MEMORANDUM

TO: SLDMWA Board of Directors, Alternates
SLDMWA Finance & Administration Committee Members, Alternates

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

DATE: July 8, 2024

RE: Adoption of Resolution Authorizing Execution of Agreement for Services and Equipment for O'Neill Pumping/Generator Plant Unit Upgrades Project, Adoption of Single Source Procurement Justification, and Related Expenditure up to $1,796,000 from the FY23 EO&M Budget

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BACKGROUND

The six units at the O'Neill Pumping-Generating Plant (OPP) have been in service since the 1960s and are in critical need of rehabilitation. In December 2023, the Water Authority submitted an application for funding from the Bipartisan Infrastructure Law (BIL) Aging Infrastructure Account in the amount of $68.1M for the O'Neill Pumping/Generator Plant Upgrade Project (OPP Upgrade Project). The OPP Upgrade Project includes four projects: 1. Pump Assembly & Penstock Rehabilitation, 2. Pump Bowl Design and Fabrication, 3. Unit Rewinds, and 4. Woodward Governor Upgrades. In early June 2024, the Water Authority received an $11.6M BIL funding notice from Reclamation. The Water Authority anticipates submitting another BIL application in July 2024 to seek additional funding for the project. In addition, the Board of Directors approved $1,796,000 in the FY23 EO&M Budget for the OPP Pump Bowl Replacement project, which staff plans to utilize for this agreement along with the June 2024 BIL funding and future BIL funding and/or EO&M budgeted funds.

Water Authority staff has worked directly with the original pump manufacturer, Pentair Fairbanks Nijhuis (Pentair) and GE Vernova to receive a proposal and develop an agreement to design and fabricate new pump bowls, upper tapered columns, lower tapered columns, and modernization of the governor system. The new pump bowls will include new man doors to permit entry and inspection of the bowl bearing. GE Vernova is the original manufacturer of the Woodward governor system, and will be a subconsultant to Pentair in this agreement.

ISSUE FOR DECISION

Whether to authorize adoption of the resolution authorizing execution of Agreement for Services and Equipment for O'Neill Pumping/Generating Plant Unit Upgrades Project, adoption of Single Source Procurement Justification, and related expenditure of up to $1,796,000 from the FY23 EO&M Budget.

RECOMMENDATION

Staff recommends adoption of the proposed resolution.

ANALYSIS

Given Pentair is the original manufacturer of the OPP units, Water Authority staff recommends utilizing a single source procurement for this contract. The scope of the contract is to design and fabricate new pump bowls and taper columns and rehabilitate the existing governor system. All parts will need to interface directly with the existing components of the pumping units. Pentair has retained proprietary information related to the original bowl fabrication and is the only manufacturer with this information. Any other vendor would have to reverse engineer the existing system, with the attendant cost, delay, and risk of error in that process. Because certain design information on the existing system is proprietary, having another vendor reverse engineer and create replacement components could have a risk of violation of intellectual property held by Pentair. Pentair provided the Water Authority a technical presentation and adequately demonstrated their proprietary knowledge of the pumps, a well-qualified staff, and significant experience of similar nature and magnitude. Given Pentair's depth of experience fabricating large pumps combined with their proprietary information related to the pumping units still in service, it has been determined they are effectively the only manufacturer qualified to perform the design and fabrication of replacement components.

At the direction of Reclamation, the Water Authority worked directly with Pentair to develop a proposal to provide services for the Pump Bowl Design and Fabrication and the Woodward Governor Upgrades. The proposed agreement includes two phases:

- Phase I: For the design and engineering of new pump discharge bowls, upper taper column, and lower taper columns along with a rehabilitation of the existing governor system. Design reviews will be completed in collaboration with Reclamation at the 30%, 60%, and 90% intervals. Deliverables of Phase I include the preparation of casting and machine drawings and a set of final as-built drawings. Phase I is anticipated to be completed within 6 months for a total cost of $667,650. The Water Authority will not own the design at the end of Phase I, but can use the design only if it authorizes Pentair to proceed with Phase II.
- Phase II: For the fabrication, delivery, and commissioning of the discharge bowls and associated components. Fabrication of each bowl is anticipated to take 6-9 months, for a total fabrication period of 3-4.5 years. Pentair and GE Vernova will be onsite to provide engineering assistance and commissioning at the installation of each unit. All fabricated components will have a minimum 5-year warranty after installation. All fabricated parts and equipment will be furnished for an estimated $3,005,628 per unit for a total anticipated fabrication cost of $18,033,768.

The proposed agreement states that the consultant shall not begin work in Phase II sooner than authorized in the Manufacturing Schedule, with the Manufacturing Schedule a deliverable identified in Phase I that must be accepted by the Water Authority.

Authorizing execution of this agreement is not a project pursuant to the California Environmental Quality Act (CEQA) because the proposed technical/design activities have no possibility to result in a physical change in the existing environment (CEQA Guidelines Section 15378(a).) In addition, because it can be seen with certainty that there is no possibility that the proposed actions in question may have a significant effect on the environment, the proposed action is not subject to

CEQA (CEQA Guidelines Section 15061(b)(3)).

BUDGET IMPLICATIONS

The contract includes both Phase I and Phase II, with a negotiated total of $18,701,418. The Board action today would authorize the expenditure of $1,796,000 of FY23 EO&M budgeted funds. This expenditure will pay for all of the Phase I work, as well as some of the Phase II work. Water Authority staff intends to utilize BIL funds (including some or all of the $11.6M June 2024 BIL award) and/or future EO&M budget funds to cover the remaining $16,905,418 of anticipated Phase II costs. Future engagement with the Board of Directors will be required to determine the preferred course of action and source of funding. Negotiation of a repayment agreement with Reclamation will need to occur, as well as Water Authority Board action, prior to accessing the $11.6M BIL funds and any future BIL funds.

ATTACHMENTS

1. Draft Resolution
2. Single Source Justification Form
3. Draft Agreement

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

RESOLUTION NO. 2024-xxx

RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT FOR SERVICES AND EQUIPMENT FOR O'NEILL PUMPING-GENERATING PLANT UNIT UPGRADES PROJECT, ADOPTION OF SINGLE SOURCE PROCUREMENT JUSTIFICATION AND RELATED EXPENDITURE UP TO $1,796,000 FROM FY23 EO&M BUDGET

WHEREAS, the San Luis & Delta-Mendota Water Authority ("**Water Authority**") is a transferred works operator responsible for the operation, maintenance, and replacement ("**OM&R**") of certain Central Valley Project ("**CVP**") facilities, including the O'Neill Pumping-Generating Plant ("**OPP"**); and

WHEREAS, the OPP has been in operation since 1968 and the U.S. Bureau of Reclamation ("**Reclamation"**) has determined that the pump bowls are at the end of their useful life and are recommended to be replaced; and

WHEREAS, in December 2023, the Water Authority submitted an application for funding from the Bipartisan Infrastructure Law ("**BIL"**) Aging Infrastructure Account in the amount of $68.1M for the O'Neill Pumping-Generating Plant Upgrade Project ("**OPP Upgrade Project"**) and received notice of $11.6M of funding; and

WHEREAS, the Water Authority anticipates submitting another BIL application in July 2024 to seek additional funding from the BIL Aging Infrastructure Account in the amount of $68.1M for the OPP Upgrade Project; and

WHEREAS, the Water Authority Board of Directors approved $1,796,000 in the FY23 EO&M Budget for the OPP Pump Bowl Replacement Project, which is a project included in the OPP Upgrade Project; and

WHEREAS, Pentair Fairbanks Nijhuis ("**Pentair"**) is the original manufacturer of the OPP units and retains proprietary information related to the original bowl fabrication and is the only manufacturer with this information; and

WHEREAS, the scope of the agreement with Pentair is to design and fabricate new pump bowls and taper columns and to rehabilitate the existing governor system, with all parts required to interface directly with the existing components of the pumping units; and

WHEREAS, after evaluation, Water Authority staff, in collaboration with technical staff from Reclamation, has determined that given Pentair's depth of experience fabricating large pumps combined with their proprietary information related to the pumping units still in service, Pentair is effectively the only manufacturer qualified to perform the design and fabrication of these replacement components; and

WHEREAS, Section 1.1 of the Water Authority's Consolidated Procurement Policy, adopted by Resolution on April 10, 2020, requires the Board to specifically authorize contracts greater than $200,000, and Section 2.3 requires the Water Authority to make specific findings prior to executing a single source contract; and

WHEREAS, the Water Authority has negotiated an $18,701,418 two-phased contract with Pentair with Phase I specific to design for $667,650, and Phase II for fabrication for $18,033,768; and

WHEREAS, Phase I and a portion of Phase II of the contract will be funded utilizing available funds budgeted for this project in the Fiscal Year 2023 EO&M budget; and

WHEREAS, Water Authority staff intends to utilize BIL funds (including some or all of the $11.6M June 2024 BIL award) and/or future EO&M budgeted funds to cover the remaining $16,905,418 of anticipated Phase II costs; and

WHEREAS, negotiation of a repayment agreement with Reclamation will need to occur, as well as Water Authority Board action, prior to accessing the $11.6M BIL funds and any future BIL funds; and

WHEREAS, the proposed Pentair contract specifically states that Pentair shall not begin work in Phase II sooner than authorized in the Manufacturing Schedule, with the Manufacturing Schedule a deliverable identified in Phase I that must be accepted by the Water Authority; and

WHEREAS, authorizing execution of the proposed Agreement does not constitute a project under the California Environmental Quality Act ("**CEQA**") because the proposed technical/design activities have no possibility to result in a physical change in the existing environment (CEQA Guidelines Section 15378(a)); further, because it can be seen with certainty that there is no possibility that the proposed actions in question may have a significant effect on the environment, the proposed action is not subject to CEQA (CEQA Guidelines section 15061(b)(3.

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

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

Section 2. The Board hereby authorizes the Executive Director or Chief Operating Officer to execute the Agreement for Services & Equipment for O'Neill Pumping / Generating Plant Unit Upgrades Project for services and equipment for O'Neill Pumping-Generating Plant Unit Upgrades Project, adoption of single source procurement justification, and related expenditure up to $1,796,000 from the FY23 EO&M Budget.

Section 3. The Executive Director and Chief Operating Officer, and such Water Authority employee or consultant as either of such officers may designate, are further authorized and directed to take such additional steps, and to execute such additional documents, as may be required or reasonably necessary to the completion of the activities authorized by this Resolution.

PASSED, APPROVED AND ADOPTED this 11th day of July, 2024, by the Board of Directors of the San Luis & Delta-Mendota Water Authority.

_____

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

Attest:

_____

Federico Barajas, Secretary

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I hereby certify that the foregoing Resolution No. 2024-___ was duly and regularly adopted by the Board of Directors of the San Luis & Delta-Mendota Water Authority at the meeting thereof held on the 11th day of July, 2024.

_____

Federico Barajas, Secretary

NON-COMPETITIVE (SINGLE SOURCE) PROCUREMENT JUSTIFICATION FORM

Item/Service for single source procurement: OPP Pump Bowl Replacement

Selected vendor for the single source procurement: Pentair (FAIRBANKS NIJHUIS)
Total Amount of Procurement including taxes: Approximately $18,701,418
Specification Number: F24-OPP-031

For any non-competitive (single source) procurement (except Professional services) over $60,000, the Project Manager must complete this form and return it to the Procurement Department for review and procurement authorization. Attach additional pages of explanation if necessary. **A SINGLE SOURCE PROCUREMENT MAY NOT PROCEED UNTIL THE REQUIRED SIGNATORIES SIGN THIS FORM.** **NOTE:** For procurements below the Delegation of Authority threshold of $200,000.00, Board approval is *NOT* required prior to award and can be approved by the Executive Director or COO. The Board must be notified promptly following award.

Section 1: Is this an emergency?

☐ Yes ☑ No (Skip to Section 2)

If yes, explain in detail below and no further Sections are required. If over the Delegation of Authority threshold of $200k, a separate memo documenting the decision shall be prepared by the Project Manager for Board notification/approval.

Note: "Emergency" shall mean a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

Explanation:

Section 2: Identify Type of Procurement

☑ Goods, Supplies, Equipment (See section 3)

☐ Non-Professional Services (See section 4)

☐ Construction (See section 5)

Section 3: Goods, Supplies, Equipment (See Section 2.3 in Procurement Policy)

1. Identify the most applicable criteria below, and provide detailed support in explanation area below

☑ i. A specified product is necessary to match or interface with other products in use by the Authority

☐ ii. The Authority needs to purchase a specified product to field test or experiment to determine the products suitability for future use.

☐ iii. Only one product will meet the Authority's needs.

Explanation:

Pentair (FAIRBANKS NIJHUIS) is the original manufacturer of the six pumping/generating units and the O'Neill Pumping/Generating Plant and has proprietary information related to the materials. The pump bowls are at the end of their service life, and require replacement. The scope of the contract is to design and fabricate new pump bowls, taper columns, and to rehabilitate the existing governor system. All parts that will be provided in this agreement are required to interface directly with the existing components of the pumping units.

2. Is the product available from only one source? (To qualify for a single source, the product must be available from only one source)

☑ Yes ☐ No

Please explain how this determination was made. Note: Reasonable steps should be taken to confirm that the goods or supplies are purchased at a fair price. Include in explanation below.

Explanation:

Pentair, as the original manufacturer, has retained proprietary information related to the original bowl fabrication and is the only source with this information. Any other potential vendor would have to reverse engineer the existing system, with the attendant cost, delay, and risk of error in that process as well as risk of violating Pentair's intellectual property rights. Pentair provided a technical presentation to the USBR & WA to present their experience and fabrication process. Pentair adequately demonstrates their proprietary knowledge of the pumps, well qualified staff, and significant experience of similar nature and magnitude.

Given Pentair's depth of experience fabricating large pump bowls combined with their proprietary information related to the pumping units still in service, it has been determined they are effectively the only manufacturer qualified to perform the design and fabrication of replacement components.

Section 4: Non-Professional Services (See Section 3.1(b) in Procurement Policy)

Identify the most applicable criteria below and provide detailed support in explanation below.

☐ i. That only one firm or individual has the specialized expertise or experience necessary to perform the services, and other potential bidders cannot develop that experience or expertise prior to contract award.

☐ ii. The continuity of services is required to avoid risk of substantial loss or added expenditure to the Authority

Explanation:

Section 5: Construction (See Section 4.6 of the Procurement Policy)

Please identify ***ONE*** of the applicable justifications below by checking and providing explanation.

NOTE: If neither of the below circumstances exist, but the Executive Director or Chief Operation Officer recommends single-source construction contracting, then single source contracting may be used only following Board findings of circumstances indicating that competition does not exist and approval of single-source negotiations. CANNOT BE USED FOR PROJECTS UTILIZING FEDERAL FUNDS.

☐ 1. Where (i) a specified product is required, applying standards and (ii) only one contractor is authorized by the manufacturer or supplier to install the specified product, and (iii) the work for which only a single-source contractor is authorized and not work which reasonably would be expected to be subcontracted.

☐ 2. The Authority has conducted a competitive procurement for substantially similar construction services in the past five (5) years and only one actual or potential bidder for the services was identified.

Explanation:

3. If neither of the above apply, please provide an explanation to the Board as to why the Board should approve this Single-Source procurement.

Explanation:

Completed and Requested By:

Project Manager: Michael Favalora

Date: 6/19/2024

Reviewed By:

By:_____ ☑ Reviewed

Lisa Freitas, Procurement and Work & Asset Manager

Date: _____

By:_____ ☐ Approved ☐ Denied

Pablo Arroyave, Chief Operating Officer

Date: _____

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY

AGREEMENT FOR SERVICES & EQUIPMENT
For
O'Neill Pumping / Generating Plant Unit Upgrades Project

THIS AGREEMENT is made and entered into effective July ___, 2024, between the San Luis & Delta-Mendota Water Authority, hereinafter referred to as "SLDMWA" and Pentair Flow Technologies, LLC, hereinafter referred to as "Consultant" for services & equipment as set forth herein.

Task Order Contract: __Yes _X_No

The following designated Exhibits are incorporated fully into and made a part of this Agreement:

Exhibit A – Scope of Work for Services & Equipment
Exhibit B – General Terms and Conditions
Exhibit C – Fees, Hourly Rates and Reimbursable Costs/Expenses

IT IS MUTUALLY AGREED, as follows:

1. SCOPE OF AGREEMENT

The scope of this Agreement includes Phase I, which generally constitutes professional engineering services for the O'Neill Pumping Plant, including without limitation a) the design of a pump discharge bowl and upper and lower tapered columns; and b) a vane control system, and Phase II, which will commence immediately following Phase I, and which constitutes manufacture of the items designed in Phase I.

Phase I

Consultant shall provide the professional services described in the Scope of Services set forth in Exhibit A as may be amended or augmented from time to time, in accordance with this Agreement and the General Terms and Conditions set forth in Exhibit B, and for the compensation set forth in Exhibit C, Fees, Hourly Rates, and Reimbursable Costs/Expenses.

Phase II

Upon approval of the design of the materials designed in Phase I by SLDMWA, Consultant shall commence manufacturing the materials described in the Phase II Scope of Work. Phase II will be subject to the attached Special Provisions. Please note that federal regulations governing these provisions are currently under review, and the Special Provisions are subject to update in compliance with any changes implemented in the federal regulations.

Any change in the Scope of the Services, budget, or schedule set forth therein, or to any other matter materially affecting the performance of or nature of the services or equipment supply (including but not limited to a change in the Special Provisions which materially affects the Consultant's scope of work), will not be paid for or accepted unless such change, addition, or deletion be approved in advance, in writing, by SLDMWA and Consultant.

2. TERM OF AGREEMENT AND PERFORMANCE SCHEDULE

This Agreement shall become effective as of the date indicated and shall continue until the completion of all work required in Phase II or until otherwise terminated pursuant to this Agreement.

Consultant shall deliver all Phase II materials required in the timeframes proposed under a schedule (the "Manufacturing Schedule") proposed by Consultant and accepted by SLDMWA at the conclusion of Phase I.

Consultant shall not be authorized to begin work in Phase II sooner than authorized in the Manufacturing Schedule unless expressly so authorized by SLDMWA in writing.

3. PARTY REPRESENTATIVES AND NOTICES

Each party's designated representative for administration of this Agreement and receipt of notices is designated below. All notices or other communications provided for by the Agreement shall be in writing and shall be sent by 1) personal delivery, 2) nationally-recognized overnight delivery service (such as Federal Express) which provides evidence of delivery, 3) first class United States mail (postage prepaid), registered or certified, return receipt requested, or 4) e-mail with a copy by first class U.S. mail. Notice shall be deemed received on the date actually delivered if delivered by personal delivery, overnight delivery, or U.S. Mail with return receipt requested and delivered during normal business hours on a business day. Notice by e-mail shall be deemed delivered on the date of transmission, unless the same is after 5:00 p.m. or on a weekend or holiday, in which event delivery shall be on the next business day. A party may change its address for notices under the Agreement by giving notice as provided herein. Notices shall be sent to the following party representatives at the following addresses:

SLDMWA	Consultant
Michael Favalora San Luis & Delta-Mendota Water Authority 15990 Kelso Road Byron, CA 94514 michael.favalora@sldmwa.org 209-832-6231	Eric Nead, Order Execution Manager Pentair Flow Technologies, LLC 3601 Fairbanks Ave Kansas City, KS 66106 eric.nead@pentair.com with a copy to: Kevin Schaekel, C&I Group Counsel 5500 Wayzata Blvd Golden Valley, MN 55406 kevin.schaekel@pentair.com

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

San Luis & Delta-Mendota Water Authority	Consultant
By: _____ Pablo R. Arroyave Chief Operating Officer San Luis & Delta-Mendota Water Authority	By: _____ Christopher Heacock President Commercial & Infrastructure Business Unit

EXHIBIT A - SCOPE OF WORK FOR SERVICES & EQUIPMENT

PHASE I

Engineering Services Overview

Consultant will provide engineering services for the below tasks that include the replacement components for the pumps including (pump bowl, tapered columns, and motor control governor).

This Scope of Services will include engineering services for the modernization and refurbishment work at the O'Neill Pumping Plant (OPP) that will include the following:

- Discharge bowl design and drawings with the addition of manhole
- Discharge bowl and manhole tooling for the casting process
- Upper and lower taper column design
- Modernization of the pump vane controls through GE Vernova
- One visit for the site survey and coordination meetings
- 30/60/90% document review
- Quality Plan

TASK 1 – Pump Engineering Services for Discharge Bowl and Upper and Lower Tapered Columns

The engineering services under this TASK - 1 consist of the following:

1. Discharge Bowl

Consultant to provide engineering and design to supply a cast, machined and painted discharge bowl to replace the original Unit (WMD2A7). The replacement discharge bowl will have an exterior and interior man door located between the guide-vanes to permit entry and inspection of the bowl bearing.

Deliverables to include:

- Reproduce the bowl assembly in 3D CAD
- Design the bowl for an inner and outer manhole
- Create proposal drawings for SLDMWA review under a 30/60/90% cycle
- General arrangement drawing
- Manhole sizing assessment
- Design calculations
- Rigging plan, including manhole cover removal
- Quality plan
- Casting drawings for production of the bowl and manholes
- Machine drawings for production of the bowl and manholes
- Tooling design and models for the creation of the wood pattern equipment
- Wood pattern equipment construction
- Consultant will warrant and maintain the Wood Pattern as needed
- As built final drawing submittal

2. Upper and Lower Tapered Columns

Consultant to provide engineering and design services to supply a fabricated, machined and painted upper taper column to replace the original unit (WMD406B).

Deliverables to include:

- Design the lower column for single (non-split) construction
- Reproduce the taper columns in 3D CADD
- Creation of proposal drawings for SLDMWA review under a 30/60/90% cycle
- General arrangement drawings
- Design calculations
- Rigging plan
- Quality plan
- Fabrication drawings for production of the tapered columns
- Machine drawings for production of the tapered columns

TASK 2 –Vane Control System Engineering Services

The engineering services under this TASK - 2 consist of the following:

1. Vane Control System / Governor

Consultant to provide engineering services for the modernization of the pump vane (blade) controls at the O'Neill Pumping Plant (OPP) consisting of replacement of all electrical and mechanical controls of the Woodward HPU cabinet. Consultant will subcontract with GE Vernova (OEM for Woodward) to perform the engineering. It will be for the below equipment scope/activities.

- Engineering of required solution including a 30/60/90% document review cycle
- P&ID
- Electrical Schematic
- Arrangement of electrical cabinet
- BOM electrical equipment
- BOM mechanical equipment
- Power consumption calculation control system
- Mechanical installation details for equipment provided
- Controls application
- HMI application
- O&M manual
- Quality plan
- As built drawings and manual
- Recurring coordination meetings

PHASE II

1.0 PHASE II Scope of Work:
Pentair will supply discharge bowls, upper tapered columns, lower tapered columns, and vane control system/governor upgrades to SLDMWA for the refurbishment of the six (6) 108" 6360VP pump units at the O'Neill Pumping Plant.

During key dismantling and rebuilding work performed by the Owner, Pentair will supply service supervision for a period of up to 4 weeks per pump refurbishment. In addition, GE Vernova will have service personnel on site for installation and commissioning of the vane control system/governors as outlined.

2.0 Discharge Bowl:
Pentair will supply a cast, machined and painted discharge bowl to replace the original unit (WMD2A7), per the approved design in Phase I. The replacement discharge bowl will have an exterior and interior man door located between the guide-vanes to permit entry and inspection of the bowl bearing. The discharge bowl will have the following characteristics:

- Discharge bowl material (including the interior and exterior man-door) to be cast steel per ASTM A216 WCB
- Interior and exterior man-doors will be removable with a minimum width of 18" wide by 22" high
- Documentation will depict reasonable methods for safe handling of the man-doors by maintenance crews (the supply of man-door rigging is not included)
- The interior and exterior man-door gaskets will be EPDM Rubber
- The man-door fasteners will be ASTM F594 Grade 316S.
- Design and fabricate mandoor access points in accordance with ASME BPVC as applies to Section VIII-UG-46 Inspection openings, namely:
    - A manhole hole will be required, UG-46.f.3:
        - "All vessels over 36 in. (900 mm) I.D. shall have a manhole, except that those whose shape or use makes one impracticable shall have at least two handholes 4 in. × 6 in. (100 mm × 150 mm) or two equal openings of equivalent area."
    - The manhole will be greater than 12"x16", UG-46.g.1:
        - "An elliptical or obround manhole shall be not less than 12 in. × 16 in. (300 mm × 400 mm). A circular manhole shall be not less than 16 in. (400 mm) I.D."
    - If we choose to seal with a gasket, as opposed to bedding compound or O-ring, there will be a minimum gasket bearing width of 11/16", UG-46.j
        - "Manholes of the type in which the internal pressure forces the cover plate against a flat gasket shall have a minimum gasket bearing width of 11/16 in. (17 mm)."
- Casting upgrades per ASTM A216 with supplementary requirement S-4
- Coated per Owner's Specification 20-C0903
- Supply of the cast and machined bowl will comply with the Build America, Buy America Act

3.0 Upper Tapered Column:
Pentair will supply a fabricated, machined and painted upper taper column to replace the original unit (WMD406B) per the approved design in Phase I. The replacement tapered column will be produced to the original size and manufacturing tolerances with the following characteristics:

- Material will be ASTM A36 Steel
- Stress-relief heat treatment of fabrication prior to machining per AWS D1.1

- Coated per Owner's Specification 20-C0903
- The column will include four fabricated feet per the original design.
- Supply of the tapered column will comply with the Build America, Buy America Act

4.0 Lower Tapered Column:

Pentair will supply a fabricated, machined and painted lower taper column to replace the original unit (WMD406A) per the approved design in Phase I. The replacement tapered column will be produced to the original size and manufacturing tolerances with exception that the column will be supplied as a single piece instead of two pieces with a longitudinal split flange. The tapered column will have the following characteristics:

- Material will be ASTM A36 Steel
- Stress-relief heat treatment of fabrication prior to machining per AWS D1.1
- Painted per Owner's Specification 20-C0903
- Supply of the tapered column will comply with the Build America, Buy America Act

5.0 Vane Control System / Governor:

Delivery of the following equipment, per the approved design in Phase 1. Pricing and scope of supply may be adjusted following results of Phase 1 design.

• Electrical control cabinet with door mounted small HMI.
• Control equipment based on Rockwell PLC platform.
• Instrumentation as needed for hydraulics and Vane feedback (position, speed, etc.)
• Hydraulic control elements, proportional valves, filter etc. for the blade articulation. This proposal is based on replacing the main distributing valve rather than refurbishing. (This option may be explored during detail engineering and after the site visit if customer so wishes)
• Manufactured Manifold for interfacing new valves.

6.0 Coatings:

Pentair will Coat the discharge bowl and tapered columns according to the Owner's specification 20-C0903 and the Coating manufacture's requirements.

Tabulation No. 1: Exterior

- Discharge bowl exterior cast surfaces
- Outer man-door exterior cast surface
- Upper tapered column exterior surfaces
- Lower tapered column exterior surfaces

Tabulation No. 2: Interior

- Discharge bowl interior wetted cast surfaces
- Discharge bowl interior inspection chamber
- Outer man-door interior wetted cast surface
- Inner man-door both sides
- Upper tapered column interior surfaces
- Lower tapered column interior surfaces

Machined Surfaces (flange face, fits, drilled holes)

- All machined surfaces will be coated with a rust preventative.

Performance requirements in Specification 20-C0903

- It is assumed that owner listed products meet the specified requirements.
- Pentair will not test paint according to the listed protocol, under the performance requirements.

7.0 On Site Services:

Pentair will supply onsite services during critical stages of dismantling and rebuilding and commissioning of the pump units according to the Owner's schedule.

Pentair

- Up to four weeks of onsite service is included per pump.
- No more than four trips to the site will be required per pump.
- Any additional days or trips needed will be billed separate @ $1,750.00 per person per day, plus expenses.

GE Vernova

- Installation work at site is scheduled for 6 days, 2 people per unit. GE has done due diligence estimating required labor for demolition and installation activities at site. If the actual time spent exceeds this estimate, additional time will be offered at T&M rates provided, based on a detailed description of the activity changes requiring the extension.
- Commissioning work at site is scheduled for 2 days, 1 person per unit. GE has done due diligence estimating required labor for commissioning activities at site. If the actual time spent exceeds this estimate, additional time will be offered at T&M

8.0 Quality:

- Certified materials of construction for castings per ASTM A216 (chemical and mechanical)
- Hydrostatic test report for discharge bowl and columns per ANSI/HI 14.6
- Visual casting surface inspection for castings per MSS-SP-55
- Dry film thickness report for each paint coat, SSPC-PA 2
- SLDMWA reserves the right to conduct in process factory inspections (without hold) of the supplied pump components, upon prior written notice. Pentair will coordinate such visits as necessary.

9.0 Schedule:

Cast/fabricated parts for Equipment Package 1 (as defined below) to be delivered per the Manufacturing Schedule accepted in Phase I, which shall be 6 to 9 Months after the commencement of Phase II. Each subsequent shipment of pump unit parts (in other words, each subsequent Equipment Package) will be per the accepted Manufacturing Schedule, which shall be 6 to 9 months from the previous shipment. Shipments will be based on readiness to ship, with proper notice to SLDMWA.

A Manufacturing Schedule will be given for each line Item. Bi-monthly phone calls will be set up to discuss current status and any questions that may arise.

EXHIBIT B GENERAL TERMS AND CONDITIONS

ARTICLE 1. SCOPE OF SERVICES OF CONSULTANT

A. Services: Consultant's Services consist of the Phase I Scope of Services described in **Exhibit A** to the Agreement, and the Phase II fabrication of the materials designed in Phase I pursuant to the Phase II Scope of Work described in **Exhibit A**, all in accordance with all terms of the Agreement and applicable laws and regulations.

B. Changes/Amendments: Consultant's Services may be changed or amended only by written amendment executed by SLDMWA and Consultant. No claim for any additional compensation or time shall be valid unless authorized by a written amendment.

C. Trust and Confidence: Consultant accepts the relationship of trust and confidence established between SLDMWA and Consultant by the Agreement.

D. Consultant's Skills and Compliance with Professional Standards: Consultant represents and warrants that it is skilled in the professional calling necessary to perform all services, duties and obligations required by the Agreement; that it will perform its Services under this Agreement with the degree of skill and diligence normally practiced in the same industry by consultants performing the same or similar services.

E. Independent Contractor: Consultant shall be an independent contractor, and neither Consultant nor any employee of Consultant or its sub-consultants shall be deemed to be an employee of SLDMWA.

F. No Relation with Sub-consultants: Nothing in the Agreement shall create any contractual relation between SLDMWA and any sub-consultants, or their agents and employees, employed by Consultant. No sub-consultants, agents, employees or other parties are third party beneficiaries of the Agreement. Consultant shall be responsible to SLDMWA for the acts and omissions of its employees, sub-consultants, and their agents and employees, and other persons performing any of the work under the Agreement.

G. Compliance with Laws: Consultant shall give all notices and comply with all applicable laws, ordinances, rules, regulations, and lawful orders of any public authority bearing on the performance of its work, including those relating to safety of its employees and sub-consultants, hazardous materials, and equal employment opportunities; obtain all permits and licenses necessary for performance of its work; pay all wages, fees, benefits, and other amounts due to personnel and sub-consultants in connection with their performance of services and as required by law; pay all applicable local, state, and federal taxes associated with its work; and pay all amounts required by law in connection with employees including, but not limited to, Social Security taxes, income tax withholdings, unemployment insurance, and workers' compensation insurance premiums. Consultant shall comply with all federal requirements applicable at the time of execution of this Agreement for the work funded in whole or in part by federal funds and that are required in connection with such federal funding. Upon the Authority's request, Consultant shall furnish evidence satisfactory to the Authority that any or all of the foregoing obligations have been fulfilled.

ARTICLE 2. SCHEDULE

A. Consultant shall perform Phase I work in accordance with the time specified in the Agreement. Consultant shall perform Phase II work in accordance with the timeframes specified in the Phase II Scope of Work and the Manufacturing Schedule.

B. Any delays in or failure of performance by either party under this Agreement (except payment of compensation under Article 6) shall not constitute default hereunder and neither party shall be liable to the other for failure to perform its obligations hereunder if and to the extent that such failure to perform is caused by or results from force majeure which shall be defined to be causes or occurrences beyond the control of the party affected, including, but not limited to, acts of governmental authority, acts of God, strikes or other concerted acts of workmen, unavailability of labor or materials and operating equipment, fires, floods, explosions, riots, war, rebellion, insurrection and sabotage; provided, however, that the party whose performance is delayed shall have given notice and full description of the cause of the delay in writing to the other party as soon as possible after the occurrence of the cause relied on by it.

ARTICLE 3. CONFLICTS OF INTEREST

Excepting any work that Consultant may do for SLDMWA described on Exhibit A or directly related to the work described in Exhibit A, which SLDMWA confirms will not be considered an actual or potential conflict of interest, Consultant shall not have a familial, financial, or investment interest in any of the persons, contractors or companies with responsibilities related to the work described in Exhibit A or manufacture of the items designed in Phase I. A familial interest exists if any of Consultant's officers, directors, employee(s) providing professional services to SLDMWA, or owners of 10% or more of the business is the spouse, sibling, parent, child, grandparent, grandchild, aunt/uncle or niece/nephew of any of the officers, directors, project managers, or owners of 10% or more of the business of any of the persons, contractors or companies with responsibilities related to the work described in Exhibit A or contemplated for Phase II. Consultant affirms that, to the best of its knowledge, there exists no actual or potential conflict between family, business, or financial interests of Consultant and SLDMWA. Consultant agrees to advise SLDMWA of any actual or potential conflicts of interest that may develop subsequent to the date of execution of the Agreement.

ARTICLE 4. ASSIGNMENT AND SUBCONTRACTING

Except as expressly authorized herein, Consultant shall neither assign its rights nor delegate its duties under the Agreement (except to (i) an entity controlling, controlled by, or under common control of, Consultant, (ii) any successor, directly or indirectly, to Consultants by merger, consolidation or reorganization, and (iii) any purchaser of all substantially all of the assets, directly, or indirectly, of Consultant as a going concern, which will not require SLDMWA's consent) without prior written consent of SLDMWA. Notwithstanding the foregoing, Consultant intends to contract with GE Vernova as a subconsultant, and SLDMWA expressly approves Consultant subcontracting to GE Vernova. This prohibition of assignment and delegation extends to all assignments and delegations that lawfully may be prohibited by agreement. Except as expressly allowed in the Agreement, Consultant shall not subcontract any of the work to be performed or services to be rendered without the prior consent of SLDMWA.

ARTICLE 5. NON-DISCRIMINATION

Consultant shall not discriminate against any employee or potential employee on the basis of prohibited criteria, as defined in Government Code section 12940. Without limiting the foregoing in any way, during the performance of this Agreement, Consultant and its sub-Consultants shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Consultant and sub-Consultants shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Consultant and sub-- Consultants shall comply with the provisions of the Fair Employment and Housing

Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Consultant and its sub-Consultants shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement. Consultant shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

ARTICLE 6. COMPENSATION; TAXES

A. Contract Price: Consultant agrees to perform the Basic Services required in Phase I for the Phase I Contract Price shown in **Exhibit C**, and any authorized extra services as may be expressly agreed upon in writing between SLDMWA and Consultant, and SLDMWA agrees to pay Consultant for such services in accordance with **Exhibit C** to the Agreement, or such other rates for extra services as may be expressly agreed upon in writing between SLDMWA and Consultant.

Consultant agrees to provide all materials required in Phase II for the Phase II Contract Price shown in **Exhibit C**, subject to any agreed-upon adjustments in the Phase II Contract Price to accommodate for design changes during Phase I. Any such adjustments in the Phase II Contract Price will be handled by execution of a change order.

B. Reimbursable Consultant Costs/Expenses: SLDMWA recognizes that certain costs and expenses associated with the Phase I services performed may be reimbursable to Consultant. Categories of costs/expenses that may be considered for reimbursement are included in **Exhibit C**. Payments to Consultant for reimbursable costs/expenses will be made only to the extent that SLDMWA has approved the expense in writing and prior to the expense being incurred, after the specific costs/expenses have been incurred, and after invoicing has been verified by submission of substantiating documentation, such as copies of paid invoices or other documentation confirming that such costs/expenses have been incurred by Consultant.

C. Invoicing: In Phase I, Consultant shall submit applications for payment on a progress basis for work completed with email copy to Accounts Payable, San Luis & Delta-Mendota Water Authority, at accounts.payable@sldmwa.org or via U.S. Mail at P.O. Box 2157, Los Banos, CA 93635. If applicable, Consultant's invoice also shall include reimbursable costs/expenses incurred for the billing period. Invoices requesting reimbursement for costs/expenses incurred during the billing period must clearly list items for which reimbursement is being requested and be accompanied by proper documentation (*e.g.* receipts, invoices). The progress payment will be based on the estimated percentage complete stated on the progress schedule in **Exhibit C**, subject to review and approval by SLDMWA, including applicable time records and identification of any deliverables submitted during the billing period, for the work performed to the prior progress milestone at rates not to exceed those stated in **Exhibit C**. SLDMWA also has the right to correct any error made in any Progress Payment and may withhold as much payment as reasonably necessary to correct the error in later progress payments.

Phase II costs will be invoiced to SLDMWA following the completion of the milestone associated with each portion of the work, as described in **Exhibit C**.

D. Payment: Invoices received by SLDMWA on or before the 15th day of a given month and subsequently approved by SLDMWA will be paid by SLDMWA before the end of the following month. All other properly invoice amounts shall be paid not more than forty-five (45) days after delivery of an

invoice. Disputed invoices shall be returned to Consultant within ten (10) working days of receipt.

E. Payment Disputes: SLDMWA may dispute any invoice or portion thereof which is not properly documented and in accordance with the Agreement. For any disputed payment, SLDMWA shall provide written notice describing its dispute to Consultant. Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of SLDMWA. This decision shall be final and conclusive unless within ten (10) days from the date of the receipt of its copy, Consultant mails or otherwise furnishes a written appeal to SLDMWA's Chief Operating Officer. In connection with any such appeal, Consultant shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Chief Operating Officer shall be binding upon Consultant and Consultant shall abide by the decision. The foregoing dispute resolution provisions will only be applicable if the dispute is solely over whether amounts included in an invoice are or are not properly documented in accordance with this Agreement. All other dispute resolution will be handled in accordance with Article 17. Unless otherwise directed by SLDMWA, Consultant shall continue performance under this Agreement while invoice-related matters in dispute are being resolved.

F. Taxes: Any and all taxes imposed or assessed on Consultant's income by reason of this agreement or its performance, including but not limited to sales or use taxes, shall be paid by Consultant. Consultant shall be responsible for any taxes or penalties assessed by reason of any claims that Consultant is an employee of SLDMWA.

ARTICLE 7. SLDMWA'S OBLIGATIONS

SLDMWA shall cooperate with Consultant to facilitate the conduct of Consultant's performance of its services under this Agreement, including for purposes of the exchange of information and consultation, as well as to provide access as required to any SLDMWA facilities that are the subject of the services. Consultant's primary source of contact with the SLDMWA shall be the contact designated in the Agreement.

ARTICLE 8. SLDMWA'S CONFIDENTIAL INFORMATION

A. Confidential Information shall be (a) any and all information provided by SLDMWA (the "Disclosing Party") to Consultant (the "Receiving Party") that is labeled and/or marked confidential, and if disclosed orally, summarized in written format within (30) calendar days of disclosure and identified as "confidential", "trade secret", or "proprietary", and (b) information that is not labeled as "confidential", "trade secret", of "proprietary" but after which SLDMWA notifies Consultant as being "confidential", "trade secret", or "proprietary", SLDMWA shall retain all ownership rights over its Confidential Information.

B. The Confidential Information will be kept confidential, and will not, without SLDMWA's prior written consent, be disclosed by Consultant, in any manner whatsoever, in whole or in part, and shall not be used in any manner directly or indirectly by Consultant, other than in connection with providing services under this Agreement.

C. Confidential Information does not include information which (i) at the time of disclosure is within the public domain through no breach of this Agreement by Consultant; (ii) has been known or independently developed by and is currently in the possession of Consultant prior to disclosure or receipt hereunder; (iii) was or is acquired by Consultant from a third party (other than a Member customer contacted by Consultant through the operation of this Agreement) who did not to Consultant's knowledge breach an obligation of confidentiality by disclosing it to Consultant.

D. Consultant will retain the Confidential Information only so long as it is necessary to perform Consultant's tasks under this Agreement, and after such time, the Confidential Information will be returned to SLDMWA (or at SLDMWA's written option, destroyed), and Consultant will retain no copies of the Confidential Information.

ARTICLE 9. INSURANCE

A. Required Policies: Consultant and any sub-consultants shall procure and maintain insurance on all of its operations during the progress of its work described in Exhibit A or any Task Orders, with reliable insurance companies approved by the State of California Department of Insurance and with a Bests' rating of no less than (A) Level VII, on forms acceptable to SLDMWA, for the following minimum insurance coverages, which may be increased or expanded by the Agreement:

1. Workers' Compensation insurance and occupational disease insurance, as required by law, with limit of no less than $1,000,000 per accident for bodily injury or disease;

2. Employer's liability insurance, with minimum limits of $1,000,000, covering all workplaces involved in the Agreement.

3. Commercial General Liability Insurance in an amount not less than $1,000,000 combined single limit per occurrence for bodily injury, property damage, personal injury, advertising liability, blanket contractual liability, Contractor's obligations under this Agreement, products and completed operations, and coverage for independent contractors with limits of not less than one million dollars ($1,000,000) for each occurrence, an annual aggregate of two million dollars ($2,000,000), and a products/completed operations aggregate of two million dollars ($2,000,000).

4. Commercial Automobile Insurance for all owned, non-owned and hired vehicles used by Consultant in the performance of its services under this Agreement with a limit of not less than $1,000,000 combined single limit per occurrence for bodily injury and property damage.

5. Professional Liability Insurance, written on a "Claims Made Basis," with limits of liability in amounts not less than $1,000,000 per claim and $2,000,000 aggregate, insuring Consultant, for its own acts and for the acts of all persons for whose acts Consultant may be liable, against liabilities arising out of or in connection with negligent acts, errors, or omissions in connection with the carrying out of their professional responsibilities under the Agreement. Consultant shall provide SLDMWA proof of professional liability insurance coverage for two years following final completion of the Agreement.

B. Additional Terms:

1. All general liability policies shall name SLDMWA, its elected or appointed officers, officials, agents, directors, representatives, authorized volunteers and employees (collectively "SLDMWA") as additional insureds include a severability of interest provision, and shall provide that such policy is primary and not

contributory with any insurance carried by SLDMWA or its Members.

2. The insurance to be provided by Consultant under this Agreement shall not include any of the following: except for Professional Liability Insurance, any claims-made insurance policies; any self-insured retention or deductible amount greater than two hundred fifty thousand dollars ($250,000) unless approved in writing by SLDMWA; any endorsement limiting coverage available to SLDMWA that is otherwise required by this Article 9; and any policy or endorsement language that (i) negates coverage to SLDMWA for SLDMWA's own negligence; (ii) limits the duty to defend SLDMWA under the policy; (iii) provides coverage to SLDMWA only if Consultant is negligent, or (iv) permits the recovery of defense costs from any additional insured. The insurance provided under this Agreement shall not contain any restrictions or limitations which are inconsistent with SLDMWA's rights under this Agreement.

3. Consultant shall provide Certificates of Insurance, or other evidence of insurance as requested by SLDMWA, to SLDMWA within ten (10) days after receipt by Consultant of the executed Agreement. The certificates shall provide that there will be no cancellation, suspension, voiding or change of coverage without thirty (30) days' prior written notice to SLDMWA. There shall be no reduction or modification of coverage of insurance required by the Agreement without the written consent of SLDMWA. Consultant shall provide SLDMWA with a new or renewed certificate of insurance upon any changes or modifications to coverage, including any extension or renewal of required insurance coverage; provided that any changes or modifications to coverage shall be consistent with this Agreement.

4. The insurer(s) issuing the required policies shall, by separate endorsement, agree to waive all rights of subrogation against the "Additional Insureds" for losses arising in any manner from the products or work provided or performed by or on behalf of Consultant for SLDMWA, but this provision applies regardless of whether or not SLDMWA has received the waiver of subrogation.

ARTICLE 10. INDEMNITY; NO LIABILITY FOR CONSEQUENTIAL DAMAGES; LIQUIDATED DAMAGES

A. Consultant shall, with respect to all work which is covered by the Agreement, defend, indemnify, and hold harmless SLDMWA, its officers, directors, agents, representatives and employees (collectively "SLDMWA"), from and against any and all liens and claims asserted by firms or individuals claiming through Consultant, and claims, liability, loss, damage, civil fines, penalties, costs, or expenses, including reasonable attorneys' fees, expert's fees, awards, fines, or judgments, relating to the death or bodily injury to persons, injury to property, other loss, damage, or expense to the extent that any of the above arise out of the negligence, recklessness or willful misconduct by Consultant or anyone acting under its direction or control or on its behalf in the course of its performance under this Agreement. Consultant's duty shall include the duty to defend the indemnitees as required by Civil Code section 2778, which duty shall arise from the need for defense and is not contingent upon a finding of liability for indemnification, and Consultant shall employ counsel reasonably acceptable to SLDMWA for this defense obligation. Consultant shall not be obligated under the Agreement to indemnify SLDMWA to the extent that the damage is caused by the active or sole negligence or willful misconduct of SLDMWA or its agent or servants other than Consultant.

B. SLDMWA shall defend, indemnify, and hold harmless Consultant, its officers, directors, agents, representatives and employees (collectively "Consultant") from and against any and all claims, liability, loss, damage, civil fines, penalties, costs, or expenses, including reasonable attorneys' fees, expert's fees, awards, fines, or judgments, relating to the death or bodily injury to persons, injury to property, other loss, damage, or expense to the extent that any of the above arise out of to the negligence, recklessness, or willful misconduct by SLDMWA or anyone acting under its direction or control or on its behalf in the course of its performance under this Agreement other than Consultant. SLDMWA's duty shall include the duty to defend the indemnitees as required by Civil Code section 2778, which duty shall arise from the need for defense and is not contingent upon a finding of liability for indemnification, and SLDMWA shall employ counsel reasonably acceptable to Consultant for this defense obligation. SLDMWA shall not be obligated under the Agreement to indemnify Consultant to the extent that the damage is caused by the active or sole negligence or willful misconduct of Consultant or its agent or servants.

Where any claim results from the joint negligence, gross negligence, or willful misconduct by SLDMWA and Consultant, the amount of such claim for which SLDMWA or Consultant is liable as indemnitor under this Article shall equal (i) the proportionate part that the amount of such claim attributable to such indemnitor's negligence, gross negligence, or willful misconduct bears to, and (ii) the amount of the total claim attributable to the joint negligence, gross negligence, or willful misconduct at issue.

C. Consultant and SLDMWA each agree to promptly serve notice on the other party of any claims arising hereunder, and shall cooperate in the defense of any such claims.

D. The acceptance by SLDMWA or its representatives of any certificate of insurance providing for coverage of any kind shall in no event be deemed a waiver of any of the provisions of this Article. None of the foregoing provisions shall deprive SLDMWA of any action, right or remedy otherwise available by law.

E. Neither Consultant nor SLDMWA shall be responsible to the other for any form of consequential, indirect, special, punitive, or incidental damages, including, but not limited to losses of use, sale, profits, financing, business and reputation, and attorney fees thereon. Nothing in these provisions or in this Agreement shall waive, release or compromise any insurance requirements or coverages required in Article 9, and nothing in this Article shall reduce or eliminate any obligation of any insurer with respect to damages to any third party related in any way to this Agreement.

F. Should the Work of either Phase not be completed within the specified time, as adjusted for any delays caused by force majeure or other conditions beyond the control and without the fault or negligence of Consultant, Consultant acknowledges that SLDMWA will suffer damage, and that it is impracticable and infeasible to fix the amount of actual damages. Therefore, it is agreed by and between Consultant and SLDMWA that Consultant shall pay the amounts specified in this Section to SLDMWA, as its sole and exclusive remedy for Consultant's delay, as fixed and liquidated damages, and not as a penalty. Subject to the limitations contained in this Section, if Consultant fails to deliver the professional services required by Phase I in the timeframes described herein (per the durations described in Exhibit C) or fails to deliver all completed materials to be manufactured in Phase II within the time specified in the Phase II Scope of Work (the "Consultant Delay"), then the Consultant shall pay to SLDMWA an amount equal to $250.00 for each calendar day of Consultant Delay during Phase I and $2,000.00 for each calendar day of Consultant Delay during Phase II, up to 5% of the total anticipated compensation for Phase I and Phase II (the "Liquidated Damages"). For avoidance of doubt, Liquidated

Damages shall not exceed 5% of the anticipated total for Phase I and Phase II work hereunder. Liquidated Damages will not be incurred: (i) for delays to the extent caused by parties other than Consultant; or (ii) for delays constituting force majeure events beyond Consultant's control. The Consultant's payment of the Liquidated Damages is the Consultant's sole liability and entire obligation and SLDMWA's exclusive remedy for any damage stemming from Consultant's late delivery.

ARTICLE 11. INTELLECTUAL PROPERTY INFRINGEMENT

Consultant shall defend, indemnify and hold SLDMWA free and harmless from and against, any loss, cost and expense that SLDMWA incurs because of a claim that any deliverables, materials or equipment (hereinafter "Product") provided pursuant to this Agreement infringes on the intellectual property right of others.

ARTICLE 12. LIMITATION OF LIABILITY

In no event will Consultant be liable to SLDMWA for any incidental, indirect, special, consequential or punitive damages or lost profits of SLDMWA. With the exception of the indemnity obligations described in Article 10(A) and 10(B), the aggregate total liability of Consultant arising from or related to SLDMWA's engagement of Consultant shall not exceed an amount equivalent to 50% of the anticipated total fee for Phase I and Phase II work hereunder.

ARTICLE 13. USE AND OWNERSHIP OF WORK PRODUCT

As used in this Agreement, the term "Work Product" means deliverables or materials fixed in a tangible medium of expression, including software code, written procedure, written documents, abstracts and summaries thereof, or any portions or components of the foregoing created, written, developed, conceived, perfected or designed in connections with the services provided under this Agreement, but excepting any of Consultant's proprietary materials associated with the design or redesign/refurbishment of the pumps located at the O'Neil Pumping Plant. SLDMWA shall retain all rights, title and interest in and to the Work Product, including all intellectual property rights therein and any and all enhancements, improvements and derivative works thereof, and Consultant obtains no rights therein.

ARTICLE 14. ONLINE DOCUMENT ACCESSIBILITY

Consultant will provide electronic copies of documents and materials designated for public access on the Authority's public website consistent with Web Content Accessibility Guidelines (WCAG) 2 Level AA Conformance and/or current state and federal standards for accessibility. If Consultant has any question as to whether a deliverable is subject to these requirements, Consultant shall confirm with the Authority whether the deliverable is anticipated to be posted to the Authority website. Consultant may reference the California Department of Technology's Web Accessibility Assessment Checklist at https://dor.ca.gov/Home/Accessibility to help Consultant comply with State and WCAG standards and requirements. Consultant should ensure documents and materials created for the Authority are compatible with most major Internet browsers, including Chrome, Firefox and Safari. The Authority reserves the right to return to Consultant for correction any deliverable that is required to be website accessible, and that the Authority determines not to be compliant, in accordance with these standards. Any such modification shall be done at Consultant's cost and without further charge to the Authority.

ARTICLE 15. SUSPENSION AND TERMINATION OF AGREEMENT

A. **Suspension.**

In the event of a delay in SLDMWA's receipt of project funding for the O'Neill Pumping / Generating Plant Unit Upgrades, this Agreement may be temporarily suspended by SLDMWA upon 60 days' written notice to Consultant. The Phase I or Phase II Fees, as applicable, and Manufacturing Schedule shall be adjusted for increases

in the cost (as set forth below) and time caused by suspension under this Section 15(A).

With respect to the cost increases caused by the suspension, the Consultant shall provide a one-time 3-month grace period from the date of suspension before increasing Consultant's Phase I or Phase II Fees. After 3 months of suspension, the Fees will increase 1%. Each additional month (beyond the first three months) that the work is suspended shall result in an increase in the Fees of 0.4% per month. By way of example, if SLDMWA suspends the work for 10 months, the Fees will increase by 3.8% (1% attributable to the first 3 months and 0.4% for each month thereafter).

A suspension greater than 18 months will result in termination of the Agreement under the Termination for Convenience clause in Section 15(C).

B. **Termination for Default.**

This Agreement may be terminated by either party for default if the claimed defaulting party fails to cure any default within ten (10) days after receiving written notice of the default and a demand to cure, or to commence any cure within that period for any default that cannot be cured within 10 days.

C. **Termination for Convenience.**

This Agreement may be terminated for convenience, in whole or in part, by SLDMWA upon 30 days' written notice, with or without cause, upon written notification to Consultant. Immediately upon receipt of such notice of termination for convenience, Consultant shall immediately cease all work not terminated, other than as necessary to wind up that work, and terminate all subcontracts entered into under this Agreement. SLDMWA shall pay Consultant 1) all unpaid sums due for services performed or materials provided under this Agreement to the date of termination, 2) reasonable expenses for winding down the services, and 3) Consultant's reasonable expected profit on any materials that are in process and whose manufacture cannot reasonably be terminated. Following such payment, SLDMWA shall have the right to immediate possession of all Work Product.

No termination of the Agreement shall excuse or otherwise relieve Consultant of its responsibilities under the Agreement, including, without limitation, the standard of care for its work and services and its indemnity obligations. All of such responsibilities under the Agreement with respect to work and/or services performed prior to the date of termination shall survive any termination.

ARTICLE 16. RECORDS AND AUDIT

SLDMWA or SLDMWA's authorized representative shall have access, upon reasonable notice and during normal business hours during the term of the Agreement and for a period of two (2) years thereafter, or such longer period as may be required by any agreement providing public funding for the work to be performed hereunder, to Consultant's books and records and all other documentation pertaining to Consultant's services under this Agreement to the extent that SLDMWA is obligated to have access to such records in connection with any funding or government oversight obligations in connection with the work to be performed. Such access includes the right to make excerpts, transcriptions and photocopies at SLDMWA's expense *except that*, if SLDMWA or its authorized representatives propose to copy records that Consultant deems to be confidential and/or trade secrets, then Consultant shall be entitled to mark such materials "Confidential" (or similar marking) at its own expense.

ARTICLE 17. DISPUTE RESOLUTION

Consultant and SLDMWA shall attempt to resolve conflicts or disputes that arise under this Agreement or that relate in any way to this Agreement or the subject matter of this Agreement in a fair and reasonable manner. The parties agree to attempt to mediate through a professional mediator any conflicts or disputes not otherwise resolved by the parties, with the costs of mediation shared equally by the parties. If the mediation does not settle the conflict or dispute, the parties may agree in writing to binding arbitration, or the matter may proceed in litigation before a court of competent jurisdiction. Neither party shall commence or pursue arbitration or litigation prior to

(1) the completion of mediation proceedings, and (2) prior to completion of Consultant's services under this Agreement.

ARTICLE 18. WARRANTY

Consultant agrees to warrant that the Materials (parts, equipment, components, and other materials supplied by Consultant under this Agreement) provided by Consultant under this Agreement shall be free of defects in materials and workmanship under normal use and service for 60 months following the completion of installation by SLDMWA. Consultant does not warrant Materials that are not fabricated or assembled to Consultant's design, but are commercial off-the-shelf ("COTS") Materials. For such COTS Materials, SLDMWA agrees that, if Consultant assigns any warranty from the manufacturer of any COTS Materials supplied by Consultant, then that warranty shall satisfy Consultant's obligation herein with respect to that Material.

SLDMWA must give Consultant notice in writing of any alleged defect covered by this warranty (together with identifying details, such as the serial number, the type of Material, and the date of purchase) within thirty (30) days of the discovery of such defect during the warranty period. No claim made more than 30 days after the expiration of the warranty period shall be valid. Guarantees of performance and warranties are based on the use of original equipment manufactured (OEM) replacement parts, where applicable. Consultant assumes no responsibility or liability if non-authorized design modifications and/or non-OEM replacement parts are incorporated.

Consultant agrees to respond in writing to any notice of a warranty claim within seven (7) days of receipt of the notice. If SLDMWA reasonably determines that the Materials on which the claim is made cannot reasonably be removed and sent to Consultant for evaluation, then Consultant's response shall include proposed dates that Consultant will inspect the Materials at the SLDMWA site where the Materials are installed. If the concern later is determined not to be covered by this warranty, then SLDMWA shall pay Consultant's reasonable travel and inspection expenses associated with responding to the claim. THE WARRANTY IN THIS ARTICLE IS THE SOLE WARRANTY OF CONSULTANT. Consultant's sole obligation under this warranty shall be, at its option, to repair or replace any Material which has a defect covered by this warranty, or to refund the purchase price of such Material.

The warranty extends to repaired or replaced Materials for twelve (12) months or for the remainder of the original warranty period applicable to the Materials being repaired or replaced, whichever is greater. This extension of the warranty applies to the repaired or replaced Material only and is not extended to any other component. Consultant may substitute new Materials or improve part(s) of any Material judged defective without further liability. All repairs or services performed by Consultant that are not covered by this warranty will be charged in accordance with Consultant's standard prices then in effect.

Under the terms of this warranty, Consultant shall not be liable for (a) conditions caused by normal wear and tear, accident, neglect, failure to properly maintain, or misuse of said Materials; (b) the expense of, and loss or damage caused by, repairs or alterations made by anyone other than the Consultant; or (c) any loss, damage, or expense caused by SLDMWA's installation, removal, or reinstallation of Materials – including but not limited to the costs to remove and replace the Materials.

ARTICLE 19. ADDITIONAL PROVISIONS

A. Successors and Assigns: SLDMWA and Consultant each binds itself, its partners, successors, assigns and legal representatives to the other party hereto and to the partners, successors, assigns and legal representatives of such other party in respect to all covenants, agreements and obligations contained in the Agreement. Consultant shall not assign the Agreement or sublet it in whole or part except in full compliance with Article 4, nor shall Consultant assign any moneys due or to become due to it hereunder without the prior written consent of SLDMWA.

B. Unenforceability of any Clause: If any clause or provision of the Agreement is held to be unenforceable or invalid, then that provision of the Agreement shall be stricken and all other provisions of this Agreement shall remain in full force and effect and shall not be effected thereby.

C. Waiver of Breach: Failure by one party to notify the other of a breach of any provision of this Agreement shall not constitute a waiver of any continuing breach. Failure by one party to enforce any of its rights under this Agreement shall not constitute a waiver of those rights. The waiver by either Party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or any other provision hereof.

D. Entire Agreement: The Agreement, including all exhibits, represents the entire and integrated agreement between SLDMWA and Consultant and supersedes all prior negotiations, representations or agreements, either written or oral. No changes, amendments, alterations or modifications to this Agreement will be effective unless in writing and executed in the same manner as the Agreement.

E. Interpretation: The Agreement shall be construed and interpreted in accordance with the laws of the State of California.

F. Headings: The titles of sections of these General Conditions are for convenience only and no presumption or implication of the intent of the parties as to the construction of this Agreement shall be drawn therefrom.

EXHIBIT C

PHASE I FEES, HOURLY RATES AND REIMBURSABLE COSTS/EXPENSES

Fees, hourly rates, reimbursable costs/expenses, and progress payment schedule described below:

	Task 1 – Pump Engineering Services		
Progress Payment 1 – 20%	Site visit and kick off meeting (Items 1–18)		$110,040
Progress Payment 2 – 30%	30% Design Completion (Items 19-27)		$165,060
Progress Payment 3 – 20%	60% Design Completion (Items 28-40)		$110,040
Progress Payment 4 – 20%	90% Design Completion (Items 41-52)		$110,040
Progress Payment 5 – 10%	10% Design Completion (Items 53-57)		$55,020
		TOTAL	$550,200
	Task 2 – Vane Control System Engineering Services		
Progress Payment 1 – 20%	Site visit and kick off meeting (Items 1–18)		$23,490
Progress Payment 2 – 30%	30% Design Completion (Items 19-27)		$35,235
Progress Payment 3 – 20%	60% Design Completion (Items 28-40)		$23,490
Progress Payment 4 – 20%	90% Design Completion (Items 41-52)		$23,490
Progress Payment 5 – 10%	10% Design Completion (Items 53-57)		$11,745
		TOTAL	$117,450
	GRAND TOTAL – the "PHASE I CONTRACT PRICE"		$667,650

Phase I Progress Payment schedule on next page

				WEEK No																							
Item	Task	Responsibility	Dur weeks	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
0	Order Preparation		2	X	X	X																						
1	Receipt of Order		1	X																								
2	Order acknowledgement	Pentair	1	X																								
3	Asbestos Statement	SLDMWA	1		X																							
4	Schedule Site Visit	Pentair & GE	1		X																							
5	General Arrangement Drawing - Draft	Pentair	2		X	X																						
6	Rigging Drawing - Draft	Pentair	2		X	X																						
7	Manhole Assessment - Draft	Pentair	2		X	X																						
8	Bowl Assembly - 3D CAD	Pentair	2		X	X																						
9	Taper Columns - 3D CAD																											
10	Quality Plan Scope - Draft	Pentair	2		X	X																						
Item	Task	Responsibility	Dur	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
11	Site Visit		1				X																					
12	Safety Brief	SLDMWA	1				X																					
13	Governor Survey	GE Vernova	1				X																					
14	Review Site P&ID	GE Vernova	1				X																					
15	Interview Operators on Governor Control	GE - SLDMWA	1				X																					
16	Pump and Station Survey	Pentair	1				X																					
17	Coordination Meeting (Item 5-9)	Pentair - SLDMWA	1				X																					
18	Coordination Meeting (Governor)	ALL	1				X																					
Item	Task	Responsibility	Dur	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
19	30% Design		5					X	X	X	X	X																
20	Site Visit Report	Pentair & GE	1					X																				
21	General Arrangement Drawing	Pentair	1						X																			
22	Rigging Drawing	Pentair	1						X																			
23	Manhole Assessment	Pentair	1							X																		
24	P&ID	GE Vernova	1						X																			
25	Demolition Document Outline	GE Vernova	1						X																			
26	Installation Document	GE Vernova	1							X																		
27	Customer Review - 30%	SLDMWA	2								X	X																
Item	Task	Responsibility	Dur	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
28	60% Design		4										X	X	X	X												
29	Design Calculations	Pentair	2										X	X														
30	Bowl Casting Drawing	Pentair	1										X															
31	Bowl Machine Drawing	Pentair	1										X															
32	Column Fabrication Drawing	Pentair	1											X														
33	Column Machine Drawing	Pentair	1											X														
34	Cabinet Arrangement	GE Vernova	1										X															
35	Hydraulic Component Arrangement	GE Vernova	1										X															
36	Long Lead BOM, Electrical	GE Vernova	1											X														
37	Long Lead BOM, Hydraulic	GE Vernova	1											X														
38	IO List	GE Vernova	1										X															
39	Software Design Document	GE Vernova	1											X														
40	Customer Review - 60%	SLDMWA	2												X	X												
Item	Task	Responsibility	Dur	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
41	60% Design		7														X	X	X	X	X	X	X					
42	Coordinate Tooling	Pentair	3														X	X	X									
43	Quality Plan	Pentair	2																	X	X							
44	Schematics	GE Vernova	1														X											
45	Arrangement Drawings	GE Vernova	1														X											
46	BOM Electrical / Hydraulics/	GE Vernova	2														X	X										
47	Instrumentation	GE Vernova	1																X									
48	O&M	GE Vernova	1																X									
49	Demolition/Installation Documents	GE Vernova	1																	X								
50	FAT Procedure	GE Vernova	1																X									
51	SAT Procedure	GE Vernova	1																	X								
52	Customer Review - 90%	SLDMWA	1																		X							
			2																			X	X					
Item	Task	Responsibility	Dur	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
53	Final Submittal		4																									
54	Document Rework - Pump	Pentair																						X	X			
55	Document Rework - Governor	GE Vernova																						X	X			
56	Final Customer Review	SLDMWA																								X	X	
57	Tooling Release	Pentair																										X

PHASE II FEES, HOURLY RATES AND REIMBURSABLE COSTS/EXPENSES

Fees, hourly rates, reimbursable costs/expenses, and progress payment schedule described below:

PHASE II: (Pricing below reflects added cost for 5 yr warranty duration)

Equipment Package 1: Pump/GE Vernova
Item 1: Bowl/Column/Service $2,628,230.00
Item 2: GE Vernova Governor $377,398.00

Equipment Package 2: Pump/GE Vernova
Item 1: Bowl/Column/Service $2,628,230.00
Item 2: GE Vernova Governor $377,398.00

Equipment Package 3: Pump/GE Vernova
Item 1: Bowl/Column/Service $2,628,230.00
Item 2: GE Vernova Governor $377,398.00

Equipment Package 4: Pump/GE Vernova
Item 1: Bowl/Column/Service $2,628,230.00
Item 2: GE Vernova Governor $377,398.00

Equipment Package 5: Pump/GE Vernova
Item 1: Bowl/Column/Service $2,628,230.00
Item 2: GE Vernova Governor $377,398.00

Equipment Package 6: Pump/GE Vernova
Item 1: Bowl/Column/Service $2,628,230.00
Item 2: GE Vernova Governor $377,398.00

Payment Terms
5% upon completion of Phase I/commencement of Phase II.

30% upon Pentair's receipt of pump components (applicable to Item #1 in each Equipment Package).

60% upon shipment of each Item – each Bowl/Column (from Pentair) and each vane control governor (from GE Vernova).

5% upon commissioning, for each Item.

(for clarity, a bowl/column/service for each pump is an "Item"; and a vane control system for each pump is an "Item").

EXHIBIT D

SPECIAL PROVISIONS

SECTION 1.01. GENERAL.

By entering into this Contract, Contractor hereby agrees to comply with all applicable state, Federal, and local laws and regulations as applicable to this Project. These may include, but are not limited to, the Natural Environmental Policy Act (NEPA) including the Council of Environmental Quality and Department of the Interior regulations implementing NEPA, the Clean Water Act, the Endangered Species Act, consultation with potentially affected tribes, and consultation with the State Historic Preservation Office. Failure of the Contractor to comply with any applicable law or regulation may be the basis for withholding payments and/or termination of this Contract.

For contracts receiving federal funds, Contractor shall comply with the regulations of the Code of Federal Regulations (CFR) - Title 2, Part 200, Subparts A through E, as applicable. These regulations are incorporated by reference and made part of this Contract.
For Contracts receiving federal funds, Contractor also shall comply with Sections 1.02-1.15 of these Special Provisions.

SECTION 1.02. EQUAL EMPLOYMENT OPPORTUNITY/ANTI-DISCRIMINATION.

A. Contractor shall comply with all anti-discrimination and equal opportunity statutes, regulations, and Executive Orders that apply to the expenditure of funds under Federal contracts, grants, and cooperative Agreements, loans, and other forms of Federal assistance. The Contractor shall comply with Title VI or the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and any program-specific statutes with anti- discrimination requirements. The Contractor shall comply with civil rights laws including, but not limited to, the Fair Housing Act, the Fair Credit Reporting Act, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the Equal Educational Opportunities Act, the Age Discrimination in Employment Act, and the Uniform Relocation Act.

B. Contractor shall comply with 41 CFR 60-1.4(b). During the performance of this Contract, Contractor agrees as follows:

(1) Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this

nondiscrimination clause.

(2) Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with Contractor's legal duty to furnish information.

(4) Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) Contractor will include the above provisions in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each Subcontractor or vendor. Contractor will take such action with respect to any subcontract or purchase order as the Authority or the United States Bureau of Reclamation may direct as a means of enforcing such provisions, including sanctions for noncompliance, *provided, however*,

that, in the event Contractor becomes involved in, or is threatened with, litigation with a Subcontractor or vendor as a result of such direction by the administering agency, Contractor may request the Authority or United States to enter into such litigation to protect the interests of the United States.

Contractor agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.
Contractor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order.

SECTION 1.03. ANTI-KICKBACK.

Contractor shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3), and shall require all of its subcontractors to comply. Those requirements are set forth in greater detail below. Contractor and all subcontractors are prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

SECTION 1.04. DAVIS-BACON.

Contractor shall comply with the Davis-Bacon Act (40 U.S.C. 3141-3148) as supplemented by Department of Labor regulations (29 CFR Part 5), and shall require all its subcontractors to comply. To the extent that California law differs from the Davis-Bacon Act, Contractor and its subcontractors shall comply with the more stringent requirement.

Contractor must pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.

In accordance with the Davis-Bacon Act, Contractor must pay the required wages not less than once per week.

By entering into the Contract, Contractor has accepted the wage determination(s) applicable to the Work, and agrees to comply with the wage determination(s).

SECTION 1.05. CONTRACT WORK HOURS AND SAFETY STANDARDS.

(a) Contractor shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), as supplemented by Department of Labor regulations (29 CFR Part 5). In accordance with 29 C.F.R. section 5.5(b), Contractor agrees to comply with the following, and to require all of its subcontractors to comply with the following:

(1) ***Minimum wages.***
(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in section 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii) (A) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) If Contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If Contractor does not make payments to a trustee or other third person, Contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) ***Withholding***. The Authority shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from Contractor under this Contract or any other Federal contract with the same Contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by Contractor or any subcontractor the full amount of wages required by the Contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the Contract, the Authority may, after written notice to Contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) ***Payrolls and basic records***.
(i) Payrolls and basic records relating thereto shall be maintained by Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash

equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii) (A) Contractor shall submit weekly for each week in which any Contract work is performed a copy of all payrolls to the Authority for transmission to the appropriate Federal agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at http://www.dol.gov/esa/whd/forms/wh347instr.htm or its successor site. **Contractor is responsible for the submission of copies of payrolls by all subcontractors.** Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Authority for transmission to the appropriate Federal agency, Contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for Contractor to require a subcontractor to provide addresses and social security numbers to Contractor for its own records, without weekly submission to the Authority.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by Contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under section 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under section 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the Contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable

wage determination incorporated into the Contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) Contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the appropriate Federal agency or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If Contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(4) ***Apprentices and trainees*** -

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe

benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) ***Compliance with Copeland Act requirements***. Contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) ***Subcontracts***. Contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the applicable Federal agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. **Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.**

(7) ***Contract termination***: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) ***Compliance with Davis-Bacon and Related Act requirements***. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) ***Disputes concerning labor standards***. Disputes arising out of the labor standards provisions of this Contract shall not be subject to the general disputes clause of this Contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between Contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(10) ***Certification of eligibility***.
(i) By entering into this Contract, Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in Contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
(ii) No part of this Contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(b) ***Contract Work Hours and Safety Standards Act***. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) *Overtime requirements*. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) *Violation; liability for unpaid wages; liquidated damages*. In the event of any violation of the clause set forth in paragraph (b)(1) of this section, Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of $29 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) *Withholding for unpaid wages and liquidated damages*. The Authority shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to

be withheld, from any moneys payable on account of work performed by Contractor or subcontractor under any such Contract or any other Federal contract with the same Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) *Subcontracts*. Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

(c) In addition to the clauses contained in paragraph (b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in § 5.1, Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the records to be maintained under this paragraph shall be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the Authority and the Department of Labor, and Contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

With respect to all requirements in this Section 1.05, to the extent that California law differs, Contractor and its subcontractors shall comply with the more stringent requirement.

SECTION 1.06. FEDERAL ACCESS TO RECORDS.

Contractor shall allow access by representative(s) from the United States Bureau of Reclamation and/or the Department of the Interior, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcriptions. Contractor shall maintain all books, documents, papers, and records directly pertinent to the Contract for three (3) years after the Authority makes the final payment to Contractor for the Work on the Project.

SECTION 1.07. CLEAN AIR AND CLEAN WATER ACTS.

Contractor shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. sections 7401-7671q), the Clean Water Act (33 U.S.C. sections 1251-1387), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 35, subpart E, Appendix C-2), which prohibit the use under non-exempt federal contracts, grants, or loans of facilities included in the United States Environmental Protection Agency List of Violating Facilities. Contractor agrees to report any violation to the Authority, and understands and agrees that the Authority will report each violation as required to the appropriate Federal agencies, including, without limitation, the

Environmental Protection Agency Regional Office.

SECTION 1.08. ENERGY EFFICIENCY.

Contractor shall comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94–163, 89 Stat. 965).

SECTION 1.09. TRAFFICKING VICTIMS PROTECTION ACT (TVPA) OF 2000 (2 CFR Part 175).

A. Contractor, its employees, and its subcontractors, may not—

(1) Engage in severe forms of trafficking in persons during the period of time that the Contract is in effect;

(2) Procure a commercial sex act during the period of time that the Contract is in effect; or

(3) Use forced labor in the performance of this Contract.

B. The Authority may unilaterally terminate this Contract, without penalty, if Contractor or its subcontractor(s) —

(1) Is determined to have violated a prohibition in the above paragraph A or

(2) Has an employee who is determined by the Authority to have violated a prohibition in the above paragraph A through conduct that is either—

a. Associated with performance under this Contract; or

b. Imputed to Contractor or its Subcontractor using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by the Department of the Interior at 2 CFR part 1400.

(3) Contractor must inform the Authority immediately of any information received from any source alleging a violation of a prohibition in the above paragraph A during the term of the Contract.

(4) The Authority's right to terminate unilaterally that is described in the above paragraph B of this section:

a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

b. Is in addition to all other remedies for noncompliance that are available to the Authority under this Contract.

(5) Definitions:

a. "Employee" means either:

(i) An individual employed by Contractor or a subcontractor who is engaged in the performance of this Contract; or

(ii) Another person engaged in the performance of the Contract and not compensated by Contractor including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution.

b. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

c. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

SECTION 1.10. DEBARMENT AND SUSPENSION (Executive Orders 12549 and 12689).
By executing the Contract, Contractor represents that it is not listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

SECTION 1.11. RESTRICTIONS ON LOBBYING (43 CFR §18).

Contractor agrees to comply with 43 CFR 18, New Restrictions on Lobbying. Contractor will provide the certification attached hereto as Attachment 1 certifying that:

A. No Contract funds will be paid, by or on behalf of Contractor, to any person for influencing or attempting to influence an officer or employee of the United States Bureau of Reclamation, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

B. If any funds other than the Contract funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the contractor shall complete and submit OMB Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

C. Contractor shall require that the language of this certification be included in the award documents for all subcontracts of $150,000 or more and that all such subcontractors shall certify accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

SECTION 1.12. DRUG-FREE WORKPLACE.

Contractor is obligated to distribute to each employee who will be engaged in the performance of any work on the Contract the following statement:

The unlawful manufacture, distribution, dispensing, possession, or use of any controlled substance is

prohibited in the workplace. As a condition of employment, you must agree to abide by this statement and must notify the Authority in writing within five calendar days of the conviction if you are convicted of a criminal drug statute violation occurring in your workplace.

In addition, Contractor must publish a statement that—
(a) Tells its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in your workplace;
(b) Specifies the actions that it will take against employees for violating that prohibition; and
(c) Lets each employee know that, as a condition of employment under any award, they:
(1) Will abide by the terms of the statement; and
(2) Must notify Contractor in writing if they are convicted for a violation of a criminal drug statute occurring in the workplace and must do so no more than five calendar days after the conviction.

Further, Contractor must notify its employees of any drug counseling, rehabilitation, or assistance program that it offers and the actions that the Contractor will take against employees for violation of the drug-free workplace requirements.

SECTION 1.13. PROCUREMENT OF RECOVERED MATERIALS.

Contractor agrees that it and its subcontractors will comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, including procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where:

(A) the purchase price of the item during the fiscal year exceeds $10,000 or
(B) Contractor procured over $10,000 of the item during the preceding fiscal year on federally funded contracts.

The list of EPA-designated items is available at www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products.
Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item:

(A) is not reasonably available within a timeframe providing for compliance with the contract performance schedule;
(B) fails to meet reasonable contract performance requirements; or
(C) is only available at an unreasonable price.

SECTION 1.14. DOMESTIC PREFERENCES FOR PROCUREMENTS.

As required by 2 C.F.R. section 200.322 and the Build America, Buy America Act, Contractor, as appropriate and to the extent consistent with law and to the greatest extent practicable, shall provide a preference for the purchase, acquisition, and use of goods, products, or materials produced in the United States, including, without limitation: iron, aluminum, steel, cement, manufactured products, and construction materials.

A. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

B. "Manufactured products" means items and construction materials composed in whole or in

part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Contractor shall bind its subcontractors to this clause.

SECTION 1.15. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE.

As required by 2 C.F.R. section 200.216, Contractor is prohibited from procuring or obtaining equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.
As described in Public Law 115–232, section 889, covered telecommunications equipment or services means:

A. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
B. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
C. Telecommunications or video surveillance services provided by such entities or using such equipment.
D. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

SECTION 1.16. CONTRACTING WITH SMALL BUSINESSES, MINORITY- AND WOMAN-OWNED BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS.

A. Contractor will take all necessary affirmative steps, consistent with Article 1 Section 31 of the California Constitution, to assure that small businesses, minority firms, women's business enterprises, and labor surplus area firms are used when possible.
B. Affirmative steps may include:

(1) Placing qualified small businesses, minority-owned businesses, and women-owned business enterprises on solicitation lists;
(2) Assuring that small businesses, minority-owned businesses, and women-owned business enterprises are solicited whenever they are potential sources;
(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small businesses, minority-owned businesses, and women-owned business enterprises;
(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small businesses, minority-owned businesses, and women-owned business enterprises; and
(5) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

ATTACHMENT 1

BYRD ANTI-LOBBYING AMENDMENT CERTIFICATION

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit OMB Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts) in excess of $150,000 and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this Contract was made or entered into. Submission of this certification is a prerequisite for making or entering into this Contract imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The Contractor certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chapter 38, Administrative Remedies for False Claims and Statements, as well as any California remedies, apply to this certification and disclosure, if any.

I certify that I am duly authorized to legally bind the Contractor to this certification, that the contents of this certification are true, and that this certification is made under the laws of the State of California.

Date: _____ Contractor's Name: _____

Signature: _____

Print Name/Title: _____