

**THIRD AMENDMENT TO SERVICES AGREEMENT
BETWEEN THE RIALTO UTILITY AUTHORITY AND
DOPUDJA AND WELLS**

This Third Amendment to the Services Agreement ("Second Amendment") is hereby entered into this 12th day of September 2023 by and between the Dopudja and Wells Consulting, a California Corporation ("Consultant"), and the Rialto Utility Authority, a joint powers authority ("RUA"), on the terms and conditions stated below. RUA and Consultant are hereinafter collectively referred to as the "Parties."

RECITALS

- A. The Parties entered into the Services Agreement for engineering and as-needed support services on the 13th of April 2021 (the "Agreement").
- B. A First Amendment was executed on the 8th of February 2022, and a Second Amendment executed on the 13th of September the same year.
- C. The Parties mutually desire to amend the Agreement to provide additional support for as-needed consulting, development of a Water Supply Assessment (WSA) for the Foothill Specific Plan Update, and additional design services for the Rialto Habitat and Nature Center (RHNC), formally known as "Lake Rialto".

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises set forth herein, the Parties do hereby enter into this Third Amendment which modifies and amends the Agreement as follows:

AMENDMENT. The Agreement is hereby modified and amended as follows:

Exhibit A is hereby amended to include the new scope of work for As-Needed Support, the Water Supply Assessment, and the Final Design of RHNC:

Scope of Work

The following tasks comprise the scope of work required for the respective projects outlined above.

Task 1: As-Needed Support - \$200,000

- Meeting Attendance, Coordination and On-Going Staff Support,
- Review of Reports and Statements,
- Engineering Studies and Planning Support Services, and
- Triennial Inspection Support Services.

This effort will be charged on a time and materials hourly basis, with support to be utilized at the request of the City. Any non-utilized support will not be billed to the City.

Task 2: Development of a Water Supply Assessment for the Foothill Central Specific Plan - \$66,470

City staff requested that Dopudja Wells Consulting develop a Water Supply Assessment (WSA) in accordance with Senate Bill 610 (SB 610) and related provisions of the California Environmental Quality Act for the Rialto Foothill Central Specific Plan Update. The services to develop this WSA will consist of:

- Identify Existing and Future Water Supplies for the proposed Specific Plan Update,
- Establish Current and Determine Future Water Demands,
- Perform Water Supply Analysis,
- Develop a Water Supply Assessment Report for the Specific Plan Update, and
- Project Control.

Task 3. Rialto Habitat Nature Center Supplemental Design Services – \$488,411

Below is a list of additional tasks required to complete the design of the Rialto habitat nature Center.

- Addition of a soil retention wall to create space for a community center building and construction of the proposed IEUA recycled water pump station. A portion of this revision will be reimbursed by IEUA to accommodate their pump station facility.
- Plan additions for the proposed community center building, IEUA recycled water pump station, and Southern California Edison site access conditions. Including additional design services associated with geotechnical, site improvements, planting and irrigation plans. A portion of this revision will be reimbursed by IEUA to accommodate their pump station facility.
- Perform additional survey and topographical services as necessary for the proposed plan additions. A portion of this revision will be reimbursed by IEUA to accommodate their pump station facility.
- Additional design services to create accessible public parking from Agua Mansa complying with the Americans with Disabilities Act (ADA). Include an optional task to develop plans for accessible public parking from Santa Ana Avenue. Refer to Task 2 for additional information.
- Prepare a hydrology study to quantify estimated runoff into the Wastewater Treatment Plant (WWTP) and associated project area.
- Using findings from the hydrology study, prepare a Preliminary Design Report (PDR) to identify recommended upgrades to the two existing onsite stormwater pump stations.
- Update the preliminary design for the proposed Lake Rialto discharge pump station and update site improvement plans based on the proposed recommendations.
- Due to the increased number of anticipated operational scenarios for the operations of the lake (normal, draining, storm events, pulse flows, etc.), the proposed package pump station will have more complex operational circumstances than originally anticipated. An updated preliminary design is required to address these scenarios. Additionally, the original location of the proposed package pump station, near the Rialto channel poses hydraulic challenges, due to the elevation compared to the water surface elevation of the wetland. The revised preliminary design will cover the updated hydraulics and relocation of the pump station. Final specification and design of the package pump station will follow.
- Additional design services to construct three groundwater monitoring wells as recommended by the geotechnical exploration and review report, January 16, 2023. The proposed wells will monitor surrounding groundwater elevation near the eastern basin to actively manage against any slope stability issues.

- Additional project management.

Exhibit “C” is hereby amended as follows:

Section I is hereby amended to provide additional compensation for an increased level of assistance and as-needed support services to RUA in the amount of **\$200,000**, development of a Water Supply Assessment (WSA) for the Foothill Specific Plan Update in the amount of **\$66,470**, and additional design services for the Rialto Habitat and Nature Center in the amount of **\$488,411** as shown in **Table 1** below:

Table 1 - Fees for Services		
Task	Description	Amount (\$)
1	As-Needed Support	\$200,000
2	Water Supply Assessment (WSA)	\$66,470
3	Rialto Habitat and Nature Center – additional design services	\$488,411
	Total	\$754,881

Article 2.1 is hereby amended and restated in its entirety to read as follows:

“Subject to any limitations set forth in this Agreement, RUA agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C-1” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Two Million, One Hundred and Ninety-Six Thousand, Two Hundred and Twenty-Eight Dollars and Zero Cents (\$2,196,228.00) (the “Contract

Sum”), unless additional compensation is approved pursuant to Section 1.9.”

1. GENERAL PROVISIONS.

1.1 **Remainder Unchanged.** Except as specifically modified and amended in this Second Amendment, the Agreement remains in full force and effect and binding upon the parties.

1.2 **Integration.** This Second Amendment consists of pages 1 through 9 inclusive, which constitute the entire understanding and agreement of the parties and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the transaction discussed in this Second Amendment.

1.3 **Effective Date.** This Second Amendment shall not become effective until the date it has been formally approved and executed by the appropriate authorities of the RUA and Dopudja and Wells.

1.4 **Applicable Law.** The laws of the State of California shall govern the interpretation and enforcement of this Second Amendment.

1.5 **References.** All references to the Agreement include all their respective terms and provisions. All defined terms utilized in this First Amendment have the same meaning as provided in the Agreement, unless expressly stated to the contrary in this Second Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Agreement on the date and year first written above.

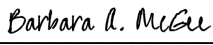
[SIGNATURES ON FOLLOWING PAGE]

**FOR THE RIALTO UTILITY AUTHORITY,
a Municipal Corporation**



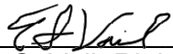
Henry Garcia, Rialto Utility Authority
Executive Director
Date: October 10, 2023

ATTEST:



Barbara McGee, Rialto Utility Authority
Board Secretary
Date: October 10, 2023

**APPROVED AS TO FORM
Burke, Williams & Sorensen, LLP**



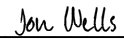
Eric S. Vail, Rialto Utility Authority
General Counsel
Date: October 9, 2023
RIV #4826-2789-2216 v1

FOR Dopudja & Wells



Name: Stephen Dopudja

Title: Chief Executive Officer
Date: October 9, 2023



Name: Jon Wells

Title: Chief Financial Officer
Date: October 9, 2023

Exhibit “C-1”**Billing Rates Schedule****Proposed Billing Rates Schedule (Calendar Year 2022)**

Staff Description	Hourly Rate (\$)
Principal	\$290
Project Manager	\$270
Senior Advisor	\$310
Senior Project Engineer	\$245
Project Engineer	\$210
Engineer II	\$185
Engineer I	\$158
Senior CAD Designer	\$131
Drafter	\$100
Admin/Office Work	\$90

Notes:

1. Outside services such as reprographics, supplies, shipping, etc. will be billed at cost plus 15%.
2. Mileage will be billed at cost at the current Federal Rate.
3. Subcontractors are billed at cost plus 10%.
4. Invoices that remain unpaid within 45 days of receipt will be subject to a finance charge of 1.5% per month.

 6789 Quail Hill Parkway, #421 • Irvine, California 92603



CITY OF RIALTO

DISCLOSURES REQUIRED BY PERSONS OR ENTITIES CONTRACTING WITH THE CITY OF RIALTO*

Pursuant to City of Rialto Municipal Code Section 2.48.510, all persons or business entities supplying any goods or services to the city, or seeking a loan or grant awarded by the city, whether through an application or proposal, shall disclose in such application or proposal whether any city officer, employee, or consultant may have a financial or non-financial interest in the person or business entity, or in any member, employee, owner, or officer of the business entity.

- A financial interest shall mean any interest that is prohibited under state law, including California Government Code Sections 1090 and 87100, and California Code of Regulation Section 18700 *et seq.*
- A non-financial interest shall mean any interest that is prohibited by City of Rialto Municipal Code Section 2.48.450.

For the purpose of helping the City understand whether City personnel might have a conflict of interest in you or your organization, please disclose below whether you or any of your members, employees, paid or unpaid officers, paid or unpaid directors, or owners are (or are related to) a City elected or appointed official, a City officer, or a City employee or consultant.

Name of Your Organization's Affected Member, Employee, Paid or Unpaid Officer, Paid or Unpaid Director, or Owner	Name of City Elected or Appointed Official, City Officer, a City Employee or Consultant	Relationship Between the Two
None	None	None

By submitting this [application/proposal], or supplying any goods or services to the City, the [applicant/vendor/contractor/consultant] hereby attests under penalty of perjury, personally and/or on behalf of the entity [submitting this application/proposal or supplying any goods or services to the City] that no City of Rialto elected or appointed official, employee or consultant has a financial or non-financial interest, as such terms are defined in California Government Code Sections 1090 and 87100 and in City of Rialto Code of Ordinances Section 2.48.145, in the [applicant/vendor/contractor/consultant], except as specifically disclosed herein.

Name of Person/Entity: Dopudja & Wells, Consulting, Inc.

Title: Stephen Dopudja, President

Signature:  Date: 11/28/22

2.48.450 Employee conflict of interest.

- (1) No covered person shall participate in the making of a grant or contract by the city in which the covered person has a conflicting interest.
- (2) For purposes of this section, the following definitions shall apply:
 - (a) A “covered person” includes any person who holds an elected or appointed City office, a City officer, a City employee, and any person who is a consultant to the City.
 - (b) A “conflicting interest” includes, but is not limited to, those decisions where:
 - (i) A covered person holds or has held within the previous twelve months a position with a potential grant or contract recipient;
 - (ii) A close relative of a covered person holds or has held within the previous twelve months a position with a grant or contract recipient;
 - (iii) A close relative of the spouse or domestic partner of a covered person holds or has held within the previous twelve months a position with a grant or contract recipient.
 - (c) “Position” includes the status of a member, employee, owner, paid or unpaid officer of, paid or unpaid leadership position in, or had an ownership interest in, a grant or contract recipient.
 - (d) A “close relative” includes a spouse, parent, grandparent, child, grandchild, aunt, uncle, or cousin.
 - (e) “Participate in the making of a grant or contract” includes participation in: drafting a solicitation or contract; negotiating, voting on, approving, or executing a grant or contract; discussion of same with any city officer or employee; or attempts in any way to influence the making of a grant or contract.
- (3) This prohibition shall not apply to a contract let by written competitive bid where the contract will be awarded to the person or entity who submits the lowest responsible and responsive bid.
- (4) Except for the Mayor or a member of the City Council, a covered person may request a waiver of any potential conflict of interest in writing from the City Manager. Any request for such a waiver must include full disclosure of the potential conflict of interest and a statement detailing any mitigating factors. The request and the City Manager’s response shall be provided to the City Council prior to any vote to approve the contract or grant, or if City Council approval is not required, at least five days before the contract or grant is approved. The request and the City Manager’s response shall be considered a public record.
- (5) The prohibitions in this section are in addition to any applicable federal or state conflict of interest laws, including but not limited to Government Code section 1090, and Government Code section 87100 *et seq.*

(6) Any person who violates this section is subject to the following:

(a) Public censure;

(b) If the conflict of interest was in the making of a contract, a prohibition from participation in the making of a contract by the city for a period of time up to twelve (12) months from the date of the imposition of the discipline;

(c) If the conflict of interest was in the making of a grant, a prohibition from participation in the making of a grant by the city for a period of time of up to twenty-four (24) months from the date of the imposition of the discipline;

(d) An administrative fine pursuant to Chapter 1.10 of this code.

(7) The discipline specified herein may be imposed:

(a) By the City Manager in the case of any employee or consultant who violates this section.

(b) By the City Council in the case of any person who holds an elected or appointed City office, or any City officer who violates this section.

SERVICES AGREEMENT
BETWEEN THE CITY OF RIALTO AND
DOPUDJA & WELLS CONSULTING, INC.

THIS SERVICES AGREEMENT (herein "Agreement") is made and entered into this 13th day of April 2021 by and between the City of Rialto, a municipal corporation ("City"), and DOPUDJA & WELLS CONSULTING, INC., a California corporation ("Consultant" or "D&W"). City and Consultant are sometimes individually referred to as "Party" or collectively as "Parties".

RECITALS

A. City has sought, by issuance of a Request for Proposal or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Following the submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, Consultant was selected by the City to perform those services.

C. Pursuant to Chapter 2.48 of the Rialto Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for the performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, Consultant shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement for City to enter into this Agreement, Consultant represents that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, it meets all local, state, and federal requirements in performing the services, and it is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently, and to the best of its ability, experience, and talent, perform all services described herein. Consultant

shall perform its services using the degree of care ordinarily exercised under similar circumstances.

1.2 Consultant's Proposal.

This Agreement shall include the Request for Proposal or Invitation for Bids ("Contract Documents"), and the Scope of Services shall include Consultant's scope of work or Consultant's accepted bid proposal ("Accepted Bid"). The Contract Documents and Accepted Bid shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the Contract Documents, Accepted Bid, and/or this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all applicable and non-conflicting ordinances, resolutions, statutes, rules, and regulations of the City and any federal, state, or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees, and Assessments.

Consultant shall obtain, at its sole cost and expense, such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the practice of Consultant's profession and shall indemnify, defend, and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes penalties, or interest levied, assessed, or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant agrees that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant agrees that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. If Consultant discovers any latent or unknown conditions that will materially affect the performance of the services hereunder, then Consultant shall immediately inform the City of such fact and shall not proceed except at City's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies, and/or other components thereof, to prevent losses or damages, and shall be responsible for all such damages to persons or property, until

acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Prevailing Wages.

Consultant is aware of the requirements of California Labor Code Section 1720, *et seq.* and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Section 1600, *et seq.*, ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "Public Works" and "Maintenance" projects. Consultant shall pay prevailing wages to its employees as required. Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Agreement, as determined by the Director of the State of California Department of Industrial Relations, are on file at the City's Public Works Department and may be obtained from the California Department of Industrial Relations website [<http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>]. Consultant shall comply with the 8-hours per day/40 hours per week/overtime/working hours restrictions for all employees, pursuant to the California Labor Code. Consultant and all consultants shall keep and maintain accurate employee payroll records for Work performed under the Agreement. The payroll records shall be certified and submitted as required by law, including Labor Code Sections 1771.4 (if applicable) and 1776, including to the Labor Commissioner no less frequently than monthly. Consultant shall comply fully with Labor Code Section 1777.5 in the hiring of apprentices for work relating to the Agreement.

1.8 Further Responsibilities of Parties.

Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless specified in this Agreement, neither Party shall be responsible for the service of the other.

1.9 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to, or deducting from said work. No such extra work or change may be undertaken unless a written order is first given by the Contract Officer to the Consultant, describing in detail the extra work or change and the reason(s) therefor and incorporating therein any adjustment in (i) the Contract Sum for the actual cost of the extra work or change, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or an amount not to exceed a total contract sum of Fifteen Thousand Dollars (\$15,000), whichever is less, or any increase in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. Payment for additional services rendered by Consultant under this Agreement requires the submission of the actual costs of Consultant's performance of the extra work with the invoice(s) for the extra work claim(s), as provided in Section 2.4. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of

Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors.

No claim for an adjustment in the contract amount or time for performance shall be valid unless the procedures established in this Section are followed.

1.10 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed four hundred and eighty-six thousand dollars and zero cents (\$486,000) (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.9.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that time estimates are provided for the performance of sub tasks, but not exceeding the Contract Sum; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. For time and materials compensation only, the invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City may independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within thirty (30) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission.

2.5 No Waiver.

Review and payment by City to Consultant of any invoice for work performed by Consultant pursuant to this Agreement shall not be deemed a waiver of any defects in work performed by Consultant or of any rights or remedies provided herein or any applicable law.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

The time for completion of the services to be performed by Consultant is an essential condition of this Agreement. Consultant shall prosecute regularly and diligently the work of this Agreement according to the agreed upon schedule of performance, within the Consultant's professional standard of care. **3.2 Schedule of Performance.**

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively, pursuant to Section 1.9.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any

delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer shall extend the time for performance in accordance with the procedures set forth in Section 1.9. The Contract Officer's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding two (2) year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Stephen Dopudja, P.E.
(Name)

CEO
(Title)

Jon Wells, P.E.
(Name)

CFO
(Title)

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the Principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any material changes in Consultant's staff and subcontractors, if any,

assigned to perform the services required under this Agreement, prior to and during any such performance. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires to reassign any staff or subcontractor of Consultant, Consultant shall, immediately upon a Reassign Notice from City of such desire of City, reassign such persons or persons.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care, or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be the City Manager or other such person designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode, or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability, and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part

the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance Coverages.

The Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees, and agents of City in relation to the services performed by Consultant under this Agreement:

(a) Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of commercial general liability insurance written on a per occurrence basis for bodily injury, personal injury, and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure, and provide legal defense for both the Consultant and the City against any loss, claim, or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Consultant in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$1,000,000. Said policy shall include coverage for owned, non-owned, leased, and hired cars.

(d) Professional Liability. Professional liability insurance appropriate to the Consultant's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of, or related to services performed under this Agreement, for the duration of the project.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements.

(f) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.2 General Insurance Requirements.

With regard to services performed by Consultant under this Agreement, all of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees, and agents as additional insureds, and any insurance maintained by City or its officers, employees, or agents shall apply in excess of, and not contribute with, Consultant's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees, and agents and their respective insurers. The insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention. All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any Party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Consultant shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Consultant has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Consultant agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Consultant may be held responsible for the payment of damages to any persons or property resulting from the Consultant's activities or the activities of any person or persons for which the Consultant

is otherwise responsible nor shall it limit the Consultant's indemnification liabilities as provided in Section 5.3.

In the event the Consultant subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

Consultant shall indemnify, defend and hold City and its directors, officers, agents, employees harmless from all damages, costs, liability claims, losses, judgments, and expenses, including reasonable attorneys' fees as a result of third party claims, to the proportionate extent arising out of the negligent acts, errors, or omissions, or reckless or willful misconduct by Consultant, its officers, agents or employees, or out of Consultant's material breach of its obligations in performing this Agreement.

Consultant shall incorporate similar, indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

5.4 Sufficiency of Insurer or Surety.

Insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the Risk Manager Consultant.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from

such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's responsibility shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by

the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of San Bernardino, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, Eastern Division.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall proceed with payment on the invoices only when the default is cured. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give

notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

After providing notice to the Consultant containing all material information, including but not limited to the facts amounting to valid justification under this section, related documentation, and the dollar amount, City may deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City and caused by the Consultant, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

7.6 Legal Action.

In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct, or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.7 Liquidated Damages

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Consultant and its sureties shall be liable for and shall pay to City the sum of zero dollars and zero cents (\$0.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"). City may withhold from any monies payable on account of services performed by the Consultant any accrued liquidated damages.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant

shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating Party need not provide the non-terminating Party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall knowingly acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall knowingly be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

Additionally, pursuant to Rialto Municipal Code section 2.48.145, Consultant represents that it has disclosed whether it or its officers or employees is related to any officer or employee of the City by blood or marriage within the third degree which would subject such officer or employee to the prohibition of California Government Sections 87100 et. seq., Fair Political Practices Commission Regulation Section 18702, or Government Code Section 1090. To this end, by approving this Agreement, Consultant attests under penalty of perjury, personally and on behalf of Consultant, as well its officers, representatives, that it/they have no relationship, as described above, or financial interests, as such term is defined in California Government Section 87100 et. seq., Fair Political Practices Commission Regulation Section 18702, or Government Code Section 1090, with any City of Rialto elected or appointed official or employee, except as specifically disclosed to the City in writing.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorney's fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Facilities and Equipment.

Except as otherwise provided, Consultant shall, at its own cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. City shall make available to Consultant only physical facilities such as desks, filing cabinets, and conference space ("City Facilities"), as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of City. The location, quality, and time of furnishing of City Facilities shall be in the sole discretion of City. In no event shall City be required to furnish any facilities that may involve incurring any direct expense, including but not limited to computer, long distance telephone, network data, internet, or other communication charges, vehicles, and reproduction facilities.

9.2 Payment of Taxes.

Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any federal and state taxes.

9.3 Notices.

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by pre-paid First Class U.S. Mail, registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) three (3) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered. Other forms of electronic transmission such as e-mails, text messages, instant messages are not acceptable manners of notice required hereunder. Notices or other communications shall be addressed as follows:

If to City: City of Rialto
 150 S. Palm Ave.
 Rialto, CA 92376
 Attn: City Manager
 Tel: (909) 820-2525
 Fax: (909) 820-2527

With copy to: Burke, Williams & Sorensen, LLP
 1770 Iowa Avenue, Suite 240
 Riverside, CA 92507
 Attn: Eric S. Vail, Interim City Attorney
 Tel: (951) 788-0100
 Fax: (951) 788-5785

If to Consultant: DOPUDJA & WELLS CONSULTING, INC.
18712 Cottonwood Street
Fountain Valley, CA 92708
Tel: () -
Fax: () -

With copy to: Optima Law Group, APC
4275 Executive Square, Suite 200
La Jolla, CA 92037
Attn: Paul Nardulli, Esq.
Tel: (858) 964-4697

Either Party may change its address by notifying the other Party of the change of address in writing.

9.4 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.5 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.6 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the Parties. It is understood that there are no oral agreements between the Parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the Parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The Parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.7 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the Parties hereunder unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

9.8 Corporate Authority.

The persons executing this Agreement on behalf of the Parties hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said Party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Agreement on the date first written above.

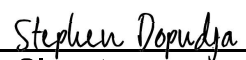
CITY:

**CITY OF RIALTO, a municipal
corporation**

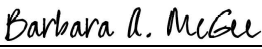
By: 
Deborah Robertson, Mayor

CONTRACTOR:

**DOPUDJA & WELLS CONSULTING,
INC.**

By: 
Signature

ATTEST:

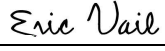
By: 
Barbara A. McGee, City Clerk

Stephen Dopudja
Name

CEO
Title

APPROVED AS TO FORM:

Burke, Williams & Sorensen, LLP

By: 
Eric S. Vail, Interim City Attorney

By: 
Signature

Jon Wells
Name

CFO
Title

****Two signatures are required if a
corporation****

EXHIBIT "A"

SCOPE OF SERVICES

I. Consultant will perform the following Services outlined below. A detail proposal with scope of work is also attached.

- A. Water Master Plan Update
- B. Wastewater Masterplan Update
- C. As-Needed Support
- D. Predesign Services for the Lake Rialto Project
 - i. Predesign Evaluation
 - ii. Site Design Level Survey
 - iii. Funding Assistance, includes Funding Strategy and Funding Application Assistance (if needed)
 - iv. Base Geotechnical Engineering
 - v. Project Management

II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- A. Water Master Plan Update Report
- B. Wastewater Master Plan Update Report
- C. Lake Rialto Final Predesign TM
- D. Site Design Level Survey Files
- E. Grant Funding Strategy TM
- F. Geotechnical Field Evaluations and Report

III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City apprised of the status of performance by delivering the following status reports:

- A. Not Applicable

- IV. All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.**
- V. Consultant will utilize the following personnel to accomplish the Services:
 - A. Stephen Dopudja, CEO
 - B. Other D&W personnel as needed/requested
 - C. Subconsultants outlined in the proposal

EXHIBIT "B"
SPECIAL REQUIREMENTS
(Superseding Contract Standard Language)

EXHIBIT "C"

SCHEDULE OF COMPENSATION

- I. Consultant shall perform the required tasks at the rates described in the proposal.**
- II. Within the budgeted amounts for each Task, and with the approval of the Contract Officer, funds may be shifted from one Task sub-budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Services are approved per Section 1.9.**
- III. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:**
 - A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
 - B. Line items for all materials and equipment properly charged to the Services.
 - C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
 - D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.
- IV. The total compensation for the Services shall not exceed \$486,000 as provided in Section 2.1 of this Agreement.**
- V. The Consultant's billing rates for all personnel are attached as Exhibit C-1.**

Exhibit "C-1" Billing Rate Schedule
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Proposed Billing Rates Schedule (Calendar Year 2021)

Staff Description	Hourly Rate (\$)
Principal	\$275
Project Manager	\$255
Senior Project Engineer	\$235
Project Engineer	\$200
Engineer II	\$175
Engineer I	\$150
Senior CAD Designer	\$125
Drafter	\$95
Admin/Office Work	\$85

Notes:

1. Outside services such as reprographics, supplies, shipping, etc. will be billed at cost plus 15%.
2. Mileage will be billed at cost at the current Federal Rate.
3. Subcontractors are billed at cost plus 10%.
4. Invoices that remain unpaid within 45 days of receipt will be subject to a finance charge of 1.5% per month.

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I. Consultant shall perform all Services timely in accordance with the schedule to be developed by Consultant and subject to the written approval of the Contract Officer and the City Attorney's office.**
- II. Consultant shall deliver the following tangible work products to the City by the following dates.**
 - A. As outlined in the proposal**
 - B.**
 - C.**
- III. The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.**

**FIRST AMENDMENT TO SERVICES AGREEMENT
BETWEEN THE RIALTO UTILITY AUTHORITY AND
DOPUDJA AND WELLS**

This First Amendment to the Services Agreement ("First Amendment") is hereby entered into this 8th day of February 2022 by and between the Dopudja and Wells Consulting, a California Corporation ("Consultant"), and the Rialto Utility Authority, a joint powers authority ("RUA"), on the terms and conditions stated below. RUA and Consultant are hereinafter collectively referred to as the "Parties."

RECITALS

- A. The Parties entered into the Services Agreement for engineering and as-needed support services on the 13th of April 2021 (the "Agreement").
- B. The Parties mutually desire to amend the Agreement to provide additional compensation for an increased level of assistance and as-needed support services to RUA and for providing the Final Design services of Lake Rialto Project.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises set forth herein, the Parties do hereby enter into this First Amendment which modifies and amends the Agreement as follows:

AMENDMENT. The Agreement is hereby modified and amended as follows:

1.1 **Exhibit A** is hereby amended to include the new scope of work for the Final Design of Lake Rialto Project:

Scope of Work

The following tasks comprise the scope of work required for the respective projects outlined above.

Task 1: Civil and Mechanical Construction Plans

Dopudja & Wells' team members will prepare 90%, 100% and final stamped and signed plans for the LRP, based on the attached Figure 1. We will also prepare a construction cost estimate that will be provided with each of the submittals. The anticipated drawings are as follows:

- G01 – Title Sheet with Location Map and Index of Drawings
- G02 – Abbreviations, General Notes, Legend and Survey Control
- C01 to C03 – Grading Sheets at a scale of 1 inch – 40 feet
- C04 to C05 – Grading Details and Cross Sections
- C06 to C08 – Pipeline Plan and Profile Sheets

- C09 to C11 – Civil Details and Structures
- M01 to M03 – Pump Station Mechanical and Electrical Plans
- M04 – Pump Station Details
- E1 to E6 - Electrical Plans and Details
- I1 to I2 – Instrumentation Plans

The discharge Pump Station plans are proposed to be a package type pump station. Because the City is negotiating a full summer diversion pump station with IEUA, the timing of the permanent pump station versus completion of the LRP is yet undetermined. A tentative evaluation appears to indicate the completion of the LRP could coincide to the IEUA pump station. In the event the LRP is completed prior to the IEUA summer diversion pump station, we are proposing a package pump station that would allow the LRP to open sooner. To avoid the potential for duplicative pump station designs, and to save unnecessary design expense, Dopudja & Wells is proposing a 65% design of the package pump station for CEQA evaluation of the project. If the LRP and IEUA schedules coincide, this pump station design effort would be paused to save the City on design fees.

Due to the lower elevations of the LRP, a restroom facility would require a sewage pump to remove waste. The anticipated length and volume of the sewage force main would likely result in significant maintenance and potential failure due to clogging. As part of our design, we will explore alternative restroom facilities such as a portable/trailer mount facility with a sump for routine pumping out via the City's vector truck.

Task 1 Deliverables: 90%, 100% and final stamped/signed plans.

No PLC or HMI are anticipated for pump station control. No standby generator is anticipated. Power will be provided from the WWTP. Major modifications to MCCs are not anticipated, Existing WWTP PLC is anticipated to monitor alarm status.

Is anticipated the City will prepare, submit, and obtain the necessary permits. Dopudja & Wells has budgeted some as-need assistance to support the City in this effort.

Task 2: Offsite Surveying and Street Parking Plans

Wilson Mikami will assist Dopudja & Wells in preparing the offsite parking plans. For purposes of this proposal, we are utilizing the Agua Mansa (Alternative #3) concept,

attached as Figure 2. Because the original onsite surveying did not cover Agua Mansa, some additional surveying is included to cover this area. We anticipate parking will occur west of the Rialto Channel, on the north side of Agua Mansa Road. Our team will prepare 90%, 100% and final stamped and signed plans for the LRP. We will also prepare a cost estimate that will be provided with each of the submittals. The anticipated drawings for this task are as follows:

- P01 to P02 – Street Parking Plans
- P03 – Miscellaneous Parking Details

Task 2 Deliverables: 90%, 100% and final stamped/signed plans.

Is anticipated the City will prepare, submit, and obtain the necessary permits. Dopudja & Wells has budgeted some as-need assistance to support the City in this effort.

Task 3: Landscaping and Irrigation Plans

Buck and Associates will assist Dopudja & Wells in preparing the Plant Palettes, Planting and Irrigation Plans. Our team will prepare 90%, 100% and final stamped and signed plans for the LRP. As part of our scope of work, we will coordinate with local nurseries so the City can contract grow the required vegetation, prior to planting at the LRP. We will also prepare a cost estimate that will be provided with each of the submittals. The anticipated drawings for this task are as follows:

- L01 to L03 – Landscape Planting Plans
- L04 – Plant Palette, Quantities and Notes
- L04 – Irrigation Plans

Task 3 Deliverables: 90%, 100% and final stamped/signed plans.

Is anticipated the City will prepare, submit, and obtain the necessary permits. Dopudja & Wells has budgeted some as-need assistance to support the City in this effort.

Task 4: Hydrology/Hydraulics Report

Dopudja & Wells team members will prepare a Hydrology/Hydraulics Report in conformance with City standards to support the design of the grading and drainage improvements associated with the project. Our team will prepare hydraulic calculations for the inlet pipeline and lake level control structures. The Hydrology/Hydraulic Study will address the existing and ultimate site condition to

assure that proposed drainage improvements are compatible with the existing and ultimate development of the site. The Hydrology/Hydraulic Study will be submitted for review as part of the Grading and Improvement Plan submittal.

Task 4 Deliverables: 90%, 100% and final Hydrology/Hydraulics Report.

Is anticipated the City will prepare, submit, and obtain the necessary permits. Dopudja & Wells has budgeted some as-need assistance to support the City in this effort.

Task 5: Storm Water Pollution Prevention Plan (SWPPP)

Dopudja & Wells team members will prepare a SWPPP in conformance with the State Water Resource Control Board and City of Rialto requirements. The SWPPP will be prepared prior to commencement of grading and will include sampling and analysis procedures as well as other recent modifications to the general construction storm water permit.

Task 5 Deliverables: Final SWPPP.

Is anticipated the City will prepare, submit, and obtain the necessary permits. Dopudja & Wells has budgeted some as-need assistance to support the City in this effort.

Task 6: Technical Specifications

Dopudja & Wells team members will prepare draft and final specification document for bidding and construction of the LRP. The Technical Specifications will be customized for the LRP. The “front End “contracting documents will be provided by the City and be consistent with City procurement standards. We anticipate the City will advertise and procure bids through the City’s normal procurement process.

Task 6 Deliverables: 90%, 100% and final stamped/signed Technical Specifications.

Is anticipated the City will prepare, submit, and obtain the necessary permits. Dopudja & Wells has budgeted some as-need assistance to support the City in this effort.

Task 7: Construction Period Engineering Services

Dopudja & Wells team members will provide construction phase engineering support services. These include:

- Review and respond to up to six Request for Information
- Review and respond to up to six Submittals
- Review and respond to up to two Contract Change Orders
- Attend up to eight construction meetings
- Geotechnical Engineering assistance during the construction period (up to 40 hours)
- Landscaping and irrigation system assistance during the construction period (up to 40 hours)

Task 7 Deliverables: Miscellaneous response to Requests for Information, Submittals and Contract Change Orders.

Task 8: Project Management

Dopudja & Wells and our team members will provide overall project management to ensure the project remains on budget and schedule.

Task 8 Assumptions: City will be responsible for preparing, submitting, obtaining and associated cost for the necessary permits. A total of 40 hours of as-needed assistance has been budgeted.

1.2 **Exhibit “C”** is hereby amended as follows:

Section I is hereby amended to provide additional compensation for an increased level of assistance and as-needed support services to RUA in the amount of **\$200,000** and additional compensation for the Final Design services for Lake Rialto Project as shown in **Table 1** below in the amount of **\$517,864**:

Table 1 - Fees for Services		
Task	Description	Amount (\$)
1	Civil and Mechanical Plans	\$203,280
2	Offsite Surveying and Street Parking Plans	\$35,140
3	Landscaping and Irrigation Plans	\$80,124
4	Hydrology/Hydraulics Report	\$17,330
5	Storm Water Pollution Prevention Plan (SWPPP)	\$10,620
6	Technical Specifications	\$41,860
7	Construction Period Engineering Services	\$67,070
8	Project Management	\$54,940
	Reimbursables, mileage, travel, etc. (estimated)	7,500
	Total	\$517,864

Section IV is hereby amended and restated in its entirety to read as follows:

“Subject to any limitations set forth in this Agreement, RUA agrees to pay Consultant the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C-1” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed One Million, Two Hundred and Three Thousand, Eight Hundred and Sixty-Four Dollars and Zero Cents (\$1,203,864.00) (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.9.”

2. GENERAL PROVISIONS.

2.1 Remainder Unchanged. Except as specifically modified and amended in this First Amendment, the Agreement remains in full force and effect and binding upon the parties.

2.2 Integration. This First Amendment consists of pages 1 through 9 inclusive, which constitute the entire understanding and agreement of the parties and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the transaction discussed in this First Amendment.

2.3 Effective Date. This First Amendment shall not become effective until the date it has been formally approved and executed by the appropriate authorities of the RUA and Dopudja and Wells.

2.4 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this First Amendment.

2.5 References. All references to the Agreement include all their respective terms and provisions. All defined terms utilized in this First Amendment have the same

meaning as provided in the Agreement, unless expressly stated to the contrary in this First Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Agreement on the date and year first written above.

[SIGNATURES ON FOLLOWING PAGE]

**FOR THE RIALTO UTILITY AUTHORITY,
a Municipal Corporation**

Marcus Fuller
Marcus Fuller, Rialto Utility Authority
Executive Director
Date: 3/14/2022

ATTEST:

Barbara A. McGee
Barbara McGee, Rialto Utility Authority
Board Secretary
Date: 3/14/2022

**APPROVED AS TO FORM
Burke, Williams & Sorensen, LLP**

Eric S. Vail
Eric S. Vail, Rialto Utility Authority
General Counsel
Date: 3/14/2022
RIV #4826-2789-2216 v1

FOR Dopudja & Wells

Stephen Dopudja
Name: Stephen Dopudja

Title: Chief Executive Officer
Date: 3/14/2022

Jon Wells
Name: Jon Wells

Title: Chief Financial Officer
Date: 3/14/2022

Exhibit “C-1”**Billing Rates Schedule****Proposed Billing Rates Schedule (Calendar Year 2022)**

Staff Description	Hourly Rate (\$)
Principal	\$290
Project Manager	\$270
Senior Advisor	\$310
Senior Project Engineer	\$245
Project Engineer	\$210
Engineer II	\$185
Engineer I	\$158
Senior CAD Designer	\$131
Drafter	\$100
Admin/Office Work	\$90

Notes:

1. Outside services such as reprographics, supplies, shipping, etc. will be billed at cost plus 15%.
2. Mileage will be billed at cost at the current Federal Rate.
3. Subcontractors are billed at cost plus 10%.
4. Invoices that remain unpaid within 45 days of receipt will be subject to a finance charge of 1.5% per month.

**SECOND AMENDMENT TO SERVICES AGREEMENT
BETWEEN THE RIALTO UTILITY AUTHORITY AND
DOPUDJA AND WELLS**

This Second Amendment to the Services Agreement ("Second Amendment") is hereby entered into this 13th day of December 2022 by and between the Dopudja and Wells Consulting, a California Corporation ("Consultant"), and the Rialto Utility Authority, a joint powers authority ("RUA"), on the terms and conditions stated below. RUA and Consultant are hereinafter collectively referred to as the "Parties."

RECITALS

- A. The Parties entered into the Services Agreement for engineering and as-needed support services on the 13th of April 2021 (the "Agreement").
- B. A First Amendment was executed on the 8th of February 2022.
- C. The Parties mutually desire to amend the Agreement to provide additional compensation for an increased level of assistance and as-needed support services to RUA and for providing the Final Design services of Lake Rialto Project.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises set forth herein, the Parties do hereby enter into this Second Amendment which modifies and amends the Agreement as follows:

AMENDMENT. The Agreement is hereby modified and amended as follows:

Exhibit A is hereby amended to include the new scope of work for As-Needed Support and the Final Design of Lake Rialto Project:

Scope of Work

The following tasks comprise the scope of work required for the respective projects outlined above.

Task 1. As-Needed Support

Sub-Task 1.1 Meeting Attendance, Coordination and On-Going Staff Support

Dopudja & Wells will provide as-needed staff support, assistance, and any attendance at the following meetings, when requested:

- Meetings for Facility/Capital Improvement Plans and Operations
- City Staff Meetings
- City Council Meetings
- Water Subcommittee Meetings
- Utility Commission Meetings
- Miscellaneous/Other meetings at the request of the City

This effort will be charged on a time and materials hourly basis, with support to be

utilized at the request of the City. Any non-utilized support will not be billed to the City.

Sub-Task 1.2 Review Reports and Statements

Dopudja & Wells may be requested to provide supplemental assistance with the review of various reports and projected budgets, as needed. Reports may include, but would not be limited to, the following:

- Monthly and Annual Operations & Maintenance and Customer Service Reports
- Electrical Settlement Statements
- Quarterly Asset Management Reports to Verify conformance with the Concession Agreement Schedules A.6.3 and B.6.3
- Annual Wastewater Chemical Settlement Statement to verify conformance with the Concession Agreement Article VIII, Section 8.13, Part a.
- Annual Water Chemical Settlement Statement to verify conformance with the Concession Agreement Article XIV, Section 14.13, Part a.

Sub-Task 1.3 Engineering Studies and Planning Support Services

Upon request of the City Manager, Deputy City Manager or the Utilities Manager, Dopudja & Wells will conduct miscellaneous engineering studies for the City. Potential subjects include, but are not limited to, on-going hydraulic modeling, load analysis of the City's water distribution and wastewater collection systems.

Task 1.1, 1.2 and 1.3 Deliverables: Miscellaneous reports, memoranda and documents, as required.

Sub-Task 1.4 Triennial Inspection Support Services

agreeable to using an alternate consultant for scheduling purposes, but has requested Dopudja & Wells to provide some oversight of the process and findings. Our team will shadow Arup staff and review materials provided to Arup from RWS/Veolia. We will evaluate the draft report for consistency with observations of backup materials and site visits. *Task 1.4 Deliverables: Review of Triennial Inspection.*

Task 2. Lake Rialto Supplemental Survey and Geotechnical Services

During the final design phase of Lake Rialto, it has become necessary to perform additional surveying and geotechnical services. The additional surveying will occur in three areas. The first is to survey the invert and top of the pipe of the effluent discharge pipeline to the Rialto Channel. The City does not have the record plans and this information is necessary to design the diversion structure. The second area is the empty lot north of the wastewater treatment plant and the access road along the Rialto Channel. This second area may become necessary if additional parking and access is necessary. This consideration came from comments from the City's Public Works department, during the project review. If this option does not become necessary, the work will not be performed.

Some additional effort is also required to the Base Geotechnical Engineering. From the preliminary design phase through now, additional field effort was required due to necessary grading modifications to the bottom and south side of Lake Rialto. This additional effort is reflected in the current grading plans.

Task 2 Deliverables: Supplemental survey files and data. Updated Geotechnical Report.

Exhibit "C" is hereby amended as follows:

Section I is hereby amended to provide additional compensation for an increased level of assistance and as-needed support services to RUA in the amount of **\$200,000** and additional compensation for the Final Design services for Lake Rialto Project in the amount of **\$35,150** as shown in **Table 1** below:

Table 1 - Fees for Services		
Task	Description	Amount (\$)
1	As-Needed Support	\$200,000
2	Lake Rialto Supplemental Survey and Geotechnical Services	\$35,150
	Reimbursables, mileage, travel, etc.	\$2,333
	Total	\$237,483

Section IV is hereby amended and restated in its entirety to read as follows:

"Subject to any limitations set forth in this Agreement, RUA agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C-1" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed One Million, Four Hundred and Forty-One Thousand, Three Hundred and Forty-Seven Dollars and Zero Cents (\$1,441,347.00) (the "Contract

Sum”), unless additional compensation is approved pursuant to Section 1.9.”

1. GENERAL PROVISIONS.

1.1 **Remainder Unchanged.** Except as specifically modified and amended in this Second Amendment, the Agreement remains in full force and effect and binding upon the parties.

1.2 **Integration.** This Second Amendment consists of pages 1 through 9 inclusive, which constitute the entire understanding and agreement of the parties and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the transaction discussed in this Second Amendment.

1.3 **Effective Date.** This Second Amendment shall not become effective until the date it has been formally approved and executed by the appropriate authorities of the RUA and Dopudja and Wells.

1.4 **Applicable Law.** The laws of the State of California shall govern the interpretation and enforcement of this Second Amendment.

1.5 **References.** All references to the Agreement include all their respective terms and provisions. All defined terms utilized in this First Amendment have the same meaning as provided in the Agreement, unless expressly stated to the contrary in this Second Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Agreement on the date and year first written above.

[SIGNATURES ON FOLLOWING PAGE]

**FOR THE RIALTO UTILITY AUTHORITY,
a Municipal Corporation**

Marcus Fuller
Marcus Fuller, Rialto Utility Authority
Executive Director
Date: December 21, 2022

ATTEST:

Barbara A. McGee
Barbara McGee, Rialto Utility Authority
Board Secretary
Date: December 21, 2022

**APPROVED AS TO FORM
Burke, Williams & Sorensen, LLP**

Eric S. Vail
Eric S. Vail, Rialto Utility Authority
General Counsel
Date: December 21, 2022
RIV #4826-2789-2216 v1

FOR Dopudja & Wells

Stephen Dopudja
Name: Stephen Dopudja
Title: Chief Executive Officer
Date: December 20, 2022

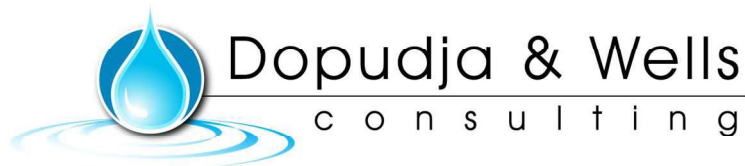
Jon Wells
Name: Jon Wells
Title: Chief Financial Officer
Date: December 21, 2022

Exhibit “C-1”**Billing Rates Schedule****Proposed Billing Rates Schedule (Calendar Year 2022)**

Staff Description	Hourly Rate (\$)
Principal	\$290
Project Manager	\$270
Senior Advisor	\$310
Senior Project Engineer	\$245
Project Engineer	\$210
Engineer II	\$185
Engineer I	\$158
Senior CAD Designer	\$131
Drafter	\$100
Admin/Office Work	\$90

Notes:

1. Outside services such as reprographics, supplies, shipping, etc. will be billed at cost plus 15%.
2. Mileage will be billed at cost at the current Federal Rate.
3. Subcontractors are billed at cost plus 10%.
4. Invoices that remain unpaid within 45 days of receipt will be subject to a finance charge of 1.5% per month.



November 18, 2022

Marcus Fuller, P.L.S., P.E.
City Manager
City of Rialto
150 South Palm Avenue
Rialto, CA. 92376

SUBJECT: Proposal to Provide 2023 As-Needed Consulting Support and Supplemental Effluent Monetization Negotiations Services

Dear Mr. Fuller,

Dopudja & Wells Consulting (Dopudja & Wells) appreciates the opportunity to submit this proposal to the City of Rialto (City) for additional support as-needed consulting support and in further monetizing the City's wastewater effluent.

Presented below is the proposed final design Scope of Work, estimated budget and schedule. We are proposing to proceed with the same team members that have historical knowledge of this monetization concept since its inception. You may recall the City maintains all ownership to its wastewater effluent discharges. Through a multi-year collaborative process, the City of Rialto and the Inland Empire Utilities Agency (IEUA) have executed a term sheet for a fifty-year agreement to purchase the right to divert the City's effluent to IEUA's RP-4 facility, where it will be advanced treated for injection into the local groundwater basin. Under this proposal, additional support is necessary through the completion of IEUA's Preliminary Design Report and execution of the Final Negotiated Contract. Additionally, the preliminary efforts to monetize the remaining winter effluent have yielded some potential opportunities the City would like Dopudja & Wells to explore further. The anticipated effort is expected to be completed in the early summer of 2023.

Scope of Work

The following tasks comprise the scope of work required for the respective projects outlined above.

Task 1. As-Needed Support

Sub-Task 1.1 Meeting Attendance, Coordination and On-Going Staff Support

Dopudja & Wells will provide as-needed staff support, assistance, and any attendance at the following meetings, when requested:

- Meetings for Facility/Capital Improvement Plans and Operations
- City Staff Meetings
- City Council Meetings
- Water Subcommittee Meetings

- Utility Commission Meetings
- Miscellaneous/Other meetings at the request of the City

This effort will be charged on a time and materials hourly basis, with support to be utilized at the request of the City. Any non-utilized support will not be billed to the City.

Sub-Task 1.2 Review Reports and Statements

Dopudja & Wells may be requested to provide supplemental assistance with the review of various reports and projected budgets, as needed. Reports may include, but would not be limited to, the following:

- Monthly and Annual Operations & Maintenance and Customer Service Reports
- Electrical Settlement Statements
- Quarterly Asset Management Reports to Verify conformance with the Concession Agreement Schedules A.6.3 and B.6.3
- Annual Wastewater Chemical Settlement Statement to verify conformance with the Concession Agreement Article VIII, Section 8.13, Part a.
- Annual Water Chemical Settlement Statement to verify conformance with the Concession Agreement Article XIV, Section 14.13, Part a.

Sub-Task 1.3 Engineering Studies and Planning Support Services

Upon request of the City Manager, Deputy City Manager or the Utilities Manager, Dopudja & Wells will conduct miscellaneous engineering studies for the City. Potential subjects include, but are not limited to, on-going hydraulic modeling, load analysis of the City's water distribution and wastewater collection systems.

Task 1.1, 1.2 and 1.3 Deliverables: Miscellaneous reports, memoranda and documents, as required.

Sub-Task 1.4 Triennial Inspection Support Services

The most recent 2022 Triennial Inspection is being performed by the consulting firm, Arup. The City of Rialto was agreeable to using an alternate consultant for scheduling purposes, but has requested Dopudja & Wells to provide some oversight of the process and findings. Our team will shadow Arup staff and review materials provided to Arup from RWS/Veolia. We will evaluate the draft report for consistency with observations of backup materials and site visits.

Task 1.4 Deliverables: Review comments to the Draft 2022 Triennial Inspection Report.

Task 2. Lake Rialto Supplemental Survey and Geotechnical Services

During the final design phase of Lake Rialto, it has become necessary to perform additional surveying and geotechnical services. The additional surveying will occur in three areas. The first is to survey the invert and top of the pipe of the effluent discharge pipeline to the Rialto Channel. The City does not have the record plans and this information is necessary to design the diversion structure. The second area is the empty lot north of the wastewater treatment plant and the access road along the Rialto Channel. This second area may become necessary if additional parking and access is necessary. This consideration came from comments from the City's Public Works department, during the project review. If this option does not become necessary, the work will not be performed.

Some additional effort is also required to the Base Geotechnical Engineering. From the preliminary design phase through now, additional field effort was required due to necessary grading modifications to the bottom and south side of Lake Rialto. This additional effort is reflected in the current grading plans.

Task 2 Deliverables: Supplemental survey files and data. Updated Geotechnical Report.

Task 3. Supplemental Effluent Monetization Services

In order to meet the City's desired schedule of an approved Term Sheet by September 2022, the prior scope of work had to be modified and expedited, which required additional effort and some out-of-sequence work. The Term Sheet has been fully executed by the City and IEUA, and the remaining effort is anticipated to continue through July 2023. The following tasks outline the anticipated efforts.

Sub-Task 3.1 Additional Coordination and Oversight of the IEUA Facilities Preliminary Design

After the approval of the Principles of Agreement between the City and IEUA, the IEUA Preliminary Design Report (PDR) is ongoing, with anticipated completion in Spring 2023. The PDR will continue to evaluate and size the proposed diversion pump station at the City's wastewater treatment plant (WWTP) and conveyance pipeline from the pump station to IEUA's RP-4 treatment facility. Per the approved and fully executed Principles of Agreement, IEUA is funding these improvements. However, in exchange for this funding, the City has agreed to a fixed price per acre-foot purchase that also considers this funding. As a result, the City will have ownership or capacity interest in these facilities. As such, the City should continue to provide input into and have oversight within IEUA's preliminary design report process. Dopudja & Wells' team will work with the City and IEUA staff to provide input and oversight on the City's behalf.

Task 1 Deliverables: Review comments to IEUA's Preliminary Design Report. Project update memos and/or emails to the City of Rialto.

Assumptions: This process is anticipated to be completed in Spring 2023. Dopudja & Wells will provide regular updates to the City of Rialto's Water Subcommittee.

Task 3.2 Evaluation of the need for a supplemental well

As part of the approved and executed Principles of Agreement, IEUA has committed up to \$1 million towards a supplemental well. This well was considered to facilitate the desired summer diversion of effluent, between May and October. Due to the discharge requirements under the Santa Ana River Multi-Species Habitat Conservation Plan (SAR HCP), it was anticipated that the shoulder months of May/June and September/ October could pose challenges to a full diversion. The \$1 million commitment is intended to allow the City to supplement flows to meet SAR HCP requirements. Preliminary analyses have been performed but additional coordination is required with IEUA and San Bernardino Valley Municipal Water District, which is the lead agency for the SAR HCP.

Task 3.2 Deliverables: Project update memos and/or emails to the City of Rialto, as needed.

Task 3.3 Negotiation of Final Contract

In order to achieve the City's desired schedule, the Term Sheet and preliminary negotiations needed to be expedited. The approved Term Sheet will serve as the outline for the Final Contract. Dopudja & Wells will work with IEUA staff and legal counsels for the City and IEUA throughout negotiations and approval of the Final Contract, through approval by both agencies.

Task 3.3 Deliverables: Final negotiated contract for approval by the City Council and IEUA Board of Directors.

Assumptions: This effort is anticipated to be completed by July 2023. We also anticipate the City Attorney will be working in parallel with our team during the negotiations to achieve a final contract that is recommended for approval.

Task 3.4 Exploration of Winter/Other Effluent Flow Monetization

The approved Principles of Agreement is structured to allow IEUA the first opportunity to purchase any additional flows above the base 3,500 acre-feet per year amount set forth in the agreement. Any additional flows have been set for the City to receive a higher compensation over the base amount. However, the Principles of Agreement also contains provisions for the City to externally market those non-utilized flows. IEUA has initially stated they do not anticipate utilizing Rialto flows during the months of November through April but are re-evaluating their position. Dopudja & Wells has explored additional opportunities that warrant further exploration, in the event IEUA does not execute their right to obtain the optional flows. Dopudja & Wells' team will continue to explore other opportunities to monetize any flows that IEUA does not anticipate utilizing during the term of the contract.

Task 3.4 Deliverables: Project update memos and/or emails to the City of Rialto.

Assumptions: Any negotiations of a separate agreement are not anticipated within the budget of this proposal.

Task 3.5 Project Management

Dopudja & Wells' team will provide overall project management to ensure the project remains on budget and schedule.

Assumptions: City will be responsible for preparing, submitting, obtaining and associated cost for the necessary permits

Proposed Fee and Schedule

Table 1 below outlines the proposed fee by tasks. Due to the negotiation nature of this proposal, the fee is based on a time and materials approach. Table 2 provides the anticipated schedule breakdown for the project. The breakdown by task is an estimate of the anticipated distribution of cost. To ensure the time and materials estimate per task protects the City, budget between task may be utilized.

Table 1 - Fees for Services		
Task	Description	Amount (\$)
1	As-Needed Support	\$200,000
2	Lake Rialto Supplemental Survey and Geotechnical Services	\$35,150
3.1	Coordination and Oversight of the IEUA Facilities Preliminary Design	\$178,500
3.2	Evaluation of the need for a supplemental well	\$49,480
3.3	Negotiation of Final Contract	\$154,700
3.4	Exploration of Winter Effluent Flow Monetization	\$59,500
3.5	Project Management	\$51,200
	Reimbursables, mileage, travel, etc. (estimated)	\$3,500
	Total	\$732,030

Table 2 – Anticipated Effluent Monetization Schedule								
Task/Subtask	Dec-2022	Jan-2023	Feb-2023	Mar-2023	Apr-2023	May-2023	Jun-2023	Jul-2023
Coordination and Oversight of the IEUA Preliminary Design		●		●				
Negotiation of Final Contract						●	▲	
Exploration of Winter Effluent Flow Monetization								
Project Management								
City and IEUA Final Contract								★
Notes: Anticipated Notice to Proceed is March 2022 ● = Presentation to the Water Subcommittee ▲ = Presentation to Rialto Water Subcommittee and IEUA Committee(s) ★ = Approval by Rialto City Council and IEUA Board of Directors. Term Sheet is already fully approved.								

Thank you for the opportunity to allow Dopudja & Wells to support the City of Rialto on these Exciting Projects.

Sincerely,

Dopudja & Wells Consulting



Stephen Dopudja, P.E.

President/CEO

RCE #65187



CITY OF RIALTO

DISCLOSURES REQUIRED BY PERSONS OR ENTITIES CONTRACTING WITH THE CITY OF RIALTO*

Pursuant to City of Rialto Municipal Code Section 2.48.510, all persons or business entities supplying any goods or services to the city, or seeking a loan or grant awarded by the city, whether through an application or proposal, shall disclose in such application or proposal whether any city officer, employee, or consultant may have a financial or non-financial interest in the person or business entity, or in any member, employee, owner, or officer of the business entity.

- A financial interest shall mean any interest that is prohibited under state law, including California Government Code Sections 1090 and 87100, and California Code of Regulation Section 18700 *et seq.*
- A non-financial interest shall mean any interest that is prohibited by City of Rialto Municipal Code Section 2.48.450.

For the purpose of helping the City understand whether City personnel might have a conflict of interest in you or your organization, please disclose below whether you or any of your members, employees, paid or unpaid officers, paid or unpaid directors, or owners are (or are related to) a City elected or appointed official, a City officer, or a City employee or consultant.

Name of Your Organization's Affected Member, Employee, Paid or Unpaid Officer, Paid or Unpaid Director, or Owner	Name of City Elected or Appointed Official, City Officer, a City Employee or Consultant	Relationship Between the Two
None	None	None

By submitting this [application/proposal], or supplying any goods or services to the City, the [applicant/vendor/contractor/consultant] hereby attests under penalty of perjury, personally and/or on behalf of the entity [submitting this application/proposal or supplying any goods or services to the City] that no City of Rialto elected or appointed official, employee or consultant has a financial or non-financial interest, as such terms are defined in California Government Code Sections 1090 and 87100 and in City of Rialto Code of Ordinances Section 2.48.145, in the [applicant/vendor/contractor/consultant], except as specifically disclosed herein.

Name of Person/Entity: Dopudja & Wells, Consulting, Inc.

Title: Stephen Dopudja, President

Signature:  Date: 11/28/22

2.48.450 Employee conflict of interest.

- (1) No covered person shall participate in the making of a grant or contract by the city in which the covered person has a conflicting interest.
- (2) For purposes of this section, the following definitions shall apply:
 - (a) A “covered person” includes any person who holds an elected or appointed City office, a City officer, a City employee, and any person who is a consultant to the City.
 - (b) A “conflicting interest” includes, but is not limited to, those decisions where:
 - (i) A covered person holds or has held within the previous twelve months a position with a potential grant or contract recipient;
 - (ii) A close relative of a covered person holds or has held within the previous twelve months a position with a grant or contract recipient;
 - (iii) A close relative of the spouse or domestic partner of a covered person holds or has held within the previous twelve months a position with a grant or contract recipient.
 - (c) “Position” includes the status of a member, employee, owner, paid or unpaid officer of, paid or unpaid leadership position in, or had an ownership interest in, a grant or contract recipient.
 - (d) A “close relative” includes a spouse, parent, grandparent, child, grandchild, aunt, uncle, or cousin.
 - (e) “Participate in the making of a grant or contract” includes participation in: drafting a solicitation or contract; negotiating, voting on, approving, or executing a grant or contract; discussion of same with any city officer or employee; or attempts in any way to influence the making of a grant or contract.
- (3) This prohibition shall not apply to a contract let by written competitive bid where the contract will be awarded to the person or entity who submits the lowest responsible and responsive bid.
- (4) Except for the Mayor or a member of the City Council, a covered person may request a waiver of any potential conflict of interest in writing from the City Manager. Any request for such a waiver must include full disclosure of the potential conflict of interest and a statement detailing any mitigating factors. The request and the City Manager’s response shall be provided to the City Council prior to any vote to approve the contract or grant, or if City Council approval is not required, at least five days before the contract or grant is approved. The request and the City Manager’s response shall be considered a public record.
- (5) The prohibitions in this section are in addition to any applicable federal or state conflict of interest laws, including but not limited to Government Code section 1090, and Government Code section 87100 *et seq.*

(6) Any person who violates this section is subject to the following:

(a) Public censure;

(b) If the conflict of interest was in the making of a contract, a prohibition from participation in the making of a contract by the city for a period of time up to twelve (12) months from the date of the imposition of the discipline;

(c) If the conflict of interest was in the making of a grant, a prohibition from participation in the making of a grant by the city for a period of time of up to twenty-four (24) months from the date of the imposition of the discipline;

(d) An administrative fine pursuant to Chapter 1.10 of this code.

(7) The discipline specified herein may be imposed:

(a) By the City Manager in the case of any employee or consultant who violates this section.

(b) By the City Council in the case of any person who holds an elected or appointed City office, or any City officer who violates this section.



CITY OF RIALTO

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