



# Official Memorandum

PO Box 2157  
Los Baños, CA 93635  
[sldmwa.org](http://sldmwa.org)

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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: 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

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## 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 &amp; 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.



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

**Table 1. Proposed Modification to CDM Smith's Budget**

Task		Existing Budget	Cost Incurred to Date <sup>1</sup>	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
<b>Total</b>		<b>\$2,429,308.92</b>	<b>\$2,384,281.68</b>	<b>\$45,027.24</b>	<b>\$261,614.00</b>	<b>\$2,645,895.68</b>	<b>\$216,586.76</b>

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**

<b>Labor Category</b>	<b>Rate</b>
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

