

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
November 19, 2018 at 1:30 p.m.

- 1. Call to Order, Flag Salute, Invocation and Roll Call**
- 2. Adoption and Adjustment of Agenda**
- 3. Public Comment:** Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary. Speakers are requested to keep their comments to no more than five minutes. Under the Brown Act, no action or discussion shall take place on any item not appearing on the agenda, except that the Board or staff may briefly respond to statements made or questions posed for the purpose of directing statements or questions to staff for follow up.
- 4. Consent Calendar:** If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.
 - A. Approval of the Minutes of the Regular Board Meeting, November 5, 2018* (p. 3)
 - B. Approval of the Minutes of the Engineering Workshop, November 13, 2018* (p. 7)
- 5. Reports:**
 - A. General Manager's Report
 1. Operations Report
 2. Construction Update
 3. General Agency Updates
 - B. General Counsel Report
 - C. Directors' Reports
 - D. Committee Reports
- 6. New Business:**
 - A. Consideration of and Possible Action on 2018 – 2019 USGS Work Plan* (p. 9)
 - B. Consideration of Award of Contract to Pro-Craft Construction in the Amount of \$433,000 to Construct Noble Connection Enlargement* (p. 28)
- 7. Topics for Future Agendas**
- 8. Announcements:**
 - A. Office closed November 22nd & November 23rd in observance of the Thanksgiving Holiday
 - B. Finance and Budget Workshop, November 26, 2018 at 1:30 p.m.
 - C. ACWA Conference in San Diego, November 27-30
 - D. Regular Board Meeting, December 3, 2018 at 1:30 p.m.

9. Closed Session (1 Item)

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code section 54956.8

Property: Potential water rights/supplies offers from the City of Ventura

Agency negotiator: Jeff Davis, General Manager

Negotiating parties: Lynn Takaichi

Under negotiation: price and terms of payment

10. Adjournment

Information included in Agenda Packet

(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, located at 1210 Beaumont Avenue, Beaumont, California 92223, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at: www.sgpwa.com (3) Any person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
November 5, 2018

Directors Present: David Fenn, President
Ron Duncan, Vice President
Lenny Stephenson, Treasurer
Blair Ball, Director
David Castaldo, Director
Stephen Lehtonen, Director
Michael Thompson, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel
Thomas Todd, Finance Manager
Cheryle Rasmussen, Executive Assistant

1. **Call to Order, Flag Salute, Invocation, and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President David Fenn at 1:30 p.m., November 5, 2018, in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. President Fenn led the Pledge of Allegiance to the flag. Director Ball gave the invocation. A quorum was present.
2. **Adoption and Adjustment of Agenda:** *President Fenn asked if there were any adjustments to the agenda.* There being none the Agenda was adopted as presented.
3. **Public Comment:** *President Fenn asked if there were any members of the public that wished to make a public comment on items that are within the jurisdiction of the Agency.* There were no members of the public that wished to comment at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, October 15, 2018
 - C. Approval of the Minutes of the Finance and Budget Workshop, October 22, 2018
 - D. Approval of the Finance and Budget Workshop Report, October 22, 2018

Director Stephenson made a motion, seconded by Director Castaldo, to adopt the consent calendar as presented. Motion passed 7-0.

5. Reports:

A. General Manager's Report:

(1) Operations Report: a) The Agency delivered 1178 acre-feet of Table A water to the Noble Creek Connection for the month of October. b) A shut-down is currently underway as SCE is working on a power pole that feeds Crafton Hills Pump Station. This was a scheduled shutdown and Crafton Hills Reservoir was filled in advance of the shutdown. c) The water year started October 1st 2018; initial Table A water allocation on December 1st will probably be 20% or below.

(2) General Agency Updates: **(a) Noble Creek EBX Enlargement:** **(a)** Six bids were received on October 31st. The Agency's Engineer's estimate was in the mid \$200ks, BCVWD's Engineer's estimate was in the high \$200ks. The apparent low bidder came in at \$433,000; the apparent highest bid was \$578,000. This was due primarily to tariffs on steel-related products and the fact that prevailing wages increased in August. BCVWD's board will meet on November 14th and will discuss if they will consent to the increased amount. **(b) Yucaipa GSA:** The members of the Yucaipa GSA voted to change the bylaws to allow no restrictions on alternate board members. Therefore, Director Stephenson will be allowed to attend and vote at any upcoming meetings. **(c) SGP GSA:** A website is being constructed, bylaws are being drafted, and a consultant is being hired to produce the GSP. **(d) Oroville Spillway:** DWR met its November 1st target for the main spillway repairs. Work is continuing on the emergency spillway. Funding for the repair work is being done through commercial paper. **(e) Sites:** During the last Sites meeting a vote was taken to change the beginning date of Phase 2 from February 14, 2018 to April 1, 2018. **(f) SWC Communication Outreach:** The SWC has initiated an outreach program for state legislators. This was prompted by a number of legislators and their staff knowing very little about the SWP. **(g) California Water Regulations:** The Trump administration had put out a memo a couple of weeks ago pertaining to easing water regulations in California. A few of our board members had previously asked if this memo would have any impact. General Manager Davis stated that it would not have an impact on the SWP. **(h) State Water Resources Control Board Meeting:** on November 7th the State Water Resource Control Board will be taking a vote on its plan for the Lower San Joaquin River flow objectives for the protection of fish and wildlife. **(i) DWR Delta Plan Hearing - California WaterFix Consistency:** DWR had formally issued a Certification of Consistency for the California WaterFix. The California WaterFix is consistent with the co-equal goals identified in the Delta Reform Act and all applicable Delta Plan policies. This was challenged and has gone through an appeal process. The final decision will be made by the Delta Stewardship Council in December. **(j) Managers Meeting:** Two key members were not able to attend the last meeting. More discussion from the managers is preferred before scheduling the next Water Rate workshop. The next managers meeting is scheduled to take place the later part of November. Due to scheduling and upcoming holidays General Manager Davis asked the Board when they would like to schedule the next Water Rate Workshop. It was the consensus of the Board to hold the discussion on the water rate during the January 14th Engineering workshop. **(k) General Counsel Russ Behrens:** General Manager Davis announced that Russell Behrens passed away on Friday, November 2, 2018. He was the Agency's General Counsel prior to Jeff Ferre for many years.

B. General Counsel Report: General Counsel Ferre stated that Russell G. Behrens practiced law for over fifty years. Russ formerly served as lead general counsel to three regional wholesale water agencies: San Geronio Pass Water Agency (1989), Municipal Water District of Orange County (1969), and Castaic Lake Water Agency (2003). He was a partner at Best Best & Krieger LLP's Environmental Law & Natural

Resources and Special Districts practice groups since 2012. Before joining BB&K, Russell was a principal in the firm of Kidman, Behrens & Tague (formerly McCormick, Kidman & Behrens) in Costa Mesa.

B. Directors' Report: 1) Director Thompson reported that he attended the SGPRWA meeting that was held on October 24, 2018. **2) President Fenn** reported on the SGPRWA meeting. A presentation was provided by Ron Rovansek, a Design Engineer for the Atwell home development project located in Banning off of Highland Springs Avenue. He explained how the project will include stormwater capture.

C. Committee Reports: 1) President Fenn requested that the chairmen of each committee be prepared to provide a written report on the status of each of their committees, in the event that reassignments of committee chairs takes place in the beginning of the year.

6. New Business:

A. Discussion on "Management Discussion and Analysis" Portion of Audit: A staff report and a copy of the Agency's Financial Statements and Supplementary Information with Independent Auditor's Report for the Years Ended June 30, 2018 and 2017 were included in the agenda packet. President Fenn asked the Board if they had any questions. Director Ball referred staff to the statement in the document that states: "Deliveries to retailers in FY 2017-18 totaled 14,451 AF, and included deliveries to YVWD through facilities jointly owned and operated with the SBVMWD. Even though the Agency's allocation was significantly less than last year, water purchased from other sources allowed the Agency to meet retailers' requests for this fiscal year". General Manager Davis stated that technically this is a mis-statement; retailers do not do requests for fiscal years, they do their requests for calendar years. We were able to meet the retailers' requests for calendar year 2017. Discussion on this item concluded.

B. Consideration of 2017-2018 Annual Audit: A staff report and a copy of the Agency's Financial Statements and Supplementary Information with Independent Auditor's Report for the Years Ended June 30, 2018 and 2017 were included in the agenda packet. Director Ball had questions pertaining to OPEB and CalPERS benefits. Both Financial Manager Thomas Todd and Auditor Eden Casareno (Eadie & Payne) answered Director Ball's questions. Director Stephenson made a motion, seconded by Director Duncan, to accept the 2017-2018 Audit as presented. Motion passed 7-0.

C. Consideration of and Possible Action on Assignment of Municipal Water Quality Investigations (MWQI) to State Water Contractors: A staff report and a copy of the Assignment of SWP Contractors Authority MWQI Program Specific Project Agreement to State Water Contractors were included in the agenda packet. There are two proposed Board actions, of which the Board will need to vote on each separately. The first is an agreement among the members of the SWPCA to assign the MWQI program to the SWC Inc., of which the Agency is also a member. Director Duncan made a motion, seconded by Director Stephenson, to assign the SWPC MWWI program to the SWC. Motion passed 7-0.

D. Consideration of and Possible Action on Amendment No. 1 to Municipal Water Quality Investigations (MWQI) Agreement: A staff report and a copy of the Assignment of SWP Contractors Authority MWQI Program Specific Project Agreement to State Water Contractors were included in the agenda packet. This action is to amend the MWQI agreement between DWR and the members of the MWQI SPC by assigning the MWQI program to SWC. Director Castaldo made a motion, seconded by Director Duncan to approve Amendment No. 1 of the MWQI Agreement between DWR and SWPCA to assign the MWQI program to the SWC. Motion passed 7-0.

7. Topics for Future Agendas: None.

8. Announcements:

- A. Water Conservation and Education Workshop, November 8, 2018 at 1:30 p.m.
- B. Office closed November 12, 2018 in observance of Veterans' Day
- C. Engineering Workshop, **Tuesday**, November 13, 2018 at 1:30 p.m.
- D. Regular Board Meeting, November 19, 2018 at 1:30 p.m.

9. Adjournment: *President Fenn adjourned the meeting at: 2:24 p.m.*

Draft – Subject to Board approval

Jeffrey W. Davis, Secretary of the Board

cmf

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
November 13, 2018

Directors Present: David Fenn, President
Blair Ball, Director
David Castaldo, Director
Ron Duncan, Vice President
Steve Lehtonen, Director
Leonard Stephenson, Director
Michael Thompson, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel

1. Call to Order, Flag Salute and Roll Call: The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by Vice President Duncan at 1:30 p.m., November 13, 2018 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Vice President Duncan led the Pledge of Allegiance to the flag. A quorum was present.

2. Public Comment: There were no members of the public who wished to comment at this time.

3. Presentation on Potential Wheeling Policy and Potential Rate Structure: General Manager Davis presented a short Power Point, copies of which were made available to members of the public. He summarized key points from the water code that discussed wheeling, noting that "fair compensation" is required in any wheeling rate. He summarized wheeling rates for three entities, noting that the rate for Antelope Valley-East Kern Water Agency (AVEK) is most similar to the Agency. He listed various issues that could be covered in a wheeling policy, and asked for direction from the Board. After discussion, there was some consensus that staff should come back to the Board in the near future with a proposed wheeling rate, based on input provided at the meeting, along with a draft policy for discussion. Many board members mentioned setting a wheeling rate that would be relatively low. No time frame was given for bringing this back to the Board, though it was noted that there is some urgency to deal with this as soon as a new water rate is set.

4. Update on SGMA: General Manager Davis updated the Board on where the three GSA's that the Agency is a member of are regarding implementation of SGMA. The Yucaipa GSA is furthest along, having contracted with a consultant to develop a GSP. The San Timoteo GSA is not required to produce a GSP, since it was downgraded in priority by DWR to low priority. The San Gorgonio Pass GSA and the other two GSA's for the San Gorgonio Pass Subbasin has begun work on a website, has set the principles for a cost sharing agreement, and has discussed rules of conduct. It will soon be starting the process of hiring a consultant to develop the GSP.

5. Update on Sites Reservoir: General Manager Davis updated the Board on Sites Reservoir, informing Board members that the chief priorities in Phase 2 will be operational certainty and reducing investment risk. He noted that Phase 2 will begin in April 2019, with the Board having to make a final decision on Phase 2 participation by February 15. It is likely that Phase 2 will be funded one year at a time, so the Board would only need to approve funding for 2019. It is expected that total costs for Phase 2 will be as follows: 2019--\$15 million; 2020--\$59 million; 2021--\$145 million; 2022--\$35 million. He informed the Board that he hopes to have more operational information to share with the Board prior to making a decision on participation in Phase 2.

6. Discussion of Fencing Installation for Fiesta Recharge Project: General Manager Davis informed that Board that staff has received quotes for fencing the facility as requested by the Board, but due to the cost (greater than \$50,000), the fencing must be administered as a construction contract, with sealed bids, plans and specifications, bid bonds, performance bonds, etc. He indicated that he is concerned that if the Agency were to pursue this route, it might not receive any competitive bids. He suggested that the Board award a change order to Pro-Craft Construction to install the fence via a subcontractor. This would be consistent with the procurement policy and would save time and probably money as well. He did not have a bid from Pro-Craft at this time but indicated that he expected to have one to bring to the Board next week. The Board did not express any concerns with this approach. General Manager Davis informed that Board that he wanted to let them know of this process before bringing the bid to the Board for consideration. If the bid is too high, staff could always go the other route and request bids.

7. Announcements:

- A. Regular Board Meeting, November 19, 2018 at 1:30 p.m.
- B. Office closed November 22nd and 23rd, 2018 in observance of the Thanksgiving Holiday
- C. Finance and Budget Workshop, November 26, 2018 at 1:30 pm
- D. ACWA Conference in San Diego, November 27th -30th, 2018

8. Adjournment: Vice President Duncan adjourned the meeting at 3:04 pm

Draft - subject to Board approval
Jeff Davis, Secretary to the Board
cmr

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: USGS Program Letter 2018-2019

DATE: November 19, 2018

Summary:

The Agency partners with the United States Geological Survey (USGS) each year to monitor wells and perform other duties. The purpose of this proposed Board action is to determine if the Board wishes to continue that partnership in 2018-2019.

Background:

The Agency has worked with the USGS for nearly two decades to drill monitoring wells, monitor water levels in wells, and perform water quality analysis on local groundwater. During that time, the Agency has also worked with the USGS to develop models of the Beaumont, Banning, and Cabazon basins.

In recent years, the Agency has cut back on its partnership, working with the USGS only on monitoring water levels and groundwater quality. These are commitments that the Agency made to other water purveyors in the region in order to obtain and maintain “maximum benefit” water quality standards, which are somewhat looser than “non-degradation” standards and which incentivize the use of recycled water in the region.

As always, the fiscal years are different for the federal USGS and the Agency. However, staff has always budgeted appropriately so that the Agency can work with the USGS on a different fiscal calendar and make it work budget-wise.

Detailed Report:

This issue is coming to the Board at this time because the USGS cannot provide support to Agency staff in monitoring groundwater

levels for Fall 2018 without the proposed agreement in place. The annual Fall monitoring has already been postponed due to the lack of a current agreement. Approval of the proposed agreement would enable staff to perform the monitoring in the next two weeks.

The cost of this work has already been built into this fiscal year's budget and will be built into next year's budget as well. The cost to the Agency, \$135,000, is somewhat offset by some matching funds from the USGS (\$8900). The matching funds offered by the USGS over time have gradually lessened and they will likely disappear completely at some point in the future. However, partnering with the USGS still benefits the Agency due to the stature of the USGS in the groundwater community and because the USGS makes the Agency's data available on its web site.

The attached program letter describes the scope of work, which is essentially the same as the past several years. Costs to the Agency are somewhat higher due to the reduction in matching funds and in the addition of some water quality sampling.

This agreement is not related to the monitoring wells that the USGS will be drilling for the Agency as part of the San Gorgonio Pass Subbasin SGMA process. Those costs will be covered by a grant from DWR.

Fiscal Impact:

Approval of the agreement will commit the Agency to expenditures of \$135,000 through December, 2019. These costs will be spread over two fiscal years. A portion of these costs has been built into the 2018-2019 general fund budget already.

Recommendation:

Staff recommends that the Board approve the attached program letter with the USGS for \$135,000 so that Fall 2019 water level monitoring may proceed and the Agency may keep its commitment to other local water agencies and the Santa Ana Regional Water Quality Control Board related to maximum benefit water quality standards.



United States Department of the Interior

U.S. GEOLOGICAL SURVEY
California Water Science Center
6000 J Street, Placer Hall
Sacramento, CA 95819
Phone: (916) 278-3026 Fax: (916) 278-3045
<http://water.wr.usgs.gov>

November 8, 2018

Mr. Jeff Davis
General Manager and Chief Engineer
San Geronio Pass Water Agency
1210 Beaumont Avenue
Beaumont, California 92223

Dear Mr. Davis:

This letter confirms discussions between our respective staffs, concerning the cooperative program between the San Geronio Pass Water Agency (SGPWA) and the U.S. Geological Survey (USGS) during the period December 1, 2018 to December 31, 2019. The work proposed under the enclosed Joint Funding Agreement (JFA) is a continuation of the cooperative basin-wide monitoring network. A detailed description of work and the costs for this work is included as an attachment to this letter.

The total cost of the proposed cooperative water-resources program in FFY19 is \$144,400.00. Of this total, SGPWA will contribute \$135,500.00 and, subject to the availability of Cooperative Matching Funds (CMF), the USGS will contribute \$8,900.00. The proposed program for this period and associated costs are presented in Table 1.

Table 1. FFY19 Budget

Program element	USGS	SGPWA	Total
Task 1	\$6,400	\$49,900	\$56,300
Task 2	\$2,500	\$85,600	\$88,100
Total	\$8,900	\$135,500	\$144,400

Enclosed are two copies of Joint Funding Agreement (JFA) 19WSCA600096710 for your approval. Work performed with funds from this agreement will be conducted on a reimbursable-price basis. If the JFA is acceptable, please return one copy with original signatures to our office for further processing. The second copy is for your files.

If you have any questions concerning the program described above, please contact Allen Christensen at (619) 225-6175 or David O'Leary at (619) 225-6157, in or San Diego Office. If you have any administrative questions, please contact Nancy Mora at (619) 225-6428.

Sincerely,

Eric Reichard

Director, USGS California Water Science Center

San Gorgonio Pass Water Agency Cooperative Program: Progress, Plans, and Costs

Task 1A – Groundwater-Level Monitoring

Progress

A basin-wide groundwater-level monitoring network was established in the San Gorgonio Pass area in Federal Fiscal Year 1997 (FFY97) to evaluate existing hydrologic conditions and to monitor the effects of pumping and artificial recharge on the groundwater system. A key component of the network is collecting data from the multiple-well monitoring sites, which provide information on water-level changes and vertical gradient in the different aquifers.

In FFY18, U.S. Geological Survey (USGS) personnel accompanied San Gorgonio Pass Water Agency (SGPWA) personnel in the spring and fall to measure water levels in 107. Data collected as part of the water-level network are available through the USGS National Water Information System (NWIS) online database (table 2).

Water-Level Change

Water-level changes measured in the monitoring wells between fall 2016 and fall 2017 and spring 2017 and spring 2018 are shown on figures 1 and 2, respectively. Of the 69 wells with water-level change between fall 2015 and 2016, 9 wells recorded a water-level rise greater than 5 ft, 45 wells recorded little or no change (rise or decline less than 5 ft), and 15 wells recorded a water-level decline greater than 5 ft (fig. 1). Of the 72 wells with water-level change between spring 2017 and 2016, 10 wells recorded a water-level rise greater than 5 ft, 41 wells recorded little or no change (rise or decline less than 5 ft), and 21 wells recorded a water-level decline greater than 5 ft (fig. 2).

Multiple-Well Monitoring Sites

A total of 15 transducers recorded continuous water-level data at multiple-well monitoring sites 1, 6, 8, 9, and 10 during FFY17 (fig. 1). These data were used to help determine vertical gradients in the aquifer system and document long-term water-level changes in the SGPWA service area.

Site 1—Water-level data collected at well 27L1 (Site 1) indicate about 77 ft of water-level decline between December 1989 and September 2008 (about 8.5 ft/yr) (fig. 3). However, from September 2008 through early 2014, the water level at 27L1 has increased about 48 ft (about 8 ft/yr). In early 2014 the water-level measured at well 27L1 reached 15 year high of 2262 ft above sea-level, followed by a 34 ft decline until late 2016. Since late 2016, the water level measured at the well has increased to about 34ft. In 2018, water levels at Site 1 were near highs measured in 2014 and 1999

Site 6—Site 6 (002S001W35J001-4) is in the northeastern part of the Beaumont storage unit and includes four 2-inch piezometers installed in the same borehole: 35J1 perforated between 860-900 ft bls; 35J2 perforated between 750-770 ft bls; 35J3 perforated between 610-630 ft bls; and 35J4 perforated between 240-260 ft bls (dry). Prior to late 2008 the

San Gorgonio Pass Water Agency Cooperative Program: Progress, Plans, and Costs

water levels measured in the different piezometers at Site 6 (fig. 4) were similar; however, after late 2008 the depth to water in the piezometers increases with the depth of the perforated interval. This change is likely a response to pumping from the nearby BCVWD production well 25. BCVWD well 25 (shown on figure 1 in black) is about 0.7 mile southwest of Site 6 and started regular groundwater production for municipal supply in October 2008. Water levels at the site have declined between 37 to 37 ft during the period February 2002 and July 2017. The rate of decline was greater than 5 ft per year (ft/yr) prior to 2010. Since late 2010, all 3 wells have shown recovery of about 19ft between the seasonal highs measured during spring of 2010-2018. All wells at the site have continued to show overall year-to-year recovery since 2010, with the greatest recovery occurring between late 2012 and early 2016. The water levels at the site have remained generally constant between seasonal highs in 2016 and 2017. The recent recovery at this site may have resulted from changes in pumping patterns in the area, natural recharge from recent wet years, artificial recharge at the SGPWA and BCVWD recharge facilities, or a combination of these factors. Seasonal variation in the hydrograph is shown for the period 2016-2018, as with increased downward gradient at the site. This is likely a response to recent increased pumping a well 25. Water levels at this site are near high levels not measured since 2007.

Site 8—Site 8 (003S002E07P001-4) is in the central part of the Cabazon storage unit, and includes four 2-inch piezometers installed in the same borehole: 7P1 perforated between 980-1,000 ft bls; 7P2 perforated between 790-810 ft bls; 7P3 perforated between 640-660 ft bls; and 7P4 perforated between 550-570 ft bls. The hydrographs for site 8 show variations in water levels with depth at the site (fig. 4). In general, the water-level altitude increases with depth at the site with an upward groundwater gradient between the lower and upper aquifer system. The deepest well (7P1) has the highest water level altitude, more than 25 ft higher than water-level altitude in the shallower wells. This large difference in water-level altitudes indicates that well 7P1 is perforated in a different aquifer than the other wells. Wells 7P2 and 7P3 also show greater daily variation than wells 7P1 and 7P4. This variation likely is a response to pumping by the nearby supply well used by the Cabazon County Water District, shown as a black dot (fig. 1) 0.3 miles east of Site 8. The water-level decline measured at the site between May 2007 and September 2018 was 49, 46, 45, and 44 ft at wells 7P1, 7P2, 7P3, 7P4, respectively. The steady decline in water level at the site is likely a response to lower than average natural recharge in the area as result of the ongoing drought.

Site 9—Site 9 (003S002E15P001-3) is in the eastern part of the Cabazon storage unit and includes three 2-inch piezometers: 15P1 perforated between 373-383 ft bls; 15P2 perforated between 330-350 ft bls; and 15P3 perforated between 240-260 ft bls. Prior to early 2011, water-level altitude in well 15P1 is slightly higher than the water-level altitude in well 15P2, indicating an upward groundwater gradient conditions at the site. (fig. 6). The water-level decline measured at the site between May 2007 and April 2011 was 9.3 ft (about 2.4 ft/yr) at well 15P1 and 8.5 ft (about 2.2 ft/yr) at 15P2. In April-May 2011 both wells show rapid increases in water-level altitude at the site. The transducer in well 15P1 recorded a 4.6 ft rise in water table between late-April and late-August 2011.

San Gorgonio Pass Water Agency Cooperative Program: Progress, Plans, and Costs

The transducer in well 15P2 recorded a 10.3 ft rise in water table between mid-May and mid-August 2011. It is important to note that this water-level rise event occurred in the deeper well (15P1) first, then approximately 1 month later, started in the shallower well (15P2). This event also reverses the vertical gradients at the site. This recharge event was likely the result of natural recharge in the area. Since this event in 2011, both wells show nearly parallel water-level decline until early 2015 when well 15P2 went dry. Prior to May 2011 manual water-level measurements collected from the shallow well (15P3) were dry. Manual measures in well 15P3 also captured this water-level rise event with a measured water level at 220.8 ft below land surface or about 115 ft above the water levels measured in wells 15P1 and 15P2. The USGS installed a transducer in well 15P3 in June 2014, and the well has been dry since November 2011. The overall decline at well 15P1 is approximately 36 ft and the overall rate of decline is 3.6 ft per year since late 2007. The overall decline at well 15P2 is 11.2 ft and the overall rate of decline is 1.5 ft per year during the period late-2007 and early-2015 when the well went dry.

Site 10—Site 10 (003S001E11F001-4) is in the western part of the Cabazon storage unit and includes four 2-inch piezometers installed in the same borehole: 11F1 perforated between 1060 and 1040 ft bls; 11F2 perforated between 860 and 840 ft bls; 11F3 perforated between 660 and 680 ft bls; and 11F4 perforated between 600 and 580 ft bls. The water-level decline measured at the site between August 2009 and November 2011 was 8.8, 8.7, 8.9, and 9.25 ft at wells 11F1, 11F2, 11F3, and 11F4, respectively (fig. 7). During the period November 2011 to June 2013 water-level altitudes at the site increased. The water-level rise measured at the site between November 2011 and June 2013 was 5.5, 5.3, 5.1, and 5.2 ft at wells 11F1, 11F2, 11F3, and 11F4, respectively. Wells 11F3 and 11F4 have nearly identical depth to water and water-level change indicating these wells are in the same aquifer. Since mid-2013, when water levels at the site reached recent highs, water levels have declined 32 ft at the site. Since mid-2013 the rate of decline at the site has increased as compared with the rate of decline measured during the period mid-2009 to 2012. Since late 2013 all wells at the site have shown decline of about 41 ft and rate of decline of about 8.2 ft/yr.

Plans

During FFY19, SGPWA personnel will collect water-level data from groundwater-level monitoring-network wells (fig. 2) on a semi-annual basis. The USGS will continue to canvass new wells and verify well information for wells in the network with the potential of an additional 15 new monitoring wells proposed as part of the SGPWA and USGS cooperative drilling agreement. Water-level data will be collected at one-hour intervals at all sites equipped with pressure transducers (table 2); these sites will be downloaded on a quarterly basis by the USGS. The USGS will continue to enter water-level and well-site data collected by SGPWA and USGS personnel into the USGS database with appropriate quality-control checks, including accompanying SGPWA personnel during both spring and fall measurement periods. Water-level data are available through the USGS NWIS online database. As part of the calibration process completed in FFY14, it was noted that many of the transducers are near or have exceeded expected serviceable lifetime of the

San Gorgonio Pass Water Agency Cooperative Program: Progress, Plans, and Costs

transducers. The factory expected serviceable lifetime of the transducers used at the continuous monitoring sites is between 7-10 years. The USGS will continue to monitor each transducer and recommend replacement as needed. Currently the SGPWA has 15 transducers deployed and the replacement cost is approximately \$1,200. SGPWA should expect one or two transducer failures per year for the next 5-10 years until all transducers are replaced. Data collection at the transducer located at the San Gorgonio Recharge facility is included as part of this task. The USGS recommends that the SGPWA purchase transducers and communication cables for the three proposed monitoring sites (up to 15 additional wells) this will increase the continuous monitoring sites to approximately 30 wells at a total of 8 sites. The added costs to purchase, install and monitor the additional continuous sites are not included in this cooperative agreement. Based on current instrument pricing the cost for transducers and communication cables is estimated to be between \$30,000 and \$40,000. The cost to install and monitor the additional instruments is estimated to be about \$30,000 per year. If SGPWA decides to purchase and have the USGS install and monitor the equipment, an amended cooperative agreement can be negotiated with current costs.

Total cost for the above work is \$56,300. Of this total, San Gorgonio will contribute \$49,900 and subject to the availability of Cooperative Matching Funds (CMF), the USGS will contribute \$6,400, as reflected in the summary funding table.

Task 1, FFY 2019 cost for water-level monitoring \$ 56,300

Progress

In FFY18, 13 water-quality network wells were sampled. The samples were analyzed for major ions, nutrients, selected trace elements, stable isotopes of oxygen and hydrogen. Complete results for all samples collected as part of the water-quality monitoring network are available through the USGS NWIS online database. NWIS links to individual wells are provided in table 3. Note, wells denoted with "X*" on table 3, column 2018 are scheduled to be sampled in 2018 as part of FFY18 funding carried over from the previous cooperative agreement. This well was not sampled during the summer of 2018 due to specialized pumping equipment not being available.

Per conversation between our respective staffs, it has been decided to restructure the water-quality network to minimize the increase in network costs. As stated earlier, the USGS and SGPWA has an ongoing cooperative agreement to install three addition monitoring sites near the eastern boundary of the San Gorgonio Pass and the Coachella Valley (Fig. 8). These sites may add up to 15 new monitoring sites to FFY19 water-quality network. The cost of sampling the regularly scheduled sites and the additional monitoring sites would greatly increase to cost of sampling and water-quality analysis of samples collected for the network. As part of this cooperative agreement, the USGS will

San Geronio Pass Water Agency Cooperative Program: Progress, Plans, and Costs

only sample the new monitoring sites in FFY19. In addition, the USGS will add additional analytes of C14 and tritium to help determine vertical differences in time since recharge. In FFY20, the USGS in communication with SGPWA staff, will restructure the water-quality network to sample each well every four years instead of three (previous sample period). This will allow for each site to be sampled every four years and help maintain reasonable cost of previous years.

Plans

The current water-quality monitoring network includes 38 wells (fig. 8 and table 3). In FFY20 the network will increase to about 53 wells, about one fourth of the wells will be sampled on a 4-year basis (about 13 wells). Water-quality samples will be collected and analyzed from new monitoring wells in FFY19. The samples will be analyzed for major ions, nutrients, selected trace elements, stable isotopes of oxygen and hydrogen, C14 and tritium. All data collected will be entered into the USGS database with appropriate quality control and are available upon request.

Total cost for the above work is \$88,100. Of this total, San Geronio will contribute \$85,600 and subject to the availability of Cooperative Matching Funds (CMF), the USGS will contribute \$2,500, as reflected in the summary funding table 1.

<i>Task 2, 2019 cost for water-quality monitoring</i>	<i>\$ 88,100</i>
<i>Total FFY 2019 cost for task 1-2</i>	<i>\$ 144,400</i>

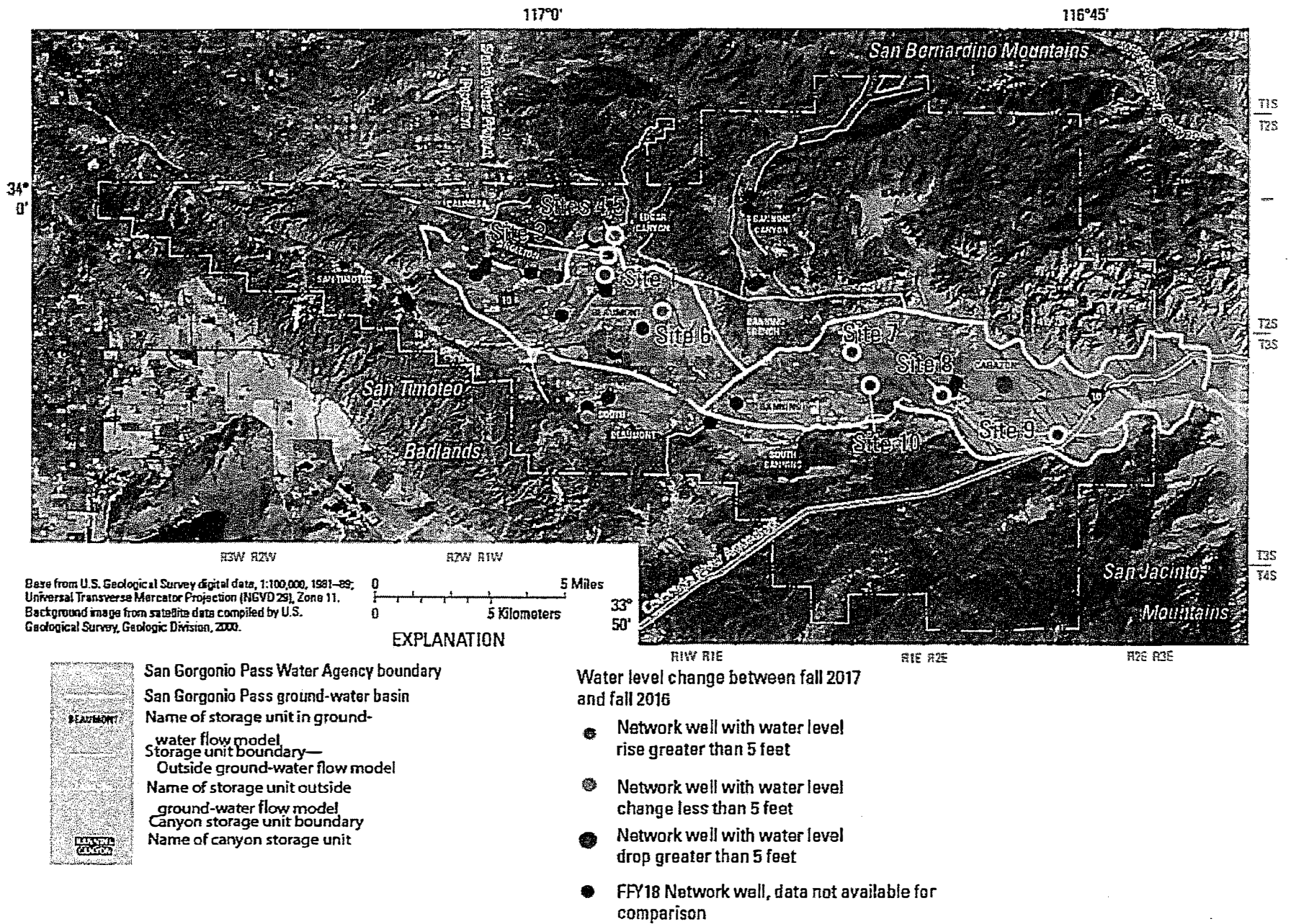


Figure 1. Map showing the water-level network and water-level change between fall 2017 and fall 2016 at selected wells.

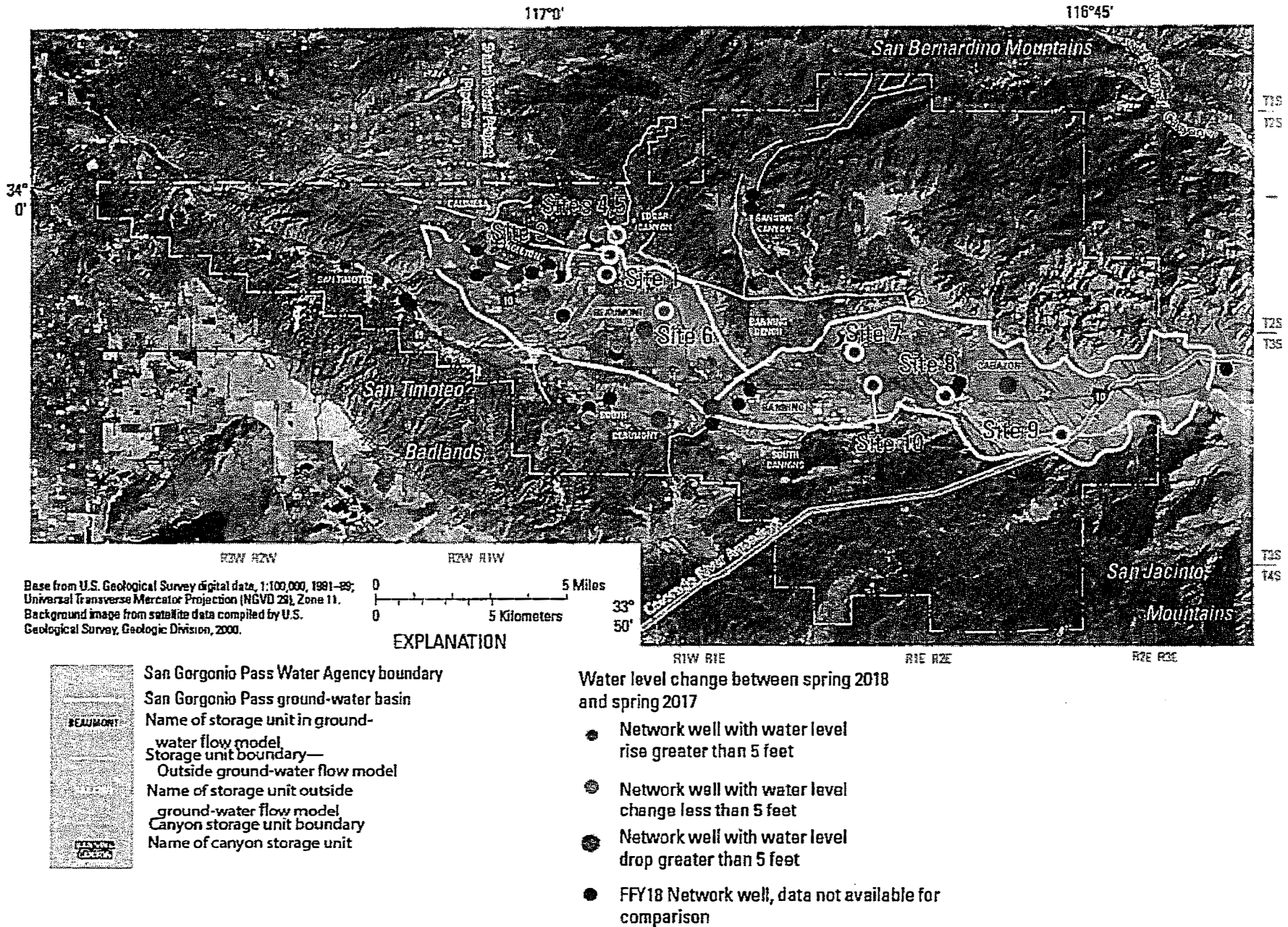


Figure 2. Map showing the water-level network and water-level change between spring 2018 and spring 2017 at selected wells.

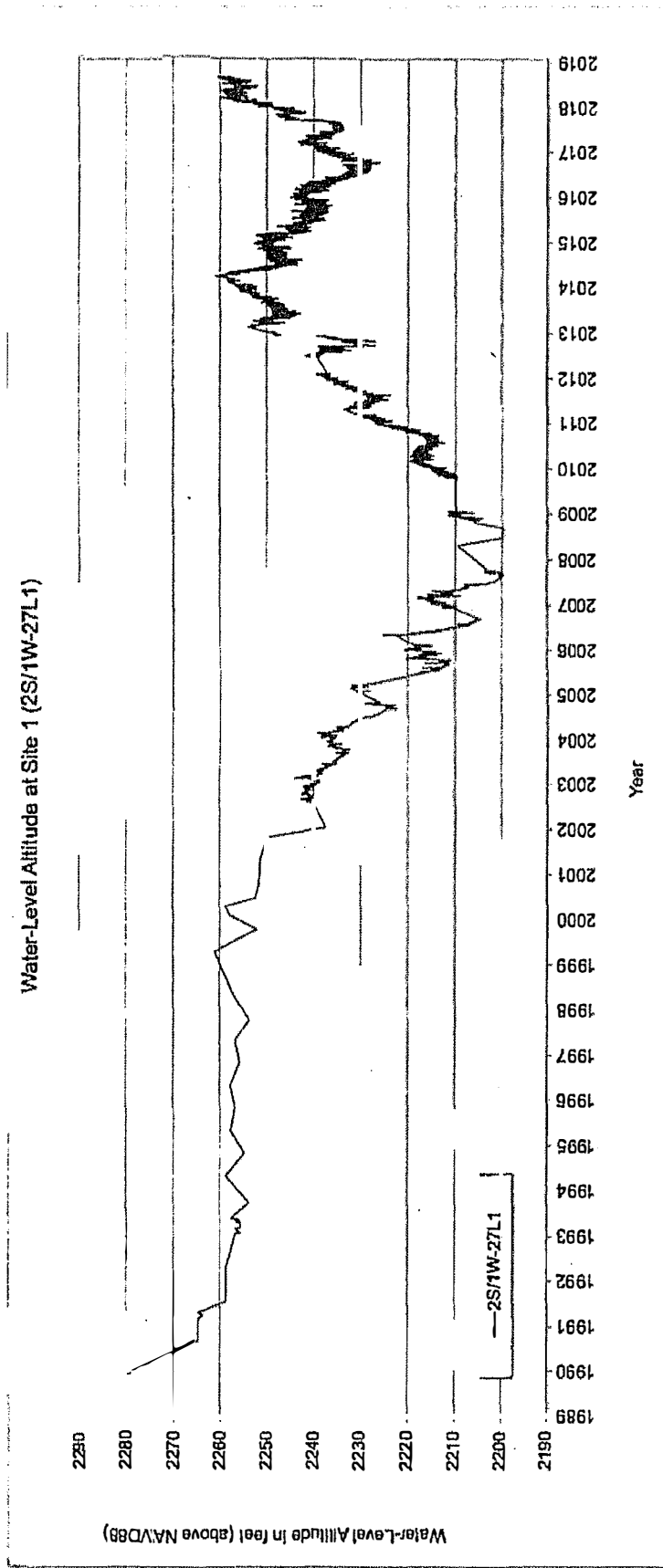


Figure 3. Hydrograph showing water-level changes at site 1

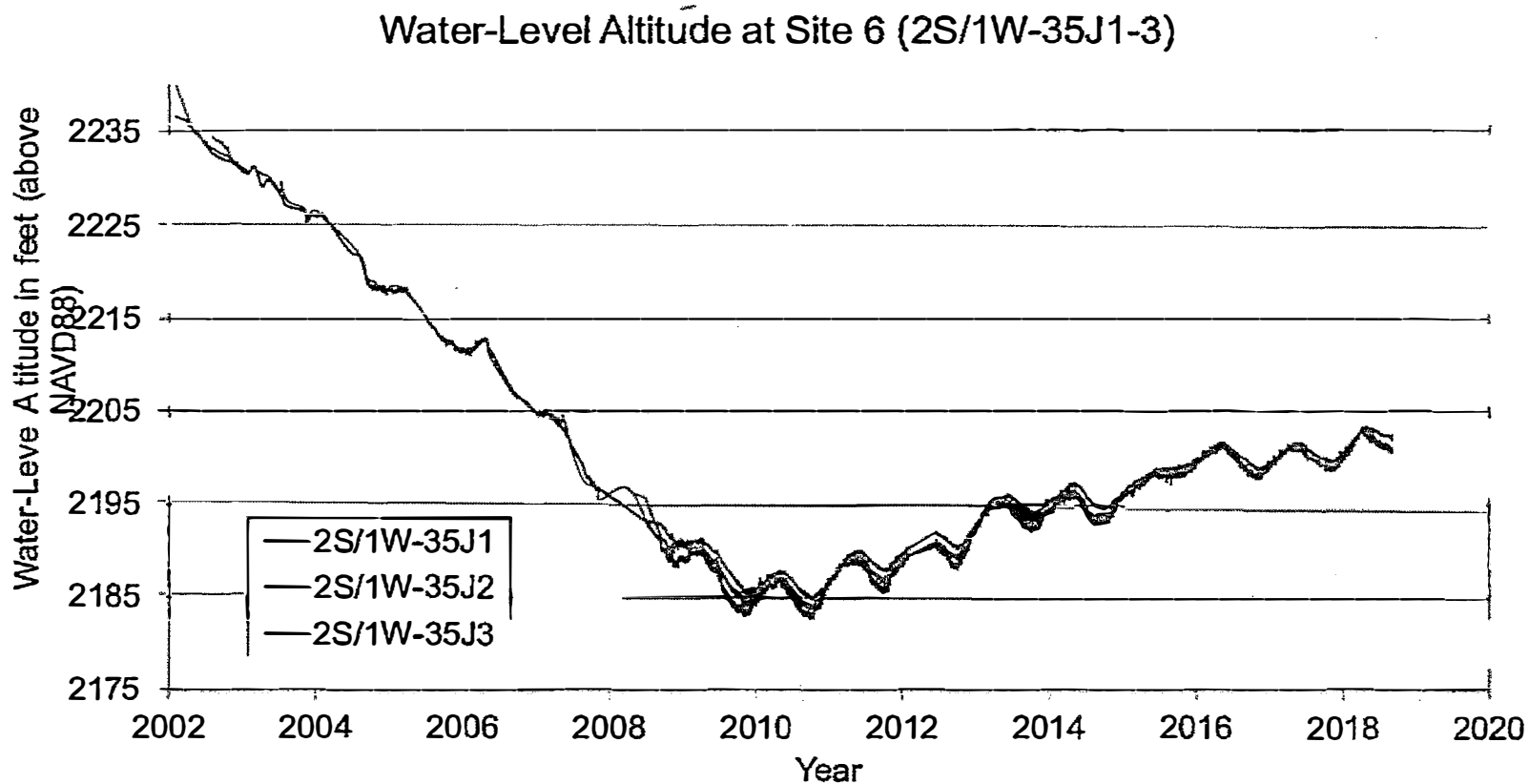
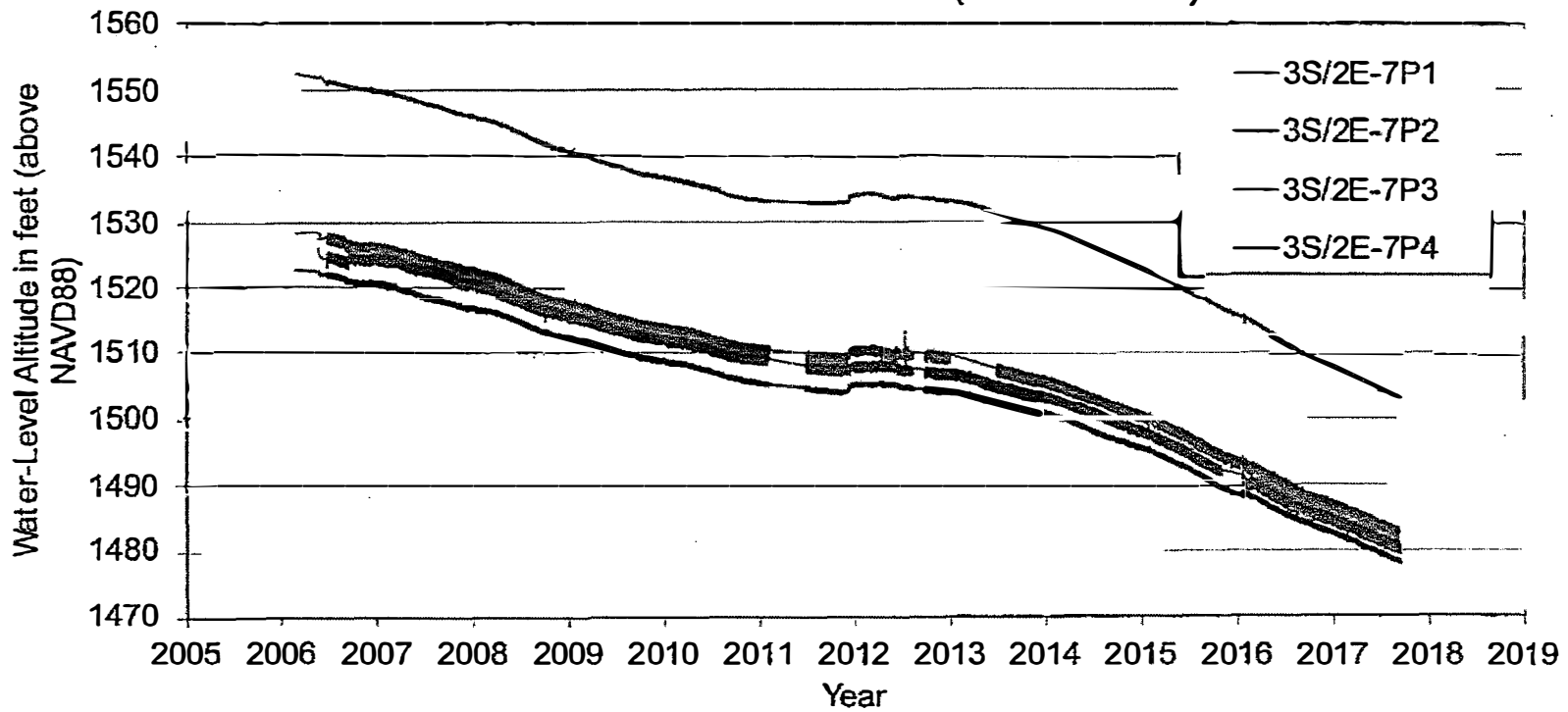


Figure 4. Hydrograph showing water-level change at Site 6.

Water-Level Altitude at Site 8 (3S/2E-7P1-4)



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Figure 5. Hydrograph showing water-level changes at Site 8

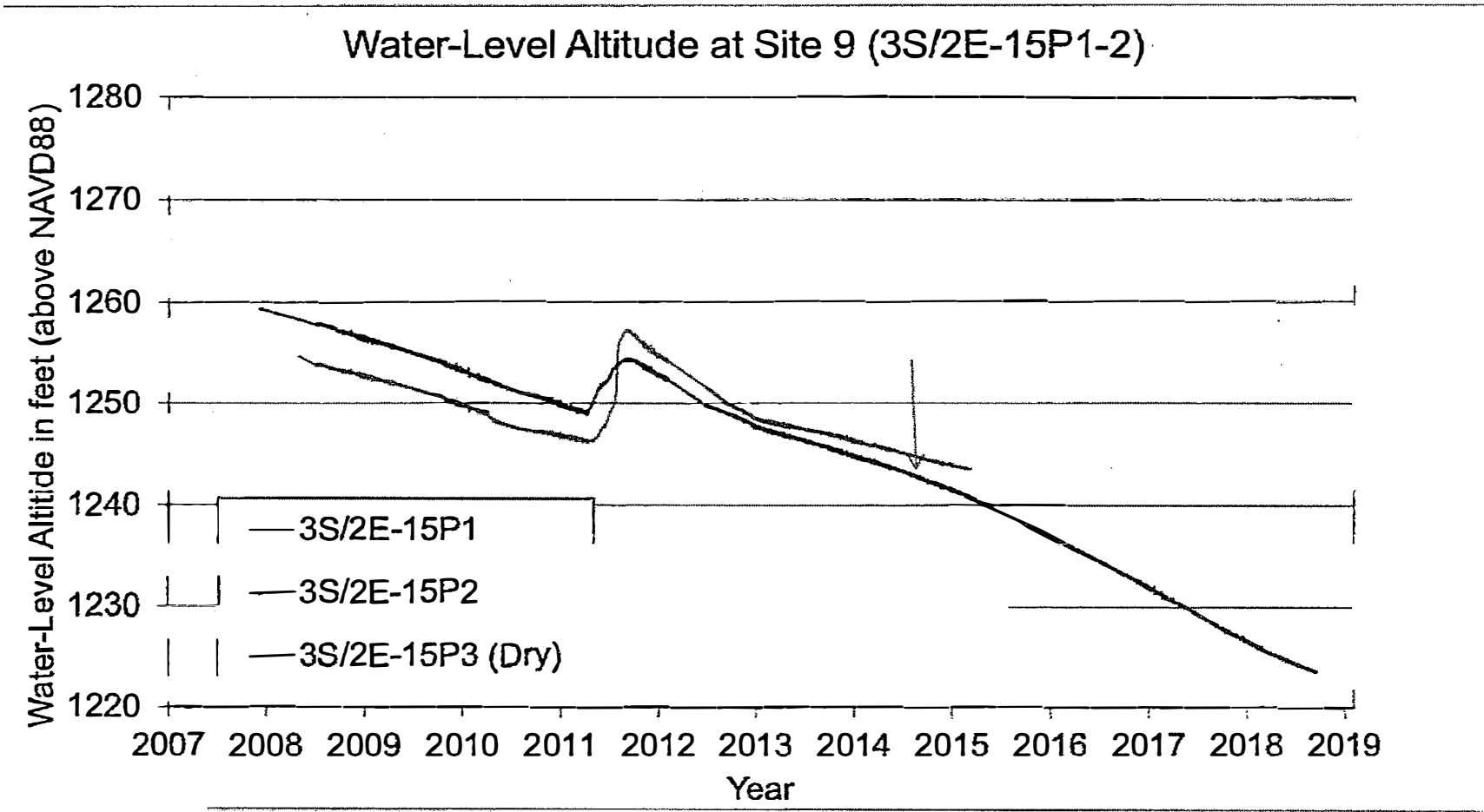


Figure 6. Hydrograph showing water-level changes at Site 6

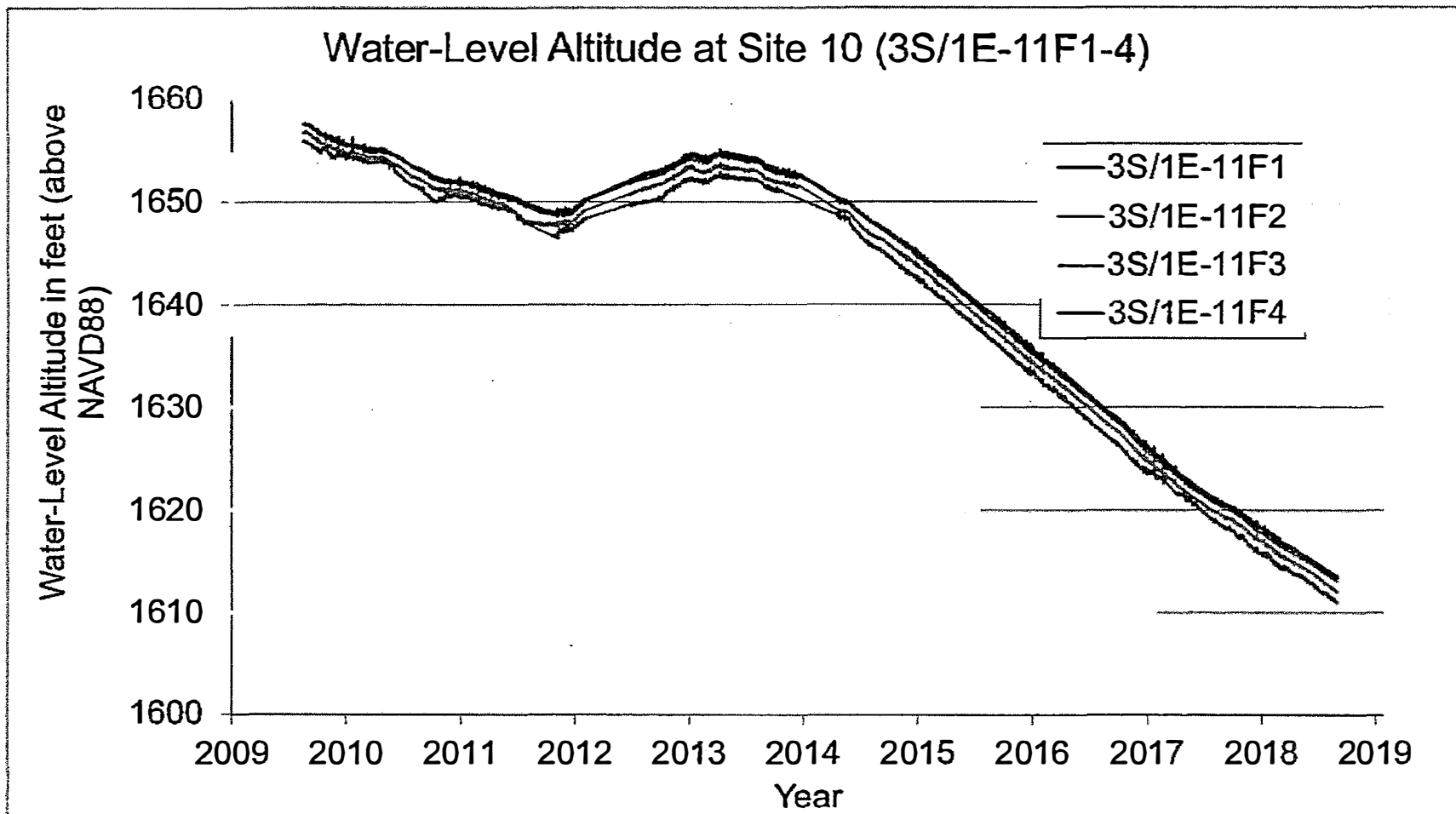


Figure 7 Hydrograph showing water-level changes at site 10

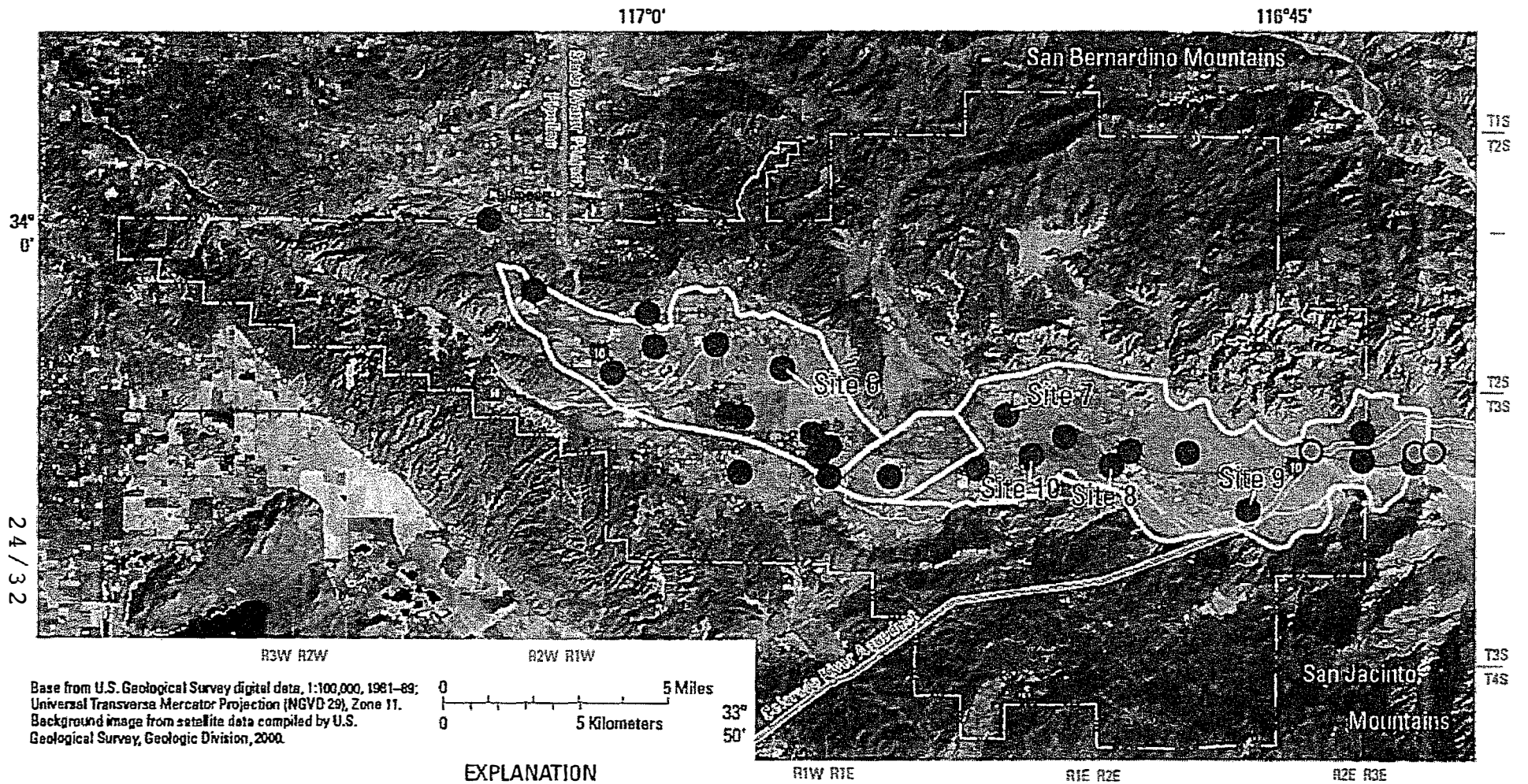


Figure 8. Map showing the water-quality network.

Table 3 Water-quality network

Table 3. Water-quality network

State Well Number	Well Type	Site Number	Storage Unit	Year					Latitude (NAD83)	Longitude (NAD83)	Date sampled	Link to USGS online data containing site, water quality, and water level data
				2015	2016	2017	2018	2019				
002S001W32M01S	Production well		Beaumont			X			33.9526139	-117.0140524	30-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=335709117004701
002S001W35J001S	SGPWA monitoring well	Site 6	Beaumont	X		X			33.9540139	-118.9472111	3-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3357141165565031
002S001W35J002S	SGPWA monitoring well	Site 6	Beaumont	X		X			33.9540139	-118.9472111	6-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3357141165565072
002S001W35J003S	SGPWA monitoring well	Site 6	Beaumont	X		X			33.9540139	-118.9472111	7-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3357141165565083
002S002W14C001S	Production well		Calmesa			X			34.0038972	-117.9627187	27-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=3400141170703401
002S002W24L001S	Production well		Beaumont	X		X			33.9799417	-117.0451889	6-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3395481170742301
003S001E07E002S	Production well		Beaumont		X				33.9278361	-118.9289833	3-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355241165567001
003S001E12D001S	Production well		Beaumont			X			33.9311264	-118.8368663	30-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355221165560201
003S001E17C001S	Production well		Banning		X				33.9177528	-118.9060389	3-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355041165541501
003S001E17C001S	Production well		Banning	X			X		33.9176889	-118.9289250	4-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355041165541501
003S001W03K002S	Production well		Beaumont			X			33.9386810	-118.9690970	19-Jun-13	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355211165561701
003S001W10R004S	Production well		South Beaumont			X			33.9192167	-118.9641606	18-Jun-13	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355091165475701
003S001W12B002S	Production well		Beaumont			X			33.9321750	-118.9358194	3-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355501165560701
003S001W12X001S	Production well		Beaumont			X			33.9250028	-118.9332583	30-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355301165559001
003S001E11F001S	SGPWA monitoring well	Site 10	Cabazon	X		X			33.9252970	-118.8513470	5-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355331165510401
003S001E11F002S	SGPWA monitoring well	Site 10	Cabazon	X		X			33.9252970	-118.8513470	3-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355331165510402
003S001E11F003S	SGPWA monitoring well	Site 10	Cabazon	X		X			33.9252970	-118.8513470	5-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355331165510403
003S001E11F004S	SGPWA monitoring well	Site 10	Cabazon	X		X			33.9252970	-118.8513470	5-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355331165510404
003S002E07G002S	Production well		Cabazon		X				33.9284042	-118.8114075	1-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355391165483501
003S002E07G001S	Production well		Cabazon		X				33.9231111	-118.8135000	1-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355231165484501
003S002E09E001S	Production well		Cabazon	X	X	X			33.9256944	-118.7827500	1-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=335530116471701
003S002E07D001S	Production well		Cabazon			X			33.9222222	-118.7194444	30-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=335509116431001
003S003E07H001S	Production well		Cabazon	X		X			33.9230705	-118.7197378	3-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=335522116476701
003S003E08M001S	Production well		Cabazon		X				33.9222222	-118.6993889	4-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=335523116476701
002S001W27P001S	Production well		Beaumont		X				33.9621250	-118.9734444	2-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=3357431165567401
002S001W33D002S	Production well		Beaumont	X		X			33.9613859	-118.9977778	4-Aug-15	http://waterdata.usgs.gov/nwis/inventory/?site_no=3357411165595201
003S001E03J001S	SGPWA monitoring well		Cabazon		X	X	X		33.9383333	-118.8594722	8-Aug-13	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355181164923111
002S001W29H001S	Production well		Singleton			X			33.9721920	-117.0005610	30-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=3355201165595801
002S001W35P001S	Production well		Beaumont	X		X			33.9473300	-118.9580220	2-Aug-16	http://waterdata.usgs.gov/nwis/inventory/?site_no=3356501165573101
003S001W02M001S	Production well		Beaumont		X				33.9379440	-118.9636670	30-Oct-14	http://waterdata.usgs.gov/nwis/inventory/?site_no=3350161165574001
003S002E07P001S	SGPWA monitoring well	Site 5	Cabazon		X				33.9214833	-118.8164167	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335513116460801
003S002E07P002S	SGPWA monitoring well	Site 5	Cabazon		X				33.9214833	-118.8164167	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335513116460802
003S002E07P003S	SGPWA monitoring well	Site 5	Cabazon		X				33.9214833	-118.8164167	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335513116460803
003S002E07P004S	SGPWA monitoring well	Site 5	Cabazon		X				33.9214833	-118.8164167	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335513116460804
003S002E15P001S	SGPWA monitoring well	Site 9	Cabazon		X	X			33.9064170	-118.7648890	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335423116455301
003S002E15P002S	SGPWA monitoring well	Site 9	Cabazon		X				33.9064170	-118.7648890	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335423116455302
003S002E15P003S	SGPWA monitoring well	Site 9	Cabazon		X				33.9064170	-118.7648890	September 2017	http://waterdata.usgs.gov/nwis/inventory/?site_no=335423116455303
003S001E10N001S	Production well		Banning			X			33.9064170	-118.7648890	30-Jun-17	http://waterdata.usgs.gov/nwis/inventory/?site_no=335513116455304

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Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 600000967
Agreement #: 19WSCA600096710
Project #: ZG00AOY
TIN #: 95-2216065

Fixed Cost Agreement YES[X] NO[]

THIS AGREEMENT is entered into as of the December 1, 2018, by the U.S. GEOLOGICAL SURVEY, California Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the San Geronio Pass Water Agency party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation Water Resource Investigations (per attachment), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of \$0.00

(a) \$8,900 by the party of the first part during the period
December 1, 2018 to December 31, 2019

(b) \$135,500 by the party of the second part during the period
December 1, 2018 to December 31, 2019

USGS DUNS 1761-38857. The amount is 2(a) and 2(b) are for this agreement only.
Total for this agreement is 144,400.00.

(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0

Description of the USGS regional/national program:

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (<https://www2.usgs.gov/fsp/>).

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 600000967
Agreement #: 19W5CA600096710
Project #: ZG00AOY
TIN #: 95-2216065

9. Billing for this agreement will be rendered quarterly. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name: Allen Christensen
Hydrologist
Address: 4165 Spruance Road Suite 200
San Diego, CA 92101-0821
Telephone: (619) 225-6175
Fax: (619) 225-6101
Email: ahchrist@usgs.gov

Customer Technical Point of Contact

Name: Jeff Davis
General Manager
Address: 1210 Beaumont Ave
Beaumont, CA 92223
Telephone:
Fax:
Email: jdavis@sgpwa.com

USGS Billing Point of Contact

Name: Nancy Mora
Budget Analyst
Address: 4165 Spruance Road Suite 200
San Diego, CA 92101-0821
Telephone: (619) 225-6428
Fax: (619) 225-6101
Email: nmora@usgs.gov

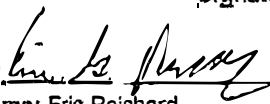
Customer Billing Point of Contact

Name: Jeff Davis
General Manager
Address: 1210 Beaumont Ave
Beaumont, CA 92223
Telephone:
Fax:
Email: jdavis@sgpwa.com

U.S. Geological Survey
United States
Department of Interior

San Geronlo Pass Water Agency

Signature

By  Date: 11/09/2018
Name: Eric Reichard
Title: Director, USGS California Water Science Center

Signatures

By _____ Date: _____
Name: Jeff Davis
Title: San Geronlo Pass Water Agency General Manager

By _____ Date: _____
Name:
Title:

By _____ Date: _____
Name:
Title:

MEMORANDUM

TO: Board of Directors

FROM: General Manager

RE: Award of Contract for Noble Enlargement

DATE: November 19, 2018

Summary:

The purpose of this proposed Board action is to determine if the Board wishes to award a construction contract for \$433,000 to Pro-Craft Construction for enlargement of the Noble connection through which the Agency delivers water to Beaumont Cherry Valley Water District. The funds will be reimbursed to the Agency from BCVWD.

Background:

Beaumont Cherry Valley Water District has determined that the Noble connection, which it requested be constructed with a capacity of 20 cfs in 2006, needs to be enlarged to 34 cfs. Under the Agency's Ordinance 8, BCVWD is required to pay for all costs associated with the enlargement.

The Agency complied with the California Environmental Quality Act, developed a suite of alternatives for BCVWD to select from, and designed the alternative that BCVWD preferred. The Department of Water Resources signed off on the design, the project was bid, bids were opened, and the low bid is \$433,000 for construction. This does not include other post-design costs such as inspection, construction management, and coordination with DWR. The low bid was much higher than either the Agency or BCVWD thought it would be (see attached memo to Agency from ERSC).

Last Wednesday night, BCVWD's Board of Directors voted to proceed with payment for the enlargement, even at the higher cost.

Detailed Report:

The Agency has in the past been limited in the amount of water it can deliver, not by the capacity of the East Branch Extension, but by the capacity of connections to the EBX. Because of this, the Agency's Board decided several years ago to move forward with construction of the Fiesta recharge facility, the construction of which is nearly complete. That facility includes a new 20-cfs connection to the EBX, which greatly increases the Agency's ability to deliver water to its customers.

Beaumont Cherry Valley Water District wishes to enlarge the Noble connection primarily for operational purposes—to be able to deliver a similar amount of water in less time during the course of a year, thus giving its ponds an opportunity to “rest” for a period prior to the next year's deliveries. It is not expected that the enlargement will greatly increase the ability of the Agency to deliver water over a one-year period, but rather manage its deliveries in a manner that works for the Agency and its largest customer. The 34-cfs capacity matches the capacity of the pipe that delivers water from the connection to the BCVWD recharge facility.

With the Fiesta facility and the Noble enlargement completed, the Agency will have much more flexibility in how and when it makes future deliveries to the region, and will be able to deal with shutdowns much better.

While much higher than anticipated, the bid of \$433,000 appears to be a fair representation of the current construction market, given the six bids received.

Fiscal Impact:

All costs related to the enlargement are reimbursable.

Recommendation:

Staff recommends that the Board award a contract to Pro-Craft Construction for enlargement of the Noble connection to the EBX for a total amount of \$433,000.

18007.002

November 5, 2018

San Geronio Pass Water Agency
1210 Beaumont Avenue
Beaumont, CA 92223



Attention: Mr. Jeff Davis, PE
General Manager / Chief Engineer

**SUBJECT: NOBLE CREEK EBX UPGRADES
BID REVIEW AND RECOMMENDATION OF CONTRACT AWARD**

Dear Mr. Davis:

On Friday October 19, 2018, the Agency held a mandatory pre-bid meeting at its Headquarters with six (6) contractor representatives in attendance. On Wednesday October 31, 2018, the Agency held its Bid Opening for subject project and received bids from all six (6) eligible bidders that ranged in amounts from \$433,000 to \$578,000, with the results as follows:

Contractor	Total Bid Amount
1. Pro-Craft Construction, Inc.	\$433,000.00
2. T.E. Roberts, Inc.	\$467,550.00
3. El-Co Contractors, Inc.	\$509,000.00
4. Gwinco Construction & Engineering, Inc.	\$526,000.00
5. Norstar Plumbing and Engineering, Inc.	\$555,000.00 *
6. TK Construction	\$578,000.00

* *Norstar's bid documents had an apparent mathematical error.*

Based on our review of the apparent low bidder, Pro-Craft (Contractor), we offer the following comments:

1. The bid package is complete and the bidding sheets have no mathematical errors.
2. The Contractor's License No. 467234 (Classes "A/ B/ C2/ C16/ C34/ C36 & C-42") was verified from California Contractors State License Board (www2.cslb.ca.gov) and is current and active.

3. We have experience with Pro-Craft and believe them to be a competent and qualified Contractor, with a history of satisfactory performance. They are currently constructing the Mountain View EBX Connection & BARF Basins for the Agency (awarded March 2018), had previously constructed the BARF Pipeline for the Agency (awarded in May 2014), and also have experience with other local public agencies including: Yucaipa Valley Water District, City of Banning, and San Bernardino County Special Districts Department.

Compared to the unpublished engineer's estimate of \$210,000, the lowest bid of \$433,000 exceeded same by approximately double which prompted us to review the discrepancy in more detail. In speaking with a couple of bidders on the current construction industry environment, the following elements were identified as potential triggers for escalated project costs:

- The federal government's imposing of tariffs affected raw material prices on the order of 25% to 30%. Initial trade tariffs with importing countries were imposed the beginning of 2018, with additional tariffs to other countries, as well as retaliatory tariffs by affected countries, being further levied as the 2018 year progressed.
- Related to the tariffs, material suppliers are cautioning contractors that they can only hold their pricing for 30 days so, in the event of a delayed award, both the supplier and bidder may potentially be increasing their costs to account for future price escalations.
- Increases to Labor Prevailing Wage Rates on the order of 3% to 5%.
- A glutton of project availability and, for this project in particular, little economy of scale.

Despite the higher than expected bid results, we believe that the bid process resulted in the best available costs to the Agency given the current bidding and construction climate. Therefore, we recommend Pro-Craft be awarded the Contract in the amount of \$433,000.00.

If you have any questions or require additional information, please call me at 909.890.1255. Thank you.

Sincerely,



Erik Howard, PE, PLS
Sr. Principal Engineer



**Noble Creek EBX Upgrades
 Bid Opening - Results
 October 31, 2018 - 10:00 a.m.**

Date	Time	Company	Contractor's Name (Rep)	Address	City	State	Zip	Phone #	Amount of Bid
10/31/18	8:06 AM	Norstar Plumbinhg & Engineering, Inc	Gary Plummer, Jr. Pres	8780 19th St., #310	Alta Loma	CA	91701	(909) 481-9488	\$555,000.00
10/31/18	9:43 AM	El-Co Contractors, Inc.	Larry Smith	1995 Nolan St. PO Box 9130	San Bernardino	CA	92427	(909) 887-2610	\$509,000.00
10/31/18	9:50 AM	Pro-Craft Construction Kirtley Construction, Inc dba TK Construction	Jessica Reed, Estimating Coordiantor Travis Burton, Sr. Estimator	31597 Outer Hwy 10 South, Ste B	Redlands	CA	92373	(909) 790-5222	\$433,000.00
10/31/18	9:51 AM		David Ellison	PO Box 9608	San Bernardino	CA	92427	(909) 473-8739	578.000.00
10/31/18	9:54 AM	Gwinco Construction & Engineering, Inc.	Brian Eshleman	2131 S Grove Ave, #A	Ontario	CA	91761	(909) 930-1693	\$526,000.00
10/31/18	9:55 AM	TE Roberts Inc.	Brian Wagner	306 West Katella Avenue	Orange	CA	92867	(714) 669-0072	\$467,550.00
		Apparent Low Bidder							
		Pro-Craft Construction	Jessica Reed, Estimating Coordiantor Travis Burton, Sr. Estimator	31597 Outer Hwy 10 South, Ste B	Redlands	CA	92373	(909) 790-5222	\$433,000.00
		Apparent Second Lowest Bidder							
		TE Roberts Inc.	Brian Wagner	306 West Katella Avenue	Orange	CA	92867	(714) 669-0072	\$467,550.00
		Apparent Third Lowest Bidder							
		El-Co Contractors, Inc.	Larry Smith	1995 Nolan St. PO Box 9130	San Bernardino	CA	92427	(909) 887-2610	\$509,000.00

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