SPECIAL

BOARD OF DIRECTORS MEETING

November 2, 2017

6:00 p.m.

City of Ontario – Council Chambers
303 E. “B” Street, Ontario, CA
Call to Order

Flag Salute

Public Comment: Members of the public may address the Board at this time on any non-agenda matter. Please complete a Comment Card and give it to the Secretary. Comments are limited to three (3) minutes per individual. State your name and address for the record before making your presentation. This request is optional, but very helpful for the follow-up process.

Under the provisions of the Brown Act, the CDA Board is prohibited from taking action on oral requests. However, Board Members may respond briefly or refer the communication to staff. The CDA Board may also request the Secretary to calendar an item related to your communication at a future CDA Board meeting.

ACTION ITEMS

Prior to action of the CDA Board, any member of the audience will have the opportunity to address the CDA Board on any item listed on the agenda, including those on any consent calendar. Please submit a comment card to the secretary with the agenda item number noted.

1. MINUTES OF OCTOBER 5, 2017 REGULAR BOARD MEETING

2. UTILITY AGREEMENT FOR INTERSTATE 15/LIMONITE AVENUE INTERCHANGE BRIDGE CROSSING POTABLE WATERLINES
   Report by: Curtis D. Paxton, CDA General Manager/CEO
   1. Approve a Utility Agreement between Chino Basin Desalter Authority (CDA) and the County of Riverside (County); and
   2. Authorize the General Manager/CEO to finalize and execute the Agreement.

3. PHASE 3 EXPANSION PROJECT: PURCHASE OF PLUG VALVES FOR THE CONCENTRATE REDUCTION FACILITY
   Report by: Cindy Miller, Phase 3 Expansion Program Manager
   1. Approve a Purchase Order to JPR Systems in the amount of $397,864.72 for the purchase of Plug Valves for the Concentrate Reduction Facility.
CLOSED SESSION

The Authority may adjourn to a Closed Session to consider litigation matters, personnel matters, or other matters as provided for in the Ralph M. Brown Act (Section 54950 et seq., of the Government Code).

4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(2)

   (ONE POTENTIAL CASE)

5. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(4)

   (ONE POTENTIAL CASE)

6. CONFERENCE WITH LEGAL COUNSEL – GOVERNMENT CODE SECTION 54956.9(D)(1) EXISTING LITIGATION: VIDO ARTUKOVICH AND SON V. CHINO BASIN DESALTER AUTHORITY, SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVDS1621162

7. IN ACCORDANCE WITH GOVERNMENT CODE, SECTION 54957(B): PUBLIC EMPLOYEE PERFORMANCE EVALUATION.

   (TITLE: GENERAL MANAGER/CEO)

Directors Comments:

ADJOURNMENT – To the Special Meeting on December 7, 2017

Declaration of Posting

I, Casey Costa, Executive Assistant to the Chino Basin Desalter Authority, hereby certifies that a copy of this agenda has been posted by 6:00 p.m. at 2151 S. Haven Avenue, Ontario, CA on Monday, October 30, 2017.

Casey Costa
Executive Assistant
Board of Directors Meeting

Agenda Item

No. 1
REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
CHINO BASIN DESALTER AUTHORITY

MINUTES
October 5, 2017

The Regular Meeting of the Board of Directors of the Chino Basin Desalter Authority was held at the City of Ontario, 303 E. “B” Street, Ontario, CA, on the above date. The meeting was called to order at 6:00 p.m. by Peter Rogers, City of Chino Hills.

Directors Present:

   Peter Rogers, City of Chino Hills, Chair
   Greg Newton, City of Norco, Vice Chair
   S.R. “Al” Lopez, Western Municipal Water District
   Tom Haughey, City of Chino
   Jim Bowman, City of Ontario
   Jasmin Hall, Inland Empire Utilities Agency
   Betty Anderson, Jurupa Community Services District
   J. Arnold Rodriguez, Santa Ana River Water Company

Directors Absent:

   None

Others Present:

   Curtis Paxton, CDA General Manager/CEO
   Todd Minten, CDA Operations Manager
   Allison Burns, CDA Deputy General Counsel
   Jose Garcia, CDA Principal Accountant
   Casey Costa, CDA Executive Assistant
   Dave Crosley, City of Chino
   Tom O’Neill, City of Ontario
   Derek Kawai, Western Municipal Water District
   Cindy Miller, Hazen & Sawyer

FLAG SALUTE
The Pledge of Allegiance was led by Director Lopez/Western Municipal Water District

PUBLIC COMMENT ON NON-AGENDA ITEMS
There were no comments oral or written from the public.
CONSENT CALENDAR ITEMS

Consent Calendar items are expected to be routine and non-controversial to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it will be moved to the first item on the Action Items.

1. MINUTES OF JULY 6, 2017 REGULAR BOARD MEETING

2. TREASURER’S FINANCIAL AFFAIRS REPORT FOR QUARTER ENDED JUNE 2017
   Report by: Michael Chung, CDA CFO/Treasurer

3. TREASURER’S REPORT ON GENERAL DISBURSEMENTS FOR THE QUARTER ENDED JUNE 2017
   Report by: Michael Chung, CDA CFO/Treasurer

4. INVESTMENT REPORT FOR THE QUARTER ENDED JUNE 2017
   Report by: Michael Chung, CDA CFO/Treasurer

   **Motion**: It was moved by Director Haughey/Chino and seconded by Director Bowman/Ontario to approve Consent Items 1-4.

   **Motion carried**:

   - **Noes**: None
   - **Absent**: None
   - **Abstained**: None

ACTION ITEMS

5. CONSIDERATION AND ACTION TO ADOPT THE RESOLUTION AMENDING AND RESTATING THE CDA CONFLICTS OF INTEREST CODE
   Report by: Curtis D. Paxton, General Manager/CEO

   **Staff Recommendation**:

   1. Amend the Code to include designation of current staff members and consultants and corresponding disclosure categories and make other technical changes.

   General Manager Paxton reviewed the recommendation to amend the Conflicts of Interest Code, according to comments from the Fair Political Practices Commission and review by Legal Counsel. Changes include removal of the Coordinator position, addition of the Operations Manager position and amendment to Legal Counsel disclosure categories. There were no questions or comments.
Motion: It was moved by Director Anderson/JCSD and seconded by Director Bowman/Ontario to approve Action Item 5.

Motion carried:


Noes: None

Absent: None

Abstained: None

6. PROFESSIONAL SERVICES AGREEMENT WITH BASENINE CONSULTING, INC. FOR CONTROL SYSTEM SUPPORT FOR THE CHINO II DESALTER

Report by: Curtis D. Paxton, General Manager/CEO

Staff Recommendation:

1. Approve a Professional Services Agreement with Basenine Consulting, Inc. in the not-to-exceed amount of $200,000 for control system support services for FY 2017/2018; and

2. Authorize the General Manager/CEO to finalize and execute the agreement and approve up to $225,000 in authorized expenditures.

General Manager Paxton reviewed the recommendation to approve a Professional Services Agreement with Basenine Consulting for control system support services for the Chino II Desalter. He reviewed that Operations staff had utilized the services of the JCSD SCADA Supervisor who recently left JCSD for an outside position. Tensor ID, who had provided SCADA support in the past did not submit a proposal. Proposals were received from Basenine Consulting and Tactical Controls. Staff recommends award of the contract to Basenine Consulting. Henry Logan, the Principal for Basenine Consulting, currently provides SCADA programming services for the Concentrate Reduction Facility, 1010/1110 Pump Station and Wells II-10 and II-11. Staff has been pleased with his performance. There were no questions or comments.

Motion: It was moved by Director Anderson/JCSD and seconded by Director Newton/Norco to approve Action Item 6.

Motion carried:


Noes: None

Absent: None

Abstained: None
7. **CHINO I RELIABILITY PROJECT - APPROVAL OF CHANGE ORDER NOS. 9 AND 10**  
Report by: Cindy Miller, Phase 3 Expansion Program Manager  

**Staff Recommendation:**  

1. Approve Change Order Nos. 9 and 10 to Pascal & Ludwig’s contract for construction of the Chino I Desalter Reliability Project.  

2. Authorize the General Manager/CEO to execute the change orders and approve authorized expenditures up to a not-to-exceed total of $4,112,022.  

Program Manager Miller reviewed the recommendation to approve a change order to Pascal & Ludwig’s contract for the Chino I Desalter Reliability Project. She reviewed that Change Order No. 4 had been issued to repair and resurface the flooring throughout the building. During the course of the repair, calcium carbonate buildup in the process trenches and damage to the flooring in the sulfuric acid room were observed, which required repair before resurfacing could successfully be completed. There were no questions or comments.  

**Motion:** It was moved by Director Lopez/WMWD and seconded by Director Anderson/JCSD to approve Action Item 7.  

**Motion carried:**  

- **Noes:** None  
- **Absent:** None  
- **Abstained:** None  

**INFORMATION ITEMS**  

*Information items are non-action items presented to the Board for their information.*  

8. **QUARTERLY DESALTER EXPANSION REPORT**  
Report By: Cindy Miller, Phase 3 Expansion Program Manager  

Program Manager Miller presented the Chino Desalter Phase 3 Expansion Report. She reported on projects in construction - Concentrate Reduction Facility, Chino I & II Intertie Pipeline Project, equipping of Wells II-10 and II-11, and Chino I Desalter Reliability Project. There is one project in design, the Santa Ana River Crossing HDD Design.
She reviewed activities scheduled for the next three months including completion of corrective actions for CRF, operation of Chino I Desalter RO Train 5, Chino II Raw Water Pipeline and Wells II-10 and II-11, and close out of construction contracts for the Concentrate Reduction Facility and Chino I Desalter Reliability Project, Chino I/II Raw Intertie and equipping of Wells II-10 and II-11, as well as completion of subsurface investigations and final design of the HDD river crossing. She reported on total project cost estimate of $152 million and grant funding totaling $80.6 million, for a net Capital Cost of $71.4 million.

Director Lopez/WMWD questioned whether the project would qualify for Prop 1 funding. General Manager Paxton replied that the South Archibald Plume will receive Prop 1 funding and, depending on the total cost of the project, funds may be shifted to the Phase 3 Expansion Project. Director Lopez also questioned what type of support the Raw Water Intertie Pipeline will have in the case of an earthquake. Program Manager Miller replied that trenches are backfilled with sand and joints are flexible. Additionally, isolation valves have been strategically placed along the pipeline. There were no further questions or comments.

9. QUARTERLY SOUTH ARCHIBALD PLUME REPORT
Report By: Cindy Miller, South Archibald Plume Program Manager

Program Manager Miller reviewed the project. The Regional Water Quality Control Board approved the Cleanup and Abatement Order (CAO) for the project on September 23, 2016 and CDA received authorization form IEUA and RP-1 parties to fund the design and construction services. Anticipated project completion is anticipated to be July 2019, in accordance with CAO deadlines.

She reported on activities for the next three months, which include the alignment study, which was completed June 2017 with an anticipated award recommendation in January 2018, Well II-12 property acquisition, and Raw Water Pipeline Construction. She reviewed the total project cost estimate of $24.5 million, with estimated costs to the RP-1 parties of $20.1 million, The difference between the two figures represents facilities that are part of the original Expansion Project. She reported grant funding is currently $23.68 million. There were no questions or comments.

10. QUARTERLY OPERATIONS REPORT
Report By: Todd Minten, CDA Operations Manager

Operations Manager Minten presented the Quarterly Operations Report for the period June 2017 through August 2017. He reported on the status of water deliveries to member agencies through August 2017, at 109.7% of entitlement deliveries. He reported that the final year-end delivery for 2016/17 was 100.2%. Water quality goals have been met, and he reported on desalter production, brine line discharge, and scheduled and unscheduled production interruptions.
Director Anderson/JCSD questioned whether deliveries can accommodate a potentially warm winter, to which Operations Manager Minten replied that deliveries can be modified as needed, with the goal of achieving 100% of delivery goals at the end of the fiscal year. There were no further questions or comments.

Staff Comments:

(i) CDA Deputy General Counsel Allison Burns had no comments.

(ii) CDA CFO/Treasurer, Michael Chung was not present. Principal Accountant Garcia had no comments.

(iii) CDA General Manager/CEO, Curtis Paxton had no comments.

CLOSED SESSION

The Authority may adjourn to a Closed Session to consider litigation matters, personnel matters, or other matters as provided for in the Ralph M. Brown Act (Section 54950 et seq., of the Government Code).

11. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(2)

   (ONE POTENTIAL CASE)

12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(4)

   (ONE POTENTIAL CASE)

13. CONFERENCE WITH LEGAL COUNSEL – GOVERNMENT CODE SECTION 54956.9(D)(1) EXISTING LITIGATION: VIDO ARTUKOVICH AND SON V. CHINO BASIN DESALTER AUTHORITY, SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVDS1621162

   The Board recessed into Closed Session at 6:30 p.m. and reconvened at 6:48 p.m.

   Deputy General Counsel Burns reported that the Board gave direction to staff and legal counsel. There was no reportable action.

DIRECTOR COMMENTS

There were no comments.

ADJOURNMENT – There being no further business to come before the Board, the meeting was adjourned at 6:52 p.m.
Board of Directors Meeting

Agenda Item

No. 2
SUBJECT: UTILITY AGREEMENT FOR INTERSTATE 15/LIMONITE AVENUE INTERCHANGE BRIDGE CROSSING POTABLE WATERLINES

RECOMMENDATION:

Staff recommends that the Board:

1. Approve a Utility Agreement between Chino Basin Desalter Authority (CDA) and the County of Riverside (County); and

2. Authorize the General Manager/CEO to finalize and execute the Agreement.

BACKGROUND:

The County, in coordination with CalTrans (State) and the Cities of Jurupa Valley and Eastvale, is currently nearing design completion to modify the existing I-15/Limonite Avenue Interchange. As indicated in the attached graphic, the project intent is to modify the entrance and exit ramps to I-15 in a “full-diamond design” to alleviate the significant traffic congestion now encountered. In addition to on/off ramp modifications, a new bridge overcrossing will be constructed.

As part of forward planning, JCSD (on behalf of CDA) contracted with the County’s Consulting Design Engineer, Dokken Engineering, to provide plans, specifications and cost estimates to install one 18-inch potable waterline through the new interchange bridge to provide backup to the existing 30-inch water line jointly owned by CDA and JCSD. Dokken Engineering prepared plans, specifications and cost estimates to install one 18-inch potable waterline for CDA as well as two 18-inch potable waterlines for JCSD future use through the new interchange bridge. The plans have been incorporated into the County’s construction documents for overall management by the County during construction.

Under Section 3 of Senate Bill 132 (SB132), Item 2660-110-0042, which was added to Section 2.00 of the Budget Act of 2016, the I-15/Limonite Avenue Interchange Project was allocated $48M for construction. The deadline associated with this funding requires the County to begin advertisement for competitive bids no later than January 2018. As such, project timelines have been accelerated to accommodate funding milestones; all design work is to be completed by November 2017.

The Utility Agreement was prepared by the County and reviewed by CDA legal counsel. The Utility Agreement between CDA and the County specifies CDA’s financial obligations related to reimbursement of the material/installation cost of the waterlines. This Utility Agreement must be executed by both parties prior to bidding so the financial commitment (estimated construction cost of $180,000) will be in place before construction begins; the current goal of the County is to secure the executed Agreement by mid-December 2017.
IMPACT ON BUDGET:
The 2017/18 CDA Capital Budget includes $204,272 for this work.

ATTACHMENTS:
1) Utility Agreement between CDA and County of Riverside
Cooperative Agreement for the Construction of
Chino Basin Desalter Authority Facilities
As Part of the Interstate 15 and Limonite Avenue
Interchange Improvement Project
Eastvale/Jurupa Valley Area

This Cooperative Agreement (“Agreement”) is made and entered into this_______
day of __________, 2017, by and between Chino Basin Desalter Authority, a joint
powers authority (hereinafter referred to as “CDA”), and the County of Riverside,
a political subdivision of the State of California (hereinafter referred to as the
“County”).

RECITALS

WHEREAS, the County, acting as lead agency, is in the process of preparing
public bid documents to construct road and bridge improvements at the Interstate
15 and Limonite Avenue interchange, within the cities of Eastvale and Jurupa
Valley within Riverside County, California (hereinafter “Project”) and;

WHEREAS, CDA desires for County to include the construction of an 18 inch water
pipeline to be owned by the CDA, as outlined on the Project documents in the
construction contract for Project at the expense of CDA, and;

WHEREAS, the purpose of this Agreement and the Exhibits attached hereto and
by this reference incorporated herein, is to set forth the financial and other
arrangements between County and CDA for the construction of CDA's facilities.

NOW THEREFORE, in consideration of the above recited premises, together with
the mutual covenants herein contained and attached hereto, it is agreed that:

AGREEMENT

1. DESCRIPTION OF WORK

County’s invitation to bid and bidding documents for the Project will include
and provide for the construction of an 18 inch potable water pipeline for the
CDA, 24 inch welded steel pipe casings, and the installation of a 2 inch
combination air releases and air/vacuum valve, (hereinafter “The Work” and
“CDA's Facilities”), located within County’s project area as shown on the
project improvement plans, on file with the County and described in Exhibit
“A-1”, Exhibit “A-2”, and Exhibit “B” attached hereto and by this reference
incorporated herein.

2. FINANCIAL PARTICIPATION

The total estimated bid cost for the construction of the CDA Facilities is
$180,000 including a 20% contingency, as described in the Preliminary Cost
Estimate as Exhibit “B”, attached hereto and by this reference incorporated
herein. It is mutually understood that this estimate does not include costs for construction inspection by CDA’s inspector, or incidental costs, which shall be borne by CDA.

In the event that changes pursuant to Section 5 of this Agreement affecting The Work made during construction require additional work to be performed, that additional work shall be financed by CDA.

The Work, which CDA has requested to be included in County’s construction contract as described in Exhibit “A-1”, Exhibit “A-2”, and Exhibit “B” will be constructed at the sole expense of CDA, including contract administration expenses, as enumerated in Section 6, below.

CDA shall deposit with the County the amount of one hundred percent (100%) of the CDA Construction Cost enumerated in Exhibit “B”, not later than 30 days after CDA’s receipt of County’s invoice.

Upon completion of all The Work, County shall calculate all final costs incurred to the project for the construction of The Work, and shall submit to CDA a final statement of costs, which statement shall clearly set forth the total amount of funds paid or deposited by CDA, and the total sum remaining due from CDA, if any. Any sum remaining unpaid shall be paid by CDA within sixty (60) calendar days from the date of submission of final invoice statement by County. Any amounts due to CDA shall be paid by County within sixty (60) calendar days from date of the final invoice statement.

County and CDA agree that designated staff of County and CDA are authorized to execute and append the bid cost and provide in the Revised Cost Estimate, as Exhibit “C” to each duplicate original Agreement, which Exhibit “C” shall replace Exhibit “B” from and after the date on which Exhibit “C” is appended hereto by mutual written agreement of County and CDA. Exhibit “C” shall be comprised of the actual bid prices received by County, plus contingency, survey and administrative costs as described in Section 6, below.

If the total project costs under Exhibit “C” exceed the Total Estimated Cost, as shown on Exhibit “B”, by an amount greater than 25%, an amendment to this Agreement shall be negotiated and executed by CDA and County.

3. CONSTRUCTION PLANS AND SPECIFICATIONS
CDA has caused the preparation of detailed construction plans, specifications and cost estimate for The Work, which have been reviewed and approved by both County and CDA. County shall utilize said engineering documents for the construction of The Work.

4. CONSTRUCTION BIDS AND AWARD OF CONTRACT
CDA has elected to have CDA’s Facilities constructed by the County’s contractor. The construction bid package has identified CDA’s Facilities as separate bid items. Upon receipt of the bids and determination of the lowest responsive, responsible bid, County shall notify CDA of its identified portion of the construction costs and request CDA to provide written authorization to County to award the contract to include construction of CDA’s Facilities. CDA shall notify County of its decision no later than ten (10) days after CDA’s receipt of bid selection from County. If CDA informs County in writing that it does not approve award of The Work, then CDA agrees to do The Work with its own or contract forces so as to not delay construction schedule of County.

5. **CONSTRUCTION AND INSPECTION RESPONSIBILITIES**

All CDA Facilities furnished, constructed and installed by County’s contractor shall be installed in compliance with CDA’s plans and specifications. All materials furnished by County’s Contractor shall conform to CDA’s approved material list. Any and all deviations from said plans and specifications shall be approved by CDA, in writing, prior to being made. Change orders involving CDA Facilities will not be implemented by the County without CDA’s prior written approval which shall not be unreasonably delayed, conditioned or withheld. However, CDA agrees that County’s Engineer, who is the County’s on-site construction manager, may order the Change Order or additional work, in advance of receipt of written authorization from CDA, if the County Engineer determines that additional work is urgently needed for the protection of life or property or to avoid loss of productivity that is likely to result in a right-of-way delay claim to either County or CDA. County’s Engineer shall request verbal approval prior to ordering such urgently needed change or additional work, and CDA shall exercise best efforts to respond to such request for approval for change or additional work as quickly as reasonably possible. District shall be responsible for delay claims asserted by the Contractor resulting from District’s failure to respond timely (within two weeks) to any request for approval of a Change Order or additional work.

County’s Engineer shall notify CDA in writing immediately, within 8 hours, after ordering urgently needed change or additional work affecting CDA’s Facilities.

CDA shall be responsible to inspect the furnishing and installation of all CDA Facilities and the performance of the involved work by County’s Contractor for compliance with the approved construction plans and specifications. Said inspection shall be made through and in coordination with the County’s Engineer. CDA’s inspection personnel shall have the authority, through the County’s Engineer, to enforce CDA’s construction plans and specifications for the involved facilities, which CDA shall include the authority to require that any and all unacceptable materials, workmanship and/or installation be replaced, repaired or corrected by County’s contractor without cost to CDA. It is mutually understood, however, that the construction contract is between County and its Contractor, and that communication and cooperation must be maintained between County’s Engineer and CDA’s Inspector. County will not
provide inspection to CDA’s Facilities except as it may affect construction of Project.

All inspection costs incurred by CDA will be solely financed by CDA in accordance with Section 2 above, Exhibit “B”, and the additional provisions of this Agreement. Contract administration costs attributable to CDA’s Facilities shall be borne in accordance with Section 2, and shall be a fixed amount of 5% of the estimated construction costs as specified on Exhibit “B”. Administrative costs shall include costs for coordination, insertion of CDA’s plans and specifications in County bid documents, bidding, preparation of contracts, administration of contract, and other tasks associated with the administration of The Work.

Survey costs attributable to CDA’s Facilities shall be the responsibility of CDA, and shall be a fixed amount of 5% of the estimated CDA Construction Cost as shown on Exhibit “B”.

County and CDA agree that CDA shall pay $9,000 for Administrative Costs and $9,000 for Survey Costs, and that an accounting of actual costs for these services would be burdensome.

6. RECIPROCAL INDEMNIFICATION

COUNTY shall indemnify and hold harmless the CDA, its directors, officers, elected and appointed officials, employees, agents and representatives from any liability, claim, damage or action whatsoever, based or asserted upon any act or omission of COUNTY, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death. COUNTY shall defend, at its sole cost and expense, including but not limited to attorney fees, cost of investigation, defense and settlements or awards, the CDA, its directors, officers, elected and appointed officials, employees, agents and representatives in any such action or claim relating to this Agreement. With respect to any action or claim subject to indemnification herein by COUNTY, COUNTY shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of CDA; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes COUNTY’s indemnification of CDA. COUNTY’s obligations hereunder shall be satisfied when COUNTY has provided to CDA the appropriate form of dismissal (or similar document) relieving CDA from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe COUNTY’s obligations to indemnify and hold harmless CDA.

CDA shall indemnify and hold harmless the County of Riverside, its Agencies, CDAs, Special CDAs and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability, claim, damage or action whatsoever, based or asserted upon any act or omission of CDA, its officers, employees,
subcontractors, agents or representatives arising out of or in any way relating
to this Agreement, including but not limited to property damage, bodily injury,
or death. CDA shall defend, at its sole cost and expense, including but not
limited to attorney fees, cost of investigation, defense and settlements or
awards, the County of Riverside, its Agencies, CDAs, Special CDAs and
Departments, their respective directors, officers, Board of Supervisors,
elected and appointed officials, employees, agents and representatives in
any such action or claim relating to this Agreement. With respect to any
action or claim subject to indemnification herein by CDA, CDA shall, at its
sole cost, have the right to use counsel of its own choice and shall have the
right to adjust, settle, or compromise any such action or claim without the prior
consent of COUNTY; provided, however, that any such adjustment,
settlement or compromise in no manner whatsoever limits or circumscribes
CDA’s indemnification of COUNTY. CDA’S obligations hereunder shall be
satisfied when CDA has provided to COUNTY the appropriate form of
dismissal (or similar document) relieving the COUNTY from any liability for
the action or claim involved. The specified insurance limits required in this
Agreement shall in no way limit or circumscribe DISTRICT’s obligations to
indemnify and hold harmless the COUNTY.

7. COUNTY TO PROVIDE INSURANCE

For the period during which County or its contractor(s) controls the job site,
County will provide, or cause to be provided, for the entire period of
construction, a policy of worker’s compensation insurance and
comprehensive general liability insurance or self-insurance with coverage
broad enough to include the contractual obligation it may have under the
construction contract and having a combined single limit of liability in the
amount of $2,000,000 covering CDA’s officers, employees and agents as
additional insureds.

8. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding on each of the
parties and their successors and assigns.

9. NOTICES

Any notice required to be sent pursuant to this Agreement shall be sent by U.
S. mail, 1st Class postage prepaid and addressed as follows:

COUNTY OF RIVERSIDE
Transportation Department
P.O. Box 1090
Riverside, CA 92502
Attn: Patricia Romo, Director

CHINO BASIN DESALTER AUTHORITY (CDA)
2151 South Haven Avenue, Suite 202
Ontario, California 91761  
Attn: Curtis D. Paxton, General Manager  

Notice shall be deemed given 3 days after deposit is in the mail.

10. **EFFECTIVE DATE**

This Agreement shall become effective upon acceptance hereof by the County and CDA and by execution by their respective authorized representatives.

11. **GENERAL**

This Agreement contains the entire Agreement between the parties with respect to the matters herein provided and may only be amended by a subsequent written Agreement executed by all parties. This Agreement may be executed in counterparts, each of which shall be deemed an original but which together shall constitute a single Agreement. No waiver of any term or condition of this Agreement shall be a continuing waiver thereof.
IN WITNESS WHEREOF, the parties below have caused this Agreement to be executed.

**COUNTY APPROVALS**

RECOMMENDED FOR APPROVAL:

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<th>Director of Transportation</th>
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APPROVED AS TO FORM:

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<th>County Counsel</th>
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**COUNTY OF RIVERSIDE**

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**CHINO BASIN DESALTER AUTHORITY**

ATTEST:

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**CHINO BASIN DESALTER AUTHORITY**

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<tr>
<th>By:</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>_____________________________</td>
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<td>Dated : _____________________</td>
<td>Dated : ___________________</td>
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## DOMESTIC WATER TRANSMISSION MAIN

<table>
<thead>
<tr>
<th>Item</th>
<th>Bid Item No.</th>
<th>Item Description</th>
<th>Unit</th>
<th>Quantity</th>
<th>Price</th>
<th>Amount</th>
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<td>1</td>
<td>024947</td>
<td>SEISMIC EXPANSION ASSEMBLY</td>
<td>EA</td>
<td>2</td>
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<td>$17,000.00</td>
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<td>2</td>
<td>024944</td>
<td>2&quot; COMBINATION AIR RELEASE AND AIR/VACUUM VALVE</td>
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<td>3</td>
<td>703460</td>
<td>24&quot; WELDED STEEL PIPE CASING (BRIDGE)</td>
<td>LF</td>
<td>78</td>
<td>$200.00</td>
<td>$15,600.00</td>
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<tr>
<td>4</td>
<td>703555</td>
<td>18&quot; WELDED STEEL PIPE (0.24&quot; THICK) POTABLE WATER LINE</td>
<td>LF</td>
<td>456</td>
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<td>$91,200.00</td>
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<td>PREMIUM FOR ALL-RISK INSTALLATION FLOATER INSURANCE</td>
<td>LS</td>
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<td>$3,300.00</td>
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<td>Mobilization</td>
<td>LS</td>
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<td>$14,677.78</td>
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</tr>
</tbody>
</table>

**CDA CONSTRUCTION COST**  
$146,777.78

**CONTINGENCIES (20%)**  
$29,355.56

**TOTAL CONSTRUCTION COST (ROUNDED)**  
$180,000.00

**Administrative Costs (fixed) (5%)**  
$9,000.00

**Survey Costs (fixed) (5%)**  
$9,000.00

**TOTAL ESTIMATED COST:**  
$198,000.00

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Note

Agreement totals shall be revised to include only the items of work selected by CDA after opening of bids by County. A revised Exhibit "B" shall be prepared and mutually agreed-upon by signature of staff of all parties, and kept on file with the Clerk of the Board and the CDA Board of Directors.
Board of Directors Meeting

Agenda Item

No. 3
SUBJECT: PHASE 3 EXPANSION PROJECT: PURCHASE OF PLUG VALVES FOR THE CONCENTRATE REDUCTION FACILITY

RECOMMENDATION:
Staff recommends that the Board:

1. Approve a Purchase Order to JPR Systems in the amount of $397,864.72 for the purchase of Plug Valves for the Concentrate Reduction Facility.

BACKGROUND:
Operations staff at the Concentrate Reduction Facility has noted problems with the operation of several stainless steel manual plug valves at various locations within the treatment facility. All of the failing valves have a stainless steel body with Buna-N seat, and were manufactured by VAG/GA Industries, supplied by MISCO, and installed by New England Sheet Metal and Mechanical Co.

Negotiations are currently underway with the Contractor, W.M. Lyles, to replace the valves under warranty. However, the Contractor’s team has indicated that they believe the valve seat material was inappropriately specified and is incompatible with chemicals used at the CRF. Contrarily, operations staff and the design engineer, Carollo, have reviewed this statement and determined that the chemical composition of the water is compatible with the materials specified and that the failures should be covered under warranty. Negotiations to resolve this are ongoing.

An alternative valve with stainless steel body and EPDM seat manufactured by Dezurik is currently installed in various locations within the CRF and is operating without issue. Should negotiations with Lyles for replacement under warranty be unsuccessful, it is proposed to purchase Dezurik valves under this Board approval, to replace the failing valves, with the following number and size valves, purchased at a cost of $397,864.72:

- 14 – 4” valves
- 8 – 8” valves
- 5 – 12” valves

IMPACT ON BUDGET:
The intent is to secure the funding for valve purchase by withholding the amount from the Contractor’s retention.

ATTACHMENTS: Quote from JPR Systems
Chino Desalter
Attn: Steven Ibach
Re: Plug Valves

Steven

Here is a cost for a DeZurik plug valve

DeZURIK Eccentric Plug Valve with Manual Worm Gear Actuator and Handwheel. Customer provided model code: PEC,X,F1,S2,NBR,EPDM,GE*GS-6-HD8 in place of “X” insert valve size

<table>
<thead>
<tr>
<th>QTY</th>
<th>Size</th>
<th>Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>14ea</td>
<td>4”</td>
<td>$4,953.00/ea</td>
<td>$69,342.00</td>
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<tr>
<td>8ea</td>
<td>8”</td>
<td>$13,095.00/ea</td>
<td>$104,706.00</td>
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<tr>
<td>5ea</td>
<td>12”</td>
<td>$39,040.00/ea</td>
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</tbody>
</table>

Shipping: included
Tax 7.75%: $28,616.72
Total: $397,864.72

(14) 4” – 9-11 weeks ARO
(5) 8” – 9-11 weeks ARO
(5) 12” – 17-19 weeks ARO

Please issue PO to JPR Systems

Thank you

John Hamilton
909-660-1022
John.hamilton@jprsystems.com