



# Official Memorandum

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

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

Date: November 3, 2025

RE: Recommendation to Board of Directors to Authorize Fourth Amendment and Related Budget Increase of \$84,100 for DCI Arc Flash Investigation and Fault Analysis Project Task Order with DHR Hydro Services, Inc.

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## Background

On January 9<sup>th</sup>, 2025, the Board of Directors adopted Resolution No. 2025-539 adopting the complete Fiscal Year 2026 budget. In adopting the complete Fiscal Year (FY) 2026 Budget, the Board specifically approved and authorized the extension of the existing DHR Hydro Services contract to continue assisting the Delta-Mendota Canal-California Aqueduct Intertie (DCI) Unit 1 and Unit 2 Restoration Project (Project) as budgeted for FY2026. The fiscal year budget for the Project included a specific budget of \$100,000 for DHR Hydro project management.

## Issue for Decision

Whether or not to authorize a Fourth Amendment and related budget increase of \$84,100 for DCI Arc Flash Investigation and Fault Analysis Project Task Order with DHR Hydro Services, Inc.

## Recommendation

Staff recommends authorizing the proposed Fourth Amendment and related budget increase.

## Analysis

Following adoption of the FY2026 budget, the Authority executed a task order with DHR Hydro Services for the DCI Arc Flash Investigation and Fault Analysis Project for \$91,276, slightly under the approved budget of \$100,000. The Authority also executed task orders with DHR Hydro Services related to the O'Neill Pumping Plant Transformer Rehabilitation Project, and the Jones Pumping Plant Excitation and Control Panel Replacement Project; the cumulative total of these task orders exceeded \$200,000, but was consistent with Board authorization pursuant to Resolution No. 2025-539 referenced above.

DHR Hydro Services has been leading the efforts to restore the DCI plant back to fully operational after an arc flash event destroyed the motor cabinets for Units 1 and 2. These efforts have taken considerably more time than previously expected, including coordinating and working through Reclamation requirements and also difficulties in executing a construction agreement. The installation of the two new motor control cabinets was originally planned to occur in September. However, the outage was cancelled due to pumping concerns, which resulted in

additional negotiations with the contractor and a Board issued change order. These unexpected delays and complexities to the project have required DHR Hydro Services to almost double the expected support required to complete the project, resulting in this proposed Fourth Amendment and need for Board authorization for budget increase above the \$100,000 line item for the project in Resolution No. 2025-539.

## Budget Implications

The additional proposed expenditure of up to \$84,100 will be funded utilizing budgeted funds from the Fiscal Year 2026 EO&M budget specific to the DCI U1 & U2 Restoration Project.

## Attachments

1. Draft Fourth Amendment

**SAN LUIS & DELTA-MENDOTA WATER AUTHORITY**  
**FOURTH AMENDMENT TO AGREEMENT**  
**FOR PROFESSIONAL SERVICES**  
**FOR**  
**PROJECT MANAGEMENT & ENGINEER SUPPORT SERVICES**

**Agreement No.: F25-ALL-016**

This Fourth Amendment to F25-ALL-016 is made and entered into effective November \_\_\_\_, 2025 by and between San Luis & Delta-Mendota Water Authority (“SLDMWA”) and DHR Hydro Services, Inc., (“Consultant”).

WHEREAS, on July 25, 2024, SLDMWA and Consultant entered into a task order Agreement. Whereby Consultant would perform project management services; and

WHEREAS, on July 25, 2024, SLDMWA and Consultant entered into a Task Order 1. Whereby Consultant would perform project management and review services for the DCI Arc Flash Investigation & Fault Analysis project.

WHEREAS, on September 13, 2024, as authorized by the Water Authority Board of Directors, SLDMWA and Consultant entered into a Task Order 2. Whereby Consultant would perform project management and design review services for the O’Neill Pumping Generating Plant Transformer Rehabilitation project.

WHEREAS, on September 13, 2024, as authorized by the Water Authority Board of Directors, SLDMWA and Consultant entered into a Task Order 3. Whereby Consultant would perform project management and design review services for the Jones Pumping Plant Excitation and Control Panel Replacement project.

WHEREAS, on January 9, 2025, the Water Authority Board of Directors adopted resolution #2025-539 that approves and authorizes the extension of the DHR Hydro Services contract as referenced in the Fiscal Year 2026 OM&R Budget.

WHEREAS, on February 28, 2025, SLDMWA and Consultant executed a First Amendment which extended the Fiscal Year 2025 task orders and renewed Task Order 1 DCI Arc Flash Investigation & Fault Analysis project, Task Order 2 O’Neill Pumping Generating Plant Transformer Rehabilitation Project, and Task Order 3 Jones Pumping Plant Excitation and Control Panel Replacement Project for Fiscal Year 2026 per the adopted resolution #2025-539.

WHEREAS, on July 10, 2025, SLDMWA and Consultant executed a Second Amendment that entered into a Task Order 4. Whereby Consultant would develop detailed cost estimates for the projects identified on the SLDMWA proposed project list for FY2027.

WHEREAS, on October 20, 2025, SLDMWA and Consultant executed a Third Amendment to increase the task order amount under Task Order 3 – FY26 Jones Pumping Plant Excitation and Control Panel Replacement Project Management, extended the performance period for Task Order 1 – FY26 Arc Flash Investigation & Fault Analysis Project, and added Article 22. Prevailing Wages and Records.

WHEREAS, the parties now agree that a Fourth Amendment to said Task Order Agreement is advisable;

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

- 1. Increase Task Order 1 – FY26 Arc Flash Investigation & Fault Analysis Project total budget maximum by \$84,100.00**
  - a. From: \$91,276.00**
  - b. To: \$175,376.00**

All other tasks, terms and conditions on original task order 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 &amp; Delta-Mendota Water Authority</u> |
|------------------------|-----------------------------------------------------|
| By: _____<br>Signature | By: _____<br>Pablo R. Arroyave                      |
| _____                  | Chief Operating Officer                             |
| Title                  | San Luis & Delta-Mendota Water Authority            |
| _____                  |                                                     |
| Print Name             |                                                     |
| _____                  |                                                     |
| Company Name           |                                                     |