



# STANISLAUS REGIONAL WATER AUTHORITY

156 S. Broadway, Ste. 270, Turlock, CA 95380  
(209) 668-5490 (phone) (209) 668-5695 (fax)

## Special Board Meeting Agenda

**October 20, 2016 at 10:00 a.m.**  
**156 S. Broadway, Turlock CA**  
**2<sup>nd</sup> Floor – Yosemite Conference Room**

Chair  
**Gary Soiseth**

Vice Chair  
**Chris Vierra**

Director  
**Ken Lane**

Director  
**Amy Bublak**

Interim General Manager  
**Michael Brinton**

Board Secretary  
**Tish Foley**

Interim Legal Counsel  
**Phaedra A. Norton**

**NOTICE REGARDING NON-ENGLISH SPEAKERS:** The Stanislaus Regional Water Authority (SRWA) meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

**EQUAL ACCESS POLICY:** If you have a disability which affects your access to public facilities or services, please contact the Board Secretary. The Board is committed to taking all reasonable measures to provide access to its facilities and services. Please allow sufficient time for the Board to process and respond to your request.

**NOTICE:** Pursuant to California Government Code Section 54954.3, any member of the public may directly address the Stanislaus Regional Water Authority Board on any item appearing on the agenda, including Consent Calendar and Scheduled items, before or during the Board's consideration of the item.

**AGENDA PACKETS:** Prior to the Stanislaus Regional Water Authority Board meeting, a complete Agenda Packet is available for review on the SRWA's website at [www.stanrwa.org](http://www.stanrwa.org) and in the Board Secretary's Office at 156 S. Broadway, Suite 230, Turlock, during normal business hours. Materials related to an item on this Agenda submitted to the Board after distribution of the Agenda Packet are also available for public inspection in the Board Secretary's Office. Such documents may be available on the SRWA's website subject to staff's ability to post the documents before the meeting.

1. **A. CALL TO ORDER**
  - B. SALUTE TO THE FLAG**
2. **PROCLAMATIONS, RECOGNITIONS, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS:** None
3. **A. SPECIAL BRIEFINGS:** None
  - B. STAFF UPDATES**
    1. Interim General Manager Updates (*Brinton*)
    2. Finance Director Report (*Jacobs-Hunter*)
  - C. CONSULTANT UPDATES**
    1. West Yost Associates will provide the Board with a project status update. (*Nakano*)

**D. PUBLIC PARTICIPATION**

This is the time set aside for members of the public to address the Stanislaus Regional Water Authority Board concerning any item that has been described in the notice for the meeting, including Consent Calendar items, before or during consideration of that item. You will be allowed five (5) minutes for your comments. If you wish to speak regarding an item on the agenda, you may be asked to defer your remarks until the Board addresses the matter.

**4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS**

**5. CONSENT CALENDAR**

Information concerning the consent items listed hereinbelow has been forwarded to each Board member prior to this meeting for study. Unless the Chair, a Board member, or member of the audience has questions concerning the Consent Calendar, the items are approved at one time by the Board. The action taken by the Board in approving the consent items is set forth in the explanation of the individual items.

A. Accepting minutes of Special Meeting of October 6, 2016

**6. PUBLIC HEARINGS: None**

**7. SCHEDULED MATTERS**

A. Request to concur with the recommendation to proceed with Source Water Bench-Scale Testing to evaluate and refine available treatment process alternatives. (*Nakano*)

**Recommended Action:**

*Motion:* Concurrence with recommendation to proceed with Source Water Bench-Scale Testing to evaluate and refine available treatment process alternatives.

B. Request to appoint members to a Temporary (Ad Hoc) Advisory Audit Committee for the 2015-16 fiscal year financial audit process. (*Hunter*)

**Recommended Action:**

*Motion:* Appointing members to a Temporary (Ad Hoc) Advisory Audit Committee for the 2015-16 fiscal year financial audit process

C. Request to adopt a Resolution stating the Stanislaus Regional Water Authority Board's opposition to the Draft Substitute Environmental Document (SED) released by the State Water Resources Control Board in support of updating the Bay-Delta Water Quality Control Plan. (*Brinton/Cooke*)

**Recommended Action:**

*Resolution:* Stating the Stanislaus Regional Water Authority Board's opposition to the Draft Substitute Environmental Document (SED) released by the State Water Resources Control Board in support of updating the Bay-Delta Water Quality Control Plan

D. Request to delegate authority to the Interim General Manager, Finance Director, and representatives from each Participant City to approve budget transfer requests by SRWA consultants/contractors. (*Brinton*)

**Recommended Action:**

*Resolution:* Delegating authority to the Interim General Manager, Finance Director, and representatives from each Participant City to approve budget transfer requests by SRWA consultants/contractors

8. **MATTERS TOO LATE FOR THE AGENDA**

9. **BOARD ITEMS FOR FUTURE CONSIDERATION**

10. **BOARD COMMENTS**

Board members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the legislative body.

11. **NEXT MEETING DATE:** November 10, 2016 – Regular Meeting (*Note: The Regular Meeting scheduled for October 27, 2016, will be canceled*)

12. **CLOSED SESSION**

13. **ADJOURNMENT**

The foregoing meeting is hereby called by Chair Soiseth at the above mentioned date and time pursuant to California Government Code §54956.



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Gary Soiseth, Chair



October 20, 2016

**Item 3.B.1**

To: SRWA Board  
From: Michael Brinton, Interim General Manager  
Subject: Interim General Manager Report

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The members of the Technical Advisory Committee (TAC) have continued to meet with West Yost Associates and their sub-consultants on various items in preparation of the design of the raw water supply infrastructure, water treatment facility, treated water transmission mains and local distribution systems. The items covered since the last SRWA Board meeting includes the following:

- Met with Horizon Environmental to refine the environmental component in the overall Project schedule
- Scheduled meeting with Department of Water Resources and California Water Commission to discuss funding opportunities
- Coordinated with TID and conducted geotechnical borings at wet well site
- Continued development of draft infiltration gallery development and testing plan
- Reviewed surveying and ROW acquisition proposals
- Reviewed draft ROW Management Plan
- Completed hydraulic evaluation of the local facilities required to distribute the new treated water supplies
- Completed Cost Allocation TM
- Continued to refine baseline draft schedule
- Reviewed draft project schedule
- Preparing outreach to RWQCB for discharge of infiltration gallery development and testing water to Tuolumne River

Mr. Nakano will provide a more in depth review of these items. I will be happy to answer any questions.



STANISLAUS REGIONAL WATER AUTHORITY

156 S. Broadway, Ste. 270, Turlock, CA 95380
(209) 668-5490 (phone) (209) 668-5695 (fax)

October 6, 2016 at 10:00 a.m.
156 S. Broadway, Turlock, CA
2nd Floor – Yosemite Room

DRAFT Minutes
Special Meeting
SRWA Board

- 1. A. CALL TO ORDER: Chair Soiseth called the meeting to order at 10:05 a.m.
PRESENT: Director Bublak, Vice Chair Vierra, Chair Soiseth
ABSENT: Director Lane

B. SALUTE TO THE FLAG

- 2. PROCLAMATIONS, PRESENTATIONS, RECOGNITIONS, ANNOUNCEMENTS & APPOINTMENTS: None

- 3. A. SPECIAL BRIEFINGS: None

B. STAFF UPDATES:

- 1. Interim General Manager Mike Brinton provided an overview of items discussed at recent Technical Advisory Committee (TAC) meetings...
2. Finance Director Kellie Jacobs-Hunter provided information on revenue and expenditures for Fiscal Year 2016-17 through October 4, 2016.

C. CONSULTANT UPDATES:

- 1. West Yost Associates Gerry Nakano provided a project status update. TAC and West Yost Management Team is planning for an upcoming meeting with SRF representatives. The SRWA website has been updated by adding Board-approved Tech Memos and an updated map. Wet Well design kickoff meeting held. Reviewed the dimensions and future steps including sampling soil characteristics and sealing of groundwater. Geotechnical work begins next week. One month look ahead includes delivery methods, hydraulic analysis, cost allocations recommendations, draft preliminary schedule, and an update on EIR work.

D. PUBLIC PARTICIPATION: None

- 4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS: None

5. CONSENT CALENDAR:

Action: Motion by Director Bublak, seconded by Vice Chair Vierra, to adopt the consent calendar. Motion carried 3/1 by the following vote:

Table with 4 columns: Director Lane, Director Bublak, Vice Chair Vierra, Chair Soiseth. Values: Absent, Yes, Yes, Yes.

- A. Motion: Accepting minutes of Regular Meeting of September 22, 2016.

**6. PUBLIC HEARINGS:** None

**7. SCHEDULED MATTERS:**

A. West Yost Associates Lindsay Smith opened discussion on the presentation on project delivery alternatives for completing the design, construction, and operations for the facilities included as part of the Project, including traditional design-bid-build, lump sum design-build, and design-build-operate.

**1. Project Delivery Alternatives:**

Design-Bid-Build (DBB):

- Traditional method.
- Advantages:
  - Engineer works directly for owner
  - More owner control during design
  - Known procurement method
  - Owner-hired construction manager
- Disadvantages:
  - Low bid can lead to contentious environment or low quality
  - Higher change order potential
  - Owner holds all risk for performance and budget
  - Owner in middle of all disputes
  - Construction cost unknown until design complete
  - Linear process leads to long timeline

Lump-Sum Design Build (DB):

- Advantages:
  - Schedule efficiencies and cost saving (depends on project size and complexity)
  - Technical Innovation
  - Qualifications-based selection
  - Single-entity responsibility
  - Risk transfer opportunities
  - Reduced change orders and claims
  - Collaborative contract negotiation process
- Disadvantages:
  - Reduction in control over design and construction quality control
  - Owner scope changes likely result in a change order
  - Cost of risk transfer
  - Costs will include some contingencies due to less defined project scope
  - Procurement process is time consuming
  - Public perception/lack of education

Design-Build-Operate (DBO):

- Adds in an Operations Team
- Looking at long-term costs of the facilities, including maintenance costs.
- Advantages:
  - Same as Design-Build (above)
  - Decision making based on long-term life cycle costs
  - Risk for long-term performance shifted to DBO operator

- Long-term operating costs are fixed
- Provides access to technical/operations resources at lower price
- Regional project avoids debate over who runs facilities
- More potential for innovation
- Design considers most efficient long-term maintenance and operations
- Disadvantages:
  - Same as Design-Build (above)
  - Project “marketability” concerns
- Legal Authority:
  - Government Code Section 5956
  - Requires use of private infrastructure financing as exclusive or supplemental revenue source
  - Contractor selected by a competitive negotiation process
  - Cannot be used on state financed projects (exception for SRF through 2019)
  - Will require legislation to both extend use of SRF and allow for use of other State funds

**2. Input from DB/DBO Community:**

- Schedule benefits due to early DBO RFP preparation and lack of bidding period
- Value Engineering is embedded in DB/DBO procurement process
- Reliable competitor list available

**3. Procurement for SRWA Facilities:**

- Status of each element reviewed
  - Wet Well Construction/Infiltration Gallery Development
  - Intake Pump Station, recommended to include in Project
  - Water Treatment Plant, recommended to combine with intake (at a minimum)
  - Raw and Finished Water Pipelines
  - Local Facilities
- Reviewed procurement methods for recent and local WTP Projects

**4. Next Steps:**

- Prepare Technical Memorandum describing Procurement Alternatives and bring recommendation to the Board
- Prepare Procurement Guidance Document

**Discussion:**

Progressive Design Build is another option, however, it will not be considered based on recent court cases that have determined there is a potential conflict of interest related to this procurement process. Dick Shanahan, Special Legal Counsel, advised the Board that it is not recommended they take that risk.

Chair Soiseth thanked the West Yost team for their thorough presentation of the options. The Board reviewed the costs associated with each alternative and did not make a formal selection. Design-Build-Operate could be considered if it would allow for a third-party oversight along the process.

Chair Soiseth opened public participation. There being none, Chair Soiseth closed public participation.

**Action:** None – Information and discussion only.

8. **MATTERS TOO LATE FOR THE AGENDA:** None
9. **BOARD ITEMS FOR FUTURE CONSIDERATION:** None
10. **BOARD COMMENTS:** Chair Soiseth would like the Board to consider adopting a Resolution stating the Board's opposition to the Draft Substitute Environmental Document (SED) released by the State Water Resources Control Board in support of updating the Bay-Delta Water Quality Control Plan.
11. **NEXT MEETING DATE:** October 20, 2016 – Special Meeting. The Regular Meeting scheduled for October 13, will be canceled.
12. **CLOSED SESSION:** None
13. **ADJOURNMENT:** The meeting was adjourned by unanimous vote at 11:18 a.m.

RESPECTFULLY SUBMITTED

***DRAFT***

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Tish Foley  
Board Secretary



From: West Yost Program Management Team

Prepared by: Andy Smith, West Yost Associates

**1. ACTION RECOMMENDED:**

Motion: Concurrence with recommendation to proceed with Source Water Bench-Scale Testing to evaluate and refine available treatment process alternatives

**2. DISCUSSION OF ISSUE:**

To further evaluate and refine the available treatment process alternatives that remain under consideration by the TAC and PM Team, a variety of bench-scale tests are recommended. The recommended activities include jar testing, ozone demand testing, and manganese removal testing. The results of these tests will yield information that would not otherwise be available from the analysis of raw water samples and assist in making better informed decisions regarding available treatment process alternatives. The scope and benefits of these tests are summarized below.

Enhanced Coagulation Jar Testing

This testing will involve the comparison and optimization of a variety of coagulants and pH levels and their impact on the removal of natural organic matter and turbidity from the source water (i.e., the Tuolumne River). Additional testing will simulate the interaction between the coagulated and settled water with chlorine disinfectants within the distribution system. The results of these tests will provide the following information necessary to further refine available treatment alternatives:

- Optimum pH and coagulant type and dose for removal of organic matter and turbidity
- Formation potential for chlorine-related disinfection byproducts (DBPs) following coagulation and sedimentation

Ozone Demand Testing

This testing will involve the determination of the ozone demand of both the raw water and the coagulated/settled (i.e., clarified) water produced during jar testing. Additional testing will include measurement of bromate (a DBP associated with ozone treatment) in the clarified water, as well as the interaction of both ozonated and non-ozonated clarified water with chloramines within the distribution system. These tests will be conducted on a monthly basis for a one-year period to assess the impact of seasonally variable source water quality on ozone demands. The results of these tests will provide the following information necessary to further refine available treatment alternatives:

- Optimum ozone doses for raw and clarified water, over a range of seasonal source water conditions
- Formation potential for ozone- and chloramine-related DBPs

Manganese Removal Testing

This testing will involve the comparison and optimization of techniques to remove manganese from the source water, including various combinations of: oxidation with permanganate; coagulation; and ozonation. Additional testing will include evaluation of the impact of calcium and carbonate additions and the effect of pH increase on removal. These tests will be conducted on a quarterly basis for a one-year period to assess the

impact of seasonally variable source water quality on manganese removal. The results of these tests will provide the following information necessary to further refine available treatment alternatives:

- Optimum approach for removal of manganese to ensure compliance with regulatory limits
- Potential for manganese-related aesthetic issues in the distribution system

The requested budget for Trussell Technologies to complete the testing activities as a subconsultant to West Yost Associates is \$255,232.

**3. FISCAL IMPACT / BUDGET AMENDMENT:**

The total requested budget amendment for the above sampling and analysis activities is \$255,232. Although bench testing activities were identified as optional tasks in West Yost's original scope of work/agreement, the costs were not included because the actual testing recommendations could not have been determined until subsequent review of historical source water quality and preliminary evaluation of treatment process alternatives. A budget amendment will be brought before the Board at an upcoming meeting in November.

**4. INTERIM GENERAL MANAGER'S COMMENTS:**

Supports moving forward with the budget amendment and bench testing activities.

**5. ENVIRONMENTAL DETERMINATION:**

N/A

**6. ALTERNATIVES:**

In lieu of bench testing, evaluation of available treatment process alternatives could proceed with more conservative assumptions and defer more detailed analyses to the procurement phase of the Project. This approach may result in treatment facilities which are overdesigned and more costly to construct.

From: Kellie Jacobs-Hunter, Finance Director

Prepared by: Marie Lorenzi, Senior Accountant

**1. ACTION RECOMMENDED:**

Motion: Appointing members to a Temporary (Ad Hoc) Advisory Audit Committee for the 2015-16 fiscal year financial audit process

**2. DISCUSSION OF ISSUE:**

At the August 11, 2016 Board meeting, a professional services agreement with Maze and Associates was approved for the 2015-16 audit process for the SRWA. Maze and Associates have advised Staff that part of their annual audit process is to communicate certain aspects of the audit process with “those charged with governance.” In order to facilitate this communication and to not violate the Brown Act, Staff is requesting the establishment of a Temporary (Ad Hoc) Advisory Audit Committee for the 2015-16 fiscal year audit process. This proposed committee will be made up of two (2) members of the SRWA Board. The committee’s role will be limited to the 2015-16 fiscal year audit process and it will be dissolved once its task is complete.

Typically when the auditors perform testing of the SRWA’s financial accounting processes, internal controls, and other aspects of the Authority’s financial accounting system, these tests are performed on a random basis so that each aspect of the system has an equal chance of being tested. This randomness diminishes the likelihood that a preconceived bias (either conscience or unconscious) influences the testing process.

**3. FISCAL IMPACT / BUDGET AMENDMENT:**

There is no additional financial impact to the Authority’s adopted 2016-17 budget from the action requested of Board. The cost of external audit services has already been incorporated into the budget.

**4. INTERIM GENERAL MANAGER’S COMMENTS:**

Recommend approval.

**5. ENVIRONMENTAL DETERMINATION:**

N/A

**6. ALTERNATIVES:**

A. None recommended as the communication with the governing body is a required audit procedure and the committee is the recommended vehicle to facilitate the required communication.

From: Michael Brinton, Interim General Manager

Prepared by: Michael I. Cooke, Municipal Services Director

**1. ACTION RECOMMENDED:**

Resolution: Stating the Stanislaus Regional Water Authority Board's opposition to the Draft Substitute Environmental Document (SED) released by the State Water Resources Control Board in support of updating the Bay-Delta Water Quality Control Plan

**2. DISCUSSION OF ISSUE:**

The State Water Resources Control Board (State Water Board) is responsible for developing and modifying the Bay-Delta Water Quality Control Plan which establishes water quality control measures needed to provide reasonable protection of beneficial uses of water in the Bay-Delta Watershed. The State Water Board implements the Bay-Delta Plan through water rights and other measures.

The State Water Board is in the process of developing and implementing updates to the Bay-Delta Plan, including flow objectives for priority tributaries to the Delta. The Stanislaus, Tuolumne and Merced Rivers are all tributaries to the San Joaquin River and are included in Phase 1. Turlock Irrigation District (TID), as well as Modesto Irrigation District, Merced Irrigation District, Oakdale Irrigation District, and South San Joaquin Irrigation District will all be adversely impacted by the recommendations contained in the update to the Bay-Delta Plan.

On September 15, 2016, the State Water Board released a Revised Draft Substitute Environmental Document (SED) and draft proposed changes to the Bay-Delta Plan for public comment. The cornerstone of the SED is the concept of requiring "unimpaired flows" in the tributaries to the San Joaquin River. For the past 100+ years, the irrigation districts have operated dams that limit or "impair" the natural flow of the rivers. These dams prevent flooding and store water in reservoirs for the irrigation season. The State Water Board theorizes that by allowing rivers to flow as if they were "unimpaired" by the dams, fishery conditions will improve in the Bay- Delta. Therefore, the SED proposes requiring the irrigation districts to release more water in February through June each year; this will severely limit the amount of water the irrigation districts can store for the irrigation season.

If the recommendations contained in the SED are implemented, there are a number of adverse impacts to the Cities of Ceres and Turlock and to the region as a whole. Adverse impacts include, but are not limited to the following:

- The fallowing of agricultural land
- Lower agricultural production and reduction in the economic multiplier effect of crop production
- Increased groundwater pumping to make up for the loss of surface irrigation water
- Declining aquifer levels

- Declining groundwater quality
- Challenges in complying with the requirements of the Sustainable Groundwater Management Act of 2014
- **Reduced water supply for the Stanislaus Regional Water Authority's Surface Water Treatment Plant**

The SED, as currently proposed, may seriously limit the SRWA's ability to obtain a reliable source of raw water from the Tuolumne River. Over the next few weeks, staff from Ceres and Turlock will work with TID staff to better understand the implications of the SED on the SRWA's drinking water project.

3. **FISCAL IMPACT / BUDGET AMENDMENT:**

N/A

4. **INTERIM GENERAL MANAGER'S COMMENTS:**

Recommend approval.

5. **ENVIRONMENTAL DETERMINATION:**

N/A

6. **ALTERNATIVES:**

- A. Do not approve the passing of the proposed Resolution. This alternative is not recommended because an adequate supply of surface water is critical to the region's hydrology and economy.



**BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY**

**IN THE MATTER OF STATING THE STANISLAUS  
REGIONAL WATER AUTHORITY BOARD'S  
OPPOSITION TO THE DRAFT SUBSTITUTE  
ENVIRONMENTAL DOCUMENT (SED)  
RELEASED BY THE STATE WATER RESOURCES  
CONTROL BOARD IN SUPPORT OF UPDATING  
THE BAY-DELTA WATER QUALITY CONTROL  
PLAN**

**RESOLUTION NO. 2016-xxx**

**WHEREAS**, on September 15, 2016, with nominal input from affected communities, the State Water Resources Control Board (State Water Board) released a revised Draft Substitute Environmental Document (SED) in support of Phase I of its Bay-Delta Water Quality Control Plan; and

**WHEREAS**, the SED proposes to require the local irrigation districts that operate dams on the Stanislaus, Tuolumne and Merced Rivers to release 40 percent of unimpaired flows from February to June each year; and

**WHEREAS**, the State Water Board and its consultants have rejected numerous requests from the impacted agencies within our region to discuss the assumptions and data underlying the SED's analyses and recommendations; and

**WHEREAS**, the State Water Board has conducted a multi-year study, at the cost of tens of millions of taxpayer dollars, and failed to even discuss its assumptions with those who stand to be impacted by its recommendations; and

**WHEREAS**, the release of SED marks a failure to engage in serious technical analyses of environmental, social, economic, educational and cultural impacts with those to be affected in the region; and

**WHEREAS**, despite a groundwater crisis that resulted in the Sustainable Groundwater Management Act in 2014, as well as continued drought impacts, the State Water Board desires to take even more water from one of California's most challenged regions; and

**WHEREAS**, the City of Turlock and the City of Ceres, like most communities in this multi-county region, are entirely dependent on groundwater for its drinking water source, and has experienced declines in both aquifer levels and in potable water quality; and

**WHEREAS**, the City of Turlock and the City of Ceres already face significant drinking water quality and quantity issues that have been ignored in the SED; and

**WHEREAS**, the unimpaired flow proposal contained in the SED is a regulatory taking that threatens the efforts of the City of Turlock and the City of Ceres, partners in the Stanislaus Regional Water Authority, to obtain a reliable supply of treated surface water for the region; and

**WHEREAS**, the 2012 SED ignored the well-documented recharge value of irrigation water, and was unable to account for the state's new groundwater laws and groundwater pumping increases resulting from the drought; and

**WHEREAS**, the State Water Board's proposal will mean that Turlock, Ceres and the entire region will be severely vulnerable in the effort to achieve state-mandated groundwater sustainability; and

**WHEREAS**, the State Water Board's proposal directly undermines efforts to maintain groundwater quality in disadvantaged communities that lack access to surface water; and

**WHEREAS**, agriculture, made possible by irrigation, is the cornerstone of our local economy and provides a significant number of jobs, as crops grown locally are processed in Stanislaus County at a number of manufacturing facilities; and

**WHEREAS**, Turlock is located in a region that is among the most economically challenged in the entire state with some of the highest unemployment rates, a multitude of health challenges, and the lowest educational achievement rates in all of California.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of the Stanislaus Regional Water Authority does hereby vigorously oppose the proposed water grab by the State of California, a proposal without mitigation or due analysis of impacts.

**BE IT FURTHER RESOLVED** that the Board of the Stanislaus Regional Water Authority will strongly oppose the SED in every possible venue unless its impacts are fully mitigated.

**PASSED AND ADOPTED** at a special meeting of the Board of the Stanislaus Regional Water Authority this 20<sup>th</sup> day of October, 2016, by the following vote:

AYES:  
NOES:  
NOT PARTICIPATING:  
ABSENT:

ATTEST:

**DRAFT**

Tish Foley, Board Secretary

From: Michael Brinton, Interim General Counsel

Prepared by: SRWA Technical Advisory Committee

**1. ACTION RECOMMENDED:**

Resolution: Delegating authority to the Interim General Manager, Finance Director, and representatives from each Participant City to approve budget transfer requests by SRWA consultants/contractors

**2. DISCUSSION OF ISSUE:**

The Surface Water Supply Project (Project) is complex and dynamic. Due to the complexity of the Project we know that modifications, both expansions and reductions, to the scope of work for a particular task or subtask will need to be made and approved. Modifications to a particular task or subtask scope of work will require a modification to the line item budget for that task.

In an effort to continue to move the Project forward efficiently, the TAC is recommending that the SRWA Board of Directors (Board) delegate authority to the Interim General Manager, Finance Director, and a representative from each Participant City to approve the transfer of previously approved budgeted funding between tasks and use of contingency funding.

To ensure there is written documentation and proper justification to transfer budget funding between tasks/subtasks a Budget Transfer Request Form (Form) has been prepared (see attached). The Form can be used for any SRWA consultant/contractor, requires written justification, tracks the budget amount being proposed for transfer, and identifies what tasks are involved in the transfer. Most importantly, the form includes a place for signature approval by the members identified above.

This process will only be used for the transfer of budget funding within the contract amount. If additional funding is needed in excess of the contract amount a budget amendment will be brought to the Board for approval.

**3. FISCAL IMPACT / BUDGET AMENDMENT:**

None. The Budget Transfer Request Form will only be used to move funding within the Board approved contract amount. All budget amendments will be brought to the Board for approval.

**4. INTERIM GENERAL MANAGER'S COMMENTS:**

Recommends delegation of authority for budget transfer requests to efficiently accommodate scope changes and the modification to the budget.

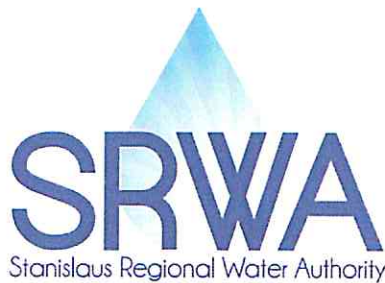


5. **ENVIRONMENTAL DETERMINATION:**

N/A

6. **ALTERNATIVES:**

Chose not to delegate authority for budget transfer requests and instead require that all budget transfer requests be approved by the Board.



**BEFORE THE BOARD OF THE STANISLAUS REGIONAL WATER AUTHORITY**

**IN THE MATTER OF DELEGATING AUTHORITY }  
TO THE INTERIM GENERAL MANAGER, }  
FINANCE DIRECTOR, AND REPRESENTATIVES }  
FROM EACH PARTICIPANT CITY TO APPROVE }  
BUDGET TRANSFER REQUESTS BY }  
STANISLAUS REGIONAL WATER AUTHORITY }  
CONSULTANTS/CONTRACTORS }**

**RESOLUTION NO. 2016-xxx**

**WHEREAS**, the Surface Water Supply Project (Project) is complex and dynamic; and

**WHEREAS**, due to the complexity of the Project, modifications, both expansions and reductions, to the scope of work for a particular task or subtask of a Consultant and/or Contractor will need to be made and approved; and

**WHEREAS**, modifications to a particular task or subtask scope of work will require a modification to the line item budget for that task; and

**WHEREAS**, it is important to ensure there is written documentation and proper justification to transfer budget funding between tasks/subtasks; and

**WHEREAS**, a Budget Transfer Request Form has been prepared for the express use by any SRWA consultant/contractor that will require written justification, tracks the budget amount being proposed for transfer, and identifies what tasks are involved in the transfer, and includes a place for signature approval.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of the Stanislaus Regional Water Authority does here by delegate authority to the Interim General Manager, Finance Director, and a representative from each Participant City to approve the transfer of budgeted funding between tasks.

**PASSED AND ADOPTED** at a special meeting of the Board of the Stanislaus Regional Water Authority this 20<sup>th</sup> day of October, 2016, by the following vote:

AYES:  
NOES:  
NOT PARTICIPATING:  
ABSENT:

ATTEST:

**DRAFT**

\_\_\_\_\_  
Tish Foley, Board Secretary



Surface Water Supply Project
Budget Transfer Request Form

Request ID: \_\_\_\_\_

- SRWA Consultant/Contractor: \_\_\_\_\_
• Task Order/Agreement #: \_\_\_\_\_
• Task Order/Agreement Expiration Date (if applicable): \_\_\_\_\_
• Reason for Request: \_\_\_\_\_
• Original Task Budget: \$\_\_\_\_\_
• Budget Modification Request Amount: \$\_\_\_\_\_
• Requested Revised Budget: \$\_\_\_\_\_
• Proposed Source of Funding (e.g., contingency or other existing task budget): \_\_\_\_\_
• What line items in SRWA's FY16/17 budget are effected? \_\_\_\_\_

SRWA Approvals:

Michael Brinton, Interim General Manager

Date

Kellie Jacobs-Hunter, Finance Director

Date

Participant City Approvals:

Jeremy Damas, City of Ceres

Date

Michael Cooke, City of Turlock

Date