

# Staff Report

for the Board of Directors' Meeting of May 25, 2016

**TO:** Board of Directors

**FROM:** Chip Close, Water Operations Manager

**DATE:** May 16, 2016

**SUBJECT:** Watershed Sanitary Survey Memorandum of Understanding

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## **OPERATIONS**

### **RECOMMENDATION:**

Authorize the General Manager to sign a Memorandum of Understanding (MOU) between Nevada Irrigation District (District) and Placer County Water Agency (PCWA) to share in the development and costs for the 2016 Watershed Sanitary Survey as recommended by the Water and Hydroelectric Committee.

### **BACKGROUND:**

The State Water Resources Control Board Division of Drinking Water requires all water suppliers using surface water sources to complete a Watershed Sanitary Survey (WSS) update every 5 years. The last update was completed in 2011; therefore an update is required by the end of this year.

The District and PWCA share the same watershed for source water supplies and have worked collaboratively on the development of previous versions of the WSS. The sharing of workload and funds provides the most efficient means to update the WSS and is in the customer's best interest.

The attached Memorandum of Understanding memorializes an agreement between the District and PCWA with respect to contracting for the WSS update. The MOU has been reviewed and edited by legal counsel.

### **BUDGETARY IMPACT:**

The 2016 Operations Budget included \$60,000 for consulting services for the completion of the 2016 WSS update. The MOU establishes a cap cost of \$50,000 for each agency; therefore, a budget surplus may be realized pending a lack of change orders.

AC

attachment (1):

- Proposed Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING  
REGARDING CONTRACTING FOR A  
YUBA AND BEAR RIVER WATERSHEDS SANITARY SURVEY UPDATE

This Memorandum of Understanding (hereinafter referred to as “MOU”) is entered into on \_\_\_\_\_, 2016, by and between Placer County Water Agency (hereinafter referred to as “Agency”) and Nevada Irrigation District (hereinafter referred to as “District”).

RECITALS

- A. The purpose of this MOU is to memorialize an agreement and understanding of the parties hereto (hereinafter referred to as “Parties”) with respect to the contracting for a sanitary survey update of the Yuba River and Bear River watersheds.
- B. The Parties each are required by the State Water Resources Control Board, Division of Drinking Water to comply with regulations requiring all water suppliers using surface water sources to complete an updated sanitary survey of their respective watershed(s).
- C. The Parties believe it to be in their best interest, as well their customer’s best interest, to enter into a contract with a consultant to conduct the sanitary survey update and to cooperatively and jointly share in the cost of the sanitary survey update.

NOW THEREFORE, in consideration of the mutual obligations set forth herein, the Parties agree as follows:

- 1. Technical Committee: The Parties hereby form a Technical Committee consisting of two representatives of each of the Parties, as identified on the list attached hereto as “Exhibit A.” Representatives named herein may, from time to time, designate individuals to act on the representative’s behalf. Meetings of the Technical Committee may be attended by anyone

authorized by any representative. The purpose of the Technical Committee will be to share information, select a consultant, review work of the consultant, and make decisions necessary for the consultant to complete their work. The Technical Committee shall meet at a location(s) and time(s) as the Technical Committee may agree.

2. Decisions of Technical Committee: The Parties expect and intend that decisions of the Technical Committee will be made by consensus.

3. Selection of Consultant: The consultant shall be selected and the consultant's scope of work approved by consensus of the Parties. Once selected, the Agency will act as the lead agency in contracting with one or more consultants to complete the work. The Agency will include in its contract with the consultant that (a) the consultant's contract will not take legal effect unless and until the board of directors of both Agency and District have approved and executed this MOU; (b) changes to the consultant's scope of work or changes in the price of the work performed first require the consensus of the Technical Committee; (c) that the contract may be terminated without cause by either Agency, District, or both Agency and District upon notice to the consultant; (d) that all written, electronic, and other work product performed or undertaken by consultant shall be the joint property of Agency and District and may be used by Agency or District for any purpose; and (e) that consultant shall provide copies of all documents, work product, and other notices to the parties listed in Exhibit A.

4. Cost Sharing for Consultant Invoices: The Agency will be responsible for administering the contract(s) for services of the selected consultant(s). It is understood and agreed, however, that the Parties shall each pay 50 percent of the total contract amount(s) due. Only work integral to the completion of the sanitary survey and included in the previously approved scope

of work will be authorized to be performed by the consultant(s) under any contract(s) relating to this MOU. Upon receipt of an invoice from the consultant(s), the Agency will forward a copy of the invoice to the District, who within 10 days of the receipt of said invoice shall review the work performed and either approve or dispute any part or all of the invoice. Within 14 days of the approval of the consultant invoice for payment, the District will tender payment to the Agency for its 50% of the approved costs. The Agency will make payment to the consultant's for the approved amount of each invoice. In the event one or more Parties believe an invoice should not be paid in whole or in part, the dispute shall be resolved by the Technical Committee. The Parties agree to exercise good faith and diligence in the resolution of any disputed invoice amounts; provided, however, that notwithstanding any provisions contained herein, the Agency shall be reimbursed by the District for its respective 50% share of costs incurred under the contract with consultant for work undertaken pursuant to the agreed upon scope of work through the effective date of termination of the contract or its term, whichever is earlier.

5. Price Ceiling: In no case shall the total value of goods or services procured for both Parties pursuant to this MOU exceed \$100,000.00 (\$50,000.00 to each party) except by written Amendment to this MOU.

6. Notices: Any invoice, payment, notice, electronic or hard copy work product from the consultant, or other written communication related to this MOU will be promptly provided to those representatives identified in Exhibit A.

7. Term of MOU: This MOU shall be effective as of the date first written above and shall remain in force until all services and contracts covered by this MOU have been completed and

performed, and all payments required under this MOU have been made, and copies of all documents and studies and supporting documents have been supplied to both Parties.

Any Party may withdraw from this MOU effective upon 60 day's written notice to the other Party. The Parties shall execute an amendment to this MOU memorializing the withdrawal. The withdrawing Party shall be responsible for their share of financial obligations incurred under this MOU prior to the effective date of the withdrawal.

8. Amendments: Amendments to this MOU must be written and executed by the governing bodies of both Parties.

9. Assignment. Except as otherwise provided under this MOU, the rights and duties of the Parties may not be assigned or delegated without the written consent of the other Parties and their respective governing bodies. Subject to the foregoing, this MOU will inure to the benefit of, and be binding on, the successors and assigns of the Parties hereto.

10. General Provisions: Each Party understands and agrees that there is no agency relationship between the Parties. It is further understood and agreed by the Parties that notwithstanding anything contained herein, the employees of each Party shall continue to be entirely and exclusively under the direction, supervision and control of the employing Party. Each Party understands and agrees that any internal, in-house or administrative costs or expenses incurred by either Party related to that Party's obligations under this MOU shall be the sole responsibility of the Party incurring said costs and expenses. This instrument constitutes the entire MOU between the Parties concerning the subject matter hereof.

PLACER COUNTY WATER AGENCY (AGENCY)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

NEVADA IRRIGATION DISTRICT (DISTRICT)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT A

Placer County Water Agency (Agency)  
P.O. Box 6570  
Auburn, CA 95604  
(530) 823-4886  
(530) 823-4884 fax  
Brent Smith, Director of Technical Services  
Andrew Hamilton, Drinking Water Operations Manager

Nevada Irrigation District (District)  
1036 West Main Street  
Grass Valley, CA 95945-1019  
(530) 273-6185  
(530) 477-2646 fax  
Gary King, Chief Engineer  
Chip Close, Water Operations Manager