

SECOND AMENDMENT TO SERVICES AGREEMENT BETWEEN THE RIALTO UTILITY AUTHORITY AND SOTO RESOURCES

This Second Amendment to the Services Agreement ("Second Amendment") is hereby entered into this 13th day of December 2022 by and between the Soto Resources a California Sole Proprietorship ("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 grant funding research and completion of funding applications on the 13th of July 2021 (the "Agreement"), with a First Amendment to the Service Agreement executed on October 26, 2021.
- B. The Parties mutually desire to amend the Agreement to provide additional compensation for an increased level of assistance on funding research and completion on funding applications on behalf of the RUA.

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:

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

1.1 In addition to the services detailed in Exhibit A of the Agreement, Consultant shall provide funding research and funding application assistance for the following grant opportunities:

1.1.1 One Water One Watershed Proposition 1 Round 2 Integrated Regional Water Management – Funding program benefiting the Santa Ana River Watershed area and region which includes Rialto. The City submitted applications for the Lake Rialto and the Shamrock and Meridian Septic-to-Sewer Projects through this program. The Lake Rialto Project was selected by Santa Ana Watershed Project Authority (SAWPA) for a grant award of \$2,149,748 under the General Implementation funding category. The Septic-to-Sewer Project has not been identified for funding but is the runner-up project if a project awarded under the Disadvantaged Community funding category should drop from the program. The City recently submitted additional grant application materials for the (SAWPA) grant application to the California Department of Water Resources.

1.1.2 United States Bureau of Reclamation's WaterSMART Grants: Water and Energy Efficiency Grants - Projects funded will conserve and use water more efficiently; increase the production of hydropower; mitigate conflict risk

in areas at a high risk of future water conflict; and accomplish other benefits that contribute to water supply reliability in the western United States. The City applied for funding under this program for the Advanced Metering Infrastructure Project and was selected for a \$2,000,000 award. The grant agreement process with the USBR is currently underway.

1.1.3 USBR WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2023 - Projects funded will build long-term resilience to drought and reduce the need for emergency response actions. The City applied for funding under this program for the City 3A Groundwater Well Treatment Facility Project. USBR is reviewing applications; approximately 15 to 21 projects will be awarded contingent upon available Federal appropriations; selections for funding are anticipated March 31, 2023.

1.1.4 California Department of Water Resources 2022 Urban Community Drought Relief Grant Program – Projects funded will provide urban community drought relief, replace turf, or implement other projects that provide water conservation benefits. The City recently applied for funding under this program for the Advanced Metering Infrastructure Project. Two rounds of project selections are anticipated for this highly competitive grant program in December 2022 and March 2023.

1.1.5 Coastal Conservancy (Santa Ana River Conservancy) – Ongoing Funding Program – Projects funded will increase availability of beaches, parks and trails for the public, protect and restore natural lands and wildlife habitat, preserve working lands, and increase community resilience to the impacts of climate change. The City submitted a pre-application for the Lake Rialto Project and was invited to prepare a full application. The City plans to prepare an application package for the Lake Rialto Project in 2023.

1.1.6 State Water Resources Control Board Clean Water State Revolving Fund (CWSRF) – Construction - Projects funded will restore and maintain water quality in the state, and may reduce the effects of climate change and promote sustainable water resources for future generations. The City plans to prepare an application package for the comprehensive Septic-to-Sewer Program in 2023.

1.2 Article 2 / Section 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” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Two Hundred Fifty Thousand and Two Hundred and Fifty Dollars and Zero Cents (\$250,250.00) (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 Second Amendment, the Agreement remains in full force and effect and binding upon the parties.

2.2 **Integration.** This Second Amendment consists of pages 1 through 3 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.

2.3 **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 Soto Resources.

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

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

[SIGNATURES ON FOLLOWING PAGE]



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	Not Applicable

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: Joey Soto, DBA Soto Resources

Title: Principal Funding Consultant

Signature: _____

Date: November 29, 2022

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.