proposed extension. If an adjustment to the Contract Sum is required, the CMGC shall notify the SLDMWA of all proposed adjustments necessitated by the emergency and emergency repair.

SECTION 7.08D. Revocation of Permission For Off-Period Work.

The SLDMWA may revoke permission for off-period work if the CMGC endangers the public, an employee, or themselves by violating a safety and health regulation, or fails to maintain an adequate work force and equipment for reasonable prosecution and inspection of such work.

SECTION 7.08E. Working Shifts.

Two- or three-shift operations may be established as a regular procedure by the CMGC upon written permission from the SLDMWA. Such permission may be revoked if the CMGC fails to comply with applicable safety and health regulations, fails to provide for adequate inspection of the Work, or fails to provide sufficient means and equipment, including artificial light, to permit the Work to be carried out safely and appropriately and to permit proper inspection.

SECTION 7.09. TEMPORARY FACILITIES AND SERVICES.

Unless specified otherwise in the Contract Documents, the CMGC shall be responsible for providing and maintaining necessary material storage facilities, utilities, field offices, temporary roads, fences, security, etc. for prosecuting the Work.

SECTION 7.10. PROTECTION OF WORK, PERSONS AND PROPERTY.

The CMGC shall protect the Work, equipment and materials from damage until completion and acceptance of the Work. Neither the SLDMWA nor any of its agents assume any responsibility for collecting funds from any person or persons that damages the CMGC's work.

The CMGC shall store materials and equipment in accordance with manufacturer's recommendations and erect such temporary structures as required to protect them from damage. The CMGC shall furnish guards, fences, warning signs, walks, and lights, and shall take all other necessary precautions to prevent damage or injury to persons or property.

SECTION 7.11. PROOF OF COMPLIANCE WITH CONTRACT.

When requested by the SLDMWA, the CMGC shall submit properly authenticated proof of the CMGC's compliance with the Contract.

SECTION 7.12. DELAYS.

The CMGC shall provide notification to the SLDMWA for any delays, in accordance with Section 7.13, "Notice of Delays," of these General Conditions.

SECTION 7.12A. Inexcusable Delays.

The CMGC shall not receive any time extensions or additional monetary compensation for inexcusable delays. Inexcusable delays include, but are not limited to, the following:

1. Delays that affect only a portion of the Work but do not prevent or delay the prosecution of controlling items of work nor the completion of the whole Work within the Contract Time.
2. Delays associated with the reasonable interference of other CMGCs employed by the SLDMWA that do not necessarily prevent or delay the prosecution of controlling items of work or the completion of the whole Work within the Contract Time.
3. Delays associated with loss of time resulting from the necessity of submitting plans for SLDMWA approval or from SLDMWA surveys, measurements, inspections, and testing.
4. Delays that could have been avoided by the exercise of care, prudence, foresight, and diligence on the part of the CMGC or Subcontractors.

SECTION 7.12B. Excusable Delays.

The CMGC may be granted an extension of Contract Time for excusable delays, which are those that are determined to be beyond the control of the CMGC, impact a controlling item of work, could not be prevented by the exercise of care, prudence, foresight, and diligence, and only to the extent there is insufficient remaining float to accommodate the delay. These excusable delays may include SLDMWA acts, unusually severe weather or conditions resulting therefrom, Acts of God or of the public enemy, fire, epidemics, and labor strikes. Material shortages and delays in utility company relocations may be classified as excusable if the CMGC produces satisfactory evidence of acting in a timely manner.

The CMGC shall not receive any additional monetary compensation due to excusable delays unless the SLDMWA determines that the excusable delay resulted from an SLDMWA act, unusual site conditions as set forth in Section 7.06 of these General Conditions, or the discovery of archeological and cultural resources. The CMGC shall also not receive any additional monetary compensation due to excusable delays under the following circumstances:

1. The CMGC could have reasonably anticipated the delay and avoided the cost impacts of it.
2. When there are two (2) or more concurrent delays and at least one does not qualify for monetary compensation under Section 7.12.
3. The excusable delay does not affect controlling critical path tasks that would delay overall completion of the Work.

SECTION 7.13. NOTICE OF DELAYS.

The CMGC shall immediately notify the SLDMWA in writing delivered by personal delivery, or email, if the CMGC foresees any delay in the prosecution of the Work or if the CMGC learns of the occurrence of any excusable delay; but in no case shall the written notice be provided to the SLDMWA later than five (5) Working Days after the occurrence of the event that is the cause of the excusable delay. The CMGC shall describe in this notice the nature and cause of the delay and shall state the probability of the delay occurring (if foreseen ahead of time) so the SLDMWA may take steps to prevent the occurrence or continuance of the delay and may determine whether the delay is inexcusable or excusable, its duration, and its extent. Notification of delays in any other format than described herein, including, without limitation, in progress meetings and regardless of whether noted in the progress meeting minutes, is insufficient to constitute the required and proper notice.

In the event of a continuing delay, the CMGC is required to give only one notice.

The SLDMWA will assume that all delays were inexcusable unless the SLDMWA was notified as indicated above and through its investigation found them excusable. CMGC waives any and all claims for time extensions and/or monetary compensation based on delay if notice is not provided as described above. The CMGC acknowledges that SLDMWA has a strong interest in mitigation of delay impacts and in confirmation of the existence of delay; therefore, the CMGC agrees to submit these notices of delay and to waive claims if notice is not submitted as required.

SECTION 7.14. CARELESS DESTRUCTION OF STAKES AND MARKS NO CAUSE FOR DELAY.

If the CMGC or Subcontractors destroy stakes and marks causing a delay in the Work, the CMGC shall have no claim for damages or time extensions.

SECTION 7.15. TIME OF COMPLETION.

Time is of the essence on all SLDMWA contracts. The CMGC shall complete all of the Work called for under the Contract within the Contract Time.

SECTION 7.16. EXTENSION OF TIME NOT A WAIVER.

Time extensions granted for excusable delays or for the execution of extra or additional work shall not operate as a waiver of any of the SLDMWA's rights under the Contract.

SECTION 7.17. INCLEMENT WEATHER AND CONTRACT TIME.

The CMGC will be allowed a time extension if, in the opinion of the SLDMWA, inclement or unsuitable weather or its effects prevents working on the current critical path task at the beginning of the shift for at least five (5) consecutive hours, or for at least (5) hours during the shift. (A current critical path task or controlling operation is any feature of the Work (e.g., an operation or activity including settlement, curing periods, and submittal activities) that, if delayed or prolonged, will delay the time of completion of the Contract.)

SECTION 7.18. EXTENSION OF TIME.

Subject to the provisions of Section 7.12B, compliance with the required contractual notice provisions in Section 7.13, and subject to submission of a Time Impact Analysis in accordance with Specification Section 01 32 10 showing the impact on the critical path of the event giving rise to an excusable delay, the CMGC will be allowed a time extension to complete the Work equal to the sum of all excusable delays as determined in accordance with Section 7.12 to Section 7.17 of these General Conditions, plus any adjustments in Contract Time due to Change Orders as outlined in Section 9.11, "Time Extensions for Changes," of these General Conditions. During such time extension, the CMGC will not be charged for extra engineering and inspection or liquidated damages.

If the time extension is compensable, the Contract Sum will be adjusted as set forth in Section 9.09 of these General Conditions.

SECTION 7.19. SUBSTANTIAL COMPLETION.

When the CMGC considers the entire Work, or a specific Task, substantially complete, the CMGC shall certify in writing to the SLDMWA that the Work or Task is substantially complete and request that the SLDMWA grant substantial completion. Within five (5) Working Days, the SLDMWA and the CMGC shall inspect the Work of the Task to determine the status of completion. If the SLDMWA does not consider the Work ready for its intended use, the SLDMWA will notify the CMGC in writing, giving the SLDMWA's reasons. If the SLDMWA considers the Work ready for its intended use, the SLDMWA will grant Substantial Completion of the Task or the overall Work, and then the SLDMWA will provide a list of items to be completed or corrected (often referred to as a "deficiency list" or "punch list") before Final Acceptance and Final Payment. Immediately upon being provided a deficiency list, the CMGC shall proceed to correct or complete the items on the list.

Substantial Completion does not bar liquidated damages from being assessed and accruing. Liquidated and other damages may continue to accrue until Completion.

SECTION 7.20. CLEANING UP.

Throughout the construction period, the CMGC shall keep the site of the Work in a presentable condition, dispose of any surplus materials, keep roadways reasonably clear of dirt and debris, keep all sidewalk and other pedestrian areas clear of dirt, loose gravel, debris and any tripping hazards, clean out all drainage ditches and structures, and repair any fences or other property damaged during the progress of the Work, to the satisfaction of the SLDMWA.

The CMGC shall also keep the work site cleaned of all rubbish, excess material, and equipment. All portions of the work shall be left in a neat and orderly condition prior to requesting final inspection. The final inspection will not be made until final cleanup has been accomplished.

Construction and demolition debris may be properly disposed of by the CMGC using self-haul equipment to deliver the debris to an approved disposal site.

SECTION 7.21. FINAL INSPECTION AND FIELD ACCEPTANCE.

The CMGC shall notify the SLDMWA in writing when it believes that it has corrected all items on the deficiency (punch) list and has achieved Completion of the Task, and the SLDMWA shall promptly inspect the Work. The CMGC or the CMGC's representative shall be present at the final inspection for each Task. The CMGC will be notified in writing of any further defects or deficiencies and the CMGC shall proceed to correct such defects or deficiencies within ten (10) Calendar Days. When again notified that the CMGC has achieved Completion of the Task, the SLDMWA will again inspect the Work to ascertain that the corrections are in accordance with the Contract and Completion of the Task has occurred. The SLDMWA may delay additional inspections if the SLDMWA has reason to believe that the CMGC is not making a good faith effort to correct deficiencies. The Engineer will recommend acceptance of the Task to the SLDMWA if it finds all the corrections acceptable and Completion of the Task has occurred, including without limitation submittal of all close-out documents; otherwise, the Engineer shall continue to withhold field acceptance of the work until all deficiencies on the deficiency (punch) list are corrected and Completion of the Task is achieved.

SECTION 7.22. FINAL ACCEPTANCE AND NOTICE OF COMPLETION.

Upon Completion of all Tasks of the Work, including but not limited to acceptance of O&M manuals, Record Drawings, test reports, the Guarantee Form, and any other close-out documents required by the Contract Documents, the Engineer will recommend to the SLDMWA that it accept the Contract as complete. Upon acceptance by the SLDMWA, a Notice of Completion may be recorded with the County Recorder within fifteen (15) Calendar Days. Acceptance by the SLDMWA shall cause the commencement of warranty periods. Acceptance shall not relieve the CMGC from the responsibility of completing or correcting any work, nor from the responsibility to correct any patent or latent defects in the Work.

SECTION 7.23. WARRANTY WORK.

Should any defects or deficiency in material, equipment, or workmanship, such as faulty materials, poor workmanship, defective equipment, or any other reason that can be attributed to CMGC's performance, become apparent during the warranty period, the SLDMWA shall notify CMGC in writing of the defect before expiration of the warranty period. If so notified, CMGC has a duty to immediately correct, or immediately and satisfactorily commit to correct, the defect or deficiency to meet the Contract requirements at CMGC's sole expense. This duty to correct does not expire for any reason, including but not limited to expiration of the warranty period. A new warranty period, equivalent to the original warranty period, will apply to all corrected deficiencies.

The SLDMWA is hereby authorized to make such needed repairs if the CMGC fails to undertake, with due diligence, the needed repairs within ten (10) Calendar Days after the CMGC is given written notice of such failure and without notice to the surety; and the CMGC shall pay the entire costs for the SLDMWA's work. However, in case of an emergency where, in the opinion of the SLDMWA, delay would cause serious loss or damages or a serious hazard to the public, the SLDMWA may immediately make repairs or take other action without prior notice to the CMGC or surety; and the CMGC shall pay the entire costs for the SLDMWA's work.

ARTICLE 8. MEASUREMENT AND PAYMENT

SECTION 8.01. BASIS AND MEASUREMENT OF PAYMENT QUANTITIES.

It is the CMGC's responsibility to measure and/or compute the quantities of work completed, subject to verification by the SLDMWA, under the terms of the Contract. In computing quantities, the length, area, solid contents, number, weight, or time as specified in the Contract or the Schedule of Values shall be used.

SECTION 8.01A. Unit Price Tasks.

Payment for all work contracted at a price per unit of measurement will be based upon the actual quantities of work as measured upon completion. The SLDMWA does not express or imply that the actual amount of work or materials will correspond to any estimated quantities. The CMGC shall make no claim nor receive any compensation for anticipated profits, loss of profit, damages, or any extra payment due to any difference between the amount of work actually completed, or materials or equipment furnished, and the estimated quantities. See also Section 9.13, "Contract Change Order", of these General Conditions.

SECTION 8.01B. Lump Sum Tasks.

Progress Payments will be based on the Schedule of Values prepared by the CMGC and approved by the SLDMWA prior to acceptance of the first progress payment request (see Section 8.05, "Progress Payment Procedures," below). If requested by the SLDMWA, the CMGC shall furnish full copies of subcontracts showing actual costs. The Schedule of Values shall be consistent with the baseline progress schedule prepared by the CMGC pursuant to Section 7.05B, "Progress Schedules," of these General Conditions.

SECTION 8.01C. Payment for Mobilization.

Mobilization shall consist of preparatory work and operations, including, but not limited to, those necessary for the movement of personnel, equipment, supplies, and incidentals to the site; for the establishment of all offices, buildings, and other facilities necessary for the Work; and for all other work and operations which must be performed, or costs incurred, prior to beginning the Work.

Payment for mobilization will be as follows:

1. Mobilization Not a Pay Item

When the Contract does not include a separate pay item for mobilization, full compensation for mobilization will be included in the Contract lump sum price or in the prices paid for the various items of work in a unit price contract, and no additional compensation will be paid.

2. Mobilization a Pay Item

When the Contract or accepted Schedule of Values includes a separate item for mobilization, payment for mobilization will include full compensation for the furnishing of all labor, materials, tools, equipment, administrative costs, and incidentals for mobilization. The SLDMWA will pay no greater than five percent (5%) of the Contract Sum as a separate pay item for mobilization. In the event the CMGC submits a mobilization pay item greater than five percent (5%) of the Contract Sum, the SLDMWA will pay any excess mobilization amount with the final progress payment.

Absent SLDMWA approval, the SLDMWA will not pay additional mobilization compensation for work under a Change Order.

Payment for mobilization shall be subject to retention per Section 8.07, "Retention," of these General Conditions.

SECTION 8.01D. Payment for Close-Out Documents.

Close-out documents shall consist of O&M manuals, Record Drawings, test reports, the Guarantee Form, conditional waivers and releases on final payment in the form prescribed by Civil Code section 8136 from CMGC and all Subcontractors and suppliers for final unpaid amounts, unconditional waivers and releases on progress payment in the form prescribed by Civil Code section 8134 from CMGC and all Subcontractors and suppliers for all work through the prior progress payment, and any other close-out documents required by the Contract Documents.

The Schedule of Values shall include an item for close-out documents of not less than five percent (5%) of the Contract Sum. Payment for close-out documents shall not be due until all required close-out documents have been submitted, absent SLDMWA approval.

SECTION 8.02. SCOPE OF PAYMENT.

SECTION 8.02A. General.

Compensation under the terms of the Contract shall be full payment for the Work, including loss or damage arising from the nature of the Work, action of the elements, or unforeseen difficulties encountered during the prosecution of the Work and until its final acceptance; and all risks connected with the prosecution of the Work.

SECTION 8.02B. Unit Price Task.

Progress payments will be made based upon the unit price bid and measured quantities for work completed, plus work completed on approved Change Orders. For compensation for alterations in quantities of work, including deviations greater than twenty-five percent (25%), see Section 9.97B, "Payment for Changes – Unit Prices," in these General Conditions.

SECTION 8.02C. Lump Sum Task.

Progress payments will be based upon the approved Schedule of Values for work completed, plus work completed on approved Change Orders.

SECTION 8.02D. Allowances.

Allowances may be included for materials and/or work that may be added during the course of the Contract. The Allowance may be used in whole, in part, or not at all as determined by the SLDMWA. Whenever costs of the Work included in the Allowance item are more or less than the specified Allowance amount, the Contract Sum will be adjusted accordingly by Contract Change Order. The CMGC shall make no claim nor receive any compensation for anticipated profits, loss of profit, damages, or any extra payment due to any difference between the amount of work actually completed, or materials or equipment furnished, and the estimated quantities for the Allowance stated in the Solicitation Documents.

SECTION 8.02E. Payment for Material Not Incorporated in the Work.

No Progress payments will be made for materials and equipment not incorporated in the Work, unless specifically set forth in the Contract Documents or authorized by the SLDMWA.

SECTION 8.03. WORK TO BE DONE WITHOUT DIRECT PAYMENT.

Compensation for any portion of the Work not specifically identified in the Bid Form or Schedule of Values is understood to be included in the price for other items, unless specified in the Contract Documents as extra work. No additional compensation is allowed for additional shifts or premium pay necessary to ensure that the Work is completed within the time limits specified in the Contract.

SECTION 8.04. PAYMENT FOR USE OF COMPLETED PORTIONS OF WORK.

If the SLDMWA occupies or uses a portion of the Contract work under Section 4.12, "Use of Completed Portions," of these General Conditions, before it accepts Completion of the Work, the CMGC will only be compensated in accordance with this Article 8. No final payment shall occur for a limited portion of the work.

SECTION 8.05. PROGRESS PAYMENT PROCEDURES.

No progress payment will be made when, in the judgment of the SLDMWA, the Work is not proceeding in accordance with the provisions of the Contract or when the total work done since the last progress payment amounts to less than one thousand dollars (\$1,000). Unless otherwise agreed to at the preconstruction meeting or identified in the Contract Documents, the CMGC shall submit in writing monthly for SLDMWA review an estimate of the total amount and value of work done, including that done under approved Change Orders, and the acceptable materials furnished and incorporated in the work completed through the last day of the previous pay period. The Bid Form or Schedule of Values shall be used to prepare a progress payment request for the items, or portions of items, of the Work completed during the monthly progress period.

Any progress payment request must be accompanied by (1) an updated Progress Schedule that complies with the Contract; (2) record drawing update confirmations; (3) a conditional lien release in the form prescribed by law warranting that title to all work, labor, materials, and equipment covered by the request is free and clear of all liens, claims, security interests, and encumbrances; and (4) unconditional lien releases for all work through the prior progress payment. If CMGC fails to submit these documents with the progress payment request, then SLDMWA, in its sole discretion, may withhold part of the progress payment or reject the progress payment request with an explanation in writing of the reason. CMGC may resubmit the progress payment request with the required documents. SLDMWA has no obligation to process the progress payment request or make a progress payment if CMGC fails to provide these required documents.

If the required documents are submitted with the progress payment request, then the SLDMWA shall review any progress payment request submitted by CMGC to determine its accuracy and validity. Any payment request determined not to be a proper payment request suitable for payment shall be returned to the CMGC as soon as practicable, but not later than seven days, after receipt, along with a document stating the reasons why the payment request is not proper. Once the SLDMWA has an undisputed and properly submitted payment request from CMGC, the progress payment shall be made within 30 days of its submission.

Once the SLDMWA agrees with CMGC as to the amount of Work completed as of the date of the progress payment request, the SLDMWA shall deduct the following from the estimated total value of that amount of Work: All previous payments, the retention previously withheld pursuant to Section 8.07, "Retention," of these General Conditions, and other withholdings as permitted by the Contract. The SLDMWA will then approve the balance for payment to the CMGC, with retention being withheld from that approved payment as described in Section 8.07 of these General Conditions.

The payment of a progress payment or the acceptance thereof by the CMGC does not constitute acceptance by the SLDMWA of any portion of the Work, and does not reduce the CMGC's liability to replace unsatisfactory work, material, or equipment for any or the Work, whether or not completed. Approval by the SLDMWA of a progress payment request that contains an inadvertence or error by the CMGC will not release the CMGC or the CMGC's surety from damages arising from the work covered by the approved payment request or from enforcement of every provision of the Contract. The SLDMWA also has the right to correct any error made in any Progress Payment and may withhold as much payment as necessary to correct the error in later progress payments.

SECTION 8.06. INSPECTION AND PROGRESS PAYMENTS NOT A WAIVER OF CONTRACT PROVISIONS.

No inspection, order, measurement, approval, modification, payment, acceptance of work or material (including, but not limited to, acceptance of the entire Work), time extension, or possession of the Work or any part thereof shall be a waiver of any of the terms and conditions of the Contract, the powers reserved by the SLDMWA, or any right of the SLDMWA to damages or to reject the Work in whole or part. No waiver of any breach of this Contract or failure to enforce any Contract requirement in any instance shall be construed a waiver of any other or subsequent breach. All remedies provided in the Contract shall be cumulative and shall be in addition to all other rights and remedies that may exist at law or in equity.

SECTION 8.07. RETENTION.

SECTION 8.07A. Retention to Ensure Performance.

The SLDMWA will retain five percent (5%) of each approved progress payment to ensure performance under the Contract. The parties acknowledge that some of the purposes of retention under this Contract are to encourage the CMGC to reach Completion in accordance with the schedule, to ensure that CMGC completes the Work in its entirety, and to provide funds from which the SLDMWA may withhold for disputes, costs, and claims under Section 8.08, "Withholdings/Denial of Progress Payment Request," of these General Conditions.

Retention will be held by the SLDMWA until at least thirty-five (35) Calendar Days, but no more than sixty (60) Calendar Days, after recording of the Notice of Completion for each Task. However, the SLDMWA may continue to withhold some or all of the retention beyond 60 days to the extent that any disputed amounts or Stop Payment Notices

or liquidated damages exist, in which case the SLDMWA may withhold 150% of the disputed amount and 125% or more of outstanding Stop Payment Notices and full amount of liquidated damages.

SECTION 8.07B. Non-Compliance.

In addition to the five percent (5%) payment retention discussed above, the SLDMWA may also retain portions or all of a progress or final payment for CMGC's noncompliance with the Contract in an amount deemed appropriate by the SLDMWA.

SECTION 8.07C. Substitution of Securities.

At the request and expense of the CMGC, in accordance with Public Contract Code Section 22300, in lieu of the SLDMWA withholding the five percent (5%) retention defined in Section 8.07 of these General Conditions, the CMGC may: (1) substitute a deposit of securities at least equivalent to the retention to be paid, or (2) request that the SLDMWA pay the withheld retention directly to an escrow agent. If the CMGC elects either option, the CMGC and SLDMWA shall enter an escrow agreement in the exact form set forth in Public Contract Code Section 22300.

SECTION 8.08. WITHHOLDINGS/DENIAL OF PROGRESS PAYMENT REQUEST.

The SLDMWA may deny a progress payment request and/or withhold amounts from a progress payment and/or withhold a release of retention for any of the following reasons:

- Stop payment notices filed pursuant to Civil Code Sections 9350 et seq., including but not limited to a reasonable amount to provide for the SLDMWA's reasonable cost (including but not limited to attorneys' fees and experts' fees) of litigation based on the stop notice;
- Fines levied against CMGC or the Work by the SLDMWA or other entities;
- Third party claims against CMGC or the SLDMWA arising from the acts or omissions of CMGC or its Subcontractors;
- Defective Work not remedied;
- Previous overpayments to CMGC;
- Failure by the CMGC to make payments properly to employees or Subcontractors for labor, materials, or equipment;
- Any portion of the Work retained in accordance with Section 5.22, "Right to Retain Imperfect Work," of these General Conditions;
- The Work may not be completed for the unpaid balance of the Contract sum;
- The Work may not be completed within the Contract Time and the SLDMWA will incur actual and/or liquidated damages;
- Review of excessive resubmittals, and excessive inspections or tests;
- Replacement of survey stakes and excessive survey work;
- Failure by the CMGC to maintain and update Record Drawings;
- Damage to the SLDMWA or another CMGC;
- Failure by the CMGC to perform the Work in accordance with the Contract;
- Failure by CMGC to submit the necessary documents with a progress payment request, including failure to timely submit an unconditional waiver on final payment in the form required by Civil Code section 8138 for any Task which is complete and on which the CMGC has been paid retention;
- Cost of insurance purchased by SLDMWA due to cancellation or reduction of coverage of CMGC's insurance;
- Failure by CMGC to make proper submissions under the Contract;

- Any violation or non-compliance with CMGC's legal responsibilities (see Article 6, "Legal Relations and Responsibilities," of these General Conditions), including, without limitation, withholds for wages adjustments in accordance with the California Labor Code or the Davis-Bacon Act and any fines incurred by the SLDMWA as a result of the CMGC's actions; and/or
- Any amounts otherwise necessary to protect the SLDMWA's interests and/or compensate the SLDMWA for past, present and future damages.

In addition to withholding a reasonable amount based on the above grounds, the SLDMWA may withhold an additional 50% of that reasonable amount from a progress payment or release of retention; except that it may withhold an additional 25% or more of the Stop Payment Notice amount to provide for its reasonable cost (including but not limited to attorneys' fees and experts' fees) of any litigation based on a Stop Payment Notice.

If, on Completion or termination of the Contract or termination of the CMGC's control over the Work, sums withheld from the CMGC are insufficient to cover the SLDMWA's charges against the CMGC, the SLDMWA has the right to recover the balance from the CMGC or the CMGC's surety.

SECTION 8.09. DEDUCTIONS FOR IMPERFECT WORK.

For any portion of the Work, materials, or equipment retained in accordance with Section 5.22 of these General Conditions, the SLDMWA will deduct from a Progress Payment a reasonable amount to represent the decreased or lost value to the SLDMWA.

SECTION 8.10. LIQUIDATED DAMAGES FOR DELAY.

If the Work or any identified Taks or other Milestone is not completed by the CMGC in the time specified in the Contract Documents, or within any period of extension authorized pursuant to this these General Conditions, the CMGC acknowledges and admits that the SLDMWA will suffer damage, and that it is impracticable and infeasible to fix the amount of actual damages. Therefore, it is agreed by and between the CMGC and the SLDMWA that the CMGC shall pay to the SLDMWA as fixed and liquidated damages, and not as a penalty, the sum specified in the Contract Documents for each Calendar Day of delay until the date of Completion of the Milestone or Contract work, as applicable, and that both the CMGC and the CMGC's surety shall be liable for the total amount thereof, and that the SLDMWA may deduct Liquidated Damages from any monies due or that may become due to the CMGC. If it appears during the course of construction that the CMGC is behind schedule and the imposition of liquidated damages is likely, or if liquidated damages begin to accrue prior to the time for final payment, the SLDMWA may, at its discretion, withhold the amount accrued from any progress payment that would otherwise be due. This right to withhold funds is in addition to the SLDMWA's other rights under the Contract Documents.

These liquidated damages provision shall apply to all delays of any nature whatsoever, save and except only delays found to be excusable or time extensions granted by the SLDMWA.

Pursuant to Government Code Section 4215, the CMGC shall not pay fixed and liquidated damages for delay in completing the Contract work caused by the failure of the SLDMWA or the owner of utility facilities located on the Project site to provide for removal or relocation of such facilities.

Payment by the SLDMWA of any progress payments after liquidated damages have accrued shall not constitute a waiver by the SLDMWA of its right to claim liquidated damages.

If the Contract, the CMGC's control over the Work, or the CMGC's right to proceed is terminated for cause, then the CMGC shall be liable to the SLDMWA for liquidated damages for all periods of time from the scheduled Contract completion date at the time of such termination, as that date may be adjusted by any extensions of time to which the CMGC is entitled, until Completion.

SECTION 8.11. FINAL ESTIMATE AND PAYMENT.

Subsequent to field acceptance as detailed in Section 7.21 of these General Conditions and submission of all required close-out documents referenced in Section 7.22 and Section 8.01D of these General Conditions, and within thirty (30) Calendar Days after field acceptance, the CMGC shall provide a proposed final payment request, segregated as to

Contract item and Change Order work. CMGC shall submit all previously unsubmitted documents required by the Contract with the request. The SLDMWA has the right to reject the proposed final payment request and require submission of these documents if the CMGC fails to submit all required documents with its request.

The SLDMWA will review the properly submitted proposed final payment request and, after withholding for all issues as permitted by Sections 8.08, 8.09 and 8.10 of these General Conditions and making other corrections as necessary, shall return its approved Final Payment request as modified, within fifteen (15) Calendar Days of receipt. All progress payments shall be subject to correction in the final payment. If the CMGC fails to file a final payment request within the time allotted, the SLDMWA may create and approve one based on the best information available to it.

Within fifteen (15) Calendar Days after the approved final payment request is submitted to the CMGC, the CMGC shall submit back to the SLDMWA a written approval of said request or a written statement of exceptions to be considered a “closeout” claim. The CMGC’s statement of exceptions shall be in sufficient detail for the SLDMWA to ascertain the basis and amount of the exceptions, and will include supporting documentation as detailed in Section 9.17C of these General Conditions. Failure to provide sufficient detail shall be cause for denial of the exceptions.

Any claim of the CMGC or Subcontractors or suppliers with respect to the performance or breach of the Contract or any alterations thereof (except for payment of the balance of the Contract price as set forth in the final payment request) not specifically set forth in the statement of exceptions, is waived by the CMGC. If the CMGC fails to file a statement of exceptions within the time allowed, CMGC waives its right to submit a statement of exceptions and the approved final payment request will be deemed to as accepted and approved by the CMGC.

The SLDMWA shall process the final payment and a release of retention in accordance with the approved final payment request. The payment of undisputed sums due for the final payment for each Task, and excluding any sums withheld for Stop Payment Notices, shall be made within thirty-five (35) days of the CMGC’s acceptance of the approved final payment request or within sixty (60) days after completion, as defined by Public Contract Code section 7107(c), of each Task, whichever is earlier. The release of retention shall be made in accordance with Section 8.07 of these General Conditions. If the CMGC submits a timely statement of exceptions, or if the SLDMWA withholds amounts due to disputed items and/or stop payment notices, then the SLDMWA shall process these payments as a semifinal action; otherwise, the payment shall be considered final.

The SLDMWA shall respond in accordance with the provisions of Section 9.18, “SLDMWA’s Decision,” of these General Conditions, with its final decision regarding the claims and exceptions set forth by CMGC. Should the SLDMWA’s final decision grant some or all of CMGC’s claims or exceptions, then, to the extent necessary, a supplemental final payment and/or supplemental final release of retention shall be processed within thirty (30) days.

Any claim or exception set forth by CMGC for which CMGC did not follow the required claim procedures in the Contract Documents shall be disallowed; by failing to follow the required claim procedures prior to CMGC's written statement of claims and exceptions, CMGC waives all rights to compensation (whether money or time) related to such claim or exception. If not already expired, the running of time for presenting a Government Code claim (see Government Code sections 900 et seq.) shall be tolled from the time of the CMGC’s timely statement of exceptions until the SLDMWA’s final decision on the statement of exceptions.

SECTION 8.12. FINAL PAYMENT TO TERMINATE LIABILITY OF SLDMWA.

If CMGC fails to timely submit a statement of exceptions, the CMGC’s acceptance of the final payment and final release of retention shall release the SLDMWA and the SLDMWA’s officers, officials, agents, employees, members, volunteers, affiliates, and their duly authorized representatives from all claims or liability on account of all Work performed or any alterations thereof. If CMGC timely submits a statement of exceptions, the CMGC’s acceptance of the semifinal payment and semifinal release of retention shall release the SLDMWA and the SLDMWA’s officers, officials, agents, employees, members, volunteers, affiliates, and their duly authorized representatives from all claims or liability on account of Work performed or any alterations thereof, except unresolved items set forth in the statement of exceptions.

SECTION 8.13. DISPUTED PAYMENTS.

The SLDMWA will decide disputes regarding payments under the Contract according to the procedures set forth in Article 9, "Changes and Claims," of these General Conditions. The decision of the SLDMWA will be final.

Neither the payment, the withholding, nor the retention of all or any portion of any progress payment shall relieve the CMGC from its obligations under the Contract Documents, or entitle the CMGC to any extension of time. The CMGC shall continue to diligently prosecute the Work notwithstanding any dispute over payment.

ARTICLE 9. CHANGES AND CLAIMS

SECTION 9.01. AUTHORITY FOR CHANGES.

The SLDMWA reserves the broad right to order or direct corrections, alterations, additions, modifications, deletions, or other changes as required for the proper completion of the Work. The order or directive may be issued prior to the final acceptance of the Contract without voiding the Contract, without notice to the CMGC's sureties, and in accordance with the provisions of Section 9.02, "Ordering of Changes," of these General Conditions.

The CMGC shall not perform corrections, alterations, additions, modifications, deletions, or other changes to the Work without a written directive or order from the SLDMWA, in accordance with Section 9.02 of these General Conditions. Payment for changed or extra work will not be made without the SLDMWA's written authorization.

SECTION 9.02. ORDERING OF CHANGES.

The SLDMWA may order or direct, including, without limitation, through a Field Directive or Construction Change Directive, a change, in writing, during the course of the Work, and the CMGC shall immediately comply with the order or directive. Changes to the Work shall in no way affect, vitiate, or make void the Contract or any part thereof, except that which is necessarily affected by such changes and is clearly the evident intention of the parties to the Contract.

Changes to the Work may be initiated as described in Section 4.06, "Field Directives or Other Written Directives," of these General Conditions. If the SLDMWA and CMGC agree that compensation in the form of an adjustment to the Contract Sum and/or the Contract Time is required, then the adjustment will be formalized in a Change Order, in accordance with Section 9.14, "Contract Change Order," of these General Conditions. Failure of the SLDMWA and CMGC to agree to terms of a Change Order based on an order or directive shall not relieve the CMGC of its obligation to complete all work specified in the order or directive.

SECTION 9.03. NOT USED

SECTION 9.04. PROSECUTION OF CHANGES TO THE CONTRACT.

If directed by the SLDMWA, within fourteen (14) Calendar Days of issuance of a Request for Proposal, the CMGC shall provide a Proposed Change Order with a cost and/or time proposal prepared in accordance with the requirements of this Section, and Sections 9.07 and 9.11 of these General Conditions. The CMGC's Proposed Change Order shall indicate the amount to be added or deducted from the Contract Sum, supported by complete details of all CMGC, Subcontractor, vendor, or supplier costs per Section 9.05, "Cost and Pricing Data," of these General Conditions. If the proposed change will affect work on the CMGC's other contracts for the Project, then the CMGC shall submit separate Proposed Change Orders for each other contract where the Contract Sum and/or Contract Time will be impacted by the proposed change.

If the CMGC does not submit a Proposed Change Order within fourteen (14) Calendar Days, and unless the SLDMWA is otherwise notified within fourteen (14) Calendar Days of a potential cost impact, the CMGC agrees to perform the work described in the change request with no additional compensation.

If the change causes a change in the monetary compensation or Contract Time, then SLDMWA will issue a Change Order in accordance with Section 9.13, "Contract Change Order," of these General Conditions. If a Field Directive or other written order is issued on a force account basis, the CMGC must immediately begin keeping records in accordance with Section 9.07C, "Force Account," of these General Conditions. When the SLDMWA and CMGC

cannot agree on the credit for work deleted by a written order, the SLDMWA's estimate will be deducted from the Contract Sum, unless the CMGC presents proof prior to the final payment that the SLDMWA's estimate is in error.

If agreement for a change in the Work is reached regarding payment, but not a time adjustment, the SLDMWA shall have the right to direct the CMGC to proceed with the change at the agreed price. The impact of the changed work on the project schedule will be considered by the SLDMWA in accordance with Section 9.11, "Time Extension for Changes," of these General Conditions.

Failure of the parties to reach agreement regarding the costs and time of the performing the change in the Work and/or any pending protest shall not relieve the CMGC from performing the change in the Work promptly and expeditiously. SLDMWA, may direct the CMGC in writing to perform changes in or additions to the scope of the Contract. The CMGC shall perform such work and shall be compensated pursuant to the provisions of Section 9.7, "Payment for Changes," of these General Conditions.

SECTION 9.05. COST AND PRICING DATA.

Cost and pricing data submitted by the CMGC shall be true, complete, accurate, and current. The SLDMWA may require a formal certification to verify CMGC-submitted cost and pricing data. Upon request by the SLDMWA, CMGC shall provide copies of the following information to support its submitted costs:

- Original quotations, purchase orders, or invoices to verify costs included in original bid.

- Quotations, purchase orders, or actual invoices to support new costs submitted.

- Subcontracts.

- Employee time records and wage rates paid.

- Insurance and bond costs resulting from change.

- Quantity takeoff sheets for materials, labor, and equipment.

- Certified payroll records.

- Certified composite wage rate statements, including employees' base rate and CMGC's contributions for fringe benefits, subsistence, and travel.

- A list of equipment with manufacturer's name and model number and the alphanumeric designation used in the Equipment Rental Rates prepared by the California Department of Transportation.

- Invoices for all rental equipment.

- Other information, as required, to document the labor, equipment, and materials used.

Additional requirements for cost and pricing data may also be included in the Contract Documents. The SLDMWA shall have access to the records supporting such cost and pricing data in accordance with the Section 9.06, "Access to Records," of these General Conditions.

SECTION 9.06. ACCESS TO RECORDS.

Upon reasonable notice and during normal business hours, the SLDMWA shall have access to the CMGC's and Subcontractors' records for the purpose of verifying, auditing, and evaluating the accuracy of cost and pricing data submitted by the CMGC. "Records" as used in this Section shall include, but not be limited to: original estimates, subcontract agreements, purchase orders, books, documents, accounting records, papers, project correspondence, project files, and scheduling information necessary to determine the direct and indirect costs, job site, area and home office overhead, delay, and impact costs. Records shall include the original Bid and all documents related to the Bid and its preparation, the as-planned construction schedule and all related documents. Such access shall include the right to examine and audit such records and make excerpts, transcriptions, and photocopies at the SLDMWA's cost.

SECTION 9.07. PAYMENT FOR CHANGES.

The method of payment agreed upon by the CMGC and the SLDMWA, or selected by the SLDMWA at its sole discretion in the absence of any other agreement, shall be set forth in the Request for Proposal or in the written order directing the change.

The three methods of payment are as follows:

SECTION 9.07A. Lump Sum Price.

The CMGC shall submit a lump sum price proposal. The proposal shall include an estimate of labor, material, equipment, Subcontractor, material supplier costs, and any surcharges and/or markups as allowed in Section 9.08, "Markups for Changed Work," in these General Conditions.

In the event that the parties are unable to agree as to the reasonable costs and time to perform the change in, or addition to, the Work based upon the CMGC's proposal, and if the Engineer and SLDMWA do not elect to have the change in the Work performed on a time and material basis, then the Engineer and SLDMWA shall make a unilateral determination of the reasonable cost and time to perform the change in the Work, based upon their own estimates, the CMGC's submission, or combination thereof.

SECTION 9.07B. Unit Prices.

If payment for Contract work is based on unit prices, payment for changed work will be made based on actual quantities of work done at the unit prices contained in the Contract or unit prices otherwise agreed upon by the SLDMWA and CMGC if none are contained in the Contract. Payment for changed work based on Contract or agreed upon unit prices includes the full cost of the item of work including profit and overhead; no additional payment or adjustment will be allowed. If the final quantity of any item of work required under the Contract varies from the Engineer's Estimate by twenty-five percent (25%) or more, or if part of the Work is eliminated in its entirety, then, in the absence of an executed Change Order specifying the compensation to be paid, the compensation will be adjusted as follows:

1. Increases of More Than 25 Percent

Should the total pay quantity of any item of work required under the Contract Documents exceed the Bid Schedule quantity by more than twenty-five percent (25%), the work in excess of 125 percent (125%) of the Bid Schedule quantity will be paid for by adjusting the Contract unit price, as hereinafter provided. At the SLDMWA's option, payment for the work involved in such excess will be made on the basis of force account as provided by Section 9.07C, "Force Account," of these General Conditions.

Such adjustment of the Contract unit price will be the difference between the Contract unit prices and the actual unit costs, which will be determined as hereinafter provided, of the total pay quantity of the item. If the costs applicable to such item of work include fixed costs, such fixed costs will be deemed to have been recovered by CMGC by the payments made for 125 percent of the Bid Schedule quantity for such item, and, in computing the actual unit cost, such fixed costs will be excluded. Subject to the above provisions, such actual unit cost will be determined by the SLDMWA in the same manner as if the work were to be paid for on a force account basis as provided in Section 9.07C, "Force Account," of these General Conditions or such adjustment will be as agreed to by CMGC and the SLDMWA.

When the compensation payable for the number of units of an item of work performed in excess of 125 percent of the Bid Schedule quantity is less than \$5,000 at the applicable Contract unit price, the SLDMWA reserves the right to make no adjustment in said price if it so elects, except that an adjustment will be further considered if requested in writing by CMGC.

2. Decreases of More Than 25 Percent

Should the total pay quantity of any item of work required under the Contract be less than seventy-five percent (75%) of the Bid Schedule quantity, an adjustment in compensation pursuant to this Section will not be made unless CMGC so requests in writing. If CMGC so requests, then the revised quantity will be paid for by

adjusting the Contract unit price as hereinafter provided. At the SLDMWA's option, payment for the quantity of the work of such item performed will be made on the basis of force account as provided in Section 9.07C, "Force Account," of these General Conditions. However, in no case shall the payment for such work be less than that which would be made at the Contract unit price.

Such adjustment of the Contract unit price will be the difference between the Contract unit price and the actual unit cost of the total pay quantity of the item, including fixed costs. Such actual unit cost will be determined by the SLDMWA in the same manner as if the work were to be paid for on a force account basis as provided in Section 9.07C, "Force Account," of these General Conditions; or such adjustment will be as agreed to by CMGC and the SLDMWA.

The payment for the total pay quantity of such item of work will in no case exceed the payment which would have been made for the performance of seventy-five percent (75%) of the Bid Schedule of the quantity for such item at the original Contract unit price.

3. Eliminated Items

In the event that a part of the Work is to be eliminated in its entirety and such Work is covered by unit price(s) contained in the Bid and/or Contract Documents, the price of the eliminated Work item shall be based on the applicable unit price(s).

Should any Contract item of the Work be eliminated in its entirety, in the absence of an executed Contract change order covering such elimination, payment will be made to CMGC for actual costs incurred in connection with such eliminated Contract item if incurred prior to the date of notification in writing by the SLDMWA of such elimination.

If acceptable material is ordered by CMGC for the eliminated item prior to the date of notification of such elimination by the SLDMWA, and if orders for such material cannot be canceled, it will be paid for at the actual cost. In such case, the material paid for shall become the property of the SLDMWA, and the actual cost of any further handling will be paid for. If the material is returnable to the vendor and if the SLDMWA so directs, the material shall be returned and CMGC will be paid for the actual costs of charges made by the vendor for returning the material. The actual cost of handling returned material will be paid for by the SLDMWA.

SECTION 9.07C. Force Account.

In the absence of either an agreed lump sum price or unit prices for the change, the SLDMWA may direct the CMGC to proceed with the changed work on a force account basis. The CMGC shall keep and present, in a form acceptable to the SLDMWA, a complete and correct accounting of all costs associated with the change, including all pay records, vouchers, invoices, etc. The CMGC will be paid for labor, materials, and equipment actually used during the performance of the changed work as specified in this Section of these General Conditions in Sections 9.07C.1, "Labor," 9.07C.2, "Materials," and 9.07C.3, "Equipment," plus the percentages stipulated in Section 9.08, "Markups for Changed Work."

To facilitate agreement on direct craft labor hours, construction equipment hours, and material quantities, the CMGC shall notify the SLDMWA not less than four (4) hours prior to starting force account work. The CMGC shall submit Daily Work Reports (DWRs) for signature not later than 9:00 a.m. the day following performance of any force account work. DWRs shall list names of all CMGC's staff, the staff person's craft or trade, all craft or trade labor hours, and all material and construction equipment used. If the DWRs include work related to more than one change, then the labor, material, and equipment shall clearly identify the change to which it relates. The CMGC shall use the DWRs in preparing billings for force account work.

SECTION 9.07C.1. Labor.

The CMGC will be paid the cost of direct labor (foreperson and below) used in the actual and direct performance of the changed work including working foreman when authorized by the SLDMWA. Except as otherwise provided, the CMGC will receive no additional compensation for overtime work without prior written authorization from the SLDMWA. The cost of labor will be the sum of the following:

SECTION 9.07C.1(a). Actual Wages.

Charges for labor will be the CMGC's actual payroll costs for labor of any classification, including employer payments to or on behalf of the workers for health and welfare, pension, vacation, and similar purposes.

SECTION 9.07C.1(b). Labor Surcharge.

A twenty-six percent (26%) surcharge for taxes, insurance, and all other payments made to or on the behalf of the employee shall be added to the actual wages.

SECTION 9.07C.1(c). Subsistence and Travel.

The SLDMWA will pay the CMGC for actual subsistence and travel allowance costs associated with the changed work required by labor agreements or acceptable to the SLDMWA. Documentation must be provided to the SLDMWA.

SECTION 9.07C.2. Materials.

Payment will be for the purchaser's actual cost of supplier or vendor furnished materials. If the CMGC does not furnish satisfactory evidence of the cost of such materials, the cost will be the lowest current wholesale price at which such quantities of materials are available and delivered to the job site. The SLDMWA reserves the right to purchase materials for the changed work; the CMGC shall have no claims for costs or profit on such materials.

SECTION 9.07C.3. Equipment.

The prices paid for equipment directly and solely required for performance of the changed work will be those listed in the current edition of the Caltrans publication, "Labor Surcharge and Equipment Rental Rates." If the equipment is not shown in this publication, the CMGC shall be paid such hourly rental rates as are agreed upon by the CMGC and the SLDMWA prior to use of the equipment, plus thirty-three and one-third percent (33-1/3%) for the cost of fuel, oil, lubrication, and field repairs and maintenance. In no case shall the hourly rental rates exceed those of established distributors or equipment rental agencies serving the area.

The rate paid for the use of equipment constitutes full compensation to the CMGC for all costs, including fuel, power, oil, lubrication, supplies, small tools, small equipment, necessary attachments, repairs and maintenance of any kind, depreciation, storage, insurance, labor (except for equipment operators) and any and all costs to the CMGC incidental to the use of such equipment for the changed work.

Payment will not be made for the equipment while it is inoperative due to breakdowns or for time in which no changed work was performed. Payment for rentals will include time required to move equipment to the changed work from the nearest available rental source and to return it to the source. However, no moving, loading, or transportation costs will be paid if the equipment is used for any other portion of the Work.

Individual tools and pieces of equipment having replacement value of five hundred dollars (\$500) or less shall be considered tools or small equipment and no payment will be made for those pieces of equipment.

SECTION 9.07C.4. Subcontracts.

Subcontract costs shall be the actual cost to the CMGC for work performed by a Subcontractor. The provisions of this Section 9.07C, "Force Account," apply to the computation of subcontract costs. Subcontractors shall compute markups per the Section 9.08, "Markups for Changed Work," of these General Conditions.

SECTION 9.08. MARKUPS FOR CHANGED WORK.

Only the direct costs directly attributable to the performance of the changed work shall be allowed. All other costs shall be included in the allowed markups, including, but not limited to, profit, home office and field overhead, jobsite indirect costs, extended overhead, jobsite office personnel, general field superintendence, general engineering, supervision of labor, bond and insurance premiums, and general field expense, and shall constitute full compensation for all costs not included as actual labor, materials, equipment, or Subcontractor costs. Markups for changed work shall not exceed the following:

Labor	15%
Materials	15%
Equipment Rental	10%
Bonds and Insurance	2%

The CMGC or Subcontractor, whomever actually performs the changed work, may add the markups to the total of allowable costs. When a Subcontractor performs work, the CMGC and any higher tiered Subcontractor may add as mark-up to the total of allowable costs an amount not to exceed five percent (5%), subject to the limitations of this Section.

When the SLDMWA is entitled to credit for deleted work, a ten percent (10%) credit for deleted overhead of the CMGC or Subcontractor, as applicable, will be added to such credit.

SECTION 9.09. COMPENSABLE EXCUSABLE DELAYS.

Payments will be made as follows for compensable excusable delays, as defined in Section 7.12B, "Excusable Delays," of these General Conditions. CMGC waives any and all monetary compensation for excusable delays other than the items listed below.

SECTION 9.09A. Construction Equipment.

Compensation will be paid for construction equipment idle as a result of a compensable excusable delay to the extent costs are incurred. The prices paid for equipment will be those in the current edition of the Caltrans publication, "Labor Surcharge and Equipment Rental Rates," with the following modifications:

- The right-of-way delay factor for each classification of equipment will be applied to the rental rate.
- Compensation will be provided for the actual time of the delay, but not more than eight (8) hours per day.

Compensation will be provided for each day or portion of a day, excluding Sundays, and holidays, for the duration of the delay, unless the approved current schedule identifies critical path work for these days.

SECTION 9.09B. Jobsite Indirect Costs.

Indirect costs shall be limited to the following:

1. Actual payroll costs for field office staff incurred as a result of the delay, including management, supervision, safety, estimating, engineering, drafting, clerical, secretarial, and accounting. A twenty-six percent (26%) surcharge for taxes, insurance, and all other payments made to or on the behalf of the employee may be added to the payroll costs.
2. Actual cost for third-party services provided for the field office, such as management, supervision, safety, estimating, engineering, drafting, clerical, secretarial, and accounting utilized in lieu of employees.
3. Applicable field office expenses for rent and utilities that are substantiated by invoices. Compensation for on-site plant, incidentals, and facilities for non-field office personnel including branch office and home office personnel will not be provided. Compensation for these items and other incidentals is included in the Section 9.09C, "Markup for Compensable Excusable Delays," of these General Conditions.

SECTION 9.09C. Markup for Compensable Excusable Delays.

Fifteen percent (15%) shall be added to job-site indirect costs for onsite plant, incidentals, overhead, home and branch office costs, bonds, and profit. The CMGC shall determine the distribution of the markup among the CMGC, Subcontractors, and suppliers.

SECTION 9.09D. Duplicated Overhead Costs.

If the CMGC is compensated for delays in accordance with this Article, and the delay is attributable to direct cost changes to which markups were added, equitable adjustments shall be made to eliminate the duplication of compensation for indirect and overhead costs and profit.

SECTION 9.10. LIMITATIONS ON PAYMENTS FOR CHANGED WORK.

The SLDMWA will not pay the CMGC for costs in excess of prevailing market values, unless the CMGC can establish, to the satisfaction of the SLDMWA, that the CMGC has investigated all possible means of providing the work and that the excess costs could not be avoided. The SLDMWA will be the sole judge of the necessity of incurring costs in excess of market value and whether the excess costs are directly required for performance of changed work. The SLDMWA's determination will be final.

SECTION 9.11. TIME EXTENSIONS FOR CHANGES.

The CMGC is entitled to adjustment in Contract Time only if completion of the entire Work or of any milestone outlined in the Contract Documents is extended due to changes impacting the controlling item of work. Each proposal submitted by the CMGC in accordance with Section 9.04, "Prosecution of Changes to the Contract," of these General Conditions, shall state the amount of extra time the CMGC believes the change added to the overall project schedule and shall be supported by a Time Impact Analysis under Specification Section 01 32 10. Failure to request a time extension within the time allowed constitutes a waiver of the CMGC's right to subsequently claim an adjustment in Contract Time.

SECTION 9.12. EFFECT ON SURETIES OF CHANGES TO THE WORK.

No alterations, time extensions, extra or additional work, or other changes authorized by these conditions or any part of the Contract shall affect the sureties' obligations under the Contract.

SECTION 9.13. CONTRACT CHANGE ORDER.

The SLDMWA will issue a Change Order if a change to the Contract Sum or Contract Time is necessary. The CMGC shall not be entitled to any adjustments in either Contract Sum or Contract Time for changes performed before receipt of a written directive requiring the changes or Change Order approved by the SLDMWA. Adjustments in Contract Time or Contract Sum for changes performed will not be made until a Change Order is approved by the SLDMWA. A Change Order is generally comprised of one or more Field Directives or other written orders or directives, and contains a summary of each change and changes to the Contract Sum and Contract Time.

SECTION 9.14. ACCEPTANCE OF ORDERS FOR CHANGES.

A Change Order that is substantially in agreement with the CMGC's Proposed Change Order, and/or the CMGC's written agreement of a Change Order, Field Directive, or other written directive, will constitute the CMGC's final and binding agreement to the provisions of the Change Order, Field Directive, or other written directive, and a waiver of all claims in connection therewith, whether direct or consequential in nature, including those of any Subcontractors or suppliers. If the CMGC disagrees with any Change Order, Field Directive, or other written directive, the CMGC may submit a notice of potential claim to the SLDMWA in accordance with Section 9.16, "Notice of Potential Claim," of these General Conditions. Disagreement with the provisions of a Change Order, Field Directive, or other written order will not relieve the CMGC of the CMGC's obligations under the Contract.

SECTION 9.15. DISPUTE REGARDING CONTRACT REQUIREMENTS.

If the CMGC and SLDMWA fail to agree whether or not any work or other matter is within the scope of the Contract, the CMGC shall nevertheless immediately perform such work upon receipt of a written Field Directive or other written order. If CMGC disagrees with a decision by the SLDMWA that any work is within the scope of the Contract, then the CMGC must follow the claims procedures in the Contract, including but not limited to Sections 7.13, 8.11, 9.16, and 9.17 of these General Conditions.

The CMGC shall not stop performing the Work pending resolution of a dispute, unless so ordered in writing by the SLDMWA.

SECTION 9.16. NOTICE OF POTENTIAL CLAIM.

The CMGC shall not be entitled to payment of any additional compensation (whether money or time) for any cause, including any disagreement, protest, or change, any act or failure to act by the SLDMWA, or the happening of any event, thing or occurrence, unless the CMGC has given the SLDMWA due advance written notice of potential claim as hereinafter specified. The written Notice of Potential Claim shall set forth the reasons for which the CMGC believes additional monetary compensation and/or time will or may be due, the nature of the costs and/or time involved, and, insofar as possible, the amount of the potential claim.

The CMGC shall promptly provide a written Notice of Potential Claim to the SLDMWA upon discovery of concealed or unknown conditions or upon any disagreement, protest, situation, event, or occurrence that may result in a claim, including but not limited to changes in work and delays. The Notice shall be submitted no more than five (5) Working Days after the discovery or occurrence of any event that may be the basis for a claim for additional compensation or additional time.

Failure to timely submit the Notice waives any Claim that CMGC may otherwise have had the right to submit based on the underlying occurrence or event.

SECTION 9.17. SUBMISSION OF CLAIMS.

Claims shall be subject to the requirements of Public Contract Code sections 20104 et seq. and 9204. A summary of those provisions is set forth below. A waiver of the rights granted by the referenced statutes is void and contrary to public policy, provided, however, that (1) upon receipt of a Claim, the parties may mutually agree to waive, in writing, mediation and proceed directly to the commencement of a civil action or binding arbitration, as applicable; and (2) the SLDMWA may prescribe reasonable change order, claim, and dispute resolution procedures and requirements in addition to the statutory requirements, so long as the contractual provisions do not conflict with or otherwise impair the statutory timeframes and procedures. To the extent that the summary below is inconsistent with any requirement of those statutes, the statutes shall control. The terms below are intended to be consistent with the governing statutes, and any modifications shall be understood as lawful modifications or additions to the statutory requirements if at all possible.

SECTION 9.17A. Definitions.

“Claim” means a separate demand by the CMGC sent by registered mail or certified mail with return receipt requested, for one or more of the following:

- (A) a time extension, including, without limitation, for relief from damages or penalties for delay assessed by a public entity under a contract for a public works project.
- (B) payment by the public entity of money or damages arising from work done by, or on behalf of, CMGC pursuant to the contract for a public works project and payment for which is not otherwise expressly provided or to which the claimant is not otherwise entitled.
- (C) payment of an amount that is disputed by the SLDMWA.

“Mediation” means any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation.

“Public works contract” or “public works project” means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.

“Subcontractor” means any type of CMGC within the meaning of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code who either is in direct contract with the CMGC or is a lower tier Subcontractor.

SECTION 9.17B. Claims Procedure.

All Claims under this Contract shall be resolved using the following procedure.

1. The Claim shall be in writing and include the documents necessary to substantiate the Claim as set forth in Section 9.17C. Unless a different time is stated in the Contract Documents, Claims must be filed not later than thirty (30) Calendar Days after the proposed final payment request is returned to the CMGC by the SLDMWA. Any Claim shall be certified under penalty of perjury and in compliance with the California False Claims Act, as set forth in Section 9.17C below. Failure to include these required certifications will constitute grounds for immediate rejection of the Claim and shall be deemed a waiver and absolute bar of the Claim, including any right to pursue the Claim further.
2. If a Subcontractor, including a lower tier Subcontractor, lacks legal standing to assert a Claim against the SLDMWA because privity of contract does not exist, then the CMGC may present a Claim on behalf of such a Subcontractor. A first-tier Subcontractor may request in writing, either on its own behalf or on behalf of a lower tier Subcontractor, that the CMGC present a Claim on behalf of the Subcontractor for work that was performed by the Subcontractor. The Subcontractor requesting that the Claim be presented shall furnish reasonable documentation to support the Claim. Within forty-five (45) days of receipt of this written request, the CMGC shall notify the Subcontractor in writing as to whether the CMGC presented the Claim and, if the CMGC did not present the Claim, provide the Subcontractor with a statement of the reasons for not having done so.
3. Upon receipt of a Claim, the SLDMWA shall conduct a reasonable review of the Claim. Within thirty (30) days of receipt of the Claim, the SLDMWA may request, in writing, any additional documentation supporting the Claim or relating to defenses to the Claim that the SLDMWA may have against the claimant. Where additional information is requested by the SLDMWA, the time in which the SLDMWA must respond to a Claim shall be tolled until all requested information is provided. If additional information is thereafter required, then it shall be requested and provided upon mutual agreement of the SLDMWA and the CMGC.
4. Within forty-five (45) days of receipt of the Claim, as that time may be tolled as provided in Section 9.17B.3 above, the SLDMWA shall provide the CMGC with a written statement identifying what portion of the Claim is disputed and what portion is undisputed. Upon receipt of a Claim, the SLDMWA and the CMGC may, by mutual agreement, extend the time period for a response. Failure by the SLDMWA to respond to a Claim within the time periods described herein shall result in the Claim being deemed rejected in its entirety. A Claim that is denied by failure of the SLDMWA to respond shall not constitute an adverse finding with regard to the merits of the Claim or the responsibility or qualifications of the claimant.
5. Any payment due on an undisputed portion of the Claim shall be processed and made within sixty (60) days after the SLDMWA issues its written statement. The SLDMWA shall not fail to pay money as to any portion of a Claim which is undisputed except as otherwise provided in the Contract Documents.
6. If the claimant disputes the SLDMWA’s written response, or the SLDMWA fails to respond within the time prescribed, the CMGC may so notify the SLDMWA, in writing, either within fifteen (15) days of receipt of the SLDMWA’s response or within 15 days of the SLDMWA’s failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand, sent by registered mail or certified mail, return receipt requested, the SLDMWA shall schedule a meet and confer conference within thirty (30) days for settlement of the dispute.
7. Within ten (10) business days following the conclusion of the meet and confer conference, if the Claim or any portion of the Claim remains in dispute, then the SLDMWA shall provide the CMGC a written statement identifying the portion of the Claim that remains in dispute and the portion that is undisputed.

Failure by the SLDMWA to provide the written statement within the time periods described herein shall result in the remaining Claim issues being deemed rejected in their entirety. Denial by failure of the SLDMWA to respond shall not constitute an adverse finding with regard to the merits of the remaining Claim issues or the responsibility or qualifications of the claimant. Any payment due on an undisputed portion of the Claim shall be processed and made within sixty (60) days after the District issues its written statement.

8. Any remaining disputed portion of the Claim following the meet and confer conference shall be submitted to nonbinding mediation, with the SLDMWA and the CMGC sharing the associated costs equally. The SLDMWA and the CMGC shall mutually agree to a mediator within ten (10) business days after the disputed portion of the Claim has been identified in writing. If the parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the Claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. Unless otherwise agreed to by the SLDMWA and the CMGC in writing, the mediation conducted pursuant to this Section shall excuse any further obligation under Public Contract Code Section 20104.4 to mediate after litigation has been commenced. This Section does not preclude arbitration if mediation under this Section does not resolve the parties' dispute.
9. If mediation is unsuccessful, then the CMGC may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code with respect to the parts of the Claim remaining in dispute. For purposes of those provisions, the running of the period of time within which a Claim must be filed shall be tolled from the time the CMGC submits his or her written Claim pursuant to Section 9-18.02.01 until the time that mediation of disputed portions of that Claim is completed. This Section does not apply to tort claims, and nothing in this Section is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.
10. Amounts not paid in a timely manner as required by this Section shall bear interest at seven percent (7%) per year.
11. Claims of \$375,000 or less are subject to the following procedures for civil actions filed to resolve the claims:
 - a. The case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act (Title 4 (commencing with Section 2016.010) of Part 4 of the Code of Civil Procedure) shall apply to any such proceeding, consistent with the rules pertaining to judicial arbitration.
 - b. The parties stipulate that the arbitrator shall be experienced in construction law and shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds.
 - c. In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who, after receiving an arbitration award, requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorneys' fees of the other party arising out of trial de novo.
 - d. The court may, upon request by any party, order any witnesses to participate in arbitration process.

In any suit filed under Public Contract Code Section 20104.4, the SLDMWA shall pay interest at the legal rate on any arbitration award or judgment. The interest shall begin to accrue on the date the suit is filed in a court of law.

SECTION 9.17C. Documentation of Claims by CMGC.

For each Claim, the CMGC shall furnish claim documentation as herein specified.

CMGC shall submit three (3) certified copies of all claim documentation. All claim documentation shall be complete when submitted. The evaluation of the CMGC's claim will be based on SLDMWA's records and the claim documentation submitted by CMGC.

Claim documentation shall conform to generally accepted auditing standards and shall be in the following format:

1. Introduction and background
2. Issues
 - a. Index of issues
 - b. For each issue:
 - Background
 - Chronology
 - CMGC's position (reason for SLDMWA's potential liability)
 - Supporting documentation of merit
 - Supporting documentation of damages
3. CPM schedules, as-planned versus as-built, and delay analysis
4. Productivity and damages exhibits
5. Summary of issues and damages

Supporting documentation of merit for each issue shall be cited by reference, photocopies, or explained. Supporting documentation may include, but not be limited to, General Conditions, Technical and other Specifications, Drawings, correspondence, conference notes, shop drawing logs, survey books, inspection reports, delivery schedules, test reports, daily reports, subcontracts, fragmentary CPM schedules, Time Impact Analyses photographs, technical reports, RFIs, Field Directives, and other related records.

Supporting documentation of damages for each issue shall be cited, photocopied, or explained. Supporting documentation may include, but not be limited to, certified detailed labor, materials, equipment, and construction equipment and services costs; purchase orders; invoices; project as-planned and as-built costs; Subcontractor payment releases; quantity reports; other related records; general ledger and any other accounting materials.

Each submission of Claim documentation shall include the following certification, signed in the same manner as the Contract was signed:

Claim Declaration

I, [name of declarant], declare the following:

[CMGC company name] has contracted with the San Luis and Delta Mendota Water Authority for the Delta-Mendota Canal Subsidence Correction Project. I am authorized by my employer ([CMGC company name]) to prepare the attached claim for compensation (in other words, for money and/or time extensions) to the San Luis & Delta Mendota Water Authority regarding this Contract (dated _____, 20__, and requesting \$_____ and/or __ additional working days), and I did prepare said attached claim. I am the most knowledgeable person at [CMGC company name] regarding this claim.

I am aware of all law that relates to this claim, including but not limited to California Penal Code section 72, Government Code sections 12650 et seq. (False Claims Act), and Business and Professions Code sections 17200 et seq. (Unfair Business Practices Act). I am aware that submission or certification of false claims, or other claims that violate law or the contract, may lead to fines, imprisonment, and/or other severe legal consequences for myself and/or [CMGC company name].

The attached claim is prepared and submitted in good faith, does not breach the contract between [CMGC company name] and the San Luis & Delta Mendota Water Authority for this portion of the Project, does not violate any law, satisfies all provisions of the contract, only contains truthful and accurate supporting data, and only requests an amount that accurately reflects the adjustments to money and time for which I honestly and in good faith believe that the San Luis & Delta-Mendota Water Authority is responsible under its contract with [CMGC company name].

So that I could declare that the statements in this declaration and the attached claim were true and correct, while preparing this declaration and claim, I consulted with others (for example, attorneys, consultants, or others who work for [CMGC company name]) when necessary to assure myself that said statements were true and correct.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed _____, 20__, at _____, California.

[name of declarant]

For claims submitted by the CMGC on behalf of a Subcontractor, both the CMGC and the Subcontractor shall submit the above declaration. If the CMGC is unable to support any part of a claim and it is determined that such inability is attributable to falsity of such certification or misrepresentation of fact or fraud by the CMGC, the CMGC shall be liable to the SLDMWA for three (3) times the amount of damages which the SLDMWA sustains, plus the cost of civil action, and may be liable to the SLDMWA for a civil penalty of up to ten thousand dollars (\$10,000) for each false claim.

SECTION 9.18. NOT USED

SECTION 9.19. NOT USED.

SECTION 9.20. NO ALTERNATIVE CLAIMS PROCEDURE.

Nothing in the Contract constitutes an agreement for an alternative claim procedure under the provisions of Government Code Section 930.2, nor relieves the CMGC of the requirements of Government Code, Part 3, Chapters 1 and 2 and Title 1, Division 3.6, Chapters 1, 2, 3, and 4, or Public Contract Code Sections 9204 and 20104.2(e).

SECTION 9.21. ASSIGNMENT OF CLAIMS.

The CMGC shall not assign any portion of the moneys due the CMGC without written SLDMWA approval. No person other than the party signing the Contract has any claim under the Contract, except as provided in the Contract.

Exhibit C
SPECIAL PROVISIONS – FEDERAL CONTRACTING REQUIREMENTS

SECTION 1.01. GENERAL.

By entering into this Contract, CMGC hereby agrees to comply with all applicable state, Federal, and local laws and regulations as applicable to this Project. These may include, but are not limited to, the Natural Environmental Policy Act (NEPA) including the Council of Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected tribes, and consultation with the State Historic Preservation Office. Failure of the CMGC to comply with any applicable law or regulation may be the basis for withholding payments and/or termination of this Contract.

It is expressly acknowledged that this Project may include funding from federal and state grants. Therefore, CMGC shall comply with the regulations of the Code of Federal Regulations (CFR) - Title 2, Part 200, including Appendix II thereto, except to the extent that any such provisions are modified or eliminated during the course of Contract performance. These regulations are set forth below and are incorporated by reference and made part of this Contract. CMGC also shall comply with the State of California requirements regarding wages, hours and equal opportunity. These requirements are set forth below and are incorporated by reference and made a part of this Contract. Failure of CMGC to comply with any applicable state or federal regulation or law may be the basis for withholding payments and/or termination of this Contract.

CMGC shall include these provisions in all Subcontracts and purchase orders and require Subcontractors of all tiers and vendors to comply with them.

SECTION 1.02. EQUAL EMPLOYMENT OPPORTUNITY/ANTI-DISCRIMINATION.

- A. CMGC shall comply with all anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. CMGC shall comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti-discrimination requirements. CMGC shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act. Title VI also includes protection to persons with “Limited English Proficiency” in any program or activity receiving federal financial assistance, 42 U.S.C. §§ 2000d *et seq.*, as implemented by the Department of the Treasury’s Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Contract.
- B. CMGC shall comply with 41 CFR 60-1.4(b). During the performance of this Contract, CMGC agrees as follows:

(1) CMGC will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. CMGC will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CMGC agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) CMGC will, in all solicitations or advertisements for employees placed by or on behalf of CMGC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) CMGC will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with CMGC's legal duty to furnish information.

(4) CMGC will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the CMGC's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) CMGC will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) CMGC will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of CMGC's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and CMGC may be declared ineligible for

further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) CMGC will include the above provisions in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each Subcontractor or vendor. CMGC will take such action with respect to any subcontract or purchase order as the Authority or the United States Bureau of Reclamation may direct as a means of enforcing such provisions, including sanctions for noncompliance, *provided, however*, that, in the event CMGC becomes involved in, or is threatened with, litigation with a Subcontractor or vendor as a result of such direction by the administering agency, CMGC may request the Authority or United States to enter into such litigation to protect the interests of the United States.

CMGC agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of all its Subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

CMGC further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a Subcontractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon CMGCs and Subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order.

SECTION 1.03. ANTI-KICKBACK.

CMGC shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3), and shall require all of its Subcontractors to comply. Those requirements are set forth in greater detail below. CMGC and all Subcontractors are prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

SECTION 1.04. DAVIS-BACON.

CMGC shall comply with the Davis-Bacon Act (40 U.S.C. 3141-3148) as supplemented by Department of Labor regulations (29 CFR Part 5), and shall require all its Subcontractors to

comply. To the extent that California law differs from the Davis-Bacon Act, CMGC and its Subcontractors shall comply with the more stringent requirement.

CMGC must pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.

In accordance with the Davis-Bacon Act, CMGC must pay the required wages not less than once per week.

By entering into the Contract, CMGC has accepted the wage determination(s) applicable to the Work, and agrees to comply with the wage determination(s).

SECTION 1.05. WAGES, CONTRACT WORK HOURS AND SAFETY STANDARDS.

In accordance with 29 C.F.R. section 5.5, CMGC agrees to comply with the contract provisions for Davis-Bacon and Related Acts (“DBRA”). These contract provisions are set forth below and may be found on the internet at:

<https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts>

These mandatory contract provisions are set forth below and they, as well as the wage determinations, are fully incorporated herein by reference.

(a) Labor standards.

(1) ***Minimum wages.***

(i) ***Wage rates and fringe benefits.*** All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the CMGC and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in section 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be

compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the CMGC and its Subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii) ***Frequently recurring classifications.***

(A) In addition to wage and fringe benefit rates that have been determined to be prevailing under the procedures set forth in [29 CFR part 1](#), a wage determination may contain, pursuant to [§ 1.3\(f\)](#), wage and fringe benefit rates for classifications of laborers and mechanics for which conformance requests are regularly submitted pursuant to [paragraph \(a\)\(1\)\(iii\)](#) of this section, provided that:

- (1) The work performed by the classification is not performed by a classification in the wage determination for which a prevailing wage rate has been determined;
- (2) The classification is used in the area by the construction industry; and
- (3) The wage rate for the classification bears a reasonable relationship to the prevailing wage rates contained in the wage determination.

(B) The Administrator will establish wage rates for such classifications in accordance with [paragraph \(a\)\(1\)\(iii\)\(A\)\(3\)](#) of this section. Work performed in such a classification must be paid at no less than the wage and fringe benefit rate listed on the wage determination for such classification.

(iii) ***Conformance.***

(A) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the Contract must be classified in conformance with the wage determination. Conformance of an additional classification and wage rate and fringe benefits is appropriate only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is used in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) The conformance process may not be used to split, subdivide, or otherwise avoid application of classifications listed in the wage determination.

(C) If CMGC and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken will be sent by the contracting officer by email to DBAconformance@dol.gov. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) In the event CMGC, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer will, by email to DBAconformance@dol.gov, refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer within the 30-day period that additional time is necessary.

(E) The Authority will promptly notify CMGC of the action taken by the Wage and Hour Division under [paragraphs \(a\)\(1\)\(iii\)\(C\)](#) and [\(D\)](#) of this section. CMGC must furnish a written copy of such determination to each affected worker or it must be posted as a part of the wage determination. The wage rate (including fringe benefits where appropriate) determined pursuant to [paragraph \(a\)\(1\)\(iii\)\(C\)](#) or [\(D\)](#) of this section must be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iv) ***Fringe benefits not expressed as an hourly rate.*** Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, CMGC shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(v) ***Unfunded plans.*** If CMGC does not make payments to a trustee or other third person, CMGC may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, *Provided*, That the Secretary of Labor has found, upon the written request of the CMGC, in accordance with the criteria set forth in 29 CFR part 5, [§ 5.28](#), that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the CMGC to set aside in a separate account assets for the meeting of obligations under the plan or program.

(vi) ***Interest.*** In the event of a failure to pay all or part of the wages required by the Contract, CMGC will be required to pay interest on any underpayment of wages.

(2) ***Withholding.***

(i) ***Withholding Requirements.*** The Authority may, upon its own action, or must upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from CMGC so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of CMGC or any Subcontractor for the full amount of wages and monetary relief, including interest, required by the clauses set forth in [paragraph \(a\)](#) of this section for violations of this Contract, or to satisfy any such liabilities required by any other Federal contract, or federally assisted contract subject to Davis-Bacon labor standards, that is held by the same prime contractor (as defined in 29 C.F.R. § 5.2). The necessary funds may be withheld from CMGC under this Contract, any other Federal contract with the same CMGC, or any other federally assisted contract that is subject to Davis-Bacon labor standards requirements and is held by the same CMGC, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the CMGC liability for which the funds were withheld. In the event of a failure to pay any laborer or mechanic, including any apprentice or helper working on the site of the work (or otherwise working in construction or development of the project under a development statute) all or part of the wages required by the Contract, or upon the failure to submit the required records as discussed in [paragraph \(a\)\(3\)\(iv\)](#) of this section, the applicable federal agency and/or the Authority may on its own initiative and after written notice to CMGC, sponsor, applicant, owner, or other entity, as the case may be, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(ii) ***Priority to withheld funds.*** The Department has priority to funds withheld or to be withheld in accordance with [paragraph \(a\)\(2\)\(i\)](#) or [\(b\)\(3\)\(i\)](#) of this section, or both, over claims to those funds by:

(A) CMGC's surety(ies), including without limitation performance bond sureties and payment bond sureties;

(B) The Authority for its reprourement costs;

(C) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of CMGC, or CMGC's bankruptcy estate;

(D) CMGC's assignee(s);

(E) CMGC's successor(s); or

(F) A claim asserted under the Prompt Payment Act, [31 U.S.C. 3901-3907](#).

(3) *Payrolls and basic records*

(i) *Basic record requirements*

(A) ***Length of record retention.*** All regular payrolls and other basic records must be maintained by CMGC and any subcontractor during the course of the work and preserved for all laborers and mechanics working at the site of the work (or otherwise working in construction or development of the project under a development statute) for a period of at least 3 years after all the work on the prime contract is completed.

(B) ***Information required.*** Such records must contain the name; Social Security number; last known address, telephone number, and email address of each such worker; each worker's correct classification(s) of work actually performed; hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act); daily and weekly number of hours actually worked in total and on each covered contract; deductions made; and actual wages paid.

(C) ***Additional records relating to fringe benefits.*** Whenever the Secretary of Labor has found under [paragraph \(a\)\(1\)\(v\)](#) of this section that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in [40 U.S.C. 3141\(2\)\(B\)](#) of the Davis-Bacon Act, CMGC must maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits.

(D) ***Additional records relating to apprenticeship.*** CMGC with apprentices working under approved programs must maintain written evidence of the registration of apprenticeship programs, the registration of the apprentices, and the ratios and wage rates prescribed in the applicable programs.

(ii) *Certified payroll requirements*

(A) ***Frequency and method of submission.*** CMGC must submit weekly, for each week in which any DBA- or Related Acts-covered work is performed, certified payrolls to the Authority for transmission to the federal funding agency. CMGC is responsible for the submission of all certified payrolls by all Subcontractors. A contracting agency or CMGC may permit or require the submission of certified payrolls through an electronic system, as long as the electronic system requires a legally valid electronic signature; the system allows CMGC, the contracting agency, and the Department of Labor to access the certified payrolls upon request for at least 3 years after the work on the prime contract has been completed; and the contracting agency or CMGC permits other methods of submission in situations where CMGC is unable or limited in its ability to use or access the electronic system.

(B) **Information required.** The certified payrolls submitted must set out accurately and completely all of the information required to be maintained under [paragraph \(a\)\(3\)\(i\)\(B\)](#) of this section, except that full Social Security numbers and last known addresses, telephone numbers, and email addresses must not be included on weekly transmittals. Instead, the certified payrolls need only include an individually identifying number for each worker (e.g., the last four digits of the worker's Social Security number). The required weekly certified payroll information may be submitted using Optional Form WH-347 or in any other format desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at <https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347/.pdf> or its successor website. It is not a violation of this section for CMGC to require a Subcontractor to provide full Social Security numbers and last known addresses, telephone numbers, and email addresses to the prime contractor for its own records, without weekly submission by the subcontractor to the sponsoring government agency (or the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records).

(C) **Statement of Compliance.** Each certified payroll submitted must be accompanied by a “Statement of Compliance,” signed by CMGC or Subcontractor, or CMGC's or Subcontractor's agent who pays or supervises the payment of the persons working on the contract, and must certify the following:

- (1) That the certified payroll for the payroll period contains the information required to be provided under [paragraph \(a\)\(3\)\(ii\)](#) of this section, the appropriate information and basic records are being maintained under [paragraph \(a\)\(3\)\(i\)](#) of this section, and such information and records are correct and complete;
- (2) That each laborer or mechanic (including each helper and apprentice) working on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in [29 CFR part 3](#); and
- (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification(s) of work actually performed, as specified in the applicable wage determination incorporated into the contract.

(D) **Use of Optional Form WH-347.** The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 will satisfy the requirement for submission of the “Statement of Compliance” required by [paragraph \(a\)\(3\)\(ii\)\(C\)](#) of this section.

(E) **Signature.** The signature by CMGC, Subcontractor, or CMGC's or Subcontractor's agent must be an original handwritten signature or a legally valid electronic signature.

(F) ***Falsification.*** The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under [18 U.S.C. 1001](#) and [31 U.S.C. 3729](#).

(G) ***Length of certified payroll retention.*** CMGC and Subcontractors must preserve all certified payrolls during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

(iii) ***Contracts, subcontracts, and related documents.*** CMGC and Subcontractors must maintain this Contract or Subcontract and related documents including, without limitation, bids, proposals, amendments, modifications, and extensions. CMGC and Subcontractors must preserve these Contracts, Subcontracts, and related documents during the course of the work and for a period of 3 years after all the work on the prime contract is completed.

(iv) ***Required disclosures and access***

(A) ***Required record disclosures and access to workers.*** The CMGC and any Subcontractor must make the records required under [paragraphs \(a\)\(3\)\(i\)](#) through [\(iii\)](#) of this section, and any other documents that the Department of Reclamation or the Department of Labor deems necessary to determine compliance with the labor standards provisions of any of the applicable statutes, available for inspection, copying, or transcription by authorized representatives of the Department of Reclamation or the Department of Labor, and must permit such representatives to interview workers during working hours on the job.

(B) ***Sanctions for non-compliance with records and worker access requirements.*** If the CMGC or any Subcontractor fails to submit the required records or to make them available, or refuses to permit worker interviews during working hours on the job, the Federal agency may, after written notice to the CMGC, sponsor, applicant, owner, or other entity, as the case may be, that maintains such records or that employs such workers, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available, or to permit worker interviews during working hours on the job, may be grounds for debarment action. In addition, any CMGC or other person that fails to submit the required records or make those records available within the time requested for the records to be produced will be precluded from introducing as evidence in an administrative proceeding under [29 CFR part 6](#) any of the required records that were not provided or made available as requested. The requesting Department will take into consideration a reasonable request from the CMGC or person for an extension of the time for submission of records. The Department will determine the reasonableness of the request and may consider, among other things, the location of the records and the volume of production.

(C) ***Required information disclosures.*** The CMGC and Subcontractors must maintain the full Social Security number and last known address, telephone number, and email address of each covered worker, and must provide them upon request to the Department of Reclamation if the agency is a party to the contract, or to the Wage and Hour Division of

the Department of Labor. If the Department of Reclamation is not such a party to the contract, the CMGC, Subcontractor, or both, must, upon request, provide the full Social Security number and last known address, telephone number, and email address of each covered worker to the applicant, sponsor, owner, or other entity, as the case may be, that maintains such records, for transmission to the Department of Reclamation, the CMGC, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or other compliance action.

(4) *Apprentices and equal employment opportunity* —

(i) *Apprentices* —

(A) ***Rate of pay.*** Apprentices will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship (OA), or with a State Apprenticeship Agency recognized by the OA. A person who is not individually registered in the program, but who has been certified by the OA or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice, will be permitted to work at less than the predetermined rate for the work they perform in the first 90 days of probationary employment as an apprentice in such a program. In the event the OA or a State Apprenticeship Agency recognized by the OA withdraws approval of an apprenticeship program, the contractor will no longer be permitted to use apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(B) ***Fringe benefits.*** Apprentices must be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringe benefits must be paid in accordance with that determination.

(C) ***Apprenticeship ratio.*** The allowable ratio of apprentices to journeymen on the job site in any craft classification must not be greater than the ratio permitted to the contractor as to the entire work force under the registered program or the ratio applicable to the locality of the project pursuant to [paragraph \(a\)\(4\)\(i\)\(D\)](#) of this section. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in [paragraph \(a\)\(4\)\(i\)\(A\)](#) of this section, must be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under this section must be paid not less than the applicable wage rate on the wage determination for the work actually performed.

(D) ***Reciprocity of ratios and wage rates.*** Where CMGC is performing construction on a project in a locality other than the locality in which its program is registered, the ratios and

wage rates (expressed in percentages of the journeyworker's hourly rate) applicable within the locality in which the construction is being performed must be observed. If there is no applicable ratio or wage rate for the locality of the project, the ratio and wage rate specified in the contractor's registered program must be observed.

(ii) ***Equal employment opportunity.*** The use of apprentices and journeyworkers under this part must be in conformity with the equal employment opportunity requirements of [Executive Order 11246](#), as amended, and [29 CFR part 30](#).

(5) ***Compliance with Copeland Act requirements.*** CMGC shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) ***Subcontracts.*** CMGC or Subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the applicable Federal agency may by appropriate instructions require, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. **CMGC shall be responsible for the compliance by any Subcontractor or lower tier Subcontractor with all the contract clauses in 29 CFR 5.5.**

(7) ***Contract termination: debarment.*** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a CMGC and a Subcontractor as provided in 29 CFR 5.12.

(8) ***Compliance with Davis-Bacon and Related Act requirements.*** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) ***Disputes concerning labor standards.*** Disputes arising out of the labor standards provisions of this Contract shall not be subject to the general disputes clause of this Contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between CMGC (or any of its Subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) ***Certification of eligibility.***

(i) By entering into this Contract, CMGC certifies that neither it (nor he or she) nor any person or firm who has an interest in CMGC's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this Contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(11) ***Anti-retaliation.*** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- (i) Notifying any CMGC of any conduct which the worker reasonably believes constitutes a violation of the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#);
- (i) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#);
- (ii) Cooperating in any investigation or other compliance action, or testifying in any proceeding under the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#); or
- (iv) Informing any other person about their rights under the Davis-Bacon Act, related acts, this part, or [29 CFR part 1](#) or [3](#).

(b) ***Contract Work Hours and Safety Standards Act.*** CMGC shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), as supplemented by Department of Labor regulations in 29 CFR Part 5 and 2 CFR 200 Appendix II(E). In accordance with 29 C.F.R. section 5.5(b), CMGC agrees to comply with the following, and to require all of its Subcontractors to comply with the following. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) ***Overtime requirements.*** No CMGC or Subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) ***Violation; liability for unpaid wages; liquidated damages.*** In the event of any violation of the clause set forth in paragraph (b)(1) of this section, CMGC and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such CMGC and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty

hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages.*

- (i) Withholding process. The funding federal agency or the Authority may, upon its own action, or must, upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from CMGC so much of the accrued payments or advances as may be considered necessary to satisfy the liabilities of CMGC or any Subcontractor for any unpaid wages; monetary relief, including interest; and liquidated damages required by the clauses set forth in this paragraph (b) on this contract, any other Federal contract with the same CMGC, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act that is held by the same CMGC (as defined in 29 C.F.R. § 5.2). The necessary funds may be withheld from CMGC under this Contract, any other Federal contract with the same CMGC, or any other federally assisted contract that is subject to the Contract Work Hours and Safety Standards Act and is held by the same CMGC, regardless of whether the other contract was awarded or assisted by the same agency, and such funds may be used to satisfy the CMGC liability for which the funds were withheld.
- (ii) Priority to withheld funds. The Department or the Authority has priority to funds withheld or to be withheld in accordance with paragraph (a)(2)(i) or (b)(3)(i) of this section, or both, over claims to those funds by:
 - (A) CMGC's surety(ies), including without limitation performance bond sureties and payment bond sureties;
 - (B) The Authority for its procurement costs;
 - (C) A trustee(s) (either a court-appointed trustee or a U.S. trustee, or both) in bankruptcy of CMGC, or CMGC's bankruptcy estate;
 - (D) CMGC's assignee(s);
 - (E) CMGC's successor(s); or
 - (F) A claim asserted under the Prompt Payment Act, 31 U.S.C. 3901–3907.

(4) *Subcontracts.* CMGC or Subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (5) of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. CMGC shall be responsible for compliance by any Subcontractor or lower tier Subcontractor with the clauses set forth in paragraphs (b)(1) through (5) of this section. In the event of any violations of these clauses, CMGC and any Subcontractor(s) responsible will be liable for any unpaid wages and monetary relief, including interest from the date of the underpayment or loss, due to any

workers of lower-tier Subcontractors, and associated liquidated damages and may be subject to debarment, as appropriate.

(5) ***Anti-Retaliation.*** It is unlawful for any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, or to cause any person to discharge, demote, intimidate, threaten, restrain, coerce, blacklist, harass, or in any other manner discriminate against, any worker or job applicant for:

- (i) Notifying CMGC or any contractor of any conduct which the worker reasonably believes constitutes a violation of the Contract Work Hours and Safety Standards Act (CWHSSA) or its implementing regulations in this part;
- (ii) Filing any complaint, initiating or causing to be initiated any proceeding, or otherwise asserting or seeking to assert on behalf of themselves or others any right or protection under CWHSSA or this part;
- (iii) Cooperating in any investigation or other compliance action, or testifying in any proceeding under CWHSSA or this part; or
- (iv) Informing any other person about their rights under CWHSSA or this part.

(c) In addition to the clauses contained in paragraph (b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in § 5.1, CMGC or Subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the records to be maintained under this paragraph shall be made available by the CMGC or Subcontractor for inspection, copying, or transcription by authorized representatives of the Authority and the Department of Labor, and CMGC or Subcontractor will permit such representatives to interview employees during working hours on the job.

With respect to all requirements in this Section 1.05, to the extent that California law differs, CMGC and its Subcontractors shall comply with the more stringent requirement.

SECTION 1.06. FEDERAL ACCESS TO RECORDS.

CMGC shall allow access by representative(s) from the United States Bureau of Reclamation and/or the Department of the Interior, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the CMGC which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcriptions. CMGC shall maintain all books, documents, papers, and records directly pertinent to the Contract for three (3) years after the Authority makes the final payment to CMGC for the Work on the Project.

SECTION 1.07. CLEAN AIR AND CLEAN WATER ACTS.

CMGC shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. sections 7401-7671q), the Clean Water Act (33 U.S.C. sections 1251-1387), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 35, subpart E, Appendix C-2), which prohibit the use under non-exempt federal contracts, grants, or loans of facilities included in the United States Environmental Protection Agency List of Violating Facilities. CMGC agrees to report any violation to the Authority, and understands and agrees that the Authority will report each violation as required to the appropriate Federal agencies, including, without limitation, the Environmental Protection Agency Regional Office.

SECTION 1.08. ENERGY EFFICIENCY.

CMGC shall comply with 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. 965).

SECTION 1.09. TRAFFICKING VICTIMS PROTECTION ACT (TVPA) OF 2000 (2 CFR Part 175).

- A. CMGC, its employees, and its Subcontractors, may not—
 - (1) Engage in severe forms of trafficking in persons during the period of time that the Contract is in effect;
 - (2) Procure a commercial sex act during the period of time that the Contract is in effect; or
 - (3) Use forced labor in the performance of this Contract.
- B. The Authority may unilaterally terminate this Contract, without penalty, if CMGC or its Subcontractor(s) —
 - (1) Is determined to have violated a prohibition in the above paragraph A or
 - (2) Has an employee who is determined by the Authority to have violated a prohibition in the above paragraph A through conduct that is either—
 - a. Associated with performance under this Contract; or
 - b. Imputed to CMGC or its Subcontractor using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement),” as implemented by the Department of the Interior at 2 CFR part 1400.
 - (3) CMGC must inform the Authority immediately of any information received from any source alleging a violation of a prohibition in the above paragraph A during the term of the Contract.
 - (4) The Authority’s right to terminate unilaterally that is described in the above paragraph B of this section:
 - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
 - b. Is in addition to all other remedies for noncompliance that are available to

the Authority under this Contract.

(5) Definitions:

- a. “Employee” means either:
 - (i) An individual employed by CMGC or a Subcontractor who is engaged in the performance of this Contract; or
 - (ii) Another person engaged in the performance of the Contract and not compensated by CMGC including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution.
- b. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- c. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

SECTION 1.10. DEBARMENT AND SUSPENSION (Executive Orders 12549 and 12689).

By executing the Contract, CMGC represents that it is not listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

SECTION 1.11. RESTRICTIONS ON LOBBYING (43 CFR §18).

CMGC agrees to comply with 43 CFR 18, New Restrictions on Lobbying. CMGC will provide and cause Subcontractors of every tier to provide the certification attached hereto as Attachment 1 certifying that:

- A. No Contract funds will be paid, by or on behalf of CMGC, to any person for influencing or attempting to influence an officer or employee of the United States Bureau of Reclamation, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than the Contract funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the CMGC shall complete and submit OMB Standard Form-

LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

- C. CMGC shall require that the language of this certification be included in the award documents for all subcontracts of \$150,000 or more and that all such Subcontractors shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

SECTION 1.12. DRUG-FREE WORKPLACE.

CMGC is obligated to distribute to each employee who will be engaged in the performance of any work on the Contract the following statement:

The unlawful manufacture, distribution, dispensing, possession, or use of any controlled substance is prohibited in the workplace. As a condition of employment, you must agree to abide by this statement and must notify the Authority in writing within five calendar days of the conviction if you are convicted of a criminal drug statute violation occurring in your workplace.

In addition, CMGC must publish a statement that—

- (a) Tells its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in your workplace;
- (b) Specifies the actions that it will take against employees for violating that prohibition; and
- (c) Lets each employee know that, as a condition of employment under any award, they:
 - (1) Will abide by the terms of the statement; and
 - (2) Must notify CMGC in writing if they are convicted for a violation of a criminal drug statute occurring in the workplace and must do so no more than five calendar days after the conviction.

Further, CMGC must notify its employees of any drug counseling, rehabilitation, or assistance program that it offers and the actions that the CMGC will take against employees for violation of the drug-free workplace requirements.

SECTION 1.13. PROCUREMENT OF RECOVERED MATERIALS.

CMGC agrees that it and its Subcontractors will comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, including procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where:

- (A) the purchase price of the item during the fiscal year exceeds \$10,000 or

- (B) CMGC procured over \$10,000 of the item during the preceding fiscal year on federally funded contracts.

The list of EPA-designated items is available at www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products.

Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the CMGC can demonstrate the item:

- (A) is not reasonably available within a timeframe providing for compliance with the contract performance schedule;
- (B) fails to meet reasonable contract performance requirements; or
- (C) is only available at an unreasonable price.

SECTION 1.14. DOMESTIC PREFERENCES FOR PROCUREMENTS.

As required by 2 C.F.R. section 200.322 and the Build America, Buy America Act, CMGC, as appropriate and consistent with the law, shall, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to iron, aluminum, steel, cement, and other manufactured products).

- A. “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- B. “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride (PVC) pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

CMGC shall bind its Subcontractors to this clause.

This Project may be subject to the Buy America domestic content sourcing requirements under the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58, §§ 70911-70917). These provisions apply when using Federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. BABA requires that all iron, steel, manufactured products, and construction materials consumed in, incorporated into, or affixed to federally funded infrastructure projects must be produced in the United States.

SECTION 1.15. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE.

As required by 2 C.F.R. section 200.216, CMGC is prohibited from procuring or obtaining equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment or services means:

- A. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- B. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- C. Telecommunications or video surveillance services provided by such entities or using such equipment.
- D. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

ATTACHMENT 1

BYRD ANTI-LOBBYING AMENDMENT CERTIFICATION

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit OMB Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts) in excess of \$150,000 and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Contract was made or entered into. Submission of this certification is a prerequisite for making or entering into this Contract 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.

CMGC [or Subcontractor] certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, CMGC [or Subcontractor] understands and agrees that the provisions of 31 U.S.C. Chapter 38, Administrative Remedies for False Claims and Statements, as well as any California remedies, apply to this certification and disclosure, if any.

I certify that I am duly authorized to legally bind CMGC [or Subcontractor] to this certification, that the contents of this certification are true, and that this certification is made under the laws of the State of California.

Date: _____

Contractor's Name: _____

Signature: _____

Print Name/Title: _____

EXHIBIT D

PRECONSTRUCTION SERVICES

A. General:

The CMGC shall perform the Preconstruction Services with the degree of care and skill ordinarily exercised by CM/GC firms providing similar services in California, shall coordinate its services with SLDMWA, the Engineer (Reclamation), and other SLDMWA consultants, and shall be responsible for the acts and omissions of its subconsultants and subcontractors performing Preconstruction Services.

Reference Documents. The CMGC shall perform the Preconstruction Services described in this Exhibit D using the planning-level and reference documents furnished with the Request for Proposals (RFP), including, but not limited to, RFP Exhibit B (Preliminary Design Information) and RFP Exhibit C (Geotechnical/Reference Reports). These RFP exhibits are not reattached to this Agreement but are incorporated here by reference for purposes of Preconstruction Services.

B. Items of Preconstruction Services:

1. ***Collaboration, Partnering, and Administration:*** The CMGC shall lead and participate in a structured program of meetings and related project administration during Preconstruction Services for Project Task 1 and Project Task 2. The purpose is to keep SLDMWA, the Engineer, and other project stakeholders aligned on design progress, constructability, risk, and GMP development. It is not the CMGC's responsibility to ascertain that the drawings and specifications are in accordance with laws and codes; however, if the CMGC recognizes, or should reasonably have recognized, a variance, it shall promptly notify the Engineer and SLDMWA in writing.
- a. **Partnering.** Within the first thirty (30) days after Notice to Proceed for Preconstruction Services, the CMGC shall plan and conduct one (1) facilitator-led partnering session with SLDMWA, the Engineer, and other invitees identified by the Authority. The CMGC shall furnish the partnering facilitator and propose the facilitator to the Authority for written approval before scheduling the session. The session will confirm project goals, roles and responsibilities, communication and escalation paths, and initial risk and innovation topics. In addition to the kickoff session, the CMGC shall plan for and conduct up to two (2) additional facilitated partnering sessions during the Preconstruction period, to coincide with major design milestones (for example, 60 percent and 90 percent). All CMGC labor, planning, coordination, meeting materials, and facilitator costs for these sessions shall be included in the CMGC's fixed fee for Preconstruction Services.
- b. **Weekly project meetings.** The Project Team shall hold weekly meetings throughout the Phase 1 Preconstruction period. Meetings will occur in person on the first and third weeks of each month at SLDMWA's offices or project site

(except for Reclamation staff, who may attend virtually). Meetings on alternate weeks may be held virtually via Microsoft Teams.

Each meeting shall include review and discussion of:

- i. Design progress and constructability comments.
- ii. Field and geotechnical investigation results.
- iii. Environmental and permitting coordination.
- iv. Risk register updates and mitigation actions.
- v. Cost and schedule status related to GMP development.
- vi. Action items and next steps.

- b. Agendas, minutes, and action log.** The CMGC shall prepare and distribute meeting agendas (24 hours in advance) and meeting minutes (within 2 business days), documenting key discussions, decisions, and assigned action items. The Authority's Representative shall review and approve meeting minutes for record. The CMGC shall maintain a consolidated action log tracking items to closure, accessible to all team members through the Authority's document-management system.
- c. Project administration.** The CMGC shall perform the day-to-day administrative tasks necessary to support Preconstruction Services, including document circulation, maintenance of the preconstruction file structure in the Authority's system, tracking of submittals and deliverables from CMGC to the Authority and the Engineer, and coordination with Authority staff on meeting dates, locations, and virtual links. These administrative tasks are included in the CMGC's fixed fee for this item and are not separately compensable.
- d. Monthly preconstruction progress report and invoicing.** Once each month, the CMGC shall submit a concise preconstruction progress report that summarizes work completed during the period, identifies issues requiring Authority direction, and reports percent complete for the preconstruction activities tied to Project Task 1 and Project Task 2, consistent with the CMGC's fee proposal. Invoices for Preconstruction Services shall follow the General Conditions and shall reference the activities and percent complete reported in the monthly progress report.
- e. Preconstruction schedule.** The CMGC will develop and maintain a detailed schedule for Preconstruction Services covering Tasks 1 and 2. The schedule will be prepared in Primavera P6 or Microsoft Project and will be organized as a Gantt chart with clearly defined activities, logic ties, durations, summary milestones, and critical path identification. The schedule will serve as the baseline planning tool for coordination, sequencing, deliverables, and development of the GMP.

The CMGC will update the schedule monthly and provide revised logic, progress status, and forecast dates for key milestones. Updates will reflect coordination decisions made during Preconstruction Services and will be submitted to SLDMWA for review.

- i. Develop an initial baseline Preconstruction Schedule covering the full duration of Tasks 1 and 2.
 - ii. Include workshops, review cycles, coordination meetings, submittal preparation, SLDMWA review durations, and Preconstruction deliverable milestones.
 - iii. Include design deliverable milestones and CMGC review windows, as coordinated with SLDMWA and Reclamation.
 - iv. Include timing for GMP proposal preparation, negotiation, Construction Contract execution, and Notice(s) to Proceed.
 - v. Revise the schedule monthly to reflect progress, logic adjustments, and updated durations, and submit to SLDMWA for review.
- f. **Risk register.** The CMGC shall establish, maintain, and update a project risk register covering Preconstruction activities for Task 1 and Task 2. The risk register shall, at a minimum, identify the risk description, risk owner, likelihood, consequence, proposed mitigation, and current status. The CMGC shall update the register not less than monthly and after each facilitated partnering session, and shall upload the current register to the Authority's system. The CMGC shall use the risk register to inform schedule development, constructability recommendations, and GMP development.

Assumptions:

1. This item supports both Project Task 1 and Project Task 2. The CMGC shall price it once and allocate the priced amount between Task 1 and Task 2 in the same proportions used on the Fee Proposal form.
2. One initial partnering session will be an eight (8) hour, in-person session at either SLDMWA's Los Banos or Tracy office; up to two (2) follow-up facilitated sessions will each be up to four (4) hours and may be in person or virtual, at the Authority's discretion. The CMGC will provide at least four (4) CMGC personnel for each partnering session.
3. For in-person and virtual weekly project meetings, the CMGC will provide up to four (4) CMGC personnel appropriate to the agenda. This headcount is inclusive of CMGC's project management and technical staff and is not intended to modify or limit the key-personnel requirements stated elsewhere in the RFP or Agreement.
4. Weekly in-person and virtual project meetings will be planned for up to two (2) hours.
5. The CMGC will furnish the facilitator and all partnering materials; the facilitator must be approved in writing by the Authority before use.
6. The Authority will provide access to its document- or contract-management system for uploading agendas, minutes, action logs, monthly reports, and the risk register.
7. SLDMWA will identify design deliverable milestone dates for incorporation into the Preconstruction schedule.
8. Review duration assumptions will be coordinated with SLDMWA during Preconstruction schedule development.

Deliverables:

1. Partnering session agenda, materials, and sign-in sheets (PDF).
 2. Weekly meeting agendas (PDF) issued ≥ 24 hours before each meeting.
 3. Weekly meeting minutes (PDF) issued within 2 business days, including attendance, decisions, and action items.
 4. Consolidated action-item log in the Authority's system (native format as required).
 5. Monthly Preconstruction Progress Report (PDF) aligned to Project Task 1 and Project Task 2 activities.
 6. Baseline Preconstruction Schedule and monthly updates in P6 XER or Microsoft Project (MPP) format, with PDF Gantt chart export. One schedule narrative (PDF) per update summarizing key changes, delays, constraints, and critical path drivers. Monthly risk register update (Excel or Authority-approved format).
2. ***Site Investigations:*** The CMGC shall perform the site and field investigations described in this Item to support constructability review, work sequencing, and GMP development for Project Task 1 and Project Task 2.
- a. **General Site and Document Review.** CMGC shall carefully examine the site at which the work will be performed and all of the documents included in the contract documents; perform all reasonable investigations essential to a full understanding of the difficulties that may be encountered in performing the work; and acquaint itself through reasonable discovery with the conditions under which the work is to be performed, including, without limitation, local labor conditions, local weather patterns, restriction in access to and from the work site, prior work performed by others on the Project, and obstructions and other conditions relevant to the work, the site of the work and its surroundings. The CMGC shall promptly advise the Authority and the Engineer in writing of any apparent gaps, conflicts, or conditions that could affect construction of Task 1 or Task 2 so they can be addressed during Preconstruction.
 - b. **Borrow Site Investigations.** Stockpiles of native cut material, generated from the original construction of the DMC, exist along the embankments. Early effort of the Project focused on borrow site investigations occurring along the mid and lower portions of the Upper DMC, and approximately 132 test pits have already been excavated and logged. Several of these sites are qualified for use in Task 2 areas; however, limited qualified sites exist near the Task 1 area. The Authority has the necessary access and environmental clearances for the areas. Drawings of the available stockpiles are shown in RFP Exhibit B.3 with test pit logs and labs located in RFP Exhibit C – Appendix D & E.2. Existing on-site materials are anticipated to be of sufficient quantity and quality to meet Project embankment/fill material needs; imported aggregates and other processed materials are outside the scope of this borrow investigation.

The CMGC shall excavate, log, and test up to 12 CMGC-selected borrow/stockpile areas taken from RFP Exhibit B.3. The CMGC may allocate those 12 areas between

Task 1 and Task 2 in any proportion (for example, eight (8) areas for Task 1 and four (4) areas for Task 2) without change in the CMGC's fixed fee for this Item. For each selected borrow/stockpile area, the CMGC shall excavate two (2) additional test pits to collect and test soil samples, for a maximum of twenty-four (24) test pits under this Item. The 12 CMGC-selected borrow/stockpile areas for additional investigation will be submitted for SLDMWA review and approval before mobilization.

- i. Each test pit will be sufficiently deep to characterize the soil profile of the stockpile while avoiding excavation into native material. The depth of each stockpile is unknown.
- ii. Access by personnel in the test pit will not be required but grab samples from bucket loads will be necessary every 2-feet in depth.
- iii. CMGC shall employ an Engineer specializing in the geotechnical discipline or Geologist to log, photograph, characterize and prepare each bulk sample for laboratory testing.
- iv. CMGC will review each area for equipment access and is responsible for the safety of its employees and sub-contractors -during excavation activities
- v. CMGC shall share the information with SLDMWA and Reclamation to determine soil suitability for use in the project.
- vi. Laboratory testing must follow the schedule in the following table.

Lab Test Description		ASTM Reference Standard	Minimum Testing Frequency	Comments
USCS Class. (ASTM D2487)	Sieve analysis	ASTM D6913 (Method A) or C136 after D1140, or C117	x2 / test pit	Coarse-grained soils, methods are dependent on estimated fines content. Note D422 has been superseded.
	Hydrometer analysis	ASTM D7928	x1 / test pit	Fine-grained soils (silt and clay)
	Atterberg limits	ASTM D4318	x1 / test pit	1-point method to be used for liquid limit. If insufficient material for LL/PI, estimate fines as silty or clayey using ASTM D2488
Dispersion Suite	Crumb dispersion test	ASTM D6572	x1 / test pit	Crumb and pinhole shall be run on the same sample when possible.
	Pinhole dispersion test	ASTM D4647	x1 / test pit	Not applicable for soils with <12% fines or PI=<8.
	Double hydrometer test	ASTM D4221	x1 / test pit	Provide quantitative measure to reduce false negatives.
Water content		ASTM D2216	x2 / test pit	

One-dimensional swell or collapse	ASTM D4546 Method C	x1 / 4 test pits or x1 / borrow area	Minimum frequency should be performed for which ever is greater.

Notes. 1. Use most up to date ASTM standards.

2. Provide test pit log using ASTM D2488-17e1, visual classification in field, provide percentages in soil descriptions.
3. Minimum laboratory testing quantities are estimated. Actual test quantities may vary depending on subsurface conditions and materials encountered.

- c. Utility Investigation.** Underground utility mapping is ongoing by SLDMWA and will be furnished to CMGC during Preconstruction Services, together with Reclamation's existing-conditions drawings for the Task 1 and Task 2 work areas as they become available. Existing utilities along the DMC have been mapped using several methods consisting of visual line of sight, Ground Penetrating Radar Survey (GPRS), Electromagnetic (EM) locating, push camera inspection, sonde tracking, and potholing. Potholing was performed for utilities that cross the canal embankment at depths shallower than 2 ft. below the top of liner. Location by potholing was performed for public utility crossings, irrigation turnouts, and well discharge facilities identified by noninvasive methods and as-built records. Pothole certificates will be included for CMGC review. A table of existing utilities identified during project planning (feasibility level) for the DMC is enclosed in RFP Exhibit B.5 for informational purposes.

The Utility Investigation effort will consist of the CMGC familiarizing themselves with the utilities along the DMC with particular attention given to those utilities that pose a conflict with the Work, to verify information shown on the Reclamation drawings and mapping, and to inform development of access and work plans. The CMGC will reconcile observed conditions to the drawings and RFP Exhibit B.5, provide recommendation to SLDMWA on additional investigation needs, and produce an inventory of Pump Turnout and Well Discharge pipes that will need to temporarily be removed and reinstalled as part of the project work plan. This is a non-intrusive verification; no new USA notification or mark-out is required under this item. Exhibit B.5 is furnished for reference to gauge level of effort; the CMGC is responsible for addressing all potential utility impacts within Task 1 and Task 2 work areas and shall propose an appropriate level of effort in its Fixed Fee. Field observations and reporting under this Item are limited to utilities located within, or immediately adjacent to, the Task 1 and Task 2 work areas indicated on the RFP Exhibit A figures.

The CMGC will:

- i. Perform visual field observations and photography to verify the utility and its location with respect to the planned Work.

- ii. Develop a table and drawings showing all identified utility conflicts along with type, size, cover or elevation source, and location by station or milepost and offset.
- iii. Provide a brief method description for working around or protecting each conflict and flag others for protection during construction.
- iv. Identify locations where additional utility investigations may be warranted for Authority direction.
- v. Coordinate with public utility agencies, as necessary, for the purpose of gathering information.

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort for field observation and reporting within each Task work area.
2. The Authority will secure rights-of-entry (ROE), as needed, and coordinate access to up to twelve (12) potential borrow/stockpile areas.
3. The CMGC will field-mark proposed dig locations and submit Underground Service Alert (USA) notifications at least two (2) business days before excavation, in accordance with USA requirements.
4. The CMGC may, for its own purposes, perform explorations beyond the twelve (12) areas / twenty-four (24) test pits defined in the Scope of Work. Such work requires prior written approval from SLDMWA, will be non-compensable, and will not modify fixed fees, quantities, or the schedule.
5. RFP Exhibit B.5 (utility inventory) is furnished with the RFP for proposers' use in scoping level of effort. During Preconstruction Services, SLDMWA will furnish Reclamation existing-conditions drawings as they become available for verification.
6. Remote or desktop review (e.g., aerial imagery, Google Maps/Street View, or existing photographs) may be used for planning only and does not satisfy or replace the required field observation and photography.
7. The CMGC will perform minor hand vegetation disturbance (e.g., flattening, brushing aside, or cutting stems ≤ 1 inch diameter) as needed to visually observe utility features; mechanized clearing, grubbing, tree removal, or chipping is not included in this Item.
8. The CMGC will identify potential utility conflicts using its professional judgment, accounting for anticipated construction means and methods, equipment loads, temporary works, access routes, and sequencing.

Deliverables.

1. Draft and Final Borrow Investigation Reports (single consolidated report covering Task 1 and Task 2) in PDF format including: location map and marked-up plan sheets; logs, photos, and laboratory results in a format consistent with RFP Exhibit C appendices; an exhibit delineating usable borrow extents and ingress/egress;

estimated quantities of usable material by area; and a suitability conclusion with recommendations.

2. Draft and Final Utility Investigation Reports (single consolidated report covering Task 1 and Task 2) in PDF format. Content will document activities described in the Item description and include marked-up drawings of utility conflicts, tabulated data of utility conflicts, and recommended disposition of utilities during construction (e.g. do not disturb, remove and replace, relocate, or protect in place.)
 3. Upon request, the CMGC shall provide interim working materials (e.g., planning documents, field photos, preliminary tabulations, or draft mapping) in their then-current form, without additional formatting or compilation, to support review of progress during Preconstruction Services.
1. ***Environmental Review:*** The Project's environmental documentation under NEPA and CEQA has been prepared in a joint EA/IS with a Proposed Mitigated Negative Declaration. Final approvals of the Proposed Mitigated Negative Declaration will be obtained by SLDMWA and Reclamation prior to construction. All environmental commitments, permit conditions, and mitigation measures applicable to Tasks 1 through 4 construction are available at SLDMWA's website (<https://sldmwa.org/dmc-subsidence-project>). These commitments include constraints related to in-water work, noise and dust control, species protection, cultural resource monitoring, and hazardous material management.

The CMGC will review the applicable environmental commitments to identify how they may affect construction means and methods, access, staging, sequencing, and schedule for Tasks 1 and 2. The CMGC will advise SLDMWA and Reclamation where environmental constraints may influence Work planning and will incorporate applicable constraints into planning documents prepared under Preconstruction Services. CMGC Preconstruction Services will consist of, at a minimum:

- a. Review the environmental commitments relevant to Tasks 1 and 2 to determine effects on access, means and methods, sequencing, staging, and schedule.
- b. Prepare a Commitments Compliance Matrix listing each applicable measure, describing its field implementation requirements, and identifying the responsible party (CMGC, SLDMWA, or Reclamation).
- c. Identify potential conflicts or constraints that could affect cost, schedule, constructability, or a combination thereof and recommend practical approaches to accommodate identified constraints in the Work.
- d. Coordinate with SLDMWA's Environmental Consultant and Reclamation's environmental compliance staff to confirm interpretations and verify that proposed work methods meet permit and mitigation requirements.
- e. Reflect applicable commitments and constraints in the Work Plan, schedule logic, and GMP development for Tasks 1 and 2.
- f. Report previously unidentified potential environmental constraint discovered during site investigations to SLDMWA and Reclamation for direction.

Assumptions.

1. This item supports both Task 1 and Task 2; price once and allocate between Tasks in the same proportions used on the Fee Proposal form.
2. SLDMWA and Reclamation will obtain and manage all required environmental permits, conduct required biological and cultural resource surveys, and provide qualified monitors, as applicable.
3. The CMGC is not responsible for preparing environmental documents, permit applications, survey work, or monitoring plans.
4. Field access will be scheduled and coordinated by SLDMWA in accordance with environmental clearance requirements.
5. Nothing in this Item relieves the CMGC of obtaining and complying with construction-phase permits and authorizations required under other Preconstruction Services Scope of Work Items or GMP Amendment by Task, including preparation of the SWPPP under the Construction General Permit and any other CMGC-obtained permits, unless expressly provided by the SLDMWA.

Deliverables.

1. Environmental Commitments Compliance Matrix in Excel or PDF table format.
 2. Memorandum summarizing construction or schedule constraints and proposed solutions in PDF format.
 3. Marked-up drawings or notes identifying environmental buffer zones, access restrictions, or staging limitations (as applicable to Work Plan development) in PDF format.
 4. Input to the risk register (Item 1 Deliverable) regarding environmental risks and recommended mitigation.
4. ***Construction Management Plans:*** Tasks 1 and 2 involve concrete canal lining and embankment raising in designated reach segments of the Delta-Mendota Canal. In Task 2, five of the six identified sag areas include displaced or distorted concrete panels requiring replacement. The panel replacement will necessitate underwater work and the design, installation, and removal of a contractor-designed cofferdam or equivalent system to permit concrete placement in the dry. Development of a comprehensive Work Plan is required to establish safe, efficient, and constructible means and methods that will inform final design decisions and the Guaranteed Maximum Price (GMP).

The CMGC will prepare the following management plans during preconstruction. Plans may be developed to cover both Construction Task 1 and 2 (combined) or each Task separately, as jointly determined by the SLDMWA and CMGC.

- a. **Work Plan.** This plan will describe the CMGC's approach to construction, including construction methods, site access, haul routes, erosion and sediment control measures, construction sequencing, temporary facilities, traffic and equipment movement controls, and coordination with SLDMWA and Reclamation. The plan will also identify construction equipment requirements and relevant constraints that may affect work execution and scheduling.

- b. Safety Program.** These plans will include, at a minimum, the Injury and Illness Prevention Program, Written Safety Program and Code of Safe Practices, Pre-Work Safety Plan, Site-Specific Emergency Response Plan, Fire Prevention and Control Plan, Heat Illness Prevention Plan, Safety Data Sheets for materials to be used on site, Job Hazard Analysis, and Trenching and Excavation Safety Procedures (including required permits).
- c. Contractor's Quality Control Program.** The CMGC will prepare a Contractor's Quality Control Program Plan describing the procedures and responsibilities for inspection, testing, documentation, corrective actions, and coordination with SLDMWA and Reclamation for quality oversight during construction.
- d. Environmental Management and Monitoring Plan.** The CMGC will prepare an Environmental Management and Monitoring Plan describing how environmental commitments and permit conditions will be implemented during construction. The plan will identify required procedures, field responsibilities, inspection protocols, documentation requirements, and coordination with SLDMWA and Reclamation.
- e. Subcontracting Plan.** The CMGC will prepare a Subcontracting Plan describing the proposed approach to subcontracting, including identification of work to be self-performed, work proposed for subcontracting, competitive procurement procedures, subcontractor licensing verification, subcontractor coordination procedures, and in accordance with Item 9.

Assumptions.

1. This Item supports both Task 1 and Task 2; price once and allocate between Tasks in the same proportions used on the Fee Proposal form.
2. The titles, organization, and packaging of Construction Management Plans may be modified as necessary to conform to the Reclamation Submittals requirements set forth in the Contract Specifications. Any such adjustments will be for format and compliance purposes only and will not alter the technical intent or scope of the plans. All revisions to plan titles or packaging will be subject to SLDMWA review and approval.
3. SLDMWA and Reclamation will provide applicable specification sections, environmental permit requirements, and safety program requirements for reference during plan development.
4. These plans will be construction-ready prior to Task-specific Notice(s) to Proceed under the GMP Amendment(s).

Deliverables.

1. Draft and Final Construction Management Plan (PDF).
2. Draft and Final Safety Program Plans (PDF).
3. Draft and Final Contractor's Quality Control Program Plan (PDF).
4. Draft and Final Environmental Management and Monitoring Plan (PDF).
- Draft and Final Subcontracting Plan (PDF).

5. ***Innovation Management:*** The CMGC will develop, propose, and track challenges and quantify benefits of innovations throughout the preconstruction phase, including proposing criteria to evaluate suggestions and select improvements that will offer the most value in terms of cost, schedule, and quality. The CMGC will prepare, modify, and maintain an innovation register, which identifies the person and entity that proposed the idea, the value of the idea (in terms of cost, savings, risk reduction/mitigation, and schedule impact), and which ideas were incorporated by the SLDMWA and Reclamation into the final design and construction documents.

Assumptions.

1. This Item supports both Task 1 and Task 2; price once and allocate between Tasks in the same proportions used on the Fee Proposal form.
2. A continuous process and no separate defined meeting is identified.

Deliverables.

1. Innovation register and updates in Excel and PDF format. Backup documentation in PDF format for each update.
2. Innovation Summary Report (PDF) with the GMP Proposal.

6. ***Constructability Review of Construction Documents:*** The CMGC will conduct constructability reviews and provide input related to constraints and limitations of various construction methods and equipment during the design development for Task 1 and Task 2, including but not limited to written review comments or redlines at specified design milestones (60 percent and 90 percent). The constructability review shall be completed by construction personnel experienced in construction techniques, construction sequencing, and construction means and methods expected to be employed on this Project. Review comments shall be specific and include details such as alternative solutions and potential cost savings related to construction.

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
2. Formal constructability reviews will be submitted at 60 percent design and 90 percent design for each Task 1 and Task 2. Actual design progress percent complete for formal constructability reviews to be adjusted as needed in coordination with SLDMWA and Reclamation.
3. CMGC will include two interim constructability reviews between milestones for both Task 1 and Task 2.

Deliverables.

1. Written Constructability Review Report summarizing findings, recommendations, and potential cost/schedule implications (PDF) for each formal constructability review.
2. Marked-up drawings and specifications highlighting suggested revisions (PDF).

3. Constructability Review Log and Updates showing comment status and resolution (Microsoft Excel and PDF).
7. ***Construction Schedule Development:*** The CMGC will create and update separate Construction Schedules for Task 1 and Task 2. The project team will work together to create a baseline construction schedule, which will be updated, at a minimum, at design milestones of 60 percent, 90 percent, and final design or as designated by the SLDMWA and for scope changes that necessitate changes in schedule.

The CMGC will provide a finalized construction schedule with its GMP for each Task, which will be part of the Construction Contract and adhered to by the CMGC for the duration of Construction.

The schedules will identify key milestones and Work Breakdown Structure (WBS) Item numbers in accordance with SLDMWA and Reclamation requirements, deliverables, and dependencies, along with durations for procurement, construction management, and construction work. The CMGC will also identify roles and responsibilities for each item of work represented in the schedule.

The Construction Schedule(s) will be developed in Primavera P6 for Windows or equal and be resource loaded. Resource loading will be reflective of the level of design completion for the Construction Schedule submittal milestone. The schedule will be accompanied by a narrative report prepared by the CMGC documenting key critical path elements of the schedule and the critical assumptions and/or decisions that may impact schedule adherence, including construction phasing or sequencing and long-lead items. The Construction Manager shall also include in the report any

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
2. Construction schedules will be resource loaded, reflective of the level of design development.

Deliverables.

1. Initial Construction Schedule for each Task 1 and Task 2, and schedule updates in P6 XER and PDF formats.
 2. Narrative Report and updates for each Task 1 and Task 2 in PDF format.
8. ***Construction Cost Estimate Development:*** The CMGC will prepare separate construction cost estimates Task 1 and Task 2. Cost estimates will be based on a project specific cost estimating template(s) prepared by the CMGC for review and approval by SLDMWA. The CMGC will perform its own quantity takeoffs and develop open-book, production-based estimates that identify quantities, production assumptions, crew compositions, equipment utilization, subcontractor and supplier

pricing, indirects, fee, contingency, allowances, and exclusions. Estimates will be coordinated with schedule logic, sequencing, access, and haul planning developed under Preconstruction Services. For each Task, the CMGC will provide estimate updates at 60% and 90% prior to GMP proposal submittal, with interim focused updates if requested by SLDMWA.

The CMGC will prepare a Basis of Estimate Report to accompany each 60 percent and 90 percent cost estimate submittal, documenting the assumptions, clarifications, quantities, production rates, labor and equipment basis, subcontracting structure, indirect cost treatment, contingency rationale, and any allowances or exclusions included in the pricing.

Assumptions.

1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
2. Milestone Cost Estimates will be submitted at 60 percent design and 90 percent design for each Task 1 and Task 2.
3. CMGC will include two interim cost estimate updates between milestones for both Task 1 and Task 2.
4. Estimates will be open-book; SLDMWA may review supporting takeoffs, production rates, crew/equipment rates, material quotes, subcontractor quotes, indirects, and contingency basis.
5. The CMGC will perform and own quantity takeoffs and methods of measurement; bid item pricing will be consistent with takeoffs, measurement basis, and schedule logic.
6. Estimate preparation software may be the CMGC's standard system, subject to SLDMWA approval; exports must include PDF for review and a machine-readable file (e.g., CSV or native system export) that preserves item structure, quantities, and unit pricing.
7. Estimates will be in accordance with AACEI class designations consistent with level of design completion.

Deliverables.

1. Cost Estimate Template (Draft and Final) in the CMGC's approved system, with PDF and machine-readable export.
 2. Construction Cost Estimates for each Task at 60 percent and 90 percent.
 3. Cost Basis Narrative (PDF) summarizing assumptions, takeoff basis, production rates, indirects, fee, contingency treatment, allowances, and exclusions.
 4. Change Log (PDF or machine-readable) tracking additive/deductive changes between submissions with the reason for each change.
9. ***Development of Guaranteed Maximum Price (GMP):*** The CMGC will develop its proposed GMP Proposals for Construction of Task 1 and Task 2. GMP development will include, as applicable, negotiation of scopes and budgets with key participants,

competitive bidding, and/or best-value proposals from potential subcontractors. The CMGC will utilize an open book approach to develop the GMP Proposal, providing SLDMWA with full access to all the details that make up the final GMP Proposal.

- a. **Subcontracting.** CMGC will incorporate subcontracting requirements in GMP development. The CMGC will develop a Subcontracting Plan (Item 4, Construction Management Plans) to ensure subcontractor engagement, documentation, and compliance. The GMP proposal must demonstrate that subcontracting was performed in accordance with these requirements and the approved Subcontracting Plan.
 - i. CMGC shall seek to develop subcontractor interest in the Project and shall collaborate with SLDMWA to develop a list of possible subcontractors, including suppliers, from whom bids will be requested for each principal portion of the work;
 - ii. CMGC shall prepare bid packages for the complete scope of work for all trades that will be subcontracted, other than those for which a subcontractor or supplier was listed in CMGC's Proposal, and CMGC shall specify how it will verify that the price of any subcontractor listed in CMGC's Proposal and any scope of work identified in the Proposal to be performed by CMGC is fair and reasonable;
 - iii. CMGC shall provide public notice (under SLDMWA's public works notice procedures) of availability of work to be subcontracted, including a fixed date and time on which qualifications statements, bids, or proposals will be due. CMGC will submit a copy of the bid advertisement and any addenda affecting the bid date to SLDMWA;
 - iv. CMGC shall establish reasonable qualification and selection criteria and standards, and CMGC shall state such criteria in its solicitation documents;
 - v. CMGC shall require all potential subcontractors, truckers, and any suppliers and/or vendors subject to California's prevailing wage laws to be registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 at the time of bidding;
 - vi. For any scope of work of less than one-half of one percent of the price of construction of the Task or Tasks for which the subcontractor is to be selected, CMGC shall specify how it will select the subcontractor;
 - vii. CMGC shall specify how it will determine that the subcontractor or supplier has the financial resources, qualifications, and experience to complete the work for which it is proposed;
 - viii. CMGC shall propose award of subcontracts in accordance with the following competitive selection processes:
 - (a) For work that is less than one-half of one percent of the construction price for the Task or Tasks for which the

subcontractor is selected, comply with the approved selection process.

- (b) For work that has a value equal to or greater than one-half of one percent of the construction price for the Task or Tasks for which the subcontractor is selected, the competitive sub-bid selection process (i) will require advertisement in accordance with that required of SLDMWA, fixing a date on which qualifications, bids, or proposals are due; (ii) will establish the standards for evaluation and selection of the successful subcontractor.
 - (c) The CMGC shall provide SLDMWA with a copy of the bid advertisement(s) and subsequent addenda. Subcontractors awarded construction subcontracts under this process shall be afforded all protections of the Subletting and Subcontracting Fair Practices Act, commencing with Section 4100 of the California Public Contract Code.
 - ix. SLDMWA shall have the right to review the proposed subcontractors and to object to or reject any proposed subcontractor or supplier;
 - x. For any work not required to be bid, CMGC shall provide a detailed estimate of the cost of the work, including documentation sufficient to support that the price is reasonable;
 - xi. CMGC shall propose a GMP for the Task(s) bid, which shall be the sum of the i) general conditions cost as bid, ii) the cost of any actual construction work performed by CMGC's own forces, iii) the cost of all subcontract and supplier amounts, iv) CMGC's fee, as bid, v) costs of bonds and insurance, and vi) contingencies and allowances, if any.
- b. CMGC will submit details supporting estimates for self-performed construction Work (labor, materials, equipment, production rates), including labor classification and hours (including overtime and night shift).
 - c. CMGC shall develop a final price proposal to include the written rationale for the price and objectively verifiable documentation of its costs to perform the construction work of the Task(s). The documentation shall include:
 - i. A written evaluation for each of the portions of work, including a summary of the bids received, the actual bid proposals, and identifying the subcontract bidder(s) that CMGC recommends;
 - ii. A list of the drawings and specifications, including all addenda, which were used in preparation of the price proposal;
 - iii. The proposed GMP, including a statement of the estimated cost and a schedule of values organized by trade categories;

- iv. A list of the clarifications and assumptions made by CMGC in preparing the final proposed GMP to supplement the information contained in the drawings and specifications;
 - v. The date of commencement and the date of completion upon which the proposed GMP is based;
 - vi. A list of allowances and a statement of their basis; and
 - vii. A detailed cost breakdown of all general conditions and jobsite management expenses included in the GMP.
- d. CMGC shall meet with SLDMWA to review the final price proposal, proposed GMP, and the written statement of its basis. If SLDMWA discovers any inconsistencies or inaccuracies in the information presented, it shall promptly notify CMGC, who shall make appropriate adjustments to the documentation.
 - e. CMGC shall be present at the Board meeting at which the GMP is proposed for approval and be available to answer any Board questions regarding the GMP. The cost of any revisions to the proposed GMP or supporting documentation or analysis required by the Board as a condition of approval of any Task is included in Preconstruction Services. Once established, the GMP is the fixed price for construction, subject to adjustment only as allowed in Contract Documents.

Assumptions.

- 1. This item supports both Task 1 and Task 2; however, the CMGC shall propose this item as two separate fixed-fee amounts, one for Task 1 and one for Task 2, based on the CMGC's assessed level of effort.
- 2. GMP development includes CMGC implementation of Subcontracting Plan.

Deliverables.

- 1. Draft and Final GMP Proposals for each Task 1 and Task 2 in PDF format.

C. Term, Progress and Completion:

Time is of the essence. Preconstruction services shall be performed in accordance with RFP CRITICAL DATES.

D. Compensation:

Compensation will be based on the Fixed Fee by Item and by Task in accordance with RFP Exhibit E: Fee Proposal Form.

EXHIBIT E

WORKERS' COMPENSATION INSURANCE CERTIFICATION (To be Submitted with Construction Agreement)

TO THE SAN LUIS & DELTA-MENDOTA WATER AUTHORITY:

The undersigned does hereby certify that it is aware of the provisions of Section 3700 et seq. of the Labor Code which require every employer to be insured against liability for Workmen's compensation or to undertake self-insurance in accordance with the provisions of said Code, and that it will comply with such provisions before commencing the performance of work on this Contract.

Name of CMGC

By: _____

Title: _____

Address: _____

Date: _____

PLEASE READ CAREFULLY BEFORE SIGNING

To be signed by authorized corporate officer or partner or individual. If the CMGC is: (example)

1. An individual using a firm name, sign "John Doe, an individual doing business as "Blank Company."
2. An individual doing business under its own name, sign: your name only.
3. A co-partnership, sign" "John Doe, and Richard Doe, co-partners doing business as Blank Company, by John Doe, Co-Partner."
4. A corporation or limited liability company, sign: "Blank Company, by John Doe, Secretary." (or other title)
5. A joint venture, sign: "Blank Joint Venture, by John Doe, Managing Principal."

EXHIBIT F

ESCROW AGREEMENT FOR SECURITY DEPOSITS IN LIEU OF RETENTION (OPTIONAL)

This Escrow Agreement is made and entered into by and between San Luis & Delta-Mendota Water Authority whose address is 15590 Kelso Road, Byron CA 94514-9614 hereinafter called Owner,

_____ whose address is _____
hereinafter called CMGC, and _____ whose address is _____
_____ hereinafter called Escrow Agent.

For the consideration hereinafter set forth, the Owner, CMGC, and Escrow Agent agree as follows:

1. Pursuant to Section 22300 of the Public Contract Code of the State of California, CMGC has the option to deposit securities with Escrow Agent as a substitute for retention earnings required to be withheld by Owner pursuant to the Construction Contract entered into between the Owner and CMGC for (in the amount of) _____ dated _____ (hereinafter referred to as the "Contract"). Alternatively, on written request of the CMGC, the Owner shall make payments of the retention earnings directly to the escrow agent. When the CMGC deposits the securities as a substitute for Contract earnings, the Escrow Agent shall notify the Owner within ten (10) days of the deposit. The market value of the securities at the time of the substitution shall be at least equal to the cash amount then required to be withheld as retention under the terms of the Contract between the Owner and CMGC. Securities shall be held in the name of _____ and shall designate the CMGC as the beneficial owner.
2. The Owner shall make progress payments to the CMGC for those funds which otherwise would be withheld from progress payments pursuant to the Contract provisions, provided that the Escrow Agent holds securities in the form and amount specified above.
3. When the Owner makes payment of retentions earned directly to the Escrow Agent, the Escrow Agent shall hold them for the benefit of the CMGC until the time that the escrow created under this contract is terminated. The CMGC may direct the investment of the payments into securities. All terms and conditions of this agreement and the rights and responsibilities of the parties shall be equally applicable and binding when the Owner pays the Escrow Agent directly.
4. CMGC shall be responsible for paying all fees for the expenses incurred by Escrow Agent in administering the Escrow Account and all expenses of the Owner. These expenses and payment terms shall be determined by the Owner, CMGC, and Escrow Agent.
5. The interest earned on the securities or the money market accounts held in escrow and all interest earned on that interest shall be for the sole account of the CMGC and shall be subject to withdrawal by CMGC at any time and from time to time without notice to the Owner.
6. CMGC shall have the right to withdraw all or any part of the principal in the Escrow Account only by written notice to Escrow Agent accompanied by written authorization from the Owner to the Escrow Agent that Owner consents to the withdrawal of the amount sought to be withdrawn by CMGC.
7. The Owner shall have a right to draw upon the securities in the event of default by the CMGC. Upon seven days' written notice to the Escrow Agent from the owner of the default, the Escrow Agent shall immediately convert the securities to cash and shall distribute the cash as instructed by the Owner.

8. Upon receipt of written notification from the Owner certifying that the Contract is final and complete, and that the CMGC has complied with all requirements and procedures applicable to the Contract, Escrow Agent shall release to CMGC all securities and interest on deposit less escrow fees and charges of the Escrow Account. The escrow shall be closed immediately upon disbursement of all moneys and securities and payments of fees and charges.
9. Escrow Agent shall rely on the written notifications from the Owner and the CMGC pursuant to Sections (5) to (8), inclusive, of this agreement and the Owner and CMGC shall hold Escrow Agent harmless from Escrow Agent's release and disbursement of the securities and interest as set forth above.
10. The names of the persons who are authorized to give written notice or to receive written notice on behalf of the Owner and on behalf of CMGC in connection with the foregoing, and exemplars of their respective signatures are as follows:

On behalf of Owner:

Title

Name

Signature

Address

On behalf of CMGC:

Title

Name

Signature

Address

On behalf of Escrow Agent:

Title

Name

Signature

Address

At the time the Escrow Account is opened, the Owner and CMGC shall deliver to the Escrow Agent a fully executed counterpart of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement by their proper officers on the date first set forth above.

Owner:

CMGC:

Title

Title

Name

Name

Signature

Signature

EXHIBIT G
PERFORMANCE BOND

BOND NO.: _____

PREMIUM: _____

San Luis & Delta-Mendota Water Authority

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the SAN LUIS & DELTA-MENDOTA WATER AUTHORITY (hereinafter referred to as "SLDMWA") has awarded to _____
_____ (hereinafter designated as the "Principal") a contract for _____
_____ (hereinafter referred to as the "Project").

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

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

NOW, THEREFORE, we, the undersigned Principal and

_____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the SLDMWA in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

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

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

The obligations of Surety hereunder shall continue so long as any obligation of Principal remains. Nothing herein shall limit the SLDMWA's rights or Principal's or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure section 337.15.

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

(1) Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or

(2) Obtain a Proposal or Proposals for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible Proposer, arrange for a Contract between such Proposer, the Surety and the SLDMWA, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Principal by the SLDMWA under the Contract and any modification thereto, less any amount previously paid by the SLDMWA to Principal and any other set offs pursuant to the Contract Documents.

(3) Permit the SLDMWA to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Principal by the SLDMWA under the Contract and any modification thereto, less any amount previously paid by the SLDMWA to Principal and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the SLDMWA may reject any construction manager/general contractor, contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by Principal. Surety shall not utilize Principal in completing the Project nor shall Surety accept a Proposal from Principal for completion of the Project if the SLDMWA, when declaring Principal in default, notifies Surety of the SLDMWA's objection to Principal's further participation in the completion of the Project.

Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project to be performed there under shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__, then names and corporate seals of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to the authority of its governing body.

Principal: _____

By: _____

Surety: _____

Address: _____

Telephone: _____

Attorney in Fact: _____

(Bond Continues on Next Page)

(Attach Attorney-In-Fact Certificate, Corporate Seal and Surety Seal. This bond must be accompanied by a current Power of Attorney Appointing the Attorney-in-Fact)

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF PRINCIPAL AND SURETY.

PAYMENT BOND

BOND NO.: _____

PREMIUM: _____

San Luis & Delta-Mendota Water Authority

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the SAN LUIS & DELTA-MENDOTA WATER AUTHORITY (hereinafter referred to as "SLDMWA") has awarded to _____ (hereinafter designated as "Principal") an agreement for _____ (hereinafter referred to as the "Project").

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

WHEREAS, said Principal is required to furnish a bond in connection with said Contract providing that if Principal or any of its subcontractors shall fail to pay for any materials, provisions, or other supplies, or terms used in, upon, for or about the performance of the Work contracted to be done, or for any work or labor done thereon of any kind the Surety on this bond will pay the same together with a reasonable attorney's fee in case suit is brought on the bond.

NOW, THEREFORE, we, the undersigned Principal and

_____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the SLDMWA in the sum of _____ DOLLARS, (\$ _____), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the Principal, his or its subcontractors, heirs, executors, administrators, successors, or assigns, shall fail to pay for any materials, provisions, or other supplies or machinery used in, upon, for or about the performance of the Work contracted to be done, or for work or labor thereon of any kind, or fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or for any amounts required to be deducted, withheld, and paid over to the Employment Development Department from the wages of employees of Principal and his subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, and all other applicable laws of the State of California and rules and regulations of its agencies, then said Surety will pay the same in or to an amount not exceeding the sum specified herein. In case legal action is required to enforce the provisions of this bond, the prevailing party shall be entitled to recover reasonable attorneys' fees in addition to court costs, necessary disbursements and other consequential damages. In addition to the provisions hereinabove, it is agreed that this bond will inure to the benefit of any and all persons, companies and corporations entitled to make claims under Section 9100 of the California Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or additions to the terms of the said Contract or to the work to be performed thereunder or the specification accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the specifications.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, 20__, then names and corporate seals of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to the authority of its governing body.

Principal: _____

By: _____

Surety: _____

Address: _____

Telephone: _____

Attorney in Fact: _____

(Attach Attorney-In-Fact Certificate, Corporate Seal and Surety Seal. This bond must be accompanied by a current Power of Attorney Appointing the Attorney-in-Fact)

NOTICE:

A CERTIFICATE OF ACKNOWLEDGMENT IN ACCORDANCE WITH THE PROVISIONS OF CIVIL CODE SECTION 1189 MUST BE ATTACHED FOR EACH PERSON EXECUTING THIS AGREEMENT ON BEHALF OF PRINCIPAL AND SURETY.

EXHIBIT H

GUARANTEE FORM

**{Print on CMGC/Subcontractor Letterhead
And Submit at Close-Out}**

_____ {CMGC's Name} hereby unconditionally guarantees that the Work performed at _____ [insert Project] has been done in accordance with the requirements of the Contract therefor and further guarantees the Work of the Contract to be and remain free of defects in workmanship and materials for a period of one (1) year from and after SLDMWA acceptance of the Work, in accordance with the General Conditions, unless a longer guarantee period is called for by the Contract Documents, in which case the terms of the longer guarantee shall govern. The CMGC hereby agrees to repair or replace any and all Work, together with any adjacent Work which may have been damaged or displaced in so doing, that may prove to be not in accordance with the requirements of the Contract or that may be defective in its workmanship or materials within the guarantee period specified, without any expense whatsoever to SLDMWA, ordinary wear and tear and unusual abuse and neglect only excepted. The CMGC has provided contract bonds, which will remain in full force and effect during the guarantee period.

The CMGC further agrees that within ten (10) calendar days after being notified in writing by SLDMWA of any Work not in accordance with the requirements of the contract or any defects in the Work, it will commence and prosecute with due diligence all Work necessary to fulfill the terms of this guarantee, and to complete the Work within a period of time stipulated in writing. In the event it fails to so comply, CMGC does hereby authorize SLDMWA to proceed to have such Work done at the CMGC's expense and it will pay the cost thereof upon demand. SLDMWA shall be entitled to all costs, including reasonable attorneys' fees, necessarily incurred upon the CMGC's refusal to pay the above costs.

The guarantee period for corrected defective work shall continue for a duration equivalent to the original guarantee period.

Notwithstanding the foregoing paragraph, in the event of an emergency constituting an immediate hazard to the health or safety of the employees of SLDMWA, or its property or licensees, SLDMWA may undertake at the CMGC's expense without prior notice, all Work necessary to correct such hazardous condition when it was caused by the Work of the CMGC not being in accordance with the requirements of this contract, or being defective, and to charge the same to the CMGC as specified in the preceding paragraph.

The guarantee set forth herein is not intended by the parties, nor shall it be construed, as in any way limiting or reducing SLDMWA's rights to enforce all terms of the Contract referenced hereinabove or the time for enforcement thereof. This guarantee is provided in addition to, and not in lieu of, SLDMWA's rights on such contract.

CMGC'S SIGNATURE _____

PRINT NAME _____



Meeting Agenda

Date & Time: 2/2/2026 | 10:00 AM

Location: SLDMWA Boardroom

Notice of Water Resources Committee Regular Meeting / Joint Water Resources Committee Regular Meeting-Special Board Workshop

842 6th Street, Los Banos
(List of Member/Alternate Telephonic Locations Attached)

Public Participation Information

Join Zoom Webinar -

<https://us02web.zoom.us/j/87452088678?pwd=vE4rRlladnQb9KTyTmEVE1KX3uQkKj.1>

NOTE: Any member of the public may address the Water Resources Committee/Board concerning any item on the agenda before or during consideration of that item.

Because the notice provides for a regular meeting of the Water Resources Committee ("WRC") and a joint regular WRC Meeting/Special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only WRC Members/Alternates may correct or add to the agenda or vote on action items.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

Agenda

Item	Topic	Lead

1.	Call to Order/Roll Call	
2.	Water Resources Committee to Consider Additions or Corrections to the Agenda for the Water Resources Committee Meeting only, as Authorized by Government Code Section 54950 <i>et seq.</i>	
3.	Opportunity for Public Comment – Any member of the public may address the Water Resources Committee/Board concerning any matter not on the agenda, but within the Committee or Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Water Resources Committee may waive this limitation.	

ACTION ITEMS

4.	Approval of December 8, 2025 Meeting Minutes	
5.	Recommendation to Board of Directors to Adopt Staff Petersen Recommendation for Positions on Legislation	

- A. H.R. 6639 (Gray), Water Agency and Transparency Enhancement Review (WATER) Act
- B. H.R. 6640 (Gray), Build Now Act
- C. H.R. 6641 (Gray), Central Valley Water Solution Act
- D. A.B. 35 (Alvarez), Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024: Administrative Procedures Act: exemption: program guidelines and selection criteria.

6. **Recommendation to Board of Directors to Adopt Resolution Adopting Mitigated Negative Declaration/CEQA Findings of Fact and Mitigation Monitoring and Reporting Plan for the DMC Subsidence Correction Project** Arroyave, McNeil

REPORT ITEMS

7. Executive Director's Report Barajas
(May include reports on activities within the Water Resources Committee's jurisdiction re: 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities)
8. Update on Water Policy/Resources Activities Petersen
(May include reports on federal, state, and local agency regulatory, legislative, and administrative water policy/resources activities)
9. Update on Water Operations and Forecasts Arroyave
10. Committee Member Reports
11. Closed Session Akroyd

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Gov. Code Section 54956.9 – 3 potential cases

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of Subdivision (d) of Gov. Code Section 54956.9 – 1 potential cases

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Existing Litigation Pursuant to paragraph (1) of Subdivision (d) of Gov. Code Section 54956.9

- A. Pacific Coast Federation of Fishermen's Associations (PCFFA), et al. v. Nickels, et al., U.S. District Court, E.D. Cal., Case No. 2:11-cv-02980; 9th Cir. Case No. 23-15599 (GBP Citizen Suit)
- B. California Sportfishing Protection Alliance (CSPA), et al. v. State Water Resources Control Board (SWRCB), et al., Sac. Co. Superior Court, Case No. 34-2021-80003761 (2021 TUCP Order)
- C. CSPA, et al. v. SWRCB, et al., Sac. Co. Superior Court, Case No. 34-2021-80003763 (2021 Temp. Mgmt. Plan)

- D. SWRCB, Administrative Hearings Office, Petitions for Change of California Department of Water Resources (DWR) Water Right Permits, Delta Conveyance Project (DWR Change Petition)
- E. Tehama-Colusa Canal Authority, et al. v. DWR, et al., Sacramento Co. Superior Court, Case No. 24WM000183 (SWP 2024 EIR Challenge)

- 12.** Return to Open Session
- 13.** Report from Closed Session, if any, Required by Government Code Section 54957.1
- 14.** Reports Pursuant to Government Code Section 54954.2(a)(3)
- 15.** ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

SLDMWA WATER RESOURCES COMMITTEE REGULAR MEETING TELEPHONIC LOCATIONS

FEBRUARY 2, 2026

15671 W. Oakland Ave
Five Points, CA 93624



Meeting Minutes

Date & Time: 12/8/2025 | 10:00 AM

Location: SLDMWA Boardroom
842 6th Street, Los

San Luis & Delta-Mendota Water Authority Water Resources Committee Regular Meeting and Joint Water Resources Committee Regular Meeting – Special Board Workshop Minutes

Attendance

Committee Members Present

Ex-Officio: Cannon Michael
Division 1: Anthea Hansen, Member
Division 2: Bill Diedrich, Member
Division 3: Absent
Division 4: Dana Jacobson, Alternate
Division 5: Manny Amorelli, Alternate

Board of Directors Present

Division 1: Anthea Hansen, Director
Division 2: Justin Diener, Director (ZOOM)
Bill Diedrich, Member
Division 3: Jarrett Martin, Director
Cannon Michael, Director
Division 4: Dana Jacobson, Member
Brett Miller, Alternate

Division 5: Manny Amorelli, Director

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Ray Tarka, Director of Finance
Eddie Reyes, Information Systems Technician

Others Present

Steve Stadler, San Luis Water District
Ric Ortega, Grassland Water District (ZOOM)
Vince Gin, Valley Water (ZOOM)
Ron Milligan, Milligan Consulting (ZOOM)

Agenda

Item	Topic	Lead
1.	Call to Order/Roll Call – The meeting was called to order by Acting Chair Anthea Hansen at approximately 10:00 a.m. and roll was called.	
2	Additions or Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq. - No additions or corrections.	
3.	Opportunity for Public Comment - No public comment.	
4.	Water Resources Committee to Consider Approval of the November 3, 2025 Meeting Minutes – M/S - On a motion made by Ex-Officio Member Cannon Michael, seconded by Alternate Manny Amorelli, the Committee approved the November 3, 2025 meeting minutes. Vote: Ayes – Michael, Hansen, Diedrich, Jacobson, Amorelli; Nays – 0; Abstentions – 0.	

5. **Recommendation to the Board of Directors to Adopt Staff Recommendation on Positions on Legislation** Barajas

- a. H.R. 6229 (Schrier), the Water Infrastructure finance and Innovation Act Amendments (Support)
- b. S. 2753 (Risch), Urban Canal Modernization Act (Support)
- c. H.R. 3171 (Harder), Golden Mussel Eradication and Control Act of 2025 (Support & Amend)

Executive Director Federico Barajas reviewed the staff recommendations for positions on three legislative bills: HR 6229, S 2753 and HR 3171. Barajas answered questions from Committee members throughout the presentation.

M/S - Motion by Member Bill Diedrich, seconded by Alternate Manny Amorelli, the Committee recommended adoption of the staff recommendations for positions on H.R. 6229 (Schrier), S. 2753 (Risch), and H.R. 3171 (Harder). Vote: Ayes - Michael, Hansen, Diedrich, Jacobson, Amorelli; Nays – 0; Abstentions – 0.

6. **Recommendation to the Board of Directors to Adopt Policy Framework and Policy Action Plan for Fiscal Year 2027** Barajas

- Executive Director Federico Barajas reviewed the documents included in the packet. Barajas reviewed the scope of the Policy Framework and reported that staff will implement the Policy Action Plan as part of the Water Authority Policy Framework for FY2027. Barajas explained the rationale behind development of the Policy Framework and Policy Action Plan in connection to the Water Authority's Strategic Plan.

M/S - Motion by Alternate Manny Amorelli, seconded by Ex-Officio Member Cannon Michael, the Committee recommended adoption of the Policy Framework and Policy Action Plan for Fiscal Year 2027. Vote: Ayes - Michael, Hansen, Diedrich, Jacobson, Amorelli; Nays – 0; Abstentions – 0.

7. **Recommendation to the Board of Directors to Adopt Fiscal Year 2027 Activity Budget** Barajas

- Executive Director Federico Barajas reviewed the proposed FY27 Activity Budget material included in the packet. Barajas reviewed the FY26 to FY27 Comparison, FY27 Budget Expenditure Summary, FY26 Projected Actual Summary, and the Proposed FY27 Activity Agreements Budget. General Counsel Rebecca Akroyd added additional information regarding the proposed legal budget. Staff answered questions throughout the presentation.

M/S - Motion by Alternate Manny Amorelli, seconded by Ex-Officio Member Cannon Michael, the Committee recommended adoption of the Fiscal Year 2027 Activity Budget. Vote: Ayes - Michael, Hansen, Diedrich, Jacobson, Amorelli; Nays – 0; Abstentions – 0.

8. **Executive Director's Report** Barajas

- a. **Fall ACWA Conference** – Executive Director Federico Barajas expressed his appreciation for those that attended the social luncheon at ACWA.
- b. **O'Neill Pumping/Generating Plant Repayment Negotiation** – Executive Director Federico Barajas reported that formal repayment

contract negotiation with Reclamation will take place this week. Barajas reported that \$11.6 million has already been awarded for the O'Neill Pumping Plant Rehabilitation Project, and an application has been submitted for the balance of funding required to complete the Rehabilitation Project.

- c. **Budget Workshop** – Executive Director Federico Barajas reported that there is a Budget Workshop scheduled for next week.
- d. **Operations Update** – Chief Operating Officer Pablo Arroyave reported that the DCI outage is expected to be completed by the end of the week. Arroyave also reported that Hitachi will be coming out to the O'Neill Pumping/Generating Plant this week to test the spare transformer to check if foreign material is present.

- 9. **Update on Water Policy/Resources Activities** – Executive Director Federico Barajas provided an update regarding the Action 5 Record of Decision, the Water Blueprint for the San Joaquin Valley, and the San Joaquin Valley Collaborative Action Program. General Counsel Rebecca Akroyd reviewed various comment opportunities for ESA regulations, WOTUS, and the HRL Phase 2 document. Barajas answered questions throughout the presentation. Barajas
- 10. **Update on Water Operations and Forecasts** – Chief Operating Officer Pablo Arroyave introduced consultant Ron Milligan, who provided information regarding CVP supply, reservoir storage, allocations, snowpack, and operations. Milligan and Arroyave answered member questions throughout the presentation. Arroyave, Milligan
- 11. **Committee Member Reports** – Member Bill Diedrich reported that Mike Wade received the Lifetime Achievement Award for his work as the Executive Director of the California Farm Water Coalition (CFWC) since 1998 from ACWA. Diedrich also reported that Wade is retiring in February, and the CFWC hired Michelle Paul as their new Executive Director.
- 12. **Agenda Items 12-14: Closed Session** – Acting Chair Anthea Hansen adjourned the open session to address the items listed on the Closed Session Agenda at approximately 11:19 a.m. Upon return to open session at approximately 11:44 a.m., General Counsel Rebecca Akroyd reported that no reportable actions were taken in closed session. Akroyd
- 13. **Agenda Item 15: Reports Pursuant to Government Code Section 54954.2(a)(3)** – No reports.
- 14. **Agenda Item 16: Adjournment** – The meeting was adjourned at approximately 11:45 a.m.



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Water Resources Committee Members and Alternates

From: Scott Petersen, Water Policy Director

Date: February 2, 2026

RE: Update on Water Policy/Resources Activities

Background

This memorandum is provided to briefly summarize the current status of various agency processes regarding water policy activities, including but not limited to the (1) Implementation of Long-Term Operations of the Central Valley Project and State Water Project, including environmental compliance; (2) State Water Resources Control Board action; (3) Central Valley Regional Water Board Action, (4) San Joaquin River Restoration Program; (5) Delta conveyance; (6) Reclamation action; (7) Delta Stewardship Council action; (8) San Joaquin Valley Water Blueprint, and (9) San Joaquin Valley Water Collaborative Action Plan.

Policy Items

Implementation of Executive Order 14181

On January 2024, President Trump issued Executive Order 14181¹, directing analysis of potential changes to the operations in the 2024 Record of Decision ("ROD") for consideration by the Administration. On December 4, 2025, Reclamation executed a Record of Decision on the Long-Term Operations of the Central Valley Project and State Water Project, as a first step towards implementing EO 14181.

Implementation of 2024 Record of Decision on Long-Term Operations of the Central Valley Project and State Water Project

On December 4, 2025, Reclamation executed a Record of Decision² on the Long-Term Operations of the Central Valley Project and State Water Project, as a first step towards implementing EO 14181, updating operations associated with the Record of Decision executed by Reclamation and the Biological Opinions issued by the Fish and Wildlife Service and NOAA Fisheries in December 2024. This new operation is described as "Action 5".

Specifically, the Action 5 ROD updates the operations of the Projects by:

- (1) **Removing the Delta Smelt Summer and Fall Habitat Action (Fall X2)**, in response to findings by the U.S. Fish and Wildlife Service that the action is not anticipated to have observable effects on delta smelt survival,

¹ <https://www.govinfo.gov/content/pkg/FR-2025-01-31/pdf/2025-02174.pdf>

² https://www.usbr.gov/mp/nepa/nepa_project_details.php?Project_ID=54661



- (2) **Removing the early implementation measure of the Delta export reduction of the Healthy Rivers and Landscapes ("HRL") program**, in response to uncertainties associated with the timing of potential adoption and implementation of the HRL Program by California's State Water Resources Control Board,
- (3) **Updating the Delta operating criteria** to expand the opportunities for Old and Middle River ("OMR") management at no more negative than -5,000 cubic feet per second (cfs), and a stormflex action of -6,500 cfs, including the use of predictive tools for real-time assessment of environmental conditions.

Modeling of these proposed operational changes has estimated between 250 – 400 TAF improvement in combined CVP and SWP export capacity under Action 5 operations, with the SWP benefits being uncertain based on how the SWP operates under the Incidental Take Permit required for compliance with the California Endangered Species Act.

There is additional analysis being performed to assess the efficacy of additional potential operational changes that could improve water supply and maintain species protections, as well as alternative methods to address environmental effects on species listed under the federal Endangered Species Act ("ESA") and advance species recovery efforts.

Note: There are also Endangered Species Act consultations on the Trinity River and Klamath River that may have overlap/interactions with the operations of the CVP/SWP.

State Water Resources Control Board (State Water Board) Activity

Bay Delta Water Quality Control Plan Update

Background

The State Water Board is currently considering updates to its 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary ("Bay Delta Plan") in two phases (Plan amendments). The first Plan amendment is focused on San Joaquin River flows and southern Delta salinity ("Phase I" or "San Joaquin River Flows and Southern Delta Salinity Plan Amendment"). The second Plan amendment is focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows ("Phase II" or "Sacramento/Delta Plan Amendment").

During the December 12, 2018 Water Board Meeting, the Department of Water Resources ("DWR") and Department of Fish and Wildlife presented proposed "Voluntary Settlement Agreements" ("VSAs") on behalf of Reclamation, DWR, and the public water agencies they serve to resolve conflicts over proposed amendments to the Bay-Delta Plan update.³ The State Water Board did not adopt the proposed VSAs in lieu of the proposed Phase 1 amendments, but as explained below, directed staff to consider the proposals as part of a future Delta-wide proposal.

³ Available at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Blogs/Voluntary-Settlement-Agreement-Meeting-Materials-Dec-12-2018-DWR-CDFW-CNRA.pdf>.



Phase 1 Status – San Joaquin River and its Tributaries

The State Water Board adopted a resolution⁴ to adopt amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary and adopt the Final Substitute Environmental Document during its December 12, 2018 public meeting.

On July 18, 2022, the State Water Resources Control Board issued a Notice of Preparation (NOP)⁵ and California Environmental Quality Act (CEQA) Scoping Meeting for the Proposed Regulation to Implement Lower San Joaquin River Flows (LSJR) and Southern Delta Salinity Objectives in the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta (Bay-Delta Plan).

In response to the release of the NOP, the Water Authority and member agencies provided scoping comments⁶ and the State Water Board is working through a long-term process to address Phase 1 elements of the Water Quality Control Plan Update.

A long delay in Phase 1 action occurred as legal activity was undertaken.

Recently, on September 19, 2025, the State Water Resources Control Board (Board) released a [Notice of Opportunity for Public Comment and Workshop on the Draft Scientific Basis Report Supplement for the Tuolumne River Voluntary Agreement](#) Proposal (Draft TVA Scientific Basis Report), to which the Water Authority provided comments⁷.

Next Steps

- Final draft Staff Report for Tuolumne River VA
- Board workshop and consideration of Tuolumne River VA
- Final draft EIR and regulation implementing Lower SJR flows and South Delta Salinity
- Board consideration of regulation implementing Lower SJR flows and South Delta Salinity

Phase 2 Status – Sacramento River and its Tributaries and Bay-Delta

In the State Water Board's resolution adopting the Phase 1 amendments, the Water Board directed staff to assist the Natural Resources Agency in completing a Delta watershed-wide agreement, including potential flow and non-flow measures for the Tuolumne River, and associated analyses no later than March 1, 2019. Staff were directed to incorporate the Delta watershed-wide agreement as an alternative for a future, comprehensive Bay-Delta Plan update that addresses the reasonable protection of beneficial uses across the Delta watershed.

Revised Draft Sacramento/Delta Updates to the Water Quality Control Plan

Background

In July, the Board released a draft Bay Delta Plan (July 2025 revised draft), which included proposed changes to the draft Bay Delta Plan released in October 2024 (2024 draft), based on public input and comments received throughout the planning process, including comments on several options for possible changes to the plan identified in the 2024 draft. Specifically, the 2024 draft identified the possible inclusion of flow, cold water habitat

⁴ Available at https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2018/rs2018_0059.pdf.

⁵ Available at https://www.waterboards.ca.gov/public_notices/notices/20220715-implementation-nop-and-scoping-dwr-baydelta.pdf

⁶ Request from Authority staff

⁷ Request from Authority staff



and related provisions that were based on the proposed Plan amendments and alternatives identified in the 2023 draft Staff Report in support of updates to the Bay Delta Plan, as well as options for these provisions. The 2024 draft also identified the possible inclusion of Voluntary Agreements (VAs) to provide flows and non-flow habitat proposed by state and federal agencies and water users referred to as the Healthy Rivers and Landscapes proposal, as well as options associated with inclusions of VAs. The regulatory provisions would apply to all water right holders if the Board did not move forward with VAs, or in the event the Board moved forward with VAs would apply to water rights not participating in approved VAs. The 2025 revised draft proposes to move forward with the inclusion of VAs in the Bay Delta Plan for water rights included in approved VAs (VA pathway) and the regulatory provisions for water rights not included as part of approved VAs (regulatory pathway). The 2025 revised draft also includes proposals for addressing other options identified in the 2024 draft. The 2025 revised draft also proposes the designation of Tribal Tradition and Culture (CUL) beneficial use as part of the current Bay Delta Plan update.

Current Activity

On September 16, 2025, the State Water Resources Control Board (State Water Board or Board) rescinded the August 22, 2025 Second Revised Notice of Opportunity for Public Comment and Hearing on Revised Draft Sacramento/Delta Updates to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed (Bay-Delta Plan or Plan). The Rescinded Notice is available on the [Board's website](#). Accordingly, the hearing previously scheduled for September 24-25, 2025, and the associated public comment period are cancelled and will be rescheduled to a future date.

Instead, the Board has released a revised Bay-Delta Plan, with workshops that occurred on January 28-30, and written comments due on February 2. Water Authority staff coordinated written comments⁸ with member agencies and other interested parties.

Additionally, the State Water Board has received term sheets for additional voluntary agreements from Nevada Irrigation District (NID) and South Sutter Water District (SSWD) specific to the Bear River, Yuba River, and Auburn Ravine that are available to the public.

Water Rights

Water Accounting, Tracking, and Reporting System (CalWATRS) Launch

The State Water Resources Control Board has launched the California Water Accounting, Tracking, and Reporting System (CalWATRS). A link to the new system and additional information is posted on the [CalWATRS webpage](#).

If you have questions or would like the CalWATRS team to attend an event in your area, please email CalWATRS-help@waterboards.ca.gov.

Delta Conveyance Project

Petition for Change of Point of Diversion and Rediversion for the Delta Conveyance Project

The State Water Resources Control Board Administrative Hearings Office is holding a Public Hearing on the pending Petitions for Change of Water Right Permits 16478, 16479, 16481, and 16482 (Applications 5630, 14443, 14445A, and 17512, respectively) of the Department of Water Resources.

⁸ Request from Water Authority staff.



The evidentiary hearings before the AHO continue and staff will update on issues associated with the DCP as they develop.

U.S. Bureau of Reclamation

Reclamation Manual

Documents out for Comment

Draft Policy

- There are currently no draft Policies out for review.

Draft Directives and Standards

- There are currently no draft Directives and Standards out for review.

Draft Facilities Instructions, Standards, and Techniques (FIST)

- There are currently no draft Facilities Instructions, Standards, and Techniques out for review.

Draft Reclamation Safety and Health Standards (RSHS)

- There are currently no Safety and Health Standards out for review.

Draft Reclamation Design Standards

- There are currently no Design Standards out for review.

San Joaquin Valley Water Blueprint

The Water Blueprint for the San Joaquin Valley (Blueprint) is a non-profit group of stakeholders, working to better understand our shared goals for water solutions that support environmental stewardship with the needs of communities and industries throughout the San Joaquin Valley.

Blueprint's strategic priorities for 2022-2025: Advocacy, Groundwater Quality and Disadvantaged Communities, Land Use Changes & Environmental Planning, Outreach & Communications, SGMA Implementation, Water Supply Goals, Governance, Operations & Finance.

Mission Statement: *"Unifying the San Joaquin Valley's voice to advance an accessible, reliable solution for a balanced water future for all."*

Water Blueprint Board Meeting

The January meeting covered the latest on the unified water plan, which quantifies these challenges and catalogs potential solutions - establishing the baseline understanding that will guide federal and state funding decisions for our region. The monthly board meeting is open to the public, and interested parties can register through the website.

Top 3 Key Takeaways:

- **Unified Water Plan Making Significant Progress with Tight Timeline:** The Water Blueprint's unified water plan is moving forward rapidly with chapters 1-5 already reviewed and/or distributed for review. The plan quantifies the San Joaquin Valley's massive water supply gap at 2.5-3 million acre-feet by 2040, incorporating SGMA compliance needs, climate change impacts, and environmental flow requirements.
- **Major Supply-Demand Gap Identified Requiring Immediate Action:** Technical analysis reveals the valley faces a future water shortage of 2.5-3 million acre-feet by 2040, driven by SGMA compliance requirements



(1.4-2 million acre-feet), environmental restoration needs, climate change impacts, and groundwater replenishment requirements. This massive gap demonstrates the critical need for comprehensive water infrastructure investments and management changes.

- **Recharge Projects Dominate Solutions:** The latest research points out that nearly 50% of all GSP projects are groundwater recharge projects, including on-farm recharge, injection wells, in-lieu recharge, and constructed basins, with injection wells being the most cost-effective option.

Additional Takeaways:

- **GSA Project Lists Need Updating:** Analysis of Groundwater Sustainability Plans revealed that less than half of the 800+ identified projects have both cost and yield information, necessitating outreach to GSA points of contact for more accurate data.
- **Multiple Funding Sources Needed:** Projects will require diverse funding streams including flood control, environmental restoration, and water supply funding to address the multi-benefit nature of proposed solutions.
- **Water District Partnership Expanding:** Blueprint is deepening its relationship with water districts outside the Central Valley. These growing partnerships can create significant opportunities for Valley water interests to tackle water banking and supply management.

Unified Water Plan for the San Joaquin Valley

The purpose of the Unified Valley Plan for the San Joaquin Valley is to identify and present possible solutions for long-term water needs in the San Joaquin Valley by bringing together existing water plans, strategies, and knowledge from across the San Joaquin Valley into one coordinated, valley-wide planning framework.

Bureau of Reclamation Report to Congress:

- Chapter 1. Introduction
- Chapter 2. Overview of the water resource needs and opportunities in the San Joaquin Valley.
- Chapter 3. Overview of flood risks and management in the San Joaquin Valley and opportunities for improving flood management.
- Chapter 4. Illustration of an environmental vision for the San Joaquin Valley and estimates of the water supplies needed to implement that vision.
- Chapter 5. Evaluation of a range of potential solutions.
- Chapter 6. Recommendations for a path forward and a roadmap for implementation. Includes policy recommendations.

Authority staff continues to recommend that Authority member agencies increase their engagement with the Blueprint Technical Committee to ensure accuracy and support of the work product being developed for the westside of the San Joaquin Valley.

Chapter 5 of the Plan is now out for review and comment.



San Joaquin Valley Water Collaborative Action Program (SJV CAP)

Background

The CAP Plenary Group adopted work groups to implement the CAP Term Sheet⁹, adopted on November 22, 2022. During Phase II, Work Groups are continuing to meet and discuss priorities and drafting various documents for their respective areas: Safe Drinking Water; Sustainable Water Supplies; Ecosystem Health; Land Use, Demand Reduction and Land Repurposing; Implementation.

The Bureau of Reclamation is currently funding the CAP. This funding supports its management and facilitation of the overall CAP process and the development of a prioritization tool. The tool is envisioned to be used by CAP participants, federal and state agencies, other stakeholders, and the public to evaluate policy recommendations, programmatic changes, and projects to achieve sustainable water management in the San Joaquin Valley.

The Steering Committee created a subgroup and will review several prioritization tools developed by other organizations and use those examples to craft a work plan and initial set of criteria for consideration.

On a parallel track, the subgroup recommends that each caucus develop up to three top-priority actions that will advance the outcomes of the Term Sheet.

⁹ Request from Authority staff



Meeting Agenda

Date & Time: 2/2/2026 | 12:00 PM

Location: SLDMWA Boardroom

Notice of Finance & Administration Committee Regular Meeting / Joint Finance & Administration Committee Regular Meeting-Special Board Workshop

842 6th Street, Los Banos
(List of Member/Alternate Telephonic Locations Attached)

Public Participation Information

Join Zoom Webinar -

<https://us02web.zoom.us/j/86224106845?pwd=hFmYPzJTaWu9aWydUEpEDZvGgAl6UA.1>

NOTE: Any member of the public may address the Finance & Administration Committee/Board concerning any item on the agenda before or during consideration of that item.

Because the notice provides for a special meeting of the Finance & Administration Committee ("FAC") and a joint special FAC Meeting/Special Board workshop, Board Directors/Alternates may discuss items listed on the agenda; however, only FAC Members/Alternates may correct or add to the agenda or vote on action items.

NOTE FURTHER: Meeting materials have been made available to the public on the San Luis & Delta-Mendota Water Authority's website, <https://www.sldmwa.org>, and at the Los Banos Administrative Office, 842 6th Street, Los Banos, CA 93635.

Agenda

Item	Topic	Lead

1.	Call to Order/Roll Call	
2.	Finance & Administration Committee to Consider Additions or Corrections to the Agenda for the Finance & Administration Committee Meeting only, as Authorized by Government Code Section 54950 <i>et seq.</i>	
3.	Opportunity for Public Comment – Any member of the public may address the Finance & Administration Committee/Board concerning any matter not on the agenda, but within the Committee or Board's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Finance & Administration Committee may waive this limitation.	

ACTION ITEMS

4.	Approval of January 8, 2026 Meeting Minutes	
5.	Recommendation to Board of Directors to Accept the Treasurer's Report for the Quarter Ending December 31, 2025	Tarka

6.	Recommendation to Board of Directors to Authorize Award and Execution of Construction Agreement for Jones Pumping Plant Pump Casing & Bifurcation Pipe Recoating Project, and Expenditure of Up to \$1,037,350 Utilizing Fiscal Year (FY) 2025 and 2026 EO&M Funds	Arroyave, McNeil
7.	Recommendation to Board of Directors to Authorize Sixth Amendment to Agreement for Professional Services Supporting DMC Subsidence Correction Project with CDM Smith and Related Increase in Expenditure of Up to \$216,587 Utilizing FY 2021, FY 2022, and/or FY 2023 EO&M Budget Funds	Arroyave, McNeil
8.	Recommendation to Board of Directors to Authorize Execution of DMC Subsidence Correction Project Advanced Funds Agreement with Westlands Water District	Barajas, Tarka
9	Recommendation to Board of Directors to Approve Water Year 2026 OM&R Water Rates	Tarka
10.	Recommendation to Board of Directors to Adopt Resolution Authorizing Execution of Construction Manager/General Contractor Agreement (CMGC) for the DMC Subsidence Correction Project	Arroyave, McNeil

REPORT ITEMS

11.	FY26 Activity Agreements Budget to Actual Report through 12/31/25	Tarka
12.	FY26 O&M Budget to Actual Report through 12/31/25	Tarka
13.	Contract/Procurement Activity Reports	Tarka
14.	Accounting Updates	Tarka
15.	Executive Director's Report (May include reports on activities within the Finance & Administration Committee's jurisdiction re: 1) CVP/SWP water operations; 2) California storage projects; 3) regulation of the CVP/SWP; 4) existing or possible new State and Federal policies; 5) Water Authority activities)	Barajas
16.	Committee Member Reports	
17.	Reports Pursuant to Government Code Section 54954.2(a)(3)	
18.	ADJOURNMENT	

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Sandi Ginda at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, via telephone at (209) 826-9696, or via email at cheri.worthy@sldmwa.org. Requests should be made as far in advance as possible before the meeting date, preferably 3 days in advance of regular meetings or 1 day in advance of special meetings/workshops.

This agenda has been prepared as required by the applicable laws of the State of California, including but not limited to, Government Code Section 54950 et seq. and has not been prepared with a view to informing an investment decision in any of the Authority's bonds, notes or other obligations. Any projections, plans or other forward-looking statements included in the information in this agenda are subject to a variety of uncertainties that could cause any actual plans or results to differ materially from any such statement. The information herein is not intended to be used by investors or potential investors in considering the purchase or sale of the Authority's bonds, notes or other obligations and investors and potential investors should rely only on information filed by the Authority on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the World Wide Web at <https://emma.msrb.org/>.

SLDMWA FINANCE & ADMINISTRATION COMMITTEE REGULAR MEETING TELEPHONIC LOCATIONS

FEBRUARY 2, 2026

15671 W. Oakland Ave
Five Points, CA 93624



Meeting Minutes

Date & Time: 1/8/2025 | 8:30 AM
Location: SLDMWA Boardroom
842 6th Street, Los Banos

San Luis & Delta-Mendota Water Authority Finance and Administration Committee Special Meeting and Joint Finance and Administration Committee Special Meeting – Special Board of Directors Workshop

Attendance

Committee Members Present

Ex-Officio: Cannon Michael
William Bourdeau (item 10)
Division 1: Anthea Hansen, Chair/Member
Division 2: Justin Diener, Member
Stephen Farmer, Alternate
Division 3: Chris White, Member
Jarrett Martin, Alternate
Division 4: Brett Miller, Member
Vince Gin, Alternate (ZOOM)
Division 5: Manny Amorelli, Alternate
FWA: Wilson Orvis, Alternate (ZOOM)

Jarrett Martin, Director
Cannon Michael, Chair/Director
Division 4: Brett Miller, Alternate
Division 5: Manny Amorelli, Director
FWA Representative: Absent

Authority Representatives Present

Federico Barajas, Executive Director
Pablo Arroyave, Chief Operating Officer
Rebecca Akroyd, General Counsel
Rebecca Harms, Deputy General Counsel
Ray Tarka, Director of Finance
Jaime McNeil, Engineering Manager
Eddie Reyes, Information Systems Technician

Board of Directors Present

Division 1: Anthea Hansen, Director
Division 2: Justin Diener, Alternate
William Bourdeau, Vice-Chair/Director (item 10)
Division 3: Chris White, Alternate

Others Present

None

Agenda

Item	Topic	Lead

1.	Call to Order/Roll Call – The meeting was called to order by Committee Chair Anthea Hansen at approximately 8:30 a.m. and roll was called. During roll call, two Committee Members were identified as participating via teleconference: Alternate Vince Gin and Alternate Wilson Orvis, both who participated remotely pursuant to Government Code section 54953(b) consistent with traditional teleconference rules.	
2	Corrections to the Agenda of Items, as authorized by Government Code Section 54950 et seq. – No corrections.	
3.	Opportunity for Public Comment – No public comment.	

-
4. **Finance and Administration Committee to Consider Approval of the December 8, 2025 Meeting Minutes** – M/S - On a motion made by Member Brett Miller, seconded by Ex-Officio Member Cannon Michael, the Committee approved the December 8, 2025 meeting minutes with minor edits. Roll Call Vote: Ayes – Michael, Hansen, Diener, White, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0.

 5. **Recommendation to Board of Directors Regarding Fifth Amendment to DMC Subsidence Correction Project Task Order with Hallmark Group Capital Program Management and Related Increase in Expenditure of Up to \$198,580 Utilizing FY2021, F&2022, and /or FY2023 EO&M Budget Funds** - Chief Operating Officer Pablo Arroyave introduced the item. Arroyave then referred to Engineering Manager Jaime McNeill to provide additional information. McNeill stated that a third amendment was issued in April 2025 to cover FY26 expenditures and a fourth was issued to change the timing of the project. Due to the increased amount of work, actual expenditures have been higher than anticipated leading to a deficit. Staff recommends using previously collected funds and then reimbursing with DWR grant funds. M/S - On a motion made by Alternate Manny Amorelli, seconded by Member Brett Miller, the Committee approved the recommendation to Board of Directors regarding Fifth Amendment to DMC Subsidence Correction Project Task Order with Hallmark Group Capital Program Management and related increase in expenditure of up to \$198,580 utilizing FY2021, F&2022, and /or FY2023 EO&M Budget Funds. Roll Call Vote: Ayes – Michael, Hansen, Diener, White, Miller, Amorelli, Orvis; Nays – 0; Abstentions – 0. Arroyave/McNeill

 6. **FY26 Activity Agreements Budget to Actual Report through 11/30/25** - Director of Finance Raymond Tarka presented the Budget to Actual Report through November 30, 2025 for the Activity Agreement funds. Tarka stated the budget was trending positive overall with actual spending ending November 30, 2025 at \$5,545,296 or 41.29% of the approved budget. Tarka

 7. **FY26 O&M Budget to Actual Report through 11/30/2025** – Director of Finance Raymond Tarka reported that for WY25, the self-funded routine O&M expenses through November 30, 2025 are under budget by \$528,192 or 3.1%, mainly due to the timing of expenditures for O&M expenses in most cost pools. Intertie conveyance costs continue to trend over-budget by \$832,466. The fiscal year 2024 and 2025 audits are underway and will be completed as soon as possible. Tarka answered questions throughout the presentation. Tarka

 8. **Contract/Procurement Activity Report** – Director of Finance Raymond Tarka presented the Contract/Procurement Activity Report for the period of December 1, 2025 through December 31, 2025. There were no contracts or contract change orders issued during this time. Tarka
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9. **Accounting Updates** – Director of Finance Raymond Tarka provided Accounting Department updates to the committee. Tarka stated that the Accounting Manager position was filled in December, however the department is still short one staff member through the end of the fiscal year. Tarka also provided updates regarding the audits, process improvements which includes the implementation of the Gravity budget program and monthly reporting. Lastly, Tarka stated staff is working on the indirect cost rate submittal. Tarka answered questions throughout the presentation. Tarka
10. **Executive Director's Report** Barajas
- a. **2026 Water Rates** – Executive Director Federico Barajas reported that the U.S. Bureau of Reclamation (USBR) has published final 2026 water rates.
 - b. **Cost Share Conversations** – Executive Director Federico Barajas reported that USBR and the California Department of Water Resources are having conversations regarding cost share of joint facilities for OM&R and EOM&R costs.
 - c. **Appreciation for Westlands Water District** – Executive Director Federico Barajas thanked Westlands Water District for working with the Authority to assist with cash flow requirements for the DMC Subsidence Correction Project.
11. **Committee Member Reports** – No reports.
12. **Adjournment** - The meeting was adjourned at approximately 9:03 a.m.



MEMORANDUM

TO: SAN LUIS & DELTA-MENDOTA WATER AUTHORITY DIRECTORS
FROM: SAMANTHA BARNCastle, EXECUTIVE DIRECTOR
SUBJECT: UPDATE REPORT
DATE: FEBRUARY 3, 2026

This memo is intended to keep you apprised as to what is happening regarding policy issues the Family Farm Alliance (Alliance) is engaged in. This month's report covers many of the issues I've tracked over the last month, the Alliance engagement in those matters, and upcoming deadlines and other things to keep an eye on. There was a lot in the month of January, so let's dive in:

GOVERNMENT SHUTDOWN – AGAIN?

Senate Majority Leader John Thune (R-S.D.) announced on Friday afternoon that the Senate would vote on a package of the remaining Fiscal Year (FY) 2026 appropriations bills to fund the remainder of the federal government through September 30, 2026. The Consolidated Appropriations Act, 2026 ([H.R. 7148](#)) includes the final versions of the FY26 Defense, Financial Services-General Government, Labor-HHS-Education, National Security-State, and Transportation-HUD spending bills which the House passed earlier this month, in addition to a two-week stopgap continuing resolution ([CR](#)) to temporarily fund the Department of Homeland Security (DHS) through Friday, February 13. The two-week CR for DHS will allow Congress more time to negotiate policy and/or funding changes to the bill in light of recent events regarding Immigration and Customs Enforcement (ICE).

The package includes five full-year appropriations bills plus a two-week stopgap extension for the Department of Homeland Security (DHS) to allow more time for immigration negotiations. It provides major funding for disaster relief through FEMA, reauthorizes the National Flood Insurance Program (NFIP), and supports a range of energy and environmental priorities such as pipeline safety, PFAS cleanup, critical mineral supply chains, and home energy assistance. The legislation also shifts some unused infrastructure funds away from EV charging and emissions reduction programs while adding boosts for defense research and environmental restoration. Funding for water related programs was previously enacted in January and was not affected by the weekend shutdown.

After [rejecting](#) six amendments, the Senate passed the package on Friday evening by a vote of [71-29](#), several hours ahead of the 11:59pm ET shutdown deadline. However, Congress will not be able to avoid a short, partial government shutdown over the weekend and into Tuesday (today) since the amended package still needs to be passed by the House before being signed into law. The House will vote on the legislation today, though partisan divisions and limited Democratic support could complicate passage.

RECONCILIATION – AGAIN?

Meanwhile, the House Republican Study Committee (RSC) unveiled a framework for a second budget reconciliation bill focused heavily on energy and environmental policies. This includes proposals to streamline permitting for energy projects, roll back energy efficiency standards, overhaul regulatory processes, and impose fees on lawsuits challenging federal environmental actions. Among the proposed measures are efforts to codify President Trump’s deregulatory orders, limit states’ authority on vehicle emissions waivers, and encourage fossil fuel development through permit certainty programs and reduced Bureau of Land Management (BLM) permitting requirements. The plan also suggests refilling the Strategic Petroleum Reserve with Venezuelan oil. While the framework aims for significant deficit reduction, it faces skepticism within the broader Republican leadership and challenges related to Senate procedural rules, which disallowed many of these proposals in the first budget reconciliation process.

Congressional Republicans are debating whether to pursue a second major budget reconciliation bill before the midterm elections. While some GOP leaders see reconciliation as the only viable path to address priorities like affordability, health care, and welfare fraud, others, including Senate Majority Leader John Thune (R-SC), remain cautious, arguing the process requires a clear, unifying objective. As House and Senate Republicans explore options ranging from housing and health care changes to deregulation and energy policy, leaders are holding ongoing discussions to gauge support. With narrow majorities and election pressures mounting, the party faces a strategic choice between attempting another partisan “megabill” or advancing narrower, potentially bipartisan legislation such as an affordable housing package.

Lawmakers are also turning to a potential late-February markup of a scaled-down (bipartisan) “Farm Bill 2.0” focused on unresolved priorities like E15 expansion, farmer aid, and rural development, though cost concerns and recent leadership changes could slow momentum. Both chambers say the next few weeks will be pivotal, with House Republicans aiming for a pre-Easter floor vote and possible shifts ahead in Senate Agriculture Committee leadership.

For more on funding for the remaining portions of government, please see below for details.

TRUMP 47 ADMINISTRATION

1. Reclamation issues Draft EIS re CO River

The Colorado River Basin is under severe stress due to prolonged drought, climate-driven aridity, and an ongoing imbalance between water supply and demand. Since 2000, reservoir levels at Lake Powell and Lake Mead have declined to historic lows, threatening municipal, agricultural, tribal,

environmental, and hydropower resources across the Basin. Existing management agreements, including the 2007 Interim Guidelines and the 2019 Drought Contingency Plans, expire in 2026 and have proven insufficient to halt reservoir decline. In direct response to the Basin States' failure to reach an amicable agreement, The Secretary of the Interior, through the Bureau of Reclamation, has released a draft environmental impact statement (DEIS) under NEPA for interim post-2026 guidelines for coordinated operation of Lake Powell and Lake Mead. The DEIS proposes new coordinated management strategies for Glen Canyon Dam and Hoover Dam which would be implemented consistent with the Law of the River and used to inform Annual Operating Plans (AOP). The DEIS envisions an interim duration of roughly 20 years, though shorter or phased approaches remain possible.

The overarching goals of the DEIS are to update reservoir operating rules, enhance predictability, expand conservation and storage mechanisms, improve opportunities for Basin Tribes, and build long-term resilience for Basin water users. The DEIS underscores that, while multiple operational paths could balance water deliveries and reservoir protection if hydrologic conditions improve, under severely dry future conditions even unprecedented reductions may not fully stabilize the system. The document is intended to inform a near-term, adaptive framework for post-2026 operations while continuing efforts toward a longer-term, consensus-based solution for the Colorado River Basin.

As we all continue to review the DEIS on CO River issues, please know there is one more webinar, offered by Reclamation, which will be held Feb. 10, 2026. For more information and to sign up to attend, please go here: <https://www.usbr.gov/ColoradoRiverBasin/post2026/draft-eis/Public-Review-Comment-Process.html>. More on the CO River below.

2. Administration's Expedited Permitting Agenda Moves Forward

a. CEQ – pilot program to encourage use of CEs

The White House Council on Environmental Quality is launching “CE Works,” a new digital tool to streamline and expand the use of NEPA categorical exclusions, aiming to speed permitting for energy and infrastructure projects as part of the Trump administration's broader push to reduce regulatory delays. The initiative follows recent NEPA rollbacks, including the repeal of CEQ's government-wide regulations, with supporters saying it will cut red tape and standardize decisions while critics warn of legal uncertainty and weaker oversight. At the same time, the Bureau of Land Management has rolled out a redesigned NEPA Register to improve public access, transparency, and engagement in environmental reviews for land-use and development projects.

b. WOTUS

Comments on the proposed WOTUS rule were submitted in early January, but debate has continued as opponents warn the draft would weaken protections for western waters and lead to increased pollution. Sixteen Democratic senators, led by Sen. Adam Schiff, urged EPA Administrator Lee Zeldin and Army Corps officials to abandon the rule, arguing it would exempt millions of acres of streams and wetlands from Clean Water Act protections and allow more harmful chemicals into waterways, while Democratic attorneys general from 17 states,

Washington, D.C., and New York City are preparing legal challenges, saying the proposal unlawfully narrows federal jurisdiction and misapplies the Supreme Court’s 2023 Sackett decision. Republicans counter that the rule is needed to clarify jurisdiction and ease permitting after Sackett limited protections to relatively permanent waters and wetlands with continuous surface connections, but critics say new definitions and exclusions would create legal and scientific uncertainty and undermine downstream water quality. With litigation likely once the rule is finalized, states are already responding at the local level—New Mexico, for example, has moved to protect ephemeral waters as the federal pendulum swings in the opposite direction, and other states are expected to follow.

c. Corps re-ups all nationwide permitting

The Trump Administration has renewed the Army Corps of Engineers’ (Corps) nationwide permit program for the next five years, continuing a streamlined Clean Water Act (CWA) approval process used for thousands of infrastructure projects each year, including pipelines, highways, and utility lines. The updated program expands eligibility to data centers and artificial intelligence facilities and, for the first time, explicitly includes pharmaceutical manufacturing, while also creating a new permit category for environmental projects that improve fish passage at dams. Industry groups welcomed the move as a way to speed permitting for projects deemed to have minimal impacts on wetlands and streams, while environmental advocates warned it could weaken water protections especially as the Administration moves to narrow the scope of the CWA. The Corps reissued nearly all existing nationwide permits with limited changes, declining broader industry requests for sweeping reforms, and emphasized that projects must still comply with other environmental laws such as the Endangered Species Act (ESA) and NEPA.

d. More on 401 permitting

On January 13, 2026, EPA proposed a rule that would sharply narrow state and tribal authority under Clean Water Act Section 401 by limiting water quality certifications to whether point-source discharges meet applicable standards, rather than allowing review of the broader impacts of an entire federally permitted project. The Trump administration says the proposal replaces a 2023 Biden-era rule and restores the statute’s “core purpose” by increasing predictability, standardizing reviews nationwide, enforcing the one-year decision deadline, preventing states from extending timelines through withdrawal-and-resubmission tactics, and establishing a uniform list of application requirements that triggers the review clock. Supporters, including industry groups and congressional Republicans, argue the changes will reduce delays for pipelines, hydropower, and dredge-and-fill projects, while opponents warn the rule would significantly weaken state and tribal oversight, invite new legal challenges, and curtail tribal authority—particularly by restricting the ability of tribes with TAS status to impose conditions to protect treaty rights and local water resources, a shift critics say undermines tribal sovereignty and local control.

Public comments on EPA’s proposed Section 401 Clean Water Act rule are open for 30-days after the rule’s Federal Register publication, with the comment period closing on February 17, 2026. Comments can be submitted at [Regulations.gov](https://www.regulations.gov) under Docket ID EPA-HQ-OW-2025-2929.

3. DOI Secretarial Order

As reported last month, DOI Secretary Doug Burgum has issued Secretarial Order 3446 (SO), a policy shift giving local irrigation districts and other Reclamation contractors greater authority in managing aspects of federally funded water and power projects. On December 19, 2025, the Bureau of Reclamation held a Webinar in which it discussed its implementation approach, screening processes for allowing stakeholders to take on further aspects of projects, input processes (reciprocal and iterative feedback between the public and Reclamation), scope parts of the remainder of the SO and outline timelines for moving forward. The focus of this webinar was on sections 5, 6, and 9 of the SO, and they introduced a new webpage www.usbr.gov/SO3446 as well as a new email address where questions can be emailed going forward SO3446@usbr.gov. An additional webinar was held on January 29, 2026, where the Reclamation team reviewed a variety of projects that would fit the requirements of the SO for purposes of turning over workload to the local district. We will review those case studies, develop a set of criteria we believe they are intending to convey, and begin discussions with our members to provide feedback to Reclamation.

4. Flagging this again - NRCS has a new program!

I reported on this last month, but it's worth repeating: USDA's Natural Resources Conservation Service (NRCS) has launched a new Regenerative Pilot Program to help lower farmers' production costs and promote whole-farm conservation planning under the *Make America Healthy Again* (MAHA) agenda. The pilot combines \$700 million in funding—\$400 million through EQIP and \$300 million through CSP—to support voluntary regenerative practices that improve soil health, water management, and overall land stewardship in a streamlined, outcomes-based framework that allows producers to bundle practices into a single application. The program is open to farmers and ranchers of all experience levels, and NRCS will also establish a Chief's Regenerative Agriculture Advisory Council to ensure producer-led, practical implementation. Producers interested in participating should contact their local NRCS Service Center to apply, using the new single application process for both EQIP and CSP regenerative projects, and submit by their state's ranking dates for FY2026 funding; a January 15 national batching deadline has been announced for major NRCS programs including this pilot. For more details and to start the process, farmers can visit their local NRCS office or the NRCS regenerative pilot page here: <https://www.nrcs.usda.gov/programs-initiatives/regenerative-agriculture-pilot-program>.

Please begin to reach out to your local NRCS offices, as I'm already hearing that environmental groups are working on shaping this program – the sooner we get in the mix the better. The Alliance is working on collecting information regarding engagement and will provide that to our members as soon as we are able. One thing we know for sure is that it's our boots on the ground membership the administration is wanting to hear from, so please reach out to start those discussions and please contact me to share any information you may come up with in that process.

DEVELOPMENTS IN THE 119TH CONGRESS

5. Trump vetoes Finish the Arkansas Valley Conduit Act (H.R. 131 Boebert)

Last month, President Trump issued the first veto of his second term, rejecting the bipartisan Finish the Arkansas Valley Conduit Act, which would have eased federal financing for a long-planned

Bureau of Reclamation pipeline to deliver clean drinking water to about 50,000 residents in 39 rural southeastern Colorado communities. Trump cited concerns about federal taxpayer exposure and project costs, while Colorado lawmakers from both parties criticized the veto as harmful to rural water access and warned it sets a troubling precedent for federally approved local projects with bipartisan support. Although construction continues on already funded segments, the veto complicates future financing and may delay completion; an attempted congressional override failed, sending shock waves through the water community and signaling that advocacy strategies for federal water project funding may need to adapt to a changing political landscape.



6. Three Bill Spending Package for Reclamation and Other Interior Agencies

The House passed a bipartisan three-bill spending “minibus” by a 397–28 vote to fund Energy and Water, Interior-Environment, and Commerce-Justice-Science agencies ahead of the January 30 CR deadline, advancing roughly \$180 billion in full-year funding for agencies including DOE, the Army Corps, Bureau of Reclamation, EPA, and Interior. The compromise avoids deeper cuts sought by some House Republicans and the Trump Administration while still reducing overall spending—cutting EPA by nearly 4% and trimming some renewable energy and efficiency programs, but boosting oil, gas, minerals, and nuclear priorities; Democrats largely supported the package because it preserves core water, energy, climate, and public lands programs and excludes controversial riders. Under the bill, Reclamation would receive \$1.6 billion (down \$286 million from FY25 but about \$400 million above the Administration request) and the Army Corps \$10.4 billion (up \$1.8 billion from FY25 and \$3.8 billion above the request); the Senate subsequently passed the minibus (H.R. 6938), which President Trump signed into law. More details on the bill:

a. Bureau of Reclamation

Total: \$1.6 billion, a decrease of over \$286 million from fiscal 2025 levels; increase of ~\$400 million over President’s Budget.

Water and Related Resources: \$1,465,630,000

Aquatic Ecosystem Restoration: \$500,000 (reduction of \$6 million from FY25)

WaterSMART Grants: \$15 million (reduction of \$39 million from FY25)

Cooperative Watershed Management: \$6 million (reduction of \$2 million from FY25)

Drought Response and Drought Plans: \$5 million (reduction of \$25 million from FY25)

Title XVI Water Recycling: \$12.5 million (reduction of \$17.5 million)

Water Conservation and Development: \$127,859,000 (decrease of \$99 million from FY25) that will be allocated by Reclamation. Report language directs:

\$62.5 million for WIIN Water Storage Projects

\$20 million for canal conveyance capacity corrections

\$20 million “to create or conserve recurring Colorado River water that contributes to supplies in Lake Mead and other Colorado River water reservoirs in the Lower Colorado River Basin or projects to improve the long-term efficiency of operations in the Lower Colorado River Basin.”

\$20 million for Indian Water Rights Settlements

Environmental Restoration or Compliance: \$5 million (reduction of \$23 million from FY25)

b. EPA

Total: \$8.8 billion, \$300M reduction from FY25 and \$4.7 billion increase to President’s request.

Clean Water SRF: \$1.64 billion

Drinking Water SRF: \$1.13 billion

c. Interior (except Reclamation)

Total: 14.5B, a \$300 million reduction from FY25 and \$1.4B increase from President’s request.

BIA: \$2.5 billion, relatively flat

NPS: \$3.3 billion, relatively flat

USFWS: \$1.7 billion, relatively flat

BLM: \$1.3 billion, relatively flat

d. U.S. Forest Service

Total: \$6.1 billion, level from FY25 and increase of \$3.8 billion from President’s request.

Wildfire suppression: \$4.9 billion, a \$90 million increase from FY25

Non-Fire Accounts: \$3.71 billion, a \$300 million reduction from FY25

e. Army Corps of Engineers

Total: \$10.4 billion, an increase of \$1.8 billion relative to the fiscal 2025 levels; \$3.8 billion over President’s Budget.

Construction: \$3.17 billion, nearly double the President’s budget request.

Environmental Infrastructure: \$14.13 million

Investigations: \$150.384 million, \$20.3 million above President’s budget request - “Of the additional funding provided no less than \$3,000,000 shall be for studies that were new starts in fiscal year 2024.”

Planning Assistance to States: \$5 million

Floodplain Management Services: \$15 million

7. Congress on permitting reform discussions more generally

Top Senate Democrats say bipartisan permitting reform talks have stalled because of Trump Administration actions they argue target renewable energy, particularly Interior Department orders halting offshore wind projects, which they describe as illegal, biased, and a driver of higher energy costs. Sens. Sheldon Whitehouse (D-RI) and Martin Heinrich (D-NM) said Senate negotiations had been making bipartisan progress—unlike mostly party-line House bills such as the SPEED, PERMIT, and ePermit Acts—but broke down after what Democrats view as executive interference

with clean energy projects. At a recent Senate Environment and Public Works Committee hearing, lawmakers from both parties agreed permitting reform is urgently needed to meet rising electricity demand and speed infrastructure development, and witnesses from business, labor, fossil fuel, and renewable sectors stressed the need for permitting certainty and warned against politically motivated project shutdowns after approval. While Republicans remain eager to restart talks, Democrats say negotiations will stay paused until the Administration commits to a technology-neutral approach and demonstrates it will implement permitting laws in good faith, though senators expressed cautious optimism that bipartisan progress is still possible.

8. Senate ENR to Markup Land, Water, Wildfire Bills

A Senate Homeland Security panel marked the one-year anniversary of California's Palisades Fire—which destroyed more than 15,000 structures, burned 45,000 acres, and killed 12 people after reigniting from a deliberately set blaze—by hearing from fire and emergency management experts on forest management, community preparedness, and the risks of fires starting on federal lands spreading into populated areas. The International Association of Emergency Managers warned against cuts to disaster science and preparedness programs. The fire, while not a traditional forest fire, has intensified congressional focus on wildfire policy; the hearing took place in the final week of January.

Meanwhile, the Senate Energy and Natural Resources Committee will mark up nearly two dozen bills on February 4 covering mineral withdrawals, wildfire preparedness, public lands, historic sites, and water issues, including Chair Mike Lee's (R-UT) bill blocking Utah travel plans that would close dirt roads on federal lands and Ranking Member Martin Heinrich's (D-NM) proposal to bar new mineral development in New Mexico's Pecos watershed. The committee will also consider bipartisan wildfire response legislation, along with several water bills, such as Sen. Alex Padilla's (D-CA) measure to bolster the Lower Colorado River Multi-Species Conservation Program (S. 291), a Padilla-Hoeven bill to fund the San Joaquin River Restoration Settlement Act (S. 1413), and legislation addressing Bolts Ditch maintenance in CO (S. 365).

9. A slate of new water legislation to consider

Several new bills will be heard in the Senate Committee on Energy and Natural Resources soon, all of which the Alliance are tracking closely. We will weigh in as appropriate through formal, written testimony for the hearing. The bills include (list is incomplete):

S.1242 – Watershed Results Act – A bill to authorize the Secretary of the Interior to carry out watershed pilots, and for other purposes (Wyden)

S.2437 – Snow Water Supply Forecasting Program Reauthorization Act – This bill reauthorizes through FY2031 and modifies the Snow Water Supply Forecasting Program of the Bureau of Reclamation. Under the existing program, Reclamation implements activities to improve snowpack measurements used for water supply forecasts in certain western states. The bill directs Reclamation to incorporate, to the greatest extent practicable, information from technologies that provide complete integration of accurate, timely, and spatially complete

snowpack measurements and models when determining water supply forecasts or allocations to federal water contractors. (Hickenlooper/Curtis)

S.2753 – Urban Canal Modernization Act – A bill to amend the Omnibus Public Land Management Act of 2009 to authorize certain extraordinary operation and maintenance work for urban canals of concern (Risch/Merkley)

S.3518 – A bill to amend the Federal Power Act to address certain alterations in, and the maintenance and repair of, project works, to provide for the licensing of micro hydrokinetic energy projects, and for other purposes. (Murkowski/King)

TBD – Large Scale Water Recycling Reauthorization – A bill to extend the federal Large-Scale Water Recycling Project Grant Program through 2032, allowing continued federal support for recycling and reuse infrastructure that stretches limited water supplies and enhances drought resilience. The program, originally funded under the 2021 Infrastructure Investment and Jobs Act, has already provided hundreds of millions for water reuse projects, and supporters say its extension would help communities and agricultural regions in the West secure reliable alternative water sources as scarcity intensifies. (Cortez Masto)

TBD – More Water Act – A bill that would establish a programmatic authorization for Reclamation assistance to Federal and non-Federal conveyance projects where individual projects do not need to get Congressional authorization as long as they fit within the parameters of the program. This conveyance program has multiple benefit features. (Padilla)

TBD – Grow Smart Act – A bill to amend the Reclamation States Emergency Drought Relief Act of 1991 to provide financial and technical assistance to eligible entities for the conduct of innovative approaches to water partnership agreements among multiple water users and projects conducted by individual agricultural entities, and for other purposes. (Padilla)

IN THE COURTS

10. More ESA litigation

Environmental groups have filed lawsuits against the U.S. Fish and Wildlife Service over alleged failures to meet Endangered Species Act obligations, adding to growing pressure on the agency amid budget cuts and heightened scrutiny of species protections. One suit challenges FWS for missing a statutory deadline to designate critical habitat for the threatened wolverine—now reduced to only a few hundred individuals in the Lower 48—arguing the delay violates the ESA and risks further imperilment as the agency also approaches a deadline on a grizzly bear management rule in the Greater Yellowstone region. A separate lawsuit contests FWS’s refusal to list the Rio Grande cooter, a freshwater turtle native to the Pecos, Rio Grande, and Río Bravo basins, alleging the agency ignored scientific evidence showing population declines driven by habitat degradation, reduced flows, climate stress, and river fragmentation.

11. Federal Court in Oregon sets aside Forest Service use of Categorical Exclusion

A federal district court in Oregon struck down the U.S. Forest Service’s long-standing NEPA categorical exclusion known as CE-6, ruling it unlawful under both NEPA and the Administrative Procedure Act despite recent Supreme Court decisions favoring agency deference, including *Seven County* and *Corner Post*. Judge Michael McShane held that environmental groups’ challenge was timely because the Forest Service only began applying CE-6 to large-scale commercial logging projects in recent years, and found the agency failed to adequately justify its claim that such projects would have insignificant environmental impacts. Advocates say the ruling closes a loophole that allowed industrial-scale logging to proceed without meaningful environmental review of impacts to wildlife, water, and nearby communities.

The decision lands amid a broader push by the Trump administration to expand timber production and streamline forest management through shared stewardship agreements and leadership changes at USDA. The administration has signed cooperative agreements with Utah and Wyoming to accelerate timber harvesting, forest thinning, and fuels reduction on millions of acres of national forest lands, framing them as collaborative wildfire-risk reduction efforts, while critics argue they sidestep public input and weaken NEPA safeguards. At the same time, Michael Boren, an Idaho rancher and property-rights advocate, has taken over as USDA undersecretary for natural resources and environment, overseeing the Forest Service as it prioritizes active forest management, timber production, and multiple-use policies—setting the stage for continued legal and policy battles over NEPA compliance and categorical exclusions.

ALLIANCE INITIATIVES

12. Endangered species consultation

Federal water and wildlife agencies are reopening and rewriting the endangered species and water-sharing rules that govern the Klamath River Basin’s ESA protections and operational criteria for flows and water use, a move aimed at reshaping how salmon, suckerfish, and other listed species are managed alongside irrigation and hydro operations. This effort reflects broader Interior Department priorities to reconsider ESA implementation, including listing decisions and critical habitat designations, in ways that weigh both conservation and economic impacts; in the Klamath specifically, the rewrite is intended to update decades-old guidance and address long-running conflicts between agriculture, tribes, and fisheries interests over scarce water supplies. Tribal leaders, irrigators, and conservation groups are closely watching the process, because any new rule framework could affect water allocations during drought conditions and influence how future operational decisions balance species recovery with irrigated agriculture and basin economics.

The federal decision to revisit endangered species rules in the Klamath Basin fits within a larger, West-wide reassessment of how the Endangered Species Act intersects with water management during prolonged drought and climate stress, as agencies confront the limits of rigid, basin-specific biological opinions written under very different hydrologic conditions. Across the West — from the Klamath to the Sacramento-San Joaquin Delta, the Columbia, and the Colorado River — states, tribes, irrigators, and federal managers are pressing for updated ESA frameworks that better integrate real-time hydrology, infrastructure constraints, and multi-benefit management, rather

than crisis-driven curtailments that pit farmers against fish. While conservation groups caution against weakening protections, water users argue that modernized rules are necessary to preserve both working landscapes and species recovery in an era of reduced snowpack and more volatile runoff. How the Klamath rewrite proceeds may therefore serve as a signal case for whether ESA implementation in the West evolves toward adaptive, basin-scale collaboration — or continues to rely on litigation and emergency measures during dry years.

On this topic, the Klamath area water users have a piece of draft legislation, which would require open consultation with the affected irrigation districts when issues like the one in the Klamath area arise – this is already the norm in some areas of the West, and is already viewed as the law, but it is worth clarifying given what has happened to some of our members in the past. Look for more on that in the coming weeks! The Alliance looks forward to supporting this initiative.

13. Agriculture Hit Pieces from the past month – they keep coming...!

a. Circle of Blue – farmers are the ‘worst and most dangerous’ polluters

A recent *Circle of Blue* article sharply characterizes farmers — particularly large livestock operations — as the primary drivers of nutrient pollution, portraying agricultural manure runoff as one of the “worst” and most persistent threats to water quality in Michigan and the Great Lakes region. It highlights new state rules tightening manure management for large farms, including bans on winter spreading, expanded storage requirements, groundwater monitoring, and greater regulatory discretion, framing these measures as necessary to rein in what the article describes as chronic, agriculture-driven contamination of rivers, streams, and drinking water supplies. While the piece emphasizes environmental and public-health concerns, it gives comparatively less attention to on-farm realities, existing conservation efforts, or the operational and economic impacts of these mandates on family farmers, reinforcing a broader narrative that places primary responsibility for water quality challenges squarely on the agricultural sector. What this articles does do effectively is remind us that we have to stay diligent about not only Federal regulatory measures, but also what is happening within our home states on the same subjects.

b. Five underreported factors influencing the aridification of the American West

A recent *Coyote Gulch* analysis, above entitled, highlights “institutional and legacy-infrastructure lock-in” as a major but under-reported driver of aridification in the American West — meaning that long-established water laws, reservoir systems, and delivery infrastructure built for a historically wetter climate now resist adaptation and inadvertently deepen dry conditions by favoring large, evaporative storage and rigid allocation patterns that are inefficient under a hotter, drier regime. These entrenched frameworks make it harder to reallocate or conserve water in response to rising evaporative demand, groundwater depletion, and reduced surface flows, thereby reinforcing scarcity even where physical supplies remain. This perspective underscores that policy and infrastructure inertia, not just climate trends, are shaping how Western water systems perform under ongoing aridification pressures.

c. ProPublica – nothing new here

A recent *ProPublica* ‘investigation’ into federal public-lands grazing highlights how livestock grazing continues across about 240 million acres of Bureau of Land Management and U.S. Forest Service lands, with perennial low fees and automatic permit renewals reducing environmental scrutiny of grazing impacts. The reporting found that a 2014 congressional change allows many permits to be renewed without full environmental review, contributing to cattle grazing in sensitive riparian areas, grazing beyond permitted numbers or seasons, and degraded habitat — concerns raised by conservation groups and some land managers. The investigation also noted that a relatively small number of ranchers hold a large share of permits, effectively subsidizing private operations on public lands with minimal oversight, and that political influence can limit enforcement of existing range-management rules, while ranchers argue they need updated permits and consistent management certainty. This analysis underscores ongoing tensions between sustaining working lands, managing environmental impacts, and ensuring accountable stewardship of the West’s rangeland resources.

Meanwhile, *ProPublica* also failed to recognize, among a host of other things, a new global study that showed that while overgrazing has long been a concern, livestock numbers are actually declining (destocking) across large portions of the world, including Europe, North America, and Australia, with populations dropping as much as 37% in some regions over the past 25 years. Destocking presents new ecological challenges, such as increased wildfire risk and uneven impacts on biodiversity, and is largely driven by economic and technological factors rather than climate change. In contrast, livestock numbers are rising in parts of Africa, Central Asia, and South America, highlighting diverging global trends that require region-specific management strategies.

14. Cloud seeding or chem trails?

State water managers in Nevada and Utah are increasingly turning to cloud seeding to try to stretch limited water supplies by enhancing precipitation during winter storms, using ground-based generators that release silver iodide into suitable clouds to encourage ice crystal formation and snowfall. Nevada’s Desert Research Institute reports that its program has added billions of gallons of water to local systems, backed by state funding, while Utah now operates what it calls the nation’s largest remote-controlled cloud seeding effort and is experimenting with laser and drone technologies to improve effectiveness. Long-term program evaluations suggest modest gains — roughly 6–12 % increases in precipitation in seeded conditions — which can translate into meaningful increases in snowpack over time, though its overall impact varies with meteorological conditions and is only one tool among many for addressing Western drought and water scarcity.

Rainmaker Technology, a cloud-seeding startup using drones, AI forecasting, and silver iodide to boost snowfall and rain, is mounting a Washington outreach campaign as it faces conspiracy theories and a growing political backlash against weather modification. After being falsely blamed online for deadly Texas flooding in 2025, the company responded with a full-court press of media appearances, lobbying, and even \$100,000 worth of Metro ads near Capitol Hill declaring, “We build rain.” Founded in 2023 by Thiel Fellow Augustus Doricko, Rainmaker argues modern technology can make decades-old cloud-seeding practices more effective and measurable, and it has already secured contracts with Western states and water agencies while raising more than \$50

million from investors. The company is now working to head off proposed state and federal bans on atmospheric modification, distinguish cloud seeding from controversial geoengineering, and position itself as a bipartisan “water resilience” tool for agriculture and ecosystems—betting that in today’s political climate, being controversial but understood is better than being invisible.

15. AI in the West

There is a proposal in Congress that would transfer about 150 acres of Mount Hood National Forest to the city of The Dalles, Oregon so it could gain direct control over water resources that originate in the mountain’s watershed, prompting concern from environmental groups about loss of federal oversight and long-term stewardship. Critics fear the measure could weaken protections for streams and ecosystems, particularly as an outsized industrial water user (Google’s data centers consume roughly one-third of the city’s supply) continues to shape local water demand, while supporters argue local control is necessary to meet future municipal needs. Opponents warn the legislation could set a precedent for prioritizing municipal or corporate interests over environmental safeguards and sustainable watershed management.

The House’s Republican Study Committee, a 190-member group advancing conservative policy priorities, hosted Zeldin, a former House member, for a conversation that focused on energy demand and deregulation, according to four people who attended the meeting. Also in attendance was Ruth Porat, president of Alphabet, the parent company of Google. The company is investing billions of dollars on data center needs and lobbying Congress on overhauling the federal permitting process as it expands its artificial intelligence products. More stories from small towns like Quincy, Washington to large cities like San Diego California and everything in between were also out this past month on data centers, AI, and water and/or land use issues. It’s also worth noting that data centers are now included in the nationwide permits recently reissued by the Army Corps of Engineers to streamline permitting.

Activity at the state level worth watching: Arizona lawmakers held the inaugural meeting of the House Committee on Artificial Intelligence and Innovation, becoming the third state to create a committee directly aimed at rapidly developing technology, which expressed support for AI saying they will remain ‘innovation friendly’ when regulating. Oregon Gov. Kotek announced a new Data Center Advisory Committee last month, which will provide policy recommendations to her and the Legislature no later than October 2026. There is proposed legislation in New Mexico to require more transparency in permitting for these facilities. AI will stay in the news as officials continue to grapple more openly with challenges associated with data centers and technology facilities.

16. California’s Sites Reservoir – new federal action

The U.S. Department of the Interior has issued a Record of Decision approving the Sites Reservoir Project, a major 1.5 million-acre-foot off-stream storage facility in Northern California designed to capture and store water during wet periods for use in dry years, strengthening water reliability for communities, agriculture, and the environment across the state. This action — framed as advancing the priorities of Executive Order 14181, which directs federal focus on expanding water supply and system resilience — authorizes the Bureau of Reclamation to fund up to 25 % of project costs and follows nearly a year of operational gains that have delivered more than

200,000 acre-feet of additional water to the Central Valley Project by leveraging flexibility in storm capture and operations. The decision reflects years of technical analysis, public engagement, and coordination with state, local, and tribal partners, and moves the long-studied reservoir project a step closer to construction and eventual operation to help mitigate future dry-year shortfalls.

WESTERN WATER “HOT SPOTS”

“At least one ground-based monitoring station in every major western watershed recorded the lowest [amount of water stored in the snowpack in at least 20 years on January 26,” according to a [statement](#) from the NASA Earth Observatory.

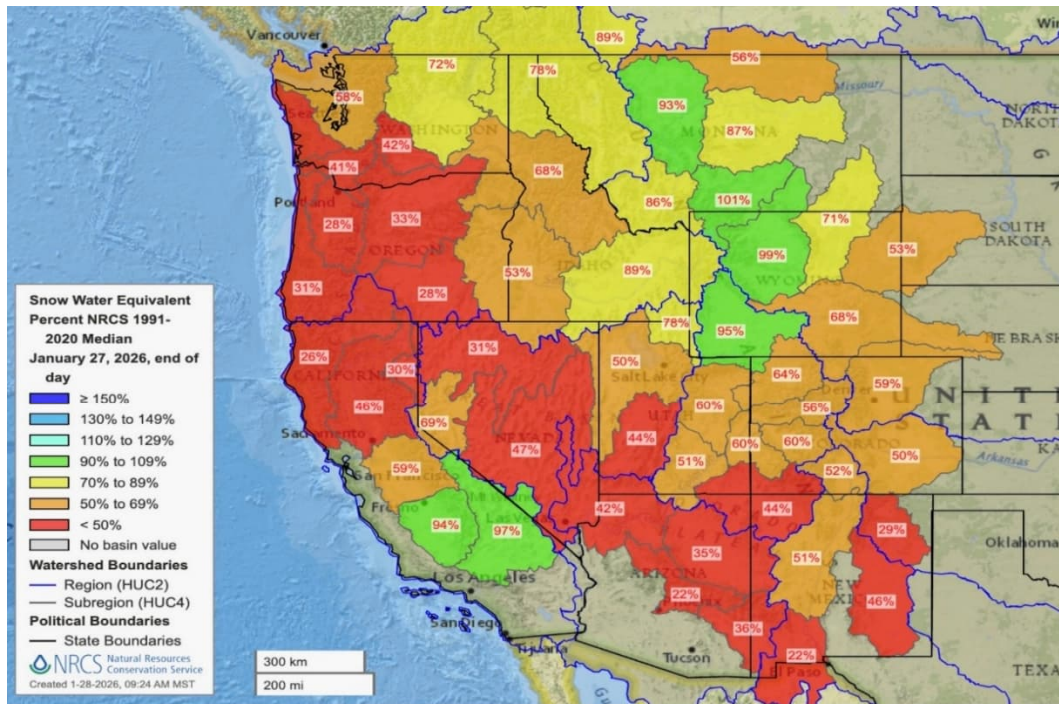
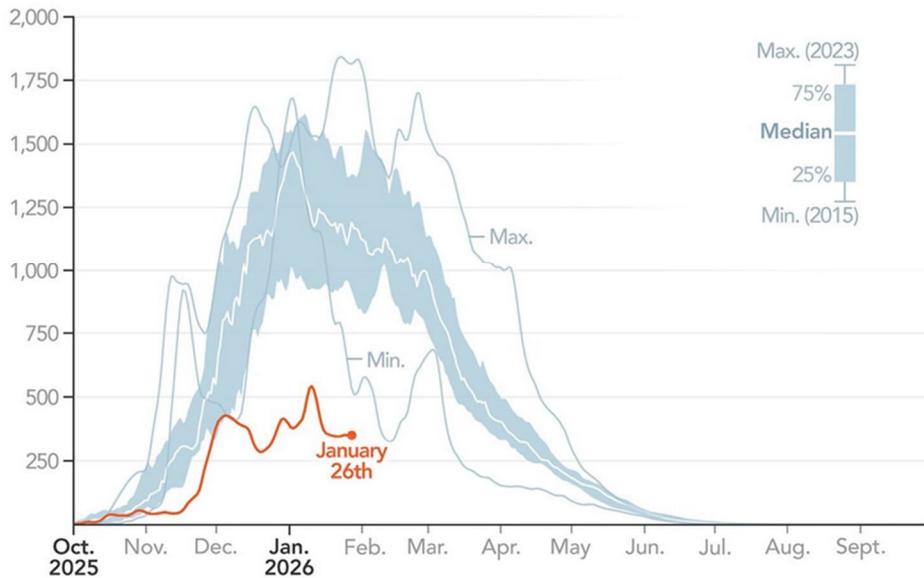
17. Drought – especially when it comes to mountain snowpack

Across the western U.S., the 2026 water year is unfolding under a pervasive “snow drought” and widespread dry conditions, challenging traditional seasonal hydrologic storage. Snowpack — the natural reservoir that supplies rivers, aquifers, irrigation districts, and urban systems — remains well below historical normals across much of the West, with many SNOTEL sites reporting snow water equivalent (SWE) in the lowest percentiles on record for this time of year. Recent analysis shows snow cover on January 4 was the lowest January extent in the satellite record, with especially severe deficits in the Intermountain West, Great Basin, and parts of the Pacific Northwest and Rockies. Record-warm conditions and precipitation falling as rain rather than snow have contributed to these conditions, meaning less water is being stored at high elevations for spring and summer runoff.

The U.S. Drought Monitor continues to depict widespread drought (D1–D4) across the West, including central and northern Rockies, much of Utah, Colorado, New Mexico, and parts of Oregon and Washington, reflecting below-normal precipitation, soil moisture deficits, and low reservoir inflows — even as exceptional dryness has eased slightly in isolated areas after recent storms. Drought covers more than 40% of the lower 48 states overall, with the West remaining a hotspot of long-term dry conditions. The combination of low snowpack, early melt risk from warm soils, and sustained drought raises significant concerns for streamflow, reservoir storage, groundwater recharge, irrigation supply, and wildfire risk as the season progresses, underscoring the need for vigilant monitoring and proactive water management. I suppose the good news is that Punxsutawney Phil saw his shadow yesterday, predicting we will have six more weeks of winter!

Western U.S. Snow Cover Area (thousands of km²)

January 2026 marked the region's lowest January snow cover in the MODIS record.



Snowpack vs. Median | Jan 27, 2026

18. California has zero areas of dryness for first time in 25 years

California's water supply picture entering 2026 is unusual and somewhat mixed. After a series of strong atmospheric river storms in late 2025, nearly all of the state's major reservoirs are at or above historical averages for this time of year, including Lake Shasta rising significantly and others such as Oroville, San Luis, and Diamond Valley Lake also showing robust levels — a situation that has helped erode formal drought designation statewide for the first time in about 25 years according to the U.S. Drought Monitor. However, this wet pattern has come with warmer temperatures, and much of the precipitation has fallen as rain rather than snow, leading to a snowpack that remains well below normal (around ~59 % of average) in key Sierra Nevada basins that are critical for spring and summer runoff.

The combination of strong, rain-fed reservoir gains and low mountain snowpack presents a paradox for California's water outlook: stored surface water is plentiful now, but with less snow accumulating in the high country, the natural “frozen reservoir” that typically sustains flows into late spring and summer is diminished. This dynamic — part of a broader Western snow drought pattern — means water managers remain cautious, emphasizing that continued storms through February and March will be essential to bolster spring runoff and groundwater recharge. While the drought-free designation reflects short-term hydrologic relief, long-term supply robustness still hinges on snowpack growth, timing of melt, and overall seasonal precipitation, and managers are balancing optimism with preparedness for variability. Let me know if you'd like visuals or maps included in your board packet.

The title of this section was the lead title of a January 8 ABC7 news story that ran in both Los Angeles, San Francisco, Fresno announced the ‘incredible news’ that California's water supply entering the new year looks to be promising, with not a single square mile of California being categorized as dry for the first time in 25 years. Another article, titled “As California's Drought Ends, Pasadena Weighs Future of Its Underground Water Reserve” and others with similar titles floated around throughout the month. The articles seem to indicate a willingness to fall into the mindset that California should have plenty of water this year, something I am skeptical of. Even if true, now is the time to prepare for future dry conditions, while the flexibility of current wet conditions allows. Some hydrologists are attributing negative effects of the atmospheric rivers, which account for California's wetter status, on snowpack in the West.

19. California Delta operations and Newsom's voluntary plan

In December 2025, the California State Water Resources Control Board advanced its Sacramento/Delta Updates to the Bay-Delta Plan by releasing a revised draft for limited recirculation, along with key supporting documents, including a new Bay-Delta Monitoring and Evaluation Program, updated Voluntary Agreement accounting protocols for both flows and habitat, and a new Chapter 13 of the draft Staff Report. The Board opened a short public engagement window, with oral testimony scheduled for January 28–30, 2026, and written comments due February 2, 2026, and declined requests to extend the comment period or delay hearings. In parallel, the Board is continuing work on Voluntary Agreements, including a proposed agreement on the Tuolumne River, supported by a draft scientific basis supplement, modeling tools, and accounting methodologies. Collectively, these actions signal continued momentum

toward revising Bay-Delta flow and habitat standards and integrating voluntary agreements into regulatory implementation, with significant implications for water supply reliability, agricultural operations, and long-term Delta management.

20. Colorado River Basin (AZ/CA/CO/NE/NM/UT/WY)

a. New deadline looming to agree on operating conditions or risk federal intervention

The Colorado River continues to dominate Western water headlines as negotiations over post-2026 operating rules. Negotiations remain deeply deadlocked amid historic drought and declining reservoir levels and the seven basin states have struggled to reconcile divergent priorities even as a Feb. 14 federal deadline looms and the threat of federal intervention grows. Interior Secretary Doug Burgum convened most governors and state negotiators in Washington, D.C., in late January in what officials called an unprecedented and “historic” session, though no final agreement was reached — California’s governor did not attend in person, underscoring the political tensions. Lower Basin leaders, particularly Arizona Governor’s Office, urged fair accounting of long-standing conservation contributions and equitable cut shares, while Upper Basin states continue to resist mandatory reductions without voluntary frameworks. Meanwhile, my favorite headline following the historic event was “Colorado ‘is not going to be a sucker’ around Colorado River issues, says Attorney General Weiser” as if CO was somehow being viewed as weak – Oh, to be a fly on the wall in that meeting! From experience litigating against the State of CO, I can tell you one thing is for certain, they are anything but weak or capable of being simply ‘pushed over’ in a courtroom. Hopefully the tone of the meeting was more subdued than the headlines!

b. Colorado River’s hydrology concerns going into 2026:

As we move into the heart of the 2026 water year, the hydrologic picture for the Colorado River Basin remains challenging and uncertain, driven by low mountain snowpack, warm winter temperatures, and deeply entrenched regional drought conditions. Colorado’s mountains saw a brief snowstorm in early January, but it did little to reverse an ongoing dry trend and historically low snowpack statewide, with basin snow water equivalent well below normal and forecasts showing another extended dry spell through much of the month. Even with occasional light snowfall, snowpack in key mountain watersheds remained at or near record-low levels for this time of year, raising concerns among water managers about spring runoff, reservoir inflows, and overall water supply reliability across the upper Colorado River Basin. Low snow accumulation amid warm, dry conditions has become part of a broader “snow drought” affecting the West, underscoring the vulnerability of mountain snowpack — a critical source for agriculture and municipal water — to climate variability and extended dry periods.

Federal and state monitoring shows that much of the West is experiencing “snow drought” — where snow water equivalent (SWE) at many SNOTEL sites is well below historical median levels because precipitation is falling as rain rather than snow, and warmer conditions are limiting accumulation in key headwater basins that feed the Colorado River System. Across the Upper Basin, snowpack is significantly below normal, with Colorado statewide SWE around roughly 56 % of median and many sites at record lows for this time of year, and similar deficits reported in Utah, Arizona, and New Mexico. The ongoing snow deficit is feeding into broader concerns about

spring runoff and reservoir inflows. Lower than normal snowpack coupled with warm soils that soak up early melt means even if conditions improve later this winter, streamflow forecasts for the 2026 runoff season are mostly below normal across major tributaries. In the Lower Basin, recent above-average rainfall in parts of California has helped soften immediate reservoir drawdowns and lifted Lake Mead slightly above earlier projections, but that remains insufficient to offset the broader deficit in mountain snowpacks that ultimately drive spring and summer runoff.

c. Colorado and Wyoming infrastructure needs

A new report finds that Colorado faces a roughly \$50 million annual funding shortfall for water projects, as current revenue from severance taxes and other sources falls well short of the cash needed to maintain and expand infrastructure for storage, delivery, and supply reliability. A state task force is now evaluating options to fill the gap, including potential new taxes or a long-term water funding trust, but there is broad recognition that existing mechanisms aren't sufficient to meet future water challenges. Wyoming faces an estimated \$700 million backlog in statewide water infrastructure needs, with hundreds of projects — including aging treatment facilities, supply pipelines, and storage improvements — requiring major investment to ensure safe and reliable water delivery for communities and industry. State leaders warn that current funding mechanisms are inadequate to meet these needs and are exploring new financing options, including potential increases in state support and grant programs, to avoid deferred maintenance and future public health risks.

MISCELLANEOUS

- Washington Republican Rep. Dan Newhouse, the former chair of the Congressional Western Caucus, is retiring from the House. Newhouse led the Congressional Western Caucus from 2021 until 2025. The caucus is active on natural resources issues like public land, forestry, endangered species and water rights.
- Representative Doug LaMalfa of California's 1st District has died at age 65 (Jan. 6, 2025), as confirmed by GOP leadership, further narrowing the Republican majority in the U.S. House to 218–213. LaMalfa, a fourth-generation rice farmer who had served since 2013 and was known for his advocacy on agriculture, water, forestry, and rural issues, was widely praised by colleagues as a staunch voice for rural America; his passing triggers a special election and marks a notable shift in the House's narrow balance of power. La Malfa was a partner and friend to the Alliance, having worked with us throughout the years on a number of initiatives, and we are grateful for his service.
- Congresswoman Celeste Maloy (Utah) has assumed the position of Chair of the Congressional Western Caucus following the passing of Representative Doug LaMalfa. Congresswoman Maloy's office has already reached out to me to begin collaboration.
- Jason Phillips has retired from his role at Friant Water Authority (FWA) as CEO, where he served for a decade, and has gone to HDR to join their new Water Supply Management Business Class Lead for Irrigation. Johnny Amaral was named as the new CEO at FWA.

This is a quick summary of just a few of the issues the Alliance has been engaged in, some of which has come directly from other authors, such as Alliance Contractors. Please do not hesitate to contact me at 575-202-2705 or samantha@familyfarmalliance.org if you have specific questions.



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Hammonds Ranch

Executive Director

Michael Wade

TO: San Luis & Delta-Mendota Water Authority Board of Directors

FROM: Mike Wade, Executive Director

DATE: January 30, 2026

RE: Program and Activities Update

As I reflect on the past 27 years of work with the California Farm Water Coalition, I am struck by the strength of the people who make this organization what it is. From the early days of explaining the value of irrigated agriculture to a skeptical public, to today's sophisticated campaigns that reach millions across California, CFWC's mission has always remained the same... to tell the story of how farm water sustains us all.

Over the years, and with the generous support of our members, we've built something remarkable. We've earned a reputation as a trusted, fact-based voice in the conversation about California's most precious resource. We've led public outreach that connects urban consumers to the farmers who feed them, and we've forged partnerships with agencies, academics, and advocates to create real understanding, not division. That legacy of success belongs to every member, director, and staff person who has shared this journey.

A debt of gratitude is owed to our dedicated Board of Directors, whose members include farmers, leaders from water agency boards across the state, and business professionals whose livelihoods are closely tied to agriculture. They give their time and perspective not for recognition, but because they believe in the Coalition's mission and the role it plays in explaining why water matters to farming and why farming matters to everyday life in California. Their steady guidance over the last 36 years has helped keep the Coalition grounded, credible, and focused on educating the public about the essential connection between water and food.

I also want to recognize our outstanding team. Brandon Souza, CFWC's Chief Operating Officer, has been an invaluable member of our team, bringing unparalleled technical skills and a true heart for agriculture. His ability to build relationships with many of our members helped keep the Coalition relevant and important to their operations. Deja Coke-Lo, our Projects and Operations Associate, keeps the organization running with efficiency, good humor, and genuine care for our mission. And Morgan Elia, our social media Director, has infused new energy and innovation into CFWC's outreach, engaging new audiences and strengthening our digital presence. Their combined talent ensures that CFWC's work will continue to thrive well into the future.

Over the years, the Coalition has had a consistent presence in the media to ensure that the role and needs of agricultural water users remained part of the public conversation. By contributing op-eds, letters to the editor,



interviews, and timely commentary, we were able to respond as issues arose and help shape how water challenges facing agriculture were understood by broader audiences. This work was strengthened through close collaboration with partners such as the Family Farm Alliance, California Farm Bureau Federation, Western Growers, Water Association of Kern County, Water Blueprint for the San Joaquin Valley, the San Joaquin Valley Collaborative Action Program (CAP), and other statewide and regional agricultural water organizations. Together, these partnerships allowed us to align messages, extend our reach, and speak more effectively on behalf of farmers and water users across California.

As I prepare to pass the baton at the end of February, I do so with great confidence in CFWC's future. Our incoming Executive Director, Michelle Paul will bring fresh perspective, energy, and a deep passion for agriculture to the organization. She inherits a talented team, an engaged Board, and a community of supporters who understand the value of clear, honest communication about water and farming. I wish her every success as she leads this terrific organization into its next chapter.

It has been an honor to serve alongside each of you. Thank you for allowing me to be part of this extraordinary journey and for continuing the vital work of ensuring that California's farmers have the water they need to feed the world.

2025 Impact Report

The California Farm Water Coalition's 2025 Impact Report is now available and provides a concise look at how the Coalition worked throughout the year to research, communicate, and engage on issues central to California agriculture and water reliability. The report highlights CFWC's role in tracking policy and regulatory developments, producing timely analysis, and translating complex water issues into clear, public-facing information.

It also summarizes outreach efforts with media, policymakers, and the public, as well as partnerships with member organizations that helped ensure agricultural perspectives were part of water discussions early in the decision-making process.

Individuals seeking additional detail are encouraged download the full report by scan the QR code included on the attached one-page overview. For those looking for a quick summary, CFWC has also produced a five-minute video that walks through the key themes and outcomes from the year.

Together, the report and video offer an informative snapshot of how CFWC advanced education and understanding on agricultural water and food production in 2025.



BROADCASTING THE FARM WATER VOICE

CFWC's Editorial & Media Outreach in 2025

The California Farm Water Coalition continues to engage proactively in the public discourse by authoring timely op-eds, letters-to-the-editor and commentary pieces that articulate the perspective of California's irrigated agriculture sector. As part of its broader media outreach work, these editorial interventions serve a dual mission: (1) to correct or clarify misperceptions about farm water use, regulation and supply, and (2) to elevate the voice of farmers and water suppliers in policy debates that affect California's food system, economy and communities.

CLICK THE LINK BELOW OR SCAN THE QR CODE FOR THE FULL 2025 IMPACT REPORT AND SUMMARY VIDEO:

<https://farmwater.org/2025-impact-report/>



CFWC's Advocacy in 2025

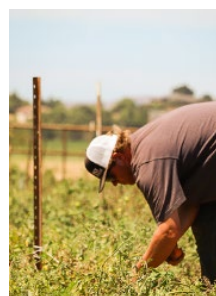
CFWC's participation in industry advocacy letters reflects the organization's expanding influence and collaborative strength. By combining advocacy, science, and partnerships, the Coalition is ensuring that California agriculture's voice remains central in every water discussion — from the Delta to Washington, D.C.

CFWC'S 2025 PARTNERSHIP IMPACT

Category	Impact / Value
Federal investment advocated	\$12.5 billion (One Big, Beautiful Bill Act)
State bond funding requested	\$694 million (Proposition 4 allocations)
Acre-feet of supply goal under E.O. 14181	9 million AF/year by 2040
Ecosystem restoration supported	45,000 acres
Water supply protected	200,000 AF/year (ESA regulatory rollback)
Jobs and economic activity preserved	67,000 jobs, \$14.5B potential benefit

CFWC SOCIAL MEDIA

From California Farms to Your Social Feed



The California Farm Water Coalition runs an active and robust social media program—including our consumer-focused brand, Cultivate California—designed to help people understand where their food really comes from and why California-grown products matter. In 2025, our online presence continued to bring the story of California agriculture to life, connecting everyday consumers with the farmers, fields, and water supplies behind the foods they love.

177k
Profile
Visits

90.3k
Followers
Gained

142.2k
Link
Clicks

174.7k
Interactions