County of Monterey

Government Center - Board Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Meeting Agenda - Final

Tuesday, September 29, 2026

1:30 PM

Join via Zoom at https://montereycty.zoom.us/j/224397747 - or in person at the address listed above

Pajaro County Sanitation District

Chair Director Wendy Root Askew - District 4
Vice Chair Director Kate Daniels - District 5
Director Luis A. Alejo - District 1
Director Glenn Church - District 2
Director Chris Lopez - District 3

For information on The Ralph M. Brown Act: Open Meetings please click on the link below:

https://bit.ly/4u3JgJe

Participation in meetings

While the Board chambers remain open, members of the public may participate in Board meetings in 2 ways:

1. You may attend the meeting in person; or,

2. You may observe the live stream of the Board of Supervisors meetings at https://monterey.legistar.com/Calendar.aspx, http://www.mgtvonline.com/, www.youtube.com/c/MontereyCountyTV or https://www.facebook.com/MontereyCoInfo/

If you choose not to attend the Board of Supervisors meeting but desire to make general public comment, or comment on a specific item on the agenda, you may do so in 2 ways:

a. submit your comment via email by 5:00 p.m. on the Monday prior to the Board meeting. Please submit your comment to the Clerk of the Board at cob@co.monterey.ca.us. In an effort to assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Board of Supervisors Agenda) and item number (i.e. Item No. 10). Your comment will be placed into the record at the Board meeting.

b. you may participate through ZOOM. For ZOOM participation please join by computer audio at: https://montereycty.zoom.us/j/224397747

OR to participate by phone call any of these numbers below:

+1 669 900 6833 US (San Jose)
+1 346 248 7799 US (Houston)
+1 312 626 6799 US (Chicago)
+1 929 205 6099 US (New York)
+1 253 215 8782 US
+1 301 715 8592 US

Enter this Meeting ID number: 224397747 when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push *9 on your keypad.

PLEASE NOTE: IF THE ZOOM FEED IS DISRUPTED FROM THE MEETING'S SALINAS LOCATION, THE MEETING MAY BE PAUSED WHILE A FIX IS ATTEMPTED. THE MEETING MAY CONTINUE WITHOUT ZOOM AT THE WILL OF THE BOARD, IN CONSULTATION WITH GOVERNMENT CODE SECTION 54953.4 AND THE BOARD ACCOMPANYING POLICY, IF ZOOM IS NOT RESTORED AFTER ONE HOUR.

NOTE: All agenda titles related to numbered agenda items are live web links. Click on the title to be directed to the corresponding Board Report.

PUBLIC COMMENTS: Members of the public may address comments to the Board concerning each agenda item. The timing of public comments shall be at the discretion of the Chair.

1:30 P.M. - Call to Order

Roll Call

Additions and Corrections by Clerk

The Clerk of the Board will announce agenda corrections and proposed additions, which may be acted on by the Board as provided in Sections 54954.2 of the California Government Code.

General Public Comments

This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board of Supervisors. Board members may respond briefly to the statement made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Board at a future meeting.

Consent Calendar

1. Acting as the Board of Directors of the Pajaro County Sanitation District (PCSD):
a. Approve a non-standard Agreement Between Owner and Engineer for Professional Services (Agreement), approved by the U.S. Department of Agriculture (USDA), between the County of Monterey (County) and the Wallace Group, a California Corporation (Wallace Group), for the PCSD Sewer Upgrades and Repair Project (Project); and
b. Authorize the Director of Public Works, Facilities and Parks (PWFP) to execute the Agreement and associated documents and act as the Designated Representative for the County in processing all documentation to satisfy USDA requirements for the Agreement on behalf of the County of Monterey.

Attachments: Board Report
Attachment A - Agreement for Professional Services
Attachment B - Wallace Group Proposal
Attachment C - USDA Letter of Conditions
Attachment D - USDA - Amendment #1
Attachment E - USDA - Amendment #2
Attachment F - Engineering Report Amendment #1

Adjournment

Introduced: 9/11/2026
Version: 1

Current Status: Agenda Ready
Matter Type: PCSD Agreement

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b. Authorize the Director of Public Works, Facilities and Parks (PWFP) to execute the Agreement and associated documents and act as the Designated Representative for the County in processing all documentation to satisfy USDA requirements for the Agreement on behalf of the County of Monterey.

RECOMMENDATION

Acting as the Board of Directors of the Pajaro County Sanitation District (PCSD), it is recommended that the Board of Supervisors:
a. Approve a non-standard Agreement Between Owner and Engineer for Professional Services (Agreement), approved by the U.S. Department of Agriculture (USDA), between the County of Monterey (County) and the Wallace Group, a California Corporation (Wallace Group), for the PCSD Sewer Upgrades and Repair Project (Project); and
b. Authorize the Director of Public Works, Facilities and Parks (PWFP) to execute the Agreement and associated documents and act as the Designated Representative for the County in processing all documentation to satisfy USDA requirements for the Agreement on behalf of the County of Monterey.

SUMMARY

The United States Department of Agriculture (USDA) obligated a $4,075,000 grant award to the County for disaster relief for the Pajaro County Sanitation District (PCSD). The PCSD Sewer Upgrades and Repair Project (Project) will conduct repairs to the existing sewer mains at approximately 24 locations (spot repairs) in Las Lomas and renovate the aging sewer lift station in Pajaro. As the provider of funding for the Project, the USDA has approved an Agreement between the County of Monterey and the Wallace Group for professional services for this Project. This action authorizes the Director of PWFP to sign the USDA approved Agreement on behalf of the County.

DISCUSSION

The PCSD is a dependent Special District. The PCSD Wastewater System is a County owned system located within the northern unincorporated area of the County. The system includes a wastewater collection system of approximately 16.5 miles of gravity sewer pipe, 6 pump stations, and 2.4 miles of sewer force main. There are approximately 1,050 sewer connections and 1,770 billing units.

The PCSD Wastewater System is solely a collection system that provides no wastewater treatment. Sewage collected in the PCSD System is pumped to the City of Watsonville wastewater treatment plant. The PCSD is charged for its share of treatment costs based on its fraction of total volume of wastewater received at the plant and the quality of the flow received.

In calendar year 2023, USDA Rural Development Service announced funding available under their Calendar Year (CY) 2022 Disaster Relief - In-Kind Water and Waste Disposal Systems for Rural Communities, authorized under the Disaster Relief Supplemental Appropriations Act of 2023. Grant funds were made available to the County to recover from the severe winter storms during the Presidential Declared Disaster (DR-4863-CA), to address existing wastewater system deficiencies to minimize the negative impacts of future severe winter storms and add resiliency to the community sewer collection system, including addressing potential failures of the aging lift station in Pajaro.

On November 7, 2023, the Board of Directors adopted Resolution No. 23-460 authorizing the Director of PWFP to submit a grant application to the USDA under this program. On February 18, 2025, the Board of Directors approved Resolution No. 25-044 accepting a $4,075,000 Financial Assistance grant from the USDA Rural Development Service and authorizing the Director of PWFP to act as agent for the County /PCSD in processing all documentation to secure these funds and satisfy the conditions associated with the grant on behalf of the County of Monterey/PCSD. Today's action authorizes the Director of PWFP to sign the Agreement Between Owner and Engineer for Professional Services (Agreement) with Wallace Group, a California Corporation.

Professional Services are reimbursable under the USDA grant funding agreement. Grant conditions restrict disbursement of funding until the Project is in construction. Design and preconstruction services, estimated to total approximately $422,000, will therefore be temporarily funded by the PCSD operating account. When the Project begins, pre-construction professional service expenses will be reimbursed by the USDA and the PCSD operating account will be restored. Construction expenses are eligible for immediate reimbursement under the USDA grant.

A second grant application that was submitted to the USDA for relocation/replacement of the force main from the Pajaro Lift Station was not awarded to the County/PCSD. However, this work is now being performed by the Pajaro River Flood Management Agency.

In addition to the 24 spot repairs in Las Lomas covered under this $4,075,000 USDA grant, additional spot repairs in Las Lomas will be funded through a $1,500,000 Fiscal Year 2024 (FY 2024) United States Environmental Protection Agency (USEPA) Community Grant, earmarked for the County/PCSD. A Community Grants application has been submitted, and funding is anticipated to be awarded in 2027.

Professional Services

The Wallace Group will design a construction project to repair the Pajaro Lift Station and conduct spot repairs of the sewer mains in Las Lomas at approximately 24 locations. Design and preconstruction professional services are expected to total approximately $422,000 and will

be completed by July 2027. During construction, the Wallace Group will also provide construction management services in accordance with their August 4, 2025 proposal and the Agreement.

OTHER AGENCY INVOLVEMENT

This is a non-standard Agreement required as a condition of the grant funding which incorporates non-standard fiscal/payment provisions. The Office of the County Counsel and County Counsel-Risk Management have reviewed and approved the proposed Agreement as to form, and insurance and indemnification provisions, respectively. The State Engineer of the USDA Rural Development, Community Programs, has reviewed and approved this Agreement.

FINANCING

The $4,075,000 USDA CY 2022 Disaster Relief Grant was obligated with no funding match required from the County. Reimbursement of eligible Project expenses will not begin until construction; therefore, interim funding is needed for pre-construction professional services. These costs will be temporarily funded by the PCSD Fund 1521, Entity 320062, which has sufficient appropriations and unassigned fund balance available in Fiscal Year 2026-27. Upon receipt of USDA reimbursement, the advanced funds will be returned to PCSD Fund 1521. Should funding requirements or commitments change, staff will return to the Board of Supervisors for further direction.

BOARD OF SUPERVISORS' STRATEGIC PLAN GOALS:

This recommendation advances the Board's Strategic Plan Goals by supporting mandated public safety activities that protect residents, infrastructure, and environmental resources. The proposed Project ensures compliance with existing permits, MOUs, and regulatory obligations while maintaining the continuity of essential County operations.

__X__ Well-Being and Quality of Life
__X__ Sustainable Infrastructure for the Present and Future
__X__ Safe and Resilient Communities
____ Diverse and Thriving Economy
____ Dynamic Organization and Employer of Choice

Prepared by: Thomas Harty, PE, Senior Civil Engineer (831) 759-6603
Reviewed by: Benny J. Young, Management Specialist
Enrique Saavedra, PE, Chief of Public Works
Jessica Cordiero-Martinez, Finance Manager III
Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachment A - Agreement for Professional Services
Attachment B - Wallace Group Proposal
Attachment C - USDA Letter of Conditions
Attachment D - USDA - Amendment #1
Attachment E - USDA - Amendment #2
Attachment F - Engineering Report Amendment # 1

County of Monterey

Board Report

Legistar File Number: PCSD A 26-001

Item No.

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

September 29, 2026

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Attachment A - Agreement for Professional Services
Attachment B - Wallace Group Proposal
Attachment C - USDA Letter of Conditions
Attachment D - USDA - Amendment #1
Attachment E - USDA - Amendment #2
Attachment F - Simplified Preliminary Engineering Report, Amendment # 1

Attachment A

AGREEMENT BETWEEN OWNER AND ENGINEER FOR PROFESSIONAL SERVICES

This is an Agreement between **County of Monterey, a political subdivision of the State of California** (Owner) and **Wallace Group, a California Corporation**. (Engineer). Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as the **Pajaro County Sanitation District Sewer Upgrades and Repair** (Project). Other terms used in this Agreement are defined in Article 7. Engineer's services under this Agreement are generally identified as administration, design, bidding, assistance, construction administration, construction survey staking, resident project representative, and post-construction services.

Owner and Engineer further agree as follows:

ARTICLE 1—SERVICES OF ENGINEER

1.01 Scope

A. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

B. All phases of service will include Management of Engineering Services as shown in Exhibit A.

ARTICLE 2—OWNER'S RESPONSIBILITIES

2.01 Project Information

A. To the extent Owner has not already provided the following, or has new, additional, or revised information from that previously provided, Owner shall provide Engineer with information and data needed by Engineer in the performance of Basic and Additional Services, including Owner's:

1. design objectives and constraints;
2. space, capacity, and performance requirements;
3. flexibility and expandability needs;
4. design and construction standards;
5. budgetary limitations; and
6. any other available information pertinent to the Project including reports and data relative to previous designs, construction, or investigation at or adjacent to the Site.

B. Following Engineer's assessment of initially-available Project information and data and upon Engineer's request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Basic and Additional Services; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information as Additional Services. Such additional information or data may include the following:

1. Property descriptions.
2. Zoning, deed, and other land use restrictions.
3. Surveys, topographic mapping, and utility documentation.

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4. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.

5. Explorations and tests of subsurface conditions at or adjacent to the Site; geotechnical reports and investigations; drawings of physical conditions relating to existing surface or subsurface structures at the Site; hydrographic surveys, laboratory tests and inspections of samples, materials, and equipment; appropriate professional interpretation of such information or data.

6. Environmental assessments, audits, investigations, and impact statements, and other relevant environmental, historical, or cultural studies relevant to the Project, the Site, and adjacent areas.

7. Data or consultations as required for the Project but not otherwise identified in this Agreement.

C. Owner shall examine all alternative solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents presented by Engineer (including obtaining advice of an attorney, risk manager, insurance counselor, financial/municipal advisor, and other advisors or consultants as Owner deems appropriate with respect to such examination) and render in writing timely decisions pertaining thereto.

D. Owner shall furnish to Engineer data as to Owner's anticipated costs for services to be provided to Owner by others (including, but not limited to, accounting, bond and financial, independent cost estimating, insurance counseling, and legal advice) so that Engineer may assist Owner in collating the various cost categories that comprise Total Project Costs.

E. Owner shall advise Engineer if any invention, design, process, product, or device that Owner has requested, required, or recommended for inclusion in the Drawings or Specifications will be subject to payment (whether by Owner or Contractor) of any license fee or royalty to others, as required by patent rights or copyrights.

F. Owner shall inform Engineer as to whether Engineer's assistance is requested with respect to Owner's evaluation of the possible use of Project Strategies, Technologies, and Techniques, as defined in Exhibit A.

G. Owner shall inform Engineer as to whether Engineer's assistance is requested in identifying opportunities for enhancing the sustainability of the Project.

2.02 Owner's Instructions Regarding Bidding/Proposal and Front-End Construction Contract Documents

A. Owner shall give instructions to Engineer regarding Owner's procurement of construction services (including instructions regarding advertisements for bids, instructions to bidders, and requests for proposals, as applicable) and Owner's construction contract practices and requirements, and furnish to Engineer (or give specific directions requesting Engineer to use copies already in Engineer's possession) the following:

1. Owner's standard contract forms, general conditions (if other than the current edition of EJCDC® C-700, Standard General Conditions of the Construction Contract), supplementary conditions, text, and related documents and content for Engineer to include in the draft Bidding/Proposal Documents, and in draft Front-End Construction Contract Documents;

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2. insurance and bonding requirements;

3. protocols for electronic transmittals during bidding and construction;

4. Owner's safety and security programs applicable to Contractor and other Constructors;

5. diversity and other social responsibility requirements;

6. bidding and contract requirements of funding, financing, or regulatory entities;

7. other specific conditions applicable to the procurement of construction or contract documents;

8. any other information necessary for Engineer to assist Owner in preparing its Bidding/Proposal Documents and Front-End Construction Contract Documents.

B. Owner shall have responsibility for the final content of (1) such Bidding/Proposal Documents, and (2) such Front-End Construction Contract Documents, other than content furnished by Engineer concerning the design (as set forth in the Drawings, Specifications, or otherwise) or other engineering or technical matters.

1. Owner shall seek the advice of Owner's legal counsel, risk managers, and insurance advisors with respect to the drafting and content of such documents.

C. If there will be an advertisement soliciting bids for construction, Owner shall place and pay for such advertisement.

2.03 Owner-Furnished Services

A. Recognizing and acknowledging that Engineer's services and expertise do not include the following services, Owner shall obtain, as required for the Project:

1. Accounting, bond and financial advisory services (including, if applicable, "municipal advisor" services as described in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) and the municipal advisor registration rules issued by the Securities and Exchange Commission), independent cost estimating, and insurance counseling services.

2. Legal services, including attorney review of proposed Construction Contract Documents, legal services required by Owner, legal services needed as a result of issues raised by Contractor, and Project-related legal services reasonably requested by Engineer.

3. Auditing services, including those needed by Owner to ascertain how or for what purpose Contractor has used money paid to it.

B. Owner shall provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of samples, materials, and equipment required by the Construction Contract Documents (other than those required to be furnished or arranged by Contractor), or to evaluate the performance of materials, equipment, and facilities of Owner, prior to their incorporation into the Work with appropriate professional interpretation thereof. Owner shall provide Engineer with the findings and reports generated by testing laboratories, including findings and reports obtained from or through Contractor.

C. Owner shall acquire or arrange for acquisition of the Site(s) and any temporary or permanent rights of access, easements, or property rights needed for the Project.

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D. With respect to the portions or phases of the Project designed or specified by Engineer, Owner shall provide, obtain, or arrange for:

1. all required reviews, approvals, consents, and permits from governmental authorities having jurisdiction, and

2. such reviews, approvals, and consents from others as may be necessary for completion of each portion or phase of the Project.

E. Owner may delegate to Contractor or others the responsibilities set forth in Paragraphs 2.03.C and D.

2.04 Owner's General Responsibilities

A. Owner shall inform Engineer of the policies, procedures, and requirements of Owner that are applicable to Engineer's performance of services under this Agreement.

B. Owner shall provide Engineer with Owner's budget for the Project, including type and source of funding to be used, and will promptly inform Engineer if the budget or funding sources change.

C. Owner shall inform Engineer in writing of any safety or security programs that are applicable to the personnel of Engineer, its Subconsultants, and Engineer's Subcontractors, as they visit the Site or otherwise perform services under this Agreement.

D. Owner shall arrange for safe access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services under this Agreement.

E. Owner shall provide necessary direction and make decisions, including prompt review of Engineer's submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer's performance of its services.

F. Owner shall be responsible for all requirements and instructions that it furnishes to Engineer pursuant to this Agreement, and for the accuracy and completeness of all programs, reports, data, and other information furnished by Owner to Engineer pursuant to this Agreement. Engineer may use and rely upon such requirements, programs, instructions, reports, data, and information in performing or furnishing services under this Agreement, subject to any express limitations or reservations applicable to the furnished items.

G. Owner shall give prompt written notice to Engineer whenever Owner observes or otherwise becomes aware of:

1. any development that affects the scope or time of performance of Engineer's services;

2. the presence at the Site of any Constituent of Concern; or

3. any relevant, material defect or nonconformance in: (a) Engineer's services, (b) the Work, (c) the performance of any Constructor, or (d) Owner's performance of its responsibilities under this Agreement.

H. Owner shall advise Engineer of the identity and scope of services of any independent consultants employed by Owner to perform or furnish services in regard to the Project, including, but not limited to, cost estimating, project peer review, value engineering, and constructability review.

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I. If Owner designates a construction manager, site representative, or any individual or entity other than, or in addition to, Engineer to represent Owner at the Site, Owner shall define and set forth as an exhibit to this Agreement the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of Engineer.

J. Owner shall:

1. Attend and participate in the pre-bid conference, bid opening, pre-construction conferences, construction progress and other job-related meetings, and Site visits to determine Substantial Completion and readiness of the completed Work for final payment.

2. Primarily communicate with Engineer's Subcontractors and Subconsultants through the Engineer.

a. Promptly inform Engineer of the substance of any communications between Owner and Engineer's Subcontractors or Subconsultants.

b. Refrain from directing the services of Engineer's Subcontractors or Subconsultants.

3. Authorize Engineer to provide Additional Services as set forth in Article 2 of Exhibit A of the Agreement, as required.

4. Perform or provide the following: N/A

K. **Owners are responsible for compliance with Domestic Preference Requirements and will be responsible for the following:**

1. Sign agreements for engineering services, construction contracts, and all other appropriate and necessary documents which include Domestic Preference language.

2. Sign change orders (i.e., C-941 of EJCDC) and partial payment estimates (i.e., C-620 of EJCDC) and thereby acknowledge responsibility for compliance with Domestic Preference requirements.

3. Where the Owner directly procures products, Owner will obtain Manufacturers' Certifications and provide copies to Engineer and Contractor.

2.05 Payment

A. Owner shall pay Engineer as set forth in Article 4 and Exhibit J.

B. Engineer's compensation is summarized as follows; if there is a conflict between the following summary and the contents of Exhibit J, then Exhibit J will prevail.

Description of Service		**Amount**	**Basis of Compensation**
1.	Basic Services (Article 1 of Exhibit A)	$ 698,000	Hourly Rate
2.	Resident Project Representative Services	$ 422,000	Hourly Rate

Based on the planned construction period.

1. Compensation items and totals based in whole or in part on Hourly Rates, Direct Labor, or Percentage of Construction Cost are estimates only.

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2. Lump-sum amounts incorporate Engineer's labor, overhead, profit, and Engineer's Subcontractor and Subconsultants' charges.

3. Engineer's compensation for each delineated service summarized above will not be exceeded without the concurrence of the Owner and the USDA State Engineer.

ARTICLE 3—SCHEDULE FOR RENDERING SERVICES

3.01 Commencement

A. Engineer is authorized to begin rendering services as of the Effective Date.

3.02 Time for Completion

A. Engineer shall complete its obligations within a reasonable time. Specific periods of time for rendering services, or specific dates by which services are to be completed, are provided in Exhibit B, and are hereby agreed to be reasonable.

B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, will be adjusted equitably.

C. If Owner authorizes changes in the scope, extent, or character of the Project or Engineer's services, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, will be adjusted equitably.

D. If Engineer fails, for reasons within control of Engineer, to complete the performance required in this Agreement within the time set forth, as duly adjusted, then Owner shall be entitled, as its sole remedy, to the recovery of direct damages to the extent, if any, resulting from such failure by Engineer.

ARTICLE 4—INVOICES AND PAYMENTS

4.01 Invoices

A. Preparation and Submittal of Invoices: Engineer shall prepare invoices in accordance with its standard invoicing practices, the progress reporting and special invoicing requirements (if any) in Exhibit A Paragraph 1.01.A, and the terms of Exhibit J. **Invoices will include a breakdown of services provided.** Engineer shall submit its invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.

4.02 Payments

A. Application to Interest and Principal: Payment will be credited first to any interest owed to Engineer and then to principal.

B. Disputed Invoices: If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so; may withhold only that portion so disputed; and must pay the undisputed portion, subject to the terms of Paragraph 4.01. After a disputed item has been resolved, Engineer shall include the agreed-upon amount on a new invoice.

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C. Failure to Pay: If Owner fails to make any undisputed payment due Engineer within 30 days after receipt of Engineer's invoice, then:

1. amounts due Engineer will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day, and

2. Engineer may, after giving 7 days' written notice to Owner, suspend services under this Agreement until Owner has paid in full amounts due. Owner waives any and all claims against Engineer for any such suspension.

D. Sales or Use Taxes: If after the Effective Date any governmental entity takes an action that imposes additional sales or use taxes on Engineer's services or compensation under this Agreement, then Engineer may invoice such additional sales or use taxes for reimbursement by Owner. Owner shall reimburse Engineer for the cost of such invoiced additional sales or use taxes; such reimbursement will be in addition to the compensation to which Engineer is entitled under the terms of Exhibit J.

ARTICLE 5—OPINIONS OF COST

5.01 Opinions of Probable Construction Cost

A. Engineer's opinions of probable Construction Cost (if any) are to be made on the basis of Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer. If Owner requires greater assurance as to probable Construction Cost, then Owner agrees to obtain an independent cost estimate. **Opinions of the Construction Cost, and any revisions thereof, will be based on compliance with the Domestic Preference requirements for this project.**

5.02 Opinions of Total Project Costs

A. The services, if any, of Engineer with respect to Total Project Costs will be limited to assisting the Owner in tabulating the various categories that comprise Total Project Costs. Engineer assumes no responsibility for the accuracy of any opinions of Total Project Costs. **Opinions of Total Project Costs and any revisions thereof will be based on compliance with Domestic Preference requirements for this project.**

ARTICLE 6—GENERAL CONSIDERATIONS

6.01 Standards of Performance

A. Standard of Care: The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer.

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B. Technical Accuracy: Owner shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct deficiencies in technical accuracy without additional compensation, unless such corrective action is directly attributable to deficiencies in Owner-furnished information.

C. Engineer's Subcontractors and Subconsultants: Engineer may retain such Engineer's Subcontractors and Subconsultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by Owner.

D. Reliance on Others: Subject to the standard of care set forth in Paragraph 6.01.A, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.

E. Compliance with Laws and Regulations, and Policies and Procedures

1. Engineer and Owner shall comply with applicable Laws and Regulations.

2. Engineer shall comply with the policies, procedures, and instructions of Owner that are applicable to Engineer's performance of services under this Agreement and that Owner provides to Engineer in writing, subject to the standard of care set forth in Paragraph 6.01.A, and to the extent compliance is not inconsistent with professional practice requirements.

3. This Agreement is based on Laws and Regulations and Owner-provided written policies and procedures as of the Effective Date. The following may be the basis for modifications to Owner's responsibilities or to Engineer's scope of services, times of performance, or compensation:

a. changes after the Effective Date to Laws and Regulations,

b. the receipt by Engineer after the Effective Date of Owner-provided written policies and procedures, and

c. changes after the Effective Date to Owner-provided written policies or procedures.

F. General Conditions of Construction Contract: The general conditions for any Construction Contract Documents prepared hereunder are to be the current edition of EJCDC® C-700, Standard General Conditions of the Construction Contract, prepared by the Engineers Joint Contract Documents Committee, unless expressly indicated otherwise.

G. Copies of Drawings and Specifications: If Engineer is required to prepare or furnish Drawings or Specifications under this Agreement, Engineer shall deliver to Owner at least one complete electronic copy of such Drawings and Specifications, signed and sealed according to applicable Laws and Regulations, and one complete printed copy, duly signed and sealed.

H. Engineer shall not be required to sign any document, no matter by whom requested, that would result in Engineer having to certify, guarantee, or warrant conditions whose existence Engineer cannot ascertain within the authorized scope of Engineer's services. Owner agrees not to make resolution of any dispute with Engineer or payment of any amount due to Engineer in any way contingent upon Engineer signing any such document.

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I. Engineer shall not at any time supervise, direct, control, or have authority over any Constructor's work, nor will Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, or the safety precautions and programs incident thereto, for security or safety at the Site, nor for any failure of a Constructor to comply with Laws and Regulations applicable to that Constructor's furnishing and performing of its work. Engineer shall not be responsible for the acts or omissions of any Constructor.

J. Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform the Work in accordance with the Construction Contract Documents.

K. Engineer shall not be responsible for any decision made regarding the Construction Contract Documents, or any application, interpretation, clarification, or modification of the Construction Contract Documents, other than those made by Engineer.

L. Engineer is not required to provide and does not have any responsibility for surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements.

M. Engineer's services do not include providing legal advice or representation.

N. Engineer's services do not include (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission, or (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances.

O. While at the Site, Engineer, its Subconsultants, and Engineer's Subcontractors, and their employees and representatives will comply with the applicable requirements of Contractor's and Owner's safety programs of which Engineer has been informed in writing.

6.02 Ownership and Use of Documents

A. All Documents are instruments of service, and Engineer owns the Documents, including all associated copyrights and the right of reuse at the discretion of the Engineer. Engineer shall continue to own the Documents and all associated rights whether or not the Project is completed.

1. Owner may make and retain copies of Documents for information and reference in connection with the use of the Documents on the Project.

2. Engineer grants Owner a limited license to use the Documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all services relating to preparation of the Documents, and subject to the following limitations:

a. Owner acknowledges that such Documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;

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b. any such use or reuse, or any modification of the Documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and Subconsultants;

c. Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Subconsultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the Documents without written verification, completion, or adaptation by Engineer; and

d. such limited license to Owner shall not create any rights in third parties.

B. If Engineer at Owner's request verifies the suitability of the Documents, completes them, or adapts them for extensions of the Project or for any other purpose, then Owner shall compensate Engineer at rates or in an amount to be agreed upon by Owner and Engineer.

C. Engineer shall inform Owner if Engineer is aware of any invention, design, process, product, or device specified in the Drawings, Specifications, or other Documents that is subject to payment (whether by Owner or Contractor) of any license fee or royalty to others, as required by patent rights or copyrights. If Engineer's good-faith inclusion in the Drawings, Specifications, or other Documents of new, innovative, or non-standard technologies, for the benefit of Owner and the Project, results in third-party claims of infringement or violation of intellectual property rights, then Owner and Engineer shall share equally the costs of defending against, settling, or paying such claims.

D. Engineer will obtain Owner's consent, which will not be unreasonably withheld, prior to releasing any publicity, including news and press releases, promotional publications, award and prize competition submittals, and other advertising regarding the subject matter of this Agreement. Nothing herein will limit the Engineer's right to include information in statements of qualifications and proposals to others accurately describing its participation and participation of employees in the Project.

6.03 Electronic Transmittals

A. To the fullest extent practical, Owner and Engineer agree to transmit, and accept, Project-related correspondence, Documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with Exhibit F, Electronic Documents Protocol (EDP).

1. Compliance with the EDP by Engineer shall be considered a Basic Service and no direct or separate compensation will be paid to Engineer for such compliance, unless provisions for separate compensation are expressly set forth in the EDP.

2. Engineer's costs directly attributable to changes in Engineer's Electronic Documents obligations, after the effective date of this Agreement, necessitated by revisions to Exhibit F, delayed adoption of Exhibit F, or implementation of other Electronic Documents protocols, will be compensated as Additional Services.

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B. If this Agreement does not include Exhibit F or otherwise does not establish or include protocols for transmittal of Electronic Documents by Electronic Means, then Owner and Engineer may operate without specific protocols or may jointly develop such protocols at a later date.

C. Except as stated otherwise in Exhibit F (if included in this Agreement), when transmitting Electronic Documents by Electronic Means, the transmitting party makes no representations as to long term compatibility, usability, or readability of the Electronic Documents resulting from the recipient's use of software application packages, operating systems, or computer hardware differing from those used in the drafting or transmittal of the Electronic Documents, or from those established in applicable protocols.

D. This Agreement (including the EDP) is not intended to create obligations for Owner or Engineer with respect to transmittals to or from third parties, except as expressly stated in the EDP.

6.04 Insurance

A. Engineer shall procure and maintain insurance as set forth in Exhibit G.

B. Additional Insureds: The Engineer's commercial general liability, automobile liability, and umbrella or excess liability policies, must:

1. include and list as additional insureds Owner, and any individuals or entities identified as additional insureds in Exhibit G;

2. include coverage for the respective officers, directors, members, partners, and employees of all such additional insureds;

3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations); and

4. not seek contribution from insurance maintained by the additional insured.

C. Owner shall procure and maintain insurance as set forth in Exhibit G.

D. Owner shall require Contractor to purchase and maintain policies of insurance covering workers' compensation, general liability, motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractor to cause Engineer, its Subconsultants, and Engineer's Subcontractors to be listed as additional insureds with respect to such liability insurance purchased and maintained by Contractor for the Project. Owner shall give Engineer access to any certificates of insurance and copies of endorsements and policies obtained by Owner from Contractor.

E. Owner and Engineer shall each deliver to the other certificates of insurance evidencing the coverages indicated in Exhibit G. Such certificates must be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.

1. Upon request by Owner or any other insured, Engineer shall also furnish other evidence of such required insurance, including but not limited to copies of policies and endorsements, documentation of applicable self-insured retentions (if allowed) and deductibles, full disclosure of all relevant exclusions, and evidence of insurance required to be purchased and maintained by Subconsultants and Engineer's Subcontractors. In any documentation furnished under this provision, Engineer may redact (a) any

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confidential premium or pricing information and (b) any wording specific to projects or jurisdictions other than those applicable to this Agreement.

F. All construction contracts entered into by Owner with respect to the Project must require builder's risk or similar property insurance.

G. All policies of property insurance relating to the Project, including but not limited to any builder's risk or similar policy, must allow for waiver of subrogation rights and contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insured thereunder or against Engineer, its Subconsultants, or Engineer's Subcontractors. Owner and Engineer waive all rights against each other, Contractor, Engineer's Subcontractors and Subconsultants, and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by any such builder's risk or similar policy and any other property insurance relating to the Project. Owner and Engineer shall take appropriate measures in other Project-related contracts to secure waivers of rights consistent with those set forth in this paragraph.

H. All policies of insurance must contain a provision or endorsement that the coverage afforded will not be canceled, and that renewal will not be refused, until at least 10 days' prior written notice has been given to the primary insured. Upon receipt of such notice, the primary insured must promptly forward a copy of the notice to the other party to this Agreement and replace the coverage being cancelled or reduced to conform to the requirements of this Agreement.

I. At any time, Owner may request that Engineer, or Engineer's Subcontractors or Subconsultants, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit G. If so requested by Owner, and if commercially available, Engineer shall obtain and shall require Engineer's Subcontractors or Subconsultants to obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit G will be supplemented to incorporate these requirements.

6.05 Suspension and Termination

A. Suspension

1. By Owner: Owner may suspend Engineer's services for up to 90 days upon 7 days' written notice to Engineer.

2. By Engineer: Engineer may, after giving 7 days' written notice to Owner, suspend services under this Agreement:

a. if Owner has failed to pay Engineer for invoiced services and expenses, as set forth in Paragraphs 4.02.B and 4.02.C;

b. in response to the presence of Constituents of Concern at the Site, as set forth in Paragraph 6.09.D; or

c. if persistent circumstances beyond the control of Engineer have prevented it from performing its obligations under this Agreement.

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B. Termination for Cause

1. Either party may terminate the Agreement for cause upon 30 days' written notice in the event of substantial failure by the other party to perform in accordance with the terms of the Agreement, through no fault of the terminating party.

    a. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 6.05.B.1 if the party receiving such notice begins, within 7 days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30-day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein will extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. In addition to its termination rights in Paragraph 6.05.B.1, Engineer may terminate this Agreement for cause upon 7 days' written notice:

    a. if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional;

    b. if Engineer's services for the Project are delayed or suspended for more than 90 days for reasons beyond Engineer's control; or

    c. as the result of the presence at or adjacent to the Site of undisclosed Constituents of Concern, as set forth in Paragraph 6.09.E.

3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.

C. Termination for Convenience: Owner may terminate this Agreement for convenience, effective upon Engineer's receipt of notice from Owner.

D. Extension of Effective Date of Termination: If Owner terminates the Agreement for cause or convenience, Owner may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to demobilize personnel and equipment from the Site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files. Engineer shall be entitled to compensation for such tasks.

E. Payments Upon Termination: In the event of any termination under Paragraph 6.05, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all reimbursable expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of Documents, at Owner's sole risk, subject to the provisions of Paragraph 6.02.A.

1. If Owner has terminated the Agreement for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement to payment and Owner's rights to the use of the Documents will be resolved in accordance with the dispute resolution provisions of this Agreement or as otherwise agreed in writing.

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2. If Owner has terminated the Agreement for convenience, or if Engineer has terminated the Agreement for cause, then Engineer will be entitled, in addition to the payments identified above, to invoice Owner and receive payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's Subcontractors or Subconsultants, and other related close-out costs, using methods and rates for Additional Services as set forth in Exhibit J.

6.06 Successors, Assigns, and Beneficiaries

A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 6.06.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, claims arising out of this Agreement or money that is due or may become due) in this Agreement without the written consent of the other party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

C. Unless expressly provided otherwise in this Agreement:

1. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

2. Nothing in this Agreement will be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Constructor, other third-party individual or entity, or to any surety for or employee of any of them.

3. Owner agrees that the substance of the provisions of this Paragraph 6.06.C will appear in the Construction Contract Documents.

6.07 Dispute Resolution

A. Unless otherwise required by Exhibit H, Owner and Engineer shall resolve all disputes in the following manner:

1. Owner and Engineer agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice, prior to invoking mediation.

2. Owner and Engineer agree that they shall first submit any and all unsettled claims, counterclaims, disputes, and other matters in question between them arising out of or relating to this Agreement or the breach thereof ("Disputes") to mediation. Owner and Engineer agree to participate in the mediation process in good faith. The process will be conducted on a confidential basis, and must be completed within 120 days.

3. If the parties fail to resolve a Dispute through negotiations under Paragraph 6.07.A.1 or mediation under Paragraph 6.07.A.2, then:

a. either or both may invoke the applicable dispute resolution procedures of Exhibit H for final resolution of Disputes.

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b. If Exhibit H is not included, or if no final dispute resolution method is specified in Exhibit H, then the parties may exercise their rights at law.

6.08 Controlling Law; Venue

A. This Agreement is to be governed by the Laws and Regulations of the state in which the Project is located.

B. Venue for any exercise of rights at law will be the state court having jurisdiction at the location of the Project; or at the choice of either party, and if federal jurisdictional requirements can be met, in federal court in the district in which the Project is located.

6.09 Environmental Condition of Site

A. Owner represents to Engineer that, as of the Effective Date, to the best of Owner's knowledge, no Constituents of Concern, other than those disclosed in writing to Engineer, exist at or adjacent to the Site.

B. Undisclosed Constituents of Concern: For purposes of this Paragraph 6.09, the presence at or adjacent to the Site of Constituents of Concern that were not disclosed to Engineer pursuant to Paragraph 6.09.A, in such quantities or circumstances that such Constituents of Concern may present a danger to persons or property exposed to them, will be referred to as "undisclosed" Constituents of Concern.

1. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of this Agreement or the Construction Contract, are not undisclosed Constituents of Concern.

2. Constituents of Concern that are to be located, identified, studied, removed, or remediated as part of the services under this Agreement are not undisclosed Constituents of Concern.

3. Constituents of Concern that are to be located, identified, studied, removed, or remediated as part of the services under another professional services contract for Owner, or as part of the work under a construction or remediation contract, are not undisclosed Constituents of Concern if Engineer has been informed of the general scope of such contract.

C. If Engineer encounters or learns of an undisclosed Constituent of Concern at the Site, then Engineer shall notify (1) Owner and (2) appropriate authorities having jurisdiction if Engineer reasonably concludes that doing so is required by applicable Laws or Regulations.

D. It is acknowledged by both parties that Engineer's scope of services does not include any services related to undisclosed Constituents of Concern. If Engineer or any other party encounters, uncovers, or reveals an undisclosed Constituent of Concern, or if encountered, uncovered, or revealed Constituents of Concern are present in substantially greater quantities or substantially different locations than disclosed or anticipated, or if investigative or remedial action, or other professional services, are necessary or required by applicable Laws and Regulations with respect to such Constituents of Concern, then Engineer may, at its option and without liability for direct, consequential, or any other damages, suspend performance of services on the portion of the Project adversely affected thereby until such portion of the Project is no longer so affected; and Owner shall promptly determine whether

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to retain a qualified expert to evaluate such condition or take any necessary corrective action.

E. If the presence at the Site of undisclosed Constituents of Concern, or of Constituents of Concern in substantially greater quantities or in substantially different locations than disclosed or anticipated, adversely affects the performance of Engineer's services under this Agreement, then:

1. if the adverse effects do not preclude Engineer from completing its Project services in general accordance with this Agreement on unaffected or marginally affected portions of the Project, Engineer may accept an equitable adjustment in its compensation or in the time of completion, or both; and the Agreement will be amended to reflect changes necessitated by the presence of such Constituents of Concern; or

2. if the adverse effects are of such materiality to the overall performance of Engineer that it cannot complete its services without significant changes to the scope of services, time of completion, and compensation, then Engineer may terminate this Agreement for cause on 7 days' written notice.

F. Owner acknowledges that Engineer is performing professional services for Owner and that Engineer is not and will not be required to become an "owner," "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with Engineer's activities under this Agreement.

6.10 Indemnification and Mutual Waiver

A. Indemnification by Engineer: To the fullest extent permitted by Laws and Regulations, Engineer shall indemnify and hold harmless Owner, and Owner's officers, directors, members, partners, agents, and employees, from losses, damages, and judgments (including reasonable consultants' and attorneys' fees and expenses) arising from third-party claims or actions relating to the Project, provided that any such claim, action, loss, damages, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Engineer or Engineer's officers, directors, members, partners, agents, employees, Subconsultants, or Engineer's Subcontractors. This indemnification provision is subject to and limited by the provisions, if any, agreed to by Owner and Engineer in Exhibit I, "Limitations of Liability."

B. Environmental Indemnification: To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Engineer, its Subconsultants, Engineer's Subcontractors, and their officers, directors, members, partners, agents, employees, and subconsultants from all claims, costs, losses, damages, actions, and judgments (including reasonable consultants' and attorney's fees and expenses) caused by, arising out of, relating to, or resulting from a Constituent of Concern at, on, or under the Site, provided that:

1. any such claim, cost, loss, damages, action, or judgment is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and

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2. nothing in this paragraph obligates Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.

C. No Defense Obligation: The indemnification commitments in this Agreement do not include a defense obligation by the indemnitor unless such obligation is expressly stated.

D. Percentage Share of Negligence: To the fullest extent permitted by Laws and Regulations, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damages caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, will not exceed the percentage share that the party's negligence bears to the total negligence of Owner, Engineer, and all other negligent entities and individuals.

E. Mutual Waiver: To the fullest extent permitted by Laws and Regulations, Owner and Engineer waive against each other, and the other's officers, directors, members, partners, agents, employees, subconsultants, and insurers, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement or the Project, from any cause or causes. Such excluded damages include but are not limited to loss of profits or revenue; loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; and cost of capital.

6.11 Records Retention

A. Engineer shall maintain on file in legible form, for a period of five years following completion or termination of its services, or such other period as required by Laws and Regulations, all Documents, records (including cost records), and design calculations related to Engineer's services or pertinent to Engineer's performance under this Agreement. Upon Owner's request, Engineer shall provide a copy of any such item to Owner at cost.

6.12 Miscellaneous Provisions

A. Notices: Any notice required under this Agreement will be in writing, and delivered: in person (by commercial courier or otherwise); by registered or certified mail; or by e-mail to the recipient, with the words "Formal Notice" or similar in the e-mail's subject line. All such notices are effective upon the date of receipt.

B. Survival: Subject to applicable Laws and Regulations, all express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

C. Severability: Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Owner and Engineer.

D. No Waiver: A party's non-enforcement of any provision will not constitute a waiver of that provision, nor will it affect the enforceability of that provision or of the remainder of this Agreement.

E. Accrual of Claims: To the fullest extent permitted by Laws and Regulations, all causes of action arising under this Agreement will be deemed to have accrued, and all statutory periods of limitation will commence, no later than the date of Substantial Completion; or, if Engineer's services do not include Construction Phase services, or the Project is not completed, then no later than the date of Owner's last payment to Engineer.

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ARTICLE 7—DEFINITIONS

7.01 Defined Terms

A. Wherever used in this Agreement (including the exhibits hereto) terms (including the singular and plural forms) printed with initial capital letters have the meanings indicated in the text above, in the exhibits, or in the following definitions:

1. Addenda—Written or graphic instruments issued prior to the opening of bids which clarify, correct, or change the bidding requirements or the proposed Construction Contract Documents.

2. Additional Services—The services to be performed for or furnished to Owner by Engineer in accordance with Article 2 of Exhibit A of this Agreement.

3. Agreement—This written contract for professional services between Owner and Engineer, including all exhibits identified in Paragraph 8.01 and any duly executed amendments.

4. Application for Payment—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Construction Contract.

5. Basic Services—The services to be performed for or furnished to Owner by Engineer in accordance with Article 1 of Exhibit A of this Agreement.

6. Bidding/Proposal Documents—Documents related to the selection of the Contractor, including advertisements or invitations to bid; requests for proposals; instructions to bidders or proposers, including any attachments such as lists of available Site-related documents; bid forms; bids; proposal forms; proposals; bidding requirements; and qualifications documents.

7. Change Order—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Construction Contract Price or the Construction Contract Times, or other revision to the Construction Contract, issued on or after the effective date of the Construction Contract.

8. Change Proposal—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth in the Construction Contract, seeking an adjustment in Construction Contract Price or Construction Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Construction Contract Documents or the acceptability of Work under the Construction Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Construction Contract.

9. Constituents of Concern—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), lead-based paint (as defined by the HUD/EPA standard), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to Laws and Regulations regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.

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10. Construction Contract—The entire and integrated written contract between Owner and Contractor concerning the Work.

11. Construction Contract Documents—Those items designated as "Contract Documents" in the Construction Contract, and which together comprise the Construction Contract. See also definition of "Front-End Construction Contract Documents" below.

12. Construction Contract Price—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Construction Contract Documents.

13. Construction Contract Times—The number of days or the dates by which Contractor must: (a) achieve milestones, if any, in the Construction Contract; (b) achieve Substantial Completion; and (c) complete the Work.

14. Construction Cost—The cost to Owner of the construction of those portions of the entire Project designed or specified by or for Engineer under this Agreement, including construction labor, services, materials, equipment, insurance, and bonding costs, and allowances for contingencies. Construction Cost does not include costs of services of Engineer or other design professionals and consultants; cost of land or rights-of-way, or compensation for damages to property; Owner's costs for legal, accounting, insurance counseling, or auditing services; interest or financing charges incurred in connection with the Project; or the cost of other services to be provided by others to Owner. Construction Cost is one of the items comprising Total Project Costs.

15. Constructor—Any person or entity (not including the Engineer, its employees, agents, representatives, or Subconsultants, or Engineer's Subcontractors), performing or supporting construction activities relating to the Project, including but not limited to Contractors, Subcontractors, Suppliers, Owner's work forces, utility companies, other contractors, construction managers, design-builders, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.

16. Contractor—The entity or individual with which Owner enters into a Construction Contract.

17. Documents—All documents expressly identified as deliverables in this Agreement, whether in printed or Electronic Document form, required by this Agreement to be provided or furnished by Engineer to Owner. Such specifically required deliverables may include, by way of example, Drawings, Specifications, data, reports, building information models, and civil integrated management models.

18. Drawings—That part of the Construction Contract Documents that graphically shows the scope, extent, and character of the Work to be performed by Contractor.

19. Effective Date—The date indicated in this Agreement on which it becomes effective, but if no such date is indicated, the date on which this Agreement is signed and delivered by the last of the parties to sign and deliver.

20. Electronic Document—Any Project-related correspondence, attachments to correspondence, data, documents, drawings, information, or graphics, including but not limited to Shop Drawings and other Submittals, that are in an electronic or digital format.

21. Electronic Means—Electronic mail (e-mail), upload/download from a secure Project website, or other communications methods that allow: (a) the transmission or communication of Electronic Documents; (b) the documentation of transmissions,

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including sending and receipt; (c) printing of the transmitted Electronic Document by the recipient; (d) the storage and archiving of the Electronic Document by sender and recipient; and (e) the use by recipient of the Electronic Document for purposes permitted by this Agreement. Electronic Means does not include the use of text messaging, or of Facebook, Twitter, Instagram, or similar social media services for transmission of Electronic Documents.

22. Engineer—The individual or entity named as such in this Agreement.

23. Engineer's Subcontractor—An individual, firm, vendor, or other entity having a contract with Engineer to furnish general services, equipment, or materials with respect to the Project as an independent contractor.

24. Field Order—A written order issued by Engineer which requires minor changes in the Work but does not change the Construction Contract Price or the Construction Contract Times.

25. Front-End Construction Contract Documents—Those Construction Contract Documents whose primary purpose is to establish legal and contractual terms and conditions, typically including the Owner-Contractor agreement, bonds, general conditions, and supplementary conditions. The term excludes the Drawings and Specifications, and any Construction Contract Documents delivered or issued after the effective date of the Construction Contract.

26. Laws and Regulations; Laws or Regulations—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

27. Owner—The individual or entity named as such in this Agreement and for which Engineer's services are to be performed. Unless indicated otherwise, this is the same individual or entity that will enter into any Construction Contracts concerning the Project.

28. Project—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the services to be performed or furnished by Engineer under this Agreement are a part.

29. Record Drawings—Drawings depicting the completed Project, or a specific portion of the completed Project, prepared by Engineer and based on Contractor's record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, and written interpretations and clarifications, as delivered to Engineer and annotated by Contractor to show changes made during construction.

30. Resident Project Representative—The authorized representative of Engineer assigned to assist Engineer at the Site during the Construction Phase. As used herein, the term Resident Project Representative (RPR) includes any assistants or field staff of the RPR.

31. Samples—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.

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32. Shop Drawings—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Construction Contract Documents.

33. Site—Lands or areas to be indicated in the Construction Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.

34. Specifications—The part of the Construction Contract Documents that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.

35. Subconsultant—An individual, design firm, consultant, or other entity having a contract with Engineer to furnish professional services with respect to the Project as an independent contractor.

36. Subcontractor—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.

37. Submittal—A written or graphic document, prepared by or for Contractor, which the Construction Contract Documents require Contractor to submit to Engineer, or that is indicated as a Submittal in the Schedule of Submittals accepted by Engineer. Submittals may include Shop Drawings and Samples; schedules; product data; Owner-delegated designs; sustainable design information; information on special procedures; testing plans; results of tests and evaluations, source quality-control testing and inspections, and field or Site quality-control testing and inspections; warranties and certifications; Suppliers' instructions and reports; records of delivery of spare parts and tools; operations and maintenance data; Project photographic documentation; record documents; and other such documents required by the Construction Contract Documents. Submittals, whether or not approved or accepted by Engineer, are not Construction Contract Documents. Change Proposals, Change Orders, Claims, notices, Applications for Payment, and requests for interpretation or clarification are not Submittals.

38. Substantial Completion—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Construction Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.

39. Supplier—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.

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40. Total Project Costs—The total cost of planning, studying, designing, constructing, testing, commissioning, and start-up of the Project, including Construction Cost and all other Project labor, services, materials, equipment, insurance, and bonding costs, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other Project-related costs that Owner furnishes for inclusion, including but not limited to cost of land, rights-of-way, compensation for damages to properties and private utilities (including relocation if not part of Construction Cost), Owner's costs for legal, accounting, insurance counseling, and auditing services, interest and financing charges incurred in connection with the Project, and the cost of other services to be provided by others to Owner.

41. Underground Facilities—All active or not-in-service underground lines, pipelines, conduits, ducts, encasements, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or systems at the Site, including but not limited to those facilities or systems that produce, transmit, distribute, or convey telephone or other communications, cable television, fiber optic transmissions, power, electricity, light, heat, gases, oil, crude oil products, liquid petroleum products, water, steam, waste, wastewater, storm water, other liquids or chemicals, or traffic or other control systems. An abandoned facility or system is not an Underground Facility.

42. Work—The entire construction or the various separately identifiable parts thereof required to be provided under the Construction Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Construction Contract Documents.

43. Work Change Directive—A written directive to Contractor issued on or after the effective date of the Construction Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

44. **Agency – The USDA Rural Utilities Service or any designated representative of Rural Utilities Service, including USDA Rural Development.**

45. **Contractor's Certification – Documentation submitted by the Contractor upon Substantial Completion of the Contract that all iron and steel manufactured products and construction materials are installed were produced in the United States.**

46. **Domestic Preference – The American Iron and Steel Act (AIS) requirements under Section 746 Division A Title VII of the Consolidated Appropriations Act of 2017 (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017).**

47. **Manufacturer's Certification - Documentation provided by the Manufacturer stating that Domestic Preference requirements have been satisfied for all provided items.**

B. Terminology

1. The word "day" means a calendar day of 24 hours measured from midnight to the next midnight.

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ARTICLE 8—EXHIBITS AND SPECIAL PROVISIONS

8.01 Exhibits to Agreement

The following exhibits are incorporated by reference and included as part of this Agreement:

A. Exhibit A, Engineer's Services.

B. Exhibit B – Deliverables Schedule.

C. Exhibit C, Amendment to Owner-Engineer Agreement (form).

D. Exhibit D, Duties, Responsibilities and Limitations of Authority of Resident Project Representative.

E. Exhibit E, EJCDC® C-626, Notice of Acceptability of Work (form).

F. Exhibit F – Not Used.

G. Exhibit G, Insurance.

H. Exhibit H, Dispute Resolution.

I. ~~Exhibit I – Limitations of Liability.~~ **Not Used**

J. Exhibit J, Payments to Engineer for Services and Reimbursable Expenses.

8.02 Total Agreement

A. This Agreement (which includes the exhibits listed above) constitutes the entire contractual agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a written instrument duly executed by both parties. Amendments should be based whenever possible on the format of Exhibit C to this Agreement.

8.03 Designated Representatives

A. With the execution of this Agreement, Engineer and Owner shall each designate a specific individual to act as representative under this Agreement. Such an individual must have authority to transmit instructions, receive information, and render decisions with respect to this Agreement on behalf of the party that the individual represents.

8.04 Engineer's Certifications

A. Engineer certifies that it has not engaged in corrupt, fraudulent, or coercive practices in competing for or in executing the Agreement. For the purposes of this Paragraph 8.04:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the selection process or in the Agreement execution;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the selection process or the execution of the Agreement to the detriment of Owner, or (b) to deprive Owner of the benefits of free and open competition;

3. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or affect the execution of the Agreement.

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8.05 Conflict of Interest

A. Nothing in this Agreement will be construed to create or impose any duty on the part of Engineer that would be in conflict with Engineer's paramount obligations to the public health, safety, and welfare under the professional practice requirements governing Engineer, its Subconsultants, and all licensed professionals employed by Engineer or its Subconsultants.

B. If during the term of this Agreement a potential or actual conflict of interest arises or is identified:

1. Engineer and Owner together will make reasonable, good faith efforts to avoid or eliminate the conflict of interest; to mitigate any adverse consequences of the conflict of interest; and, if necessary and feasible, to modify this Agreement to address the conflict of interest and its consequences, such that progress under the Agreement may continue.

2. Such efforts will be governed by applicable Laws and Regulations and by any pertinent Owner's policies, procedures, and requirements (including any conflict of interest resolution methodologies) provided to Engineer under Paragraph 2.04.A of this Agreement.

8.06 **Federal Requirements**

A. **Agency Concurrence. Signature of a duly authorized representative of the Agency in the space provided on the signature page of EJCDC form E-500 (2014) hereof does not constitute a commitment to provide financial assistance or payments hereunder but does signify that this Agreement conforms to Agency's applicable requirements. This Agreement shall not be effective unless the designated representative USDA Rural Development concurs. No amendment to this Agreement shall be effective unless the Funding Agency's designated representative concurs.**

B. **Audit and Access to Records. Owner, Agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Engineer which are pertinent to the Agreement, for the purpose of making audits, examinations, excerpts, and transcriptions. Engineer shall maintain all required records for three years after final payment is made and all other pending matters are closed.**

C. **Restrictions on Lobbying. Engineer and each Consultant shall comply with the "Byrd anti-lobbying amendment (31 U.S.C. 1352)" if they are recipients of engineering services contracts and subcontracts that exceed $100,000 at any tier. If applicable, Engineer must complete a certification form on lobbying activities related to a specific Federal loan or grant that is a funding source for this Agreement. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other applicable award. Each tier shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Certifications and disclosures are forwarded from tier to tier up to the Owner. Necessary certification and disclosure forms shall be provided by Owner.**

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D. **Suspension and Debarment. Engineer certifies, by signing this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency. Engineer will not contract with any Consultant for this project if it or its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. Necessary certification forms shall be provided by the Owner. The Engineer will complete and submit a form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – lower tier transactions," to the Owner who will forward it the USDA, Rural Development processing office.**

E. **Telecommunications and Video Surveillance Services or Equipment Prohibitions. The telecommunication and video surveillance services and equipment prohibitions under 2 CFR 200.216 apply to this contract. This contract may not be used to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Covered telecommunications equipment is:**

1. **Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such Entities).**
2. **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).**
3. **Telecommunications or video surveillance services provided by such entities or using such equipment.**
4. **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.**

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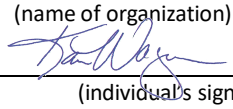
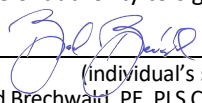
This Agreement's Effective Date is _____. (date of last signature)

Owner: **County of Monterey** **A Political Subdivision of the State of California**	Engineer: **Wallace Group** **A California Corporation**
(name of organization)	(name of organization)
By: _____ (individual's signature)	By:  (individual's signature)
Date: _____ (date signed)	Date: August 28, 2026 (date signed)
Name: _____ (typed or printed)	Name: Kari Wagner, PE C66026 (typed or printed)
Title: _____ (typed or printed)	Title: Principal, COO (typed or printed)
Attach evidence of authority to sign.	Attach evidence of authority to sign.
Attest: _____ (individual's signature)	Attest:  (individual's signature)
Title: _____ (typed or printed)	Title: Brad Brechwald, PE, PLS C41819, 6146 Principal, CEO (typed or printed)
Address for giving notices:	Address for giving notices:
	612 Clarion Court San Luis Obispo, CA 93401
Designated Representative:	Designated Representative:
Name: **Randall Ishii, MS, PE, TE, PTOE** (typed or printed)	Name: **Kari Wagner, PE** (typed or printed)
Title: **Director, Department of PWFP** (typed or printed)	Title: **Principal** (typed or printed)
Address: **1441 Schilling Place, 2nd Floor** **Salinas, CA 93901**	Address: **612 Clarion Court** **San Luis Obispo, CA 93401**
Phone: **(831) 755-4800** Email: **ishiir@countyofmonterey.gov**	Phone: **(805) 544-4811** Email: **kariw@wallacegroup.us**

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Article 1 of the Agreement, Services of Engineer, is supplemented to include the following provisions:

Engineer shall provide Basic and Additional Services as set forth below.

ARTICLE 1—BASIC SERVICES

1.01 Management of Engineering Services

A. All phases of Engineer's services will include management of Engineer's Project-specific responsibilities, including but not limited to the following management tasks included as being incidental to other phase and scope task items.

1. Develop and submit an Engineering Services Schedule. The Engineering Services Schedule will:

a. be consistent with and serve as a supplement to the Schedule of Deliverables set forth in Exhibit B.

b. be updated on a regular basis, and as required to reflect any programmatic decisions by Owner.

c. include, but not be limited to, an anticipated sequence of tasks; estimates of task duration; interrelationships among tasks; milestone meetings and submittals; anticipated schedule of construction; and other pertinent Project events.

2. Develop and submit detailed work plans from Exhibit A tasks.

3. Coordinate services within Engineer's internal team, and with Subconsultants and Engineer's Subcontractors.

4. Prepare for and participate in meetings with consultants and contractors working on other parts of the Project that may affect, or be affected by, Engineer's services or resulting construction.

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5. Prepare and submit **monthly** engineering services progress reports to the Owner. Include summary of services performed in period, expected progress in next period, percent completion of current tasks, and a description of major issues or concerns.

6. Special Invoicing: **Not Applicable**.

7. Conduct ongoing management tasks, including:

    a. Maintaining communications records and files pertaining to or arising from Engineer's services;

    b. With respect to Engineer's services and other directly relevant parts of the Project, prepare for and participate in periodic progress meetings with Owner to discuss progress, schedule, budget, issues, potential problems and their resolution; and

    c. Preparing agendas prior to and minutes following all Engineer-led meetings.

B. In all phases of Engineer's services, Engineer shall prepare draft and final Drawings in accordance with **Engineer's CAD standards, using AutoCAD Civil 3D**.

C. The source documents for the draft and final Specifications in all phases of Engineer's services will be **MasterFormat, current version**, unless otherwise mutually agreed upon by the parties.

D. **In all phases of Engineer's services, Engineer is responsible for Domestic Preference compliance documentation for the project. This includes but is not limited to:**

1. **Obtaining manufacturers' certifications for items specified by Engineer as sole source.**

2. **Verifying and certifying that all items subject to Domestic Preference specified in the contract are available domestically or are covered by a waiver.**

3. **Reviewing change order proposals, shop drawings, payment applications, proposed substitutes and "or-equals," and any other submittals to ensure Manufacturer Certifications are submitted for all items subject to Domestic Preference requirements.**

4. **Ensuring that all Manufacturers' Certifications provided by the contractor comply with Domestic Preference requirements.**

5. **Maintaining all Domestic Preference documentation throughout the project and providing Contractor's and Manufacturers' Certifications to Owner upon final completion of the Work. Provide a copy of the Contractor's Certification to Agency.**

6. **Certifying, upon final completion of the Work, that the project complies with Domestic Preference requirements (signing EJCDC C-626 Notice of Acceptability of Work will suffice for this certification).**

E. **In all phases of Engineer's services, Engineer is responsible for ensuring the project does not violate the prohibitions on telecommunication and video surveillance services and equipment under 2 CFR 200.216.**

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1.02 Study and Report Phase

A. Engineer shall:

1. Consult with Owner to define and clarify Owner's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations, and identify available data, information, reports, facilities plans, and site evaluations.

a. If Owner has already identified one or more potential solutions to meet its Project requirements, then proceed with the study and evaluation of the Owner-identified potential solutions listed here: **N/A**

b. **In addition, Engineer must identify, study, and evaluate multiple potential alternative solutions potentially available to Owner, unless Owner and Engineer mutually agree with a USDA State Engineer concurrence that only one feasible solution exists. The Engineer shall discuss the project with a USDA State Engineer early in the process for guidance on completing the Report. The number of alternative solutions should be appropriate to the specific project as concurred in by a USDA State Engineer.**

c. **Deleted**

2. Identify potential solution(s) to meet Owner's Project requirements, as needed.

3. Study and evaluate the potential solution(s) to meet Owner's Project requirements.

4. Visit the Site, or potential Project sites, to review existing conditions and facilities, unless such visits are not necessary or applicable to meeting the objectives of the Study and Report Phase.

5. Assess initially available Project information and data, including the Baseline Information set forth at the beginning of this Exhibit A.

6. Advise Owner of any need for Owner to obtain, furnish, or otherwise make available to Engineer additional Project-related information and data, for Engineer's use in the study and evaluation of potential solution(s) to Owner's Project requirements, and preparation of a related report.

7. After consultation with Owner, recommend the solution(s) which in Engineer's judgment meet Owner's requirements for the Project.

8. Identify, consult with, and analyze requirements of authorities having jurisdiction to permit or approve construction or operation of the portions of the Project to be designed or specified by Engineer, including but not limited to impacts and mitigating measures identified in previously prepared environmental assessments for the Project provided to the Engineer or being concurrently prepared for Owner by others.

9. Advise the Owner of any need for Owner to provide data or services of the types described in Article 2 of the Agreement, for use in Project design, or in preparation for Contractor selection and construction.

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10. Assist Owner in evaluating the possible use of building information modeling; civil integrated management; geotechnical baselining of subsurface conditions at the Site; innovative design, contracting, or procurement strategies; project delivery method; or other strategies, technologies, or techniques for assisting in the design, construction, and operation of Owner's facilities. The subject matter of this paragraph will be referred to in Exhibit A as "Project Strategies, Technologies, and Techniques."

11. Assist Owner in identifying opportunities for enhancing the sustainability of the Project, and pursuant to Owner's instructions, plan for the inclusion of sustainable features in the design.

12. Review with Owner the thresholds established in applicable codes, standards, and design criteria specifically governing the ability of the proposed facilities or improvements to perform, and to absorb or avoid damage without suffering complete or substantial failure. As part of the review, identify additional risk assessment studies or tools that are available to evaluate the susceptibility of the facilities or improvements to natural and man-made events beyond the applicable established thresholds. Upon Owner request, as an additional service, perform additional risk assessment studies or tools to further evaluate system resiliency beyond the applicable established thresholds.

13. Utilities, including Underground Facilities

    a. Review any utility mapping and surveys and other utilities documentation made available by Owner. Take note of observable utilities during Site visit.

    b. Identify, in a preliminary manner and to the extent determinable by such mapping or other information provided by Owner, and by observations at the Site, those utilities (whether above-ground utilities of any type, or Underground Facilities) likely to be affected by the Project construction and additional utility facilities or extensions that will be needed to serve the Project.

    c. If the impact on existing utilities or the need for additional utility facilities or extensions cannot reasonably be determined in a preliminary manner from mapping or other information provided by Owner, or such information was not available from Owner, then assist Owner in evaluating the need to either obtain additional utility mapping and utility documentation during the Study and Report Phase, or undertake other alternative approaches and contingencies to account for utility uncertainties in this phase.

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d. Advise Owner of additional utility documentation and coordination needed during the design and construction phases to adequately assess, mitigate, and manage the impact of the Project (including any additional utility facilities or extensions needed to serve the Project) on existing utilities.

e. Use ASCE 38, "Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data" as a means to advise the Owner regarding the extent and identification and mapping of existing Underground Facilities during the design and construction phases.

1) If Owner has retained a land surveyor, utility engineer, or utility consultant, collaborate with such individuals or entities regarding the application of ASCE 38.

14. Inquire regarding survey methodologies and technologies that would aid in addressing Owner's Project requirements. Develop a scope of work and survey limits for any topographic and other surveys necessary for design. For recommended survey deliverables, specify a) required technical specifications; b) pertinent datum; c) survey limits, and d) formats of deliverables. Collaborate with land surveyor, when separately retained by Owner or third party, to develop such scope of work.

15. Prepare a report (the "Report") which will, as appropriate, contain schematic layouts, sketches, and conceptual design criteria with appropriate exhibits to indicate the agreed-to requirements, considerations involved, and Engineer's recommended solution(s).

a. For each recommended solution, Engineer will separately tabulate Total Project Cost, itemizing those items and services included within the definition of Total Project Costs.

b. Engineer will meet with Owner to discuss the draft Report and receive Owner's comments.

c. **The Report is the Preliminary Engineering Report (PER) as defined in the current USDA RUS Bulletin 1780-2 PER Guidance Document that the Engineer must discuss with a USDA State Engineer. The Engineer must complete the PER document in accordance with customary professional standards as required by 7 CFR 1780.55 and the PER review comments of a USDA State Engineer. Cost estimates in the PER are required to comply with USDA Domestic Preference requirements. The PER must be concurred in by a USDA State Engineer for the USDA Funding reimbursement of invoiced costs to the Owner for the Engineering Services described in this Agreement.**

16. Perform or provide the following other Study and Report Phase tasks or deliverables:

a. **Provide the appropriate environmental documentation as required by 7 CFR 1970. The environmental documentation must be concurred with by the USDA Rural Development State Environmental Coordinator for funding application acceptance.**

17. Furnish the Report and any other Study and Report Phase deliverables to Owner pursuant to the requirements of the Deliverables Schedule in Exhibit B, and review the deliverables with Owner.

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18. Revise the Report and any other Study and Report Phase deliverables in response to Owner's **and a USDA State Engineer's** comments, as appropriate, and submit revised deliverables pursuant to the Deliverables Schedule.

B. Engineer's services under the Study and Report Phase will be considered complete on the date when Engineer has delivered to Owner the final **USDA concurred in PER** Report (as revised) and any other Study and Report Phase deliverables.

1.03 Preliminary Design Phase

A. After acceptance by Owner **and a USDA State Engineer concurrence of the PER Report** and any other Study and Report Phase deliverables (if Engineer's services under this Agreement included Study and Report Phase services); selection by Owner of a recommended solution; issuance by Owner of any instructions for use of Project Strategies, Technologies, and Techniques, or for inclusion of sustainable features in the design, or enhanced resiliency of the design; indication by Owner of any specific modifications or changes in the scope, extent, character, or design requirements of the Project desired by Owner; and any necessary changes, refinements, and supplementation of the Baseline Information set forth at the beginning of this Exhibit A, Engineer and Owner shall discuss, resolve, and document in writing any necessary revisions to Engineer's scope of services, compensation (through application of the provisions regarding Additional Services, or otherwise), and the time for completion of Engineer's services, resulting from the selected solution, related Project Strategies, Technologies, or Techniques, sustainable design and resiliency instructions, specific modifications to the Project, or changes, refinements, or supplementation of the Baseline Information. **Any resulting changes to Engineer's scope of services will be subject to USDA Rural Development concurrence.**

B. Upon written authorization from Owner, Engineer shall:

1. Review and assess all available Project information and data, including any pertinent reports or studies (whether prepared by Engineer or others) and any related instructions from Owner.

2. Based on the threshold review and assessment of available information and data, advise Owner of any need for Owner to obtain, furnish, or otherwise make available to Engineer any additional information and data, for Engineer's use in the preparation of a Preliminary Design Phase Report.

3. Prepare a Preliminary Design Phase Report in the following format: **Assemblage of required documents.**

4. The Preliminary Design Phase Report will consist of final design criteria, preliminary drawings, a preliminary list of expected specifications, and written descriptions of the Project. The Preliminary Design Phase Report will consider the following matters to the extent applicable to the Project and as necessary to establish the basis of design for proceeding to final design and construction:

a. The Project concept, intent, performance criteria, desired outcomes, Owner's standards and Owner directed improvements and facility elements as established in the Study and Report Phase and as expressly set forth in the Baseline Information section of this Exhibit A (collectively the "Project Goals").

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b. Recommended appropriate design criteria for each primary portion and significant discipline of the design necessary to address the Project Goals.

c. Site conditions and characterization as known at the time of, or to be determined during, the Preliminary Design Phase, including topography; subsurface information; Constituents of Concern; cultural, historical, and archaeological resources at the Site; wetlands information; and evaluations of flora and fauna that may be affected by the Project.

d. The time schedule for completion of the Project in accordance with Project Goals, including any recommended changes to the time required to complete the Final Design Phase (as set forth in Exhibit B, Deliverables Schedule) and estimated schedule(s) for construction.

e. Identification of major items of materials and equipment, rationale for selection with consideration of quality, suitability, pricing, sourcing, regulatory, and bidding issues affecting recommended selection.

f. Revised opinions of probable Construction Cost.

g. The impact of Project Strategies, Technologies, and Techniques, sustainable features, and enhanced resiliency selected by Owner for inclusion in the Project on the Project Goals, schedule and probable Construction Cost, including impact of multiple prime construction contracts, separate procurement of materials or equipment, and other alternate project delivery methods when the Project Goals necessitate and Owner authorizes;

h. Construction Phase quality assurance and quality control needs affecting development of Drawings and Specifications and other Final Design and Bidding Phase documents.

i. The effect of permits and authorizations by other entities and utility coordination needs on the Project.

j. Other matters and information pertinent to addressing the Project Goals.

5. In preparing the Preliminary Design Phase Report, use any specific applicable Project Strategies, Technologies, and Techniques authorized by Owner **and USDA Rural Development** during or following the Study and Report Phase, and include sustainable features and enhanced resiliency, as appropriate, pursuant to Owner's instructions.

6. Visit the Site as needed to prepare the Preliminary Design Phase Report.

7. If at any point in the Preliminary Design Phase it becomes apparent to Engineer that additional reports, data, information, or services of the types described in Article 2 are necessary, then so advise Owner, and assist Owner in obtaining such reports, data, information, or services.

8. Above-Ground Utilities

   a. Review above-ground utilities information obtained from Owner and from observations at the Site.

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b. Make recommendations regarding any further identification, investigation, and mapping of above-ground utilities at or adjacent to the Site, for Engineer's design purposes or otherwise.

c. Account for above-ground utilities, based on available information, when advancing design during the Preliminary Design Phase.

9. Underground Facilities

a. Review Underground Facilities data furnished by Owner. Assist Owner in reducing and managing risks associated with Underground Facilities by working together with Owner to jointly establish a procedure ("Underground Facilities Procedure") for the further identification, investigation, and mapping of Underground Facilities at or adjacent to the Site, using ASCE 38, "Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data," as a basis for establishing such Underground Facilities Procedure.

b. Such Underground Facilities Procedure must take into account the Site and the nature of the Project.

c. Use the Underground Facilities Procedure to aid in the performance of design services:

1) Account for Underground Facilities, based on available information, when advancing the design during the Preliminary Design Phase.

2) The Underground Facilities Procedure will include a plan to keep Underground Facilities information current as Engineer proceeds with the provision of design services, and to add new or relocated Underground Facilities information to the base utility or Site drawings.

3) To manage the potential impact of design changes on Underground Facilities, Engineer shall work together with Owner to modify or reapply the Underground Facilities Procedure as the design progresses and changes.

10. Mitigation of Utilities Conflicts

a. Identify potential conflicts between the Project (including existing and new facilities and structures) and above-ground utilities and Underground Facilities as reviewed in Exhibit A Paragraphs 1.03.B.8 and 9 above, and advise Owner regarding the need for resolution of such conflicts with utility and Underground Facilities owners and permit agencies. Identify the potential need for the relocation of existing above-ground utilities and Underground Facilities.

b. Update the Underground Facilities Procedure as necessary for any Underground Utilities conflicts and relocations.

c. Working together with Owner, jointly identify which specific parties or other entities will be responsible for implementation of the various specific parts of the Underground Facilities Procedure (including those parts that address resolution of Underground Facilities conflicts), and for resolution of above-ground utilities conflicts. Such identification will take into account Owner's authority and standing,

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as owner of the Site, with respect to Underground Facilities and above-ground utilities.

1) To the extent that Owner and Engineer agree that in addition to performing the design-related obligations set forth in Exhibit A Paragraphs 1.03.B.8 and 9, Engineer will also implement any non-design part of the Underground Facilities Procedure (including resolution of Underground Facilities conflicts), or undertake resolution of above-ground utilities conflicts, such additional duties will be Additional Services under Article 2 of this Exhibit A.

11. Surveys, Topographic Mapping, and Utility Documentation

    a. Coordinate with Owner's utility engineer, utility consultant, or land surveyor for the necessary field surveys, topographic mapping, and utility documentation required for Engineer's design purposes, or by the Underground Facilities Procedure.

    b. If no scope of work and procedure for utility documentation has been established, selected, or authorized, then at a minimum Engineer will contact utility owners and obtain available information. Except as otherwise provided in this Agreement, Owner acknowledges that the information gathered from utility owners may be incorrect, incomplete, outdated, or otherwise flawed, and as to Engineer, bidders, and Contractor, the Owner accepts all associated risks. Owner reserves all associated rights as to recourse against the sources of such flawed information and against third parties.

12. Prepare initial draft of a comprehensive permit document that identifies Owner's permit duties, Engineer's permit duties, and Contractor's permit duties, and the schedule for permitting activities.

13. Continue to assist Owner with Project Strategies, Technologies, and Techniques that Owner has chosen to implement in Exhibit A Paragraph 1.03.A.

14. Obtain Owner's instructions regarding Owner's procurement of construction services (including instructions regarding advertisements for bids, instructions to bidders, and requests for proposals, as applicable), Owner's construction contract practices and requirements, insurance and bonding requirements, electronic transmittals during construction, and other information necessary for the finalization of Owner's Bidding/Proposal Documents and Front-End Construction Contract Documents. **Engineer must also incorporate all USDA Rural Development regulations, forms, and design and construction standards applicable to the project in development of the documents indicated in this Article. The Engineer must follow the requirements of the current USDA Construction Contract Guidance Document and discuss with a USDA State Engineer.**

    a. Also obtain copies of Owner's standard Bidding/Proposal Documents and Front-End Construction Contract Documents (if other than the EJCDC 2018 Construction Series documents), and any other related documents or content for Engineer to include in drafts of the Project-specific Bidding/Proposal Documents and Front-End Construction Contract Documents, when applicable.

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b. Review Owner's instructions regarding procurement, bidding and contracting of construction services with respect to effects on the Project design, schedule and construction and address as needed in the Preliminary Design Phase deliverables.

15. Prepare the Preliminary Design Phase Report. This Report will consist of, as appropriate, separate or combined submittals in whole or summary, the Preliminary Design Phase documents listed in Exhibit A Paragraph 1.03.B.4, and Engineer's findings and recommendations for advancing the Project to the Final Design Phase (including Engineer's findings and recommendations, if any, regarding permitting, utilities, and Underground Facilities). The submittal will be in the format of a report, or otherwise organized and assembled for ease and practicality of use.

    a. Based on the information contained in the Preliminary Design Phase documents, prepare a revised opinion of probable Construction Cost, and on the basis of information furnished by Owner, assist Owner in tabulating the various cost categories which comprise Total Project Costs.

    b. Engineer will meet with Owner to discuss the draft Preliminary Design Phase submittal and receive Owner's comments.

16. Perform or provide the following other Preliminary Design Phase tasks or deliverables:

    a. **Preliminary Design Memo with recommended improvements for the Pajaro Lift Station;**

    b. **Feasibility Study regarding an alternative sewer alignment upstream of the Las Lomas Lift Station; and**

    c. **Preliminary Design of improvements, spot repairs, and main line replacements to the Las Lomas sewer system.**

17. Furnish the Preliminary Design Phase Report, opinion of probable Construction Cost, and any other Preliminary Design Phase deliverables to Owner pursuant to the requirements of the Deliverables Schedule in Exhibit B and review the deliverables with Owner.

18. Revise the Report and any other deliverables in response to Owner's comments, as appropriate, and submit revised deliverables pursuant to the Deliverables Schedule.

C. Engineer's services under the Preliminary Design Phase will be considered complete on the date when Engineer has delivered to Owner the final Preliminary Design Phase Report (as revised) and associated documents, revised opinion of probable Construction Cost, and any other Preliminary Design Phase deliverables.

1.04 Final Design Phase

A. After acceptance by Owner of the Preliminary Design Phase Report and any other Preliminary Design Phase deliverables; issuance by Owner of any instructions for specific modifications or changes in the scope, extent, character, or design requirements of the Project desired by Owner; and any necessary changes, refinements, and supplementation of the Baseline Information set forth at the beginning of this Exhibit A, Engineer and Owner shall discuss, resolve, and document any necessary revisions to Engineer's scope of services, compensation (through application of the provisions regarding Additional Services, or otherwise), and the time for completion of Engineer's services, resulting from specific

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modifications to the Project, or changes, refinements, or supplementation of the Baseline Information.

1. The number of prime contracts for Work designed or specified by Engineer upon which the Engineer's compensation has been established under this Agreement is **one**. If more prime contracts are awarded, Engineer shall be entitled to an equitable increase in its compensation under this Agreement.

2. If more than one prime construction contract is to be awarded for the Work designed or specified by Engineer, then Owner shall define and set forth (in an exhibit to this Agreement, or in a subsequent document) the duties, responsibilities, and limitations of authority of a person or entity that will have authority and responsibility for coordinating the activities among the various prime Contractors, and any resulting changes in the duties, responsibilities, and authority of Engineer.

3. In the event that the Work designed or specified by Engineer is to be performed or furnished under more than one prime construction contract, or if Engineer's services are to be separately sequenced with the work of one or more separate design professional consultants or prime Contractors (such as in the case of fast-tracking), Owner and Engineer shall, prior to commencement of the Final Design Phase, develop a schedule for performance of Engineer's services during the Final Design, Bidding/Proposal, Construction, and Post-Construction Phases in order to sequence and coordinate properly such services as are applicable under such separate prime construction contracts. This schedule is to be prepared and included in or become an amendment to Exhibit A whether or not the work under such construction contracts is to proceed concurrently.

B. Upon written authorization from Owner, Engineer shall prepare final Drawings and Specifications indicating the scope, extent, and character of the Work to be performed and furnished by Contractor, in accordance with the Preliminary Design Phase Report (as revised) and other Preliminary Design Phase deliverables. As part of the preparation of the Drawings and Specifications, Engineer shall prepare interim drafts and final Drawings and Specifications as follows, pursuant to the Deliverables Schedule in Exhibit B:

1. First Final Design Phase draft of all Drawings and Specifications **(60% design).**

2. Second Final Design Phase draft of all Drawings and Specifications, addressing Owner comments and including appropriate design advancement **(90% design)**.

3. Final Drawings and Specifications that address Owner **and USDA Rural Development** comments; complete the design; are suitable for estimating and pricing by prospective Contractors; and are complete and ready for construction **(100% design).**

C. In preparing the Specifications (and any bidding, contract, or other documents that are part of Engineer's scope of services), Engineer shall obtain from Owner or Owner's legal counsel **and USDA Rural Development** any relevant constraints such as requirements for use of domestic steel and iron, other domestic purchasing requirements, statutory restrictions on utilizing proprietary specifying methods, and the like, and comply with or account for such constraints in drafting Specifications, Bidding/Proposal Documents, and other Project documents.

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D. Engineer shall prepare or assemble draft Bidding/Proposal Documents and Front-End Construction Contract Documents as follows:

1. Such documents will be based on the 2018 EJCDC Construction Documents, and on the specific bidding or Contractor selection-related instructions and forms, contract forms, text, or other content received from Owner.

2. When Engineer is required to use other than the 2018 EJCDC Construction Documents, then as required in the Preliminary Design Phase Owner will furnish to Engineer a copy of the required documents to be used for the Project's Bidding/Proposal Documents and Front-End Construction Contract Documents. Prior to the first Final Design Phase submittal, Engineer will review the bidding and contracting documents furnished by Owner and provide comments to Owner. Engineer will meet with Owner to discuss Engineer's comments. Owner will consider Engineer's recommendations to revise Owner's documents for the Project.

3. Engineer will furnish to Owner, for review by Owner's legal counsel, the draft Bidding/Proposal Documents and Front-End Construction Contract Documents. Owner and Owner's legal counsel must transmit to Engineer, in a timely manner, one coordinated set of comments and revisions to the draft documents.

4. **Engineer will furnish to a USDA Rural Development State Engineer the draft Bidding Documents (including plans and specs) and Front-End Construction Contract Documents for review and concurrence.**

E. During the Final Design Phase the Engineer shall continue to account for above-ground utilities and Underground Facilities as the design advances and is finalized. This may include:

1. performing the services assigned to Engineer under the Underground Facilities Procedure described in Exhibit A Paragraph 1.03 above, including but not limited to the design-related tasks in Exhibit A Paragraph 1.03.B.9.

2. addressing required and proposed activities or mitigations identified in the analysis of utilities and by the Underground Facilities Procedure as having an impact on the final design, and considering such in preparing the Drawings and Specifications.

F. Engineer shall perform or furnish the following other Final Design Phase services:

1. Visit the Site as needed to assist in preparing the final Drawings and Specifications.

2. Assist with or prepare applications for permits and approvals, as follows:

   a. Update comprehensive permit document created in Preliminary Design Phase for Final Design detail.

   b. Prepare the following applications for Owner's submittal to authorities having jurisdiction over the construction or operation of the Project:

      1) **Stormwater Pollution Prevention Plan and California Construction General Permit.**

   c. Confer with Owner regarding revisions, if any, to the application(s), and make appropriate revisions to the application(s) for Owner's resubmittal to the authority having jurisdiction.

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d. Provide technical criteria, written descriptions, and design data for Owner's use in filing applications for permits from or approvals of the authorities having jurisdiction listed above, including applications for review or approval of the final design.

e. Identify and indicate in the Construction Contract Documents the permits and approvals for which Contractor will be responsible, including work permits, building permits, and other permits and approvals that will be Contractor's responsibility; and, in addition, indicate those permits initially obtained by Owner for which Contractor will be a co-permittee, together with associated requirements.

f. Unless expressly indicated otherwise, Engineer's scope and budget includes attending one meeting or conference call with each permit and approval-issuing agency to discuss the Project and receive the agency's comments on the application.

g. Engineer does not guarantee issuance of any required permit or approval.

h. Fees charged by authorities having jurisdiction for such permits or approvals are the responsibility of Owner.

3. Advise Owner of any recommended adjustments to the opinion of probable Construction Cost. Furnish to Owner an updated opinion of probable Construction Cost with the interim and final deliverables of the Drawings and Specifications.

4. After consultation with Owner, include in the Front-End Construction Contract Documents any Electronic Document Protocol addressing specific protocols for the transmittal of Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website.

5. Assist Owner in assembling known reports and drawings of Site conditions, and in identifying the technical data contained in such reports and drawings upon which bidders or other prospective contractors may rely.

6. Review the preliminary schedule for the Construction Phase and advise Owner when initial understanding of the Construction Contract Times must or should be revised, and furnish Owner with recommendations on revisions to the proposed Construction Contract Times.

7. Engineer's project manager and other appropriate staff will participate in the following meetings and conference calls:

   a. First draft design review meeting at Owner's office **with virtual attendance**.

   b. Second draft design review meeting at Owner's office **with virtual attendance**.

   c. **Weekly check-in meetings with virtual attendance.**

   d. Engineer will prepare and distribute minutes of each such meeting and conference call, indicating attendees, topics discussed, decisions made, and action items for follow-up.

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8. Perform or provide the following other Final Design Phase activities or deliverables:

   a. **The Engineer shall identify the seismic design codes and ADA related accessibility standards used in the design and indicate them on the drawings and specifications and certify that the final drawings and specifications comply with those standards.**

   b. **The Engineer shall assist the Owner to acquire easement and/or right-of-way required (if any) to complete the project and shall assist the Owner to provide completed Form RD 442-21 and RD Form 442-22 to USDA Rural Development.**

   c. **The Engineer shall discuss the project with the power company in order to evaluate and provide a work scope and cost estimate to have a new electrical power hookup completed by the power company at the project site, if needed.**

G. Engineer shall complete the Final Design Phase as follows:

1. Pursuant to the requirements of the Deliverables Schedule in Exhibit B, furnish for review by Owner, its legal counsel, and other advisors, the final Drawings and Specifications (as set forth in Exhibit A Paragraph 1.04.B.3 above); assembled drafts of other Construction Contract Documents including the draft Front-End Construction Contract Documents; the draft Bidding/Proposal Documents; the most recent opinion of probable Construction Cost; and any other Final Design Phase deliverables, and review the deliverables with Owner. The Engineer shall identify the building codes and accessibility standards used in the design and indicate them on the drawings and specifications and certify that the final drawings and specifications comply with those standards.

2. Revise the final Design Phase deliverables in response to Owner's comments, as appropriate, and submit revised deliverables pursuant to the Deliverables Schedule.

3. Engineer's services under the Final Design Phase will be considered complete on the date when Engineer has delivered to Owner the final Drawings and Specifications; assembled drafts of the Front-End Construction Contract Documents; the draft Bidding/Proposal Documents; and any other Final Design Phase deliverables, as revised. **Provide the Owner and USDA Rural Development with a completed Engineer's Certification of Final Bidding and Construction Contracts Form.**

1.05 Bidding/Proposal Phase

A. After acceptance by Owner **and USDA Rural Development** of the final Drawings and Specifications; assembled drafts of other Construction Contract Documents, including the draft Front-End Construction Contract Documents; the draft Bidding/Proposal Documents; the most recent opinion of probable Construction Cost as determined in the Final Design Phase, and any other Final Design Phase deliverables, and upon written authorization by Owner to proceed, Engineer shall:

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1. Assist Owner in advertising for and obtaining bids or proposals for the Work; assist Owner in issuing assembled Bidding/Proposal Documents and proposed Construction Contract Documents to prospective contractors; if applicable, maintain a record of prospective contractors to which documents have been issued; attend pre-bid conferences, if any; and receive and process contractor deposits or charges, if any, for the issued documents.

    a. **A traditional Design-Bid-Build construction contract procurement process will be followed to solicit bid proposals for construction of the project following State of California, County of Monterey and USDA Rural Development requirements.**

2. Prepare and issue addenda as appropriate to clarify, correct, or change the issued documents. **Obtain USDA Rural Development prior concurrence on any Addenda that modify the Bidding Documents.**

3. **The Engineer shall evaluate and determine the acceptability of "or equals" and substitute materials and equipment proposed by prospective contractors prior to award of contracts for the Work. Engineer shall issue a bid addendum for any and all approved "or equals" and substitutes. Review of substitutes and "or equals" will be in accordance with the General Conditions of the Construction Contract and applicable USDA Rural Development requirements. Services under this paragraph are subject to the provisions of Exhibit A Paragraph A2.01.A.2.**

4. Attend the bid opening; prepare bid tabulation sheets; and assist Owner in evaluating bids or proposals, assembling final Construction Contracts for the Work for execution by Owner and Contractor, and in preparing notices of award to be issued by Owner for such contracts.

5. Provide information or assistance needed by Owner in the course of any review of bids, proposals, or negotiations with prospective contractors.

6. Consult with Owner as to the qualifications of prospective contractors.

7. Consult with Owner as to the qualifications of subcontractors, suppliers, and other individuals and entities proposed by prospective contractors, for those portions of the Work as to which review of qualifications is required by the issued documents.

8. If Owner engages in negotiations with bidders or proposers, assist Owner with respect to technical and engineering issues that arise during the negotiations.

9. Perform or provide the following other Bidding/Proposal Phase tasks or deliverables:

    a. **Upon award of the Construction Contract, the Engineer shall furnish to Owner and USDA Rural Development one electronic copy of the authorized and conformed Contract Documents including Drawings and Specifications to be used for construction.**

10. The Bidding/Proposal Phase will be considered complete upon award of Construction Contracts for the Work and commencement of the Construction Phase, or upon cessation of negotiations with prospective contractors.

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1.06 Construction Phase

A. After completion of the Final Design Phase and concurrent with the Bidding/Proposal Phase, and after issuance by Owner of any instructions for specific modifications or changes in the scope, extent, character, design, schedule, number of prime construction contracts, and other construction requirements of the Project during the Construction Phase desired by Owner, the Engineer and Owner shall discuss, resolve, and document any necessary revisions to Engineer's scope of services or compensation (through application of the provisions regarding Additional Services, or otherwise), or the time for completion of Engineer's services, resulting from specific modifications to the Project.

1. Engineer shall be responsible only for those Construction Phase services expressly required of Engineer in Exhibit A Paragraph 1.06, as duly modified. With the exception of such expressly required services, Engineer shall have no design, Submittal (including Shop Drawing) review, or other obligations during construction, and Owner assumes all responsibility for providing or arranging for all other necessary Construction Phase administrative, engineering, and professional services.

2. Owner waives all claims against Engineer and its officers, directors, members, partners, agents, employees, and Subconsultants, and Engineer's Subcontractors, that may be connected in any way to Construction Phase administrative, engineering, or professional services except for those services that are expressly required of Engineer in Exhibit A. Notwithstanding the foregoing waiver, Engineer shall be responsible for any professional opinions and interpretations provided by Engineer to Owner during the Construction Phase or Post-Construction Phase, including interpretations or clarifications of the Construction Contract Documents.

B. Upon successful completion of the Bidding/Proposal Phase, and upon written authorization from Owner, Engineer shall provide the following services:

1. General Administration of Construction Contract: Consult with Owner and act as Owner's representative as provided in this Agreement and the Construction Contract. Unless otherwise set forth in the scope of Basic Services (as duly modified), the extent and limitations of the duties, responsibilities, and authority of Engineer shall be as assigned in EJCDC® C-700, Standard General Conditions of the Construction Contract (2018) or other construction general conditions specified in this Agreement. Except as otherwise provided in the Construction Contract, Owner's communications to Contractor will be issued through Engineer.

a. If the responsibilities of Engineer as set forth in the Construction Contract are greater than those Construction Phase services expressly required of Engineer in Exhibit A Paragraph 1.06, as duly modified, then Owner shall either (1) expand the scope of the Construction Phase services to match those of the Construction Contract, and compensate Engineer for any related increases in the cost to provide Construction Phase services, pursuant to the provisions for compensating Additional Services, or (2) identify a qualified individual or entity (other than Engineer) responsible for the additional responsibilities in the Construction Contract.

b. If Owner, or Owner and Contractor, modify the duties, responsibilities, and authority of Engineer in the Construction Contract, or modify other terms of the

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Construction Contract having a direct bearing on Engineer, or if Owner requires Engineer's services for construction that extends longer than the anticipated Construction Contract Times, then Owner shall compensate Engineer for any related increases in the cost to provide Construction Phase services, pursuant to the provisions for compensating Additional Services.

c. Engineer shall not be required to furnish or perform services contrary to Engineer's responsibilities as a licensed professional.

2. ~~Field Office~~: **Deleted.**

3. Resident Project Representative (RPR): Provide the services of an RPR at the Site to assist Engineer and to provide more extensive observation of Contractor's Work. Duties, responsibilities, and authority of the RPR are as set forth in Exhibit D. The furnishing of such RPR's services will not limit, extend, or modify Engineer's responsibilities or authority except as expressly set forth in Exhibit D.

4. Selection of Independent Testing Laboratory: Assist Owner in the selection of an independent testing laboratory to perform required testing services.

5. Pre-Construction Conference: **The Design Engineer of Record will participate in and chair** a pre-construction conference prior to commencement of Work at the Site; prepare and distribute agenda for the conference and prepare and distribute minutes of such conference.

6. Electronic Transmittal Protocols: If the Construction Contract does not establish protocols for transmittal of Electronic Documents by Electronic Means, then Owner, Engineer, and Contractor shall jointly develop such protocols.

7. Original Documents: **Maintain** and safeguard during the Construction Phase at least one original printed record version of the Construction Contract Documents, including Drawings and Specifications signed and sealed by Engineer and other design professionals in accordance with applicable Laws and Regulations. Throughout the Construction Phase, make such original printed record version of the Construction Contract Documents available to Contractor and Owner for review.

8. Schedules: Receive, review, and, and, subject to the criteria of the Construction Contract, determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the progress schedule, schedule of submittals, and schedule of values. Advise Contractor in writing of Engineer's comments or acceptance of schedules.

   a. Schedules will be acceptable to Engineer as to form and substance:

      1) Progress Schedule: if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.

      2) Contractor's Schedule of Submittals: if it provides a workable arrangement for reviewing and processing the required Submittals.

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3) Contractor's Schedule of Values: if it provides a reasonable allocation of the Contract Price to the component parts of the Work.

9. Baselines and Benchmarks: As appropriate, establish baselines and benchmarks for locating the Work which in Engineer's judgment are necessary to enable Contractor to proceed.

10. Permits: Provide Owner with copies of technical information and supporting data previously obtained or developed by Engineer for Owner's use, or for Owner to provide to Contractor, in obtaining required permits and licenses delegated to Contractor by Owner.

11. Visits to Site and Observation of Construction: In connection with observations of Contractor's Work while it is in progress:

    a. **The Design Engineer of Record to** make visits to the Site **at least once a month** and as appropriate to the various stages of the Work, as Engineer deems necessary, to observe as an experienced and qualified design professional, the progress of Contractor's executed Work. Such visits and observations by Engineer, including its RPR, if any, are not intended to be exhaustive or to extend to every aspect of the Work or to involve detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement and the Construction Contract Documents, but rather are to be limited to spot checking, selective sampling, and similar methods of general observation of the Work based on Engineer's exercise of professional judgment, as assisted by its RPR, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Construction Contract Documents, and Engineer shall keep Owner informed of the progress of the Work. Engineer will make a report of Engineer's visit, summarizing Engineer's general observations and any significant findings.

    b. The purpose of **Design** Engineer's visits to the Site, and representation by the Resident Project Representative, if any, at the Site, will be to enable **Design** Engineer to better carry out the duties and responsibilities assigned to by this Agreement and undertaken by Design Engineer during the Construction Phase, and, in addition, by the exercise of Design Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Construction Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Construction Contract Documents. Design Engineer will not, during such visits or as a result of such observations of the Work, supervise, direct, or have control over the Work, nor will Design Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to any Constructor's work in progress, for the coordination of the Constructors' work or schedules, nor for any failure of any Constructor to comply with Laws and Regulations applicable to furnishing and performing of its work. Accordingly, Engineer neither guarantees the performance of any Constructor nor assumes responsibility for any

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Constructor's failure to furnish or perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents.

c. **The Design Engineer of Record must document all visits to the project with copies furnished to the Owner and USDA Rural Development.**

12. Defective Work: If, on the basis of Design Engineer's observations or as indicated in documentation available to Design Engineer, Design Engineer believes that any part of the Work is defective under the terms and standards set forth in the Construction Contract Documents, Design Engineer will promptly issue written notice to Contractor (with copy to Owner) of such defective Work. Such notice will communicate the scope, extent (to Design Engineer's understanding) of defect, and associated provisions of the Construction Contract Documents.

    a. Provide recommendations to Owner regarding whether Contractor should correct such Work or remove and replace such Work, or whether Owner should consider accepting the defective Work in accordance with the provisions of the Construction Contract Documents. Design Engineer shall give notice to Contractor regarding whether the defective Work should be repaired, replaced, or will be accepted by Owner.

    b. However, Design Engineer's authority to provide this information to Owner or Engineer's decision to exercise or not exercise such authority will not give rise to a duty or responsibility of the Design Engineer to Contractors, Subcontractors, material and equipment suppliers, their agents or employees, or any other person(s) or entities performing any of the Work, including but not limited to any duty or responsibility for Contractors' or Subcontractors' safety precautions and programs incident to the Work.

13. Compatibility with Design Concept: If Design Engineer has express knowledge that a specific part of the Work that is not defective under the terms and standards set forth in the Construction Contract Documents is nonetheless not compatible with the design concept of the completed Project as a functioning whole, then inform Owner of such incompatibility, and provide recommendations for addressing such Work.

14. Clarifications and Interpretations: Accept from Contractor and Owner submittal of all matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. With reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Construction Contract Documents.

15. Non-reviewable Matters: If a submitted matter in question concerns the Design Engineer's performance of its duties and obligations, or terms and conditions of the Construction Contract Documents that do not involve (a) the performance or acceptability of the Work under the Construction Contract Documents, (b) the design (as set forth in the Drawings, Specifications, or otherwise), or (c) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer will not provide a decision or interpretation.

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16. Field Orders: Subject to any limitations in the Construction Contract Documents, Design Engineer may prepare and issue Field Orders requiring minor changes in the Work.

17. Change Orders and Work Change Directives: Recommend Change Orders and Work Change Directives to Owner, as appropriate, and prepare Change Orders and Work Change Directives as required.

18. Change Proposals and Claims

    a. Review and respond to Change Proposals. Review each duly submitted Change Proposal from Contractor and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions must be in writing, with a copy provided to Owner and Contractor. If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Design Engineer will notify the parties that the Design Engineer will not resolve the Change Proposal.

    b. Provide information or data to Owner regarding engineering or technical matters pertaining to Claims.

19. Differing Site Conditions: Respond to any notice from Contractor of differing site conditions, including conditions relating to Underground Facilities such as utilities, and hazardous environmental conditions. Promptly conduct reviews and prepare findings, conclusions, and recommendations for Owner's use subject to limitations of Design Engineer's obligations under this Agreement.

20. Contractor's Submittals: Review and approve or take other appropriate action with respect to required Contractor Submittals, but only to determine if the items covered by the Submittals will, after installation or incorporation in the Work, comply with the requirements of the Construction Contract Documents, and for compatibility with the design concept of the completed Project as a functioning whole as indicated by the Construction Contract Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. Engineer shall meet any Contractor's Submittal schedule that Engineer has accepted.

21. Substitutes and "Or-equals": Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor, but subject to the provisions of Exhibit A Paragraph 2.01.A.2.

22. Inspections and Tests

    a. Receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Construction Contract Documents. Design Engineer's review of such certificates will be for the purpose of determining whether the results certified indicate compliance with the Construction Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Construction Contract Documents. Design Engineer shall be entitled to rely on the results of such inspections and tests.

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b. Reply to Contractor requests for written concurrence that specific portions of the Work that are to be inspected, tested, or approved may be covered.

c. Issue written requests to Contractor that specific portions of the Work remain uncovered.

d. As deemed reasonably necessary, request that Contractor uncover Work that is to be inspected, tested, or approved.

e. Pursuant to the terms of the Construction Contract, require additional inspections or testing of the Work, whether or not the Work is fabricated, installed, or completed.

23. Contractor's Applications for Payment: Based on Design Engineer's observations as an experienced and qualified design professional and on review of Applications for Payment and accompanying supporting documentation:

a. Determine the amounts that Design Engineer recommends Contractor be paid. Recommend reductions in payment (set offs) based on the provisions for set offs stated in the Construction Contract. Such recommendations of payment will be in writing and will constitute Design Engineer's representation to Owner, based on such observations and review, that, within the limits of Design Engineer's knowledge, information and belief, Contractor's Work has progressed to the point indicated, the Work is generally in accordance with the Construction Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Construction Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Design Engineer's responsibility to observe the Work. In the case of unit price Work, Design Engineer's recommendations of payment will include final determinations of quantities and classifications of the Work (subject to any subsequent adjustments allowed by the Construction Contract Documents).

b. By recommending payment, Design Engineer shall not thereby be deemed to have represented that observations made by Design Engineer to check the quality or quantity of Contractor's Work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in this Agreement. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Design Engineer's recommendation of any payment including final payment will impose on Engineer responsibility to supervise, direct, or control the Work, or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto, or Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on Design Engineer to make any examination to ascertain how or for what purposes Contractor has used the money paid to Contractor by Owner; to determine that title to any portion of the Work, including materials or equipment, has passed to Owner free and clear of any liens, claims,

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security interests, or encumbrances; or that there may not be other matters at issue between Owner and Contractor that might affect the amount that should be paid. **By signing payment application and recommending payment, Design Engineer is certifying to the best of their knowledge that all items submitted for payment comply with Domestic Preference requirements**.

24. Contractor's Completion Documents: Receive from Contractor, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Construction Contract Documents, certificates of inspection, tests and approvals, and Shop Drawings, Samples, and other data approved as provided under Exhibit A Paragraph 1.06.B.20. **Receive from Contractor and review the annotated record documents which are to be assembled by Contractor in** accordance with the Construction Contract Documents to obtain final payment. The Engineer shall prepare Record Drawings and furnish such Record Drawings to Owner.

25. Substantial Completion: Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, visit the Site in company with Owner and Contractor to review the Work and determine the status of completion. Follow the procedures in the Construction Contract regarding the preliminary certificate of Substantial Completion, punch list of items to be completed, Owner's objections, notice to Contractor, and issuance of a final certificate of Substantial Completion. Assist Owner regarding any remaining engineering or technical matters affecting Owner's use or occupancy of the Work following Substantial Completion.

26. Other Tasks: Perform or provide the following other Construction Phase tasks or deliverables:

    a. **Provide the Owner and USDA Rural Development with a written certification that the project complies with Domestic Preference requirements, to the best of Design Engineer's knowledge.**

    b. **Verify and document Contractor implemented environmental mitigation requirements. Provide documentation to Owner and to USDA Rural Development.**

27. Completion and Acceptability of the Work: After notice from Contractor that the Work is complete:

    a. visit the Site with Owner and Contractor to determine if the Work is in fact complete and acceptable;

    b. notify Contractor of any part of the Work that is found during the visit to be incomplete or defective, and subsequently confirm that Contractor has corrected any such deficiencies;

    c. follow the procedures in the Construction Contract regarding review and response to Contractor's application for final payment and accompanying documentation;

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d. If Design Engineer is satisfied that the Work is complete and acceptable, provide a notice to Owner and Contractor using EJCDC® C-626, Notice of Acceptability of Work (attached as Exhibit E), stating that the Work is acceptable (subject to the provisions of the Notice and this Exhibit A) within the limits of Design Engineer's knowledge, information, and belief, and based on the extent of the services provided by Engineer under this Agreement. **Upon Substantial Completion, the Design Engineer shall provide a copy of the Certificate of Substantial Completion to USDA Rural Development.**

e. Standards for Certain Construction-Phase Decisions: Design Engineer will render decisions regarding the requirements of the Construction Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth in the Construction Contract for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Design Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

C. Duration of Construction Phase: The Construction Phase will commence with the execution of the first Construction Contract for the Project or any part thereof and will terminate upon written recommendation by Engineer for final payment to Contractor. If the Project involves more than one prime contract as indicated in Exhibit A Paragraph 1.04.A.1, then Construction Phase services may be rendered at different times in respect to the separate contracts. Subject to the provisions of Article 3, Design Engineer shall be entitled to an equitable increase in compensation if Construction Phase services (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the Construction Contract.

1.07 Post-Construction Phase

A. Upon written authorization from Owner during the Post-Construction Phase, Design Engineer shall:

1. Together with Owner, visit the Project to observe any apparent defects in the Work, make recommendations as to replacement or correction of defective Work, if any, or the need to repair of any damage to the Site or adjacent areas, and assist Owner in consultations and discussions with Contractor concerning correction of any such defective Work and any needed repairs.

2. Together with Owner **and USDA Rural Development**, visit the Project site within one month before the end of the Construction Contract's correction period to ascertain whether any portion of the Work or the repair of any damage to the Site or adjacent areas is defective and therefore subject to correction by Contractor.

3. Perform or provide the following other Post-Construction Phase tasks or deliverables:

a. None.

B. The Post-Construction Phase services may commence during the Construction Phase and, if not otherwise modified in this Exhibit A, will terminate 12 months after the commencement of the Construction Contract's correction period.

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EXHIBIT B—DELIVERABLES SCHEDULE

Paragraphs 2.04.E, 3.02.A, and Exhibit A of the Agreement are supplemented by the following paragraph and table.

Engineer shall furnish Documents to Owner as required in Column 2 of the following table (and as further described in Exhibit A), according to the schedule in Column 4. Owner shall comment or take other identified actions with respect to the Documents as indicated in Column 2 (and as further described in Exhibit A), according to the schedule in Column 4.

Party	Action	Exhibit A Reference	Schedule
Engineer	Submit **digital** review copies of the Report and other Study and Report Phase deliverables to Owner.	1.02.A.17	Within **75** days of the Effective Date.
Owner	Submit comments regarding the Report and other Study and Report Phase deliverables to Engineer.	1.02.A.18	Within **10** days of the receipt from Engineer of the Report and other Study and Report Phase deliverables.
Engineer	Submit **digital** copies of the revised Report and other Study and Report Phase deliverables to Owner.	1.02.A.18	Within **10** days of the receipt of Owner's comments regarding the Report and other Study and Report Phase deliverables.
Engineer	Submit **digita**l review copies of the Preliminary Design Report, opinion of probable Construction Cost, and other Preliminary Design Phase **(30%)** deliverables to Owner.	1.03.B.17	Within **30** days of Owner's authorization to proceed with Preliminary Design Phase services.
Owner	Submit comments regarding Preliminary Design Report, opinion of probable Construction Cost, and other Preliminary Design Phase **(30%)** deliverables to Engineer.	1.03.B.18	Within **10** days of the receipt from Engineer of Preliminary Design Report, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables.
Engineer	Submit **[number]** copies of the revised Preliminary Design Report, opinion of probable Construction Cost, and other Preliminary Design Phase **(30%)** deliverables to Owner.	1.03.B.18	Within **10** days of the receipt of Owner's comments regarding the Preliminary Design Report, opinion of probable Construction Cost, and other Preliminary Design Phase deliverables.
Engineer	Submit **digital** copies of the first Final Design Phase **(60%)** draft of Drawings and Specifications to Owner.	1.04.B.1	Within **30** days of Owner's authorization to proceed with Final Design Phase services.

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Party	Action	Exhibit A Reference	Schedule
Owner	Submit comments and instructions regarding the first Final Design Phase **(60%)** draft of Drawings and Specifications to Engineer.	1.04.B.1	Within **10** days of the receipt of the first final Design Phase drafts of Drawings and Specifications from Engineer.
Engineer	Submit **digital** copies of the second Final Design Phase **(90%)** drafts of Drawings and Specifications to Owner.	1.04.B.2	Within **30** days of the receipt of Owner's comments and instructions regarding the first Final Design Phase drafts of Drawings and Specifications.
Engineer	Submit **digital** of copies of draft Bidding/Proposal and Front-End Construction Contract Documents, as required, and any other Final Design Phase deliverables (other than Drawings and Specifications) to Owner.	1.04.D.3; 1.04.F.8	Concurrent with submittal to Owner of the second Final Design Phase drafts of Drawings and Specifications.
Owner	Submit comments and instructions regarding the second Final Design Phase **(90%)** drafts of Drawings and Specifications to Engineer.	1.04.B.2	Within **10** days of the receipt from Engineer of the second Final Design Phase drafts of Drawings and Specifications.
Engineer	Submit **digital** copies of the final, completed, pricing-ready and construction-ready Drawings and Specifications **(100%)** to Owner.	1.04.B.3 and 1.04.G.1	Within **10** days of the receipt of Owner's comments and instructions regarding the second Final Design Phase drafts of Drawings and Specifications.
Owner	Submit comments and instructions regarding the final, completed, pricing-ready and construction-ready Drawings and Specifications to Engineer.	1.04.G.2	Within **10** days of the receipt from Engineer of the final, completed, pricing-ready and construction-ready Drawings and Specifications.
Owner	Submit comments and instructions regarding drafts of Bidding/Proposal and Front-End Construction Contract Documents, and any other Final Design Phase deliverables (other than Drawings and Specifications) to Engineer.	1.04.D.3; 1.04.F.8	Concurrent with Owner's submittal of comments and instructions regarding the final, completed, pricing-ready and construction-ready Drawings and Specifications.

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Party	Action	Exhibit A Reference	Schedule
Engineer	Submit to Owner: **digital** copies of the revised final, completed, pricing-ready and construction-ready Drawings and Specifications; and **digital** of copies of assembled Bidding/Proposal and Front-End Construction Contract Documents, and any other Final Design Phase deliverables.	1.04.G.2 1.04.G.3	Within **10** days of receipt of Owner's final comments and instructions regarding the regarding the final, completed, pricing-ready and construction-ready Drawings and Specifications, the Bidding/Proposal and Front-End Construction Contract Documents, and any other Final Design Phase deliverables.
Engineer	Submit **[number]** copies of Bidding/Proposal Phase deliverables (if any) identified in Exhibit A Paragraph 1.05.A.9.a to Owner.	1.05.A.9.a	Within **[number]** days of written authorization by Owner to proceed with Bidding/Proposal Phase services.
Engineer	Submit **[number]** copies of Construction Phase deliverables (if any) identified in Exhibit A Paragraph 1.06.B.26.a to Owner.	1.06.B.26.a	Within **[number]** days of **[applicable benchmark event such as commencement of the Construction Contract Times]**
Engineer	Submit **[number]** copies of Post-Construction Phase deliverables (if any) identified in Exhibit A Paragraph 1.07.A.3.a to Owner.	1.07.A.3.a	Within **[number]** days of Substantial Completion.

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AMENDMENT TO OWNER-ENGINEER AGREEMENT

Amendment No. **[Enter Amendment Number]**

Owner: **[Name of Owner]**
Engineer: **[Name of Engineer]**
Project: **[Name of Project]**
Effective Date of Owner-Engineer Agreement: **[Effective Date of Agreement]**
Nature of Amendment: (Check those that apply)

- ☐ Additional Services to be performed by Engineer
- ☐ Modifications to services of Engineer
- ☐ Modifications to responsibilities of Owner
- ☐ Modifications of payment to Engineer
- ☐ Modifications to time(s) for rendering services
- ☐ Modifications to other terms and conditions of the Agreement

Description of Modifications:

[Here describe the modifications, in as much specificity and detail as needed. Use an attachment if necessary. Include cost breakdown and documentation, if applicable.]

Agreement Summary:
Original agreement amount: $
Net change for prior amendments: $
This amendment amount: $
Adjusted Agreement amount: $
Change in time for services (days or date, as applicable):

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. The Effective Date of the Amendment is **[Enter Effective Date of Amendment]**.

Owner	Engineer
_____ (typed or printed name of organization)	_____ (typed or printed name of organization)
By: _____ (individual's signature)	By: _____ (individual's signature)
(Attach evidence of authority to sign.)	(Attach evidence of authority to sign.)
Date: _____ (date signed)	Date: _____ (date signed)
Name: _____ (typed or printed)	Name: _____ (typed or printed)
Title: _____ (typed or printed)	Title: _____ (typed or printed)

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EXHIBIT D—DUTIES, RESPONSIBILITIES, AND LIMITATIONS OF AUTHORITY OF RESIDENT PROJECT REPRESENTATIVE

ARTICLE 1—RESIDENT PROJECT REPRESENTATIVE SERVICES

Article 1 of the Agreement, Services of Engineer, and Exhibit A, Engineer's Services, are supplemented to include Exhibit D Paragraphs 1.01, 1.02, and 1.03, as follows:

1.01 Resident Project Representative

A. Engineer shall furnish a Resident Project Representative ("RPR") to observe progress and quality of the Work. RPR is Engineer's representative at the Site, will act as directed by and under the supervision of Engineer, and will confer with Engineer regarding RPR's actions.

B. The RPR will provide full-time representation **unless requested in writing by the Owner and waived in writing by USDA Rural Development.**

C. Subject to the scope of RPR's observations of the Work, which may include field checks of materials and installed equipment, Engineer shall endeavor to identify defects and deficiencies in the Work. However, Engineer shall not, as a result of such RPR observations of the Work, supervise, direct, inspect, or have control over the Work, nor shall Engineer (including the RPR) have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by any Constructor, for security or safety at the Site, for safety precautions and programs incident to the Work or any Constructor's work in progress, for the coordination of the Constructors' work or schedules, or for any failure of any Constructor to comply with Laws and Regulations applicable to the performing and furnishing of its work. The Engineer (including RPR) neither guarantees the performance of any Constructor nor assumes responsibility for any Constructor's failure to furnish and perform the Work, or any portion of the Work, in accordance with the Construction Contract Documents. In addition, the specific terms set forth in Exhibit A Paragraph 1.06 are applicable.

1.02 Duties and Responsibilities of RPR

A. The duties and responsibilities of the RPR are as follows:

1. General: RPR's dealings in matters pertaining to the Work in general will be with Contractor. RPR's dealings with Subcontractors shall only be through or with the full knowledge and approval of Contractor. RPR shall generally communicate with Owner only with the knowledge of and under the direction of Engineer.

2. Schedules: Review the progress schedule, schedule of Shop Drawing and Sample submittals, schedule of values, and other schedules prepared by Contractor and consult with Engineer concerning acceptability of such schedules.

3. Conferences and Meetings: Attend meetings with Contractor, such as preconstruction conferences, progress meetings, job conferences, and other Project-related meetings (but not including Contractor's safety meetings), and as appropriate prepare and circulate copies of minutes thereof.

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4. Safety Compliance: Comply with Site safety programs, as they apply to RPR, and if required to do so by such safety programs, receive safety training specifically related to RPR's own personal safety while at the Site.

5. Liaison

    a. Serve as Engineer's liaison with Contractor. Working principally through Contractor's authorized representative or designee, assist in providing information regarding the provisions and intent of the Construction Contract Documents.

    b. Assist Engineer in serving as Owner's liaison with Contractor when Contractor's operations affect Owner's on-Site operations.

    c. Assist in obtaining from Owner additional details or information, when required for proper execution of the Work.

6. Clarifications and Interpretations: Receive from Contractor submittal of any matters in question concerning the requirements of the Construction Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Construction Contract Documents. Report to Engineer regarding such RFIs. Report to Engineer when clarifications and interpretations of the Construction Contract Documents are needed, whether as the result of a Contractor RFI or otherwise. Transmit Engineer's clarifications, interpretations, and decisions to Contractor.

7. Shop Drawings, Samples, and other Submittals

    a. Receive Samples that are furnished at the Site by Contractor.

    b. Receive Contractor-approved Shop Drawings.

    c. Receive other Submittals from Contractor.

    d. Record date of receipt of Samples, Contractor-approved Shop Drawings, and other Submittals.

    e. Notify Engineer of availability of Samples for examination, and forward Contractor-approved Shop Drawings and other Submittals to Engineer. When appropriate recommend distribution of Submittal to specified Subconsultants.

    f. Advise Engineer and Contractor of the commencement of any portion of the Work requiring a Shop Drawing or Sample submittal, if RPR believes that the submittal has not been received from Contractor, or has not been approved by Contractor or Engineer.

8. Proposed Modifications: Consider and evaluate Contractor's suggestions for modifications to the Drawings or Specifications, and report such suggestions, together with RPR's recommendations, if any, to Engineer. Transmit Engineer's response (if any) to such suggestions to Contractor.

9. Review of Work; Defective Work

    a. Report to Engineer whenever RPR believes that any part of the Work is defective under the terms and standards set forth in the Construction Contract Documents, and provide recommendations as to whether such Work should be corrected,

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removed and replaced or accepted as provided in the Construction Contract Documents. **Installation of items that do not comply with Domestic Preference requirements is considered defective Work.**

b. Inform Engineer of any Work that RPR believes is not defective under the terms and standards set forth in the Construction Contract Documents but is nonetheless not compatible with the design concept of the completed Project as a functioning whole, and provide recommendations to Engineer for addressing such Work.

c. Advise Engineer of that part of the Work that RPR believes should be uncovered for observation, or requires special testing, inspection, or approval.

10. Inspections, Tests, and System Start-ups

a. Consult with Engineer in advance of scheduled inspections, tests, and systems start-ups.

b. Verify that tests, equipment, and systems start-ups and operating and maintenance training are conducted in the presence of appropriate Owner's personnel, and that Contractor maintains adequate records thereof.

c. Observe, record, and report to Engineer appropriate details relative to the test procedures and systems start-ups.

d. Observe whether Contractor has arranged for inspections required by Laws and Regulations, including but not limited to those to be performed by public or other agencies having jurisdiction over the Work.

e. Accompany visiting inspectors representing public or other agencies having jurisdiction over the Work, record the results of these inspections, and report to Engineer.

f. Nothing in this Agreement will be construed to require RPR to conduct inspections.

11. Records

a. Maintain at the Site orderly files for correspondence, reports of job conferences, copies of Construction Contract Documents including all Change Proposals, Change Orders, Field Orders, Work Change Directives, Addenda, additional Drawings issued subsequent to the execution of the Construction Contract, RFIs, Engineer's clarifications and interpretations of the Construction Contract Documents, progress reports, approved Shop Drawing and Sample submittals, and other Project-related documents.

b. Prepare a daily report or keep a diary or log book, recording Contractor's hours on the Site, Subcontractors present at the Site, weather conditions, data relative to questions of Change Proposals, Change Orders, Field Orders, Work Change Directives, or changed conditions, Site visitors, deliveries of equipment or materials, daily activities, decisions, observations in general, **observations on Domestic Preference and environmental mitigation compliance,** and specific observations in more detail as in the case of observing test procedures; and send copies to Engineer.

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c. **Photograph** or video Work in progress or Site conditions.

d. Record and maintain accurate, up-to-date lists of the company names and points of contact for Contractors, Subcontractors, and major Suppliers of materials and equipment.

e. Maintain records for use in preparing Project documentation.

f. Upon completion of the Work, furnish original set of all RPR Project documentation to designated recipients.

12. Reports

    a. Furnish periodic reports as required of progress of the Work and of Contractor's compliance with the progress schedule and schedule of Shop Drawing and Sample submittals.

    b. **Deleted**

    c. Furnish to Engineer and Owner copies of all inspection, test, and system start-up reports.

    d. Immediately inform appropriate parties of the occurrence of any Site accidents, emergencies, natural catastrophes endangering the Work, possible force majeure or delay events, damage to property by fire or other causes, or the discovery of any potential differing site condition or Constituent of Concern.

13. Payment Requests: Review applications for payment with Contractor for compliance with the established procedure for their submission and forward with recommendations to Engineer, noting particularly the relationship of the payment requested to the schedule of values, Work completed, and materials and equipment delivered at the Site but not incorporated in the Work.

14. Certificates, Operation and Maintenance Manuals: During the course of the Work, verify that materials and equipment certificates, operation and maintenance manuals and other data required by the Contract Documents to be assembled and furnished by Contractor are applicable to the items actually installed and in accordance with the Contract Documents, and have these documents delivered to Engineer for review and forwarding to Owner prior to payment for that part of the Work.

15. Completion

    a. Participate in Engineer's visits to the Site regarding Substantial Completion, assist in the determination of Substantial Completion, and prior to the issuance of a Certificate of Substantial Completion submit a punch list of observed items requiring completion or correction.

    b. Participate in Engineer's visit to the Site in the company of Owner and Contractor, to determine completion of the Work, and prepare a final punch list of items to be completed or corrected by Contractor.

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c. Observe whether all items on the final punch list have been completed or corrected, and make recommendations to Engineer concerning acceptance and issuance of the Notice of Acceptability of the Work (Exhibit E).

16. **Domestic Preference**

a. **Observe and report on compliance with Domestic Preference requirements including but not limited to: Verifying that items delivered to the site are accompanied by Domestic Preference documentation, as applicable, and photographing stored and installed items to document compliance.**

1.03 Limitations of Authority

A. Resident Project Representative shall not:

1. Authorize any deviation from the Construction Contract Documents or substitution of materials or equipment (including "or-equal" items).

2. Exceed limitations of Engineer's authority as set forth in this Agreement.

3. Undertake any of the responsibilities of Contractor, Subcontractors, or Suppliers, or any Constructor.

4. Advise on, issue directions relative to, or assume control over any aspect of the means, methods, techniques, sequences or procedures of the Work, by Contractor or any other Constructor.

5. Advise on, issue directions regarding, or assume control over security or safety practices, precautions, and programs in connection with the activities or operations of Owner or Contractor.

6. Participate in specialized field or laboratory tests or inspections conducted off-site by others except as specifically authorized by Engineer.

7. Accept Shop Drawing or Sample submittals from anyone other than Contractor.

8. Authorize Owner to occupy the Project in whole or in part.

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NOTICE OF ACCEPTABILITY OF WORK (EJCDC® C-626 2018)

Owner:	Owner's Project No.:
Engineer:	Engineer's Project No.:
Contractor:	Contractor's Project No.:
Project:	
Contract Name:	
Notice Date:	Effective Date of the Construction Contract:

The Engineer hereby gives notice to the Owner and Contractor that Engineer recommends final payment to Contractor, and that the Work furnished and performed by Contractor under the Construction Contract is acceptable, expressly subject to the provisions of the Construction Contract's Contract Documents ("Contract Documents") and of the Agreement between Owner and Engineer for Professional Services dated **[date of professional services agreement]** ("Owner Engineer Agreement"). This Notice of Acceptability of Work (Notice) is made expressly subject to the following terms and conditions to which all who receive and rely on said Notice agree:

1. This Notice has been prepared with the skill and care ordinarily used by members of the engineering profession practicing under similar conditions at the same time and in the same locality.
2. This Notice reflects and is an expression of the Engineer's professional opinion.
3. This Notice has been prepared to the best of Engineer's knowledge, information, and belief as of the Notice Date.
4. This Notice is based entirely on and expressly limited by the scope of services Engineer has been employed by Owner to perform or furnish during construction of the Project (including observation of the Contractor's Work) under the Owner Engineer Agreement, and applies only to facts that are within Engineer's knowledge or could reasonably have been ascertained by Engineer as a result of carrying out the responsibilities specifically assigned to Engineer under such Owner Engineer Agreement.
5. This Notice is not a guarantee or warranty of Contractor's performance under the Construction Contract, an acceptance of Work that is not in accordance with the Contract Documents, including but not limited to defective Work discovered after final inspection, nor an assumption of responsibility for any failure of Contractor to furnish and perform the Work thereunder in accordance with the Contract Documents, or to otherwise comply with the Contract Documents or the terms of any special guarantees specified therein.
6. This Notice does not relieve Contractor of any surviving obligations under the Construction Contract, and is subject to Owner's reservations of rights with respect to completion and final payment.

Engineer

By (signature): _____

Name (printed): _____

Title: _____

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ARTICLE 1—ELECTRONIC DOCUMENTS PROTOCOL (EDP)

Paragraph 6.03 of the Agreement is supplemented by the following Exhibit F Paragraph 1.01 and Exhibit F—Attachment 1: Software Requirements for Electronic Document Exchange:

1.01 Electronic Documents Protocol

A. Electronic Transmittals: The parties shall conform to the following provisions together referred to as the Electronic Documents Protocol ("EDP" or "Protocol") for exchange of electronic transmittals.

1. Basic Requirements

a. To the fullest extent practical, the parties agree to and will transmit and accept Electronic Documents by Electronic Means using the procedures described in this Protocol. Use of the Electronic Documents and any information contained therein is subject to the requirements of this Protocol and other provisions of the Agreement.

b. The contents of the information in any Electronic Document will be the responsibility of the transmitting party.

c. Electronic Documents as exchanged by this Protocol may be used in the same manner as the printed versions of the same documents that are exchanged using non-electronic format and methods, subject to the same governing requirements, limitations, and restrictions, set forth in the Agreement.

d. Except as otherwise explicitly stated herein, the terms of this Protocol will be incorporated into any other agreement or subcontract between the Owner and Engineer and any third party for any portion of the Project, or any Project-related services, where that third party is, either directly or indirectly, required to exchange Electronic Documents with Owner, Engineer, or any Contractor or other entity directly contracted with the Owner to furnish Program-related services. Nothing herein will modify the requirements of the Agreement and applicable Construction Contract Documents regarding communications between and among the individual third parties and their respective subcontractors and consultants, except to the extent that any respective subcontractor or consultant exchanges Electronic Documents with the Owner or Engineer.

e. When transmitting Electronic Documents, the transmitting Party makes no representations as to long term compatibility, usability, or readability of the items resulting from the receiving Party's use of software application packages, operating systems, or computer hardware differing from those established in this Protocol.

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f. Nothing herein negates any obligation (1) in the Agreement to create, provide, or maintain an original printed record version of Drawings and Specifications, signed and sealed according to applicable Laws and Regulations; (2) to comply with any applicable Law or Regulation governing the signing and sealing of design documents or the signing and electronic transmission of any other documents; or (3) to comply with any notice requirements limiting or otherwise modifying the acceptance of Electronic Documents for such notice.

2. System Infrastructure for Electronic Document Exchange

   a. Each party will provide hardware, operating system(s) software, internet, e-mail, and large file transfer functions ("System Infrastructure") at its own cost and sufficient for complying with the EDP requirements. With the exception of minimum standards set forth in this EDP and any explicit system requirements specified by attachment to this EDP, it will be the obligation of each party to determine, for itself, its own System Infrastructure.

      1) The maximum size of an e-mail attachment for exchange of Electronic Documents under this EDP is **[File Size]** MB. Attachments larger than that may be exchanged using large file transfer functions or physical media.

      2) Each Party assumes full and complete responsibility for any and all of its own costs, delays, deficiencies, and errors associated with converting, translating, updating, verifying, licensing, or otherwise enabling its System Infrastructure, including operating systems and software, for use with respect to this EDP.

   b. Each party is responsible for its own system operations, security, back-up, archiving, audits, printing resources, and other Information Technology ("IT") for maintaining operations of its System Infrastructure during the Project, including coordination with the party's individual(s) or entity responsible for managing its System Infrastructure and capable of addressing routine communications and other IT issues affecting the exchange of Electronic Documents.

   c. Each party will operate and maintain industry-standard, industry-accepted, ISO-standard, commercial-grade security software and systems that are intended to protect the other party from: software viruses and other malicious software like worms, trojans, adware; data breaches; loss of confidentiality; and other threats in the transmission to or storage of information from the other parties, including transmission of Electronic Documents by physical media such as CD/DVD/flash drive/hard drive. To the extent that a party maintains and operates such security software and systems, it will not be liable to the other party for any breach of system security.

   d. In the case of disputes, conflicts, or modifications to the EDP required to address issues affecting System Infrastructure, the parties will cooperatively resolve the issues; but, failing resolution, the Owner is authorized to make and require reasonable and necessary changes to the EDP to effectuate its original intent. If the changes cause additional cost or time to Engineer, not reasonably anticipated under the original EDP, Engineer shall be entitled to compensation as Additional Services for its costs associated with the revisions to the EDP, delayed adoption of Exhibit L or implementation of other Electronic Documents protocols.

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e. Each party is responsible for its own back-up and archive of documents sent and received during the term of any Project contract/agreement under this EDP, unless this EDP establishes a Project document archive, either as part of a mandatory Project website or other communications protocol, upon which the Parties may rely for document archiving during the specified term of operation of such project document archive. Further, each party remains solely responsible for its own post-Project back-up and archive of project documents, as each party deems necessary for its own purposes, after the term of contract, or termination of the project document archive, if one is established.

f. If a receiving party receives an obviously corrupted, damaged, or unreadable Electronic Document, the receiving party will advise the sending party of the incomplete transmission.

g. The parties will bring any non-conforming Electronic Documents into compliance with the EDP. The parties will attempt to complete a successful transmission of the Electronic Document or use an alternative delivery method to complete the communication.

B. Software Requirements for Electronic Document Exchange; Limitations

1. Each party will acquire the software and software licenses necessary to create and transmit Electronic Documents and to read and to use any Electronic Documents received from the other party (and if relevant from third parties), using the software formats required in this section of the EDP.

a. Prior to using any updated version of the software required in this section for sending Electronic Documents to the other party, the originating party will first notify and receive concurrence from the other party for use of the updated version or adjust its transmission to comply with this EDP.

2. The parties agree not to intentionally edit, reverse engineer, decrypt, remove security or encryption features, or convert to another format for modification purposes any Electronic Document or information contained therein that was transmitted in a software data format, including Portable Document Format (PDF), intended by sender not to be modified, unless the receiving party obtains the permission of the sending party or is citing or quoting excerpts of the Electronic Document for Project purposes.

3. Software and data formats for exchange of Electronic Documents will conform to the requirements set forth in the following Attachment 1 to this EDP, including software version, if listed.

C. Format and Distribution of Deliverables

1. By definition, "Documents" as used in this Agreement are documents expressly identified as deliverables from Engineer to Owner. Exhibit A of the Agreement identifies various Documents that Engineer is required to deliver to Owner as part of Engineer's services; Exhibit B is a schedule of such Documents. Engineer will transmit such Documents to Owner in the formats identified in Attachment 1 to this Protocol. If no specific format is identified for a deliverable Document, the format will be Portable Document Format (PDF).

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2. If a Document will be distributed to third parties, such as prospective bidders and contractors, reviewing agencies, or lenders, the transmittal format for distribution will be as identified in Attachment 1 to this Protocol; provided, however, that if a format for distribution of a specific Document is expressly stated in Exhibit A, then the Exhibit A format will take precedence. If no specific format is identified for distribution of a deliverable Document to third parties, the format will be Portable Document Format (PDF).

   a. If a format for Document distribution other than Portable Document Format (PDF) is specified, Owner shall first obtain a written, signed release from each third party to which the deliverable Document is distributed, establishing agreement to the following conditions:

      1) The content included in the Electronic Documents prepared by or for Engineer and covered by the request was prepared as an internal working document for Engineer's purposes solely, and is being provided to the third party on an "AS IS" basis without any warranties of any kind, including, but not limited to any implied warranties of fitness for any purpose. As such, the third party is advised and acknowledges that the content may not be suitable for the third party's application, or may require substantial modification and independent verification by the third party. The content may include limited resolution of models; not-to-scale schematic representations and symbols; use of notes to convey design concepts in lieu of accurate graphics; approximations; graphical simplifications; undocumented intermediate revisions; and other devices that may affect subsequent reuse.

      2) Electronic Documents containing text, graphics, metadata, or other types of data that are provided to the Requesting Party are only for the convenience of the third party. Any conclusion or information obtained or derived from such data will be at the third party's sole risk and the third party waives any and all claims against Engineer or Owner arising from the use of the Electronic Documents covered by the request, or of any data contained in such Electronic Documents.

      3) The third party shall indemnify and hold harmless Owner, Engineer, and Engineer's Subcontractors and Subconsultants, from all claims, damages, losses, and expenses, including attorneys' fees and defense costs arising out of or resulting from the third party's use, adaptation, or distribution of any Electronic Documents provided under the request.

      4) The third party agrees not to sell, copy, transfer, forward, give away or otherwise distribute this information (in source or modified file format) to any third party without the direct written authorization of Engineer, unless such distribution is specifically identified in the request and is limited to the third party's subcontractors and consultants. The third party warrants that subsequent use by the third party's subcontractors and subconsultants will comply with all terms of the Construction Contract Documents and any specific instructions or conditions established by Owner.

   b. If Engineer is required to assist or participate in obtaining such releases from third parties, such services will be categorized as Additional Services.

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EXHIBIT F—ATTACHMENT 1: SOFTWARE REQUIREMENTS FOR ELECTRONIC DOCUMENT EXCHANGE

Item	Electronic Documents	Transmittal Means	Data Format	Note (1)
a.1	General communications, transmittal covers, meeting notices, and responses to general information requests for which there is no specific prescribed form.	Email	Email	
a.2	Meeting agendas; meeting minutes; RFI's and Responses to RFI's; and Construction Contract administrative forms.	Email w/Attach	PDF	(2)
a.3	Contractor's Submittals (Shop Drawings, "Or Equal" requests, Substitute requests, documentation accompanying Sample submittals and other Submittals) to Owner and Engineer; and, Owner's and Engineer's Responses to Contractor's Submittals, Shop Drawings, Correspondence, and Applications for Payment	Email w/Attach	PDF	
a.4	Correspondence; Interim and Final Versions of reports, layouts, Specifications, Drawings, maps, calculations and spreadsheets, Construction Contract, Bidding/Proposal Documents, and Front-End Construction Contract Documents.	Email w/ Attach or LFE	PDF	(3)
a.5	Layouts, plans, maps, and Drawings to be submitted to Owner by Engineer for future use and modification	Email w/ Attach or LFE	DWG	
a.6	Correspondence, reports, and specifications to be submitted by Engineer to Owner for future word processing use and modification	Email w/ Attach or LFE	DOC	
a.7	Spreadsheets and data to be submitted to Owner by Engineer for future data processing use and modification	Email w/ Attach or LFE	EXC	
a.8	Database files and data to be submitted to Owner for future data processing use and modification	Email w/ Attach or LFE	DB	
Notes				
(1)	All exchanges and uses of transmitted data are subject to the appropriate provisions of the Agreement and Construction Contract.			
(2)	Transmittal of written notices is governed by requirements of the Agreement and Construction Contract.			
(3)	Transmittal of Bidding/Proposal Documents and Front-End Construction Contract Documents will be selected by Owner in Exhibit A, Paragraph 1.05.A.1.a. Unless otherwise expressly stated, these documents and the Construction Contract will be transmitted in PDF format, including transmittals to bidders and Contractor.			
Key				
EMAIL	Standard Email formats (.htm, .rtf, or .txt). Do not use stationery formatting or other features that impair legibility of content on screen or in printed copies.			
LFE	Agreed upon Large File Exchange method (FTP, CD, DVD, hard drive.)			
PDF	Portable Document Format readable by Adobe® Acrobat Reader Version **2022** or later.			
DWG	Autodesk® AutoCAD. dwg format Version **2021 or newer**.			
DOC	Microsoft® Word. docx format Version **Microsoft 365**.			
EXC	Microsoft® Excel .xlsx or .xml			
DB	Microsoft® Access .mdb			

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EXHIBIT G—INSURANCE

ARTICLE 1—INSURANCE

Paragraph 6.04 of the Agreement, Insurance, is supplemented to include the following Exhibit G Paragraphs 1.01 and 1.02:

1.01 Insurance Policies and Limits

A. In accordance with Paragraph 6.04.A of the Agreement, the insurance that Engineer must procure and maintain, and the policy limits of such insurance, are as follows:

Coverage	Policy limits of not less than:
Workers' Compensation	
State	Statutory
Employer's Liability	
Each accident	**$ 1,000,000**
Each employee	**$ 1,000,000**
Policy limit	**$ No limit**
Commercial General Liability	
General Aggregate	**$ 2,000,000**
Personal and Advertising Injury	**$ 1,000,000**
Bodily Injury and Property Damage—Each Occurrence	**$ 1,000,000**
Automobile Liability	
Bodily Injury	
Each Person	**$ 1,000,000**
Each Accident	**$ 1,000,000**
Property Damage	
Each Accident	**$ 1,000,000**
Or	
Combined Single Limit	
Combined Single Limit (Bodily Injury and Property Damage)	**$ 1,000,000**
Excess or Umbrella Liability	
Each Occurrence	**$ No requirement**
General Aggregate	**$ No requirement**
Professional Liability	
Each Claim	**$ 1,000,000**
Annual Aggregate	**$ 2,000,000**
Unmanned Aerial Vehicle Liability Insurance	
Each Claim	**$ No requirement**
General Aggregate	**$ No requirement**
Other Insurance [Specify]	
Each Claim	**$ N/A**
General Aggregate	**$ N/A**

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B. In accordance with Paragraph 6.04.C of the Agreement, the insurance that Owner must procure and maintain, and the policy limits of such insurance, are as follows:

Coverage	Policy limits of not less than:
Workers' Compensation	
State	Statutory
Employer's Liability	
Each accident	**$ 1,000,000**
Each employee$	**$ 1,000,000**
Policy limit	**$ No limit**
Commercial General Liability	
General Aggregate	**$ 2,000,000**
Personal and Advertising Injury	**$ 1,000,000**
Bodily Injury and Property Damage—Each Occurrence	**$ 1,000,000**
Automobile Liability	
Bodily Injury	
Each Person	**$ 1,000,000**
Each Accident	**$ 1,000,000**
Property Damage	
Each Accident	**$ 1,000,000**
Or	
Combined Single Limit	
Combined Single Limit (Bodily Injury and Property Damage)	**$ 1,000,000**
Excess or Umbrella Liability	
Each Occurrence	**$ No requirement**
General Aggregate	**$ No requirement**
Unmanned Aerial Vehicle Liability Insurance	
Each Claim	**$ No requirement**
General Aggregate	**$ No requirement**
Other Insurance [Specify]	
Each Claim	**$ N/A**
General Aggregate	**$ N/A**

1.02 Additional Insureds

A. Owner shall cause Engineer, its Subconsultants, and its Engineer's Subcontractors to be listed as additional insureds on any of Owner's general liability policies that are applicable to the Project. The following individuals or entities are to be listed on Owner's general liability policies of insurance (and on Contractor's policies required under Paragraph 6.04.D of the Agreement) as additional insureds:

Name of Additional Insured	Address
Wallace Group, A California Corporation	**612 Clarion Court, San Luis Obispo, CA 93401**
Earth Systems Pacific	**720 Aerovista Place, Suite A, San Luis Obispo, CA 93401**
Otto Electrical	**979 Osos Street, Suite F10, San Luis Obispo, CA 93401**
County of Monterey	**168 West Alisal Street, 3rd Floor, Salinas, CA 93901-2439**

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B. During the term of this Agreement the Engineer shall notify Owner of any other Subconsultant or Engineer's Subcontractor to be listed as an additional insured on Owner's and applicable Contractor's general liability policies of insurance.

C. The Owner must be listed on Engineer's general liability policy as provided in Paragraph 6.04.B.

D. For applicable Contractor's general liability policies of insurance, the additional insured endorsements will include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together). If Contractor demonstrates to Owner that the specified ISO endorsements are not commercially available, then Contractor may satisfy this requirement by providing equivalent endorsements.

E. For applicable Contractor's general liability policies of insurance, Contractor shall provide ISO Endorsement CG 20 32 07 04, "Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured" or its equivalent for Engineer, Subconsultants, and other design professional additional insureds.

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EXHIBIT H—DISPUTE RESOLUTION

ARTICLE 1—DISPUTE RESOLUTION METHOD

Paragraph 6.07 of the Agreement, Dispute Resolution, is supplemented to include the following Exhibit H Paragraph 1.01:

1.01 Arbitration

A. Method for Resolution of Disputes: All Disputes between Owner and Engineer that have not been resolved by negotiations or mediation will be settled by arbitration administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules (subject to the conditions and limitations of this Exhibit H Paragraph 1.01). This agreement to arbitrate will be specifically enforceable under the prevailing law of any court having jurisdiction.

B. Arbitration Provisions

1. Notice of the demand for arbitration must be filed in writing with the other party to the Agreement and with the selected arbitration administrator. The demand must be made within a reasonable time after the Dispute has arisen. In no event may the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such Dispute would be barred by the applicable statute of limitations.

2. The arbitrator(s) must be licensed engineers, architects, contractors, attorneys, or construction managers. Hearings will take place pursuant to the standard procedures of the Construction Arbitration Rules that contemplate in-person hearings. The arbitrators will have no authority to award punitive or other damages not measured by the prevailing party's actual damages, except as may be required by statute or the Agreement. Any award in an arbitration initiated under this clause will be limited to monetary damages and include no injunction or direction to any party other than the direction to pay a monetary amount.

3. If the applicable arbitration rules require a preliminary mediation, but the parties have already participated in mediation with respect to the Dispute, then the second mediation is not required.

4. The rules of any arbitration must be supplemented to include the following: The award rendered by the arbitrators must be in writing, and include (a) a precise breakdown of the award, and (b) a written explanation of the award specifically citing the Agreement provisions deemed applicable and relied on in making the award.

5. The award rendered by the arbitrators will be consistent with this Agreement and final, and judgment may be entered upon it in any court having jurisdiction thereof, and will not be subject to appeal or modification.

6. The arbitrators will have the authority to allocate the costs of the arbitration process among the parties, but will only have the authority to allocate attorneys' fees if a specific Law or Regulation or this Agreement expressly permits them to do so.

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7. The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges will constitute a waiver by that party of the right to present evidence or cross-examine witness. In such event, the other party will be required to present evidence and legal argument as the arbitrator(s) may require for the making of an award. Such waiver will not allow for a default judgment against the non-paying party in the absence of evidence presented as provided for above.

8. Except as may be required by Laws or Regulations, neither party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties, with the exception of any disclosure required by Laws and Regulations or the Agreement. To the extent any disclosure is allowed pursuant to the exception, the disclosure must be strictly and narrowly limited to maintain confidentiality to the extent possible.

9. If a Dispute in question between Owner and Engineer involves the work of a Contractor, Subcontractor, or consultants to the Owner, Subconsultants to the Engineer, or Engineer's Subcontractors (each a "Joinable Party"), and such Joinable Party has agreed contractually or otherwise to participate in a consolidated arbitration concerning this Project, then either Owner or Engineer may join such Joinable Party as a party to the arbitration between Owner and Engineer hereunder. Nothing in this Exhibit H Paragraph 1.01 nor in the provision of such contract consenting to joinder will create any claim, right, or cause of action in favor of the Joinable Party and against Owner or Engineer that does not otherwise exist.

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EXHIBIT I—LIMITATIONS OF LIABILITY – NOT USED

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EXHIBIT J—PAYMENTS TO ENGINEER FOR SERVICES AND REIMBURSABLE EXPENSES

COMPENSATION PACKET BC-2: BASIC SERVICES—STANDARD HOURLY RATES

ARTICLE 1—COMPENSATION PACKET BC-2: BASIC SERVICES—STANDARD HOURLY RATES

Article 2 of the Agreement is supplemented to include the following Exhibit J Paragraphs 1.01, 1.02, and 1.03:

1.01 Compensation for Basic Services (other than Resident Project Representative)—Standard Hourly Rates Method of Payment

A. Owner shall pay Engineer for Basic Services set forth in Exhibit A (except for Resident Project Representative services, if any) as follows:

1. An amount equal to the cumulative hours charged to the Project by Engineer's personnel times Standard Hourly Rates for the applicable billing class, plus Reimbursable Expenses, plus Engineer's Subcontractors' and Subconsultants' charges, if any.

2. The Standard Hourly Rates charged by Engineer constitute full and complete compensation for Engineer's services, including labor costs, overhead, and profit; the Standard Hourly Rates do not include Reimbursable Expenses or Engineer's Subcontractor's and Subconsultants' charges.

3. Engineer's Reimbursable Expenses Schedule and Standard Hourly Rates are attached to this Exhibit J as Appendices 1 and 2.

4. The total compensation for such services is estimated to be **$ 698,000** based on the following estimated distribution of compensation:

a.	Study and Report Phase	**$ 127,000**
b.	Design Phase	**$ 422,000**
c.	Bidding Phase	**$ 29,000**
d.	Construction Phase	**$ 110,000**
e.	Post-Construction Phase	**$ 10,000**

5. Engineer may alter the distribution of compensation between individual phases of the work noted herein to be consistent with services actually rendered, but compensation will not exceed the total estimated compensation amount unless approved in writing by Owner **and USDA State Engineer**. See also Exhibit J Paragraph 1.03.C.2 below.

6. The total estimated compensation for Engineer's services included in the breakdown by phases incorporates all labor, overhead, profit, Reimbursable Expenses, and Engineer's Subcontractor's and Subconsultants' charges.

7. The amounts billed for Engineer's services under Exhibit J Paragraph 1.01 will be based on the cumulative hours charged to the Project during the billing period by Engineer's employees times Standard Hourly Rates for the applicable billing class, plus Reimbursable Expenses and Engineer's Subcontractor's and Subconsultants' charges.

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1.02 Compensation for Reimbursable Expenses

A. Owner shall reimburse Engineer for Reimbursable Expenses directly related to the provision of Basic Services, using the rates set forth in Appendix 1 to this Exhibit J when applicable.

B. Reimbursable Expenses include the expenses identified in Appendix 1 and the following: transportation (including mileage), lodging, and subsistence incidental thereto; providing and maintaining field office facilities including furnishings and utilities; toll telephone calls, mobile phone charges, and courier charges; reproduction of reports, Drawings, Specifications, bidding-related or other procurement documents, Construction Contract Documents, and similar Project-related items. In addition, if authorized in advance by Owner, Reimbursable Expenses will also include expenses incurred for the use of highly specialized equipment.

C. The amounts payable to Engineer for Reimbursable Expenses will be the Project-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external Reimbursable Expenses allocable to the Project, the latter multiplied by a factor of **1.15**.

1.03 Other Provisions Concerning Payment

A. Whenever Engineer is entitled to compensation for the charges of Engineer's Subcontractors and Subconsultants, such compensation will be the amounts billed to Engineer by Engineer's Subconsultants times a factor of **1.15**.

B. Factors: The external Reimbursable Expenses and Engineer's Subcontractors' and Subconsultants' factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.

C. Estimated Compensation Amounts

1. Engineer's estimate of the amounts that will become payable for specified services are only estimates for planning purposes, are not binding on the parties, and are not the minimum or maximum amounts payable to Engineer under the Agreement.

2. When estimated compensation amounts have been stated herein and it subsequently becomes apparent to Engineer that the total compensation amount thus estimated will be exceeded, Engineer shall give Owner **and USDA Rural Development** written notice thereof, allowing Owner to consider its options, including suspension or termination of Engineer's services for Owner's convenience. Upon notice, Owner and Engineer will promptly review the matter of services remaining to be performed and compensation for such services. Owner shall either exercise its right to suspend or terminate Engineer's services for Owner's convenience, agree to such compensation exceeding said estimated amount, or agree to a reduction in the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed. If Owner decides not to suspend the Engineer's services during the negotiations and Engineer exceeds the estimated amount before Owner and Engineer have agreed to an increase in the compensation due Engineer or a reduction in the remaining services, then Engineer will be paid for all services rendered hereunder.

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D. The Standard Hourly Rates and Reimbursable Expenses Schedule will be adjusted annually (as of **July 1**) to reflect equitable changes in the compensation payable to Engineer. **Changes will not be effective unless and until concurred in writing by the Owner and USDA State Engineer**.

E. To the extent necessary to verify Engineer's charges and upon Owner's timely request, Engineer shall make copies of such records available to Owner at cost.

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ARTICLE 2—COMPENSATION PACKET RPR-2: RESIDENT PROJECT REPRESENTATIVE—STANDARD HOURLY RATES

Article 2 of the Agreement is supplemented to include the following Exhibit J Paragraph 2.01:

2.01 Compensation for Resident Project Representative Services—Standard Hourly Rates Method of Payment

A. Owner shall pay Engineer for Resident Project Representative Services as follows:

1. Resident Project Representative Services: For services of Engineer's Resident Project Representative (RPR), if any, under Exhibits A and D, an amount equal to the cumulative hours charged by each class of Engineer's personnel providing RPR services times Standard Hourly Rates for each applicable billing class, plus RPR-related Reimbursable Expenses and RPR-related Engineer's Subcontractors' and Subconsultants' charges, if any. Standard Hourly Rates are set forth in Appendix 2, Standard Hourly Rates Schedule.

2. The total compensation under this paragraph is estimated to be **$ 422,000** based upon full-time RPR services on an eight-hour workday, Monday through Friday, over a **365 day** construction schedule.

B. Compensation for Reimbursable Expenses

1. For those Reimbursable Expenses that are directly related to the provision of RPR services and are not already accounted for in the compensation for Basic Services, Owner shall reimburse Engineer, using the rates set forth in Appendix 1, Reimbursable Expense Schedule, to this Exhibit J when applicable.

2. Such Reimbursable Expenses include, to the extent RPR-related, the expenses identified in Appendix 1 and the following: transportation (including mileage), lodging, and subsistence incidental thereto; providing and maintaining field office facilities including furnishings and utilities; subsistence and transportation of Resident Project Representative; toll telephone calls, mobile phone charges, and courier charges; reproduction of reports, Drawings, Specifications, bidding-related or other procurement documents, Construction Contract Documents, and similar items. In addition, if authorized in advance by Owner, Reimbursable Expenses will also include expenses incurred for the use of highly specialized equipment.

3. The amounts payable to Engineer for Reimbursable Expenses, if any, will be those internal expenses related to RPR services that are actually incurred or allocated by Engineer, plus all invoiced external Reimbursable Expenses allocable to such services, the latter multiplied by a factor of **1.15**.

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C. Other Provisions Concerning Payment

1. Whenever Engineer is entitled to compensation for the RPR-related charges of Engineer's Subcontractors and Subconsultants, that compensation will be the amounts billed by Engineer's Subcontractors and Subconsultants to Engineer times a factor of **1.15**.
2. Factors: The external Reimbursable Expenses and Engineer's Subcontractors' and Subconsultants' factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.
3. Estimated Compensation Amounts
    a. Engineer's estimate of the amounts that will become payable for specified services are only estimates for planning purposes, are not binding on the parties, and are not the minimum or maximum amounts payable to Engineer under the Agreement.
    b. When estimated compensation amounts have been stated herein and it subsequently becomes apparent to Engineer that the total compensation amount thus estimated will be exceeded, Engineer shall give Owner **and USDA State Engineer** written notice thereof, allowing Owner to consider its options, including suspension or termination of Engineer's services for Owner's convenience. Upon notice Owner and Engineer will promptly review the matter of services remaining to be performed and compensation for such services. Owner shall either exercise its right to suspend or terminate Engineer's services for Owner's convenience, agree to such compensation exceeding said estimated amount, or agree to a reduction in the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed. If Owner decides not to suspend Engineer's services during negotiations and Engineer exceeds the estimated amount before Owner and Engineer have agreed to an increase in the compensation due Engineer or a reduction in the remaining services, then Engineer shall be paid for all services rendered hereunder.
4. The Standard Hourly Rates and the Reimbursable Expenses Schedule will be adjusted annually (as of **July** 1) to reflect equitable changes in the compensation payable to Engineer for RPR-related services and expenses. **Changes will not be effective unless and until concurred in writing by the Owner and USDA State Engineer.**
5. To the extent necessary to verify Engineer's charges and upon Owner's timely request, Engineer shall make copies of such records available to Owner **at no cost.**

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USDA RUS Funding Certification

COMPENSATION FOR ENGINEER'S SERVICES

County of Monterey – CY2022 Disaster Water Grant
Pajaro CSD Sewer Upgrades and Repair Project

Study and Report Phase		$ 127,000
Design Phase Services		$ 422,000
Bidding Phase Services		$ 29,000
Construction Phase Services		$ 110,000
Post-Construction Phase Services		$ 10,000
Resident Project Representative (RPR)		$ 422,000
	Total:	$ 1,120,000

a. The Engineer's invoices shall include a breakdown and description of the services provided based on the line items above and the invoices shall only include work that has been completed. The invoiced charges shall be based on Standard Hourly Rates for each applicable billing class for all services performed on the Project, plus related Reimbursable Expenses and Engineer's Consultant's charges, if any.

b. A copy of the Engineer's current Standard Rate Schedule is attached. The Standard Fee Schedule includes descriptions of standard hourly rates, and the service provided at each rate and a description of the charge rates for reimbursable expenses.

c. The Engineer's billing shall not exceed the Total Amount shown. Any changes to the Engineering fees must be approved by USDA Rural Development and the Owner. Any approved adjustments to the Engineering fees shall be made by written amendment.

USDA RUS AGENCY CONCURRENCE

As lender or insurer of funds to defray the costs of this Engineering Services Agreement, and without liability for any payments thereunder, USDA Rural Development hereby concurs in the form, content, and execution of this Engineering Services Agreement in accordance with the authorized Letter of Conditions for project funding.

Signature – USDA Rural Development Representative Date

Robert Neilson, P.E. State Engineer

Print Name and Title

County of Monterey – CY2022 Disaster Water Grant - Pajaro CSD Sewer Upgrades and Repair Project

Project Name

EXHIBIT A
Standard Billing Rates

Engineering, Design & Support Services:

Assistant Designer/Technician	$133
Designer/Technician I – IV	$137/$147/$157/$167
Senior Designer/Technician I – III	$178/$185/$192
GIS Technical Specialist	$172
Senior GIS Technical Specialist	$184
Associate Engineer I – III	$145/$155/$165
Engineer I – IV	$184/$189/$194/$199
Senior Engineer I - III	$217/$225/$232
Director	$236
Principal Engineer/Consulting Engineer	$264
Principal	$290

Surveying Services:

Party Chief	$197
Party Chief (*Prevailing Wage)	$250
Instrument Person	$138
Instrument Person (*Prevailing Wage)	$150
Associate Survey Technician	$130
Survey Technician I – IV	$145/$150/$160/$165
Land Surveyor I – III	$176/$186/$196
Senior Land Surveyor I - III	$205/$210/$215
Director	$236
Principal Surveyor	$264
Principal	$290

Planning Services:

Associate Planner I - II	$119/$129
Planner I – IV	$145/$155/$165/$175
Senior Planner I - III	$180/$185/$190
Director	$217
Principal Planner/Consulting Engineer	$232
Principal	$290

Landscape Architecture Services:

Associate Landscape Designer I – II	$114/$124
Designer I – IV	$129/$134/$139/$144
Landscape Architect I - IV	$153/$158/$163/$168
Senior Landscape Architect I - III	$174/$179/$184
Director	$202
Principal Landscape Architect	$222
Principal	$290

Construction/Program Management and Inspection Services:

Construction Office Tech I-III	$129/$139/$149
Construction Inspector I-IV	$155/$160/$165/$170
Senior Construction Inspector	$175
Construction Inspector (*Prevailing Wage)	$185
Assistant Construction/ Program Manager I - II	$170/$175
Construction/ Program Manager I-III	$180/$185/$190
Senior Construction/ Program Manager I - II	$200/$205
Assistant Resident Engineer I - II	$180/$185
Resident Engineer I-III	$190/$195/$200
Senior Resident Engineer I-II	$210/$215
Director	$235
Principal Construction Manager	$261
Principal	$290

Public Works Administration Services:

Project Analyst I - IV	$129/$139/$149/$159
Senior Project Analyst I - III	$165/$170/$175
Senior Environmental Compliance Specialist I - III	$180/$185/$190

Support Services:

Office Assistant	$125
Project Assistant I – III	$135/$140/$150

***Prevailing Wage:**

State established prevailing wage rates will apply to some services based on state law, prevailing wage rates are subject to change over time and geographic location.

Right to Revisions:

Wallace Group reserves the right to revise our standard billing rates on an annual basis, personnel classifications may be added as necessary.

Additional Professional Services:

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of $400 an hour. If required to meet schedule requests, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

Direct Expenses:

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- delivery/copy services
- sub-consultant services
- mileage (per IRS rates)
- agency fees
- other direct expenses

Invoicing and Interest Charges:

Invoices are submitted monthly on an accrued cost basis. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.

DOMESTIC PREFERENCE REQUIREMENTS
American Iron and Steel Act (AIS)
USDA Rural Development

Engineer's Responsibilities

A. Prepare the project plans, specifications, and bidding documents with an understanding of the Domestic Preference AIS requirements that are required for the project.

B. Provide project cost estimates that include Domestic Preference AIS requirements.

C. Certify that the Bidding and Construction Contract Documents comply with the Domestic Preference AIS requirements by:

- Including the required AIS language, and
- Obtaining the required Manufacturer's Certification Letter for sole source iron and steel products, manufactured products, and construction materials that are referred to by name in the bidding documents or copies of a waiver and provide copies to bidders.

D. Require that Contractors provide a Manufacturer's Certification for proposed "or-equal" or substitute iron and steel products, manufactured products, and construction materials during bidding, submittal reviews, and for construction change proposals.

E. Submit waiver requests to USDA Rural Development

F. Confirm that Manufacturer's Certifications or waivers meeting Domestic Preference AIS Requirements have been received for all items requested in the application for payment process.

G. Document project compliance by:

- Maintaining a record of iron and steel products, manufactured products and construction materials that are not covered under a waiver,
- Obtaining a Manufacturer's Certification Letter for each recorded iron and steel product, manufactured product and construction material used in the project, or copy of an approved waiver, that will be kept in an on-site project file.
- Maintaining a list of iron and steel products, manufactured products and construction materials used in the project that are under a De Minimis Waiver.

H. Provide copies of the Engineer's Certification Letter, the Contractor's Certification Letter and all Manufacturer's Certification Letters, or waivers, with the Engineer's record of iron and steel products, manufactured products and construction materials used in the project to the Owner and USDA Rural Development at Substantial Completion.

ENGINEER'S CERTIFICATION

American Iron and Steel Requirements

USDA Rural Development

Date:

RE: [Project Name]
[Owner's Name]
[Construction Contract Name]

I hereby certify that to the best of my knowledge and belief, all iron and steel products referenced in the following project documents:

Plans, Specifications, Bidding Documents, Bid Addenda, Executed Contracts, and Change Orders;

comply with Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference, or are the subject of a waiver approved by the Secretary of Agriculture or designee.

This certification is not intended to be a warranty in any way, but rather the designer's professional opinion that to the best of their knowledge the documents described herein comply with the American Iron and Steel Requirements for USDA Rural Development funded projects.

_____
Name of Engineering Firm (PRINT)

_____
By Authorized Representative (SIGNATURE)

_____
Title

This form is available electronically.

Form Approved – OMB No. 0505-0027
Expiration Date: 12/31/2018

USDA

United States Department of Agriculture

AD-1048

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552(a), as amended). This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, and 2 C.F.R. §§ 180.300, 180.355, Participants' responsibilities. The regulations were amended and published on August 31, 2005, in 70 Fed. Reg. 51865-51880. Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0505-0027. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The provisions of appropriate criminal and civil fraud privacy, and other statutes may be applicable to the information provided.

(Read Instructions On Page Two Before Completing Certification)

A. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency;

B. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ORGANIZATION NAME	PR/AWARD NUMBER OR PROJECT NAME
WALLACE GROUP	Pajaro CSD - Las Lomas Spot Repairs
NAME(S) AND TITLE(S) OF AUTHORIZED REPRESENTATIVE(S)	
Brad Brechwald, President & CEO	
SIGNATURE(S)	DATE
	10-15-25

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider, employer and lender.

Instructions for Certification

(1) By signing and submitting this form, the prospective lower tier participant is providing the certification set out on page 1 in accordance with these instructions.

(2) The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

(3) The prospective lower tier participant shall provide immediate written notice to the person(s) to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(4) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549, at 2 C.F.R. Parts 180 and 417. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

(5) The prospective lower tier participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

(6) The prospective lower tier participant further agrees by submitting this form that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

(7) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the System for Award Management (SAM) database.

(8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(9) Except for transactions authorized under paragraph (5) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

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CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

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 any 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 or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

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 or loan, the undersigned shall complete and submit Standard From – LLL, "Disclosure of Lobbying Activities," 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 contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose 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.

DocuSigned by:
Randell Ishii
C09779208FE94F3...

Randell Ishii, MS, PE, TE, PTOE — October 21, 2025

(Name) (Date)

Director, Department of Public Works, Facilities and Parks

(Title)

(08-21-91) PN 171

Attachment B

August 4, 2025

Benny Young
County of Monterey
1441 Schilling Place South, 2nd Floor
Salinas, California 93901

Subject: Pajaro County Sanitation District Sewer Repairs

Dear Benny Young:

Wallace Group appreciates the opportunity to provide you with our proposal for engineering services for the above referenced project. Based on our discussion, the following Scope of Services has been prepared for your consideration:

PROJECT UNDERSTANDING

Pajaro County Sanitation District (CSD) is requesting Wallace Group to provide engineering services for the design of 24 immediate repair sewer capital improvement projects (CIPs) in the Las Lomas community as well as improvements to the Pajaro sewer lift station. The projects have secured funding through a grant on behalf of the United States Department of Agriculture (USDA) Rural Utilities Service (RUS). The projects will include:

- Pajaro Lift station improvements (wet well lining, piping, pumps, instrumentation, back-up generator)
- Feasibility study regarding an alternative alignment for the sewer main between SSMH #33 and the Las Lomas Lift Station. The County has reported that this section may be damaged and the angle of the main entering SSMH #1 causes surcharging issues.
- CIP 2, Sill Road, Replace pipe (320 ft),
- CIP 3, Sill Road, Spot repair 39 ft from MH 96
- CIP 4, Overpass Rd, Spot repair 47 ft from MH 116
- CIP 5, Overpass Rd, Spot repair (10ft) at all locations
- CIP 6, Miller Road, Spot repair 13 ft from MH 114
- CIP 7, Miller Road, Spot repair 241 ft upstream of MH 114
- CIP 8, Miller Road, Spot repair 240 ft from MH 105
- CIP 9, Thomas Road, Spot repairs (10ft) 49 ft and 89 ft upstream of MH 131 and 39 ft downstream of MH 133
- CIP 10, Thomas Road, Spot repair 100 ft downstream of MH 131
- CIP 11, Thomas Road, Spot repair 69 ft downstream from MH 125
- CIP 12, Gregory Road, Spot repair 83 ft upstream from MH 90
- CIP 13, Gregory Road, Spot repair at protruding sewer lateral (64 ft downstream of MH 90)
- CIP 14, Clausen Road, Spot repair 277 ft from MH 150
- CIP 15, Clausen Road, Spot repair 221 ft downstream from MH 144 and 70 ft upstream from MH 143
- CIP 16, Boling Road, Spot repair 36 ft from MH 157
- CIP 17, Las Lomas Drive, Spot repair 43 ft upstream from MH 80 and spot repairs 134 ft and 199 ft downstream of MH 81
- CIP 18, Las Lomas Drive, Spot repairs 104 ft downstream from MH 65 and 39ft upstream from MH 64
- CIP 19, Las Lomas Drive, Spot repair 10 ft from MH 83.1
- CIP 20, Las Lomas Drive, Spot repair 88 ft downstream from MH 50 and spot repair 37ft upstream from MH 49

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- CIP 21, Willow Road, Spot repair 150ft upstream from MH 17; spot repair 290 ft downstream of D MH 25 (there is the potential that these repairs coincide with the same spot)
- CIP 22, Las Lomas Drive, Spot repair 231 ft downstream of MH 44 (6/21/22) and 81 ft upstream (6/22/22) from MH 43; there is the potential that these repairs coincide with the same spot
- CIP 23, Las Lomas Drive, Replace main line from 90ft downstream of MH 43 all the way to MH 41
- CIP 24, Berry Road, Replace main line from 25ft to 55ft downstream from MH 12; spot repair of offset joints (10ft); there is the potential that these joint spot repairs coincide with the same spot.

The anticipated plan sheet layout is as follows:

- Cover – 1 sheet
- Notes – 1 sheet
- Project Overview and Location Map – 1 sheet
- Spot Repair CIPs, Plan/Profile – 8 sheets
- Spot Repair Details – 2 sheets
- Sewer Main CIPs, Replacement Plan/Profile – 6 sheets
- Pajaro Lift Station Site Plan and Details – 3 sheets

Total = 22 sheets

The following assumptions are made for the development of the plans, specifications, and estimate (PS&E):

- The 30% design will include no topographic survey. We will use publicly available aerial imagery and GIS for design and initial layout.
- Wallace Group will perform a boundary survey, obtain Right of Way record information, and obtain a Title Report for only two of the project sites:
    - Pajaro Lift Station
    - Alternative sewer alignment upstream of Las Lomas Lift Station, if the County desires to move forward with this evaluation after the 30% submittal
- No boundary survey, Right of Way record information, or Title Reports will be performed/obtained for the other project sites.
- No structural engineering services are needed for any of the projects.
- Wallace Group will utilize the 2022 CCTV inspections of each of the sewer mains to identify sewer lateral locations, which are to be identified on the plan set.
- Wallace Group will obtain geotechnical services to conduct borings and advise on trench backfill requirements, depth to groundwater, etc.
- Wallace Group will obtain electrical engineering services to provide initial recommendations and electrical design in support of the Pajaro Lift Station upgrades.
- Wallace Group will contact utilities to obtain atlas maps and record drawings (if available) for each of the project sites, but potholing is not included in current scope of work. It may be determined during the design phase that potholing would be beneficial. If so, we will advise the County.

- The PS&E package will be publicly bid per the Scope of Work provided below. It is our understanding the contractor will be hired through Job Order Contracting (JOC), and that no front-end documents will be needed. Wallace Group will prepare the bid schedule, measurement & payment, and technical specifications, in CSI format.
- The bid will be one design package and not broken into multiple bid contracts.
- Wallace Group will provide grant compliance support, engineering services during bid phase and construction, SWPPP services, and construction management services.
- The County will provide input on specific upgrades desired at the Pajaro Lift Station.
- Due to the anticipated area of disturbance, it is expected the project must comply with the California Stormwater Pollution Prevention Plan (SWPP) requirements:
    - The State of California requires construction projects over 1 acre to comply with the current state stormwater general permit for construction which is the 2022 CGP. The CGP requires a state certified Qualified SWPPP Developer (QSD) to develop all SWPPPs and to conduct some inspection, and reporting tasks during construction alongside a Qualified SWPPP Practitioner (SWPPP inspector).
    - 2022 California General Permit 2022-0057-DWQ also requires the project's Owner/Legally Responsible Party (LRP) to have a Certified QSD and QSP under contract throughout construction as part of a permitted SWPPP project to provide mandatory inspections and reporting until the project's Notice of Termination (NOT) is approved by the State Water Resources Control Board (SWRCB) or local Regional Water Quality Control Board (RWQCB).

SCOPE OF SERVICES

Task 1.0: Project Management, QA/QC, and Meetings

Task 1.1 Project Management
This task includes day-to-day coordination of project activities, including scheduling and budget controls, staffing needs and coordination, agency coordination, monthly update status and reporting, and other related project management activities. This effort is based on the scheduled duration of approximately 1 year (anticipated design phase durations – design should be complete by 4/2/2026 per the grant).

Task 1.2 Kick-off Meeting and Field Review of Facilities
We will coordinate and attend a kick-off meeting with key Wallace Group, County, and USDA team members. We will prepare the meeting agenda and minutes for this meeting. This meeting will focus on the project objectives, scope of services, schedule, deliverables, and other components of the project so that the project direction is well defined. We request that any items that may be of importance for the completion of the report be provided to Wallace Group at the time of the kick-off meeting. We will prepare and provide the County with an agenda and a preliminary list of requested items prior to the kick-off meeting to help facilitate the information collection process.

Immediately following the meeting, Wallace Group will complete a field review of the project site conditions and constraints, review condition of existing pavement, traffic conditions, observation of other utilities in the area, new pavement cuts which depict recently buried utilities, existing signage, utility poles, driveway/access issues, potential for parking, pedestrian and bicycle impacts, striping and other visible features at the surface, emergency

access and other issues that can arise during construction of the Project. We will document the field investigation with photographs.

This effort is expected to be completed on the same day as the kick-off meeting. It is estimated that this effort will take approximately six (6) hours plus travel, based on the meeting taking place on site at Las Lomas.

Task 1.3 Project Meetings
We will attend and prepare agendas and meeting minutes for the project meetings. This task includes preparing responses to comments received during deliverable review meetings. We assumed for budgeting purposes, bi-weekly check-in virtual meetings throughout the design phase as well as three one-hour project meetings at the following milestones:

- 30% Design
- 60% Design
- 90% Design

Task 1.4 Quality Assurance/Quality Control (QA/QC)
Wallace Group will provide in-house quality assurance and quality control (QA/QC) at all three of the milestone deliverable stages (30, 60, and 90%). At each milestone, there is a comprehensive QA/QC review of project research, data, calculations, and report by senior or principal engineers within our firm. Between 60% and 90%, Wallace Group will also complete a constructability review by a senior member of our construction management team.

Task 1.5 Grant Compliance Support
Wallace Group will provide grant support as needed throughout the duration of the project. This will be to assist with reports, discussions with USDA, or other support as needed. We have budgeted 210 hours to include support through both the design and construction phases.

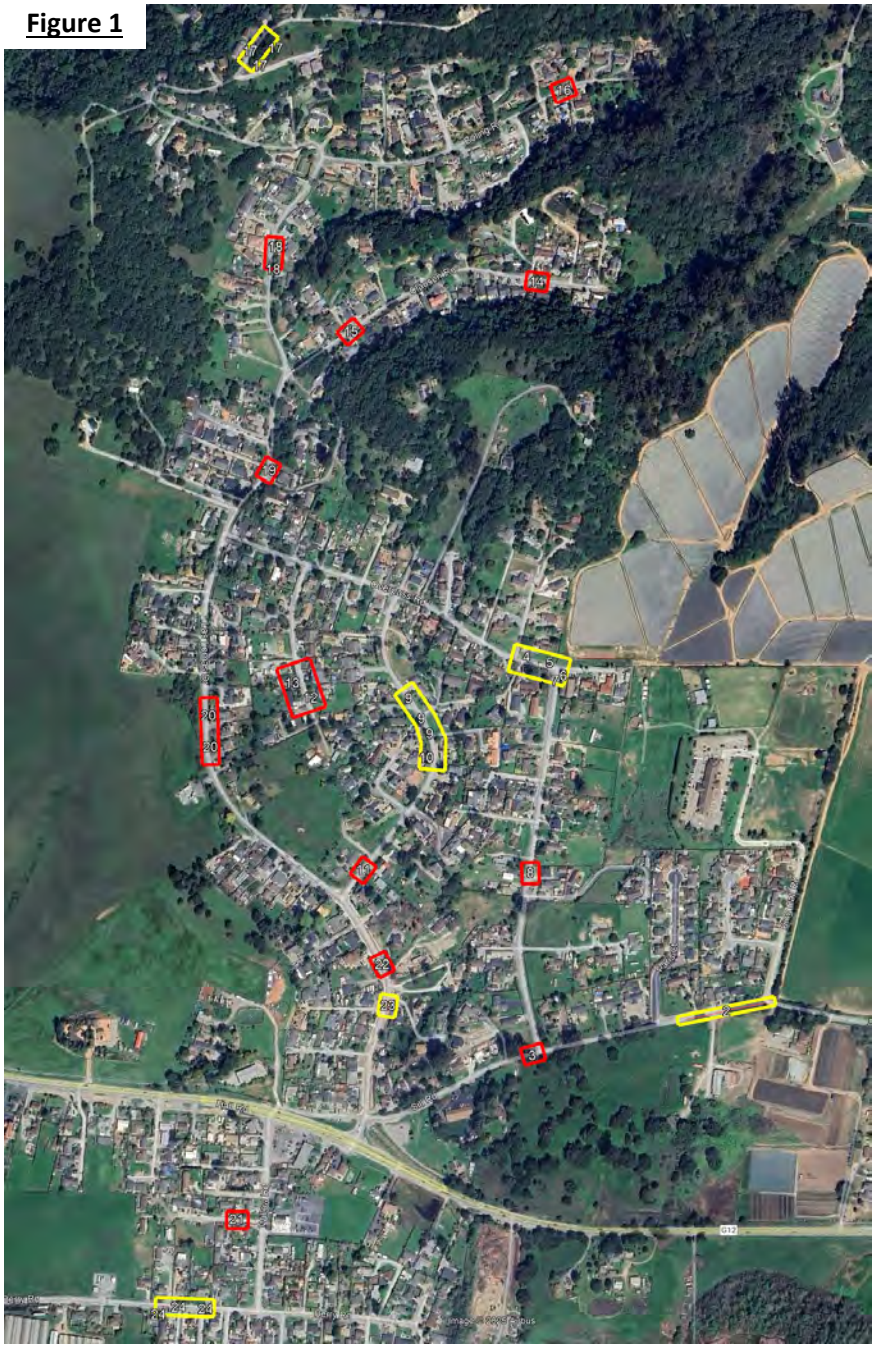
Task 1: Deliverables:
- Meeting Agendas (PDF)
- Meeting Minutes (PDF)

Task 2: Survey

Task 2.1: Sewer Spot Repairs and Main Replacements

Wallace Group will team with an aerial photogrammetrist to provide aerial mapping and a digital terrain model for the Las Lomas sewer project areas, as shown in Figure 1. The aerial imagery will be used to provide mapping of the planimetric features, such as edges of pavements, hardscape, brush and drip lines, signs, utility poles, and other items typical to standard practice. The aerial imagery will also be used for the digital terrain model generation by compiling spot elevations and grade breaks where visible sufficient to produce a one-foot contour interval map.

Figure 1



The mapping will be constrained horizontally to the 2011 realization of the California Coordinate System of 1983, CCS83 (2011), Zone 4 projection, EPOCH date 2010.00, and vertically (elevations) to the North American Vertical Datum of 1988 (NAVD88) unless otherwise specified.

The aerial mapping will be used throughout the project areas noted in Figure 1 with the field survey providing augmentation as needed areas. Field survey will be required to set aerial targets and augment the aerial mapping, including the following:

- For the areas identified as Spot Repairs (Red shapes in Figure 1): We will obtain manhole rim elevations and sewer inverts at the immediate upstream and downstream manholes of the spot repairs location. It is assumed there are 16 spot repair locations.

- For the areas identified as Main Replacements (Yellow shapes in Figure 1): We will obtain manhole rim elevations and sewer inverts at the immediate upstream and downstream manholes, as well as survey any utility information that is visible along the sewer alignment, including but not limited to: water valves and meters, gas valves and meters, utility paint markings, manholes and utility vaults, etc. This utility information will supplement the topographic aerial mapping described above. It is assumed there are 6 main replacement locations.

- It is assumed there are approximately 44 manholes combined for the Spot Repairs and Main replacement locations.

Task 2.2: Las Lomas and Pajaro Lift Stations

In support of an alternative sewer main alignment design for the Las Lomas Lift Station, Wallace Group will conduct a topographic survey provided by aerial mapping for the limits shown in Figure 2. For the Pajaro Lift station, we will conduct a ground topographic survey for the limits shown in Figure 3.

Figure 2

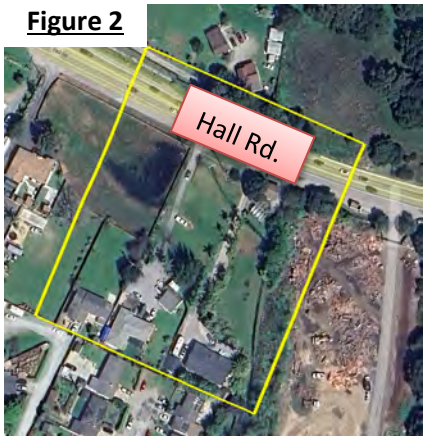


Figure 3

For each site, we will conduct a boundary survey, where we will locate sufficient monuments to re-establish the property boundary and adjacent right-of-way lines of the public street.

For each site, we will also procure preliminary title reports (PTR's) for the properties in question and use this as a research aid to plot easements listed within each report that affect the properties in question. For budgeting purposes, we have assumed a reimbursable fee of $1,500 for the PTR's and plotting up to two easement exceptions per site (4 total) as part of this effort. This effort is contingent on the 30% design concept.

The information in Tasks 2-1 and 2-2 will be compiled into a Civil 3d, 2021 or newer, Topographic Survey and Boundary Mapping base map drawing file.

Task 2 Assumptions:

- Wallace Group field crews will have access to the lift station sites.
- Digital Terrain Model (DTM) Contour interval = 1 foot

Task 2 Deliverables:

- Civil 3d 2021, or newer, drawing file
- Signed and sealed Survey Base Map (PDF)
- Project Site Orthophotos
- Preliminary Title Reports

Task 3: Document Review

Wallace Group will review the available existing data, reports, as-builts (record drawings), and other information provided as it relates to the project. This may include obtaining data from the County of Monterey, California Water Service, Pacific Gas & Electric, and other agencies as required. This will include the review of relevant documents including but not limited to record drawings, geotechnical reports, topographic survey maps/CAD files, and other documents available and pertinent.

At this time, Wallace Group is not proposing any utility potholing. If determined following the review of the existing utilities that potholing is warranted, Wallace Group will work with the County to amend the contract.

Task 4: Plans, Specifications, and Estimate (PS&E)
Wallace Group will provide PS&E packages at four milestones, 30%, 60%, 90%, and 100% ready to bid.

Task 4.1 30% PS&E Design Package
Wallace Group will prepare a 30% plan set (plan view only, the plans will be at 1"=20' scale in plan), list of technical specifications, and engineer's estimate of probable cost. The 30% design submittal assumes the following sheets:

- Title Sheet
- General Notes, Abbreviations, Legend
- Project Overview and Location Map
- Design Sheets – Plan view only (16)

Additionally, a preliminary design memo will be prepared for the project that complies with the USDA requirement.

We will request the County's approval of the design concepts prior to proceeding with final engineering design.

Task 4.2: 60% PS&E Design Package
Following completion of the 30% submittal, the County will provide comments which will be incorporated in the 60% design. The 60% plans will also include profile views and details. The plans will be at 1"=20' scale in plan and horizontal profile view, and 1"=4' in vertical profile scale. County standard plan layout and notes will be incorporated. The design will include the elements noted in the Understanding of this proposal. In addition to the sheets listed under the 30% package, the 60% design submittal will include following sheets:

- Details (3)

Wallace Group assumes the contractor will prepare traffic control plans and therefore not included in the scope of work.

Wallace Group will prepare the technical specifications for the Project. The technical specifications will be prepared in CSI format. Wallace Group will prepare a detailed bid schedule and measurement and payment (M&P) specifications. Wallace Group will compile the project specification manual appending the technical specifications produced by Wallace Group to the City's existing boilerplate front-end documents.

Task 4.3: 90% PS&E Design Package
Wallace Group will update the PS&E package based on City comments during the 60% design review and prepare a 90% design package.

Task 4.4: 100% PS&E Design Package
Wallace Group will update the PS&E package based on City comments during the 90% design review and prepare a bid ready 100% design package.

Task 4.5 SWPPP Preparation & Permit Processing
Wallace Group's State Certified QSD will prepare a SWPPP for the project in compliance with the 2022 CGP, which will be based on the most current requirements, and Best Management Practices (BMPs) for Erosion and Sediment Control by the California Stormwater Quality Association (CASQA).

The Erosion and Sediment Control Plans and the Hydraulic/Hydrologic Report will be utilized in the SWPPP as the basis for the SWPPP Site Map, Stormwater Run-on and Run-off Calculations, Risk Level Assessment, and Post Construction Water Balance. Please note that in addition to the locations of all the erosion and sediment control measures, the SWPPP Site Map also includes the vicinity map, site layout, construction site boundaries, drainage areas, discharge locations, sampling locations, areas of soil disturbance, locations of sensitive habitats, watercourses, and post-construction BMPs, and locations of storage areas for waste, vehicles, service, loading/unloading of materials, construction entrances and exits, fueling, and water storage.

Wallace Group will also prepare a Notice of Intent (NOI) for the SWPPP in SMARTS, and will assist the County's Legally Responsible Party with following required tasks:

- Wallace Group's QSD will assist the County's Legally Responsible Person to set up an account in SMARTS (https://smarts.waterboards.ca.gov/smarts/faces/SwSmartsLogin.jsp) and link Wallace Group as a Data Submitter to be able to input the Notice of Intent (NOI) which is the SWPP application. Please note that a Federal Tax ID# is required to complete the account set up on SMARTS.

- Legally Responsible Person will be required to review and certify the NOI, all Permit Registration Documents, Ad Hoc Reports, Annual Report, Change of Information (COI)-SWPPP amendments, and the Notice of Termination.

Based upon a preliminary analysis and calculations, Wallace Group anticipates that the project will be a Risk Level (2) project and will prepare a SWPPP appropriate for that assumed Risk Level.

Task 4 Deliverables:

- PDF of Design Drawings at the following milestones:
    - 30% (no profile view or details)
    - 60%
    - 90%
    - 100%
- Preliminary Design Memos for the Pajaro Lift Station improvements and alternative sewer alignment upstream the Las Lomas Lift Station.
- PDF and MS Word electronic submittal of the technical specifications at 60%, 90%, and 100%. The 30% submittal will include the table of contents for the technical specifications.
- PDF and MS Excel electronic submittal of the Engineer's opinion of probable cost at 30%, 60%, 90%, and 100%
- One complete set of e-transmit AutoCAD Civil 3D DWG files of the final (100%) plans
- One (1) PDF copy of the Risk Level 2 SWPPP
- Permit Registration Documents uploaded to SMARTS

Task 5: Engineering Services During Bid Phase and Construction

Wallace Group will provide bid phase and construction support services during the bidding phase of this Project. The anticipated tasks during this phases and Wallace Group's scope is listed below:

- **Prepare Bid Advertisement**: Not included, County to prepare bid advertisement.
- **Attend Pre-Bid Meetings with County staff, prospective bidders:** two (2) Wallace Group staff at ten (10) hours each, assuming travel from San Luis Obispo to County office in Salinas, CA. County will coordinate time, date, and location of meeting, and Wallace Group will prepare meeting agenda and minutes.
- **Maintain Bidders' List:** Not included, Wallace Group assumes that the County will prepare and maintain the bidders' list, including disseminating electronic copies of bid documents, and this task is excluded from this scope of work.
- **Review and respond to Requests for Interpretation (RFIs):** Wallace Group estimates responding to a total of 8 RFIs during the bid phase, averaging 1 hour per RFI response, with a budget of 8 professional hours. Wallace Group assumes the County will disseminate RFI responses to prospective bidders.
- **Prepare Addenda to Bid Documents:** Wallace Group will provide technical support for up to 3 Addenda to be issued per bid set during the bid period with an average of 4 hours of professional time per Addenda, for a total of 12 hours budgeted. Wallace Group assumes the County will prepare and disseminate the Addenda, and Wallace Group will only provide technical services for this task.
- **Conduct Bid Opening:** Not included, County to conduct Bid Opening.

- **Bid Tabulation:** Wallace Group assumes the County will prepare a bid tabulation (in MS Excel) comparing all bid items with the Engineer's Opinion of Probable Cost (EOPC), and this is excluded from this scope of work. However, Wallace Group can support the County by performing this work, if needed, as an optional task item.
- **Evaluate Bids for Responsiveness:** Wallace Group assumes the County will review the bids for responsiveness to the requirements of the bid documents and will prepare a brief memorandum summarizing the bids and any irregularities and recommend award to the lowest responsive bidder. Wallace Group can support the County, if needed, as an optional task item.
- **Support During Construction:**
    - Submittals: Wallace Group will review submittals for compliance with the design documents.
    - RFIs: Wallace Group estimates responding to an additional 25 RFIs during the construction phase, averaging 2 hours per RFI response, for a budget of 50 professional hours. Wallace Group assumes the County will disseminate RFI responses to the contractor.
    - Weekly construction meetings: Wallace Group assumes participation in weekly construction meetings for a period of 1 year.
- **Record Drawings:** Wallace Group will incorporate as-builts from the contractor indicating any field changes into the design drawings and provide a final record drawing set.

Task 5 Deliverables:
- PDF of Pre-Bid Meeting Agenda
- PDF of Pre-Bid Meeting Minutes
- PDF of RFI responses and issued Addenda
- PDF of Record Drawings

Task 6: SWPPP Inspections/Reporting During and Post Construction

Task 6.1: SWPPP Inspections (Cert. QSP)

Wallace Group's certified QSP inspector will attend the pre-construction meeting, conduct weekly, and rain driven SWPPP inspections, and prepare reports, and correspond with the project QSD, the County, and the Contractor in compliance with the 2022 CGP-SWPPP Permit. Our QSP will also coordinate with the project's QSD and assist with the periodic QSD review and inspections, as is now required. During rain events, our QSP will conduct the required rain forecasting and monitoring tasks, including sampling if necessary and report results to the County's Project Manager, and the Contractor's Superintendent, and will be available for any discussion. We will also file the necessary follow-up Ad Hoc Report to the water board in SMARTs within the 14 days required by the CGP.

Task 6.2: QSD -Const. (Cert. QSD) Reporting/QAQC Insp.

Assumptions: QSD Site Visit (1), Annual Report (1), Ad Hoc Stormwater Sampling Reports (2), Change of Information (2) (COI), one (1) Notice of Termination

Any project which is under construction for more than 3 months is required to submit Annual Reports via SMARTS by September 1. Wallace Group will review the inspection records and

sampling results provided by the Qualified SWPPP Practitioner (QSP) and assist with the preparation of the Annual Report. We expect that construction will continue for more than three months, but less than one year. Because the reporting period is defined as July 1 through June 30, we anticipate the submittal of two Annual Reports.

We will also visit the site to familiarize ourselves with the status of the project and the on-site documentation. The inspections will be reviewed for adequacy and summarized for use as required by the annual report. Wallace Group may also recommend additional inspection if required for completion of the annual report. Inspections are to be conducted under the supervision of a Qualified SWPPP Practitioner. This review of past inspections will be the first order of work, after which we will begin preparation of the Annual Report.

It is the responsibility of the Project Owner to notify the Qualified SWPPP Developer (Wallace Group) when a change in schedule or scope, or ownership has occurred and an amendment Change of Information (COI) to the SWPPP is required.

Upon project stabilization, Wallace Group will review the data provided by the QSP and conduct a site visit review of the project construction stabilization and make recommendations as to the suitability of the site for submittal of the Notice of Termination. We will assist in the preparation of required documentation exhibits. We will also assist the LRP with the submittal of the Notice of Termination via SMARTs.

Additional SWPPP Amendments/Changes of Information/ Ad Hocs have been designated as optional tasks that can be completed at the client's request.

Task 6 Deliverables:
- (1) PDF copy SWPPP Amendment
- One (1) Change of Ownership Information uploaded to SMARTS
- One (1) Annual Reports uploaded to SMARTS
- PDF Copies of any Ad Hoc Reports.

Task 7: Construction Management and Inspection
Based on the preliminary information known at this time, we have budgeted for a construction period of 120 working days. Our construction management budget is heavily dependent upon the construction time and this budget may need to be revised following establishment of the construction documents concurrent with the issuance of the Request for Bid.

Task 7.1: Pre-Construction Phase
Wallace Group will provide pre-construction phase services for this project. To kick off the construction phase of project, we will schedule a pre-construction meeting with the applicable stakeholders, including the design team and the contractor. We will prepare the agenda and issue the minutes. We will also provide Procore construction management software for the project to track RFIs, submittals, photos, meeting agendas and minutes, and inspector daily logs. We will assist in the review of the project submittals, including traffic control plans, encroachment permit application, sewer bypass plan, and others. We will collect pre-construction photos for project record.

Task 7.2: Construction Phase
We will provide construction management and observation services through the construction phase. For this phase, we have budgeted 5 hours/working day for construction observation and 12 hours/week of construction management services. We will schedule and facilitate a

weekly construction meeting to review issues, outstanding documentation, and the contractor's upcoming work. We will provide construction observation services of the contractor's work for adherence to the project plans and specifications and complete photos and an inspector daily log for each day we are on-site. We will assist with the review of RFIs, change orders, monthly progress payments, and issue a final punchlist prior to the completion of the work.

Task 7.3: Post-Construction Phase
We will assist with the closeout of the project, including the review of the contractors as-built drawings for the project record. We will provide a close out package to the County including applicable project documentation such as RFIs, submittals, change orders, progress payments, schedules, photos, and inspector daily logs.

Task 7.4: Quality Assurance Materials Testing (Earth Systems)
We have provide a lump sum budget of $30,000 for our subconsultant, Earth Systems, to perform quality assurance material testing of trench backfill and roadway restoration. This budget may also be utilized for special inspection and concrete testing, depending on the scope of repairs required at the lift station.

Task 7 Deliverables:
- Pre-Construction Meeting Agenda and Minutes
- Pre-Construction Photos
- Weekly Construction Meeting Agenda and Minutes
- Close Out Documentation
    - RFI and Submittal Logs (including packaged responses)
    - Photos and Inspector Daily Logs
    - Progress Payments and Change Orders
    - Punchlist & As-Built Review
    - Materials Testing Reports (if performed)

SCHEDULE

Wallace Group will complete the project per the schedule provided the grant application.

ADDITIONAL SERVICES

Wallace Group can provide the following services, directly or through sub-consultants, upon request:

- Environmental consultation (project has been cleared for all environmental permitting and no additional environmental consultation is anticipated)
- Labor Compliance

TO BE PROVIDED BY THE CLIENT

- See list of assumptions in the Understanding
- The County shall provide the DIR Project Number for this project. To do so, the County will need to complete the PWC-100 form and submit to the DIR prior to the commencement of the field survey. This is required to be in compliance with State of California Prevailing Wage laws.

- SWPPP:
    a. Assignment of an owner to Legally Responsible Party (LRP) for the state permit. This person must review and certify all Permit Registration Documents, Annual Report, SWPPP Amendments, Changes of Ownership Information, and the Notice of Termination.
    b. Client to pay permit fees

ITEMS NOT INCLUDED IN SCOPE OF SERVICES

The following services are not included in this Scope of Services or estimate of fees:

- SWPPP:
    a. Training of Agency and Contractor Personnel
    b. Oversight of construction operations
    c. Reporting of Violations
    d. Additional Changes of Ownership Information and SWPPP Amendments
    e. Reviews of Additional Annual Reports
    f. Any item not specifically included in the Scope of Services
- Any other items not explicitly called out in the Scope of Services

PROJECT FEES

Wallace Group will perform the services denoted in Tasks 1 through 7 of the proposed Scope of Services in accordance with the attached Standard Billing Rates (Exhibit A). These services will be invoiced monthly on an accrued cost basis, and our total fees, including reimbursables will not exceed our estimated fee of $722,829 without receiving written authorization from the Client.

The estimated fees denoted in Tasks 2 and 7 above are based on prevailing wage rates. If the Client and the California Department of Labor determines that prevailing wage payments are not required, the fees for the tasks above will be adjusted and billed according to the per hour rate of the Standard Wage column on the Standard Billing Rates provided.

At your request, additional services to the Scope of Services will be performed by Wallace Group following the signature of our Contract Amendment or the initiation of a new contract.

TERMS AND CONDITIONS

In order to convey a clear understanding of the matters related to our mutual responsibilities regarding this proposal, the County of Monterey Agreement for Professional Services, dated May 5, 2023 is considered a part of our proposal agreement. If this proposal meets with your approval, please sign where indicated and return to our office and/or prepare a Purchase Order, which will serve as our notice-to-proceed.

We want to thank you for this opportunity to present our proposal for professional services. If you would like to discuss this proposal in greater detail, please feel free to contact me.

Sincerely,

WALLACE GROUP, a California Corporation

Kari E. Wagner, PE C66026
Principal/Director of Water Resources
612 Clarion Court
San Luis Obispo
California 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

TERMS AND CONDITIONS ACCEPTED:

_____
Signature

_____
Printed Name

_____
Title

_____
Date

Attachments
GGM: PP25-8388, 2025, std
Exhibit A
Exhibit B

THIS PROPOSAL IS VALID FOR 60 DAYS FROM THE DATE OF THIS DOCUMENT.

Exhibit A
PP25-8388

Wallace Group Team Resource Estimate for the
County of Monterey Pajaro CSD Sewer Repairs

BUDGET SUMMARY

PHASE/TASK No.	TASK DESCRIPTION	PRINCIPAL	PRINCIPAL ENGINEER	DIRECTOR	ENGINEER II	SR. ENV. SPECIALIST	ASSOCIATE ENGINEER II	PROJECT ANALYST III	SENIOR LAND SURVEYOR II	SURVEY TECHNICIAN III	PARTY CHIEF*	INSTRUMENT PERSON*	ASSISTANT RESIDENT ENGINEER	INSPECTOR*	EARTH SYSTEMS	AEROTECH (Aerial Mapping)	First Americain (PTR)	OTTO ELECTRICAL	Misc. Direct Costs	TOTAL LABOR HOURS	LABOR $	TOTAL COST $
	RATE	HRS $280	HRS $255	HRS $228	HRS $183	HRS $175	HRS $150	HRS $145	HRS $203	HRS $155	HRS $250	HRS $150	HRS $185	HRS $185	COST	COST	COST	COST	COST	HRS		
1.1	PROJECT MANAGEMENT	16			40															56	$11,800	$11,800
1.2	KICK-OFF MEETING AND FIELD REVIEW OF FACILITIES	12			15														$242	27	$6,105	$6,347
1.3	PROJECT MEETINGS	30			29															59	$13,707	$13,707
1.4	QA/QC		40	8									16							64	$14,984	$14,984
1.5	GRANT COMPLIANCE SUPPORT	175			35															210	$55,405	$55,405
2	SURVEY			6					24	118	76	76				$10,758	$1,725		$4,437	300	$54,930	$71,850
3	DOCUMENT REVIEW				20		15													35	$5,910	$5,910
4.1	30% Plans	6			60		90								$38,565			$11,500		156	$26,160	$76,225
	30% Specs TOC	1			8															9	$1,744	$1,744
	30% Estimate	1			4		10													15	$2,512	$2,512
	Preliminary Design Report	4			20		36													60	$10,180	$10,180
4.2	60% Plans	6			24		80											$34,500		110	$18,072	$52,572
	60% Specs	6			40		4													50	$9,600	$9,600
	60% Estimate	4			12		8													24	$4,516	$4,516
4.3	90% Plans	6			24		60													90	$15,072	$15,072
	90% Specs	6			24		4													34	$6,672	$6,672
	90% Estimate	6			6		8													20	$3,978	$3,978
4.4	100% Plans	6			24		40													70	$12,072	$12,072
	100% Specs	6			24		4													34	$6,672	$6,672
	100% Estimate	6			6		8													20	$3,978	$3,978
4.5	SWPPP Preparation & Permit Processing					34														34	$5,950	$5,950
5	ENGINEERING SERVICES DURING BID PHASE AND CONSTRUCTION																					
	Bid Phase	6			40															46	$9,000	$9,000
	ESDC	32			170															202	$40,070	$40,070
6.1	SWPPP Inspections (Cert. QSP)					7		150											$5,419	157	$22,975	$28,394
6.2	QSD -Const. (Cert. QSD) Reporting/QAQC Insp.					17														17	$2,975	$2,975
7	CONSTRUCTION MANAGEMENT AND INSPECTION																					
7.1	Pre-Construction			4									80	16					$233	100	$18,672	$18,905
7.2	Construction			12									120	600					$4,830	732	$135,936	$140,766
7.3	Post Construction												288	16					$233	304	$56,240	$56,473
7.4	QA Materials Testing (Earth Systems)														$34,500							$34,500
	SUB-TOTALS	335	40	30	625	58	367	150	24	118	76	76	504	632					**$15,394**	**3035**	**$575,887**	**$722,829**
	WALLACE GROUP LABOR COSTS	$93,800	$10,200	$6,840	$114,375	$10,150	$55,050	$21,750	$4,872	$18,290	$19,000	$11,400	$93,240	$116,920								**$575,887**
	WALLACE GROUP DIRECT COSTS																					**$15,394**
	SUBCONSULTANT DIRECT COSTS														**$73,065**	**$10,758**	**$1,725**	**$46,000**				**$131,549**
	TOTAL																					**$722,829**

Task Budgets may fluctuate within Overall Budget
*** Designates Prevailing Wage**
2025 std rates apply

Exhibit B
PP25-8388
Standard Billing Rates

WALLACE GROUP®

Engineering, Design & Support Services:

Assistant Designer/Technician	$128
Designer/Technician I – IV	$132/$142/$152/$162
Senior Designer/Technician I – III	$172/$179/$186
GIS Technical Specialist	$167
Senior GIS Technical Specialist	$178
Associate Engineer I – III	$140/$150/$160
Engineer I – IV	$178/$183/$188/$193
Senior Engineer I - III	$210/$218/$225
Director	$228
Principal Engineer/Consulting Engineer	$255
Principal	$280

Surveying Services:

Party Chief	$190
Party Chief (*Prevailing Wage)	$250
Instrument Person	$133
Instrument Person (*Prevailing Wage)	$150
Associate Survey Technician	$125
Survey Technician I – IV	$140/$145/$155/$160
Land Surveyor I – III	$170/$180/$190
Senior Land Surveyor I - III	$198/$203/$208
Director	$228
Principal Surveyor	$255
Principal	$280

Planning Services:

Associate Planner I - II	$115/$125
Planner I – IV	$140/$150/$160/$170
Senior Planner I - III	$175/$180/$185
Director	$210
Principal Planner	$225
Principal	$280

Landscape Architecture Services:

Associate Landscape Designer I – II	$110/$120
Designer I – IV	$125/$130/$135/$140
Landscape Architect I - IV	$148/$153/$158/$163
Senior Landscape Architect I - III	$168/$173/$178
Director	$195
Principal Landscape Architect	$215
Principal	$280

Construction/Program Management and Inspection Services:

Construction Office Tech I-III	$125/$135/$145
Construction Inspector I-IV	$150/$155/$160/$165
Senior Construction Inspector	$170
Construction Inspector (*Prevailing Wage)	$185
Assistant Construction/ Program Manager I - II	$165/$170
Construction/ Program Manager I-III	$175/$180/$185
Senior Construction/ Program Manager I - II	$195/$200
Assistant Resident Engineer I - II	$175/$180
Resident Engineer I-III	$185/$190/$195
Senior Resident Engineer I-II	$205/$210
Director	$228
Principal Construction Manager	$253
Principal	$280

Public Works Administration Services:

Project Analyst I - IV	$125/$135/$145/$155
Senior Project Analyst I - III	$160/$165/$170
Senior Environmental Compliance Specialist I - III	$175/$180/$185

Support Services:

Office Assistant	$120
Project Assistant I – III	$130/$135/$145

***Prevailing Wage:**

State established prevailing wage rates will apply to some services based on state law, prevailing wage rates are subject to change over time and geographic location.

Right to Revisions:

Wallace Group reserves the right to revise our standard billing rates on an annual basis, personnel classifications may be added as necessary.

Additional Professional Services:

Fees for expert witness preparation, testimony, court appearances, or depositions will be billed at the rate of $400 an hour. If required to meet schedule requests, overtime on a project will be billed at 1.5 times the employee's typical hourly rate.

Direct Expenses:

Direct expenses will be invoiced to the client and a handling charge of 15% may be added. Sample direct expenses include, but are not limited to the following:

- travel expenses
- delivery/copy services
- sub-consultant services
- mileage (per IRS rates)
- agency fees
- other direct expenses

Invoicing and Interest Charges:

Invoices are submitted monthly on an accrued cost basis. A finance charge of 1.5% per month may be assessed on all balances that are thirty days past due.

Attachment C

Rural Development

Salinas Field Office

744-A LaGuardia Street
Salinas, CA
93905

Voice 831-975-7762
Fax 844-206-7009

January 8, 2025

Sent by email Only

Monterey County
Pajaro County Sanitation District
Attn: Randell Ishii
1441 Schilling Place
Salinas, CA 93901

SUBJECT: Letter of Conditions
Recipient Name: Monterey County – Pajaro County Sanitation District
Project Name: CY 2022 Disaster Relief – In kind
Water and Waste Disposal Systems for Rural Communities
CFDA NUMBER - 10.760

Agency Grant: $4,075,000

Dear Randel Ishii:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development (RD), both of which are referred to throughout this letter as the Agency. Any changes in project cost, source of funds, scope of project, or any other significant changes in the project or applicant must be reported to and concurred with by the Agency by written amendment to this letter. This includes any significant changes in the Applicant's financial condition, operation, organizational structure or executive leadership. Any significant changes made without Agency concurrence shall be cause for discontinuing processing of the application.

This letter does not constitute grant approval, nor does it ensure that funds are or will be available for the project. The funding is being processed on the basis of a grant not to exceed $4,075,000. The grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds" is signed by the Agency approval official.

The applicant will ensure projects are completed in a timely, efficient, and economical manner. You must meet all conditions set forth under Section III – Requirements Prior to Advertising for Bids within 1 year of this letter.

If you do not meet the conditions of this letter, the Agency reserves the right to withdraw Agency funding.

If you agree to meet the conditions set forth in this letter and desire further consideration be given to your application, please complete and return the following forms within 1 days:

USDA is an equal opportunity provider and employer.

Form RD 1942-46, "Letter of Intent to Meet Conditions"
Form RD 1940-1, "Request for Obligation of Funds"

All parties may access information and regulations referenced in this letter at our website located at:

Water and Environmental Programs | Rural Development (usda.gov)

The conditions are as follows:

SECTION I - PROJECT SCOPE

1. Project Description – Funds will be used to help Pajaro County Sanitation District in Monterey County recover from the severe winter storms declared in the Presidential Declared Disaster (DR-4863-CA) and address existing wastewater system deficiencies to minimize negative impacts of severe winter storms, including potential failures of the aging lift station and add resiliency to the community sewer collection system.

Facilities will be designed and constructed in accordance with sound engineering practices and must meet the requirements of Federal, State, and local agencies. The proposed facility design must be based on the Preliminary Engineering Report (PER) prepared by Wallace Group, dated April 10, 2024, as concurred with by the Agency.

2. Project Funding – The Agency is offering the following funding for your project:

Agency Grant - $ 4,075,000

This offer is based upon the following additional funding being obtained.

Applicant Contribution - $ 0.00

TOTAL PROJECT COST - $ 4,075,000

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Prior to grant closing, any increase in non-Agency funding will be applied first as a reduction to Agency funds.

The applicant must certify that they have exhausted all other funding avenues and have no pending funding considerations from any other sources. Further, the applicant must certify that they do not intend to apply anywhere else for funding for this project. If, after obligation of Agency funds, other funding becomes available, the Agency reserves the right to deobligate any and all funding for this project and to re-underwrite. This may result in the offering of a different funding package to for this project.

Prior to advertisement for construction bids, you must provide evidence of applicant contributions and other funding sources. This evidence should include a copy of the commitment

letter. Agency funds will not be used to pre-finance funds committed to the project from other sources.

3. Project Budget – Funding from all sources has been budgeted for the estimated expenditures as follows:

Project Costs:	**Total Budgeted:**
Project Administration	
Project Management	$ 71,000
Consultant and Contractor Management	$ 43,000
Administration and Legal	$ 43,000
Preliminary Design Report	$ 127,000
Permitting, Easements, and Environmental	
Permitting	$0
Easements	$0
Environmental Documentation	$0
Engineering	
Field Services (Survey, Geotechnical, Potholing)	$ 110,000
Engineering	$ 422,000
Bid Phase	$ 29,000
Construction	
Construction Management, Inspect, ESDC, Record Drawings	$ 422,000
Las Lomas Sewer Main Upgrades	$1,038,000
Pajaro Lift Station Upgrades	$ 954,000
Contingency	
Las Lomas	$ 425,000
Pajaro	$ 391,000
TOTAL	**$4,075,000**

Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. Obligated grant funds not needed to complete the proposed project will be deobligated. If actual project costs exceed the project cost estimates, an additional contribution by the Owner may be necessary. An "Amended Letter of Conditions" will be issued for any changes to the total project budget.

4. Project Timeline – To ensure that the project proceeds in a timely manner, key processing milestones have been established in accordance with the PER or other Agency approved documentation. **Projects should be completed and Agency funds fully disbursed within three years of obligation**. By agreeing to the terms herein, you agree to comply with the milestones identified below. If, for any reason, one or more of the milestones cannot be met, you must notify the Agency in writing at least 30 days prior to the referenced date. Should your final completion date become more than three years after obligation the written request will follow the procedures outlined in Section VI of this letter, including the submission of not less than 90 days

prior to the benchmark. The correspondence must contain a valid explanation as to why the milestone cannot be met and include a proposed revised project completion schedule. If the Agency agrees to the modification, written confirmation will be provided. The Agency reserves the right to de-obligate grant funds, or take other appropriate action, if the established or amended deadlines are not met.

Milestone	Date
Land and Easement Acquisition	NA
Permits Acquisition Complete	NA
Plans and Specifications, and Design Complete	4/2/2026
Advertisement for Bids	5/28/2026
Award Contract(s)/Initiate Construction	5/28/2026
Substantial Completion	3/4/2027
Final Completion	5/27/2027

SECTION II –Grant Agreement

5. Grant Agreement - The RUS Bulletin 1780-12, "Grant Agreement" will be executed prior to the first disbursement of grant funds.

The grantee understands that any property acquired or improved with Federal grant funds may have use and disposition conditions which apply to the property as provided by 2 CFR part 200 in effect at this time and as may be subsequently modified. The grantee understands that any sale or transfer of property is subject to the interest of the United States Government in the market value in proportion to its participation the project.

SECTION III –REQUIREMENTS PRIOR TO ADVERTISING FOR BIDS

6. (public body) Organization – The Bond Counsel transcripts of proceedings, or similar Agency-approved documentation, must show that your organization is a duly incorporated public body and has continued legal existence. Your organization must have the authority to own, construct, operate, and maintain the proposed facility, as well as for borrowing money, pledging security, and raising revenues.

7. Suspension and Debarment Screening – You will be asked to provide information on the principals of your organization. Agency staff must conduct screening for suspension and debarment of the entity, as well as its principals through the Do Not Pay Portal. A principal is defined as follows:

Principal –

(a) An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or

(b) A consultant or other person, whether or not employed by the participant or paid with federal funds, who –

(1) Is in a position to handle federal funds;

(2) Is in a position to influence or control the use of those funds; or,

(3) Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR §180.995).

8. Environmental Requirements –

The project, as proposed, has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations and/or permits may apply or be required. If the project or any project element deviates from or is modified from the originally approved project, additional environmental review may be required.

This project has applied the Nationwide Programmatic Agreement Among the U.S. Department of Agriculture Rural Development Programs, National Conference of State Historic Preservation Officers, and the Advisory Council on Historic Preservation for Sequencing Section 106 (NPA). This agreement allows the Agency to obligate funds prior to the completion of Section 106 of the National Historic Preservation Act. The Agreement stipulates, among other things, that the Section 106 process must be complete prior to the awarding of funds and prior to construction. Rural Development is in receipt of your signed NPA Awareness Certification form. In the Awareness Certification, you have acknowledged your awareness of these and other requirements and have agreed that you must complete the Section 106 process before the environmental review component of your application can be finalized and before construction. These historic preservation requirements must be met prior to final approval and prior to taking any action that would have an adverse effect on historic properties or hinder completion of the consultation process required under Section 106 of the National Historic Preservation Act (NHPA). Do not initiate any type of ground disturbing activity, enter into construction contracts, initiate construction, rehabilitation, or purchase land or equipment prior to receiving notification from the Agency that these requirements have been met. Taking any of these actions prior to completion of the required reviews could result in loss of program funds.

9. Engineering Services – You have been required to complete an Agreement for Engineering Services, which should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance," or other approved form of agreement. The Agency will provide concurrence prior to advertising for bids and must approve any modifications to this agreement.

10. Contract Documents, Final Plans, and Specifications- All development will be completed by contract in accordance with applicable provisions of RUS Instruction 1780, Subpart C – Planning, Designing, Bidding, Contracting, Constructing and Inspections, (copy available upon request), and in compliance with all statutory requirements. You are responsible to share this with your engineer before pre-design.

a. In preparing final design and providing service to the planned project area, you and your engineer will comply with all zoning and planning requirements of the appropriate governing bodies where service is to be provided.

b. The Agency will need to concur in the plans and specifications prior to advertising for bids. The Agency may require an updated cost estimate if a significant amount of time has elapsed between the original project cost estimate and advertising for bids.

c. The use of any procurement method other than competitive sealed bids must be requested in writing and approved by the Agency.

d. The contract documents must consist of the EJCDC construction contract documents as indicated in RUS Bulletin 1780-26 or other Agency-approved forms of agreement.

11. American Iron and Steel Requirements. Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference applies the American Iron and Steel (AIS) requirement to obligations made after May 5, 2017:

(1) No Federal funds made available for this fiscal year for the rural water, wastewater, waste disposal, and solid waste management programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1926 et seq.) shall be used for a project for the construction, alteration, maintenance, or repair of a public water or wastewater system unless all of the iron and steel products used in the project are produced in the United States.
(2) The term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
(3) The requirement shall not apply in any case or category of cases in which the Secretary of Agriculture (in this section referred to as the "Secretary") or the designee of the Secretary finds that—
  (a) applying the requirement would be inconsistent with the public interest;
  (b) iron and steel products are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
  (c) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.
(4) Owners are ultimately responsible for compliance with AIS requirements (as defined in RUS Bulletin 1780-35).
  (a) ***Sign*** loan resolutions, grant agreements and letters of intent to meet conditions which include AIS language, accepting AIS requirements in those documents and in the letter of conditions.
  (b) ***Sign*** agreements for engineering services, executed construction contracts and all other appropriate and necessary documents which include AIS language.

Change Orders and Partial Payment Estimates: ***Acknowledge*** responsibility for compliance with AIS requirements by signing change orders (EJCDC C-941) and partial payment estimates (EJCDC C-620).

(c) Substantial completion of project: ***Obtain*** the certification letters from the consulting engineer and ***maintain*** this documentation for the life of the loan.

(d) *Special Cases*

i. Where Owner provides their own engineering, the Owner's responsibilities will include items listed in Section 5 of RUS Bulletin 1780-35.

ii. Where Owner performs their own construction, the Owner's responsibilities will include items listed in Section 6 of RUS Bulletin 1780-35.

iii. Where Owner directly procures AIS products, Owner must ***utilize*** EJCDC Procurement Series standard contract documents following RUS Bulletin 1780-26 Exhibit D and ***obtain*** manufacturers' certifications and provide copies to Engineer and Contractor.

12. Legal Services –A legal services agreement is required with your attorney and bond counsel, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, with a "not to exceed" amount for the services, including reimbursable expenses. RUS Bulletin 1780-7, "Legal Services Agreement," or similar format may be used. The Agency will provide concurrence prior to advertising for bids. Any changes to the fees or services spelled out in the original agreement must be reflected in an amendment to the agreement and have prior Agency concurrence.

13. Property Rights - Prior to advertising for bids, you and your legal counsel must furnish satisfactory evidence that you have adequate continuous and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Such control over the lands and rights will be evidenced by the following:

a. **Right-of-Way Map** – Your engineer will provide a map clearly showing the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.
b. **Form RD 442-20, "Right-of-Way Easement"** – This form, or similar format, may be used to obtain any necessary easements for the proposed project.
c. **Form RD 442-21, "Right-of-Way Certificate"** – You will provide a certification on this form that all right-of-way requirements have been obtained for the proposed project.
d. **Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way"** – Your attorney will provide a certification and legal opinion on this form addressing rights-of-way, easements, and title.

The approving official may waive title defects or restrictions, such as utility easements, that do not adversely affect the suitability, successful operation, security value, or transferability of the facility. Any such waivers must be provided by the approving official in writing prior to closing or the start of construction, whichever occurs first.

You are responsible for the acquisition of all property rights necessary for the project and for determining that prices paid are reasonable and fair. The Agency may require an appraisal by an independent appraiser or Agency employee in order to validate the price to be paid.

14. System Policies, Procedures, Contracts, and Agreements – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances outlining the conditions of service and use of the proposed system. Mandatory connection policies should be used where enforceable. The policies, procedures, and/or ordinances must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and reconnection fees. A draft of these policies, procedures, and/or ordinances must be submitted for Agency review and concurrence, along with the documents below, before closing instructions may be issued unless otherwise stated.

a. Conflict of Interest Policy – Prior to obligation of funds, you must certify in writing that your organization has in place up-to-date written standards of conduct covering conflict of interest. The standards of conduct must include disciplinary actions in the event of a violation by officers, employees, or agents of the borrower. The standards identified herein apply to any parent, affiliate or subsidiary organization of the borrower that is not a state or local government, or Indian Tribe. Policies and accompanying documents shall be furnished to Rural Development upon request.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant's official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, https://www.councilofnonprofits.org/tools-resources/conflict-of-interest, or in Internal Revenue Service Form 1023, Appendix A, "Sample Conflict of Interest Policy," at http://www.irs.gov/pub/irs-pdf/i1023.pdf. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

#b. Contracts for Other Services/Lease Agreement – Drafts of any contracts or other forms of agreements for other services, including audit, management, operation, and maintenance, or lease agreements covering real property essential to the successful operation of the facility, must be submitted to the Agency for review and concurrence prior to advertising for bids.

#c. Other agreements with governments or other entities regarding joint operation of facilities, granting authority to Agency borrower for providing service within another

entity's service area, etc.– The draft agreement must receive Agency concurrence prior to advertising for bids.

Fully executed copies of any policies, procedures, ordinances, contracts, or agreements above must be submitted prior to closing, with the exception of the conflict of interest policy, which must be in place prior to obligation of funds.

15. Grant Closing Instructions – The Agency will prepare grant closing instructions as soon as the requirements of the previous paragraphs are complete. Closing instructions must be obtained prior to advertising for bids.

16. (for applications processed in accordance with RUS Instruction 1780) System Users – This letter of conditions is based upon your indication at application that there will be at least 965 residential users and 88 non-residential users on the existing system when construction is completed.

Before the Agency can agree to the project being advertised for construction bids, you must certify that the number of users indicated at application are currently using the system or signed up to use the system once it is operational.

If the actual number of existing and/or proposed users that have signed up for service is less than the number indicated at the time of application, you must provide the Agency with a written plan on how you will obtain the necessary revenue to adequately cash flow the expected operation, maintenance, debt service, and reserve requirements of the proposed project (e.g., increase user rates, sign up an adequate number of other users, reduce project scope, etc.). Similar action is required if there is cause to modify the anticipated flows or volumes presented following approval.

(Add following paragraphs when project does not involve mandatory connections)

a. **Positive Program to Encourage Connections** – You must provide a positive program to encourage connection by all users as soon as service is available. The program will be reviewed by the Agency prior to advertising for bids. A guide for developing your positive program is available from the Agency.
b. **Service Declination Statement** – Each potential user who is located along planned lines and declines the offered service will be provided an opportunity to sign a "Service Declination Statement."

17. Construction Account – A separate construction account is not required for project funds. However, the recipient must be able to separately identify, report and account for all Federal funds, including the receipt, obligation and expenditure of funds, in accordance with 2 CFR 200.305. These funds must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) insurance coverage. **If the balances at the financial institution where federal funds will be deposited exceeds the FDIC insurance coverage, the excess amount must be collaterally secured up to 100 percent of the highest amount of funds expected to be deposited in the account at any one time, per the Department of Treasury regulations and requirements.**

18. Proposed Operating Budget – You must establish and/or maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance (O and M), debt service, and reserves. Prior to advertising for bids, you must submit a proposed annual operating budget to the Agency, as well as your proposed rate schedule. The operating budget should be based on a typical year cash flow after completion of the construction phase and should be signed by the appropriate official of your organization. Form RD 442-7, "Operating Budget," or similar format may be utilized for this purpose. It is expected that O and M expenses will change over each successive year and user rates will need to be adjusted on a regular basis.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system. This assistance is available free to your organization. If you are interested, please contact our office for information.

19. Permits –The owner or responsible party will be required to obtain all applicable permits for the project, prior to advertising for bids. The consulting engineer must submit written evidence that all applicable permits required prior to construction have been obtained with submission to the Agency of the final plans, specifications, and bid documents.

20. Risk and Resilience Assessment/Emergency Response Plan (RRA/ERP) – The Agency requires all financed water and wastewater systems to have a RRA/ERP in place. New water or wastewater systems must provide a certification that an ERP is complete prior to the start of operation, and a certification that an RRA is complete must be submitted within one year of the start of operation. Borrowers with existing systems must provide a certification that an RRA/ERP has been completed prior to advertising for bids. Technical assistance is available in preparing these documents at no cost to you.

Before funds are drawn, you should have in place a cybersecurity plan, a supply chain plan, and a plan to comply with cybersecurity requirements of the National Institute of Standards and Technology and the Cybersecurity and Infrastructure Security Agency. These items should be addressed in the RRA/ERP.

The RRA/ERP documents themselves are not submitted to the Agency. The RRA/ERP must address potential impacts from natural disasters and other emergency events. It should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every five years at a minimum.

21. Bid Authorization - Once all the conditions outlined in Section III of this letter have been met, the Agency will authorize you to advertise the project for construction bids. Such advertisement must be in accordance with applicable State statutes.

SECTION IV - REQUIREMENTS PRIOR TO START OF CONSTRUCTION

22. Disbursement of Agency Funds - Agency funds will be disbursed electronically into the your construction account as they are needed. SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form," must be completed and submitted to the Agency prior to commencement of construction.

The order of disbursement is as follows: 1) Applicant contribution, 2) other funding sources, and 3) Agency grant funds.

Grant funds are to be deposited in an interest-bearing account (exception provided below) in accordance with 2 CFR Part 200 and interest in excess of $500 per year remitted to the Agency. The funds should be disbursed by the recipient immediately upon receipt, and there should be little interest accrual on the Federal funds. Recipients shall maintain advances of Federal funds in interest-bearing accounts, unless:

- The recipient receives less than $120,000 in Federal awards per year.
- The best reasonably available interest-bearing account would not be expected to earn interest in excess of $500 per year on Federal cash balances.
- The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.
- A foreign government or banking system prohibits or precludes interest-bearing accounts.]

23. Bid Tabulation – Immediately after bid opening, you must provide the Agency with the bid tabulation and your engineer's evaluation of bids and recommendations for contract awards. If the Agency agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the requirements of Section III of this letter have been satisfied, the Agency will authorize you to issue the Notice of Award.

a. **Cost Overruns –** If bids are higher than expected, or if unexpected construction problems are encountered, you must utilize all options to reduce cost overruns. Negotiations, redesign, use of bidding alternatives, rebidding or other means will be considered prior to commitment of subsequent funding by the Agency. Any requests for subsequent funding to cover cost overruns will be contingent on eligibility, program limits and the availability of funds. Cost overruns exceeding 20 percent of the development cost at time of grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
b. **Excess Funds** - If bids are lower than anticipated at time of obligation, excess funds must be deobligated prior to start of construction except in the cases addressed in this paragraph. In cases where the original Engineering Report for the project included items that were not bid, or were bid as an alternate, the State Office official may modify the project to fully utilize obligated funds for those items. Amendments to the Engineering Report, ER, and Letter of Conditions may be needed for any work not included in the original project scope. In all cases, prior to start of construction, excess funds will be

deobligated, with grant funds being deobligated first. Excess funds do not include contingency funds as described in this letter.

24. Suspension and Debarment Screening – In accordance with 2 CFR Part 180, Subpart C, as a condition of the transaction and the responsibilities to persons at the next lower tier with whom you enter into transactions, you must conduct screening for suspension and debarment of lower tier recipients (e.g., vendors, contractors, etc.). {2 CFR §180.435(b)}.

25. Contract Review – Your attorney will certify that the executed contract documents, including performance and payment bonds, if required, are adequate and that the persons executing these documents have been properly authorized to do so in accordance with7 CFR 1780.61(b).

Once your attorney has certified that they are acceptable, the contract documents will be submitted to the Agency for concurrence. Construction cannot commence until the Agency has concurred in the construction contracts.

26. Final Rights of Way – Your attorney or title company must furnish a separate final title opinion or Title Insurance Policy on all real property related to the facility, now owned and to be acquired for this project, as of the day of closing or start of construction, whichever occurs first. Form RD 1927-10, "Final Title Opinion" may be used.

If any of the right-of-way forms listed previously in this letter contain exceptions that do not adversely affect the suitability, successful operation, security value, or transferability of the facility, the approving official must provide a written waiver prior to the issuance of the Notice to Proceed.

27. Insurance and Bonding Requirements - Prior to the start of construction or grant closing, whichever occurs first, you must acquire and submit to the Agency proof of the types of insurance and bond coverage for the entity shown below. The use of deductibles may be allowed, providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity bond coverage is maintained.

a. **(If applicable) General Liability Insurance** – Include vehicular coverage.
b. **(If applicable) Workers' Compensation** – In accordance with appropriate State laws.
c. **(If applicable) Guaranty or Fidelity Insurance**–Coverage for all persons who have access to funds, including persons working under a contract or management agreement. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees. Each position is to be insured in an amount equal to the maximum amount of funds expected to be under the control of that position at any one time. The coverage may be increased during construction based on the anticipated monthly advances.

d. **(If applicable) National Flood Insurance** - If the project involves acquisition or construction in a designated special flood area, the community in which the acquisition or construction is situated must be currently participating in the national flood insurance program. Additionally, if the project involves acquisition or constriction in designated special flood or mudslide prone areas, a flood insurance policy must be in place at the time of closing.
e. **Real Property Insurance** – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured, and subsurface lift stations except for the value of electrical and pumping equipment. You must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

28. Civil Rights Compliance Review – The Agency will conduct a civil rights compliance review of the borrower prior to grant closing or start of construction, whichever occurs first, in accordance with 7 CFR 1901, Subpart E. You are expected to comply with the completion of the review, including the furnishing of any documents, records, or other applicable material.

SECTION V – REQUIREMENTS PRIOR TO GRANT CLOSING

29. Other Requirements – All requirements contained in the Agency's closing instructions, as well as any requirements of your bond counsel and/or attorney, must be met prior to closing.

a. **System for Award Management**. You will be required to maintain a Unique Entity ID (UEI) and maintain an active registration in the System for Award Management (SAM) database. Renewal can be completed online at: http://sam.gov. This registration must be renewed and revalidated every 12 months for as long as there is an active loan, grant, or guaranteed loan with the Agency.

To ensure the information is current, accurate and complete, and to prevent the SAM account expiration, the review and updates must be performed within 365 days of the activation date, commonly referred to as the expiration date. The registration process may take up to 10 business days. (See 2 CFR Part 25 and the "Help" section at http://sam.gov).

b. **Litigation.** You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to grant closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.

c. **Certified Operator**. Evidence must be provided that your system has or will have a certified operator, as defined by applicable State or Federal requirements, available prior to the system becoming operational, or that a suitable supervisory agreement with a certified operator is in effect.

SECTION VI – REQUIREMENTS DURING CONSTRUCTION AND POST CONSTRUCTION

30. Construction Completion Timeframe – Following the benchmarks established in Section I, Item 4, Project Timeline, all projects should be completed and Agency funds fully disbursed within two years of the date of obligation. If funds are not disbursed within two years of obligation and you have not already done so per Section I, Item 4, you must submit a written request for extension of time to the Agency with adequate justification of the circumstances, including any beyond your control. The request must be submitted at least 90 days prior to the end of the two-year timeframe and include a revised estimated date of completion. The Agency will typically only allow one extension. Subsequent requests for waivers beyond the initial extension or requests that exceed five years from the initial date of obligation will be submitted to the Agency for consideration. The Agency retains the right to de-obligate any grant monies, or take other appropriate action, related to unliquidated funds that exceed the timeframes above and are not under an active extension.

31. Resident Inspector(s) – Full-time inspection is required unless you request an exception. Such requests must be made in writing and the Agency must provide written concurrence. Inspection services are to be provided by the consulting engineer unless other arrangements are requested in writing and concurred with by the Agency. A resume of qualifications of any resident inspector(s) will be submitted to the owner and Agency for review and concurrence prior to the pre-construction conference. The resident inspector(s) must attend the preconstruction conference.

32. Preconstruction Conference – A preconstruction conference will be held prior to the issuance of the Notice to Proceed. The consulting engineer will review the planned development with the Agency, owner, resident inspector, attorney, contractor, other funders, and other interested parties, and will provide minutes of this meeting to the owner and Agency.

33. Inspections - The Agency requires a preconstruction conference, pre-final, final, and warranty inspections. Your engineer will schedule a warranty inspection with the contractor and the Agency before the end of the 9-11 warranty period to address and/or resolve any outstanding warranty issues. The Agency will conduct an inspection with you of your records management system at the same time.

34. Change Orders – A Change Order must be submitted for all modifications to the approved scope of work, including existing contracts. This includes non-physical modifications such as any time extension requests. Prior written Agency concurrence is required for all Change Orders.

35. Payments – Prior Agency concurrence is required for all invoices and requests for payment before Agency funds will be released. Requests for payment related to a contract or service agreement will be signed by the owner, project engineer, and contractor or service provider prior to Agency concurrence. Invoices not related to a construction contract or service agreement will include the owner's written concurrence.

36. Use of Remaining Funds – As stated above, applicant contribution and connection or tap fees will be the first funds expended in the project. Funds remaining after all costs incident to the basic project have been paid or provided will be handled as follows:

a. Funds remaining after the applicant contribution and connection fees may be considered in direct proportion to the amounts of funding obtained from each source. The use of Agency funding will be limited to eligible grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the grant remains the same.
b. Grant funds not expended for authorized purposes will be cancelled (de-obligated) within 60 days of final completion of project. Prior to actual cancellation, you and your ttorney and engineer will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.
c. Under no circumstances is it appropriate to use remaining funds as contributions to a new project outside the scope of the funded project.

37. Technical, Managerial and Financial Capacity - It is required that members of the Board of Directors, City Council members, trustees, commissioners and other governing members possess the necessary technical, managerial, and financial capacity skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended members receive training within one year of appointment or election to the governing board, and a refresher training for all governing members on a routine basis. The content and amount of training should be tailored to the needs of the individual and the utility system. Technical assistance providers are available to provide this training for your organization, often at no cost. Contact the Agency for additional information.

38. Reporting Requirements Related to Expenditure of Funds -- An annual audit under 2 CFR 200 is required if you expend $750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from the Agency. The audit must be prepared by an independent licensed Certified Public Accountant, or a State or Federal auditor if allowed by State law and must be submitted within 9 months of your fiscal year end. Both the audit and accompanying management report must be submitted for review.

If an audit is required, you must enter into a written agreement with the auditor and submit a copy of that agreement to the Agency prior to the advertisement of construction bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit to be completed, the time frame in which the audit will be completed, and how irregularities will be reported.

39. Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:

a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance.

b. **Civil Rights Act of 1964** – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.

c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.

d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. You must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information your organization provides. These protections are pursuant to Executive Order 13166 entitled, "Improving Access to Services by Persons with Limited English Proficiency" and further affirmed in the USDA Departmental Regulation 4330-005, "Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA."

f. **Controlled Substances Act** - Even though state law may allow some activities, as a recipient of Federal funding, you are subject to the Controlled Substances Act. Specific questions about the Controlled Substances Act should be directed to the Servicing Official who will contact the Office of General Counsel, as appropriate.

40. Compliance Reviews and Data Collection– Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor your compliance with these requirements during regular compliance reviews.

The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter.

If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that you provide, you must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

SECTION VII – REMEDIES FOR NON-COMPLIANCE

Non-compliance with the conditions in this letter or requirements of your security documents will be addressed under the provisions of Agency regulations, statutes, and other applicable policies.

We look forward to working with you to complete this project. If you have any questions, please contact Esther De La Cruz at 831-975-7762 or by e-mail at esther.delacruz@usda.gov

Sincerely,

Esther De La Cruz
Area Specialist

Attachments

cc: Luis Andrade, Water and Environmental Program Director
Benny Young, Management Specialist County of Monterey
Kari Wagner, Principal/Director of Water Resources

FORMS and BULLETINS:

Form AD-3031 "Assurance Regarding Felony Convictions or Tax Delinquent Status for Corporate Applicants" – Item 26
Internal Revenue Service Form 1023, Appendix A, "Sample Conflict of Interest Policy" - Item 13
Form RD 442-20, "Right-of-Way Easement" – Item 12
Form RD 442-21, "Right-of-Way Certificate" – Item 12
Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way" – Item 12
Form RD 1927-9, "Preliminary Title Opinion" – Item 12
Form RD 1927-10, "Final Title Opinion" – Item 22
Form RD 1940-1, "Request for Obligation of Funds" – Page 2
Form RD 1942-46, "Letter of Intent to Meet Conditions" – Page 2
SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form" – Item 20
RUS Bulletin 1780-7, "Legal Services Agreement" – Item 11
RUS Bulletin 1780-9, "Water Users Agreement" - Items 13
RUS Bulletin 1780-12 Exhibit B, "ECWAG Grant Agreement" – Item 5
RUS Bulletin 1780-12 "Grant Agreement" – Item 5
RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance" – Items 9 and 10

Appendix A

A. Reporting Total Compensation of Recipient Executives

In the rare instance in which all of the following apply, please contact your POB Specialist for language to include in the LOC:

1. The total Federal funding authorized to date under this award is $30,000 or more;

2. In the preceding fiscal year, the applicant received—

   (A) 80 percent or more of their annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

   (B) $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

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

B. Subaward and Subrecipients

In the rare instance in which there is a subrecipient in the project, please contact your POB Specialist for language to include in the LOC:

Subrecipient means an entity that:

i. Receives a subaward from the recipient under this award; and

ii. Is accountable to the recipient for the use of the Federal funds provided by the subaward.
   a. Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.

Attachment D

Rural Development

Salinas Field Office

744-A LaGuardia Street
Salinas, CA
93905

Voice 831-975-7762
Fax 844-206-7009

May 1, 2025

AMENDMENT #1 TO LETTER OF CONDITIONS DATED January 8, 2025
Submitted Electronically Via E-Mail

Monterey County
Pajaro County Sanitation District
Attn: Randell Ishii
1441 Schilling Place
Salinas, CA 93901

SUBJECT: Amendment to Letter of Conditions for CY 2022 Disaster Relief – In Kind Water and Waste Disposal Systems for Rural Communities – Pajaro County Sanitation District

Dear Mr. Ishii:

This letter is to amend the Letter of Conditions dated January 8, 2025. **The letter of conditions is amended to provide Section 106 Cultural Resources and Historic Properties Mitigation Measures.**

Pre-Construction – Responsible: Owner and Contractor

Substantive Purpose For Conditions: There are Traditional Cultural Properties (TCP) in the project site. The project site also lies within the Traditional Cultural Landscape of the ETMC of Monterey County. (See ETMC letter dated 2/28/2025):

Esselen Tribe of Monterey County (ETMC): Tom Little Bear Nason, Tribal Chairman is the point of contact at email cultural-resource@esselentribe.org or by phone at (831) 214-5345 when implementing the following conditions.

Cultural 1: A Cultural Resource Sensitivity Training lead by Tribal Citizen of ETMC is required for all projects personnel prior to any ground disturbance activity.

Pre-Construction and During Construction – Responsible: Contractor
Cultural 2: All Project related ground disturbances shall be monitored by ETMC Tribal Citizen

During Construction – Responsible: Contractor
Cultural 3: ETMC shall be consulted to provide commendations, mitigation requirements, and staffing, as applicable, for any culturally significant discoveries including mortuary and non-mortuary contexts limited to the Las Lomas CIP and Map per 3/4/2025 email to ETMC (Pajaro Las Lomas CIP and MAP).

All other conditions still apply as stated in the Letter of Conditions dated January 8, 2025.

If there are any questions, please contact Esther De La Cruz at 831-975-7762 or by e-mail at estherdelacruz@usda.gov.

Sincerely,

ESTHER DE LA CRUZ

Digitally signed by ESTHER DE LA CRUZ
Date: 2025.05.01 13:12:15 -07'00'

Esther De La Cruz
Area Specialist

Attachments:
Letter of Conditions, Dated 1/8/25

cc: Antonio Ybarra, Acting Water Environmental Program Director

Attachment E

USDA
United States Department of Agriculture

Rural Development

Salinas Field Office

744-A LaGuardia Street
Salinas, CA
93905

Voice 831-975-7762
Fax 844-206-7009

June 11, 2026

AMENDMENT #2 TO LETTER OF CONDITIONS DATED January 8, 2025
Submitted Electronically Via E-Mail

Monterey County
Pajaro County Sanitation District
Attn: Randell Ishii
1441 Schilling Place
Salinas, CA 93901

SUBJECT: Amendment to Letter of Conditions for CY 2022 Disaster Relief – In Kind Water and Waste Disposal Systems for Rural Communities – Pajaro County Sanitation District

Dear Mr. Ishii:

This letter is to amend the Letter of Conditions dated January 8, 2025. **The letter of conditions is amended to be extended through January 8, 2027. It also amends Section I. Project Scope: 1. Project Description, 3. Project Budget, and 4. Project Timeline.**

Section 1 – Project Scope:

1. Project Description
The major components of the proposed sewer collection system repair work are described below:

Las Lomas Sewer Main Upgrade Work
• Complete sewer main spot repairs at sewer lateral locations.

Pajaro Lift Station Upgrade Work
• Complete coating work for wet well and discharge pipeline.
• Complete electrical and SCADA upgrades.
• Install new backup generator.
• Complete pump, float and bypass pumping upgrades.

USDA is an equal opportunity provider and employer.

3. Project Budget – Funding from all sources has been budgeted for the estimated expenditures as follows:

Project Costs:	**Total Budgeted:**
Project Administration	
Project Management	$0
Consultant and Contractor Management	$0
Administration and Legal	$ 10,000
Preliminary Design Report	$ 127,000
Permitting, Easements, and Environmental	
Permitting	$0
Easements	$0
Environmental Documentation	$ 10,000
Engineering	
Field Services (Survey, Geotechnical, Potholing)	$ 110,000
Engineering	$ 422,000
Bid Phase	$ 29,000
Construction	
Construction Management, Inspect, ESDC, Record Drawings	$ 422,000
Las Lomas Sewer Main Upgrades	$1,170,250
Pajaro Lift Station Upgrades	$1,076,000
Contingency	
Las Lomas	$ 364,049
Pajaro	$ 334,701
TOTAL	**$4,075,000**

4. Project Timeline:

Project Task	Completion
Design	July 2027
Bidding/Award	Oct. 2027
Construction Work	Nov. 2028

All other conditions still apply as stated in the Letter of Conditions dated January 8, 2025, and Amendment #2 to LOC, dated May 1, 2025.

If there are any questions, please contact Esther De La Cruz at 831-975-7762 or by e-mail at estherdelacruz@usda.gov.

Sincerely,

Esther De La Cruz
Area Specialist

Attachments:
Letter of Conditions, Dated 1/8/25
Amendment #1 to LOC, Dated 5/1/25

cc: Antonio Ybarra, Acting Water Environmental Program Director

Attachment F

UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Utilities Service
Bulletin 1780-2

Simplified
Preliminary Engineering Report

AMENDMENT NO. 1

CY 2022 Disaster Water Grant Program

Pajaro CSD
Las Lomas Sewer Collection System Repair Project

Prepared for:

Monterey County Public Works
168 W. Alisal Street
Salinas, California 93901

Prepared by:

Kari Wagner, P.E.
Wallace Group
San Luis Obispo, California.

REGISTERED PROFESSIONAL ENGINEER
KARIE. WAGNER
No. 66026
CIVIL
STATE OF CALIFORNIA

Date: May 19, 2026

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Appendix 1 – Amendment #1 to Letter of Conditions dated January 8, 2025

1. PROJECT PLANNING

a. Location Maps

The Pajaro County Sanitation District (District) is located in the northern portion of Monterey County, California near Monterey Bay. The District is situated adjacent and to the south of the City of Watsonville and the Pajaro River. The project area is shown on the Project Area Location Map, Figure 1.

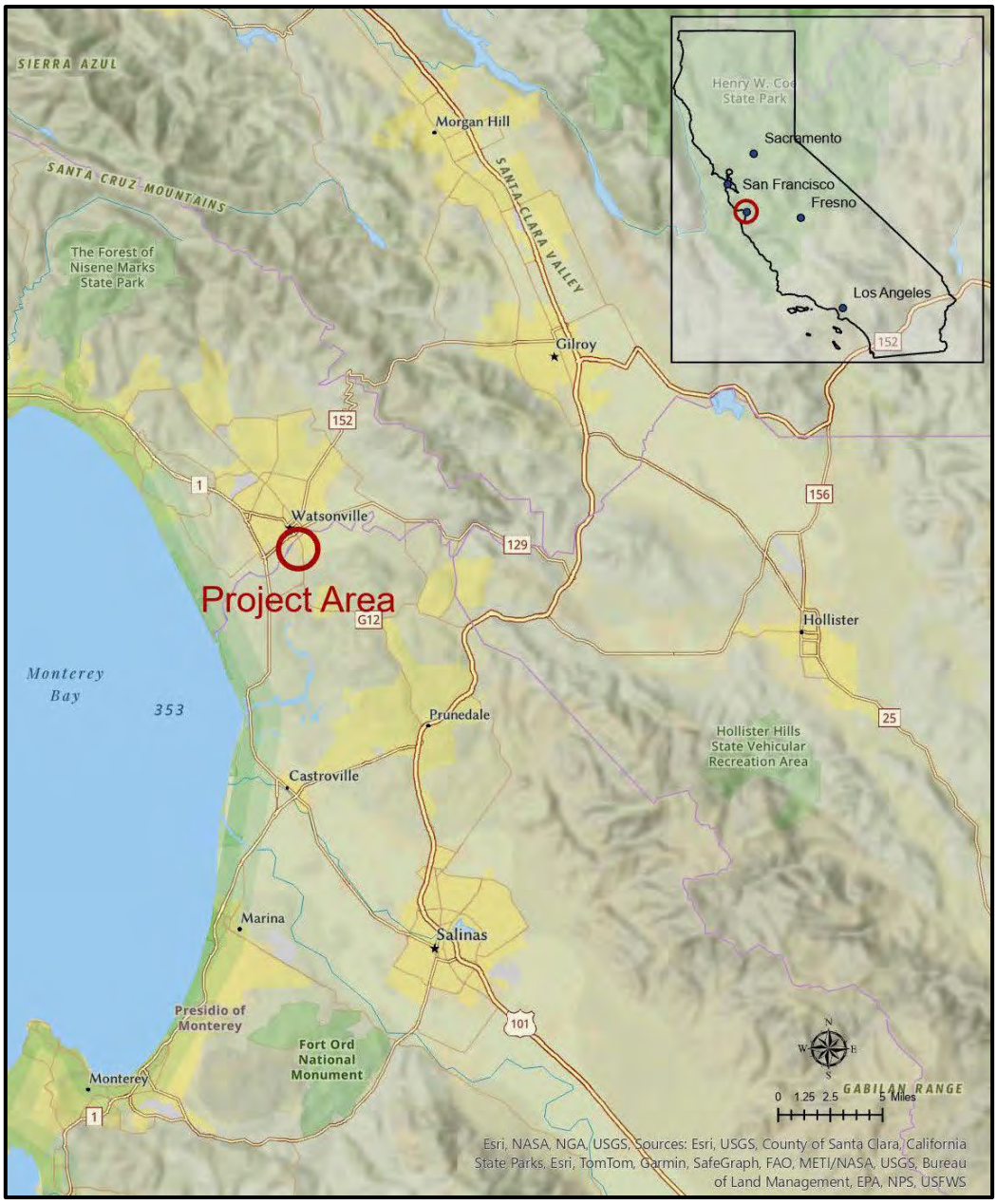

Figure 1 - Project Area Location Map

The Project Vicinity Aerial Map is presented in Figure 2, and the Project Vicinity Topographical Map is presented in Figure 3.

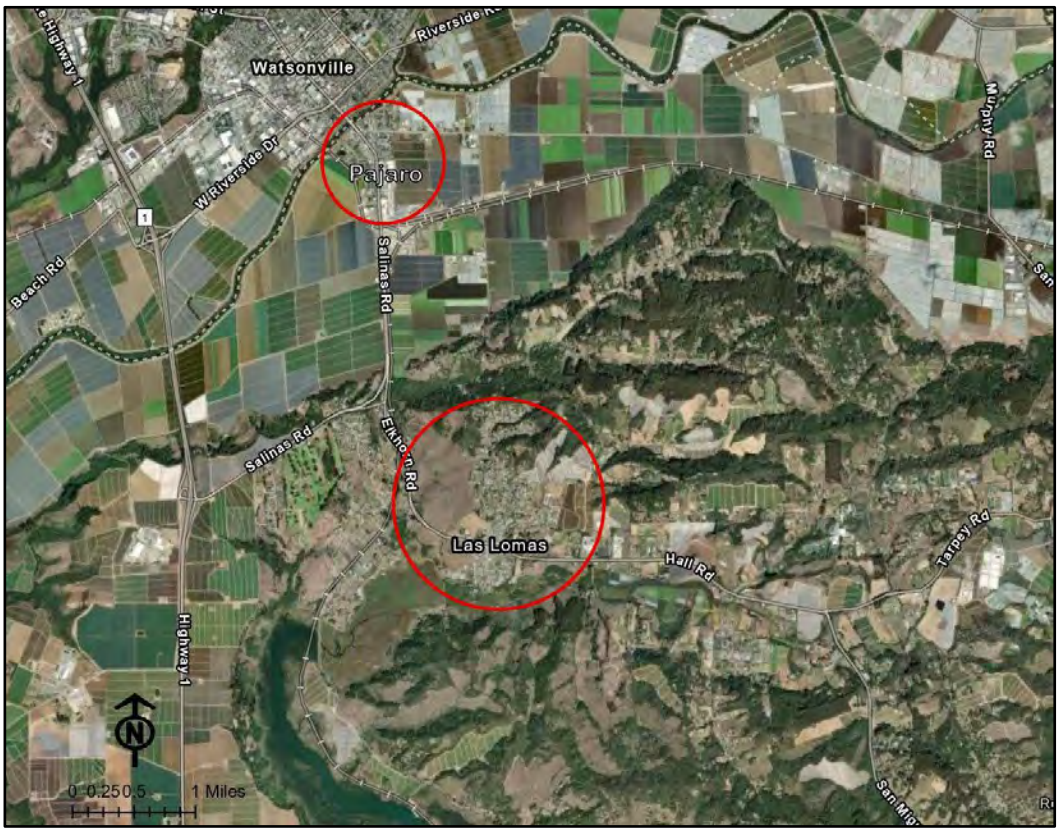

Figure 2 - Project Vicinity Aerial Map

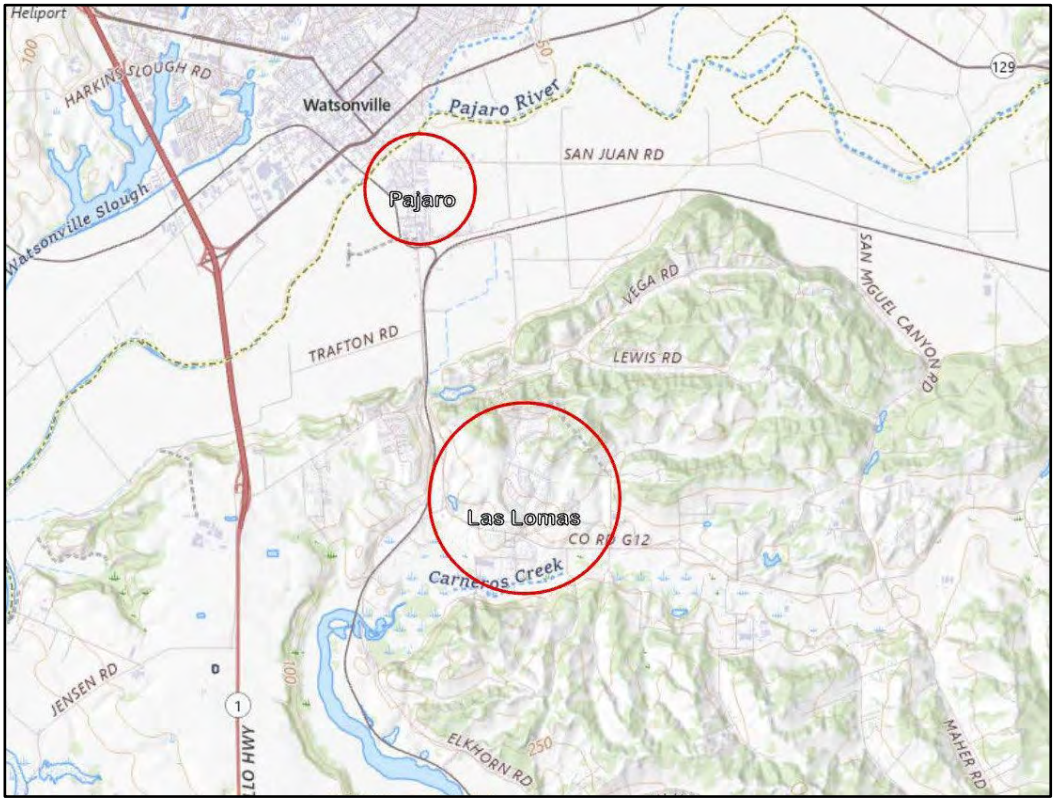

Figure 3 – Project Vicinity Topographical Map

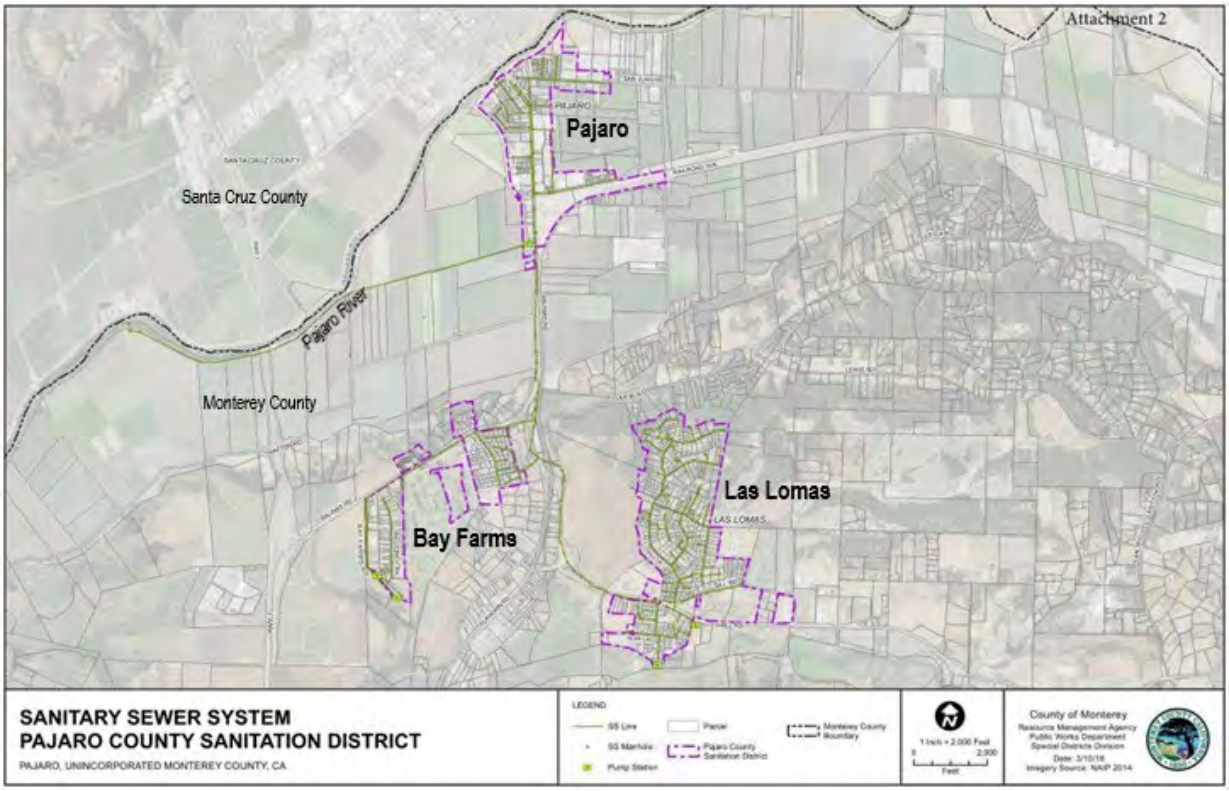

Figure 4 – PCSD Service Area Boundary Map

b. Population

The District's service area population is estimated to be 7,588 based on U.S. Census Data.

c. Median Household Income

The District's service area weighted average median household income (MHI) is $70,712.

d. Environmental

The proposed project was determined to be a NEPA Categorical Exclusion without an Environmental Report in accordance with 7 CFR Part 1970.53 (c) (3). The following mitigation measures are required in addition to the USDA standard construction phase mitigation measures.

Section 106 Cultural Resources and Historic Properties Mitigation Measures

There are Traditional Cultural Properties (TCP) in the project site. The project site also lies within the Traditional Cultural Landscape of the Esselen Tribe of Monterey County (ETMC). (See ETMC letter dated 2/28/2025).

A description of the additional required Cultural Mitigation Measures, Tribal contact information and required timing of the mitigation measures are described in Amendment #1 to Letter of Conditions (LOC) dated January 8, 2025. A copy of the Amendment #1 to the LOC is located in Appendix 1 of this document.

1. EXISTING FACILITIES

a. Facility Layout Maps

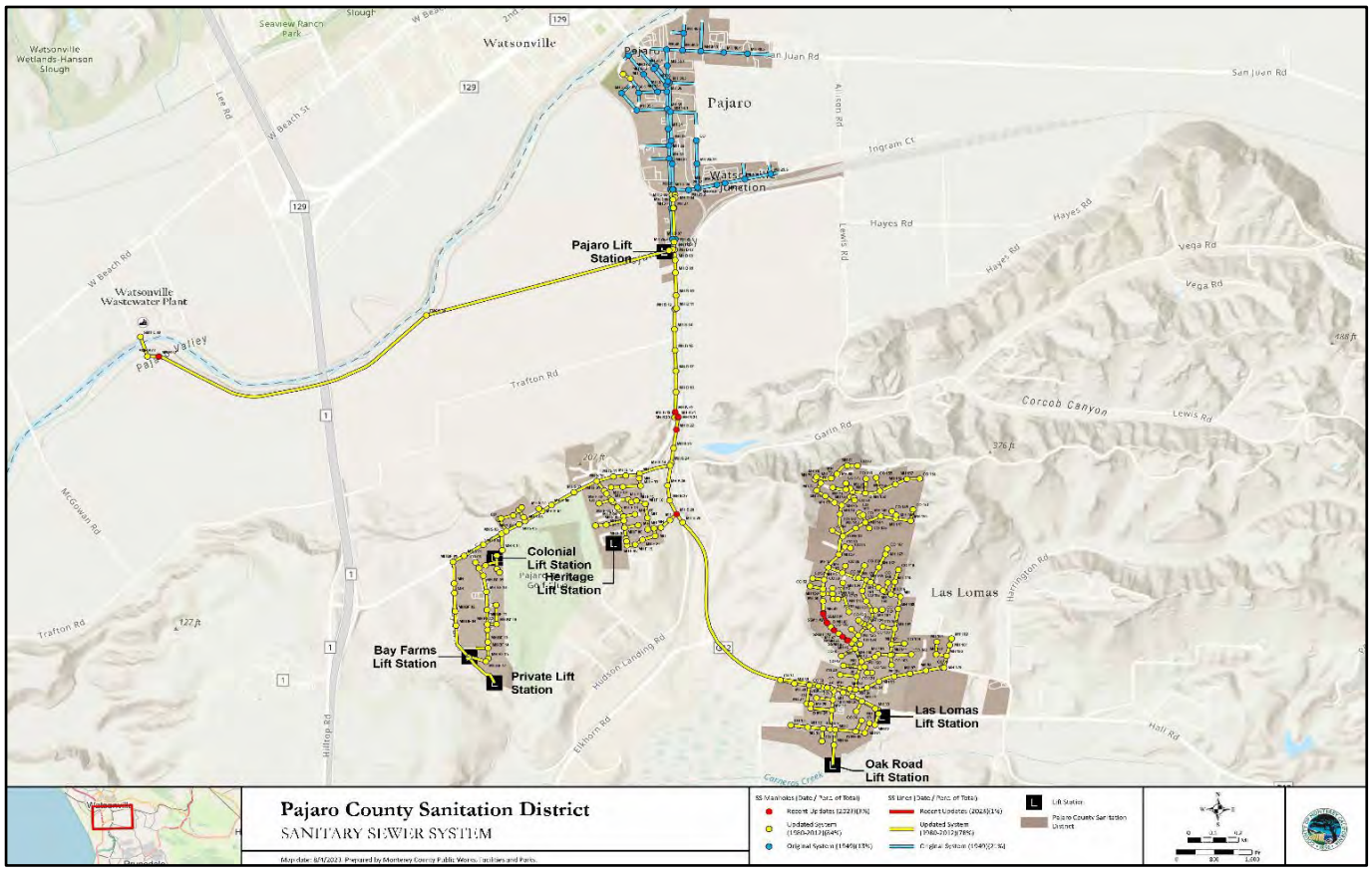

Figure 5 – District Sewer System Layout Map

Figure 6 – Pajaro System Layout Map

Figure 7 – Las Lomas System Layout Map

b. System Description

The Pajaro CSD serves three non-contiguous small rural communities: Pajaro, Las Lomas, and Bay Farms, in a highly agricultural area just south of the City of Watsonville. The Monterey County Department of Public Works operates the Pajaro CSD sewer collection system that is comprised of 20 miles of six, eight and ten-inch diameter sewer pipelines and six lift stations for the collection and transport of wastewater to the nearby City of Watsonville wastewater treatment plant. The existing sewer lines consist of PVC and vitrified clay pipe (VCP) materials.

In 2016 the Pajaro Lift Station was found to have multiple issues including corrosion of both the wet well and discharge pipe, the lack of a float backup, the lack of a backup generator, and low megohm readings on all three pumps, which would require either sealing of the junction boxes or complete replacement of all three pumps.

In 2022 the County completed closed circuit television (CCTV) inspections of the entire District sewer collection system. The CCTV inspections identified approximately 25 sewer laterals that need to be replaced. Some sections of the sewers could not be videoed due to obstructions from the failing laterals.

2. PROJECT JUSTIFICATION

On January 14, 2023, a Presidentially Declared Disaster was issued for Monterey County, California as described below:

FEMA Declaration Number	Incident Type	Declaration Title	Incident Begin Date	Incident End Date	Declaration Date
DR-4683-CA	Flooding	California Severe Winter Storms, Flooding, Landslides, and Mudslides	12/27/2022	01/31/2023	01/14/2023

a. Impact To Existing System

Beginning in late December 2022, a series of severe winter storms occurred in the project area resulting in significantly high levels of precipitation, local flooding and a high groundwater table. In early February 2023, the County responded to a sink hole that had developed in a road within the Las Lomas community. It was determined that the sink hole was caused by a failed sewer pipeline connection that allowed groundwater to enter the sewer main and undermine the road. The stormwater inflow and infiltration also significantly increased flows to the Pajaro Lift Station causing it to exceed its designed pumping capacity.

The California Central Coast Regional Water Quality Control Board (RWQCB) completed an inspection of the District's sewer system collection system on March 7, 2023. The RWQCB determined that the failed sewer pipeline connection caused a sanitary sewer overflow of untreated sewage that reached surface waters and issued a Notice of Violation to the District dated August 11, 2023.

b. Need For Project

The severe stormwater flooding caused extensive wear to the critical Pajaro Lift Station and severe damage to the Las Lomas sewer main pipeline system resulting in a raw sewage sanitary sewer overflow from the underground sewer main into the surface environment. The sanitary sewer overflow caused the District's sewer collection system to be in violation of the State RWQCB's waste discharge requirements (WDRs) and causing probable significant risk exposure to human health and the environment.

There is a need for the restoration and long-term resiliency of the Las Lomas sewer main pipelines and for significant repair and upgrade of the Pajaro Lift Station. The restoration and resiliency repair work will provide the following for the District's sewer collection system:

- Compliance with the State RWQCB sanitary sewer overflow regulatory violation.
- Prevent significant risk to human health and the environment and additional regulatory violations that would be caused by Las Lomas sanitary sewer overflows from future flood events.
- Provide adequate Las Lomas Lift Station pumping capacity during future flood events.

3. PROPOSED PROJECT

a. Scope of Work

The major components of the proposed sewer collection system repair work are described below:

Las Lomas Sewer Main Upgrade Work

- Complete sewer main spot repairs at sewer lateral locations.

Pajaro Lift Station Upgrade Work

- Complete coating work for wet well and discharge pipeline.
- Complete electrical and SCADA upgrades.
- Install new backup generator.
- Complete pump, float and bypass pumping upgrades.

The work will be completed in accordance with all applicable Federal, State, Local and District regulations, including the USDA Rural Development Build America, Buy America Act (BABA) Domestic Preference Requirements.

A location map of the proposed work is presented in Figure 8.

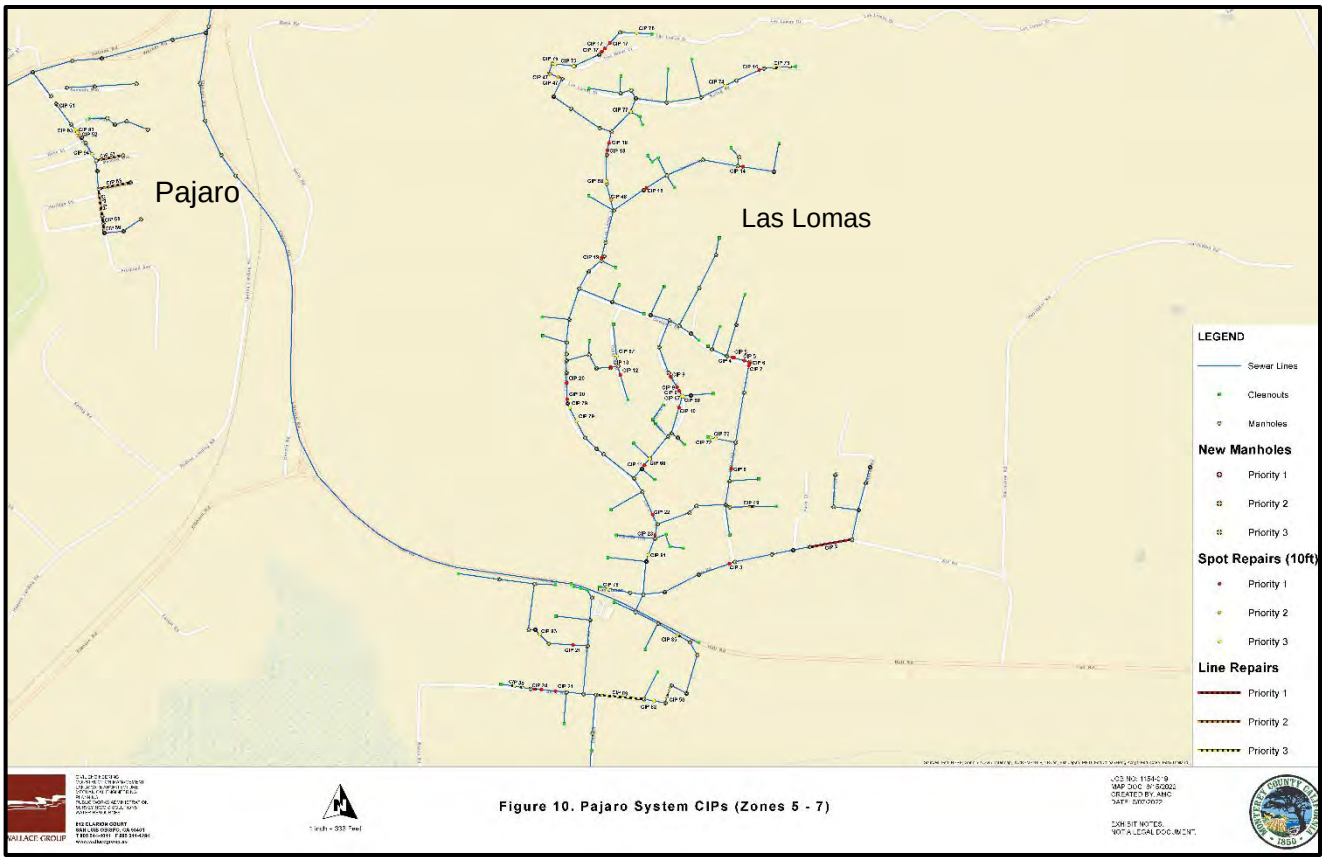

Figure 8 – Proposed Project Work Location Map

b. Project Schedule

Project Task	Completion
Design	July 2027
Bidding/Award	Oct. 2027
Construction Work	Nov. 2028

c. Project Cost Estimate

The Total Project Cost Estimate is presented in Table 1 and the Construction Contract Cost Estimate breakdown is presented in Table 2 below.

Table 1 – Total Project Cost Estimate

Las Lomas Sewer Collection System Repair Project

PER Amendment No.1

Item		Estimated Amount
Legal Counsel Agreement		$ 10,000
Engineering Services Agreement	**Amount**	
- Study and Report Phase (includes PER)	$ 127,000	
- Design Phase	$ 422,000	
- Bidding Phase	$ 29,000	
- Construction Phase	$ 110,000	
- Post Construction Phase	$ 10,000	
- Resident Project Representative	$ 422,000	
Subtotal - Engineering Services:		$ 1,120,000
Owner Direct Procurement Agreements	**Amount**	
- Materials Testing Lab (construction phase)	$ -0-	
- Other (describe)	$ -0-	
Subtotal - Direct Procurement:		$ -0-
Construction Contract (Cost breakdown described in Table 2)		$ 2,246,250
Project Contingency		$ 698,750
Total Project Cost Estimate:		**$ 4,075,000**

The Total Project Cost Estimate is based on the understanding that the project is required to comply with the USDA Rural Development American Iron and Steel (AIS) Dometic Preference Requirements.

Table 2 – Construction Contract Cost Estimate

Las Lomas Sewer Collection System Repair Project

PER Amendment No. 1

Item Description	Quantity	Unit	Unit Price	Item Total
Las Lomas Sewer Main Upgrades				
Mobilization/Demobilization	1	LS	$ 99,000	$ 99,000
Sheeting, Shoring, Bracing	1	LS	$ 40,000	$ 40,000
Storm Water Pollution Control	1	LS	$ 25,000	$ 25,000
Construction Survey	1	LS	$ 20,000	$ 20,000
Sewer Main Upgrades	1	LS	$ 986,250	$ 986,250
Pajaro Lift Station Upgrades				
Mobilization/Demobilization	1	LS	$ 91,000	$ 91,000
Sheeting, Shoring, Bracing	1	LS	$ 5,000	$ 5,000
Storm Water Pollution Control	1	LS	$ 25,000	$ 25,000
Construction Survey	1	LS	$ 20,000	$ 20,000
Coating wet well/piping	1	LS	$ 75,000	$ 75,000
Electrical and SCADA Upgrades	1	LS	$ 250,000	$ 250,000
Backup Generator	1	LS	$ 300,000	$ 300,000
Pumps	3	EA	$ 40,000	$ 120,000
Float Backups	1	LS	$ 15,000	$ 15,000
Bypass Pumping	1	LS	$ 175,000	$ 175,000
			TOTAL:	**$ 2,246,250**

APPENDIX 1

Amendment #1 to Letter of Conditions
dated January 8, 2025

Rural Development

Salinas Field Office

744-A LaGuardia Street
Salinas, CA
93905

Voice 831-975-7762
Fax 844-206-7009

May 1, 2025

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Submitted Electronically Via E-Mail

Monterey County
Pajaro County Sanitation District
Attn: Randell Ishii
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Pre-Construction – Responsible: Owner and Contractor

Substantive Purpose For Conditions: There are Traditional Cultural Properties (TCP) in the project site. The project site also lies within the Traditional Cultural Landscape of the ETMC of Monterey County. (See ETMC letter dated 2/28/2025):

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All other conditions still apply as stated in the Letter of Conditions dated January 8, 2025.

USDA is an equal opportunity provider and employer.

If there are any questions, please contact Esther De La Cruz at 831-975-7762 or by e-mail at estherdelacruz@usda.gov.

Sincerely,

ESTHER DE LA CRUZ

Digitally signed by ESTHER DE LA CRUZ
Date: 2025.05.01 13:12:15 -07'00'

Esther De La Cruz
Area Specialist

Attachments:
Letter of Conditions, Dated 1/8/25

cc: Antonio Ybarra, Acting Water Environmental Program Director