PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA 95076
TEL: (831) 722-9292 • FAX: (831) 722-3139
info@pvwater.org • https://www.pvwater.org

Board of Directors Meeting
June 26, 2024, 4:30 p.m.

PV Water
36 Brennan St. Conference Room
Watsonville, CA

SPECIAL MEETING AGENDA

Agenda Item

Note: The Board may take action on any item listed on the agenda.

1. **Call to Order**

2. **Roll Call of the PV Water Directors:** Amy Newell (Chair), Bob Culbertson (Vice-Chair), Javier Zamora, Mary Bannister, Tom Broz, Stephen Rider, Abel Sanchez

3. **Pledge of Allegiance**

4. **Oral Communications**
   This time is set aside for members of the general public to address the Board of Directors on any item not on the Agenda, and that is within the subject matter jurisdiction of the Board of Directors. Each speaker is allotted up to 3 minutes. No action or discussion shall be taken on any item presented except that the Board may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters pertaining to the Board may be scheduled for discussion at a future meeting or referred to staff for clarification or a report, at the pleasure of the board.

5. **Discussion and/or Action Items**
   A. Consider Agreement with Montgomery & Associates for Construction Management Services at Blend Well 4 and Domestic Well in an Amount Not to Exceed $166,020
      1. Introduction by staff
      2. Questions from Board
      3. Public comment
      4. Board discussion and deliberation
      5. Board action

6. **Future Meetings**
   A. Administrative/Finance Committee, Tuesday, July 9, 2024, 3:00 p.m., PV Water, 36 Brennan Street, Watsonville
   B. Board of Director's Meeting, Wednesday, July 17,2024, 7:00 p.m., City of Watsonville Council Chambers, 275 Main Street, 4th Floor, Watsonville
   C. Project & Facility Operations Committee, Wednesday, July 31,2024, 3:00 p.m., PV Water, 36 Brennan Street, Watsonville

Adjournment

NOTES

The City Council Chambers is an accessible facility. If you wish to attend a meeting and you will require assistance in order to attend and /or participate, please call the Agency at (831) 722-9292 in advance of the meeting and every effort made to accommodate your attendance and participation.

This agenda is subject to revision and maybe amended prior to the scheduled meeting. If amended, a Final Agenda to be posted at PV WATER, 36 Brennan Street, Watsonville and at the location where meeting will be held, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the Board Meeting. This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1900 (42 U.S.C. Sec. 12132) and the Ralph M. Brown Act (Cal. Govt. Code Sec. 54954.2). Persons requesting a disability-related modification or accommodation should contact PV WATER at (831) 722-9292 during regular business hours at least 24 hours prior to the time of the meeting.

Agenda documents are available for review, on the Monday following posting of the agenda, in person at PV Water, 36 Brennan St. Watsonville, or on the website: http://www.pvwater.org/board-and-committees/director-agendas.php

Translation Services/Servicios De Traduccion

Spanish language translation is available on an as needed basis. Please make advance arrangements with the PV Water Board Secretary, 36 Brennan St. Watsonville, CA or by telephone (831) 722-9292.
Se proven servicios de interpretacion segun se necesiten. Sirvase contactar a la secretaria de Directiva de la Agencia para hacer preparativos.

Board of Directors Meeting

You can attend the meeting from your computer, tablet or smartphone (may require app).
By Computer:
https://www.gotomeet.me/PVWater/board-of-directors
By Phone:
United States (Toll Free): 1 (877) 309-2073 Access Code: 347-473-301#
Please Note: Meeting materials are posted at: https://www.pvwater.org/director-agendas

MEMORANDUM

DATE: June 21, 2024
MEETING OF: June 26, 2024
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION/ACTION ITEM 5A:** Consider Agreement with Montgomery & Associates for Construction Management Services at Blend Well 4 and Domestic Well in an Amount Not to Exceed $166,020

BACKGROUND

PV Water is constructing the College Lake Integrated Resources Management Project (College Lake Project or Project), a critical water supply project recommended for implementation by the Ad Hoc Basin Management Plan Committee as documented in the 2014 Basin Management Plan Update. Two new wells will be constructed as part of this project, a new high capacity "blend well" (BW4) and a smaller, lower capacity well. BW4 will be used to augment the delivered water supply, particularly during times when the College Lake Project is not operational (due to environmental permit conditions), while the smaller well will be used to provide water to the water treatment facilities and to the field office.

DISCUSSION

PV Water retained Tanner Pacific, Inc. (TPI) to serve as construction manager for the College Lake Project following a competitive process, however, given the specialty of well drilling and development, staff recommend entering into an agreement with a Montgomery & Associates (M&A), who will provide a team of hydrogeologists and geologists that will work in coordination with TPI to manage the construction of the two wells. Staff recommend M&A's team for this work due to the depth of experience of key team members and their familiarity with the staff at Maggiora Bros. Drilling, the sub-contractor tasked with drilling and developing the two new wells.

The proposal from M&A consists of four primary tasks each of which is described in detail in the attached scope of services:

- Task 1 – Project Management
- Task 2 – Construction Management of Blend Well No. 4
- Task 3 – Construction Management of Domestic Well
- Task 4 – Reporting

FISCAL IMPACT

The agreement is not to exceed $166,020.

STAFF RECOMMENDATION

The Board approve the agreement with Montgomery & Associates, in substantially the same form as the version attached, for construction management services at Blend Well 4 and Domestic Well in an amount not to exceed $166,020, and direct staff to engage their services. The Administration and Finance Committee reviewed the agreement during its meeting on June 11 and voted in favor of recommending the Board approve the agreement.

ATTACHMENTS: Agreement with Montgomery & Associates

PAJARO VALLEY WATER MANAGEMENT AGENCY ("PV WATER")
36 Brennan Street
Watsonville, CA 95076
Tel (831) 722-9292 Fax (831) 722-3139

CONSULTANT AGREEMENT

To:	**Montgomery & Associates**	**Date**:	**June 4, 2024**
	1970 Broadway, Suite 225		
	Oakland, CA 94612		
Tel:	**(510) 903-0458**		
Fax:			

Contract Amount:	**$166,020**	**Start Date:**	**June 1, 2024**	**End Date: December 31, 2024**	

Accepted:	**Pajaro Valley Water Management Agency**	**Consultant:**	**Montgomery & Associates**
		FEIN:	
By:		**By:**	
	Brian Lockwood,		**Hale Barter**
Title	**General Manager**	**Title**	**President**
	Other authorized representative(s):		**Other authorized representative(s):**

CONSULTANT AGREEMENT

This Agreement is entered into and effective this **1st** day of **June 2024**, by and between the **Pajaro Valley Water Management Agency** ("PV Water"), and **Montgomery & Associates** ("Consultant") referred to herein individually as a "Party" and collectively as "the Parties."

WHEREAS, PVWater desires to hire Consultant for **Construction Management at Blend Well No. 4 and Domestic Well** ("Project"); and,

WHEREAS, Consultant represents that it has the expertise, means, and ability to perform said duties as outlined within its proposal dated **May 23, 2024** and received by PV Water (Exhibit A);

NOW, THEREFORE, in consideration of each other's mutual promises, the Parties hereto agree as follows:

1. Term of Agreement. This Agreement shall terminate on **December 31, 2024,** unless terminated sooner pursuant to the terms of this Agreement. The Parties' authorized representatives (defined below) shall have the authority to extend this term by written amendment to this Agreement.

2. Work. Consultant will furnish services as defined and described in the proposal attached hereto as Exhibit A and incorporated herein. All work performed by consultant, or under Consultant's direction, shall be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession. Consultant represents and warrants that Consultant: (i) is fully experienced and properly qualified to perform the class of work and service provided for herein, (ii) has the financial capability required for the performance of the work and services, and (iii) is properly equipped and organized to perform the work and services in a competent, timely, and proper manner, in accordance with the requirements of this Agreement.

   2.1 Change in Work. Any change in the scope of the professional services to be done, method of performance, nature of materials or price thereof, or to any other matter materially affecting the performance or nature of the professional services will not be paid for or accepted unless such change, addition or deletion be approved in advance, in writing by a supplemental agreement by the Parties. PV Water may order changes in the scope or character of services in writing, including decreasing the amount of Consultant's services described herein. If the work is decreased, Consultant is entitled to full compensation for services performed and expenses incurred prior to the receipt of notice of change pursuant to Section 4 of this Agreement.

3. Authorized Representatives. The authorized representatives shall be individuals with the necessary authority to direct technical and professional work within the scope of this Agreement and shall serve as the principal point of contact for the Project for each respective party.

3.1 PV Water. PV Water designates the following individual(s) as PV Water's authorized representative(s): _____. Only PV Water's authorized representative(s) is authorized to approve changes to this Agreement on behalf of PV Water.

3.2 Consultant. Consultant designates the following individual(s) as Consultant's authorized representative(s): _____. Only the Consultant's authorized representative(s) is authorized to approve changes to this Agreement on behalf of consultant.

4. Compensation. PV Water will pay Consultant, as full compensation for full performance of the services described in this Agreement, a fee not to exceed **One Hundred Sixty Six Thousand and Twenty Dollars ($166,020**). The fee for services will be based on the Fee Schedule included in Exhibit A of this Agreement.

4.1 Method of Payment. Consultant shall prepare and submit to PV Water detailed monthly invoices for fees and costs incurred in the performance of the services hereunder during the previous billing period. The invoice shall describe the services rendered and shall be based on all labor and direct expense charges made for work performed hereunder. Labor charges shall be in accordance with the Fee Schedule found in Exhibit A of this Agreement. PV Water shall pay the amount of each itemized invoice within thirty (30) days after the receipt of the invoice, subject to a finding by PV Water that work performed has been satisfactory and that payment is for the work specified in Exhibit A and does not exceed the maximum amount specified above.

4.2 Direct Expenses. Direct expenses are those outside costs and rates identified in Exhibit A incurred directly for the work performed and substantiated with invoices for the charges. Consultant will not be reimbursed for any costs or expenses at any rates that exceed the rates set forth in the Fee Schedule found in Exhibit A. If Consultant must incur other costs which are not specifically covered by the terms of this Agreement, but which are necessary for the performance of Consultant's duties, PVWater may approve payment for said costs if authorized in writing by PVWater in advance.

5. Independent Contractor. Consultant represents that it has or will secure at its own expense all personnel, materials, and related services required to perform the services under this Agreement. Consultant (and its employees, agents, representatives, and subconsultant(s)), in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of PV Water. Consultant, not PV Water, shall have exclusive and complete control over its employees and subcontractors, and shall determine the method of performing the services hereunder. PV Water, however, retains the right to require that work performed by consultant meet specific standards consistent with the requirements of this Agreement without regard to the manner and means of accomplishment thereof.

6. Conflict of Interest. Consultant owes PV Water a duty of undivided loyalty in performing

the work and services under this Agreement. Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement and agrees to indemnify, defend (with counsel approved by PV Water), and hold harmless PV Water, its directors, officers, employees and agents from and against any and all claims, demands, causes of action, damages, or expenses, (including attorney's fees and costs) arising from any alleged conflict of interest of Consultant in performance of such services. Consultant acknowledges that it is aware of and agrees to comply with the provisions of the Political Reform Act, Section 1090 of the Government Code, and the PV Water conflict of interest code. Consultant will immediately advise Agency counsel if Consultant learns of a conflicting financial interest of Consultant's during the term of this Agreement.

7. Indemnification.

For General Services: To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless PV Water, its directors, officers and employees from and against any and all claims, demands, actions, damages, or expenses, (including attorney's fees and costs) arising from the acts or omissions of Consultant's employees or agents in any way related to the obligations or in the performance of services under this Agreement, except for design professional services as set forth in Civil Code § 2782.8, and except where caused by the sole or active negligence, or willful misconduct of PV Water.

For Design Professional Services under Civil Code §2782.8:
To the fullest extent permitted by law, Consultant agrees to indemnify, defend, and hold harmless PV Water, its directors, officers and employees from and against any and all claims, demands, actions, damages, or expenses, (including attorney's fees and costs) arising from the negligence, recklessness, or willful misconduct of the Consultant, Consultant's employees or agents in any way related to the obligations or in the performance of design professional services under this Agreement as set forth in Civil Code, except where caused by the sole or active negligence, or willful misconduct of PV Water. The costs to defend charged to the Consultant relating to design professional services shall not exceed the Consultant's proportionate percentage of fault per Civil Code §2782.8.

8. Insurance. Consultant agrees to procure and maintain the insurance coverages and limits as required by PV Water prior to the commencement of work, as specified in Exhibit "B".

9. Sub-consultants. Except as provided in Exhibit A of this Agreement, and otherwise with prior written approval of PV Water, Consultant shall not enter into any subcontract with any other party for the purposes of providing any work or services covered by this Agreement. If Consultant employs sub-consultants, sub-contractors, sub-tier contractors, or any person or entity involved by, for, with, or on behalf of consultant in the performance or subject matter of this Agreement ("sub-consultant"), it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above. Consultant shall require all sub-consultants to provide a valid certificate of insurance and the required endorsements included in the Agreement prior to commencing any work and will

provide proof of compliance to PV Water. Sub-consultants are to be bound to consultant and to PV Water in the same manner and to the same extent as the Consultant is bound to PV Water under this Agreement. Consultant shall be responsible to PV Water for the performance of any and all sub-consultants who perform work under this Agreement and any acts of negligence on their part. The consultant is solely responsible for all payments due to sub-consultants.

10. Compliance with Laws. All activities of consultant will be carried out in compliance with all applicable federal, state and local laws.

11. Permits. Permits required by governmental authorities will be obtained at Consultant's expense, and Consultant will comply with local, state, and federal regulations and statutes including Cal/OSHA requirements.

12. Safety. Consultant shall execute and maintain its work to avoid injury or damage to any person or property. In carrying out its work, Consultant shall at all times, exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all federal, state and local statutory and regulatory requirements including State of California, Division of Industrial Safety (Cal/OSHA) regulations, and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act (as applicable). Safety precautions as applicable shall include instructions in accident prevention for all employees such as safe walkways, scaffolds, fall protection, ladders, bridges, gang planks, confined space procedures, trenching & shoring, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries.

13. Equal Employment Opportunity. Consultant agrees to refrain from discriminatory employment practices based on age, race, religious creed, color, sex, national origin, handicap, sexual orientation, disability, ancestry, or other protected characteristics of any employee of, or applicant for employment with, such Consultant.

14. Ownership of Documents and Materials. All original documents, explanations of methods, maps, drawings, tables, reports, models, and other materials and work product (whether in printed or electronic format) prepared or gathered by or on behalf of Consultant under this Agreement that are in Consultant's possession, custody or control and equipment purchased specifically for the Project shall become the exclusive property of PV Water and may be used on this Project without the consent of the Consultant or its sub-consultants. Any software program purchased by consultant to be used in the performance of this Agreement shall be transferred to PV Water to the extent allowed by the software license under which the program was purchased. All such materials, whether finished or unfinished shall, at PV Water's request, be delivered to PV Water upon completion of contract services or termination of this Agreement for any reason. Consultant agrees that all copyrights which arise from creation of Project-related documents and materials pursuant to this Agreement shall be vested in PVWater and waives and relinquishes all claims to copyright or other intellectual property rights in favor of PV Water.

15. Inspection. Authorized representatives of PV Water shall have access to consultant offices or

other work location during normal business hours for the purpose of review and inspection of work activities undertaken pursuant to this Agreement. The consultant shall maintain books and accounts of the recoverable costs in accordance with generally accepted accounting principles and practices. PV Water shall have access to these books and accounts during consultant normal business hours for the duration of this Agreement, and for a period of three (3) years after the completion of the services to which the costs relate to the extent required to verify the direct costs (excluding established or standard allowances and rates) incurred pursuant to this Agreement.

16. Termination. PV Water may terminate this Agreement at any time, with or without cause, in its sole discretion, by giving written notice to consultant at least thirty days (30) prior to such termination. Upon receipt of written notice from PVWater that this Agreement is terminated, Consultant will submit an invoice for an amount that represents the value of services performed to the date of said notice for which Consultant has not previously been compensated. In the event of termination without cause, PV Water will pay to Consultant all recoverable costs incurred in the performance of such services in accordance with Section 4 of this Agreement, plus all reasonable costs incurred as a result of such termination, but in no event will PV Water pay termination costs exceeding Five Thousand Dollars ($5,000.00) and PV Water will have no further obligation to Consultant, monetarily or otherwise. In the event termination is for cause, Consultant need be compensated only to the extent required by law.

17. Dispute Resolution. The Parties desire to avoid the cost and delay of litigation. To that end, the parties will attempt in good faith to resolve through negotiation any dispute, claim or controversy arising out of or relating to this Agreement. Either party may initiate negotiations by providing written notice in letter form to the other party, setting forth the subject of the dispute and the relief requested. Promptly upon such notification, the Parties shall meet at a mutually agreeable time and place to exchange relevant information and perspective, and to attempt to resolve the dispute. If no resolution is achieved, and if, but only if, the parties mutually agree, then prior to pursuing formal legal action, the parties shall make a good faith effort to resolve the dispute by non-binding mediation or negotiations between representatives with decision-making power, who, to the extent possible, shall not have had substantive involvement in the matters of the dispute. If the dispute is not resolved by these negotiations, the matter will be handled as the parties may agree or, otherwise as allowed by applicable law. Notwithstanding the foregoing provisions, nothing contained in this Agreement shall impair the parties' right to immediately pursue any and all legal remedies which may be available should there be a default in the terms of this Agreement, and a failure to cure said default after notice as required under this Agreement. If required by statute (e.g. applicable statute of limitation) to perfect or preserve a claim, either party may file the required notice of claim and/or commence litigation. To the extent that the Project involves or qualifies as a public works project, the Parties agree to comply with Public Contract Code section 9204(e).

18. Legal Remedies. Either Party shall be entitled to all remedies afforded by law or in equity to enforce their respective rights under this Agreement. No right or remedy in this Agreement are intended to be exclusive of any other right or remedy, but every such right or remedy shall be cumulative and shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law, in equity or in the Agreement.

19. Right to Acquire Work from Others. Nothing in this Agreement shall prohibit PV Water from acquiring the same type or equivalent type of work or services under this Agreement from other sources.

20. Assignment and Successors. Consultant shall not assign any portion of the work required by this Agreement nor otherwise assign or transfer any interests in it without prior written approval of PV Water, which may be withheld or delayed in PV Water's sole and absolute discretion. This Agreement will be binding on the heirs, legal representatives, successors and assigns of the parties named above.

21. Severability. If any court of competent jurisdiction should rule that any provision of this Agreement is void, invalid or unenforceable, the remaining provisions will remain in full force and effect and will not be affected by said ruling.

22. Amendment. Except as otherwise provided in this Agreement, neither this Agreement nor any provision hereof may be waived, modified, amended, or discharged, or terminated except by an instrument in writing signed by the Parties, and then only to the extent set forth in such writing.

23. Force Majeure. Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation, except the payment of money, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of the affected party, or by a strike, lockout or other labor difficulty, the settlement of which shall be within the sole discretion of the party involved. Each party hereto shall give notice promptly to the other of the nature and extent of any Force Majeure claimed to delay, hinder or prevent performance of the services under this Agreement. In the event either party is prevented or delayed in the performance of its respective obligation by reason of such Force Majeure, there may be an equitable adjustment of the schedule and Consultant compensation.

24. Governing Law and Venue. This Agreement shall be governed and construed in accordance with the laws of the State of California. The Parties hereby agree that: (a) if any action is brought for the purpose of enforcing any provision of this Agreement, including without limitation instituting any action or proceeding to enforce any provision of this Agreement, for damages by reason of any alleged breach of any provision of this Agreement, or a declaration of rights or obligations under this Agreement, or for any other judicial remedy, then such action shall be brought only in the appropriate state or federal court located in Santa Cruz County, California; and (b) a final judgment in any such action or proceeding shall be conclusive and may be enforced in any other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this section shall affect or impair any Party's right to serve legal process in any manner permitted by law.

25. Notices. Any notice, approval, consent, waiver or other communication required or permitted to be given or to be served upon either Party in connection with this Agreement shall be in writing. Such notice shall be personally served or sent prepaid by registered or

certified mail with return receipt requested, or sent by reputable overnight delivery service, such as Federal Express, and shall be deemed given: (a) if personally served, when delivered to the Party to whom such notice is addressed; (b) if given by prepaid or certified mail with return receipt requested, on the date of execution of the return receipt; or (c) if sent by reputable overnight delivery service, such as Federal Express, when received. Such notices shall be addressed to the Party to whom such notice is to be given at the Party's address set forth below or as such party shall otherwise direct in writing to the other Party delivered or sent in accordance with this Section.

If to PVWater: **Pajaro Valley Water Management Agency**
Attention: Brian Lockwood, General Manager
36 Brennan Street
Watsonville, CA 95076
Telephone: (831) 722-9292

If to Consultant: **Montgomery & Associates**
Attn: Hale Barter, President
1970 Broadway, Suite 225
Oakland, CA 94612
(510) 903-0458

26. Cumulative Rights; Waiver. The rights created under this Agreement or by law or equity, shall be cumulative and may be exercised at any time and from time to time. No failure by either Party to exercise, and no delay in exercising any rights, shall be construed, or deemed to be a waiver thereof, nor shall any single or partial exercise by either Party preclude any other or future exercise thereof or the exercise of any other right. Any waiver of any provision or of any breach of any provision of this Agreement must be in writing, and any waiver by either Party of any breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of that provision or of any breach of any other provision of this Agreement. The failure of either Party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be considered or construed or deemed a waiver of any provision or any breach of any provision of this Agreement or deprive that Party of the right thereafter to insist upon strict adherence to that term or provision or any other term or provision of this Agreement. No delay or omission on the part of either Party in exercising any right under this Agreement shall operate as a waiver of any such right or any other right under this Agreement.

27. Interpretation. This Agreement constitutes a fully negotiated agreement between commercially sophisticated Parties, each assisted by legal counsel, and the terms of this Agreement shall not be construed or interpreted for or against either party hereto because that Party or its legal representative drafted or prepared such provision.

28. Severability. If any provision of this Agreement is invalid, illegal, or unenforceable, such provision shall be deemed to be served or deleted from this Agreement and the balance of this Agreement shall remain in full force and effect notwithstanding such invalidity, illegality or unenforceability.

29. Counterparts. This Agreement may be executed in counterparts, which, together, shall constitute one and the same instrument. Electronic, facsimile and scanned pdf signatures and copies of this Agreement shall be accepted as originals.

30. Time. Time is of the essence for each provision of this Agreement.

31. Further Assurances. The Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required to carry out the provisions of this Agreement and the intentions of the Parties.

32. Good Faith and Fair Dealing. The Parties hereto acknowledge and agree that the performances required by the provisions of this Agreement shall be undertaken in good faith, and with both parties dealing fairly with each other.

33. No Third Party Beneficiaries. This Agreement does not create, and shall not be construed to create any rights enforceable by any person, partnership, corporation, joint venture, Limited Liability Company or other form of organization or association of any kind that is not a party to this Agreement.

34. Entire Agreement. This Agreement, together with Exhibits and/or attachments and any agreements provided for herein, constitute the entire understanding between the Parties with respect to the matters set forth herein, and they supersede all prior or contemporaneous understandings or agreements between the Parties with respect to the subject matter hereof, whether oral or written.

35. Representations of Authority. The execution, delivery and performance of this Agreement by the Consultant and PV Water have been duly and validly authorized.

36. Standard of Care. Consultant shall perform the services required hereunder in accordance with the prevailing standard of care by exercising the skill and ability ordinarily required of consultants performing the same or similar services, under the same or similar circumstances, in the State of California.

37. PV Water-Provided Information and Services. PV Water shall furnish Consultant available studies, reports and other data pertinent to Consultant's services; obtain or authorize Consultant to obtain or provide additional reports and data as required; furnish to Consultant services of others required for the performance of Consultant's services hereunder, and Consultant shall be entitled to use and rely upon all such information and services provided by PV Water or others in performing Consultant's services under this Agreement. Consultant agrees to maintain the confidentiality of the

information provided and not disclose to any third party, except as necessary to perform Consultant's services under this Agreement.

38. Estimates and Projections. Consultant has no control over the cost of labor, materials, equipment or services furnished by others, over the incoming water quality and/or quantity, or over the way PV Water's plant(s) and/or associated processes are operated and/or maintained. Data projections and estimates are based on Consultant's opinion based on experience and judgment. Consultant cannot and does not guarantee that actual costs and/or quantities realized will not vary from the data projections and estimates prepared by Consultant and Consultant will not be liable to and/or indemnify PV Water and/or any third party related to any inconsistencies between Consultant's data projections and estimates and actual costs and/or quantities realized by PV Water and/or any third party in the future.

39. Prevailing Wages for Public Work. To the extent that the work or services to be performed under this Agreement may be considered a "public work" (construction, alteration, demolition, or repair work) pursuant and subject to Labor Code section 1720 et seq., Consultant (and any subconsultant performing the work or services) shall conform to any and all prevailing wage requirements applicable to such work/and or services under this Agreement. Consultant (and any subconsultant) shall adhere to the prevailing wage determinations made by the Director of Industrial Relations (DIR) pursuant to California Labor Code Part 7, Chapter 1, Article 2, applicable to the work, if any. All workers employed in the execution of a public works contract (as such term is defined California Labor Code section 1720 et seq. and section 1782(d)(1)) must be paid not less than the specified prevailing wage rates for the type of work performed. (CA Labor Code sections 1720, 1774 and 1782.)

To the extent applicable to the scope of work and services under this Agreement, Consultant agrees to be bound by the state prevailing wage requirements, including, but not limited to, the following:

a. If a worker is paid less than the applicable prevailing wage rate owed for a calendar day (or any portion thereof), Consultant shall pay the worker the difference between the prevailing wage rate and the amount actually paid for each calendar day (or portion thereof) for which the worker(s) was paid less than the prevailing wage rate, as specified in Labor Code section 1775;
b. Consultant shall maintain and make available payroll and worker records in accordance with Labor Code sections 1776 and 1812;

c. If Consultant employs (and/or is legally required to employ) apprentices in performing the work and/or services under this Agreement, Consultant shall ensure compliance with Labor Code section 1777.5;

d. Consultant is aware of the limitations imposed on overtime work by Labor Code sections 1810 et seq. and shall be responsible for any penalties levied in accordance with Labor Code section 1813 for failing to pay required overtime wages;

e. Consultant shall post a copy of the applicable wage rates at each jobsite at a location readily available to its workers.

f. Any failure of Consultant and/or its subconsultant to comply with the above requirements relating to a public work project shall constitute a breach of this Agreement that excuses the PV Water's performance of this Agreement at the PV Water's sole and absolute option and shall be at the sole risk of Consultant. Consultant on behalf of itself and any subconsultant, agree to indemnify, defend and hold harmless the PV Water and its officials, officers, employees, and agents from and against any and all claims, liabilities, losses, costs, expenses, attorney's fees, damages, expenses, fines, financial consequences, interest, and penalties, of any kind or nature, arising from or relating to any failure (or alleged failure) of the Consultant and any subconsultant to pay prevailing wages or to otherwise comply with the requirements of prevailing wage law relating to a public work.

g. Consultant acknowledges that it and/or any subconsultant may not engage in the performance of any contract for public work unless currently registered with the DIR and qualified to perform public work pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above referenced.

PAJARO VALLEY WATER MANAGEMENT AGENCY

By: _____
Brian Lockwood, General Manager

MONTGOMERY & ASSOCIATES

By: _____
Hale Barter, President

:

MONTGOMERY & ASSOCIATES
Water Resource Consultants

Groundwater experts since 1984

May 23, 2024

Mr. Casey Meusel
Associate Hydrologist
Pajaro Valley Water Management Agency
Watsonville, CA

SUBJECT: PROPOSAL FOR CONSTRUCTION MANAGEMENT AT BLEND WELL NO. 4 AND DOMESTIC WELL

Dear Mr. Meusel:

Montgomery & Associates (M&A) is pleased to submit this scope and fee proposal to Pajaro Valley Water Management Agency (Agency) to provide construction management services during construction of the new Blend Well No. 4 and one nearby domestic well, both located in Pajaro, California.

These wells are part of the Agency's College Lake Integrated Resources Management Project (CLIRMP) and will be located at the Water Treatment Plant at 76 Holohan Road. Carollo Engineers completed the design and technical specifications for the Project in January 2023, including preliminary well designs by EKI Consultants. The Agency has contracted with Mountain Cascade to complete the construction, and Mountain Cascade has subcontracted Maggiora Bros. Drilling (MBD) to complete the installation of the wells. Tanner Pacific Inc. (TPI) is functioning as the CLIRMP overall construction manager. The Agency provided a copy of the technical specifications (Volume 2 of 5) to M&A, and a meeting between the parties was held on May 10 to discuss the contents of this proposal. Martin Feeney, an independent consultant, will be retained by the Agency to collaborate with M&A on key aspects of this scope.

The technical specifications refer to 3 distinct entities including "Owner," "Engineer," and "Onsite Technical Representative (OTR)." This proposal assumes OTR refers to M&A's role. M&A will enforce the technical specifications as written by others and will not change the preliminary design(s) or other aspects of the project. However, M&A will provide feedback or recommendations on the design(s) or other project aspects to the Agency for their consideration, where appropriate. Similarly, M&A will not direct MBD's means and methods beyond those identified in the technical specifications unless authorized to do so by the Agency in writing.

Construction of the wells is anticipated to begin in late summer (August or September) subject to completion of unrelated aspects of the project by Mountain Cascade and subject to MBD's availability but may occur sooner.

SCOPE OF WORK

The Scope of Work (SOW) includes construction management during installation of both wells and subsequent reporting. M&A proposes the following tasks to complete this project:

- Task 1 – Project Management
- Task 2 – Construction Management of Blend Well No. 4
- Task 3 – Construction Management of Domestic Well
- Task 4 – Reporting

These tasks are described separately below. M&A anticipates that the wells will not be drilled concurrently and Blend Well No. 4 will be prioritized, if possible, to be completed prior to the Domestic Well.

Bill DeBoer will serve as the Project Manager and Senior Hydrogeologist for the full duration of the project. Junior field staff will provide most of the field observation and will act under the direct oversight of the Senior Hydrogeologist. Field observation costs are based on the Scientist 2 hourly rate, but efforts will be made to use the most cost-efficient, responsible staff level where feasible.

Construction management costs provided herein are estimated based on anticipated durations for each activity. Actual durations are subject to MBD's performance and are not controlled by M&A. As such, actual costs are subject to increase or decrease based on actual durations, or by Agency request for modified observation schedules.

In general, M&A employees will support this project from our Oakland and/or Sacramento offices. Employees will stay locally in hotels during active construction periods to reduce travel costs and will be dedicated to this project when assigned. M&A is not responsible for unplanned delays in site activities due to MBD's performance, equipment, or schedule changes that may result in shortened or cancelled field days. M&A reserves the right to charge the Agency standard 10-hour field days for cancellations or delays with less than 2 business days of notice. M&A will make every reasonable effort to avoid this, and if possible will assign other work to the affected employee.

M&A will provide field presence according to this proposal when the schedule of activities is reasonably known or anticipated based on an industry standard 3-week lookahead schedule. Field presence for unanticipated or unplanned schedule changes with less than 2 business days of notification to M&A may not be immediately possible, may require additional travel expenses, or may require using an employee with a higher billing rate. M&A will make every effort to have a field presence as quickly as possible under these circumstances and will notify the Agency of those efforts so they can determine if site work should be stopped in the interim.

M&A is not responsible for work performed by MBD without M&A field staff's presence when this is due to inadequate notification. M&A is additionally not responsible for stand-by time incurred by MBD when M&A is not present due to inadequate notification.

Task 1: Project Management

M&A will provide administrative and budgetary management duties throughout the duration of the project, including coordination with Agency staff, attendance at project meetings, and budget and schedule management. This task assumes 2 in-person meetings at the site or Agency offices and weekly virtual meetings held via Microsoft Teams.

M&A will be responsible for tracking, cataloging, and approving MBD's submittals, and will provide the Agency with copies of all approved submittals.

Task 2: Construction Management of Blend Well No. 4

M&A will provide construction management for completion of Blend Well No. 4 in accordance with Section 02525A of the technical specifications, including the activities listed below. The list includes an assumed level of observation that is incorporated into our cost estimate.

- Mobilization: Part-time observation to verify project set-up
- Conductor Casing Installation: Full-time observation
- Pilot Borehole Drilling: Part-time observation
- Geophysical Logging: Full-time observation
- Reaming: Part-time observation
- Caliper Survey: Full-time observation
- Well Construction: Full-time observation
- Mechanical and Chemical Development: Full-time observation, excluding rest periods for chemical development
- Test Pump Development: Full-time observation
- Step Test: Full-time observation
- Constant Rate Test: Full-time observation
- Video, Plumbness, and Alignment Surveys: Full-time observation
- Disinfection: Full-time observation

Pilot borehole drilling and reaming activities are assumed to be completed by MBD on a 24-hour basis with part-time observation by M&A. For cost estimating purposes, M&A assumes 10 hours per day to observe log cuttings, monitor progress, to resolve drilling issues as on-call support at night. This can be increased to full-time observation at the request of the Agency.

Costs are not included herein for construction management of non-intrusive activities such as borehole circulation while waiting for materials, cement cure wait periods, and demobilization. Similarly, costs are not included herein for laboratory work such as grain size analysis and groundwater quality chemical analysis. These services can be provided as requested by the Agency using hourly rates provided herein. Laboratory services, if any, can be provided at cost and would include allowable 10% M&A mark-up.

M&A will also provide the final well design in accordance with Part 1.06.

ASSUMPTIONS

- M&A employees have no authority to exercise any control over MBD or their employees in connection with their work or any health and safety precautions and have no duty for inspecting, noting, observing, or correcting health or safety deficiencies of MBD or any other persons at the site except M&A employees. M&A will promptly notify Agency of any observed or perceived health and safety deficiencies by MBD or any other persons at the site.
- M&A's presence at a construction site does not make its employees in any way responsible for those duties that belong to the Agency, MBD, or other entities, and does not relieve the MBD or any other entity of their obligations, duties, and responsibilities, including methods, means, techniques, sequences, and procedures necessary for coordinating and completing construction work in accordance with the contract documents and any health or safety requirements.
- The presence of M&A employees at the construction sites is to provide Agency a greater degree of confidence that the completed work will conform generally to the construction documents and that the integrity and the design concept as reflected in the construction documents have been

implemented and preserved by MBD. M&A neither guarantees MBD's performance nor assumes responsibility for their failure to perform work in accordance with contract documents.

- M&A did not complete the preliminary well design nor author the technical specifications and is not responsible for the ability of the well to meet Agency performance requirements, including but not limited to yield, sand content, or turbidity.
- M&A staff will perform construction management activities consistent with enforcing specifications and will not direct MBD's means or methods.
- MBD is responsible for testing, maintaining, and recording drilling fluid properties. M&A will observe and record results as appropriate. Deviations to the specifications will be reported to the Agency within 24 hours of being observed.
- Equipment rentals and fieldwork consumable purchases may be required. Costs for these items are included herein.
- MBD is responsible for the containment, profiling, and disposal of all waste generated during the project.

Task 3: Construction Management of Domestic Well

M&A will provide construction management for completion of the Domestic Well in accordance with Section 02525B of the technical specifications, including the activities listed below. The list includes an assumed level of observation that is incorporated into our cost estimate.

- Mobilization: Part-time observation to verify project set-up
- Borehole Drilling: Full-time observation
- Well Construction: Full-time observation
- Mechanical Development: Full-time observation
- Test Pump Development: Full-time observation
- Constant Rate Test: Full-time observation
- Video, Plumbness, and Alignment Surveys: Full-time observation
- Disinfection: Full-time observation

Site activities are assumed to be completed by MBD during standard 10-hour workdays, Monday through Friday.

Costs are not included herein for construction management of non-intrusive activities including borehole circulation while waiting for materials, cement cure wait periods, and demobilization. Similarly, costs are not included herein for laboratory services such as grain size analysis and groundwater quality chemical analysis. These services can be provided as requested by the Agency utilizing hourly rates provided herein. Laboratory services, if any, can be provided at cost and would include allowable 10% M&A mark-up.

M&A will also provide the final well design in accordance with Part 2.04D.

Assumptions listed under Task 2 apply to this task.

Task 4: Reporting

M&A will prepare technical memoranda and reports to document activities, as detailed below.

Final Well Design Technical Memorandum for Blend Well No. 4

A well design technical memorandum will be written to document the findings of the Blend Well No. 4 pilot borehole and to provide a final recommended final well design. A draft of the technical memorandum will be completed and submitted for Agency review within 1 business day after receipt of electronic geophysical results, grain size analysis data (as applicable), and any other relevant data. The technical memorandum will include a proposed well construction schematic, casing schedule, and annular material schedule. A vertically scaled graphic containing observed lithology and geophysical results will be included with the technical memorandum. This task includes preparation of a draft technical memorandum, 1 round of Agency comments, and finalization. The draft will be submitted electronically in Word version and final technical memorandum will be submitted electronically in PDF format.

Well Installation Reports for Blend Well No. 4 and Domestic Well

Separate reports for Blend Well No. 4 and Domestic Well installation will be prepared following completion of site activities related to each well construction. The reports will include a description of the work completed, description of the methods and procedures used, results and discussion of drilling and testing activities, conclusions, recommendations, and relevant appendices. Draft well installation reports will be prepared in Microsoft Word format for Agency comment. Final submittal of these reports will include 1 PDF copy and 1 set of drill cutting chip trays.

COSTS

The estimated costs by task are detailed in the attached table. Rates are based on the 2024 rates used in M&A's current contract with the Agency for PV Water's Groundwater Sustainability Plan – Alternative Update, which represents 3%/year increases since the original rates used in 2021 and a discount from M&A's standard rates. An amendment or new contract will be required to provide budget for this proposed scope of work.

If you have any questions, do not hesitate to contact me.

Sincerely,

Bill DeBoer, P.G., C.Hg.
Senior Hydrogeologist

MONTGOMERY & ASSOCIATES

SCOPE AND FEE PROPOSAL FOR CONSTRUCTION MANAGEMENT AT BLEND WELL NO. 4 AND DOMESTIC WELL

		Bill DeBoer	Nick Byler	Various	Caryn Fogel	Labor Costs	Expenses	TOTAL
		Scientist 6	Scientist 4	Scientist 2	Technical Editor			
Task	$/hr	$229	$179	$136	$87			
1	**Project Management**							
	Budget Management and Invoicing	12	-	-	-	$2,748	-	$2,748
	Meetings - In-person	20	-	-	-	$4,580	$300	$4,880
	Meetings - Virtual	24	6	-	-	$6,570	-	$6,570
	Submittals Review	6	10	-	-	$3,164	-	$3,164
	Task 1 Subtotals	**12**	**16**	**0**	**0**	**$2,748**	**$300**	**$17,362**
2	**Construction Management of Blend Well No. 4**							
	Mobilization	10	-	12	-	$3,922	-	$3,922
	Conductor Casing Installation	2	-	24	-	$3,722	-	$3,722
	Pilot Borehole Drilling	16	4	44	-	$10,364	-	$10,364
	Geophysical Logging	1	2	6	-	$1,403		$1,403
	Borehole Reaming	10	-	44	-	$8,274	-	$8,274
	Caliper Survey	1	-	6	-	$1,045		$1,045
	Well Construction	16	4	60	-	$12,540	-	$12,540
	Mechanical and Chemical Development	10	4	32	-	$7,358	-	$7,358
	Test Pump Development	10	2	30	-	$6,728	-	$6,728
	Step Test	4	2	10	-	$2,634	-	$2,634
	Constant Rate Test	2	2	10	-	$2,176	-	$2,176
	Video, Plumbness and Alignment	2	-	20	-	$3,178	-	$3,178
	Disinfection	2	-	10	-	$1,818	-	$1,818
	Indirect Costs (mileage, transportation, lodging)	-	-	-	-	-	$18,000	$18,000
	Task 2 Subtotals	**86**	**20**	**308**	**0**	**$65,162**	**$18,000**	**$83,162**
3	**Construction Management of Domestic Well**							
	Mobilization	4	-	12	-	$2,548	-	$2,548
	Borehole Drilling	12	-	32	-	$7,100	-	$7,100
	Well Construction	8	2	24	-	$5,454	-	$5,454
	Mechanical and Chemical Development	6	2	20	-	$4,452	-	$4,452
	Test Pump Development	6	2	20	-	$4,452	-	$4,452
	Constant Rate Test	10	2	10	-	$4,008	-	$4,008
	Video, Plumbness and Alignment	2	-	20	-	$3,178	-	$3,178
	Disinfection	2	-	10	-	$1,818	-	$1,818
	Indirect Costs (mileage, transportation, lodging)	-	-	-	-	$0	$7,000	$7,000
	Task 3 Subtotals	**50**	**8**	**148**	**0**	**$33,010**	**$0**	**$40,010**
4	**Reporting**							
	Blend Well No. 4 Final Design Tech Memo	14	8	4	1	$5,269	-	$5,269
	Blend Well No. 4 Installation Report	24	16	30	2	$12,614	-	$12,614
	Domestic Well Installation Report	10	14	20	1	$7,603	-	$7,603
	Task 4 Subtotals	**48**	**38**	**54**	**4**	**$25,486**	**$0**	**$25,486**
	TOTAL HOURS	**196**	**82**	**510**	**4**			
	TOTAL COST	**$44,884**	**$14,678**	**$69,360**	**$348**	**$93,396**	**$18,300**	**$166,020**

EXHIBIT "B"

Insurance Requirements

Consultant shall procure and maintain insurance as follows:

1. Commercial General Liability Insurance. Commercial general liability insurance, including products and completed operations, property damage, bodily injury, personal and advertising injury with limits of not less than $1,000,000 each occurrence and $2,000,000 aggregate.

2. Automobile Liability Insurance. Automobile liability insurance covering automobile bodily injury and property damage, including all owned (if any), hired and non-owned autos, with limits of not less than $1,000,000 each accident. If Consultant acquires any owned vehicles, Consultant shall provide insurance as above.

3. Professional Liability Insurance. Limits of liability in amounts not less than $1,000,000 per occurrence or claim and $2,000,000 aggregate, insuring Consultant and its employees against liabilities arising out of or in connection with the negligent acts, errors, or omissions of any of the foregoing in connection with the carrying out of their professional responsibilities relating to this Agreement. Consultant shall renew continuous coverage or extend the reporting period, to the extent available, by endorsement or otherwise, for claims five (5) years from the date this Agreement is terminated. Such professional liability policies shall include coverage for liability assumed by the Consultant under this Agreement for losses arising out of Consultant's negligence. [Note: This may NOT APPLY if consultant is not professional – attorney, accountant, engineer, surveyor, architect, hydrologist]

4. Workers' Compensation and Employer's Liability Insurance. Worker's Compensation as required by the Labor Code of the State of California and Employer's Liability Insurance for all employees in workplaces involved in this Agreement. Employer's liability insurance in the amount of, at least, $1,000,000 per accident for bodily injury or disease. The Certificate of Insurance shall include waiver of subrogation endorsement in favor of PV Water. ***This requirement may be waived if Consultant provides a sworn affidavit to PV Water that Consultant has no employees.***

5. Other Requirements.

   a. Additional Insured Endorsement. The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions: **The Pajaro Valley Water Management Agency, its directors, officers, employees, and authorized volunteers are to be additional insured**. The coverage shall

contain no special limitations on the scope of protection afforded to PV Water, its directors, officers, employees, or authorized volunteers.

b. Primary Insurance. For any claims related to this Agreement, Consultant's insurance shall be primary insurance as respects PV Water, its directors, officers, employees, and authorized volunteers, individually and collectively. Any insurance, self-insurance, or other coverage maintained by PV Water, its directors, officers, employees, or authorized volunteers shall be in excess of Consultant's insurance and shall not contribute to it.

c. Cancellation. The policies specified above are to state or be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to PV Water.

d. Changes. If any change is made in the insurance carrier, scope of coverage or retroactive date of professional liability coverage required under this Agreement, Consultant shall notify the PV Water within three (3) working days.

e. Evidence of Insurance. Prior to execution of this Agreement, Consultant shall file with PV Water, on forms acceptable to PV Water, certificate(s) of insurance and additional insured endorsements, as specified above.

f. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the PV Water. At the option of PV Water, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

g. Acceptability of Insurers. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-VII or equivalent or as otherwise approved by PV Water.

h. Special Risks or Circumstances.
PV Water reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Builder's Risk (Course of Construction) insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions. Such coverage shall **name PV Water as a loss payee** as their interest may appear.

Contractors' Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than $1,000,000 per occurrence or claim, and $2,000,000 policy aggregate.