



Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399 Phone: (909) 797-5117

Notice and Agenda of a Regular Meeting of the Board of Directors

Wednesday, April 4, 2012 at 6:00 p.m.

- I. CALL TO ORDER - Pledge of Allegiance
- II. ROLL CALL
- III. PUBLIC COMMENTS - At this time, members of the public may address the Board of Directors on matters within its jurisdiction. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the board meeting.
- IV. CONSENT CALENDAR - All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the board considers the motion unless members of the board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar. The General Manager recommends approval of the following:
 - A. Minutes of Meetings
 - 1. Regular Board Meeting - March 21, 2012
 - 2. Board Workshop - March 27, 2012
- V. BOARD REPORTS
 - A. Reports by Board Members
- VI. STAFF REPORT
- VII. DISCUSSION ITEMS
 - A. Special Districts Election for the Regular Member of the San Bernardino Local Agency Formation Commission [[Director Memorandum No. 12-032 - Page 13 of 33](#)]

RECOMMENDED ACTION: That the Board selects a candidate and directs the District staff to submit a completed ballot prior to the April 20, 2012 deadline.

- B. Award of a Construction Contract for the Recycled Water Booster Station at the Pressure Zone 12.1 Reservoir Complex [[Director Memorandum No. 12-033 - Page 22 of 33](#)]

RECOMMENDED ACTION: That the Board awards a construction contract to Doty Bros. Equipment Company for a sum not to exceed \$1,889,000.

- C. Approval of Agreement Modification No. 5 to the Cooperative Funding Agreement with the United States Department of the Interior, Bureau of Reclamation Related to the Yucaipa Valley Regional Brineline Project [[Director Memorandum No. 12-034 - Page 28 of 33](#)]

RECOMMENDED ACTION: That the Board approves the execution of Modification No. 5 to the Cooperative Agreement No. R10AC35R03 with the Bureau of Reclamation.

VIII. DIRECTORS COMMENTS

IX. CLOSED SESSION

- A. Conference with Real Property negotiator(s) (Government Code 54956.8)
Property: Assessor's Parcel Number: 301-201-29
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Palmer General Corporation
Under Negotiation: Terms of Payment and Price
- B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: IBEW Local Union 1436 - YVWD Employees Association
- C. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit
- D. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit

X. ANNOUNCEMENTS

- A. April 10, 2012 at 4:00 p.m. - Board Workshop
- B. April 18, 2012 at 6:00 p.m. - Regular Board Meeting
- C. April 24, 2012 at 4:00 p.m. - Board Workshop
- D. May 2, 2012 at 6:00 p.m. - Regular Board Meeting
- E. May 8, 2012 at 4:00 p.m. - Board Workshop
- F. May 16, 2012 at 6:00 p.m. - Regular Board Meeting
- G. May 29, 2012 at 4:00 p.m. - Board Workshop

XI. ADJOURNMENT

CONSENT CALENDAR

MINUTES OF A REGULAR BOARD MEETING

March 21, 2012

Directors Present:

Bruce Granlund, Vice President
Ian Cuthbertson, Director
Lonni Granlund, Director
Hank Wochholz, Director

Staff Present:

Joseph Zoba, General Manager
Jack Nelson, Assistant Manager
Brent Anton, Engineering Manager
Vicky Elisalda, Controller

Directors Absent:

Jay Bogh, President

Consulting Staff Present:

David Wysocki, Legal Counsel
John Dietrich, Labor Counsel

Registered Guests and Others Present:

Richard Siegmund, Customer

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Director Bruce Granlund at 6:00 p.m. on Wednesday, March 21, 2012 at the Administrative Office Building, 12770 Second Street, Yucaipa, California.

CALL TO ORDER

Director Bruce Granlund led the pledge of allegiance.

FLAG SALUTE

The roll was called and Director Bruce Granlund, Director Ian Cuthbertson, Director Lonni Granlund and Director Hank Wochholz were present. Director Jay Bogh was absent.

ROLL CALL

Director Bruce Granlund welcomed the audience members. There were no public comments.

PUBLIC COMMENTS

Director Hank Wochholz moved to approve the consent calendar and Director Ian Cuthbertson seconded a motion that carried to approve the consent calendar.

CONSENT CALENDAR

A. Minutes of Meetings

1. Regular Board Meeting - February 15, 2012
2. Board Workshop - February 28, 2012

The consent calendar was approved by a 4-0 vote.

Director Hank Wochholz reported on the Yucaipa Valley Water District Board Workshop held on March 13, 2012.

BOARD REPORTS

Director Bruce Granlund reported on the Association of San Bernardino County Special Districts meeting held on March 19, 2012.

No other board reports were provided.

The staff report was provided by General Manager Joseph Zoba and included the following items:

- General Manager Joseph Zoba distributed copies of the Regional Water Workshop meeting to be held at the City of Banning on Thursday, April 5, 2012. The purpose of the meeting will be to discuss a proposed allocation plan for the Table "A" allocation managed by the San Geronio Pass Water Agency.

STAFF REPORT

DISCUSSION ITEMS:

Following a staff presentation by Controller Vicky Elisalda, Director Lonnie Granlund moved and Director Hank Wochholz seconded a motion to receive and file the unaudited financial report. The motion was approved by a 4 - 0 vote.

DM 12-029
UNAUDITED FINANCIAL
REPORT FOR THE PERIOD
ENDING FEBRUARY 29,
2012

Following a staff presentation by General Manager Joseph Zoba, Director Ian Cuthbertson moved and Director Hank Wochholz seconded a motion to approve Development Agreement 02-2012 for Tract No. 13375. The motion was approved by a 4 - 0 vote.

DM 12-030
APPROVAL OF
DEVELOPMENT
AGREEMENT NO. 02-2012
FOR TRACT NO. 13375,
OAKDEL COURT, LOCATED
NORTH OF OAK GLEN
ROAD APPROXIMATELY
1,500 FEET EAST OF
FREMONT STREET,
YUCAIPA

Following a staff presentation by General Manager Joseph Zoba, Director Hank Wochholz moved and Director Ian Cuthbertson seconded a motion to approve the contracts for medical, dental and vision benefits. The motion was approved by a 4 - 0 vote.

DM 12-031
APPROVAL OF
CONTRACTS FOR
MEDICAL, DENTAL AND
VISION BENEFITS

There were no comments from the Directors.

DIRECTOR COMMENTS

There was no closed session conference with legal counsel.

CLOSED SESSION

Director Bruce Granlund directed attention to the announcements located on the board meeting agenda.

ANNOUNCEMENTS

There being no further business, the meeting was adjourned at 6:14 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

MINUTES OF A BOARD WORKSHOP

March 27, 2012 at 4:00 P.M.

Directors Present:

Jay Bogh, President
Bruce Granlund, Vice President
Lonni Granlund, Director
Hank Wochholz, Director

Staff Present:

Joseph Zoba, General Manager
Jack Nelson, Assistant General Manager
Brent Anton, Engineering Project Integrator
Bob Wall, Operations Manager
Kevin King, Operations Manager

Directors Absent:

Ian Cuthbertson, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Richard Siegmund, Customer

The items listed below were presented for discussion.

- I. Call to Order - 4:00 p.m.
- II. Public Comments - General Manager Joseph Zoba recognized the members of the Board of Directors, District staff and members of the public in attendance. There were no public comments.
- III. Staff Comments
 - General Manager Joseph Zoba distributed copies of the special district selection election for the San Bernardino County Local Agency Formation Commission dated March 20, 2012.
 - General Manager Joseph Zoba distributed copies of the City of Yucaipa uptown hanging flower basket program.
 - General Manager Joseph Zoba distributed copies of the agenda package for the April 5, 2012 water retailer meeting to be held at the City of Banning.
- IV. Presentations
 - A. Yucaipa Valley Regional Brineline Economic Opportunity Analysis [Workshop Memorandum No. 12-062] - General Manager Joseph Zoba provided an overview of the Santa Ana Regional Interceptor Market Analysis prepared by the Santa Ana Watershed Project Authority dated August 2009. The District staff discussed the need for the Yucaipa Valley Water District to prepare specific marketing information for our service area.
 - B. 2011 Water Rate Survey Prepared by Raftelis Financial Consultants for the California-Nevada Section of the American Water Works Association [Workshop Memorandum No. 12-063] - General Manager Joseph Zoba provided an overview of the 2011 Water Rate Survey and illustrated how the Yucaipa Valley Water District rates compared to the data collected from other agencies.

V. Capital Improvement Projects

- A. Status Report on the Construction of the Yucaipa Valley Regional Brineline [Workshop Memorandum No. 12-064] - Engineering Manager Brent Anton provided a detailed status report on the construction of the Yucaipa Valley Regional Brineline Project.
- B. Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex [Workshop Memorandum No. 12-065] - Engineering Manager Brent Anton provided an overview of the R-10 Reservoir Project. The project is now under construction at the westerly end of County Line Road.
- C. Status Report on the Construction of the Crow Street Pipeline Facilities [Workshop Memorandum No. 12-066] - Engineering Manager Brent Anton provided an overview of the Crow Street Pipeline Project. This project is expected to begin in Spring/Summer 2012.
- D. Status Report on the Construction of the Recycled Water Booster Facility at the Reservoir R-12.1 Complex [Workshop Memorandum No. 12-067] - Engineering Manager Brent Anton provided an overview of the Recycled Water Booster Facility and the bid results from a few hours prior to the workshop meeting.
- E. Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project [Workshop Memorandum No. 12-068] - General Manger Joseph Zoba provided an overview of the WISE project.

VI. Administrative Issues

- A. Review of Draft Resolution Related to the Implementation of Maximum Benefit Commitments for the Beaumont Management Zone [Workshop Memorandum No. 12-069] - General Manger Joseph Zoba provided an overview of the Beaumont Management Zone maximum benefit obligations.
- B. Modification No. 5 to the Bureau of Reclamation Cooperative Agreement for Funding of the Regional Brineline Project [Workshop Memorandum No. 12-070] - General Manager Joseph Zoba provided an overview of Modification No. 5.

VII. Director Comments - There were no comments from the board members.

VIII. Closed Session

- A. Conference with Real Property negotiator(s) (Government Code 54956.8)
Property: Assessor's Parcel Number: 301-201-29
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Palmer General Corporation
Under Negotiation: Terms of Payment and Price
- B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: IBEW Local Union 14356 - YVWD Employees Association
- C. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit
- D. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Confidential Employee Bargaining Unit
- E. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit

A closed session conference was not conducted.

IX. Adjournment - The meeting was adjourned at 4:43 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(SEAL)

BOARD REPORTS

STAFF REPORT

DISCUSSION ITEMS



Director Memorandum 12-032

Date: April 4, 2012

Prepared By: Joseph Zoba, General Manager

Subject: Special Districts Election for the Regular Member of the San Bernardino Local Agency Formation Commission

Recommendation: That the Board selects a candidate and directs the District staff to submit a completed ballot prior to the April 20, 2012 deadline.

On March 23, 2012, the Yucaipa Valley Water District received information regarding the election of a special district representative for the San Bernardino Local Agency Formation Commission. The five candidates are:

- Kimberly Cox (Mojave Water Agency);
- Ralph Wagner (Lake Arrowhead Community Services District);
- Terry Burkart (Bighorn-Desert View Water Agency);
- Rebekah Swanson (Hesperia Recreation and Park District); and
- Steven Farrell (Crestline Village Water District).

The board of directors should select one of the candidates above and direct the District staff to submit the completed ballot to the Local Agency Formation Commission.



LOCAL AGENCY FORMATION COMMISSION

215 North "D" Street, Suite 204 • San Bernardino, CA 92415-0490
(909) 383-9900 • Fax (909) 383-9901

E-mail: lafco@lafco.sbcounty.gov • www.sbclafco.org

Established by the State of California to serve the Citizens, Cities, Special Districts and the County of San Bernardino

RECEIVED
MAR 28 2012
YUCAIPA VALLEY
WATER DISTRICT

March 20, 2012

COMMISSIONERS

JIM BAGLEY
Public Member

GINGER COLEMAN
City Member

KIMBERLY COX
Special District

JAMES V. CURATALO, Vice Chair
Special District

LARRY McCALLON
City Member

BRAD MITZELFELT, Chair
Board of Supervisors

JANICE RUTHERFORD
Board of Supervisors

ALTERNATES

BOB COLVEN
Public Member

NEIL DERRY
Board of Supervisors

ROBERT W. SMITH
Special District

DIANE WILLIAMS
City Member

STAFF

KATHLEEN ROLLINGS-McDONALD
Executive Officer

SAMUEL MARTINEZ
Assistant Executive Officer

MICHAEL TUERPE
Project Manager

Vacant
Clerk to the Commission

ANGELA M. SCHELL
Deputy Clerk to the Commission

REBECCA LOWERY
Deputy Clerk to the Commission

LEGAL COUNSEL

CLARK H. ALSOP

TO: Presidents of the Boards of Directors of the Independent Special Districts in San Bernardino County

SUBJECT: Special Districts Selection Election for the Regular LAFCO Member

By distribution of this letter, the official voting process for the Regular Special District Member of the Local Agency Formation Commission shall commence. Attached is the ballot for the selection of this position. Pursuant to the provisions of Government Code Section 56332, the voting period will be for 32 days, commencing as of today's date and ending on **Friday, April 20, 2012**. The voting instructions for these selections are as follows:

1. Each District may vote for one candidate only. The vote shall be cast as directed by the Board of Directors of the District through consideration at a Board Hearing and a roll call vote. A copy of the information provided by the candidates is included for your information.
2. The signed original ballot, with the name of each voting Board Member outlined, must be received in the LAFCO Office by 5:00 p.m. on **April 20, 2012**. If a faxed copy of the ballot is provided by the April 20 deadline, the original signed copy must be received by 5:00 p.m. on April 27, or the ballot will be declared invalid.
3. Twenty-six (26) ballots are required to be received for selection of the Special District position. In the event of a tie-vote, or if no candidate receives the required 26 votes, a run-off election will be held between the top two candidates. This will again involve a minimum 30 day voting period.

The completed ballot is to be mailed to:

Kathleen Rollings-McDonald, Executive Officer
Local Agency Formation Commission
215 N. D Street, Suite 204
San Bernardino, CA 92415

If you are faxing a copy of the ballot, the LAFCO fax number is (909) 383-9901. As outlined in Item #2 above, if the ballot is faxed to the LAFCO office, the original signed copy of the ballot will need to be mailed to the above address and received by 5:00 p.m. on April 27, 2012 to be considered in the election.

Please let me know if you have any questions concerning this selection process. You may contact me at the address listed above, by e-mail at lafco@lafco.sbcounty.gov, or by phone at (909) 383-9900.

Sincerely,



KATHLEEN ROLLINGS-McDONALD
Executive Officer

KRM/rcf

Enclosures

BALLOT

**REGULAR SPECIAL DISTRICT MEMBER
OF THE LOCAL AGENCY FORMATION COMMISSION**

The _____
(Name of District)

hereby votes for the marked candidate as indicated below:

REGULAR MEMBER OF LAFCO:

- _____ **KIMBERLY COX (Member of the Board of Directors of Mojave Water Agency)**
- _____ **RALPH WAGNER (Member of the Board of Directors of Lake Arrowhead Community Services District)**
- _____ **TERRY BURKHART (Member of the Board of Directors of Bighorn-Desert View Water Agency)**
- _____ **REBEKAH SWANSON (Member of the Board of Directors of Hesperia Recreation and Park District)**
- _____ **STEVEN FARRELL (Member of the Board of Directors of Crestline Village Water District)**

I, _____, do hereby certify that at its regularly-scheduled meeting of _____, the Board of Directors voted to elect the above-marked candidate as the Regular Special District Member of the Local Agency Formation Commission of San Bernardino County, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

District President/Authorized Board Member

Dated: _____



**Mojave
Water
Agency**

13846 Conference Center Drive ♦ Apple Valley, California 92307
Phone (760) 946-7000 ♦ Fax (760) 240-2642 ♦ www.mojavewater.org

March 19, 2012

Ms Kathleen Rolling-McDonald
Executive Officer
Local Agency Formation Commission
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Dear Ms. Rollings-McDonald:

It is my desire to seek reappointment to serve as a Regular Special Districts' member on the Local Agency Formation Commission. My experience in serving on the Commission for the past 8 years, has provided me with a good understanding of the needs of special districts within San Bernardino County. I have been a board member on the Mojave Water Agency for the past 9 years and currently serve as the Vice-President.

In this politically challenging era, knowledge and experience are essential qualities of a LAFCO commissioner. Eight years of experience on LAFCO has provided me with knowledge of complex issue involving special districts throughout the County. My involvement with the Association of San Bernardino County Special Districts as a Board member has given me a regular opportunity to interact with elected officials.

I have a Master's degree in Public Administration and a Bachelor of Science in Business Management. I possess the desire, education and experience to represent all Special Districts on the Local Agency Formation Commission. I can be reached at 760-954-4955 if there are any questions regarding my continued interest in this position.

I would be honored to continue serving as the Regular Special Districts' Member and respectfully ask for the support from my colleagues to make this a reality.

Kind Regards,

Kimberly Cox
Vice-President
Mojave Water Agency

BACKGROUND STATEMENT OF NOMINEE RALPH WAGNER

At the age of 82, I am a retired civil engineer, having practiced in the private sector for 54 years, the last 32 of which have been in the San Bernardino mountain and desert areas in the specialized field of water resources.

In 1975, I was one of the founders of a community corporation that purchased Lake Arrowhead from a development company. That community corporation (Arrowhead Lake Association) continues to operate sustainably. I served as its first president, on its Board off and on for many years, and as a consulting engineer. In 1978, I was a founder of Lake Arrowhead Community Services district (LACSD) for the purpose of acquiring the local, privately owned water company, and served as the first president of LACSD. In 1983, I led the effort to expand LACSD, in order to take over the Board of Supervisor's governed, local sanitation district. Thirty years later, I am again serving as president of LACSD. My belief has always been to foster and support collaborative and economically sustainable government at a level closest to the people being served.


3-2-12

Terry Burkhart
P O Box 3963
Landers, CA 92285
760 364 0073

Retired: Insurance Agency employment, 1966 – 2000
Various positions from file clerk to commercial dept. manager
Teacher for Insurance Education Institute, 12 years
Insurance Brokers license, 1970 to retirement

Director, Bighorn-Desert View Water Agency, 2007 to present, Board President
2010, 2011

Director, Special Districts Risk Management Authority, term 1/1/12 – 1/1/16
Board of Directors, Johnson Valley Improvement Association, 2000 – 2009
Officer and Director, Officer, North Orange County Business & Professional
Women, 1992 – 2000; Officer BPW Region 9, 1997

Co-owner: Lan Tek - Data Center Solutions

San Bernardino County resident, Johnson Valley, 2000 to present; part time 1991 –
2000

Southern California resident 1946 to present



HESPERIA
Recreation & Park District

... Serving the Community Since 1957

RECEIVED
FEB 26 2012

LAFCO
San Bernardino County

Post Office Box 401055 • Hesperia, California 92340-1055 • (760) 244-5488

February 24, 2012

Local Agency Formation Commission
215 North "D" Street, Suite 204
San Bernardino, CA 92415-0490

Attention Special Districts Selection Committee

The Hesperia Recreation and Park District would like to nominate Mrs. Rebekah Swanson for the Regular Special District Member position held by Kimberly Cox. Mrs. Swanson is an elected member of the Board of Directors for the Hesperia Recreation and Park District.

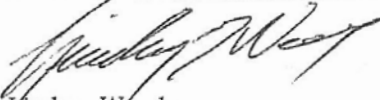
The following is a brief bio on Mrs. Swanson:

- Hesperia Resident for 23 years - since 1989
- Hesperia Recreation and Park District Board Member since 2006
- Employed by the Hesperia Unified School District from 1985 to present
- Founding President of the Hesperia Friends of the Library
- Elementary Director on the Executive Board for the Hesperia Teachers' Association
- Hesperia Tri-Agency Committee Member since 2007

Enclosed is the completed Nomination for Regular Special District Member, Member of the Local Agency Formation Commission Form, nominating Mrs. Rebekah Swanson to serve on the Local Agency Formation Commission.

Sincerely,

HESPERIA RECREATION AND PARK DISTRICT


Lindsay Woods
General Manager

LW:rt

Enclosure



PO Box 3347, 777 Cottonwood Drive, Crestline, CA 92325-3347
Telephone: (909) 338-1727 «» FAX: (909) 338-4080

March 9, 2012

Special District Members,

I ask for your vote and for your support for a well-balanced Local Agency Formation Commission, with representatives that reflect the diversity of its constituents, especially its special district members.

I know you are aware of LAFCO's excellent policy to strive for a *regional* balance on the Commission between the desert, valley and mountain areas. Unfortunately, that balance has not always been achieved. As a mountain resident who has followed County planning issues for over 10 years now, I am keenly aware that the realities of our local conditions are not always appreciated by those who work and plan elsewhere in our County.

Just as important to me as regional diversity, I believe diversity of "scale" on the Commission should also be a priority, especially for the Special District representatives. The interests and challenges of smaller districts like Crestline Village Water are not always shared by those who deal with larger budgets and larger functions and services.

Size is especially important today, with current state policies strongly encouraging service district consolidations. I believe it will be increasingly important to have voting Commission representatives that appreciate the differences between the needs and perspectives of varying sized districts as well as varying regional districts.

I do believe every district is different. And every situation is different. I am from the mountains yes, but I appreciate that mountain experiences may not translate directly to another situation. Therefore, any item that comes before the LAFCO Commission, needs to be evaluated independently and carefully, and not just from the perspective of what's the most "efficient" solution.

For the last 10 years I have used the analytical skills I learned from a 25-year career in IT management and consulting to extensively participate as a private citizen in many of our area's local government processes (including LAFCO actions and the County's 2007 General Plan Update). I regularly attend the board meetings of multiple agencies. These experiences have given me a valuable education in Special District and service issues. As President of our water district now, and as a strong advocate for more participation in our government, I am ready to directly contribute to County planning as a member of LAFCO.

If elected, I will serve the best interests of the entire County and its residents. I will strive to express and consider the special concerns and perspectives of not just the Mountain region where I reside, but also the importance of our smaller districts as well.

I strive for excellence and will always act and represent Special Districts fairly, thoughtfully and capably.

Sincerely,

A handwritten signature in black ink that reads "Steven Farrell". The signature is written in a cursive, flowing style.

Steven Farrell
President
Crestline Village Water District



Director Memorandum 12-033

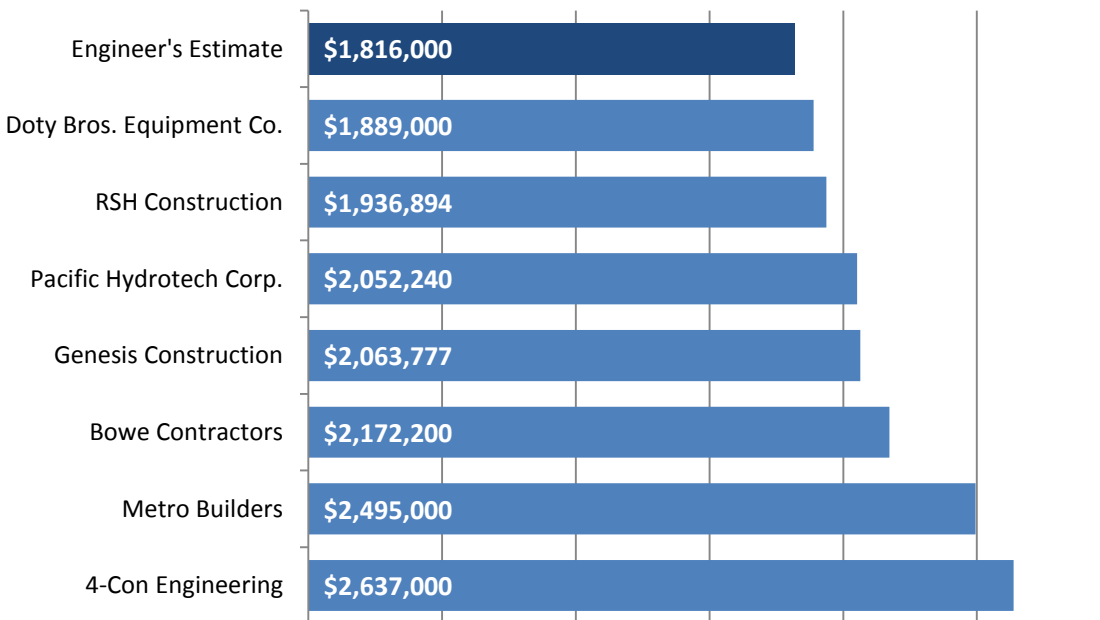
Date: April 4, 2012

Prepared By: Joseph Zoba, General Manager

Subject: Award of a Construction Contract for the Recycled Water Booster Station at the Pressure Zone 12.1 Reservoir Complex

Recommendation: That the Board awards a construction contract to Doty Bros. Equipment Company for a sum not to exceed \$1,889,000.

On Tuesday, March 27, 2012, the Yucaipa Valley Water District opened bids for the Recycled Water Booster Station at the Pressure Zone 12.1 Reservoir Complex. The original written bid results from the bid opening are as follows:



The details of the bid submittals have been reviewed by Krieger & Stewart which has been summarized in the attached document.

March 29, 2012

818-70.5 F/C

Joseph B. Zoba, General Manager
 Yucaipa Valley Water District
 12770 Second Street
 Yucaipa, CA 92399

Subject: Non-Potable Booster Station NB-12.1
 Bid Results and Award Recommendation

Dear Mr. Zoba:

On March 27, 2012, the Yucaipa Valley Water District (District) received seven bids for subject project; the results and engineer's estimate are as follows (a breakdown by bid item is shown in the attached Bid Results table):

<u>Contractor</u>	<u>Written Bid Amount</u>	<u>Corrected Bid Amount</u>
Doty Bros. Equipment Co.	\$1,889,000.00	\$1,889,000.00
RSH Construction	\$1,936,894.00	\$1,761,947.00
Pacific Hydrotech Corp.	\$2,052,240.00	\$2,052,240.00
Genesis Construction	\$2,063,777.00	\$2,063,777.00
Bowe Contractors	\$2,172,200.00	\$2,172,200.00
Metro Builders	\$2,495,000.00	\$2,495,000.00
4-Con Engineering	\$2,637,000.00	\$2,632,000.00
Engineer's Estimate	\$1,816,000.00	\$1,816,000.00

The low bidder based on the corrected bid amount is Canyon Springs Enterprises dba RSH Construction (RSH Construction) in the amount of \$1,761,947.00. Please note that the corrected bid amounts shown above for RSH Construction and 4-Con Engineering do not match the written bid amounts provided in the bid documents and read aloud at the bid opening. The change in 4-Con Engineering's bid is minor (\$5,000) and does not affect the order of the bidders. The change in RSH Construction's bid is significant and changes the order of the bidders. RSH Construction's bid contained a clerical error and a mathematical error, the most significant being that they listed the unit cost of the pumps at \$9,000 each (two are required), whereas they intended to list them at \$90,000 each. This resulted in a \$162,000 error in their bid. They wrote in the intended total for the bid item (\$180,000), however, based on the bid documents (Instructions to Bidders, Discrepancies in Proposals), the bid had to be adjusted in accordance with the following contract provision: "In the event there are unit price bid items in a bidding schedule and the "amount" indicated for a unit price bid item does not equal the product of the unit price and quantity, the unit price shall govern and the amount will be corrected accordingly". In addition, RSH Construction miscalculated the sum of the total of the bid items and the last minute addition; when corrected, this resulted in an additional decrease of \$12,947.00 from the written total. The sum of the two errors is \$174,947.00 as shown in the Corrected Bid Amount column above.

Joseph B. Zoba
March 29, 2012
Page 2

When RSH Construction learned of their mistake, they stated that considering the nature of the work and the amount of work being performed by subcontractors, the error was substantial and they are withdrawing their bid (their formal withdrawal letter is forthcoming). RSH has the legal right to withdraw their bid within five days of the bid date; however, if the error is determined to be non-substantial, the District has the option to declare forfeiture of the Bid Bond to recover the difference between the low bid amount and the next lowest qualified bidder. If this action is taken, RSH Construction will likely contest the forfeiture.

Considering the withdrawal of RSH Construction's bid, the low bidder is Doty Bros. Equipment Company (Doty Bros.) in the amount of \$1,889,000.00. The bid documents submitted by Doty Bros. are in order; however, the company experience list provided with the bid did not include three similar projects completed in the past five years (the required firm qualifications). They included information pertaining to nine construction projects, but only one was a pump station. We requested additional experience information from Doty Bros. showing similar projects constructed within the last five years; they subsequently submitted a revised package of references.

Based upon a review of Doty Bros. project references, it appears their experience on pumping stations is limited. They were the General Contractor on one similar sized project for Eastern Municipal Water District (EMWD) and one small pump station for the California American Water Company. The EMWD project consisted of a retrofit and rehabilitation at two existing pump stations, so the work was not identical; the replacement pumping units were similar in size to those being utilized at the NB-12.1 Booster Station. EMWD has since awarded them another contract to construct two pump stations (indicating their satisfaction with Doty Bros. work), but that work has just begun so there is no record of their performance. Doty Bros. has performed work on various treatment plant upgrades, but installation of pumping units does not appear to have been part of that work. They therefore have not demonstrated that they have successfully completed three similar projects in the last five years.

Although Doty Bros' company experience is limited, with the right project team they likely could perform adequately to construct the NB-12.1 Booster Station. The listed project manager and site superintendent have constructed other pumping plants, but not while employed by Doty Bros.

If Doty Bros. is awarded the project, it will likely require more oversight on the part of the District, but the risk is low. If the Board determines that their bid is non-responsive due to not providing the required company experience documentation, the next lowest bidder is Pacific Hydrotech Corporation, who submitted a bid in the amount of \$2,052,240.00 (\$163,000.00 higher than Doty Bros.). Pacific Hydrotech Corporation is a qualified contractor who has performed well for the District on past projects and has constructed several pump stations in the last five years. Both contractors' licenses are in good standing.

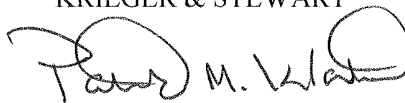
Since construction of the NB-12.1 Non-Potable Booster Station is necessary to provide recycled water service to the City of Yucaipa, we recommend award of subject work to Doty Bros. Equipment Company in the amount of \$1,889,000.00, with the understanding that this will require more oversight by the District.

Joseph B. Zoba
March 29, 2012
Page 3

If you have any questions, please call.

Sincerely,

KRIEGER & STEWART



Patrick M. Watson

PMW/blt
818-70-RECAWARD

Attachment: Bid Results

YUCAIPA VALLEY WATER DISTRICT

NB-12.1 NON-POTABLE BOOSTER STATION

BID SUMMARY SHEET

BID OPENING: MARCH 27, 2012 AT 11:00 AM

JOB NO. 818-70.5 (B)

ITEM NO.	DESCRIPTION	QTY	UNIT	ENGINEER'S ESTIMATE		DOTY BROS.		RSH CONSTRUCTION		PACIFIC HYDROTECH		GRNESS CONSTRUCTION		BOWME CONTRACTORS		METRO BUILDERS		4-CON ENGINEERING	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
101	Contract bonds, insurance and permits (not to exceed 3% of bid amount).	1	L.S.	\$50,000.00	\$50,000.00	\$30,000.00	\$30,000.00	\$50,000.00	\$50,000.00	\$55,000.00	\$55,000.00	\$58,000.00	\$58,000.00	\$40,000.00	\$40,000.00	\$72,450.00	\$72,450.00	\$75,000.00	\$75,000.00
102	Mobilization of equipment, materials, and labor (not to exceed 3% of bid amount).	1	L.S.	\$50,000.00	\$50,000.00	\$30,000.00	\$30,000.00	\$52,000.00	\$52,000.00	\$55,000.00	\$55,000.00	\$58,000.00	\$58,000.00	\$40,000.00	\$40,000.00	\$72,450.00	\$72,450.00	\$75,000.00	\$75,000.00
103	Provide trench protection (shoring or sloping) in accordance with CAL OSHA Standards for all trenches 5' and greater in depth.	1	L.S.	\$1,000.00	\$1,000.00	\$15,000.00	\$15,000.00	\$1,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$5,000.00	\$5,000.00	\$1,000.00	\$1,000.00	\$12,500.00	\$12,500.00	\$5,000.00	\$5,000.00
104	Furnish and install non-potable piping and fittings (including valves, elbows, tees, etc.), and all related work.	1	L.S.	\$360,000.00	\$360,000.00	\$500,000.00	\$500,000.00	\$479,000.00	\$469,800.00	\$469,800.00	\$469,800.00	\$557,000.00	\$557,000.00	\$250,000.00	\$250,000.00	\$450,000.00	\$450,000.00	\$525,000.00	\$525,000.00
105	Furnish and install three (3) pump cans and appurtenances, and all related work.	1	L.S.	\$52,000.00	\$52,000.00	\$25,000.00	\$25,000.00	\$137,000.00	\$135,400.00	\$135,400.00	\$135,400.00	\$85,000.00	\$85,000.00	\$150,000.00	\$150,000.00	\$100,000.00	\$100,000.00	\$140,000.00	\$140,000.00
106	Furnish and install vertical turbine pumping units complete, including discharge head, electric motor, and appurtenances, and all related work.	2	EA	\$157,000.00	\$314,000.00	\$175,000.00	\$350,000.00	\$0.00	\$102,600.00	\$102,600.00	\$102,600.00	\$220,000.00	\$220,000.00	\$130,000.00	\$260,000.00	\$105,000.00	\$210,000.00	\$170,000.00	\$340,000.00
107	Furnish and install magnetic flow meter and appurtenances, and all related work.	1	L.S.	\$15,000.00	\$15,000.00	\$20,000.00	\$20,000.00	\$12,000.00	\$19,000.00	\$19,000.00	\$19,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,500.00	\$15,500.00	\$15,000.00	\$15,000.00
108	Furnish and install surge tank complete, including foundation, control panel, air compressor, and appurtenances, and all related work.	1	L.S.	\$140,000.00	\$140,000.00	\$100,000.00	\$100,000.00	\$85,000.00	\$130,800.00	\$130,800.00	\$130,800.00	\$105,000.00	\$105,000.00	\$130,000.00	\$130,000.00	\$130,000.00	\$130,000.00	\$150,000.00	\$150,000.00
109	Furnish and install drainage system complete, including piping, sump drains, and appurtenances, and all related work.	1	L.S.	\$7,000.00	\$7,000.00	\$5,000.00	\$5,000.00	\$10,500.00	\$16,600.00	\$16,600.00	\$16,600.00	\$10,000.00	\$10,000.00	\$15,000.00	\$15,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
110	Furnish and install electrical motor control equipment, including manual transfer switch, motor control centers, MCP panel, RTU panel, generator termination box, distribution panel, and appurtenances, including all connect to equipment, and all related work.	1	L.S.	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$255,000.00	\$261,800.00	\$261,800.00	\$261,800.00	\$240,000.00	\$240,000.00	\$310,000.00	\$310,000.00	\$285,000.00	\$285,000.00	\$315,000.00	\$315,000.00
111	Furnish and install all electrical conduit, conductors, pull boxes, grounding systems, site lighting, and appurtenances, and all related work.	1	L.S.	\$130,000.00	\$130,000.00	\$315,000.00	\$315,000.00	\$245,000.00	\$265,700.00	\$265,700.00	\$265,700.00	\$265,000.00	\$265,000.00	\$300,000.00	\$300,000.00	\$285,000.00	\$285,000.00	\$325,000.00	\$325,000.00
112	Furnish and install all Southern California Edison-related facilities, including conduits to service panel and coordination with Southern California Edison, and all related work.	1	L.S.	\$50,000.00	\$50,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$19,700.00	\$19,700.00	\$19,700.00	\$19,000.00	\$19,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$30,000.00	\$30,000.00
113	Furnish and install onsite asphalt paving consisting of 4" asphalt concrete pavement over 8" crushed miscellaneous base, and all related work (approximately 5,000 S.F.).	1	L.S.	\$36,000.00	\$36,000.00	\$50,000.00	\$50,000.00	\$18,000.00	\$62,700.00	\$62,700.00	\$62,700.00	\$30,000.00	\$30,000.00	\$50,000.00	\$50,000.00	\$60,000.00	\$60,000.00	\$50,000.00	\$50,000.00
114	Sturry treat existing site and access road paving, and all related work.	1	L.S.	\$15,000.00	\$15,000.00	\$30,000.00	\$30,000.00	\$5,000.00	\$24,500.00	\$24,500.00	\$24,500.00	\$22,000.00	\$22,000.00	\$30,000.00	\$30,000.00	\$28,710.00	\$28,710.00	\$22,000.00	\$22,000.00

YUCAIPA VALLEY WATER DISTRICT
 NB-12.1 NON-POTABLE BOOSTER STATION
 BID SUMMARY SHEET
 BID OPENING: MARCH 27, 2012 AT 11:00 AM

JOB NO. 818-705 (B)

ITEM NO.	DESCRIPTION	QTY	UNIT	ENGINEER'S ESTIMATE		BSM CONSTRUCTION		PACIFIC HYDROTECH		GENESIS CONSTRUCTION		BOVIE CONTRACTORS		METRO BUILDERS		4-CON ENGINEERING	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
115	Remove and install 8" and 12" pipes per YWD Standard Drawing S-22, and all related work.	40	EA	\$200.00	\$8,000.00	\$300.00	\$12,000.00	\$421.00	\$16,840.00	\$250.00	\$10,000.00	\$220.00	\$8,800.00	\$625.00	\$25,000.00	\$450.00	\$18,000.00
116	Remove and relocate temporary portable booster station (including demolition of existing facilities not re-located and 16" portable piping, and install nozzle on existing reservoir including coating repairs, and all related work.	1	LS	\$50,000.00	\$50,000.00	\$20,000.00	\$20,000.00	\$45,000.00	\$45,000.00	\$35,000.00	\$35,000.00	\$240,000.00	\$240,000.00	\$56,750.00	\$56,750.00	\$120,000.00	\$120,000.00
117	Furnish and install masonry block building and all related work.	200	SHR	\$50.00	\$10,000.00	\$115.00	\$23,000.00	\$108.00	\$21,600.00	\$85.00	\$17,000.00	\$125.00	\$25,000.00	\$300,000.00	\$300,000.00	\$60,000.00	\$60,000.00
118	Provide qualified tank coating contractor to perform surface preparation and repair of miscellaneous interior tank coating failures as directed by the District. Include in this bid item \$5,000 for miscellaneous coating materials (work to be done on the tank interior materials basis at the hourly rate provided).	1	LS	\$25,000.00	\$25,000.00	\$5,000.00	\$5,000.00	\$1,300.00	\$1,300.00	\$1,000.00	\$1,000.00	\$5,000.00	\$5,000.00	\$25,000.00	\$25,000.00	\$5,000.00	\$5,000.00
121	Perform startup and testing.	1	LS	\$1,000.00	\$1,000.00	\$1,500.00	\$1,500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$2,000.00	\$2,000.00	\$12,500.00	\$12,500.00	\$2,000.00	\$2,000.00
122	Furnish and install all protective materials and training.	1	LS	\$14,000.00	\$14,000.00	\$10,000.00	\$10,000.00	\$18,300.00	\$18,300.00	\$15,000.00	\$15,000.00	\$40,000.00	\$40,000.00	\$62,500.00	\$62,500.00	\$40,000.00	\$40,000.00
123	Demolish and clean up.	1	LS	\$2,000.00	\$2,000.00	\$3,000.00	\$3,000.00	\$2,000.00	\$2,000.00	\$1,000.00	\$1,000.00	\$5,000.00	\$5,000.00	\$25,000.00	\$25,000.00	\$5,000.00	\$5,000.00
124	All other items of work not included in the above bid items but necessary to complete and functional project in compliance with the Contract Documents.	1	LS	\$15,000.00	\$15,000.00	\$1,000.00	\$1,000.00	\$100.00	\$100.00	\$50,277.00	\$50,277.00	\$10,000.00	\$10,000.00	\$300,000.00	\$300,000.00	\$50,000.00	\$50,000.00
Subtotal					\$1,816,000.00		\$1,850,000.00		\$2,052,240.00		\$2,083,777.00		\$2,198,800.00		\$2,530,860.00		\$2,632,000.00
Last Minute Adjustment					(\$70,000.00)		(\$33,847.00)		\$0.00		\$0.00		-\$26,800.00		-\$38,860.00		\$0.00
Total (Rounded)					\$1,816,000.00		\$1,816,153.00		\$2,052,240.00		\$2,083,777.00		\$2,172,000.00		\$2,492,000.00		\$2,632,000.00
Amount as Bid					\$1,880,000.00		\$1,880,000.00		\$2,052,240.00		\$2,083,777.00		\$2,172,000.00		\$2,492,000.00		\$2,632,000.00
Difference					\$0.00		(\$174,847.00)		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00

(1) RSH Construction's bid contained two math errors: 1) the unit cost for Bid Item 106 of \$5,000 amounts to an extended price for that bid item of \$18,000 (not \$180,000); and 2) the Last Minute Adjustment was added to the Bidding Schedule Total incorrectly. These errors reduce their bid by \$174,847 compared to their written total of \$1,836,884.
 (2) 4-Con Engineering's bid contained a math error in calculating the extended price for Bid Item 119 by not including the \$5,000 as specified for that item; this error increases their total bid by \$5,000 compared to their written total of \$2,627,000.



Director Memorandum 12-034

Date: April 4, 2012

Prepared By: Joseph Zoba, General Manager

Subject: Approval of Agreement Modification No. 5 to the Cooperative Funding Agreement with the United States Department of the Interior, Bureau of Reclamation Related to the Yucaipa Valley Regional Brineline Project

Recommendation: That the Board approves the execution of Modification No. 5 to the Cooperative Agreement No. R10AC35R03 with the Bureau of Reclamation.

In March 2010, the District received a funding grant in the amount of \$2.286 million from the Bureau of Reclamation for Phases 1 and 2 of the Yucaipa Valley Regional Brineline Project [Director Memorandum No. 10-021]. This federal grant is in addition to the grant funding received from Proposition 50 for the three phases of the project (Phases 1, 2 and 3).

On September 8, 2010, the Yucaipa Valley Water District received notification from the Department of the Interior, Bureau of Reclamation of an additional \$2 million grant from the American Recovery and Reinvestment Act for Phase 3 of the Yucaipa Valley Regional Brineline. This additional funding was documented as Modification No. 1 to the Agreement with the Bureau of Reclamation.

Since this time, the District has received additional modification requests to the grant Agreement to provide for administrative costs for the Bureau of Reclamation. Modification No. 2 was unilaterally executed by the Bureau of Reclamation on September 21, 2010. Modification No. 3 was approved by the Board on March 2, 2011 and Modification No. 4 was approved on May 18, 2011.

On March 19, 2012, the District received Modification No. 5 for the deobligation of an additional \$20,000.

In order to maintain proper documentation for this project and financial audits, the District staff recommends that the Board approves Agreement Modification No. 5.

Summary of Administrative Funds for the U.S. Bureau of Reclamation

Original U.S. Bureau of Reclamation Grant	\$ 2,137,000
Second U.S. Bureau of Reclamation Grant – Modification No. 1	\$ 2,000,000
Administrative Fund Obligation – Modification No. 2	\$ 75,000
Administrative Fund Deobligation - Modification No. 3	(\$ 16,000)
Administrative Fund Deobligation - Modification No. 4	(\$ 30,000)
Administrative Fund Deobligation - Modification No. 5	(\$ 20,000)



United States Department of the Interior

BUREAU OF RECLAMATION

Southern California Area Office
27708 Jefferson Ave., Suite 202
Temecula, CA 92590-2628



RECEIVED

MAR 19 2012

**YUCAIPA VALLEY
WATER DISTRICT**

IN REPLY REFER TO:

SCAO-2000
ADM-13.00

MAR 15 2012

Mr. Joseph B. Zoba
General Manager
Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399

Subject: Modification No. 005, Cooperative Agreement No. R10AC35R03, Yucaipa Valley
Regional Brine Line Project, Phases I, II and III

Dear Mr. Zoba:

When the subject agreement was executed, Reclamation withheld \$149,785 to cover our administrative costs. In September, Reclamation obligated \$75,000 of the administrative funds to the agreement in order to avoid the possibility of losing the funds when the work is completed. This obligation was performed with the understanding that funds would be deobligated as needed to cover our actual administrative costs. The funds that we had retained, including the funds previously deobligated, have now been exhausted, and therefore we need to deobligate \$20,000 in order to provide additional administrative funds.

Enclosed are the original and two duplicate originals of Modification No. 005 to the subject cooperative agreement which will deobligate the \$20,000. A total of \$4,146,000 will remain available for work performed under the agreement, including \$9,000 of administrative funds. If the modification is satisfactory, please execute all three copies on behalf of the Yucaipa Valley Water District, and return all documents to this office. An executed duplicate original will be returned for your files.

If you have any questions, please contact me at 951-695-5310.

Sincerely,

Dennis D. Wolfe
Area Engineer

Enclosures -- 3

ORIGINAL

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
ASSISTANCE AGREEMENT

1A. AGREEMENT NUMBER R10AC35R03		1B. MOD NUMBER 005		2. TYPE OF AGREEMENT <input type="checkbox"/> GRANT <input checked="" type="checkbox"/> COOPERATIVE AGREEMENT		3. CLASS OF RECIPIENT Special District Government	
4. ISSUING OFFICE Southern California Area Office Bureau of Reclamation 27708 Jefferson Avenue, Suite 202 Temecula CA 92590				5. RECIPIENT Yucaipa Valley Water District 12770 Second Street Yucaipa CA 92399 909-797-5117			
				EIN #:		95-2742131	
				DUNS #:		076060508	
				County:		San Bernardino	
				Congress. Dist:		41	
6. ADMINISTRATIVE POINT OF CONTACT Dennis D. Wolfe, SCAO-2000 Bureau of Reclamation 27708 Jefferson Avenue, Suite 202 Temecula CA 92590 Phone: 951-695-5310, E-mail: dwolfe@usbr.gov				7. RECIPIENT PROJECT MANAGER Brent Anton 12770 Second Street Yucaipa CA 92399 909-797-5118, E-mail: banton@yvwd.dst.ca.us			
8. GRANTS OFFICER TECHNICAL REPRESENTATIVE Dennis D. Wolfe, SCAO-2000 Bureau of Reclamation 27708 Jefferson Avenue, Suite 202 Temecula CA 92590 Phone: 951-695-5310, E-mail: dwolfe@usbr.gov				9A. INITIAL AGREEMENT EFFECTIVE DATE: March 29, 2010		9B. MODIFICATION EFFECTIVE DATE: See Block 17A	
				10. COMPLETION DATE August 31, 2012			
11A. PROGRAM STATUTORY AUTHORITY Section 1655 Title XVI of Pub. L. 102-575, as amended						11B. CFDA Number 15.504	
12. FUNDING INFORMATION		RECIPIENT/OTHER		RECLAMATION		13. REQUISITION NUMBER 12350100032	
Total Estimated Amount of Agreement		\$17,314,251		\$4,286,785		14A. ACCOUNTING AND APPROPRIATION DATA Cost Authority: 121-2009-6000-195-00-0-0 Cost Center: 3501000 Object Code: 411C	
This Obligation		\$20,000		(\$20,000)			
Previous Obligation		\$17,435,036		\$4,166,000			
Total Obligation		\$17,455,036		\$4,146,000		14B. TREASURY ACCOUNT FUNDING SYMBOL 14-0681	
Cost-Share %		81%		19%			
15. PROJECT TITLE AND BRIEF SUMMARY OF PURPOSE AND OBJECTIVES OF PROJECT A. PROJECT TITLE: Yucaipa Valley Regional Brineline Project, Phases I, II, and III B. PURPOSE: 1. This is a funding change as shown in Block 12. 2. In the third paragraph of Section I.4, the amount of funds that Reclamation has available for this agreement is changed to \$4,146,000.							
16a. Acceptance of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the above-named recipient BY: _____ DATE: _____				17a. Award of this Assistance Agreement in accordance with the terms and conditions contained herein is hereby made on behalf of the United States of America, Department of the Interior, Bureau of Reclamation BY: _____ DATE: _____			
16b. NAME, TITLE, AND TELEPHONE NUMBER OF SIGNER Joseph B. Zoba General Manager 909-797-5117 <input type="checkbox"/> Additional signatures are attached				17b. NAME OF GRANTS OFFICER William J. Steele Grants Officer 951-695-5310			

Agreement No. R10AC35R03

C. DESCRIPTION OF CHANGE:

The purpose of this modification is to deobligate \$20,000 of administrative funds that have been previously obligated to this agreement. After this modification is executed, \$9,000 of administrative funds will remain obligated to the agreement.

D. ADJUSTMENT OF AGREEMENT AMOUNT:

The award amount is unchanged and remains \$4,286,785.

E. NOTICE OF CHANGE IN FUNDS OBLIGATED:

As a result of this modification, the amount obligated is changed from \$4,166,000 to \$4,146,000.

F. ADJUSTMENT IN AGREEMENT TIME:

The period of performance is unchanged and remains March 29, 2010 through August 31, 2012.

Agreement No. R10AC35R03
Modification 005

DIRECTOR COMMENTS

ANNOUNCEMENTS