

**AGREEMENT FOR
PROFESSIONAL ENGINEERING SERVICES
(NON-FEDERAL FUNDING)**

This Agreement is entered into by and between the SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a political subdivision of the State of California, herein called "DISTRICT," and Cannon Corporation, a corporation whose address is 1050 Southwood Drive, San Luis Obispo, CA 93401, herein called "ENGINEER." This Agreement shall be effective as of the date it is fully executed by the parties.

The department responsible for administering this Agreement is the San Luis Obispo County Department of Public Works ("Public Works"), and all written communications hereunder with the DISTRICT shall be addressed to the Director of Public Works ("Director").

WHEREAS, the DISTRICT has a need for special services and advice with respect to the work described herein for the Regional Recycled Water Strategic Plan Project (hereafter, the "Project"); and

WHEREAS, the Project is one of the components of an update to the San Luis Region Integrated Regional Water Management ("IRWM") Plan that is being funded pursuant to a Round 2 IRWM Regional Planning Grant from the California Department of Water Resources ("Grant"); and

WHEREAS, the ENGINEER warrants that it is specially trained, experienced, expert, and competent to perform such special services.

NOW, THEREFORE, the parties agree with the above recitals, and hereby further agree as follows:

ARTICLE 1. SCOPE OF WORK. The ENGINEER shall, at its own cost and expense, provide all the services, equipment, and materials necessary to complete the work

described in the ENGINEER's Scope of Work (hereafter, collectively "Work") attached hereto as Exhibit A. ENGINEER warrants and represents that said Work encompasses all professional engineering services necessary for the ENGINEER's preparation of a final Regional Recycled Water Strategic Plan that satisfies all of the conditions of the Grant and can be incorporated into the update to the IRWM Plan. All Work shall be performed to the highest professional standard.

ARTICLE 2. TIME FOR COMPLETION OF WORK. No Work shall be commenced prior to the ENGINEER's receipt of the DISTRICT's Notice to Proceed. All Work shall be completed no later than May 1, 2014, provided, however, that extensions of time may be granted in writing by the Director of Public Works of San Luis Obispo County, which said extensions of time, if any, shall be granted only for reasons attributable to inclement weather, acts of God, or for other cause determined in the sole discretion of the Director of Public Works of San Luis Obispo County to be good and sufficient cause for such extensions.

ARTICLE 3. PAYMENT FOR SERVICES.

A. **COMPENSATION.** The DISTRICT shall pay to the ENGINEER as compensation in full for all Work required by this Agreement a sum not to exceed two-hundred thousand dollars (\$200,000). The ENGINEER's compensation shall be based on actual services performed and costs incurred at the rates set forth for each task in the ENGINEER's Cost Proposal attached hereto as Exhibit B. Progress payments will be made as set forth below based on compensable services provided and allowable costs incurred pursuant to this Agreement.

B. **REPORTS.** The ENGINEER shall submit to the DISTRICT, on a monthly basis, a detailed statement of all services performed and all Work accomplished under this Agreement since the ENGINEER's last monthly statement, including the number of hours of Work performed and the personnel involved. For the purpose of timely processing of invoices, the ENGINEER's invoices are not regarded as received until the monthly report is submitted. Any anticipated problems in performing any future Work shall be noted in the monthly reports. The ENGINEER shall also promptly notify the DISTRICT of any perceived need for a change in the scope of work, and

an explanation as to why the ENGINEER did not include said work in the attached Scope of Work.

C. **INVOICES.** Billing invoices shall be based upon the ENGINEER's Cost Proposal, attached hereto as Exhibit B. Invoices shall detail the Work performed on each task and each project as applicable. Invoices shall follow a format based upon the Cost Proposal and shall reference this Agreement number and project title. The final invoice must contain the final cost and all credits due the DISTRICT including any equipment purchased under the provisions of Article 22 Equipment Purchase of this Agreement.

D. **RETAINAGE FROM PROGRESS PAYMENTS.** The DISTRICT shall withhold retainage from each progress payment due ENGINEER in the sum of ten percent (10%) until the final Regional Recycled Water Strategic Plan is complete and accepted by the DISTRICT. Once said plans and specifications are accepted by the DISTRICT, all retainage shall be released within 60 (sixty) days. The DISTRICT reserves the right to withhold from any payment to ENGINEER, including but not limited to any release of retainage, any sums attributable to any costs, damages or claims incurred or experienced by the DISTRICT that arise from any breach of this Agreement by ENGINEER.

E. **ENGINEER'S ASSIGNED PERSONNEL.** All Work performed under this Agreement shall be performed by the ENGINEER's personnel indentified in the organizational chart, attached hereto as Exhibit C. Any changes to the personnel designated on this organizational chart must be approved in writing by the DISTRICT's Project Manager.

ARTICLE 4. ACCOUNTING RECORDS.

A. The ENGINEER shall maintain accounting records in accordance with generally accepted accounting principles. The ENGINEER shall obtain the services of a qualified bookkeeper or accountant to ensure that accounting records meet this requirement. The ENGINEER shall maintain acceptable books of accounts which include, but are not limited to, a general ledger, cash receipts journal, cash disbursements journal, general journal, and payroll journal.

B. The ENGINEER shall record costs in a cost accounting system which clearly identifies the source of all costs. Agreement costs shall not be co-mingled with other project costs, but shall be directly traceable to contract billings to the DISTRICT. The use of worksheets to produce billings shall be kept to a minimum. If worksheets are used to produce billings, all entries should be documented and clearly traceable to the ENGINEER's cost accounting records.

C. All accounting records and supporting documentation shall be retained for a minimum of five (5) years or until any audit findings are resolved, whichever is later. The ENGINEER shall safeguard the accounting records and supporting documentation.

D. The ENGINEER shall make accounting records and supporting documentation available on demand to the DISTRICT and its designated auditor for inspection and audit. Disallowed costs shall be repaid to the DISTRICT. The DISTRICT may require that the ENGINEER's accounting records be audited, at the ENGINEER's expense, by an accountant licensed by the State of California. The audit shall be presented to the County Auditor-Controller within thirty (30) calendar days after completion of the audit.

ARTICLE 5. NON-ASSIGNMENT OF AGREEMENT. Inasmuch as this Agreement is intended to secure the specialized services of the ENGINEER, the ENGINEER may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of the DISTRICT and any such assignment, transfer, delegation, or sublease without the DISTRICT's prior written consent shall be considered null and void.

ARTICLE 6. INSURANCE. The ENGINEER, at its sole cost and expense, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. Such policies shall be maintained for the full term of this Agreement and the related warranty period (if applicable) and shall provide products/completed operations coverage for four (4) years following completion of the ENGINEER's Work under this Agreement and acceptance by the DISTRICT. Any failure to comply with the reporting provisions(s) of the policies referred to above shall not affect coverage provided to the DISTRICT, its officers, employees, volunteers, and

agents. For purposes of the insurance policies required hereunder, the term "DISTRICT" shall include officers, employees, volunteers, and agents of the San Luis Obispo County Flood Control and Water Conservation District, individually or collectively.

A. **MINIMUM SCOPE AND LIMITS OF REQUIRED INSURANCE POLICIES.** The following policies shall be maintained with insurers authorized to do business in the State of California and shall be issued under forms of policies satisfactory to the DISTRICT:

1. **COMMERCIAL GENERAL LIABILITY INSURANCE POLICY ("CGL").**

Policy shall include coverage at least as broad as set forth in Insurance Services Office (herein "ISO") Commercial General Liability coverage. (Occurrence Form CG0001) with policy limits of not less than the following:

- \$1,000,000 each occurrence (combined single limit);
- \$1,000,000 for personal injury liability;
- \$1,000,000 aggregate for products-completed operations; and
- \$1,000,000 general aggregate.

The general aggregate limits shall apply separately to the ENGINEER's Work under this Agreement.

2. **BUSINESS AUTOMOBILE LIABILITY POLICY ("BAL").**

Policy shall include coverage at least as broad as set forth in Insurance Services Office Business Automobile Liability Coverage, Code 1 "Any Auto" (Form CA 0001). This policy shall include a minimum combined single limit of not less than one-million dollars (\$1,000,000) for each occurrence, for bodily injury and/or property damage. Such policy shall be applicable to vehicles used in pursuit of any of the activities associated with this Agreement. The ENGINEER shall not provide a Comprehensive Automobile Liability policy which specifically lists scheduled vehicles without the express written consent of DISTRICT.

3. **WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY ("WC / EL").**

This policy shall include at least the following coverages and policy limits:

- a. Workers' Compensation insurance as required by the laws of the State of California; and

b. Employer's Liability Insurance Coverage B with coverage amount not less than one-million dollars (\$1,000,000) each accident / Bodily Injury (herein "BI"); one-million dollars (\$1,000,000) policy limit BI by disease; and, one-million dollars (\$1,000,000) each employee BI by disease.

4. **PROFESSIONAL LIABILITY INSURANCE POLICY ("PL")**. This policy shall cover damages, liabilities, and costs incurred as a result of the ENGINEER's professional errors and omissions or malpractice. This policy shall include a coverage limit of at least one-million dollars (\$1,000,000) per claim, including the annual aggregate for all claims (such coverage shall apply during the performance of the services under this Agreement and for two (2) years thereafter with respect to incidents which occur during the performance of this Agreement). The ENGINEER shall notify the DISTRICT if any annual aggregate is eroded by more than seventy-five percent (75%) in any given year.

B. **DEDUCTIBLES AND SELF-INSURANCE RETENTIONS**. Any deductibles and/or self-insured retentions which apply to any of the insurance policies referred to above shall be declared in writing by the ENGINEER and approved by the DISTRICT before Work is begun pursuant to this Agreement. At the option of the DISTRICT, the ENGINEER shall either reduce or eliminate such deductibles or self-insured retentions as respect the DISTRICT, its officers, employees, volunteers, and agents, or shall provide a financial guarantee satisfactory to the DISTRICT guaranteeing payment of losses and related investigations, claim administration, and/or defense expenses.

C. **ENDORSEMENTS**. All of the following clauses and endorsements, or similar provisions, are required to be made a part of the insurance policies indicated in parentheses below:

1. A "Cross Liability", "Severability of Interest" or "Separation of Insureds" clause (CGL & BAL);
2. The San Luis Obispo County Flood Control and Water Conservation District, its officers, employees, volunteers, and agents are hereby added as additional insureds with respect to all liabilities arising out of the ENGINEER's performance of Work under this Agreement (CGL & BAL);

3. If the insurance policy covers an “accident” basis, it must be changed to “occurrence” (CGL & BAL);
4. This policy shall be considered primary insurance with respect to any other valid and collectible insurance DISTRICT may possess, including any self-insured retention DISTRICT may have, and any other insurance DISTRICT does possess shall be considered excess insurance only and shall not be called upon to contribute to this insurance (CGL, BAL, & PL);
5. No cancellation or non-renewal of this policy, or reduction of coverage afforded under the policy, shall be effective until written notice has been given at least thirty (30) calendar days prior to the effective date of such reduction or cancellation to DISTRICT at the address set forth below (All Policies);
6. The ENGINEER and its insurers shall agree to waive all rights of subrogation against the DISTRICT, its officers, employees, volunteers, and agents for any loss arising under this Agreement (CGL); and
7. Deductibles and self-insured retentions must be declared (All Policies).

D. **ABSENCE OF INSURANCE COVERAGE.** The DISTRICT may direct the ENGINEER to immediately cease all activities with respect to this Agreement if it determines that the ENGINEER fails to carry, in full force and effect, all insurance policies with coverages at or above the limits specified in this Agreement. Any delays or expense caused due to stopping of Work and change of insurance shall be considered the ENGINEER’s delay and expense. At the DISTRICT’s discretion, under conditions of lapse, the DISTRICT may purchase appropriate insurance and charge all costs related to such policy to the ENGINEER.

E. **PROOF OF INSURANCE COVERAGE AND COVERAGE VERIFICATION.** Prior to commencement of Work under this Agreement, and annually thereafter for the term of this Agreement, the ENGINEER, or each of the ENGINEER’s insurance brokers or companies, shall provide the DISTRICT a current copy of a Certificate of Insurance, on an Accord or similar form, which includes complete policy coverage verification, as evidence of the stipulated coverages. All of the insurance companies providing insurance for the ENGINEER shall have, and provide evidence of, a Best Rating Service rate of A VI or above. The Certificate of Insurance and coverage

verification and all other notices related to cancellation or non-renewal shall be mailed to:

Ray Dienzo, Public Works Department
RE: Regional Recycled Water Strategic Plan
County Government Center, Room 207
San Luis Obispo CA, 93408

ARTICLE 7. INDEMNIFICATION.

A. The ENGINEER shall defend, indemnify and hold harmless the DISTRICT, its officers, agents, and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, liabilities, or other losses (hereafter, collectively “claims”) that may be asserted by any person or entity, and that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the ENGINEER. The parties agree that, in addition to the ENGINEER’s general and professional duties of care, the ENGINEER has a duty of care to act in accordance with the terms of this Agreement. In addition to whatever other acts or omissions of ENGINEER that constitute negligence, recklessness, or willful misconduct under applicable law, the parties acknowledge that any act or omission of the ENGINEER that causes any damages, and constitutes a breach of any duty under, or pursuant to, this Agreement, shall at a minimum constitute negligence (and may constitute recklessness or willful conduct if so warranted by the facts).

B. The preceding paragraph applies to any and all such claims, regardless of the nature of the claim or theory of recovery. For purposes of the paragraphs found in this Article of the Agreement, “ENGINEER” shall include the ENGINEER, and/or its agents, employees, subcontractors, or other independent contractors hired by, or working under, the ENGINEER.

C. It is the intent of the parties to provide the DISTRICT the fullest indemnification, defense, and “hold harmless” rights allowed under the law. No provisions of this Agreement shall be construed in a manner that would constitute a waiver or modification of Civil Code Section 2782.8. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this Agreement and the remaining language shall be given full force

and effect. Nothing contained in this Agreement shall be construed to require the ENGINEER to indemnify the DISTRICT against any responsibility or liability in contravention of Civil Code Section 2782.8.

D. Without limiting the foregoing, ENGINEER expressly agrees to indemnify, defend and hold harmless the DISTRICT against any loss or liability arising out of any claim or action brought against DISTRICT by the California Department of Water Resources ("State") for breach of the Grant Agreement described below (or any other related cause of action), based on ENGINEER's failure to comply with the terms, provisions, conditions and written commitments set forth herein.

ARTICLE 8. ENGINEER'S RESPONSIBILITY FOR ITS WORK.

A. The ENGINEER has been hired by the DISTRICT because of the ENGINEER's specialized expertise in performing the Work described in the attached Scope of Work, Exhibit A. The ENGINEER shall be solely responsible for such Work. The DISTRICT's review, approval, and/or adoption of any designs, plans, specifications, or any other Work shall be in reliance on the ENGINEER's specialized expertise and shall not relieve the ENGINEER of its sole responsibility for the Work. The DISTRICT is under no duty or obligation to review or verify the appropriateness, quality, or accuracy of any designs, plans, specifications, or any other Work, including but not limited to, any methods, procedures, tests, calculations, drawings, or other information used or created by the ENGINEER in performing any Work under this Agreement.

B. All information which the ENGINEER receives from the DISTRICT should be independently verified by the ENGINEER. The ENGINEER should not rely upon such information unless it has independently verified its accuracy. The only exception to the foregoing arises when the DISTRICT has expressly stated in writing that certain information may be relied upon by the ENGINEER without the ENGINEER's independent verification. In such event, the ENGINEER is still obliged to promptly notify the DISTRICT whenever the ENGINEER becomes aware of any information that is inconsistent with any information which the DISTRICT has stated may be relied upon by the ENGINEER.

C. Pursuant to the provisions of this Article, the ENGINEER is responsible for all Work under this Agreement, including the work performed by any subcontractors or any other independent contractors which ENGINEER hires or contracts with regarding the Work.

ARTICLE 9. INSURANCE AND INDEMNIFICATION AS MATERIAL PROVISIONS.

The parties expressly agree that the indemnification and insurance clauses in this Agreement are an integral part of the consideration exchanged in this Agreement. The compensation stated in this Agreement includes compensation for the risks transferred to the ENGINEER by the indemnification and insurance clauses.

ARTICLE 10. ENGINEER'S ENDORSEMENT ON REPORTS, ETC. The ENGINEER shall endorse all reports, maps, plans, documents, materials, and other data in accordance with applicable provisions of the laws of the State of California.

ARTICLE 11. DOCUMENTS, INFORMATION AND MATERIALS OWNERSHIP.

All documents, information, and materials of any and every type prepared by the ENGINEER (or any subcontractor) pursuant to this Agreement shall be the property of the DISTRICT. Such documents shall include but not be limited to data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by the ENGINEER (or any subcontractor) in performing Work under this Agreement, whether completed or in process. The ENGINEER shall assume no responsibility for the unintended use by others of any such documents, information, or materials on project(s) which are not related to the scope of services described under this Agreement.

ARTICLE 12. TERMINATION OF AGREEMENT WITHOUT CAUSE. The DISTRICT may terminate this Agreement at any time by giving the ENGINEER thirty (30) calendar days written notice of such termination. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. Other than payments for services satisfactorily

rendered prior to the effective date of said termination, the ENGINEER shall be entitled to no further compensation or payment of any type from the DISTRICT.

ARTICLE 13. TERMINATION OF AGREEMENT FOR CAUSE. If the ENGINEER fails to perform the ENGINEER's duties to the satisfaction of the DISTRICT; or if the ENGINEER fails to fulfill in a timely and professional manner the ENGINEER's obligations under this Agreement; or if the ENGINEER violates any of the terms or provisions of this Agreement; or if the ENGINEER, or the ENGINEER's agents or employees, fails to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the DISTRICT, then the DISTRICT shall have the right to terminate this Agreement effective immediately upon the DISTRICT giving written notice thereof to the ENGINEER. Termination shall have no effect upon the rights and obligations of the parties arising out of any transaction occurring prior to the effective date of such termination. The ENGINEER shall be paid for all Work satisfactorily completed prior to the effective date of such termination. If the DISTRICT's termination of the Agreement for cause is defective for any reason, including but not limited to, the DISTRICT's reliance on erroneous facts concerning the ENGINEER's performance, or any defect in notice thereof, this Agreement shall automatically terminate without cause thirty (30) calendar days following the DISTRICT's written notice of termination for cause to the ENGINEER, and the DISTRICT's maximum liability shall not exceed the amount payable to the ENGINEER under Article 12 above.

ARTICLE 14. COMPLIANCE WITH LAWS. The ENGINEER shall comply with all Federal, State, and local laws and ordinances that are applicable to the performance of the Work of this Agreement. This includes compliance with prevailing wage rates and their payment in accordance with the California Labor Code. The ENGINEER acknowledges that labor performed on site to support any Work required under this Agreement is a public work within the meaning of Labor Code Section 1720. The ENGINEER will comply, or cause its subconsultant(s) to comply, with the provisions of Labor Code Section 1774.

ARTICLE 15. COVENANT AGAINST CONTINGENT FEES. The ENGINEER warrants that it has not employed or retained any company or person, other than a bona fide employee working for the ENGINEER, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percent, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the DISTRICT shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

ARTICLE 16. DISPUTES & CLAIMS.

A. **NOTICE OF POTENTIAL CLAIM.** The ENGINEER shall not be entitled to the payment of any additional compensation for any act, or failure to act, by the DISTRICT, or for the happening of any event, thing, occurrence, or other cause, unless the ENGINEER has provided the DISTRICT with timely written Notice of Potential Claim as hereinafter specified. The written Notice of Potential Claim shall set forth the reasons for which the ENGINEER believes additional compensation will or may be due, the nature of the cost involved, and, insofar as possible, the amount of the potential claim. The said notice as above required must have been given to the DISTRICT prior to the time that the ENGINEER shall have performed the work giving rise to the potential claim for additional compensation, if based on an act or failure to act by the DISTRICT, or in all other cases within fifteen (15) calendar days after the happening of the event, thing, occurrence, or other cause, giving rise to the potential claim. It is the intention of this paragraph that differences between the parties relating to this Agreement be brought to the attention of the DISTRICT at the earliest possible time in order that such matters may be settled, if possible, or other appropriate action promptly taken. The ENGINEER hereby agrees that it shall have no right to additional compensation for any claim that may be based on any such act, failure to act, event, thing, or occurrence for which no written Notice of Potential Claim as herein required was filed with the DISTRICT Director of Public Works.

B. **PROCESSING OF ACTUAL CLAIM.** In addition to the above requirements for Notice of Potential Claim, a detailed Notice of Actual Claim must be submitted in writing to the DISTRICT on or before the date of final payment under this Agreement. All such claims shall be governed by the procedures set forth in Sections 20104.2 and 20104.4 of the Public Contract Code, except that the word "claim" as used in said sections shall be construed as referring to any claim relating to this Agreement. The ENGINEER shall not be entitled to any additional compensation unless the ENGINEER has (1) provided the DISTRICT with a timely written Notice of Actual Claim and (2) followed the procedures set forth in Public Contract Code Sections 20104.2 and 20104.4.

C. **CLAIM IS NO EXCUSE.** Neither the filing of a Notice of Potential Claim or of a Notice of Actual Claim, nor the pendency of a dispute or claim, nor its consideration by the DISTRICT, shall excuse the ENGINEER from full and timely performance in accordance with the terms of this Agreement.

ARTICLE 17. ENGINEER IS AN INDEPENDENT CONTRACTOR. It is expressly understood that in the performance of the services herein provided, the ENGINEER shall be, and is, an independent contractor, and is not an agent or employee of the DISTRICT. The ENGINEER has and shall retain the right to exercise full control over the employment, direction, compensation, and discharge of all persons assisting the ENGINEER in the performance of the services rendered hereunder. The ENGINEER shall be solely responsible for all matters relating to the payment of its employees, including compliance with Social Security, withholding, and all other regulations governing such matters.

ARTICLE 18. ENTIRE AGREEMENT AND MODIFICATION. This Agreement supersedes all previous agreements and constitutes the entire understanding of the parties hereto. The ENGINEER shall be entitled to no other compensation and/or benefits than those specified herein. No changes, amendments, or alterations shall be effective unless in writing and signed by both parties. Any changes increasing the ENGINEER's compensation and/or benefits must be approved by the DISTRICT's Board of Supervisors; any other changes may be signed by the County Director of

Public Works on behalf of the DISTRICT. The ENGINEER specifically acknowledges that in entering into and executing this Agreement, the ENGINEER relies solely upon the provisions contained in this Agreement and no others. To the extent there is any inconsistency between the text in the body of this Agreement and anything in any of the Exhibits attached hereto, the text in the body of this Agreement shall prevail.

ARTICLE 19. ENFORCEABILITY. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 20. WARRANTY OF ENGINEER. The ENGINEER warrants that the ENGINEER and each of the personnel employed or otherwise retained by the ENGINEER for Work under this Agreement are properly certified and licensed under the laws and regulations of the State of California to provide the special services herein agreed to.

ARTICLE 21. SUBCONTRACTORS.

A. Other than Work designated in Exhibits A and B to be performed by other persons or entities, the ENGINEER shall perform the Work contemplated with resources available within its own organization and no portion of the Work shall be subcontracted without prior written authorization by the DISTRICT. In the event the DISTRICT provides written authorization for Work to be performed by a subcontractor, the use of the words “subcontractor” and “subcontract” in this Article shall refer to such authorized subcontracting to a subcontractor of the first tier or any other tier. The terms “subcontract” and “subcontractor” include any and all contracts or arrangements by which ENGINEER hires or enters into a contract with any subconsultants regarding any Work.

B. Nothing contained in this Agreement or otherwise, shall create any contractual relation between the DISTRICT and any subcontractors, and no subcontract shall relieve the ENGINEER of its responsibilities and obligations hereunder. The ENGINEER agrees to be as fully responsible to the DISTRICT for the acts and

omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the ENGINEER. The ENGINEER's obligation to pay its subcontractors is an independent obligation from the DISTRICT's obligation to make payments to the ENGINEER.

C. Any subcontract entered into by the ENGINEER relating to this Agreement, shall bind the subcontractor to all of the provisions of this Article by incorporating the provisions of this Article in any such subcontract, and substituting the name of the subcontractor in place of the word "ENGINEER" where it appears in this Article.

D. Any substitution of subcontractors must be approved in writing by the DISTRICT's Project Manager in advance of assigning work to a substitute subcontractor.

ARTICLE 22. EQUIPMENT PURCHASE.

A. Prior authorization in writing, by the DISTRICT's Project Manager, shall be required before the ENGINEER enters into any unbudgeted purchase order or subcontract exceeding five thousand dollars (\$5,000) for equipment. The ENGINEER shall provide an evaluation of the necessity or desirability of incurring such costs and three (3) competitive quotations must be submitted with the request, or the absence of bidding must be adequately justified.

B. Any equipment purchased as a result of this Agreement is subject to the following: The ENGINEER shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two (2) years and an acquisition cost of five thousand dollars (\$5,000) or more. If the purchased equipment needs replacement and is sold or traded in, the DISTRICT shall receive a proper refund or credit at the conclusion of the Agreement, or if the Agreement is terminated, the ENGINEER may either keep the equipment and credit the DISTRICT in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established DISTRICT procedures; and credit the DISTRICT in an amount equal to the sales price. If the ENGINEER, with the prior written approval of the DISTRICT, elects to keep the equipment, its fair market value shall be determined by an appraiser

mutually acceptable to the DISTRICT and the ENGINEER, at the ENGINEER's expense.

ARTICLE 23. APPLICABLE LAW AND VENUE. This Agreement has been executed and delivered in the State of California and the validity, enforceability, and interpretation of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. All duties and obligations of the parties created hereunder are performable in San Luis Obispo County and such County shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

ARTICLE 24. NOTICES. Any notice required to be given pursuant to the terms and provisions hereof shall be in writing and shall be sent by first class mail to the DISTRICT at:

Mr. Paavo Ogren, Director
San Luis Obispo County
Department of Public Works
County Government Center, Room 207
San Luis Obispo, CA 93408

and to the ENGINEER:

Mr. Rob Morrow, Project Manager
Cannon Corporation
1050 Southwood Drive
San Luis Obispo, CA 93401

ARTICLE 25. COST DISCLOSURE - DOCUMENTS AND WRITTEN REPORTS. Pursuant to Government Code Section 7550, if the total cost of this Agreement is over five thousand dollars (\$5,000), the ENGINEER shall include in all final documents and in all written reports submitted a written summary of costs, which shall set forth the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such documentation or written report. The Agreement and subagreement numbers and dollar amounts shall be contained in a separate section of such document or written report.

ARTICLE 26. CONFIDENTIALITY OF DATA.

A. All financial, statistical, personal, technical, or other data and information relative to the DISTRICT's operations, which are designated confidential by the DISTRICT and made available to the ENGINEER in order to carry out this Agreement, shall be protected by the ENGINEER from unauthorized use and disclosure, and shall not be made available to any individual or organization by the ENGINEER without the prior written approval of the DISTRICT.

B. Permission to disclose information on one occasion, or public hearing held by the DISTRICT relating to this Agreement, shall not authorize the ENGINEER to further disclose such information, or disseminate the same on any other occasion.

ARTICLE 27. RESTRICTIVE COVENANT. The ENGINEER agrees that it will not, during the continuance of this Agreement, perform or otherwise exercise the services described in Exhibit A for anyone except for the DISTRICT, unless and until the DISTRICT waives this restriction.

ARTICLE 28. QUALITY CONTROL AND QUALITY ASSURANCE. The ENGINEER shall provide a description of its Quality Control procedure. The process shall be implemented for all facets of Work and a QC-QA statement and signature shall be placed on all submittals to the DISTRICT.

ARTICLE 29. CLAIMS FILED BY THIRD PARTIES.

A. If claims are filed against the DISTRICT by any third party that relates in any way to any Work within the ENGINEER's Scope of Work under this Agreement, and additional information or assistance from the ENGINEER's personnel is requested by the DISTRICT in order to evaluate or defend against such claims, the ENGINEER agrees to cooperate with and provide timely response to any reasonable requests for information submitted to the ENGINEER by the DISTRICT relating to such claims. To the extent the information requested by the DISTRICT only seeks copies of documents or other factual information relating to Work performed by the ENGINEER, the ENGINEER will only be compensated for any clerical costs associated with providing the DISTRICT with the requested factual information.

B. The ENGINEER's personnel that the DISTRICT considers essential to assist in defending against such claims will be made available for consultation with the DISTRICT upon reasonable notice from the DISTRICT. In the event the expert opinions of the ENGINEER's personnel are sought by the DISTRICT through such consultation or through testimony, and only in such event, such consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for the ENGINEER's personnel services under this Agreement. In the event the testimonies of any of the ENGINEER's personnel are sought by another party, the ENGINEER reserves the right to charge the other party a different rate for deposition or trial testimony.

C. Services of the ENGINEER's personnel in connection with the DISTRICT's third-party claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this Agreement in order to finally resolve the claims.

D. Any subcontract entered into by the ENGINEER relating to this Agreement, shall bind the subcontractor to all of the provisions of this Article by incorporating the provisions of this Article in any such subcontract, and substituting the name of the subcontractor in place of the word "ENGINEER" where it appears in this Article.

ARTICLE 30. CONFLICT OF INTEREST.

A. The ENGINEER shall disclose any financial, business, or other relationship with the DISTRICT that may be affected by the outcome of this Agreement, or any ensuing DISTRICT construction project. The ENGINEER shall also list current clients who may have a financial interest in the outcome of this Agreement, or any ensuing DISTRICT construction project, which will follow.

B. The ENGINEER hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this Agreement.

C. Any subcontract entered into by the ENGINEER relating to this Agreement, shall bind the subcontractor to all of the provisions of this Article by incorporating the provisions of this Article in any such subcontract, and substituting the name of the subcontractor in place of the word "ENGINEER" where it appears in this Article.

D. The ENGINEER hereby certifies that neither the ENGINEER, nor any firm affiliated with the ENGINEER will bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this Agreement. An affiliated firm is one, which is subject to the control of one or more of the same persons through joint-ownership, or otherwise.

E. Except for subcontractors whose services are limited to providing surveying or materials testing information, no subcontractor who has provided design services in connection with this Agreement shall be eligible to bid on any construction contract, or on any contract to provide construction inspection for any construction project resulting from this Agreement.

ARTICLE 31. COMPLIANCE WITH GRANT AGREEMENT. ENGINEER acknowledges and agrees that this Agreement is subject to the obligations and limitations imposed on DISTRICT by the Grant Agreement between the California Department of Water Resources (“State”) and the DISTRICT in connection with the Grant (“Grant Agreement”) and all future amendments to the Grant Agreement. ENGINEER has received a copy of the Grant Agreement. ENGINEER further acknowledges that if the Grant Agreement is terminated by the State, the DISTRICT shall have the right to terminate or amend this Agreement by giving written notice. ENGINEER hereby expressly agrees to the provisions of the Grant Agreement and to take all actions (and provide all information) necessary for the DISTRICT to satisfy its obligations under the Grant Agreement. ENGINEER further agrees that the DISTRICT has the right to enter into amendments to the Grant Agreement and shall not be restricted or impaired, in any way, by this Agreement. Without limiting the foregoing, ENGINEER expressly agrees as follows:

- A. By signing this Agreement, ENGINEER hereby certifies, under penalty of perjury under the laws of the State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 *et seq.*) and has or will provide a drug-free workplace by taking the following actions:
 - 1. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken

against employees, contractors or subcontractors for violations, as required by Government Code Section 8355(a).

2. Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b) to inform employees, contractors, or subcontractors about all of the following:
 - i. ENGINEER's policy of maintaining a drug-free workplace,
 - ii. Any available counseling, rehabilitation, and employee assistance programs, and
 - iii. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
 3. Provide as required by Government Code Section 8355(c) that every employee, contractor, and/or subcontractor who works under this Agreement will (a) receive a copy of the ENGINEER's drug-free policy statement, and (b) agree to abide by terms of ENGINEER's conditions of employment, contract, or subcontract.
- B. ENGINEER affirms that it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code and ENGINEER affirms that it will comply with such provisions before commencing the performance of the Work under this Agreement and will make its contractors and subcontractors aware of this provision.
- C. ENGINEER agrees to comply with all applicable California Labor Code requirements, including prevailing wage provisions.
- D. ENGINEER agrees to maintain all books, records, and other documents pertinent to the Work performed pursuant to this Agreement in accordance with generally accepted accounting principles and practices. Records are subject to inspection by the DISTRICT or State at any and all reasonable times.
- E. ENGINEER agrees that all records pertinent to the Work performed pursuant to this Agreement shall be preserved for at least three (3) years after Project completion.

IN WITNESS THEREOF, the parties hereto have executed this Agreement, and this Agreement shall become effective on the date shown signed by the San Luis Obispo County Flood Control and Water Conservation District.

SAN LUIS OBISPO COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

By: _____ Date: _____
Chairperson of the Board
San Luis Obispo County Flood Control and
Water Conservation District
State of California

ATTEST:

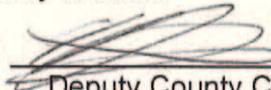
By: _____ Date: _____
County Clerk and Ex-Officio Clerk of the
Board of Supervisors, County of San Luis Obispo,
State of California

ENGINEER

By:  _____ Date: 4/22/13
Name: LARRY KRAEMER
Title: DIRECTOR, PUBLIC, INFRASTRUCTURE, CANNON

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By:  _____ Date: 4-23-13
Deputy County Counsel

1. Project Administration

Steering Committee

Facilitate Steering Committee¹ and public involvement. The Steering Committee will provide project management input to the District and recommendations and endorsements will be obtained at all significant project decision points. The Steering Committee will operate by consensus; however, when consensus cannot be reached, majority opinion will prevail.

Progress Reports

Assist the District with preparing monthly progress reports as necessary to comply with the quarterly reporting requirements of the IRWM Planning Grant agreement.

Project Management

This task includes all project management activities and meeting attendance required by the consultant to facilitate the project, including but not limited to:

- Kickoff Meeting (following Notice to Proceed)
- Maintaining progress schedules
- Budget oversight
- Monthly progress reports to District staff
- Coordination and meetings with Steering Committee
- Invoicing for work-completed and formatted in a way that will allow the District to utilize them easily for developing invoices to DWR (i.e. non-reimbursable expenses readily identifiable)

Technical Review – QA/QC

Utilize an internal QA/QC process to review deliverables prior to submittal.

2. Background

Numerous recycled water feasibility studies and technical reports have been completed within San Luis Obispo County. To prevent re-doing work completed in previous studies, and to benefit from the valuable data collection and analysis that has already been completed, the Steering Committee will work collaboratively with the consultant to obtain all available recycled water studies during the data compilation phase of the RWSP.

Data Compilation

Review previously completed recycled water studies and develop a database of available resources. The database should include previously completed: feasibility studies; technical reports; recycled water ordinances; etc. Quality assurance/quality control (QA/QC) of the data will be conducted for any duplicate records and general checking of the data from various sources for uniform formats, parameters, and spatial information. The summary of the available data, identified data gaps, and associated data management systems will be incorporated into the IRWM Plan data management section.

¹ It is anticipated that the agencies participating on the Steering Committee will include the District, Templeton Community Services District, City of Morro Bay, City of Pismo Beach, South San Luis Obispo County Sanitation District, City of Arroyo Grande, City of Grover Beach, Oceano Community Services District and Nipomo Community Services District.

**Scope of Services for County of San Luis Obispo
Regional Recycled Water Strategic Plan
RFP PS-#1202-12**

Jurisdictional Summary and Analysis

Investigate potential stakeholders and/or agencies with the right to deliver water, collect and treat sewage, or provide other public services within the vicinity of the proposed recycled water projects. Develop a summary list of the potential stakeholders, their rights, responsibilities and expected roles in the context of the proposed recycled water projects. The list of stakeholders and agencies will be incorporated into the relevant IRWM Plan sections, including Stakeholder Outreach and Coordination with Local Water Planning and Land Use Agencies.

Anticipated Deliverables:

- Technical memorandum (TM) that summarizes previously completed recycled water studies
- Jurisdictional Summary and Analysis

3. Recycled Water Goals, Objectives and Constraints

Goals and Objectives Workshop

Plan, organize and facilitate a workshop with the potential project(s)' stakeholders and the Steering Committee to define the key challenges and opportunities, long term strategic goals, measurable time-bound objectives and applicable constraints of the RWSP. The goals and objectives will consider the climate change vulnerabilities identified in Task 8 below. The recycled water objectives will be incorporated into the IRWM Plan objectives.

Anticipated Deliverables:

- Steering Committee agenda packet
- Summary of the goals, objectives and constraints developed during the workshop

4. Economic Strategies Analysis

Beneficiaries Analysis

Summarize the apparent beneficiaries of a recycled water program in order to inform cost allocation considerations. For each identified beneficiary, including Disadvantaged Communities (DACs), characterize the realized benefit(s) that would accrue because of a recycled water program. This summary should be qualitative in nature. The identified benefits will be incorporated into the IRWM Plan impacts and benefits section.

Public Funding and Financing Options

Provide a summary of public funding and financing options that may be relevant to consider when developing a recycled water program financial plan, such as federal and state grant and subsidized loan programs. Provide a concise summary of public funding and financing sources applicable for recycled water that includes the: issuing agency(ies); rates and terms; application requirements; applicability; timelines for application and award; and other relevant considerations. The information will be incorporated into the IRWM Plan financing section.

Funding Mechanisms and Rate Structure Options

Summarize potential revenue mechanisms and rate structure options, including: water and sewer user charges; recycled water connection fees and user charges; benefit assessments; developer fees/contributions, etc. For each funding mechanism, provide: 1) a general description of the mechanism and key features; 2) a summary of implementation considerations and requirements; 3) an outline of pros and cons; and 4) a summary of inherent

**Scope of Services for County of San Luis Obispo
Regional Recycled Water Strategic Plan
RFP PS-#1202-12**

cost allocation(s). Interview peer utility agencies to identify recycled water revenue mechanisms and rate structure options that are currently being employed by similar agencies elsewhere in California.

Anticipated Deliverable:

- TM identifying primary beneficiaries and describing economic strategies for implementing recycled water projects

5. Regulatory, Permitting and Legal Requirements

Regulatory Investigation

Research and summarize current and projected future local, state and federal recycled water rules, regulations and standards on treatment, delivery, and uses of recycled water, as they apply to the proposed recycled water projects.

Permitting

Identify the necessary permits and their requirements for implementing recycled water projects.

Legal Requirements

Research and summarize the legal or institutional requirements pertaining to the implementation of the proposed recycled water projects.

Anticipated Deliverable:

- TM identifying regulatory, permitting and legal requirements for implementing recycled water projects

6. Policy Frameworks and Considerations

County Policies

Investigate potential County level policies related to recycled water and its implementation within San Luis Obispo County (e.g. development of a County-wide water recycling policy).

Individual Agency Policies

Investigate potential agency level policies related to the use of recycled water within their jurisdictional area (e.g. mandatory use policies). Interview peer utility agencies to identify recycled water use policies that are currently being employed by similar agencies elsewhere in California.

The information will be incorporated into the Coordination with Local Water and Land Use Planning sections of the IRWM Plan.

7. Sub-Regional Alternatives Analysis

This task involves analysis specific to each sub-region. The scope of work for each sub-region's alternatives analysis differs, depending on the sub-region's specific constraints and previously completed recycled water studies. Due to their geographic proximity and inter-connected piping networks, the City of Pismo Beach and the SSLOCSD have elected to join together to form one sub-region, called the Northern Cities sub-region.

**Scope of Services for County of San Luis Obispo
Regional Recycled Water Strategic Plan
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TCSD Sub-Region

- Sub-Regional Goals/Objectives/Constraints
 - Plan and conduct a workshop to establish the goals/objectives/constraints for the TCSD sub-region.
- Recycled Water Supply and Demand Summary
 - As needed, perform a recycled water supply and demand summary for TCSD sub-region.
- Conceptual Alternatives Evaluation
 - Evaluate existing practice of percolating treated wastewater versus development of a recycled water treatment and distribution system, including a Cost/Benefit Analysis.
 - Select the preferred conceptual alternative.

Anticipated Deliverables:

- Steering Committee agenda packet
- TM with summary of goals/objectives/constraints, recycled water supply and demand, and conceptual alternatives evaluation

Morro Bay Sub-Region

The City of Morro Bay has already completed a recycled water feasibility study. Therefore the scope of the Morro Bay sub-region's recycled water analysis will focus on CIP development and project phasing.

- CIP Development
 - Evaluate potential recycled water system configuration alternatives and develop a preferred alternative.
 - Create a CIP program for the development of a recycled water system in the Morro Bay sub-region based on the preferred alternative configuration.
- Project Phasing
 - Develop a strategy for phasing the development of a recycled water system in the Morro Bay sub-region.

Anticipated Deliverables:

- TM describing CIP program and project phasing for Morro Bay recycled water system

Northern Cities Sub-Region

- Sub-Regional Goals/Objectives/Constraints
 - Plan and conduct a workshop to establish the goals/objectives/constraints for the Northern Cities sub-region.
- Recycled Water Supply and Demand Summary
 - As needed, perform a recycled water supply and demand summary for the Northern Cities sub-region.
- Conceptual Alternatives Evaluation
 - Evaluate potential conceptual alternatives (shown below) for a recycled water system in the Northern Cities.

**Scope of Services for County of San Luis Obispo
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- Irrigation Only
 - Landscape Only
 - Landscape + Agriculture
- Irrigation + Groundwater Recharge
 - Recycled Water Percolation
 - Recycled Water Injection
- Seawater Intrusion Barrier
- ConocoPhillips Cooling Water + Irrigation
- Arroyo Grande Creek Stream Flow Augmentation
- Select the preferred conceptual alternative.

Anticipated Deliverables:

- Steering Committee agenda packet
- TM describing the goals/objectives/constraints, recycled water supply and demand summary and conceptual alternatives evaluation for Northern Cities sub-region

NCSO Sub-Region

- Sub-Regional Goals/Objectives/Constraints
 - Plan and conduct a workshop to establish the goals/objectives/constraints for the NCSO sub-region.
- Recycled Water Supply and Demand Summary
 - As needed, perform a recycled water supply and demand summary for NCSO sub-region.
- Conceptual Alternatives Evaluation
 - Evaluate conceptual alternatives (shown below) for a recycled water project in the NCSO sub-region.
 - Groundwater recharge via surface percolation or subsurface infiltration.
 - Subsurface recycled water storage/recovery system at Southland WWTF.
 - Landscape irrigation at the Blacklake and Monarch Dunes Golf Courses.
 - Select the preferred conceptual alternative.

Anticipated Deliverables:

- Steering Committee Agenda Packet
- TM describing the goals/objectives/constraints, recycled water supply and demand summary and the conceptual alternatives evaluation for NCSO sub-region

8. Strategies and Recommendations

Regional

Develop a list of strategies and prioritize recommendations for implementing recycled water projects within San Luis Obispo County based on the findings from Task 2 and 6.

Sub-Regional

Develop a list of strategies and prioritize recommendations for implementing recycled water projects within each sub-region based on the results from Task 7.

**Scope of Services for County of San Luis Obispo
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Climate Change

Complete the DWR Vulnerability Assessment Checklist related to climate change. The assessment will utilize the projected climate change conditions as described in the reports titled Projected Future Climatic and Ecological Conditions in San Luis Obispo County, April 2010, and Integrated Climate Change Adaptation Planning in San Luis Obispo County, November 2010. These two reports form the basis for updating climate change conditions and assessing climate change vulnerabilities in the IRWM Plan. Coordinate with the District's IRWM Plan update consultant to ensure consistency in methodology. The information will be incorporated into the Climate Change section of the IRWM Plan.

Anticipated Deliverable:

- Completed DWR Vulnerability Assessment Checklist

9. Regional RWSP

Admin Draft

Prepare an admin draft of the RWSP that incorporates the findings and results from Tasks 2 through 8 and submit it to the Steering Committee for review.

Public Review Draft

Prepare a public review draft of the RWSP that incorporates comments received from the Steering Committee.

Submit the public review draft for public comment and plan, organize and facilitate a public meeting to review and receive comments on the RWSP. Prepare meeting summary.

Final RWSP

Prepare a final RWSP that incorporates the comments received during the public review meeting and any additional comments received from the Steering Committee.

Coordinate with the District's IRWM Plan update consultant to incorporate all relevant information, including regional description, objectives, stakeholder outreach, coordination, financing, impact, prioritized projects and climate change, into the IRWM Plan.

Anticipated Deliverables:

- Admin Draft RWSP
- Public Review Draft RWSP
- PowerPoint presentation and meeting summary notes
- Final RWSP



	Cannon				Subconsultants					Total	
	Project		WWTP		Total Cannon Hours	Note 1 Lidia Gutierrez \$195	Note 2 Margie Nellor \$190	Note 3 Tim Cleath \$140	Total Sub Hours	Hours	Budget
	Principal Manager	Engineer	Engineer	Project Engineer							
Task 1: Project Management											
Steering Committee (5)	5	20			25	20			20	45	\$8,290
Progress Reports		9			9				0	9	\$1,395
Project Management		36			36				0	36	\$5,580
Technical Review - QA/QC											
	5	65	0	0	70	20	0	0	20	90	\$15,682
Task 1 Subtotal											
Task 2: Background											
Data Compilation	2	8		32	42	2	2		6	48	\$6,595
Jurisdictional Summary and Analysis	2	8		8	18				0	18	\$2,560
	4	16	0	40	60	2	2		6	66	\$9,155
Task 2 Subtotal											
Task 3: Recycled Water Goals, Objectives, and Constraints											
Goals and Objectives Workshop	0	8	0	0	8	8	1		9	17	\$3,165
	0	8	0	0	8	8	1		9	17	\$3,165
Task 3 Subtotal											
Task 4: Economic Strategies Analysis											
Beneficiaries Analysis	1	16			17	4			4	21	\$3,518
Public Funding and Financing Options	1	8			9	8			8	17	\$3,136
Funding Mechanisms and Rate Structure Options	1	8			9	8			8	17	\$3,136
	3	32	0	0	35	20	0	0	20	55	\$9,790
Task 4 Subtotal											
Task 5: Regulatory, Permitting, and Legal Requirements											
Regulatory Investigation	2	2			2		8		8	10	\$1,982
Permitting	2	2			2		8		8	10	\$1,982
Legal Requirements	2	2			2		8		8	10	\$1,982
	0	6	0	0	6	0	24	0	24	30	\$5,946
Task 5 Subtotal											
Task 6: Policy Framework and Considerations											
County Policies	2	2			2		8		8	10	\$1,982
Individual Agency Policies	2	2			2		8		8	10	\$1,982
	0	4	0	0	4	0	16	0	16	20	\$3,964
Task 6 Subtotal											



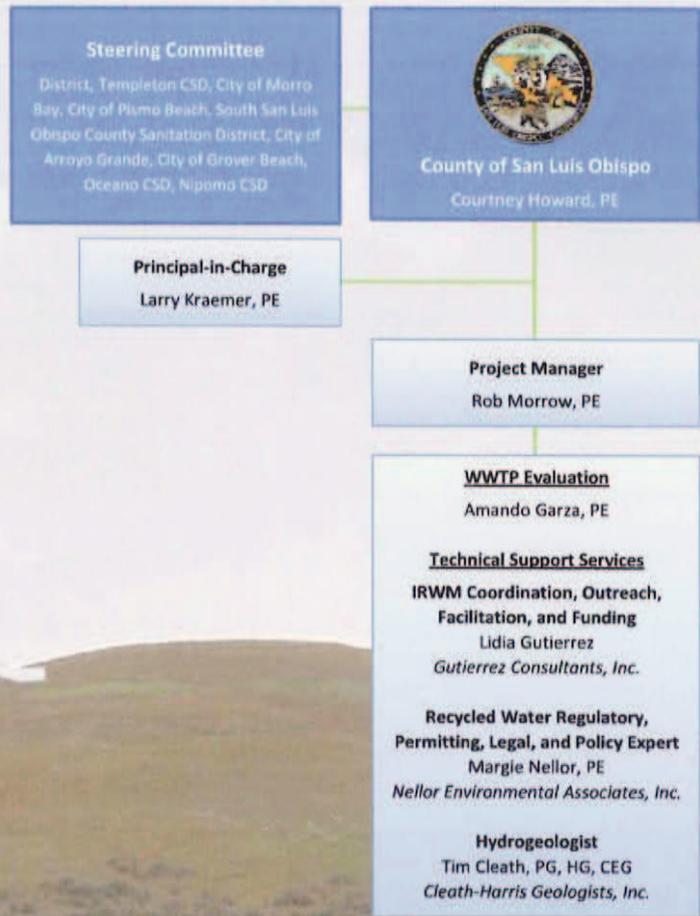
	Cannon						Subconsultants				Total			
	Project Manager		WWTP Engineer		Project Engineer		Total Cannon Hours		Note 1	Note 2	Note 3	Total Sub Hours	Hours	Budget
	Larry Kraemer	Rob Morrow	Amando Garza	Amando Garza	Project Engineer	Project Engineer	Hours	Lidia Gutierrez	Margie Nellor	Tim Cleath	Hours			
	\$180	\$155	\$180	\$120				\$195	\$190	\$140				
Task 7: Sub-Regional Alternatives Analysis														
Task 7.1: TCSD Sub-Region														
Sub-Regional Goals/Objectives/Constraints	2	12	2		4		16	8	2	2		12	28	\$5,022
Recycled Water Supply and Demand Summary	8	8		4		12	12				0	12	12	\$1,720
Conceptual Alternatives Evaluation	8	48	12	40		108	108	2	8	12	22	130	130	\$19,789
<i>Task 7.1 Subtotal</i>	10	68	14	44		136	136	10	10	14	34	170	170	\$26,531
Task 7.2: Morro Bay Sub-Region														
Sub-Region Kickoff Meeting	2	2	4			8	8	8	2	2		12	20	\$3,832
CIP Development	8	8	32	32		80	80	2	4	4	10	90	90	\$14,161
Project Phasing	8	8	24	16		56	56	2			2	58	58	\$9,349
<i>Task 7.2 Subtotal</i>	18	18	60	48		144	144	12	6	6	24	168	168	\$27,342
Task 7.3: Northern Cities Sub-Region														
Sub-Regional Goals/Objectives/Constraints	4	12	4			20	20	12	8	8		28	48	\$8,778
Recycled Water Supply and Demand Summary	8	16		4		20	20	2	12	20	34	170	20	\$2,960
Conceptual Alternatives Evaluation	8	64	24	40		136	136	2	12	20	34	170	170	\$26,497
<i>Task 7.3 Subtotal</i>	12	92	28	44		176	176	14	20	28	62	238	238	\$38,235
Task 7.4: NCSO Sub-Region														
Sub-Regional Goals/Objectives/Constraints	2	12	2			16	16	8	2	2		12	28	\$5,022
Recycled Water Supply and Demand Summary	8	8		4		12	12				0	12	12	\$1,720
Conceptual Alternatives Evaluation	8	48	12	40		108	108	2	8	12	22	130	130	\$19,789
<i>Task 7.4 Subtotal</i>	10	68	14	44		136	136	10	10	14	34	170	170	\$26,531
<i>Task 7 Subtotal</i>	50	246	116	180		592	592	46	46	62	154	746	746	\$118,639
Task 8: Strategies and Recommendations														
Regional	2	8				10	10	8				8	18	\$3,316
Sub-Regional	2	8				10	10	8				8	18	\$3,316
Climate Change	4	4				4	4	12			12	16	16	\$3,194
<i>Task 8 Subtotal</i>	4	20	0	0		24	24	28	0	0	28	52	52	\$9,826
Task 9: Regional RWSP														
Admin Draft	4	40	4	8		56	56	8	8	8		80	80	\$13,220
Public Review Draft	2	24	2	4		32	32	4	2	2		40	40	\$6,504
Final RWSP	2	16	2	4		24	24	2			2	26	26	\$4,109
<i>Task 9 Subtotal</i>	8	80	8	16		112	112	14	10	10	34	146	146	\$23,833
Total	74	477	124	236		911	911	138	99	74	311	1,222	1,222	\$200,000

Notes:

- Gutierrez Consulting
- Nellor Environmental
- Cleath-Harris Geologists
- Fees are based on time and materials, not to exceed
- Subconsultants and other direct costs include a 10% markup.

Organizational Chart

In addition to the specialists shown below, our pool of resources includes over 100 professional engineers, licensed land surveyors, construction managers, technicians, and technical support staff well versed in strategic planning, master planning, and public infrastructure projects - especially in San Luis Obispo County.



Distinguishing Qualifications	Benefit to the SLO Region
Most Team Member Experience Preparing Recycled Water Master Plans	Value: Leverage past success to realize efficiencies in work tasks and meet project, schedule, and budget goals.
Team Member Specialties: W/WW/RW Engineering, Funding, Regulations, IRWMP, SNMP, and Hydrogeology	Expertise: Specialized engineering expertise gives credibility to the RRWSP and ensures that all important aspects and regulations are given adequate consideration.
Engineering Expertise in all Phases of Recycled Water Projects: <i>Master Planning > Design > Construction > Operation</i>	Lifecycle: Apply practical implications of master planning assumptions and decisions on future design, construction, and operation efforts. Our team is invested in the project beyond this plan.
History Working with SLO Region Agencies	Knowledge: Long-standing relationships prove valuable in inspiring coordination. Work history includes existing and proposed facilities and provides insight to specific community drivers.
Local Consulting Team: <i>Personalized, Responsive, and Reliable</i>	Local: Our team members keep the project fees in the local economy. Our proximity to you provides us flexibility in impromptu meetings. We can facilitate meetings at our local office.