

**LINCOLN-SMD 1 WASTEWATER AUTHORITY
MEETING AGENDA**

Regular Meeting of the Board of Directors

Lincoln City Hall, Third Floor Council Chambers
600 Sixth Street, Lincoln, CA 95648

May 12, 2023, at 10:00 a.m.

The public may also observe and participate in the meeting via Zoom at the following
videoconferencing link:

https://us06web.zoom.us/webinar/register/WN_L2bYfOdARYiQxL2vDwckAQ

Board of Directors

CITY OF LINCOLN
Dan Karleskint, Chair
Holly Andreatta

COUNTY OF PLACER
Jim Holmes, Vice Chair
Shanti Landon

General Manager and Secretary

George Barber

Legal Counsel

Wes Miliband

PRELIMINARY MATTERS

- A. CALL TO ORDER
- B. PLEDGE OF ALLEGIANCE
- C. ROLL CALL
- D. PUBLIC COMMENT ON NON-AGENDA ITEMS

Any member of the public wishing to address the Board of Directors regarding items not on the Agenda within the Authority's subject matter jurisdiction should do so at this time. With respect to items on the Agenda, the Board will receive public comments at the time the item is opened for discussions, prior to any vote or other Board action. A three-minute time limit is requested. Please complete a speaker card and submit it to the General Manager at the meeting.

ACTION CALENDAR

- 1. APPROVAL OF MINUTES – 04/14/23 Regular Meeting
- 2. CLOSED SESSION MATTERS: CONVENE TO CLOSED SESSION FOR MATTER(S) LISTED ON THE AGENDA

2.1 **THREAT TO PUBLIC SERVICES OR FACILITIES** pursuant to Gov. Code § 54957(a)

Consultation with: George Barber, General Manager and Jennifer Brown, City of Lincoln Chief Innovation and Technology Officer

RECONVENE FROM CLOSED SESSION AND PROVIDE REPORT(S), IF APPLICABLE

3. OLD BUSINESS - APPROVAL AND AUTHORIZATION TO EXECUTE AGREEMENT WITH STANTEC FOR THE OPERATION OF LiSWA FACILITIES – Consider approval of operations agreement with Stantec Consulting Services, Inc. for \$7,115,631 from May 1, 2023 through June 30, 2024 subject to one-year renewal increments, and authorizing the General Manager to execute and administer the agreement.
4. CONSENT ITEMS

It is recommended by the General Manager that these items, which are expected to be routine in nature and without controversy, be received and acted upon by the Board without discussion. If any Board member or interested party requests that an item be removed from the Consent Calendar for discussion, it will be considered separately. The consent calendar may be approved by a single motion to approve, followed by a second and then a call for vote.

 - 4.1 Adopt LiSWA logo.
 - 4.2 Equipment and Maintenance Purchases – Authorize the purchases for a new fuel filtration system and inspection and testing of LiSWA transformers and Switch Gear in an amount not to exceed \$35,000.
5. GENERAL MANAGER'S REPORT AND UPDATE – A written and verbal report.
6. OPERATIONS REPORT AND UPDATE – A written and verbal report.
7. RESOLUTION NO. 2023-03 - ADOPTION OF LiSWA DEBT MANAGEMENT and DISCLOSURE POLICY – Consider approval of Resolution and Policy.
8. PGE LOAN AGREEMENT – Consider authorization for the General Manager to execute and administer appropriate documents for a \$1,910,000 loan from PGE at zero interest for the Oxidation Ditch Aeration Conversion Project.
9. REIMBURSEMENT AGREEMENT– Consider authorization for the General Manager to execute and deliver a reimbursement agreement with the City of Lincoln for expenses paid during the establishment of LiSWA accounting functions.
10. RESOLUTION NO. 2023-04 – APPROVAL OF ACTIONS NECESSARY FOR REAL PROPERTY TRANSFERS – Consider approval of Resolution to execute certificates of acceptance and take related actions for transfers to, and acquisitions of real property interests to the Authority.
11. LETTER AGREEMENT WITH CITY OF LINCOLN REGARDING EASEMENTS FOR CITY DRINKING WATER INFRASTRUCTURE – Consider approval of authorizing the LiSWA General Manager to execute and administer a letter agreement with City of Lincoln regarding transfer of property from the City to LiSWA in accordance with the LiSWA Joint Power Authority Agreement dated November 30, 2022.

12. 2023/24 BUDGET PRESENTATION – Presentation of proposed budget for Board review and input.
13. LEGAL REPORT - Counsel will provide a verbal report.
14. DIRECTOR'S COMMENTS

ADJOURNMENT

THE FOLLOWING INFORMATION IS PROVIDED TO ASSIST WITH PUBLIC PARTICIPATION:

Americans with Disabilities Act (ADA): In compliance with the ADA, if you need special assistance to participate in this meeting or other services in conjunction with this meeting, please contact the Lincoln City Clerk's Office at (916) 434-2490. The meeting room is wheelchair accessible and disabled parking is available. Notification at least 24 hours prior to the meeting or time when services are needed will assist staff in assuring reasonable arrangements can be made to provide accessibility to the meeting or service.

Agenda Availability: The main posting location of the LiSWA Agenda is on the public kiosk outside the entrance of Lincoln City Hall, 600 6th Street, Lincoln, California. Agenda Packets are available for review at the Lincoln City Clerk's Office, 600 6th Street, Lincoln, California.

LINCOLN-SMD 1 WASTEWATER AUTHORITY
Board Meeting Minutes

Regular Meeting of the Board of Directors
April 14, 2023, at 10:00 a.m.

PRELIMINARY MATTERS

- A. CALL TO ORDER - The meeting was called to order at 10:00 am.
- B. PLEDGE OF ALLEGIANCE- The pledge was led by Chair Karleskint.
- C. ROLL CALL

Dan Karleskint, Chair
Jim Holmes, Vice Chair
Holly Andreatta, Director
Shanti Landon, Director
Staff present:
George Barber, General Manager and Board Secretary
Wesley Miliband, Legal Counsel

- D. PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no public comments on non-agenda items.

ACTION CALENDAR

- 1. APPROVAL OF MINUTES – 03/03/23 Regular Meeting

Motion to approve by Director Holmes, Second by Director Landon, Approved by Roll Call 4-0
- 2. CONSENT ITEMS
 - 2.1 Maturation Pond Outlet Gate Actuators – Authorization for replacement of actuators with backup power supplies, shipping, tax, installation, and factory startup in an amount not to exceed \$130,000.
 - 2.2 Clarifier #2 Main Drive Bearing Replacement – Authorization for replacement of main drive bearing in an amount not to exceed \$130,000.
Motion to approve by Director Holmes, Second by Director Andreatta, Approved by Roll Call 4-0
- 3. GENERAL MANAGER'S REPORT AND UPDATE – A written and verbal report was provided discussing treatment plant update process, insurance update, potential recharge and the pending NPDES permit renewal.
- 4. OPERATIONS REPORT AND UPDATE – A written and verbal report was provided by Gary Hengst, Chief Operator, Board questions were answered as he discussed some equipment issues and explained some testing procedures.
- 5. APPROVAL AND AUTHORIZATION TO EXECUTE AGREEMENT WITH STANTEC FOR THE OPERATION OF LISWA FACILITIES – Consider approval of operations agreement with Stantec

allowing for minor changes by Legal Counsel and authorize the General Manager to execute the agreement.

This item was tabled to a future meeting to address additional details in the draft agreement for Board consideration and potential approval at a special meeting or the next regular meeting.

6. LISWA UNIT DEFINITION FOR COST OF SERVICE CALCULATION AND REPORTING POLICY – Consider approval of policy.

The Board reviewed the policy and supplemental information providing some changes agreed to by the City staff and County Staff. Changes included change from square footage to bed space on medical facilities and minor changes to barber, beauty shops, laundromats and coffee shops. Motion to approve the policy with the supplemental material provided at the meeting by Director Landon, Second by Director Holmes, Approved by Roll Call 4-0

7. RESOLUTION NO. 2023-02 WASTEWATER CHARGES– Consider adoption of Resolution No. 2023-02 establishing wastewater charges to the member agencies.

The General Manager reviewed items discussed with City and County staff and their agreement to proceed with recommendation except for the first 7 months of operation. The recommendation was adjusted for the first 7 months to distribute the actual costs. Motion to approve by Director Holmes, Second by Director Landon, Approved by Roll Call 4-0

8. CONSIDER CANCELLATION OF JUNE 9, 2023 REGULAR BOARD MEETING AND SET A SPECIAL BOARD MEETING IN JUNE 2023 – Action may be taken.

Motion to cancel the regular meeting of June 2023 and to set a special meeting in June 2023 a date to be determined by Director Holmes, Second by Director Landon, Approved by Roll Call 4-0.

9. AUTHORIZATION FOR BUDGET AMENDMENT AND EXECUTION OF NECESSARY DOCUMENTS FOR INSURANCE THROUGH ALLIANT INSURANCE SERVICES INC. – Consider budget adjustment to \$330,000 for insurance coverage for LISWA and approval for General Manager to execute necessary documents for insurance coverage.

The Board discussed coverages and timing related to the transfer of assets. Motion to approve by Director Andreatta, Second by Director Landon, Approved by Roll Call 4-0

10. LEGAL REPORT - Counsel provided a verbal report regarding efforts with member agencies and their legal counsels for the transfer of property and related matters.

11. DIRECTORS COMMENTS -

Director Andreatta requested itemizing Agenda Items with links, numbered pages.

Director Landon concurred.

ADJOURNMENT – Meeting was adjourned at 11:00 am

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Wesley Miliband, Legal Counsel
Date: 05/12/23 Regular Board Meeting

Agenda Item #3

SUBJECT: Old Business - Approval and Authorization to Execute Agreement with Stantec for the Operation of LiSWA Facilities

After consultation with City and County staff and negotiations with Stantec, we have a final agreement for your consideration. Our insurance provider has reviewed the draft and find it acceptable. Please keep in mind this agreement and not to exceed amount are for a 14 month period.

Staff Recommendation:

“Approval of operations agreement with Stantec Consulting Services, Inc. for \$7,115,631 from May 1, 2023 through June 30, 2024 subject to one-year renewal increments, and authorizing the General Manager to execute and administer the agreement.”

This Agreement is made and entered into effective May 1, 2023 (the "Agreement Date") by and between:

"Client"

Name: Lincoln SMD-1 Wastewater Authority
Address: 600 Sixth Street Lincoln, CA 95648
Phone: (530) 378-5240
Representative: George Barber, General Manager Email: gbarber@westyost.com

"Stantec"

Name: Stantec Consulting Services Inc.
Address: 3875 Atherton Road, Rocklin CA 95765
Phone: (916) 434-5062
Representative: Gary Hengst, Chief Plant Operator Email: Gary.Hengst@stantec.com

Project Name (the "Project"): Lincoln Wastewater Treatment and Reclamation Facility ("Facility")

The Client and Stantec may be referred to herein individually as "Party" and collectively as the "Parties."

DESCRIPTION OF WORK: Stantec shall render the services described in Attachment "A" (hereinafter called the "Services") in accordance with this Agreement, which supersedes any and all other agreements with Stantec related to the Facility. Stantec may, at its discretion and at any stage, engage subconsultants to perform all or any part of the Services. The Client and Stantec by written amendment to this Agreement may from time to time make changes to the Services. All changed work shall be carried out under this Agreement. The time for completion of the Services shall be adjusted accordingly.

DESCRIPTION OF CLIENT: The Client confirms and agrees that the Client has authority to enter into this Agreement on its own behalf and on behalf of all parties related to the Client who may have an interest in the Project.

COMPENSATION: Charges for the Services rendered will be made in accordance with the Contract Price indicated in Attachment "A" and the related Scope of Services ("Services"), which contains a Not-To-Exceed ("NTE") Contract Price and Term of Agreement as set forth herein and in the Services.

Not later than the seventh day of each month during the course of the Services, Stantec must submit to the Client a written invoice. Each invoice must include line items demonstrating the Services to be compensated. The Client shall pay undisputed invoices within thirty (30) days of receipt from Stantec. The Client may, within fifteen (15) days of receipt of a payment request from Stantec, reasonably request additional information and supporting documentation, in which case the Client's time to pay the pending invoice shall be extended by an amount of time equal to the time in which it takes Stantec to submit such information and/or documentation.

In the event any invoice seeks reimbursement of expenses, any such reimbursement shall be for the reasonable, actual costs incurred by Stantec, without markup for profit, overhead, or other purposes. The Client shall reimburse Stantec only for expenses incurred in connection with the performance of the Services as the Client in its sole discretion may agree, but only if the reimbursement is approved in writing by the Client before Stantec incurs the expense. Without limiting the foregoing, because the compensation payable to Stantec is intended to be all-inclusive, in no event shall the Client reimburse Stantec for any of the following: (i) home-office overhead or personnel costs; (ii) postage or cost of private delivery services less than \$25 for any one delivery; or (iii) travel, lodging or meal expenses; (iv) expenses of overtime work requiring higher than regular rates; or (v) costs of any additional insurance coverage or limits in excess of that normally carried by Stantec or any of its subconsultants providing services in connection with this Agreement.

REPRESENTATIVES: Each Party shall designate in the space provided above a representative who is authorized to act on behalf of that Party for day-to-day decisions and to receive notices under this Agreement, subject to applicable law and so long as such decisions by the representative LiSWA makes day-to-day decisions without modifying the terms of the Agreement.

NOTICES: All notices, consents, and approvals required to be given hereunder shall be in writing and shall be given to the representatives of each Party. All notices required by this Agreement to be given by either Party shall be deemed to be properly given and received within two (2) business days if made in writing to the other Party by certified mail or email, addressed to the regular business address of such Party as identified above.

CLIENT'S RESPONSIBILITIES: The Client shall provide to Stantec in writing, the Client's total requirements in connection with the Project, including the Project budget and time constraints. The Client shall make available to Stantec all relevant information or data pertinent to the Project which is required by Stantec to perform the Services. Stantec shall be

entitled to rely upon the accuracy and completeness of all information and data furnished by the Client, including information and data originating with other consultants employed by the Client whether such consultants are engaged at the request of Stantec or otherwise. Where such information or data originates either with the Client or its consultants then Stantec shall not be responsible to the Client for the consequences of any error or omission contained therein.

When required by Stantec, but subject to approval by the Client's Board of Directors ("Board"), the Client shall engage specialist consultants directly to perform items of work necessary to enable Stantec to carry out the Services.

The Client shall give prompt consideration to all documentation related to the Project prepared by Stantec and whenever prompt action is necessary shall inform Stantec of Client's decisions in such reasonable time so as not to delay the schedule for providing the Services. Notwithstanding the foregoing, Stantec acknowledges that some decisions may require approval by Client's Board and, therefore, Stantec will use reasonable efforts to provide the Client with adequate time to seek approval from its Board before a decision must be made.

When applicable, the Client shall arrange and make provision for Stantec's entry to the Project site as well as other public and private property as necessary for Stantec to perform the Services. The Client shall obtain any required approvals, licenses and permits from governmental or other authorities having jurisdiction over the Project so as not to delay Stantec in the performance of the Services.

STANTEC'S RESPONSIBILITIES: Stantec shall furnish the necessary qualified personnel to provide the Services. Stantec represents that it has access to the experience and capability necessary to and agrees to perform the Services with the reasonable skill and diligence required by customarily accepted professional practices and procedures normally provided in the performance of the Services at the time when and the location in which the Services were performed. This undertaking does not imply or guarantee a perfect Project and in the event of failure or partial failure of the product or the Services, Stantec will be liable only for its failure to exercise diligence, reasonable care and professional skill. This standard of care is the sole and exclusive standard of care that will be applied to measure Stantec's performance. There are no other representations or warranties expressed or implied made by Stantec. In particular, but not by way of limitation, no implied warranty of merchantability or fitness for a particular purpose shall apply to the Services provided by Stantec nor shall Stantec warrant or guarantee economic, market or financial conditions, proforma projections, schedules for public agency approvals, or other factors beyond Stantec's reasonable control.

Notwithstanding anything to the contrary, Stantec shall be responsible for complying with the City of Lincoln's cyber security policies for any Services and/or the Project or Facility until such time that LiSWA adopts a cyber security policy. Independent from policy compliance, Stantec's responsibilities shall include, but not be limited to, those customarily done for such Services contemplated herein such as limiting requests for and acceptance of sensitive information, confirming the sender of any electronic document before opening attachments or clicking on links, and the use of complex passwords. All responsibilities shall conform to the best practices in the industry, but shall also comply with any applicable law, regulation, or other legal requirement(s). If any cyber security event occurs, including but not limited to any attack or breach that Stantec becomes aware of, Stantec shall notify the Client, in writing, as soon as is reasonably possible, and Stantec shall notify the Client by calling the Client's General Manager at a phone number as provided by the General Manager to Stantec.

In performing the Services under this Agreement, Stantec shall operate as and have the status of an independent contractor and shall not act as, or be an employee of the Client.

TERMINATION: Either Party may terminate this Agreement without cause upon thirty (30) days' notice in writing. If either Party breaches this Agreement, the non-defaulting Party may terminate this Agreement after giving seven (7) days' notice to remedy the breach. On termination of this Agreement, Stantec shall provide the Client with a final invoice. The Client shall pay Stantec for the Services performed to the date of termination as provided in this Agreement. Non-payment by the Client of Stantec's of any invoice within 30 days of Stantec rendering same (unless extended as provided in this Agreement) is agreed to constitute a material breach of this Agreement and, upon written notice as prescribed above, the duties, obligations and responsibilities of Stantec are terminated.

SUSPENSION OF SERVICES: If the project is suspended for more than thirty (30) calendar days in the aggregate, Stantec shall be compensated upon providing a written invoice, and subject to terms and conditions for invoices as is provided in this Agreement, for services performed and charges incurred prior to receipt of notice to suspend and, upon resumption, an equitable adjustment in fees to accommodate the resulting demobilization and remobilization costs. In addition, there shall be an equitable adjustment in the project schedule based on the delay caused by the suspension. If the Project is suspended for more than ninety (90) calendar days, either Party may, at its option, terminate this agreement upon giving seven (7) days' notice in writing to the Client.

SITE SAFETY: Neither the professional activities of Stantec, nor the presence of Stantec or its employees or subconsultants at the site, shall relieve the Client or any other entity of their obligations, duties, and responsibilities to comply with any health and safety precautions required by any regulatory agencies. Stantec and its personnel have no authority to exercise any control over Client, any independent contractor of Client or any other entity or their employees in connection with their work or any health or safety precautions. The Client agrees to indemnify Stantec from liability for plant safety except for the safety of personnel employed by Stantec.

BUILDING CODES, BYLAWS AND OTHER PUBLIC REGULATIONS: Stantec shall, to the best of its ability, interpret building codes, by-laws and other public regulations as they apply to the Project and as they are published at the time Services commence. Furthermore, Stantec shall observe and comply with all applicable laws, ordinances, codes and regulations of government agencies, including federal, state, provincial, municipal and local governing bodies having jurisdiction over the conduct of the Services ("Laws"). However, it is expressly acknowledged and agreed by the Client that as the Project progresses such building codes, by-laws, other public regulations and Laws may change or the interpretation of any public authority may differ from the interpretation of Stantec, through no fault of Stantec, and any extra costs necessary to conform to such changes or interpretations during or after execution of the Services will be paid by the Client.

Stantec shall continue to provide equal employment opportunity to all qualified persons and to recruit, hire, train, promote and compensate persons in all jobs without regard to race, color, religion, sex, age, disability or national origin or any other basis prohibited by applicable laws.

INDEMNITY: Notwithstanding anything to the contrary, and to the maximum extent authorized by law, Stantec shall indemnify and hold-harmless the Client, the Client's Board and each member thereof, and the Client's other officers, employees, consultants and agents (collectively, not including the Client, the "Client Agents"), and each of them, from and against any and all claims, demands, actions, other proceedings, liens, judgments, damages, losses, costs, reasonable attorney's fees, expenses, and other liabilities of any nature arising from or directly or indirectly relating to: (1) the negligent performance of the Services by Stantec, any subconsultant, or anyone working under or for Stantec or any subconsultant; (2) negligence, recklessness, or willful misconduct by Stantec, any subconsultant, or anyone working under or for Stantec or any subconsultant; and/or (3) the breach of this Agreement by Stantec, any subconsultant, or anyone working under or for Stantec or any subconsultant. Any defense of the Client and/or Client Agents shall be by qualified and appropriately experienced legal counsel reasonably acceptable to the Client, but selected and retained by Stantec at its sole cost. Stantec's obligations under the indemnity provisions of this Agreement shall survive the expiration or termination of this Agreement.

Stantec shall not be obligated under the indemnity provisions of this Agreement to the extent any claim, demand, action, judgment, damage, loss, cost or expense, or other liability results from the active negligence, sole negligence, or willful misconduct of the Client or any Client Agent. In each such event, the Parties shall be responsible and liable on a comparative basis.

Without jeopardizing or compromising any of its rights under this Agreement, or as are available under the law, the Client may settle any claim, demand, action, or other legal proceeding brought against the Client or Client Agents on terms the Client's Board reasonably determines to be a good faith settlement. The Client shall not have any right to settle any claim, demand, action, or other legal proceeding brought against Stantec or any subconsultant. Before settling, the Client shall attempt to obtain Stantec's consent to each such settlement, and Stantec shall not unreasonably deny, delay, or condition its approval. If the Parties cannot agree on the terms for settlement of any dispute, with the result that Stantec does not consent to the settlement, the Client may nonetheless settle the dispute.

Stantec's obligations under the indemnity provisions of this Agreement shall not be deemed to be: (i) conditioned upon, or in any manner limited by, the any insurance coverage maintained by a Party or other person or entity; or (ii) conditioned upon the receipt by any person or entity of, or limited to the amount of, any insurance proceeds.

Stantec shall require in its agreements with its subconsultants that each subconsultant independently comply with all requirements under the indemnity provisions of this Agreement related to indemnifying and holding-harmless the Client, unless and only to the extent the Client specifically provides otherwise in writing. Stantec shall be responsible for ensuring that its agreements with subconsultants comply with the indemnity provisions of this Agreement.

Notwithstanding anything to the contrary, no person, entity, or party, including but not limited to the District and the Consultant, shall be allowed to recover attorney's fees that are incurred to enforce or defend this Contract.

WAIVER OF CONSEQUENTIAL DAMAGES: Each Party's liability with respect to any claims arising out of this Agreement shall be limited to direct damages and neither Party shall bear any liability for any consequential loss, injury or damage incurred by the other Party, including but not limited to claims for loss of use, loss of profits and loss of markets.

PERFORMANCE LIABILITY – WASTEWATER TREATMENT: Given the inherent difficulty of employing biological and chemical treatment processes to consistently convert a highly variable community waste influent into a uniform highly regulated waste effluent, Client acknowledges that it is unreasonable to expect zero discharge violations, and fines and penalties are possible. Likewise, a certain degree of human error is reasonably foreseeable in the operation of any industrial process. Stantec agrees to employ a customary degree of skill and effort to produce an effluent that consistently meets all permit requirements. However, Client agrees that the possibility of permit violations is inherent to the Client's provision of community wastewater service and that this inherent risk is not transferred to Stantec unless such permit violations are the result of Stantec's negligence or willful misconduct. Stantec will report to the Client any conditions it becomes aware of that might result in violation of the Client's permit.

In connection with the foregoing, Client agrees to release, indemnify and hold Stantec harmless, to the fullest extent permitted by law, from any and all liability for fines, environmental cleanup costs, penalties or other liability arising from any waste discharge or permit violation at the Client's facilities, and from third party claims or suits that are in any way connected with operation of the Client's facilities, except to the extent resulting from the negligence or willful misconduct of Stantec.

Stantec may from time to time recommend changes or improvements intended to improve treatment plant performance and/or reliability. Stantec cannot be held liable for treatment plant performance or its possible consequences if recommended improvements are not approved and funded by Client, nor for its failure to recommend plant or process improvements that, while state of the art, are not within Client's budget nor necessary to meet Client's permit requirements. Stantec specifically disclaims any warranties or guarantees, express or implied, as to the performance of the Client's facilities, now or in the future.

DOCUMENTS: All documents prepared by Stantec or on behalf of Stantec in connection with the Project or Services are instruments of service for the execution of the Project. Stantec retains the property and copyright in these documents, whether the Project is executed or not. Payment to Stantec of the compensation prescribed in this Agreement shall be a condition precedent to the Client's right to use documentation prepared by Stantec. These documents may not be used for any other purpose without the prior written agreement of Stantec. The Client shall have a permanent non-exclusive, royalty-free license to use any concept, product or process which is patentable or capable of trademark, produced by or resulting from the Services rendered by Stantec in connection with the Project, for the life of the Project. The Client shall not use, infringe upon or appropriate such concepts, products or processes without the express written agreement of Stantec. In the event Stantec's documents are subsequently reused or modified in any material respect without the prior consent of Stantec, the Client agrees to indemnify Stantec from any claims advanced on account of said reuse or modification.

Any document produced by Stantec in relation to the Services is intended for the sole use of Client. The documents may not be relied upon by any other party without the express written consent of Stantec, which may be withheld at Stantec's discretion. Any such consent will provide no greater rights to the third party than those held by the Client under this Agreement, and will only be authorized pursuant to the conditions of Stantec's standard form reliance letter.

Stantec cannot guarantee the authenticity, integrity or completeness of data files supplied in electronic format ("Electronic Files"). Client shall release, indemnify and hold Stantec, its officers, employees, consultants and agents harmless from any claims or damages arising from the use of Electronic Files. Electronic files will not contain stamps or seals, remain the property of Stantec, are not to be used for any purpose other than that for which they were transmitted, and are not to be retransmitted to a third party without Stantec's written consent.

Notwithstanding anything to the contrary, Stantec shall prepare and maintain, using generally-accepted accounting principles, all financial and other records involving this Agreement and the Services, as appropriate or required by law ("Stantec Records"). Under Government Code Section 8546.7, the State Auditor may, for a period of three years following final payment hereunder, review, audit and/or copy the records of the Parties regarding each contract expending public funds in excess of \$10,000. The Client and governmental entities with competent jurisdiction also shall have an independent right under this Agreement, for a period of five years after final payment hereunder, to review, audit, and/or copy the Stantec Records. The Stantec Records shall be available for inspection by the Client, the State, and any governmental entity with competent jurisdiction, at all reasonable times during the five-year period after the final payment under this Agreement. Despite the foregoing, if the Client or any governmental entity commences, but does not complete, an audit within such five-year period, Stantec shall maintain the Stantec Records until the completion of such audit.

INSURANCE: Before commencing any of the Services, Stantec shall procure at its sole cost and expense, and, during all periods as required by this Agreement, shall maintain in effect, the following insurance policies:

(i) **General Liability Insurance.** A commercial general liability insurance policy, written on an "occurrence" basis, providing coverage of at least \$1,000,000 per occurrence for bodily injury, personal injury & property damage ("General Liability Policy"). The General Liability Policy shall include a separate endorsement naming the Client, its Board, officers, agents, and employees as additional insureds. The General Liability Policy shall include coverage for the contractual liability assumed by Stantec under this Agreement.

(ii) **Vehicle Liability Insurance.** A business vehicle liability insurance policy, written on an "occurrence" basis, with a combined single limit of at least \$1,000,000 per accident for bodily injury and property damage ("Vehicle Liability Policy"). The Vehicle Liability Policy shall include coverage for owned, hired, and non-owned automobiles.

(iii) **Workers' Compensation Insurance.** Workers' compensation insurance as required by State law and employer's liability insurance with coverage of at least \$1,000,000. Notwithstanding the insurer rating standards in this Agreement, coverage provided by the State Compensation Insurance Fund satisfies such insurer rating standards.

(iv) **Professional Liability Insurance.** Professional liability insurance with coverage of at least \$1,000,000 ("Professional Liability Policy"), which shall be written on a "claims made" basis.

Except as provided in this Agreement regarding insurance written on a "claims made" basis, the Consultant shall keep the required insurance policies in effect until the date that is one year following final payment to the Consultant under this Agreement.

Professional Liability Insurance. The Professional Liability Policy shall provide coverage for claims arising out of the performance of the Services. If an aggregate limit applies, the aggregate limit in the Professional Liability Policy shall be at least \$2,000,000. Before commencing the Services, and, if applicable, upon replacing the original Professional Liability Policy, Stantec shall give the Client a copy of any applicable claims-reporting requirements. Notwithstanding anything to the contrary: (i) Stantec shall have the Professional Liability Policy in full force and effect before commencing the Services; (ii) each renewal or replacement of the Professional Liability Policy shall have a retroactive date that is before the date Stantec commenced the Scope of Services; and (iii) as a condition to final payment to Stantec under this Agreement, Stantec shall maintain the Professional Liability Policy in full force and effect and applicable to claims arising from the Services, without any gaps in coverage, for a period of at least two years following final payment to Stantec under this Agreement.

If the claims reporting period, as specified in the Professional Liability Policy, terminates before the end of the two-year period following final payment to Stantec, then Stantec, at its cost, shall obtain and provide satisfactory evidence to the Client of: (i) an endorsement extending the claims reporting period to include whatever remains of such two-year period; or (ii) a supplemental extended reporting period (tail) applicable to the Professional Liability Policy as required to provide coverage until the end of such two-year period. Such tail coverage shall be required, for example: (i) if Stantec intends to switch insurance carriers, and the prospective new carrier will not agree to cover claims arising from the Services submitted at any time before the end of the two-year period following final payment to Stantec; (ii) if Stantec's business is to be wound-up or otherwise terminated, whether voluntarily or involuntarily; or (iii) when necessary for any reason to ensure that professional liability insurance applicable to the Services is in effect at all times required by this Agreement.

Insurer Rating Standards. Except as the Client, in its sole discretion, may approve via an advance writing, the insurance policies required by this Agreement shall be issued by one or more insurers licensed to do business in the State of California and having an A.M. Best Company rating of not less than "A-" and a financial size category of at least "X." If any insurance policy is proposed to be issued from an entity, company, or program that is not rated by A.M. Best Company, the use of such insurance policy must be approved in advance, in writing, by the Client before starting the Services.

Additional Insureds. The Client, the Client's Board and each individual member thereof, and the Client's other officers, employees, and agents, shall all be named as additional insureds, to the extent of the Stantec's acts and omissions in connection with this Agreement, on all insurance policies required by this Agreement, excepting the workers' compensation insurance and the Professional Liability Policy.

Waiver of Subrogation. Stantec hereby waives, on behalf of its insurers, any and all rights to subrogation that any such insurer may acquire by virtue of the payment of any loss. Each of the General Liability Policy and the Vehicle Liability Policy shall be endorsed with a cross-liability endorsement and a waiver of the insurer's rights of subrogation against the Client. The policy of workers' compensation insurance shall be endorsed with a waiver of the insurer's rights of subrogation against the Client.

Stantec's Insurance is Primary. To the extent permitted by law, Stantec's insurance policies under this Agreement shall be primary and non-contributing with respect to any insurance or self-insurance programs covering the Client, the Client's Board or individual members thereof, or the Client's other officers, employees, or agents. The General Liability Policy and the Vehicle Liability Policy shall be endorsed to provide that they are so primary and non-contributory.

Deductibles and Self-Insured Retentions. Stantec shall be exclusively responsible for the payment of any deductibles or self-insured retentions for liability insured under this Agreement.

Evidence of Coverage. Before commencing the Services, Stantec shall provide to the Client duly authorized and executed certificates of insurance for the insurance policies required under this Agreement (each a "Certificate of Insurance"), together with a copy of each required endorsement. As applicable, the Certificates of Insurance shall identify all required additional insureds. Not less than thirty (30) days before the expiration of any required insurance policy, Stantec shall provide updated Certificates of Insurance to the Client evidencing the renewal of such policy.

Notice of Change in Policies. Each Certificate of Insurance and corresponding required insurance policy shall expressly require, or be endorsed to require, that the insurer notify the Client not less than thirty (30) days before any cancellation, termination, reduction in coverage, or expiration without renewal of any such insurance policy, except for cancellation due to non-payment of premium, in which case the insurer shall provide such notice not less than ten (10) days before cancellation. Certificates of Insurance or any insurance policy with language to the effect that the insurer shall "endeavor" to provide such notice shall not be acceptable.

Review of Coverage. The Client may request at any time that Stantec provide a complete copy of any insurance policy required under this Agreement, subject to reasonable redaction of confidential information. Stantec shall provide a copy of such policy to the Client within ten days of the Client's request. The Client may review the insurance policies, Certificates of Insurance, and any endorsements to determine compliance under this Agreement. No failure by the Client to conduct such review, to properly or completely conduct such review, or to identify any non-

compliance with the requirements hereunder, however, shall relieve Stantec from any of its obligations regarding the insurance-related requirements under this Agreement. Notwithstanding anything to the contrary, any failure by Stantec to comply with insurance-related requirements shall be a material breach by Stantec under this Agreement.

Sub-Consultant Insurance. Stantec shall require that its subconsultants independently comply with all insurance requirements under this Agreement unless the Client approves in writing some different standards or requirements that shall be applicable to any particular subconsultant. Stantec shall require compliance with the insurance requirements of this Agreement in its agreements with its subconsultants, except to the extent the District has approved any different standards or requirements.

PROJECT PROMOTION: Where the Client has control or influence over construction signage, press releases and/or other promotional information identifying the project ("Project Promotion"), the Client agrees to include Stantec in such Project Promotion.

FORCE MAJEURE: Any default in the performance of this Agreement caused by any of the following events and without fault or negligence on the part of the defaulting Party shall not constitute a breach of contract: labor strikes, riots, war, acts of governmental authorities, unusually severe weather conditions or other natural catastrophe, disease, epidemic or pandemic, or any other cause beyond the reasonable control or contemplation of either Party. Nothing herein relieves the Client of its obligation to pay Stantec for services actually rendered.

GOVERNING LAW: This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California.

DISPUTE RESOLUTION: If requested in writing by either the Client or Stantec, the Client and Stantec shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the Parties. The Parties agree that any actions under this Agreement will be brought in the appropriate court in the State of California, or elsewhere by mutual written agreement. Nothing herein however prevents Stantec from exercising statutory lien rights or remedies in accordance with legislation where the project site is located.

ASSIGNMENT AND SUCCESSORS: Neither Party shall, without the prior written consent of the other Party, assign the benefit or in any way transfer the rights or obligations of this Agreement or any part hereof. This Agreement shall inure to the benefit of and be binding upon the Parties hereto, and except as otherwise provided herein, upon their executors, administrators, successors, and assigns.

ENTIRE AGREEMENT: This Agreement constitutes the sole and entire agreement between the Client and Stantec relating to the Project and supersedes all prior agreements between them, whether written or oral respecting the subject matter hereof and no other terms, conditions or warranties, whether express or implied, shall form a part hereof. This Agreement may be amended only by written instrument signed by both the Client and Stantec. All attachments referred to in this Agreement are incorporated herein by this reference; however, in the event of any conflict between attachments and the terms and conditions of this Agreement, the terms and conditions of this Agreement shall take precedence.

SEVERABILITY: If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be binding on the Client and Stantec.

CONTRA PROFERENTEM: The parties agree that in the event this Agreement is subject to interpretation or construction by a third party, such third party shall not construe this Agreement or any part of it against either party as the drafter of this Agreement.

WAIVER: A waiver by a Party of any provision of this Agreement shall be binding only if the waiver is set forth in writing and has been duly approved and executed by the waiving Party. Unless so specified in the written waiver, a waiver by a Party of any provision of this Agreement shall not constitute a waiver of any other provision(s) herein, similar or not, and shall not be construed as a continuing waiver. Except as waived per this Section, neither the failure by a Party at any time to require performance of any requirement of this Agreement, nor any forbearance or indulgence of the Party regarding such requirement, shall in any manner affect the Party's right at a later time to enforce the same or any other provision of this Agreement.

CORRECT LEGAL REQUIREMENTS DEEMED INCLUDED: Each and every provision required by any applicable law to be included in this Agreement is hereby deemed to be so included, and this Agreement shall be construed and enforced as if all such provisions are so included. If, for any reason, any provision required by any applicable law is not expressly included herein, or is not correctly included herein, then, upon request of either Party, this Agreement shall be amended to include or incorporate, or to correctly include or incorporate, such provision.

AGREEMENT IS PUBLIC RECORD: Notwithstanding anything to the contrary: (i) nothing in this Agreement shall be deemed to constitute confidential information; and (ii) this Agreement is a public record which the Client may disclose per State of California law or otherwise.

COUNTERPARTS: This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same instrument. Signature pages may be detached from counterpart originals and combined to physically form one or more copies of this Agreement having

original signatures of both Parties. Signature pages sent via email shall also constitute original signatures under this Agreement.

The Parties, intending to be legally bound, have made, accepted and executed this Agreement as of the Agreement Date noted above.

LINCOLN SMD-1 WASTEWATER AUTHORITY Error! Reference source not found.

Stantec Consulting Services Inc.

George Barber, General Manager
Print Name and Title

Steven L. Beck, Senior Principal
Print Name and Title

Signature _____

Signature _____

Attached to and forming part of the Agreement BETWEEN:

Lincoln SMD-1 Wastewater Authority

- and -

Stantec Consulting Services Inc.

EFFECTIVE: May 1, 2023

This Attachment details the Services, Contract Time, Contract Price, Additional Conditions and Additional Attachments forming part of the above described Agreement.

SERVICES: Stantec shall perform the following Services:
See attached Scope of Services dated May 1, 2023 ("Services").

CONTRACT TIME: Commencement Date: May 1, 2023
Estimated Completion Date: June 30, 2024
Contract completion date may be extended in one-year increments if agreed to by and between the Parties in writing.

CONTRACT PRICE: Subject to the terms below, Client will compensate Stantec as follows:
Stantec shall be compensated in accordance with the terms included in the Agreement and attached Services in an amount Not-To-Exceed \$7,115,631.00 as set forth in the Services and accompanying budget, with \$959,369 for May 1, 2023 through June 30, 2023 and \$6,156,263 for July 1, 2023 through June 30, 2024. Notwithstanding anything to the contrary, in the event that this Agreement conflicts with the Scope of Services, the terms of this Agreement shall control. In the event that the Scope of Services contains additional terms not contained in this Agreement, such terms are null and void unless expressly incorporated into this Agreement in the "Additional Conditions" section below.

ADDITIONAL CONDITIONS: The following additional conditions shall be read in conjunction with and constitute part of this Agreement:

None.

ADDITIONAL ATTACHMENTS: The following additional attachments shall be read in conjunction with and constitute part of this Agreement:

Stantec Scope of Services dated May 1, 2023.



**OPERATION, MAINTENANCE, AND
MANAGEMENT FOR THE LISWA
WASTEWATER TREATMENT AND
RECLAMATION FACILITY (WWTRF
or Facility)**

Scope of Services ("Services")

Report Date May 1, 2023

Prepared for:

Lincoln SMD-1 Wastewater Authority
(LiSWA)

Prepared by:

Stantec Consulting Services Inc.



**OPERATION, MAINTENANCE, AND MANAGEMENT FOR THE LISWA WASTEWATER
TREATMENT AND RECLAMATION FACILITY (WWTRF or Facility)**

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OPERATION, MAINTENANCE, AND MANAGEMENT FOR THE LISWA WASTEWATER TREATMENT AND RECLAMATION FACILITY (WWTRF or Facility)

1.0 SCOPE OF WORK

Stantec will provide qualified staff to Operate, Maintain, and Manage the:

- WWTRF, which includes the treatment and disposal facilities, maintenance facilities and associated equipment.
- Other pipelines and property either owned or managed by LiSWA.

1.1 OPERATION

Stantec will provide operation of the WWTRF, including the following services:

- Prepare and sign as the “duly authorized representative”, the self-monitoring reports required by the Regional Water Quality Control Board (RWQCB).
- Provide on-call staff to handle any after hour callouts to the managed infrastructure.
- Set parameters and control systems to optimize treatment plant process control.
- As necessary, develop and maintain Standard Operating Procedures for equipment and systems.
- Maintain an electronic reporting data base and store all hard copy records for the required five-year minimum period.

1.2 MAINTENANCE

Stantec will provide maintenance services for the WWTRF, including the following services:

- Schedule, perform, and document preventative maintenance, repairs and new equipment installations using the Computerized Maintenance Management System (CMMS).
- Maintain and replace equipment according to manufacturer recommendations and/or experience to maximize the reliable life of the equipment.
- Keep the CMMS system up to date.

1.3 MANAGEMENT

Stantec will provide managerial services for the WWTRF as follows:

- Prepare annual budgets for the operation and maintenance of the WWTRF.
- Provide recommendations and justification for any CIP projects.
- Attend and participate in LiSWA meetings representing the operation of the WWTRF.
- Hire staff as needed to maintain LiSWA approved staffing levels.



OPERATION, MAINTENANCE, AND MANAGEMENT FOR THE LISWA WASTEWATER TREATMENT AND RECLAMATION FACILITY (WWTRF or Facility)

- Conduct weekly staff safety meetings.
- Coordinate with reclamation water users and plan effluent storage to meet demand and maintain NPDES permit compliance.
- Review and update as needed, or perform the initial development of the following plans and systems for the WWTRF.
 - Safety Program
 - Risk Management Plan
 - Process control procedures
 - Hazardous Materials Business Plan
 - Standard Operating Procedures
 - Spill Prevention Control and Counter Measures Plan
 - Annual budget preparation
 - Hazard Communication Plan including SDS record keeping
 - Regional Board reporting
 - Emergency Response Plan
- Review construction upgrades and expansions of the WWTRF from an operator's perspective.
- Where appropriate, maintain an inventory of parts required to make emergency repairs at the WWTRF.
- Initiate and coordinate emergency repairs with subcontractors. Stantec will not be directly responsible for emergency repairs and restoration. Stantec will not be liable for the work or consequences resulting from the failure of subcontractor work. It is assumed that no flows or loads shall be delivered to the WWTRF or MWPRS facilities beyond the rated reliable capacity of said infrastructure. Flows or loads exceeding design conditions may require extraordinary operational efforts to accommodate and/or may result in permit violations.

1.4 ENGINEERING SERVICES

Engineering Services shall include support of the LiSWA and operation staff with:

- Preparation of quarterly flow and load reports
- Coordination of minor NPDES and Land Application permit questions/ issues with the Regional Board.
- Assessing minor reclamation regulatory questions, such as proper use and permitting related to dust control, recycled water application off-sets, regulatory notifications, etc.



OPERATION, MAINTENANCE, AND MANAGEMENT FOR THE LISWA WASTEWATER TREATMENT AND RECLAMATION FACILITY (WWTRF or Facility)

- More significant permitting or reporting efforts are not included in this scope, such as preparation of a Report of Waste Discharge, special compliance studies or the preparation of Engineering Reports or Use Area Reports for reclamation. These efforts will require specific scopes and authorization.

1.5 COMPENSATION

Compensation shall be as follows:

- If the Contract Time as set forth in Attachment A to the Agreement extends beyond June 30, 2024, the total scope and annual compensation for the Scope of Services set forth herein shall be negotiated between Stantec and the LiSWA prior to the beginning of each such fiscal year.
- For year one of this agreement, Stantec shall be compensated at the labor rates in Table 1 below. Standard billing rates for other Stantec staff including Engineers shall be made available to the LiSWA if such staff are intended to provide services under this Scope of Services.
- All Stantec services shall be billed on a time and expense basis in accordance with their regular billing rate schedule at the time work is completed. Overtime rates will be the base rate plus \$15.
- Labor billed in excess of the approved LiSWA budget will require prior justification and approval.
- Manpower and billing rate adjustments for subsequent years will be submitted annually with the budget proposals.
- Stantec will submit a monthly billing statement detailing Stantec labor and all other goods and services purchased to operate and maintain the managed infrastructure. Receipts will be provided for all goods and services provided by Stantec vendors.
- The budget includes estimated costs based upon anticipated operational needs. As operational needs may vary, actual costs may exceed this budget. Stantec will not perform services that would result in charges exceeding the Not-To-Exceed contract amount of \$7,115,631.00 as set forth in the Agreement and Attachment A without first obtaining a contract amendment in writing. The budget for the Not-To-Exceed amount is provided herein.
- With the exception of emergency repairs, all direct billing for goods and services shall be billed through Stantec directly to the LiSWA without mark up. Billing for emergency repairs greater than \$100,000 will be paid by the LiSWA directly to the subcontractor. Billing of emergency repairs less than \$100,000 can be billed through Stantec but shall not be included in calculating the Not To Exceed amount.

1.6 TERM OF AGREEMENT

Stantec is authorized to commence performance of these Scope of Services upon mutual approval of this Scope and if duly approved by the LiSWA Board of Directors, with the Term of of this Scope of Services commencing on May 1, 2023 through June 30, 2024, subject to one-year renewal increments as set forth in Attachment A of the Agreement.



OPERATION, MAINTENANCE, AND MANAGEMENT FOR THE LISWA WASTEWATER TREATMENT AND RECLAMATION FACILITY (WWTRF or Facility)

1.7 SCOPE PROVISIONS AND ASSUMPTIONS

Additional scope provisions and assumptions are as follows:

1. Stantec shall not be liable for failure to perform under this scope if performance is made impractical, abnormally difficult, or abnormally costly, due to any unforeseen occurrence beyond Stantec's reasonable control. In such a case, Stantec will immediately notify the LiSWA by verbal communication and in writing of the nature and extent of the contingency within ten (10) working days after its occurrence.
2. Neither the professional activities of Stantec, nor the presence of Stantec or its employees or subconsultants at the site, shall relieve the LiSWA, General Contractor(s) and any other entities of their obligations, duties, and responsibilities to comply with any health and safety precautions required by any regulatory agencies. Stantec and its personnel have no authority to exercise control over construction contractors or other entities or their employees in connection with their work or any health or safety precautions. Stantec shall be indemnified from liability for WWTRF and MWPRS safety except for the safety of personnel employed by Stantec.
3. Given the inherent difficulty of employing biological and chemical treatment processes to consistently convert a highly variable community waste influent into a uniform highly regulated waste effluent, it is unreasonable to expect zero discharge violations, and fines and/or penalties are possible. Stantec agrees to employ its skill and best efforts to make the LiSWA's wastewater treatment plant produce an effluent that consistently meets NPDES permit requirements. However, the possibility of permit violations is inherent to the LiSWA's provision of community wastewater service and that inherent risk is not transferred to Stantec. Stantec will report to the LiSWA any conditions it becomes aware of that might result in violation of the LiSWA's NPDES permit.
4. Stantec cannot predict the reliability of the equipment and systems that comprise the WWTRF and MWPRS facilities and as such cannot predict, guarantee nor be responsible for the reliability of such processes or warrant their ability to meet the requirements of the LiSWA's NPDES Permit. Further, Stantec cannot accurately predict the future performance characteristics of the facilities nor their ability to meet permit requirements under variable conditions. Nor can Stantec predict variations in influent characteristic or the advent of legal or illegal discharges to the collection system that might interfere with the ability of the facilities to avoid sewage handling violations and meet NPDES Permit requirements.
5. Stantec may from time to time recommend changes or improvements intended to improve facility performance and/or reliability. Stantec shall not be liable for WWTRF performance or its possible consequences if recommended improvements are not approved and funded by the LiSWA.
6. This scope to provide operations assistance does not include any warrantee or guarantee as to the performance of the LiSWA facilities now or in the future.



OPERATION, MAINTENANCE, AND MANAGEMENT FOR THE LISWA WASTEWATER TREATMENT AND RECLAMATION FACILITY (WWTRF or Facility)

7. Stantec is not responsible for tracking interagency reporting requirements except those requested by the LISWA which are coincident with operational tracking and reporting of wastewater infrastructure with the local Regional Water Quality Control Board.

Table 1 Operation Personnel

Name	Title	Hourly Billing Rate (FY 2023-2024)
Stone, Tina	Administrative Analyst	105
Hengst, Gary	Chief Plant Operator	198
Gregory, Justin	Plant Operations Supervisor	152
Smith, Bo	Senior Plant Operator	140
Walker, Brett	Senior Plant Operator	132
Cain, Trey	Senior Operator/ Safety Coordinator	140
Schmitz, Howard	Operations Specialist	166
Ortman, Russ	Plant Operator	116
Picazo-Soto, Joseph	Plant Maintenance Technologist	116
Steer, Joe	Regional Pipeline Supervisor	132
Womack, Jacob	Senior Plant Maintenance Technologist	127
Faria, Kary	Operator in Training	116
Gillming, Lance	Instrumentation/Mechanical Supervisor	146
Ramsay, Greg	Senior Plant Maintenance Technologist	127
Rivas, Danny	Electrical, Instrumentation and SCADA Specialist	189



LISWA of Lincoln Wastewater Treatment and Reclamation Facility WWTRF Operation and Maintenance Budget May and June 2023 and FY 2023-24	Actual	Actual	Actual	Actual	Actual	WWTRF Adopted Budget	Budget Compared to Actual Expenditures	WWTRF Adopted Budget	WWTRF Proposed Budget	WWTRF Proposed Budget	Proposed Budget Change	Budgetary Comments
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2021-22	FY 2021-22	FY 2022-2023	May-June 2023	FY 2023-24	FY 22-23 to FY 23-24	
DIRECT PERSONNEL (Stantec O&M Labor)												
Reg Labor Direct (220.000)	\$2,284,476	\$2,218,123	\$2,285,345	\$2,225,197	\$2,462,262	\$2,609,080	-5.6%	\$2,589,576	\$476,649	\$2,991,063	15.5%	Stantec Labor for General Operation and Maintenance of the WWTRF.
Over Time (220.001)	\$43,159	\$38,581	\$38,602	\$37,780	\$24,997	\$85,000	-70.6%	\$85,000	\$13,600	\$50,000	-41.2%	Call-outs and other overtime as needed.
Standby Pay (220.006)		\$17,520	\$17,568	\$17,328	\$17,328	\$18,000	-3.7%	\$18,000	\$2,880	\$23,700	31.7%	Standby Pay for being on call. Rates adjusted to County rates. \$56/weekday, \$84/ weekends and holidays
R&R Labor(220.007)		\$34,401	\$90,777	\$36,865	\$0	\$11,000	-100.0%	\$10,000	\$1,600	\$0	-100.0%	COJA requirement no longer applicable.
DIRECT PERSONNEL (Stantec Engineering Labor)									\$0			
Groundwater Testing Labor (220.004)	\$4,824	\$7,746	\$9,544	\$10,294	\$7,392	\$10,000	-26.1%	\$11,000	\$1,760	\$11,000	0.0%	Analysis of quarterly ground water sampling and reporting results.
Planning and Reporting Engineering Services (220.003)	\$32,269	\$95,022	\$205,099	\$303,686	\$69,655	\$175,000	-60.2%	\$180,000	\$28,800	\$100,000	-44.4%	General LISWA and Regional board reports 30k. Salinity Evaluation and Minimization Plan 10k. Report of Waste Discharge 50k, new Master Reclamation permit 30k, Pivot relocation study 30k. Contingency 30k.
Sub Total	\$2,364,727	\$2,411,392	\$2,646,934	\$2,631,149	\$2,581,634	\$2,908,080	-11.2%	\$2,893,576	\$525,289	\$3,175,763	9.8%	
WWTRF DIRECT EXPENSES												
Operating Supplies	\$10,295	\$14,814	\$16,674	\$18,492	\$21,798	\$17,000	28.2%	\$18,500	\$2,960	\$23,000	24.3%	Routine operating supplies
Maintenance Supplies	\$20,053	\$23,108	\$20,568	\$22,832	\$20,293	\$22,000	-7.8%	\$23,000	\$3,680	\$25,000	8.7%	Routine maintenance supplies
Chemicals	\$434,427	\$327,868	\$328,006	\$322,652	\$436,837	\$400,000	9.2%	\$475,000	\$76,000	\$500,000	5.3%	Centrifuge polymer, DAF polymer, filter sand, sulfuric acid and bleach for filter cleaning and new reclaim disinfection.
Laboratory Supplies	\$36,373	\$37,552	\$30,286	\$30,909	\$19,708	\$40,000	-50.7%	\$10,000	\$1,600	\$8,000	-20.0%	Routine Laboratory Supplies
Outside Lab Services	\$33,014	\$37,259	\$37,758	\$73,917	\$81,201	\$95,000	-14.5%	\$125,000	\$20,000	\$80,000	-36.0%	Possible accelerated monitoring for chronic toxicity, and other routine outside lab testing. 50k for lab testing previously performed onsite, other permit required testing.
Safety Supplies	\$3,501	\$4,579	\$2,925	\$4,197	\$9,129	\$5,000	82.6%	\$5,000	\$800	\$5,000	0.0%	Routine safety supplies
Repair Parts	\$491,951	\$139,128	\$106,282	\$124,433	\$288,685	\$150,000	92.5%	\$170,000	\$27,200	\$250,000	47.1%	Includes any routine repair part not otherwise categorized from pumps to electronic componets.
Outside Services	\$210,343	\$289,977	\$194,671	\$213,230	\$351,364	\$250,000	40.5%	\$270,000	\$43,200	\$350,000	29.6%	Miscellaneous outside services such as major leak repairs, third party instrument maintenance, routine weed and pest control, janitorial, minor pump repairs, etc.
Equipment Rental-Outside	\$473	\$87	\$577	\$42	\$2,628	\$1,500	75.2%	\$1,500	\$240	\$1,500	0.0%	Occasional rental of heavy equipment and miscellaneous equipment as needed
Telephone	\$4,550	\$4,900	\$4,550	\$4,400	\$5,150	\$5,000	3.0%	\$5,000	\$800	\$5,000	0.0%	Partial cell phone reimbursement (10 staff @ \$50/month each) for operators and plant mechanics. Used for daily communications and call outs
Postage & Freight	\$910	\$341	\$190	\$448	\$531	\$1,000	-46.9%	\$1,000	\$160	\$1,000	0.0%	Covers the cost of equipment shipping/returns and PO Box rental
Vehicle Expense	\$1,113	\$1,657	\$1,092	\$581	\$1,060	\$2,000	-47.0%	\$2,000	\$320	\$1,500	-25.0%	Reimbursable travel expense for LISWA buisness.
Utilities/Plant Diesel Fuel	\$0	\$3,426	\$661	\$7,055	\$4,701	\$5,000	-6.0%	\$7,000	\$1,120	\$8,000	14.3%	Standby generator and non-highway use diesel equipment
Uniform Expense	\$9,987	\$11,095	\$11,286	\$12,051	\$15,915	\$13,500	17.9%	\$15,000	\$2,400	\$18,000	20.0%	Laundry service for 11 staff uniforms, entry mats and shop rags
Tools	\$1,610	\$0	\$2,219	\$2,278	\$0	\$2,000	-100.0%	\$2,500	\$400	\$3,000	20.0%	Misc. tools
Taxes & Licenses	\$6,364	\$11,250	\$3,973	\$8,433	\$7,871	\$12,000	-34.4%	\$8,000	\$1,280	\$9,000	12.5%	EPA, Placer Air Pollution Permits
Training	\$2,686	\$3,622	\$1,259	\$810	\$7,839	\$5,000	56.8%	\$5,000	\$800	\$6,000	20.0%	Miscellaneous technical and safety related training.
Computer Expense	\$2,214	\$5,198	\$706	\$3,842	\$0	\$3,000	-100.0%	\$3,500	\$560	\$3,500	0.0%	Miscellaneous computer expenses
Ground Water Monitoring	\$14,645	\$13,481	\$12,582	\$20,597	\$17,964	\$15,000	19.8%	\$16,000	\$2,560	\$18,000	12.5%	Ground water monitoring lab costs
Biosolids Disposal	\$277,855	\$318,845	\$296,893	\$452,523	\$587,058	\$530,000	10.8%	\$675,000	\$108,000	\$800,000	18.5%	Includes transportation and increased landfill tipping fees
Membership & Certificates	\$2,747	\$2,605	\$6,130	\$1,925	\$1,764	\$5,000	-64.7%	\$5,000	\$800	\$5,000	0.0%	CWEA and other WW Certificate Renewals
UV Maintenance	\$54,951	\$83,870	\$39,017	\$51,094	\$96,857	\$75,000	29.1%	\$75,000	\$12,000	\$100,000	33.3%	Routine bulb and ballast replacements along with other UV repair parts.
R&R Outside Labor and Expenses (220.007)		\$453,671	\$368,235	\$235,230	\$54,285	\$167,000	-67.5%	\$695,000	\$111,200	\$660,000	-5.0%	Category A and B Repair and Replacement (R&R) projects as detailed in the COJA
LISWA Contingency								\$100,000	\$16,000	\$100,000	0.0%	Undefined Projects due to aging infrastructure and capitolSWA limits.
Sub Total	\$1,620,062	\$1,788,334	\$1,486,540	\$1,650,657	\$2,032,636	\$1,821,000	11.6%	\$2,713,000	\$434,080	\$2,980,500	9.9%	
WWTRF Total	\$3,984,789	\$4,199,726	\$4,133,474	\$4,281,806	\$4,614,270	\$4,729,080	-2.4%	\$5,606,576	\$959,369	\$6,156,263	9.8%	

WWTRF Operations Direct Personel							
Name		FY 2022/23 Billing Rate	FY 2023/24 Billing Rate	Average Total Billable Hours May and June 2023	Average Total Billable Hours FY2023/24	Proposed May and June 2023 budget	Proposed FY2023/24 budget
Stone, Tina	Senior Administrative Analyst	\$100	\$105	267	1,600	\$26,613	\$167,731
Hengst,Gary	Chief Plant Operator	\$188	\$198	292	1,750	\$54,881	\$345,891
Gregory, Justin	Plant Operations Supervisor	\$145	\$152	300	1,800	\$43,351	\$273,218
Smith, Bo	Senior Plant Operator	\$133	\$140	300	1,800	\$39,920	\$251,597
Walker, Brett	Senior Plant Operator	\$126	\$132	300	1,800	\$37,737	\$237,838
Cain, Trey	Senior Operator/ Safety Coordinator	\$133	\$140	300	1,800	\$39,920	\$251,597
Ortman, Russ	Plant Operator	\$110	\$116	300	1,800	\$33,059	\$208,354
Joseph Picazo-Soto	Plant Maintenance Technologist	\$110	\$116	150	900	\$16,529	\$104,177
Steer, Joe	Regional Pipeline Supervisor	\$126	\$132	133	800	\$16,772	\$105,706
Jacob Womack	Senior Plant Maintenance Technologist	\$121	\$127	292	1,750	\$35,173	\$221,676
Fariah, Kary	Operator in Training	\$110	\$116	200	1,200	\$22,039	\$138,902
Gillming, Lance	Instrumentation/Mechanical Supervisor	\$139	\$146	292	1,750	\$40,630	\$256,074
Ramsay, Greg	Senior Plant Maintenance Technologist	\$121	\$127	75	450	\$9,044	\$57,002
Danny Rivas	Electrical, Instrumentation and SCADA Specialist	\$180	\$189	283	1,700	\$50,980	\$321,300
Subtotal						\$466,649	\$2,941,063
Staffing Contingency						\$10,000	\$50,000
Totals				3,482	20,900	\$476,649	\$2,991,063

WWTRF R&R Projects/Purchases	Material and External Labor Cost	Notes
Clarifier #2 main drive bearing	\$130,000	Clarifier #1 bearing failed March 2021. Clarifier #2 main bearing is the same age and due for replacement.
Vault Safety Netting Replacements	\$35,000	original safety netting in vaults are due for replacement
Maintenance GEM cart model el HD	\$25,000	There aren't enough vehicles to transport personnel around the plant. This cart would add an electric maintenance vehicle for use around the plant
Fuel Scrubber for Generator Diesel Tank	\$10,000	Old fuel scrubber no longer works and is in need of replacement
IT Security Improvements	\$300,000	Improves SCADA security and includes parts and labor.
Warm Springs Sump Pump #3 Replacement	\$30,000	Pump has failed repeatedly over the years. It has been rebuilt a few times and is no longer very reliable. It is critical infrastructure during irrigation season. W
Mat Pond 1&2 actuator replacements	\$130,000	like to purchase a new one and keep this one on the shelf as a backup.
Total	\$660,000	Actuators and hydraulic system is at end of life. A simpler and more reliable electric actuator system is proposed.

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

AGENDA ITEM # 4

SUBJECT: Consent Items

It is recommended by the General Manager that these items, which are expected to be routine in nature and without controversy, be received and acted upon by the Board without discussion. If any Board member or interested party requests that an item be removed from the Consent Calendar for discussion, it will be considered separately. The consent calendar may be approved by a single motion to approve, followed by a second and then a call for vote.

4.1 Adopt LiSWA Logo

After providing some iterations on a LOGO, the Board gave direction to present the following logo for official adoption:



Action Requested: "Adopt the above graphic as the logo for LiSWA."

4.2 Equipment and Maintenance Purchases

Fuel Filtration System for Generator Diesel Tank

The fuel filtration system has failed and is necessary to keep the diesel storage unit and fuel in good condition. Replacement cost estimated at less than \$10,000.

Transformer and Switch Gear Inspection and Testing

Transformers and switch gear are important components of the system. It is prudent to have them tested and inspected periodically. Two bids were received, one for \$44,259 and the other for \$22,400.

These items are included in the budget under R&R outside labor and expense and Outside services.

Action Requested: “Authorize the purchases for a new fuel filtration system and inspection and testing of LiSWA transformers and Switch Gear in an amount not to exceed \$35,000.”

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 04/14/23 Regular Board Meeting

Agenda Item #5

SUBJECT: General Manager's Report

- My top priorities for April have been focused on finalizing insurance, the Stantec agreement, property transfers and the budget.
- We continue to work on the transition. I am meeting with the transition advisory group twice a month to cover any issue necessary during the transition.
- I am in regular communication with Gary about operations.
- We are working with County Counsel and City staff on transfer of Property.
- Insurance was initiated pending property transfer and Stantec agreement.
- Working with Stantec and the City on a PGE loan for the Oxidation Ditch Project. Item on agenda.
- Working with City on reimbursement agreement for Agenda. Item on agenda
- Meetings, phone calls and emails have been ongoing regarding the expansion of the WWTRF and the peer review. The expectation for the peer review to be completed is early June with the hope of presenting to the Board at the special meeting in June.
- I would appreciate if you would look at your calendars to suggest a potential special meeting on the week of June 26th.

Item	Status	Working with	Notes
Financial			
Develop and Approve Budget	Completed	Lincoln Finance	Next Fiscal year in process
Develop process for paying bills with Placer County Treasurer/Auditor	Completed	Placer	Payables are being processed and vendors being added
Set Charge per WWTRU	Complete	Lincoln/Placer	Approved
Transfer Funds to County	Completed	Lincoln /Placer	Completed
Establish WWTRU Policy	Completed	Lincoln/Placer	Approved
West Yost Billing approval process	Completed		Approved through County Process

Procurement Policy	pending		
Debt Management Policy	Drafted		On Agenda for May
Investment Policy	pending		
Select Municipal Financial Advisor	Completed		Short term Agreement
Reserve Policy	pending		
Obtain Insurance	Completed		Binding completed May 1
Property Transfers			
Wastewater Treatment Plant	pending	Lincoln Admin/County Counsel	
Conservation Easement	pending	Lincoln Admin/County Counsel	
Pipelines	pending	Lincoln PW	Surveying/Description near completion
Business Property	pending	Lincoln Admin	
Vehicles	pending	Lincoln PW	List complete
Equipment	pending	Lincoln PW	List complete
Fixtures	pending	Lincoln PW	List complete
Supplies	pending	Lincoln PW	List complete
Operations Transfers			
Stantec Operations Agreement	Drafted	Lincoln Admin	For Approval May Agenda
NPDES Permit	Complete		On Regional Board Consent
Solar Star Power Purchase Agreement	pending	Lincoln Admin	
Solar Star Site Lease Agreement	pending	Lincoln Admin	
Machado Recycled Water Agreement	pending	Lincoln Admin	
Farm Management of Effluent Disposal Lands Auburn Ravine Ranch	pending	Lincoln Admin	
Western Placer Waste Management Authority Agreement	pending	Lincoln Admin	
Radmall Lease	pending	Lincoln Admin	
Utility Services	pending	Lincoln Admin	
Alarm systems	pending	Lincoln Admin	
Ensure proper transfer of SMD1 duties	pending	Stantec/Placer	Verification-final discussion needed
Other			
Logo, Letterhead, etc.	In process		Logo on Agenda
Website	In process		
City of Lincoln Admin/IT services	In process		
Board Compensation Policy	pending		

April 2023 WWTRF Operations Report

Agenda Item 6

5-12-23

Highlights

-Influent BOD results have been abnormally low for a few months. Two additional labs are running this test all month for comparison purposes. Frequency has also been increased from three days a week to seven in hopes of better understanding BOD trends.

-The greenhouse roof replacement project is moving forward this month though the wind and rain has slowed their progress. It may take until the end of May to complete this project.

-Irrigation season has begun. All fields were transitioned from winter mode to irrigation mode. Machado and Warm Springs has each received reclaim water in April.

-A reclaim line leak on an air relief valve was repaired on Fiddymont Road shortly after irrigation began. This was a challenging repair as it required simultaneous lane closures on Fiddymont and Catlett Roads.

Compliance

There was a monitoring violation on March 30th. Our contract lab inadvertently sent out the Influent sample for TSS analysis but forgot to first set up the BOD analysis. This is a monitoring violation and was reported as such. There will be no fines associated with this error.

Major Equipment Out of Service						
Equipment	Failure Date	Redundancy	Problem	Solution	Estimated Repair Cost	Estimated Return to Service Date
North and South Solar Drier roof replacement	12/31/2022	2 of 2	roof panels blew off	Repairs have started.	\$77,000	4/30/2023
Influent pump 1B	4/5/2023	1 of 6	Motor winding problem after last repair. Additional repairs required under warranty.	Pump has an on going issue. Recommend purchase of a spare pump.	0\$	5/10/2023
Influent pump 1C	4/18/2023	1 of 6	Moisture sensor failure. Pump can operate if needed.	Pump is out of service though it can be put back in service if needed. Repairs scheduled after pump 1B is back in service.	\$3,000	5/24/2023
Recycle pump 1A	4/20/2023	1 of 2	Catastrophic failure of recycle pump frame	Parts on order to repair. Spare pump installed the same day of failure.	\$1,000	5/31/2023
Anoxic Mixer 2B	4/27/2023	1 of 2	Catastrophic failure of mixer blade and gear box.	Parts on order to repair. Spare mixer installed the same day of failure.	\$5,000	5/31/2023
Ox Ditch #2 blower #4	3/13/2023	1of 3	Motor starter was damaged during warranty repair on blower housing.	Manufacturer tried to fix once. Will return once additional parts have been secured.	\$0	5/31/2023

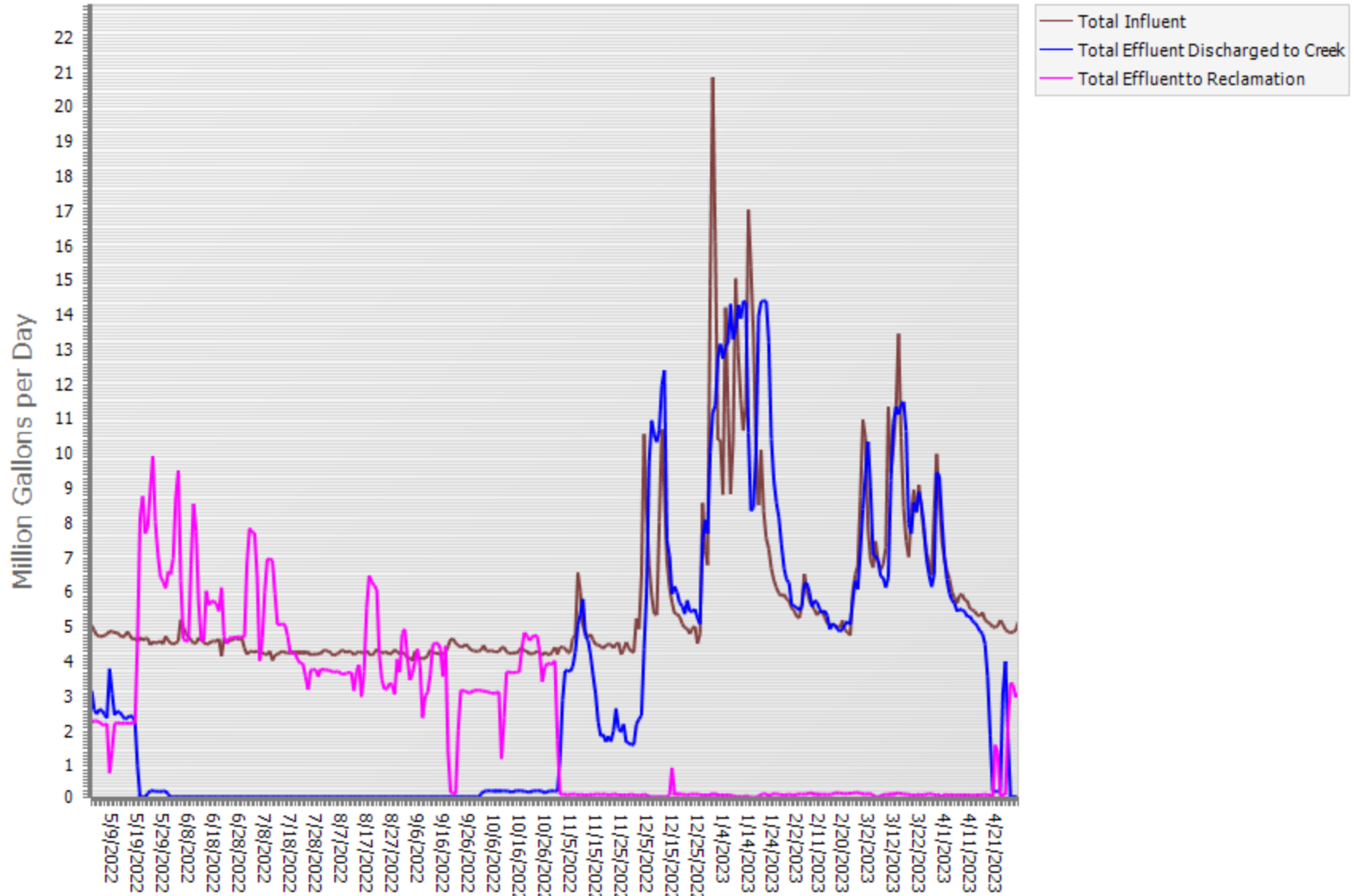


Photo 1. Greenhouse roof repair begins. Note the difference between the new and old panels.



Photo 2. Oxidation Ditch #2, Anoxic Mixer 2B prop damage.

Total Treatment Plant Flow



Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

Agenda Item #7

SUBJECT: ADOPTION OF LISWA DEBT MANAGEMENT and DISCLOSURE POLICY AND RESOLUTION No. 2023-03 – Consider approval of Resolution and Policy.

The Lincoln SMD-1 Wastewater Authority (“LiSWA” or “Authority”) was established on November 30, 2022, by the approval, execution, and delivery of a Joint Powers Agreement (“JPA”) between the City of Lincoln and the County of Placer.

Pursuant to Government Code Section 8855, California law requires that public agencies adopt a debt management and disclosure policy for specified matters in order to issue debt securities. Attached as Exhibit “A” to Resolution No. 2023-03 is the proposed LiSWA Debt Management and Disclosure Policy (“Policy”) for the Board of Directors’ consideration and approval.

It is advised to adopt this policy before considering the PGE loan agreement.

Staff Recommendation:

“Adopt Resolution No. 2023-03 adopting the LiSWA Debt Management and Disclosure Policy.”

RESOLUTION NO. 2023-03

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY APPROVING AND ADOPTING A DEBT MANAGEMENT POLICY

WHEREAS, the Lincoln SMD-1 Wastewater Authority (“LiSWA” or “Authority”) is a joint powers agency organized and operating pursuant to the provisions of the Constitution and the laws of the State of California (“State”) by and between the City of Lincoln and the County of Placer; and

WHEREAS, Section 8855 of the California Government Code requires public agencies that issue debt securities to adopt debt management and disclosure policies providing for specified matters; and

WHEREAS, in order to adhere to State law, the Board of Directors of LiSWA (“Board”) has been presented with the proposed form of a debt management and disclosure policy for consideration; and

WHEREAS, LiSWA anticipates issuing indebtedness in the future and the need to comply with applicable State law in connection therewith; and

WHEREAS, the Board desires to adopt the Debt Management and Disclosure Policy of the Authority (“Policy”) in the form presented and attached hereto as Exhibit “A.”

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. All of the recitals herein contained are true and correct and the Board of Directors so finds.

Section 2. The Board of Directors hereby approves and adopts the Policy as the debt management and disclosure policy for LiSWA. The Authority may, by later action of this Board, be amended from time to time.

Section 3. The officers of the Authority are hereby authorized and directed to take such other and further actions as are necessary or as may be appropriate to effectuate the directions and approvals set forth in this Resolution.

Section 4. This resolution shall take effect from and after its date of adoption.

[Remainder of this page intentionally left blank]

ADOPTED, SIGNED AND APPROVED this day of May, 2023.

THE BOARD OF DIRECTORS OF THE
LINCOLN SMD-1 WASTEWATER AUTHORITY

By: _____
Chair of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

ATTEST:

By: _____
Secretary of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

DRAFT

STATE OF CALIFORNIA)
) ss.
COUNTY OF PLACER)

I, George Barber, Secretary of the Board of Directors of the Lincoln SMD-1 Wastewater Authority, do hereby certify that the foregoing resolution was duly adopted by the Governing Board of said School District, at a meeting thereof duly and regularly held at the regular meeting place thereof on May , 2023, of which meeting all of the members of such Board had due notice and at which a majority thereof were present; at which a quorum of such Board was present and acting throughout and for which notice and an agenda was prepared and posted as required by law and that at said meeting said resolution was adopted by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

Secretary of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

EXHIBIT “A”

DEBT MANAGEMENT AND DISCLOSURE POLICY

**LINCOLN SMD-1
WASTEWATER AUTHORITY**

**DEBT
MANAGEMENT AND
DISCLOSURE
POLICY**

LINCOLN SMD-1 WASTEWATER AUTHORITY (LiSWA)

Debt Management and Disclosure Policy

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LiSWA

Debt Management and Disclosure Policy

1. Debt Policy Background and Purposes

Lincoln SMD-1 Wastewater Authority (“LiSWA”) was established under the provisions of the Joint Exercise of Powers Act, being Chapter 5 of Division 7 of Title 1 of the California Government Code (“Government Code”), commencing with Section 6500 (the “Act”) and a Joint Exercise of Powers Agreement entered into by and between the City of Lincoln (“City”) and the County of Placer (“County” and collectively with the City, the “Member Agencies” and each a “Member Agency”) for the establishment of the LiSWA (the “Agreement”) and setting forth the powers of LiSWA, which include, but are not limited to:

Own, acquire, expand, manage, maintain, operate, and control facilities for the collection and transmission (as defined in this Agreement), treatment, reclamation, recycling, reuse, sale, and disposal of water, wastewater, and recycled water, and any related byproducts.

This LiSWA Debt Management Policy (“Policy”) is intended to comply with the requirements of Section 8855 of the Government Code and to set forth various matters for LiSWA financing transactions.

2. Findings

a. Debt Management

Unless otherwise directed or determined by the Board, this Policy shall govern all debt issued by, or undertaken by, LiSWA.

The LiSWA hereby recognizes that a fiscally prudent Policy is required in order to:

Maintain the LiSWA’s sound financial position.

Ensure the LiSWA has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses and to respond to the needs of its members.

Protect the LiSWA’s credit-worthiness and exposure to financial and legal liabilities.

Ensure that all LiSWA debt is structured in order to protect the interests of LiSWA members and ratepayers.

Help ensure that the LiSWA’s debt is consistent with the LiSWA’s planning goals and objectives, capital improvement programs or budget, as applicable.

b. Disclosure.

This Policy is intended to establish and implement the practices and procedures necessary to ensure compliance with applicable federal and State of California (“State”) securities laws. The

LiSWA

Debt Management and Disclosure Policy

disclosure policies and procedures set forth in this Policy are also to: reduce exposure of the LiSWA and its officials and employees to liability for damages and enforcement actions based on misstatements and omissions in the LiSWA's disclosure documents; to reduce borrowing costs by promoting good investor relations; and to protect members and ratepayers of the LiSWA and other third parties from misstatements or omissions in LiSWA's disclosure documents.

3. Purposes of For Which Debt May be Issued

LiSWA will consider debt financing for the construction, acquisition, rehabilitation, replacement, or expansion of physical assets, including real and personal property, equipment, furnishings and improvements, and any other uses, projects and/or capital programs authorized by the Agreement, for the following purposes:

- a. To finance public facilities, services or programs, including but not limited to short-term borrowing needs, budget shortfalls and access to capital for public improvements and infrastructure.
- b. To assist certain private individuals and entities in financing project(s) or program(s) that produces public benefits related to the LiSWA purposes or powers.
- c. To refinance LiSWA outstanding debt in order to (i) produce debt service savings, (ii) to restructure debt for other benefits such as refinancing a bullet payment or a spike in debt service, or (iii) to provide or produce other public benefits
- d. To finance a project or program, consistent with LiSWA's purposes - which are intended to provide public benefits to any local community, including its residents, business, or institutions, including but not limited to promoting economic development.

4. Authorized Types of Debt

The following types of debt m under this Policy:

- a. Conduit revenue bonds or notes;
- b. General obligation bonds;
- c. Bond or grant anticipation notes;
- e. Leases, lease revenue bonds, installment sale or purchase agreements, certificates of participation and lease-purchase transactions;
- f. Revenue bonds;
- g. Tax and revenue anticipation notes;
- h. Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment acts, including PACE financings; and
- i. Any other type of debt permitted under the Agreement and authorized by law.

For purposes of this section, the term "bonds" may include notes, warrants, leases, installment purchase agreements, certificates of participation, financing agreements, loan agreements,

LiSWA

Debt Management and Disclosure Policy

lease-lease-back financing transactions or any other evidence of an obligation to pay or repay money.

LiSWA may from time to time find that other types of debt would be beneficial to further its purposes and may approve such debt without an amendment of this Policy.

This Policy includes all debt that must ultimately be approved by the LiSWA Board of Directors (“Board”). This Policy is not intended to address inter-fund borrowing; interagency borrowing; or authorized investment activities of the LiSWA Treasurer (“Treasurer”) including, but not limited to, reverse repurchase agreements and securities lending.

5. Relationship to Capital Improvements Program or Budget, Planning Goals And Objectives

LiSWA’s goal is to undertake programs that advance its purpose, and this Policy provides flexibility for LiSWA to obtain financing to provide wastewater treatment and reclamation services including financing programs to further its purpose.

LiSWA is committed to long-term financial planning, maintain appropriate reserve levels and employing prudent practices in governance, financial management and budget administration. LiSWA intends to issue debt for the purposes stated in this Debt Management Policy and to implement policy decisions in the annual operations budget.

It is LiSWA’s goal to utilize conservative financing methods and techniques to obtain the highest practical credit ratings and the lowest practical borrowing costs.

LiSWA will comply with state and federal law as it pertains to the maximum term of debt, and any applicable procedures for setting and imposing any related assessments, rates and charges.

6. Debt Administration

Debt management will be the responsibility of General Manager (GM) and the Treasurer as follows:

- a. **Reviewing and recommending debt financing - GM & Treasurer.** The GM and Treasurer will be responsible for reviewing, analyzing and recommending new issue debt financing when appropriate and consistent with these policies. The Board will review and approve proposed debt financing proposals.
- b. **Leading the process of issuance - GM, Treasurer and LiSWA Counsel.** Officials will work together to select financial advisors, underwriters, bond counsel, disclosure counsel and other members of a financing team. Officials will prepare bond documentation including official statements and will review them for material errors or omissions before such documents can be deemed final.
- c. **Internal control procedures regarding use of debt proceeds; fiscal agent-Treasurer.** Whenever reasonably possible, proceeds of debt used to finance capital

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Debt Management and Disclosure Policy

improvements will be held by a third-party banking institution (trustee, fiscal agent or similar) and LiSWA will submit written requisitions for such proceeds. The Treasurer will execute each such requisition. The Treasurer will be responsible for selecting the banking institution associated with bond issues. To the extent recommended by bond counsel, the rating agencies or any bond insurer, the Treasurer will serve as LiSWA's fiscal agent on its debt transactions.

- d. **Continuing Annual Disclosure -Treasurer, Auditor, and GM.** The Securities and Exchange Commission (“SEC”) requires that underwriters obtain promises in writing from municipal debt issuers to provide specified financial and operating information on an annual basis for all public offerings. This promise for continuing annual disclosure is set forth in a separate agreement between the issuer and the underwriter who purchases LiSWA's bonds. The GM will oversee the preparation of annual disclosure reports as required under federal law and regulations, and consistent with the continuing disclosure agreement pertaining to that financing. Such reports will be reviewed in the manner of initial official statements. Under continuing disclosure requirements LiSWA is obligated to provide ongoing disclosure of material events, including those that are specifically enumerated in the agreement for its public offerings.
 - e. **Arbitrage administration-Treasurer.** The Treasurer is charged with responsibility for establishing and maintaining, either directly or through contract, a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort includes tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebate earnings to the federal government in a timely manner in order to preserve the tax-exempt status of LiSWA's outstanding debt issues.
 - f. **Covenant Administration-GM.** The GM will establish and maintain a system for monitoring the various covenants and commitments established within the documentation of a bond issue and ensuring that staff or consultants take such actions as required to comply with the various covenants of a financing.
- Small Lease-purchases.** LiSWA, or any sub-unit of LiSWA, shall not enter into a lease-purchase contract, or incur other form of indebtedness, of more than \$50,000 without the express approval of the Board.
- g. **Investing Bond Proceeds-Treasurer.** The Treasurer is responsible for investing all bond proceeds held by LiSWA and directing the investment of all funds held by the relevant banking institution under the terms of the applicable securities issuance document(s). Such investments shall also be consistent with applicable State and federal law.

7. Debt Structure Considerations

- a. **Rapidity of Debt Repayment.** Borrowing by LiSWA should be of a duration that

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Debt Management and Disclosure Policy

does not exceed the economic life of the improvement that it finances. The debt repayment term should be not be longer than the improvement's projected useful life in an effort to improve LiSWA's credit profile through early retirement of debt, and to recapture debt capacity for future use. LiSWA may choose to structure debt repayment on any particular transaction so as to consolidate or restructure existing obligations or to achieve other financial planning goals.

- b. **Capitalized Interest.** LiSWA may include within its borrowings additional funds to pay interest on the obligation during an initial period. Such capitalizing of interest will be most commonly used to secure lease obligations during the project construction period, as generally required under California law, or to secure an improved financing structure for strategic management of cash flow.
- c. **Mello-Roos and Assessment Bonds.** The GM will evaluate programs in light of the total tax rate burden.
- d. **Short-term Financing.** LiSWA will consider issuing Tax and Revenue Anticipation Notes for annual cash flow purposes or other short-term financing instruments to the extent such securities would reduce expenses, increase revenues and/or expedite the meeting of LiSWA's goals.
- e. **Variable Rate Bond.** LiSWA will consider variable rate debt on a case-by-case basis. The general preference of LiSWA is to issue fixed rate debt.

8. Method of Sale

There are generally three ways bonds can be sold, through a competitive, negotiated sale or a private placement. The following outlines the basis by which LiSWA will determine the appropriate method of sale for a given financing.

- a. **Competitive Process.** With a competitive sale, any interested underwriter is invited to submit a proposal to purchase an issue of bonds. The bonds are awarded to the underwriter(s) presenting the best bid according to stipulated criteria set forth in the notice of sale. LiSWA, as a matter of policy, will seek to issue its debt obligations through a competitive process unless it is determined in consultation with the Treasurer that such a sale method will not produce the best results for LiSWA. This type of sale process is also significantly more likely to give LiSWA higher market exposure which creates an awareness of LiSWA credit that increases market interest in future debt issues of LiSWA.
- b. **Negotiated Sale.** Under this method of sale, securities are sold through an exclusive arrangement between the issuer and an underwriter or underwriting syndicate. At the end of successful negotiations, the issue is awarded to the underwriters. Negotiated underwriting may be considered if it fits one or more of the following criteria: extremely small issue size; complex financing structure or nature of the project being financed (i.e., variable rate financing, new derivatives, and certain revenues issues, etc.); compromised credit quality of LiSWA or the issue; other issue or market factors which lead the GM and

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Debt Management and Disclosure Policy

Treasurer to conclude that a competitive sale would not be effective. When determined appropriate by the GM and Treasurer, and approved by the Board, LiSWA may elect to sell its debt obligations through a negotiated sale.

- c. **Private Placement.** When determined appropriate, usually in the case of a very small issue, and/or short financing term, LiSWA may elect to sell its debt obligations through a private placement or limited public offering. Selection of a lender or placement agent will be made pursuant to selection procedures developed by the GM and Treasurer.

9. Refunding of LiSWA Indebtedness

The LiSWA GM will monitor LiSWA's existing indebtedness and will initiate the refunding of such obligations if it would generate a reasonable level of savings. The following guidelines will be used in determining whether a refunding would be appropriate.

- a. **Debt Service Savings - Advance Refunding.** LiSWA may issue advance refunding bonds (as defined by federal tax law) when advantageous, legally permissible, financially prudent, and net present value savings, expressed as a percentage of the par amount of the refunded bonds, equal or exceed 5 %. The LiSWA Board may approve a lower savings threshold to the extent that such a threshold is appropriate given the specific conditions of the proposed refunding. Under current federal law, advance refundings of tax-exempt securities result in federally taxable refunding securities.
- b. **Debt Service Savings - Current Refunding.** LiSWA may issue current refunding bonds (as defined by federal tax law) when advantageous, legally permissible, and financially prudent, and net present value savings equal or exceed 3% of the outstanding amount of refunded bonds.

10. Interpretation, Amendment

This Policy is intended to be interpreted in a manner consistent with LiSWA's existing policies and program guidelines and shall be subject to any contrary provisions thereof. The Board may, by resolution, waive any provision of this Policy, with respect to a particular debt issue.

The Board reserves the power to amend this Policy in the future, by Resolution, as it may determine, from time to time.

11. Disclosure Policies

- a. **Disclosure Coordinator.**

The Treasurer shall be the disclosure coordinator of the LiSWA (for purposes of this Policy, the "Disclosure Coordinator"). It is the policy of the LiSWA that the Disclosure Coordinator will regularly consult with the GM and LiSWA Counsel with respect to the disclosure matters described in this Policy.

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b. **Outside Professionals.**

It is the LiSWA's policy to establish continuing working relationships with professional advisors with expertise in the area of public finance and federal securities laws applicable to the issuance of securities by the LiSWA. Subject to the Securities and Exchange Commission's ("SEC") Independent Registered Municipal Advisor Rule ("IRMA"), the LiSWA may hold a contract with one or more independent registered municipal advisor firms.

c. **Review and Approval of Official Statements.**

The Disclosure Coordinator shall review any Official Statement prepared in connection with any debt issuance by the LiSWA in order to ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by, or on behalf of, LiSWA.

In connection with its review of any such Official Statement, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the LiSWA, and all members of LiSWA staff, to the extent that the Disclosure Coordinator concludes that they should be consulted so that each such Official Statement will include all "material" information (as defined for purposes of federal securities law).

In connection with its review of the Official Statement, the Disclosure Coordinator shall also consult with representatives of the Member Agencies to the extent necessary.

As part of the review process, and prior to submitting any Official Statements to the Board for approval, the Disclosure Coordinator shall submit all Official Statements to the GM and the LiSWA Counsel for their review.

The GM shall review the Official Statement and shall take primary responsibility for those sections of the Official Statement describing the operations of the LiSWA.

LiSWA Counsel shall review the Official Statement and shall draft for the Official Statement descriptions of (i) any material current, pending or threatened litigation, (ii) any material settlements or court orders and (iii) any other legal issues that are material information for purposes of the Official Statement.

The Treasurer shall review the Official Statement to identify any material difference in presentation of financial information from the LiSWA's financial statements and ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the Treasurer (or the Treasurer's staff) or of relevance to the finances of the LiSWA. In addition, the Treasurer shall determine whether the LiSWA's then-available Financial Statements are appropriate to be included in the Official Statement and whether to seek the consent of the LiSWA's outside auditor to including the Financial Statements in the Official Statement.

The GM is responsible for ensuring that the key LiSWA staff participates in preparation of the Official Statement.

LiSWA

Debt Management and Disclosure Policy

After receiving feedback from the GM, the Treasurer and LiSWA Counsel, the Disclosure Coordinator shall submit an Official Statement to the Board for approval.

The Board shall undertake such review as deemed necessary by the Board, following consultation with the Disclosure Coordinator, to fulfill the Board's responsibilities under applicable federal and state securities laws. In this regard, the Disclosure Coordinator shall consult with the LiSWA's disclosure counsel to the extent the Disclosure Coordinator considers appropriate.

The Disclosure Coordinator shall retain a record of the actions taken to prepare, check and approve each Official Statement.

d. **Continuing Disclosure Filings.**

Under the continuing disclosure undertakings that the LiSWA has entered into in connection with its debt offerings, the LiSWA is required each year to file annual reports with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system in accordance with such undertakings. Such annual reports are required to include certain updated financial and operating information, and the LiSWA's audited financial statements.

If the LiSWA does not have audited financial statements available, the Treasurer shall submit the LiSWA's unaudited financial statements in either draft or final form whichever is available to meet the disclosure deadline. In the event draft or unaudited financial statements are submitted, the Treasurer shall submit final audited financial statements as soon as they are available.

The LiSWA is also required under its continuing disclosure undertakings to file notices of certain events with EMMA.

The Disclosure Coordinator is responsible for establishing a system (which may involve the retention of one or more consultants) by which:

- i. the LiSWA will make the annual filings required by its continuing disclosure undertakings on a complete and timely basis, and
- ii. the LiSWA will file notices of enumerated events on a timely basis.

In connection with preparation of annual reports and event filings, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the LiSWA, and all members of LiSWA staff, to the extent that the Disclosure Coordinator concludes they should be consulted so the annual report and event filings will include all "material" information (as defined for purposes of federal securities law).

As part of the review process, the Disclosure Coordinator shall submit all annual reports and event filings to the GM, the Treasurer and LiSWA Counsel for approval, and shall also consult with representatives of the Member Agencies to the extent appropriate.

LiSWA

Debt Management and Disclosure Policy

The Disclosure Coordinator shall retain a record of the actions taken to prepare, check and approve each continuing disclosure reports and notices.

e. **Rating Agency Presentations.**

The Disclosure Coordinator and/or GM shall manage the process of preparing rating agency presentations for a financing in the same manner that he or she does for Official Statements, except that approval by the Board shall not be required.

f. **Continuing Disclosure Filings.**

Whenever the LiSWA makes statements or releases information relating to its finances to the public that reasonably expected to reach investors and the trading markets, the LiSWA is obligated to ensure that such statements and information are complete, true, and accurate in all material respects.

The LiSWA shall include a disclaimer on the LiSWA website:

“No information on the LiSWA’s website is intended to be the basis of or should be relied upon in making an investment decision. The information on this website is not posted for the purpose of reaching the investing public, including bondholders, rating analysts, investment advisors, or any other members of the investment community. Because each security issues by the LiSWA or its related entities may involve different sources of payment and security, you should refer for additional information to the official statement and continuing disclosure filings for the particular security, which can be found on the Municipal Security Rulemaking Board’s Electronic Municipal Market Access website: <https://emma.msrb.org/>.”

g. **Training.**

The Disclosure Coordinator shall ensure that the members of the LiSWA staff involved in the initial or continuing disclosure process and the Board of Directors are properly trained to understand and perform their responsibilities. The Executive Director is responsible for ensuring that key LiSWA staff participates in the training.

The Disclosure Coordinator shall arrange for disclosure training sessions conducted by the LiSWA’s disclosure counsel. Such training sessions shall include education on these Disclosure Procedures, the LiSWA’s disclosure obligations under applicable federal and state securities laws and the disclosure responsibilities and potential liabilities of members of the LiSWA staff and members of the Board of Directors. Such training sessions may be conducted using a recorded presentation or written communication.

h. **Updates to Disclosure Procedures.**

The Disclosure Coordinator shall review the Disclosure’s Procedures annually and proposed updates to the Disclosure Procedures to the Program Manager, the GM, the Treasurer and the LiSWA Counsel as needed to address changes, including but not limited to changes in the LiSWA’s debt management program, financial reporting processes, or organizational structure. In addition, at any time all officers and employees of the LiSWA are invited and encouraged to make recommendations for

LiSWA

Debt Management and Disclosure Policy

changes to these Disclosure Procedures so that they foster better compliance with applicable law, result in better information to investors, or makes the procedures required by these Disclosure Procedures more efficient. Following receipt of any such recommendation, the Disclosure Coordinator shall consult with third parties, including outside professionals assisting the LiSWA and members of LiSWA staff, where appropriate, and shall determine whether such recommendation should be submitted as a proposal to Board of Directors.

i. **Documenting Compliance.**

The Disclosure Coordinator is responsible for establishing a system (which may involve the retention or one or more consultants) by which compliance with these Disclosure Procedures is documented.

j. **Waiver of Procedures.**

The Disclosure Coordinator may, with the approval of the GM, the Treasurer, LiSWA Counsel and the Program Manager, depart from this Disclosure Policy when he or she is in good faith determines that such departure is in the best interests of the LiSWA and is consistent with the duties of the LiSWA under federal and state securities laws.

k. **Internal Use Only.**

These Disclosure Procedures are intended for the internal use of the LiSWA only and are not intended to establish any duties in favor of or rights of any person other than LiSWA.

Policy Adopted: [REDACTED], 2023

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LiSWA
Debt Management and Disclosure Policy

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DRAFT

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

Agenda Item #8

SUBJECT: Authorization for a Loan Agreement with PGE and Execution of Necessary Documents loan documents.

In 2020, the City of Lincoln initiated a loan agreement with PGE for the Oxidation Ditch Aeration Conversion Project. The program funds energy savings projects with no interest and the payment set at the savings amount for a duration based upon the cost of the project. The aeration conversion costs in the project were \$2,479,551.

The loan agreement is finalized after the project is complete and the energy savings are evaluated. PGE has approved our final loan at \$2,048,034.30 for 120 months (\$17,066.95 per month, \$204,803.40) per year).

The project was completed on August 15, 2022, expecting an estimated annual savings of \$322,820. The budget recently approved, and the proposed 2023/24 Budget will not adjust for the savings or the loan until there is more history of use.

The loan was discussed with our Municipal Financial Advisor. The only potential concern, that likely can't be addressed until further in the process would be if the loan can be subordinated to our next borrowing. PGE could not answer the question and it is part of the PGE bill so that makes it somewhat unique.

Attached for your review is 1) Loan Modification Agreement 2) Original City Loan Documentation and 3) Energy Savings memo from Stantec.

The money would provide us some working capital at a zero-interest rate, so I am recommending we move forward with the loan.

Staff Recommendation:

“Authorize the General Manager to execute the PGE loan modification agreement in the amount of \$2,048,034.30 for a monthly payment of \$17,066.95 for 120 months.”



GENERAL ON-BILL FINANCING LOAN MODIFICATION AGREEMENT

Customer Name: CITY OF LINCOLN - 1245 FIDDYMENT RD
Date: April 25, 2023
Financing Application ID 011036

<i>ORIGINAL LOAN TERMS CONTAINED IN SIGNED LOAN AGREEMENT</i>						
Total Project Costs	Incentive		Loan Balance ¹	Monthly Payment	Term ² (months)	Number of Payments
\$ 1,910,000.00	\$ -	\$ -	\$ 1,910,000.00	\$ 15,916.67	120	120

The new loan terms shown below are based on calculated or reported changes in:

- project cost
- project scope
- energy efficiency incentives
- customer buy-down
- estimated energy savings, or
- any combination of the above

These new loan terms supersede those described in the original Loan Agreement. **ALL OTHER TERMS AND CONDITIONS OF THE LOAN AGREEMENT REMAIN IN FORCE.**

<i>NEW LOAN TERMS</i>						
Total Project Costs	Incentive	Customer Buy-Down (if applicable)	Loan Balance ¹	Monthly Payment	Term ² (months)	Number of Payments
\$ 2,479,551.00	\$ -	\$ 431,516.70	\$ 2,048,034.30	\$ 17,066.95	120	120

Check Made Payable to Customer or Contractor
[customer to select payment method. Note that only one check can be issued]

Customer Details	Contractor Details
Federal Tax ID or Social Security #, Customer 94-6000356	Federal Tax ID or Social Security #, Contractor

PG&E Account # / Service Agreement # 8366369610 / 8367861290

Account Name, Customer	Name, Contractor
Primary Customer Name: CITY OF LINCOLN - 1245 FIDDYMENT RD	
Project ID: Site Specific Project-4809	
FA ID	011036

Customer Address (For OBF Check Delivery)	Contractor Address (For OBF Check Delivery)
Lincoln-Sewer Maintenance District 1 Wastewater Authority (LiSWA) George Barber - General Manager 600 6TH STREET	
LINCOLN CA 95648	

Name and Title of Authorized Representative of Customer	Name and Title of Authorized Representative of Contractor

Signature of Authorized Representative of Customer

Date

ACCEPTED: Pacific Gas and Electric Company

By	Date
PG&E On-Bill Financing Authorized Representative	

¹ The Loan Balance shall not exceed two-hundred fifty thousand dollars (\$250,000), except where, in PG&E's sole opinion, the opportunity for uniquely large energy savings exist, in which case the Loan Balance may exceed two-hundred fifty thousand dollars (\$250,000) but shall not exceed four million dollars (\$4,000,000).

² The loan term in months will be established by PG&E at the time of the OBF Loan Agreement initiation. The maximum loan term shall be one hundred and twenty (120) months.

On-Bill Financing Program (OBF)

Customer Name: CITY OF LINCOLN - 1245 FIDDYMENT RD

Project Number: FA ID: 011036

Calculations from: Final

(A) PROJECT COST FOR MEASURES	(B) REBATES or INCENTIVES	Customer Down Payment or Buy-Down	CUSTOMER TOTAL LOAN AMOUNT	(C) CUSTOMER AVERAGE RATE PER kWh	(D) CUSTOMER AVERAGE RATE PER Therm	(E) ESTIMATED ANNUAL ENERGY SAVINGS (kWh)	(F) ESTIMATED ANNUAL GAS SAVINGS (Therm)	ESTIMATED ANNUAL ENERGY COST SAVINGS	SIMPLE PAYBACK IN YEARS
\$ 2,479,551.00	\$ -	\$ 431,516.70	\$ 2,048,034.30	\$ 0.20	\$ -	1,014,338.96	-	207128.02	9.89

PAYBACK IN MONTHS BASED ON EXPECTED ENERGY SAVINGS	LOAN TERM (MONTHS) (1 month added for bill neutrality)	CUSTOMER FIXED MONTHLY LOAN PAYMENT	ESTIMATED MONTHLY ENERGY COST SAVINGS
119	120	\$ 17,066.95	\$ 17,260.67

(C) = (From utility bill) Total \$ amount (12-month) / Total kWh (same 12-month)
 (D) = (From utility bill) Total \$ amount (12-month) / Total therm (same 12-month)

RESOLUTION 2020 - 232

ON-BILL FINANCING LOAN AGREEMENT WITH PACIFIC GAS & ELECTRIC COMPANY FOR WASTEWATER TREATMENT AND RECLAMATION FACILITY OXIDATION DITCH AERATION CONVERSION PROJECT (CIP 459)

WHEREAS, Pacific Gas & Electric Company provides an On-Bill Financing Loan Program for its customers to finance energy efficiency projects; and

WHEREAS, final design is being completed on the Wastewater Treatment and Reclamation Facility (WWTRF) Oxidation Ditch and Aeration Conversion Project (CIP 459), an energy efficient project; and

WHEREAS, a substantial portion of project construction costs will be paid through the On-Bill Finance Loan Program from Pacific Gas & Electric Company; and

WHEREAS, the On-Bill Finance Loan will be paid off in 120 months by making the same monthly payment that the City has been paying for its use of electricity for the existing surface aeration system at the WWTRF; and

WHEREAS, upon completing payment of the On-Bill Finance loan the City will realize over \$190,000 in annual energy savings.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lincoln authorizes the City Manager to execute an On-Bill Finance Agreement with Pacific Gas & Electric Company for the WWTRF Oxidation Ditch Aeration Conversion Project in the amount of \$1,910,000.00 with repayment period of 120 months.

PASSED AND ADOPTED this 8th day of December, 2020.

AYES: COUNCILMEMBERS: Karleskint, Lauritsen, Andreatta, Joiner, Silhi

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:



Alyssa Silhi, Mayor

ATTEST:



Gwen Scanlon, City Clerk

ATTACHMENT A



**LOCAL AGENCY AND DISTRICT
CUSTOMERS**
ON-BILL FINANCING LOAN AGREEMENT

The undersigned Local Agency or District¹ Customer ("Customer") has contracted for the provision of energy efficiency/demand response equipment and services (the "Work") which qualify for one or more of PG&E's applicable rebate or incentive programs. Subject to the conditions (including the process for Adjustment and preconditions to funding) set forth below, Pacific Gas and Electric Company ("PG&E") shall extend a loan (the "Loan") to Customer in the amount of the loan balance (the "Loan Balance") pursuant to the terms of this On-Bill Financing Loan Agreement ("Loan Agreement") and PG&E's rate schedules E-OBF and/or G-OBF, as applicable (the "Schedule").

To request the Loan, Customer has submitted a completed On-Bill Financing Application and associated documentation as required by PG&E (the "Application"). Collectively the Application and this Loan Agreement (including any Adjustment hereunder) comprise the "Agreement".

1. Customer shall arrange for its Contractor, as identified at the end of this Agreement ("Contractor"), to provide the Work as described in the Application.
2. The estimated Loan Balance is set forth below. The total cost of the Work as installed, rebate/incentive for qualifying energy efficiency measures, Loan Balance, monthly payment, and loan term specified in this Loan Agreement may be adjusted, if necessary, after the Work and the post-installation inspection described in the Application and/or herein are completed (the "Adjustment"). The Adjustment will be calculated using the actual total cost of the Work, as installed, and the estimated energy savings (as described in the Application) of such Work. In no event will the Loan Balance be increased without Customer's written consent, even if Customer is eligible for such increased Loan Balance. Moreover, in no event will the Loan Balance exceed the maximum loan amount stipulated in the Application. Customer understands that in order to be eligible for the Loan, the initial Loan Balance for Work may not fall below the minimum loan amount, nor may the payback period exceed the maximum payback period. **Accordingly, if after the Adjustment, the Loan Balance falls below the minimum loan amount or if the simple payback period exceeds the program maximum payback period, each as described in the Application, PG&E shall have no obligation to extend the Loan, as the Work would not meet program requirements.** The Adjustment described in this paragraph will be communicated to the Customer in writing and will automatically become part of this Loan Agreement, except that any proposed increase in the Loan Balance will only become part of this Loan Agreement upon Customer's written consent to such increase.
3. **PG&E shall have no liability in connection with, and makes no warranties, expressed or implied, regarding the Work.** The Parties acknowledge and agree that PG&E is only providing the Local Agency or District cited here with financing. The Customer has independently hired contractors ("Local Agency or District Contractors") to perform the work on behalf of the Customer to qualify for financing. The Customer acknowledges and agrees that the Local Agency or District Contractors are not third party beneficiaries to this agreement between the Customer and PG&E. To the extent authorized by law and subject to appropriation of the Legislature, the Customer agrees that it will look only to Local Agency or District Contractors for any claims related to the installed equipment or its performance and that PG&E shall have no responsibility or liability, except for the payment of the loan proceeds, and the Customer shall indemnify PG&E for any claims made by the Local Agency or District Contractors against PG&E.
4. Customer represents and warrants that (a) Customer is receiving this Loan solely for Work obtained in connection with Customer's business, and not for personal, family or household purposes; (b) Customer, if not an individual or a government agency, is duly organized, validly existing and in good standing under the laws of its state of formation, and has full power and authority to enter into this Agreement and to carry out the provisions of this Agreement. Customer is duly qualified and in good standing to do business in all jurisdictions where such qualification is required; (c) this Loan Agreement has been duly authorized by all necessary proceedings, has been duly executed and delivered by Customer and is a valid and legally binding agreement of Customer duly enforceable in accordance with its terms; (d) no consent, approval, authorization, order, registration or qualification of or with any court or regulatory authority or other governmental body having jurisdiction over Customer is required for, and the absence of which would adversely affect, the legal and valid execution and delivery of this Loan Agreement, and the performance of the transactions contemplated by this Loan Agreement; (e) the execution and delivery of this Loan Agreement by Customer hereunder and the compliance by Customer with all provisions of this Loan Agreement: (i) will not conflict with or violate any Applicable Law; and (ii) will not conflict with or result in a breach of or default under any of the terms or provisions of any loan agreement or other contract or agreement under which Customer is an obligor or by which its property is bound; and (f) all factual information furnished by Customer to PG&E in the Application and pursuant to this Agreement is true and accurate.
5. The Application must include the Federal Tax Identification Number or Social Security Number of the party who will be the recipient of the checks for the rebate/incentive or any Loan proceeds. Checks may be issued directly to the Customer or its designated Contractor or both, for the benefit of the Customer, as specified below. Customer acknowledges that PG&E will not be responsible for any tax liability imposed on the Customer or its contractor in connection with the transactions contemplated under the Agreement, whether by virtue of the Loan contemplated under the Agreement, or otherwise, and Customer shall indemnify PG&E for any tax liability imposed upon PG&E as a result of the transactions contemplated under the Agreement.

¹ Local Agency or District as defined in California Government Code §50001 and §58004.

6. Upon completion of the Work, Customer shall send a written confirmation of completion to PG&E's On-Bill Financing Program Administrator at the address listed in Section 15. Within 60 days after receiving the confirmation, PG&E (a) will conduct a post installation inspection and project verification, including review of invoices, receipts and other documents as required by PG&E to verify the correctness of any amounts claimed by Customer; and (b) will adjust, if necessary, the total cost, incentive, Loan Balance, monthly payment, and loan term as stated above. Customer shall give PG&E reasonable access to its premises and the Work. If the Work conforms to all requirements of the Agreement and all amounts claimed by Customer as Work costs are substantiated to PG&E's reasonable satisfaction, PG&E will issue a check ("Check") to Customer or Contractor (as designated by Customer in Section 15) for all amounts PG&E approves for payment in accordance with the Agreement. The date of such issuance is the "Issuance Date". If the Check is issued to Customer, Customer shall be responsible for paying any outstanding fees due to Contractor for the Work. If the Check is less than the amount due from Customer to Contractor, Customer shall be responsible for the excess due to the Contractor.
7. Customer shall repay the Loan Balance to PG&E as provided in this Loan Agreement irrespective of whether or when the Work is completed, or whether the Work is in any way defective or deficient, and whether or not the Work delivers energy efficiency savings to Customer.
8. The monthly payments will be included by PG&E on the Account's regular energy service bills, or by separate bill, in PG&E's discretion. Regardless whether the monthly payments are included in the regular utility bill or a separate loan installment bill, the following repayment terms will apply:
 - a. The Customer agrees to repay to PG&E the Loan Balance in the number of payments listed below and in equal installments (with the final installment adjusted to account for rounding), by the due date set forth in each PG&E utility bill or loan installment bill rendered in connection with Customer's account (identified by the number set forth below) ("Account"), commencing with the bill which has a due date falling at least 30 days after the Issuance Date.
 - b. If separate energy service bills and loan installment bills are provided, amounts due under this Loan Agreement as shown in the loan installment bill shall be deemed to be amounts due under each energy services bill to the Account, and a default under this Loan Agreement shall be treated as a default under the Account.
 - c. If the Customer is unable to make a full utility bill payment in a given month, payment arrangements may be made at PG&E's discretion.
 - d. Any partial bill payments received for a month will be applied in equal proportion to the energy charges and the loan obligation for that month, and the Customer may be considered in default of both the energy bill and the loan installment bill.
 - e. Further payment details are set forth below.
9. Any notice from PG&E to Customer regarding the Program or the transactions contemplated under the Loan Agreement may be provided within a PG&E utility bill or loan installment bill, and any such notices may also be provided to Customer at the address below or to the Customer's billing address of record in PG&E's customer billing system from time to time, and in each case shall be effective five (5) days after they have been mailed.
10. The Loan Balance shall not bear interest.
11. Customer may, without prepayment penalty, pay the entire outstanding loan balance in one lump sum payment provided the customer first notifies PG&E by telephoning the toll free phone number (1-800-468-4743), and by sending written notice to PG&E On-Bill Financing Program Administrator at the address listed below, in advance of making the lump sum payment. Accelerated payments that are received from Customer without PG&E's prior approval may, at PG&E's sole discretion, be applied proportionally to subsequent energy charges and Loan repayments and PG&E shall have no obligation to apply accelerated payments exclusively to reduction of the outstanding Loan.
12. The entire outstanding Loan Balance will become immediately due and payable, and shall be paid by Customer within 30 days if: (i) the Account is closed or terminated for any reason; (ii) Customer defaults under the Agreement; (iii) Customer sells the equipment forming part of the Work to any third party; or (iv) Customer becomes Insolvent. Customer becomes "Insolvent" if: (i) Customer is unable to pay its debts as they become due or otherwise becomes insolvent, makes a general assignment for the benefit of its creditors, or suffers or permits the appointment of a receiver for its business or assets or otherwise ceases to conduct business in the normal course; or (ii) any proceeding is commenced by or against Customer under any bankruptcy or insolvency law that is not dismissed or stayed within 45 days.
13. Customer understands that without limiting any other remedy available to PG&E against Contractor or Customer, **failure to repay the Loan Balance in accordance with the terms of the Agreement could result in shut-off of utility energy service, adverse credit reporting, and collection procedures, including, without limitation, legal action.**
14. If there is any conflict among the documents comprising the Agreement, the following order of priority shall apply: 1. this Loan Agreement; 2. the Application; 3. any documents attached to the Application.

15. LOCAL AGENCY OR DISTRICT REQUIREMENT

a. All Payment Obligations Subject to Appropriation

The Customer acknowledges that the cost incurred pursuant to this Loan Agreement will be part of the monthly bill for electric use. All payment obligations and the Work replacement obligations of the Customer under this Loan Agreement or any related agreement or application is subject to appropriation by the Legislative body belonging to Local Agency or District cited in this loan agreement.

b. No Lien or Encumbrance; Subordination:

(1) Notwithstanding any other provision in this Loan Agreement – , PG&E acknowledges that nothing in this Loan Agreement shall constitute a mortgage, charge, assignment, transfer, pledge, lien or encumbrance upon either the Work or any part of the buildings, structures or related facilities in which the Work is constructed, installed or situated (collectively, the "Related Facilities"). Accordingly, PG&E agrees it will not record or file any instrument that would indicate or imply it has a security interest in the Related Facilities, including but not limited to a UCC-1.

(2) In addition to the preceding paragraph (a), if this Loan Agreement were ever construed or deemed to create any such encumbrance, then: (i) this Loan Agreement shall be junior and subordinate and subject in all respects to the terms and conditions of any and all leases, and indentures related to lease revenue bonds issued by the Local Agency or District cited here or any other issuer of bonds on behalf of the Local Agency or District concerning the Related Facilities entered into in the past, the present or the future (the "Senior Security Documents"); and (ii) any term or condition of this Loan Agreement relating to any right, title or interest in the Related Facilities or other benefits derived there from shall be in all respects junior and subordinate to, and subject to the terms of, the Senior Security Documents.

16. Loan Particulars.

<i>This table is to be completed by PG&E</i>						
Total Cost	Incentive	Customer Buy-Down (if applicable)	Loan Balance ¹	Monthly Payment	Term ² (months)	Number of Payments
\$ 1,910,000.00	\$ -	\$ -	\$ 1,910,000.00	\$ 15,916.67	120	120

Check Made Payable to Customer or Contractor
[customer to select payment method. Note that only one check can be issued]

17. This agreement at all times shall be subject to such modifications as the California Public Utilities Commission may direct from time to time in the exercise of its jurisdiction.


Federal Tax ID or Social Security #, Customer	Federal Tax ID or Social Security #, Contractor
94-6000356	

PG&E Account # / Service Agreement #
8366369610 / 8366369392

Account Name, Customer	Name, Contractor
Primary Customer Name: CITY OF LINCOLN - 1245 FIDDYMENT RD Project ID: Site Specific OBF - 4809 FA ID: 011036	

Customer Address (For OBF Check Delivery)	Contractor Address (For OBF Check Delivery)
CITY OF LINCOLN, 600 6TH STREET LINCOLN CA 95648	

Name and Title of Authorized Representative of Customer	Name and Title of Authorized Representative of Contractor
Jennifer Hanson, City Manager	

Signature of Authorized Representative of Customer


Date
 12/14/2020

ACCEPTED: Pacific Gas and Electric Company

By	Date
PG&E On-Bill Financing Authorized Representative	

Address:
 On-Bill Financing Program
 Mail Code N6G
 Pacific Gas and Electric Company
 PO Box 770000
 San Francisco, CA 94177-0001

¹ The Loan Balance shall not exceed two-hundred fifty thousand dollars (\$250,000), except where, in PG&E's sole opinion, the opportunity for uniquely large energy savings exist, in which case the Loan Balance may exceed two-hundred fifty thousand dollars (\$250,000) but shall not exceed four million dollars (\$4,000,000).

² The loan term in months will be established by PG&E at the time of the OBF Loan Agreement initiation. The maximum loan term shall be one hundred and twenty (120) months.

**On-Bill Financing Program (OBF)
Loan Calculation Summary Sheet
Simple project payback per meter**

Customer Name: CITY OF LINCOLN - 1245 FIDDYMENT RD

Project Number: FA ID 011036

Calculations from: Original

(A) PROJECT COST FOR MEASURES	(B) REBATES or INCENTIVES	Customer Down Payment or Buy-Down	CUSTOMER TOTAL LOAN AMOUNT	(C) CUSTOMER AVERAGE RATE PER kWh	(D) CUSTOMER AVERAGE RATE PER Therm	(E) ESTIMATED ANNUAL ENERGY SAVINGS (kWh)	(F) ESTIMATED ANNUAL GAS SAVINGS (Therm)	ESTIMATED ANNUAL ENERGY COST SAVINGS	SIMPLE PAYBACK IN YEARS
\$ 1,910,000.00	\$ -	\$ -	\$ 1,910,000.00	\$ 0.18	\$ -	1,068,720.00	-	\$ 192,369.60	9.93

PAYBACK IN MONTHS BASED ON EXPECTED ENERGY SAVINGS	LOAN TERM (MONTHS) (1 month added for bill neutrality)	CUSTOMER FIXED MONTHLY LOAN PAYMENT	ESTIMATED MONTHLY ENERGY COST SAVINGS
119	120	\$ 15,916.67	\$ 16,030.80

(C) = (From utility bill) Total \$ amount (12-month) / Total kWh (same 12-month)

(D) = (From utility bill) Total \$ amount (12-month) / Total therm (same 12-month)



Financing Supplement to the On-Bill Financing Program Application

The On-Bill Financing Program (the "Program") is funded by California utility customers and administered by Pacific Gas and Electric Company (PG&E) under the auspices of the California Public Utilities Commission (CPUC). The Program provides qualified PG&E customers with a means to finance energy-efficient (EE) retrofit projects implemented under select PG&E EE Programs (the "Qualified Program"). The loans issued under the Program are interest-free, unsecured loans to fully or partially reimburse qualified PG&E customers for the costs they incur in connection with a qualified retrofit project (the "Retrofit Project"), which term shall mean the energy efficiency retrofit project described in Customer's relevant Energy Efficiency Program Application.

- 1. **Conditions for Eligibility:** Participation in the Program is limited to PG&E customers that meet the following conditions and satisfy these conditions throughout the duration of the Retrofit Project up to and including the date of Final Verification (defined below in Section 8): (a) the PG&E customer must be a business ("Commercial Customer") or a federal, state, county or local government agency ("Government Customer"); Commercial Customers and Government Customers are collectively referred to as "Customer;" (b) Customer currently receives service from PG&E at the location of the Retrofit Project (the "Location"); (c) Customer has continually maintained an active PG&E account for the previous 24 months and has a minimum of 12 months of historical metered energy usage at Customer's current Location; (d) at the time the Customer's Program Application is Approved and Customer's Loan Agreement is executed, and at the time the loan is to be funded following completion of the Retrofit Project and satisfaction of all other requirements of the Loan Agreement, Customer must be in good credit standing, as determined by PG&E through credit review which may include a commercial credit check and will include a bill payment history review, which may be based upon the following and other criteria:
 - a. No 24-hour disconnection notices in the last 12 months;
 - b. No returned payments within the last 12 months;
 - c. No more than 1 payment arrangement in the last 12 months;
 - d. No payment arrangements not satisfied by customer within the last 12 months;
 - e. No security deposit assessed within the last 12 months; and
 - f. The Retrofit Project qualifies and Customer is eligible for an incentive under the Qualified Program.

- 2. **Loan Features:** The loans offered under the Program are interest-free (0%) and free of any fees, late payment penalties or other charges. The loan terms and conditions are calculated by dividing the loan amount (eligible project cost less Qualified Program Incentives) by the estimated monthly energy savings resulting from the Retrofit Project. The ensuing number of monthly payments must not exceed the Maximum Loan Term set forth in chart below ("Loan Amount and Term Limitations").
- 3. **Eligibility:** Prior to purchasing and installing any energy-efficient measures or equipment under the Qualified Program, Customer must satisfy the eligibility requirements of both the Program and Qualified Program. Because energy efficiency projects in progress are ineligible under the Program, Customer must receive the signed loan agreement from PG&E before commencing any work or purchasing any equipment for the Retrofit Project.
- 4. **Inspection:** PG&E may assist Customers in understanding the energy efficiency measures available under the Qualified Program and will answer their questions concerning this Program. After Customer has decided upon the measures that comprise the Retrofit Project, PG&E may request an engineering review, perform an inspection of the Location, calculate the projected energy savings, calculate the Loan Terms and prepare the Loan Documents. Thereafter, PG&E will provide Customer with a copy of the: Loan Agreement, the Application, the applicable On-Bill Financing (OBF) Gas and/or Electric Rate Schedule and Loan Calculation Summary Sheet (collectively, the "Loan Documents").
- 5. **Loan Documents:** If the terms of the loan are acceptable, Customer shall execute the Loan Documents and return them to PG&E prior to the commencement of the Retrofit Project. Incomplete or incorrect applications cannot be processed and may result in the delay of PG&E's approval and possible disqualification from the Program. Customer may withdraw its Application for any reason without penalty by sending written notice to PG&E.
- 6. **Customer's Responsibilities for Contractor and Vendor:** Upon PG&E's notification to Customer that the Retrofit Project is eligible for the Program, Customer may begin the Retrofit Project. PG&E does not endorse or recommend any particular contractor or vendor nor does PG&E review any contractor or vendor proposals. Rather, Customer shall be solely responsible for reviewing the feasibility of the contractor's and vendor's proposal(s) and verifying their respective qualifications, pricing, energy savings, warranties and the terms and conditions of the contractor's and/or vendor's contract with Customer.

Loan Amount and Term Limitations	
Interest	0%, with no additional fees or charges
Minimum Loan Amount	\$5,000
Maximum Loan Amount	\$250,000 (up to \$4,000,000 with approved exception)
Maximum Loan Term, not to exceed the Expected Useful Life (EUL) of the measures	120 months

*Residential customers are ineligible.

PG&E Disclaimers: CUSTOMER'S DESIGN OF THE RETROFIT PROJECT AND SELECTION AND USE OF ENERGY EFFICIENCY EQUIPMENT, MEASURES AND SELECTION OF CONTRACTORS AND VENDORS IS AT CUSTOMER'S SOLE DISCRETION AND AT CUSTOMER'S SOLE RISK. TO THE EXTENT PERMITTED BY APPLICABLE LAW, PG&E EXPRESSLY AND SPECIFICALLY DISCLAIMS ANY LIABILITY IN RESPECT OF ANY ADVICE, INFORMATION OR OTHER INSTRUCTION PROVIDED BY OR ON BEHALF OF PG&E TO CUSTOMER IN CONNECTION WITH THE QUALIFIED PROGRAM, PROGRAM OR RETROFIT PROJECT. PG&E DOES NOT WARRANT OR BEAR ANY RESPONSIBILITY FOR ANY OF THE FOLLOWING:

- a. THE WORK PERFORMED BY CUSTOMER'S CONTRACTOR(S) OR VENDOR(S), THAT THE RETROFIT PROJECT IS APPROPRIATE FOR THE LOCATION;
- b. THE RETROFIT WILL RESULT IN OR YIELD ANY ENERGY EFFICIENCY SAVINGS OR A SPECIFIC AMOUNT OF ENERGY EFFICIENCY SAVINGS OR OTHER REDUCTION IN CUSTOMER'S PG&E UTILITY BILL AFTER COMPLETION OF THE RETROFIT PROJECT;
- c. THE CUSTOMER IS RESPONSIBLE FOR REPAYING THE OBF LOAN IN ITS ENTIRETY, REGARDLESS OF THE PROJECT PERFORMANCE OF THE ENERGY EFFICIENCY RETROFIT;
- d. THE CONTRACTOR'S OR VENDOR'S SERVICES WILL BE TIMELY, COMPLETE OR ERROR-FREE, OR THAT DEFECTS IN THE RETROFIT PROJECT WILL BE CORRECTED BY SUCH INDIVIDUALS;
- e. ANY ERRORS, OMISSIONS, DEFECTS OR DELAYS IN THE DESIGN OR CONSTRUCTION OF THE RETROFIT PROJECT OR THE OPERATION OF ANY ENERGY EFFICIENCY MEASURES INSTALLED AT THE LOCATION.

Verification: Upon completion of the Retrofit Project, Customer shall request PG&E's post-completion inspection and final verification that the Retrofit Project has been completed in conformity with the requirements of the Qualified Program and that customer remains eligible (the "Final Verification").

- a. If there has been any change to the Retrofit Project's scope, cost and/or incentives available under the Qualified Program or energy savings, Customer will be required to enter into a Loan Modification Agreement with PG&E, which may include new contract terms reflecting the changes in the Retrofit Project. (If a Loan

Modification Agreement is required, it shall be deemed part of the "Loan Documents.")

b. If the changes to the Retrofit Project are such that it no longer meets the Program's payback criteria or other conditions, the Retrofit Project will be considered ineligible, the Loan Agreement will be terminated and no loan proceeds will be disbursed.

c. IF PG&E DETERMINES, IN ITS ABSOLUTE DISCRETION, THAT CUSTOMER'S CREDIT HAS DETERIORATED OR HAS OTHERWISE PLACED CUSTOMER'S REPAYMENT OF THE LOAN AT RISK, THE LOAN PROCEEDS SHALL NOT BE ISSUED, EVEN THOUGH THE RETROFIT PROJECT MAY HAVE BEEN SATISFACTORILY COMPLETED AT CUSTOMER'S EXPENSE.

Disbursements: Subject to and following PG&E's satisfactory Final Verification, an incentive check and the loan proceeds will be issued to Customer or, at Customer's written direction, to Customer's contractor or vendor.

General Provisions:

a. Applications for loans under the Program will be accepted from qualified Customers on a first-come, first-served basis until the funds allocated by PG&E for the Program are no longer available. The Program may be modified or terminated by the CPUC or PG&E at any time and without prior notice. However, termination of the Program following execution of a Loan Agreement by Customer will not affect that Loan Agreement, or, if Customer thereafter satisfies all Program conditions, the disbursement.

b. The loan proceeds may only be used to pay or reimburse Customer for implementing or installing energy-efficient measures or equipment through the Qualified Program.

c. If there is any conflict between the terms of any document relating to the Program, the Loan Documents shall control.

d. For all retrofit projects, including but not limited to streetlight, HVAC and lighting retrofits, Customer acknowledges and understands that Customer is able to use the installation vendor or contractor of their choice.

e. The customer confirms that the OBF loan funds are required for the project to be completed, and that without the loan funds the project would not otherwise be able to be completed with the same scope or within the same timeframe.

I have read, understand and agree to all of the On-Bill Financing Program requirements and terms and conditions set forth in this Program description. I understand that loan calculations will be based on pre-inspection results and on the applicable program documentation, and that my agency/company must meet all eligibility criteria and requirements in order to participate in the Program. Any unapproved changes to project scope, costs or run hours, or to my agency's/company's creditworthiness, between the time the Loan Documents are accepted and signed and the Retrofit Project is completed and the project's and my agency's/company's continued eligibility are verified, could result in loan ineligibility.

CITY OF LINCOLN
Legal Name of Business (i.e. the formal name on your tax return)

[Signature]
Authorized Representative's Signature

Jennifer Hanson
Authorized Representative's Printed Name

City Manager
Title

12/14/20
Date

Tax identification information (select one):

Federal Tax ID Number: 94-6000356

Social Security Number: _____

FOR PG&E USE ONLY:

PG&EOBF Administrator

Printed Name

Date

Retrofit Program Application Number

OBF Application Number





**Technical Memorandum Energy
Savings Post Lincoln Oxidation
Ditch Aeration Conversion Project
at Lincoln WWTRF**

March 3, 2023

Prepared for:

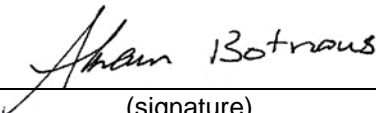
City of Lincoln

Prepared by:

Stantec Consulting Services Inc.

**TECHNICAL MEMORANDUM ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION
CONVERSION PROJECT AT LINCOLN WWTRF**

This document entitled Technical Memorandum Energy Savings Post Lincoln Oxidation Ditch Aeration Conversion Project at Lincoln WWTRF was prepared by Stantec Consulting Services Inc. ("Stantec") for the account of the City of Lincoln (the "Client"). Any reliance on this document by any third party is strictly prohibited. The material in it reflects Stantec's professional judgment in light of the scope, schedule and other limitations stated in the document and in the contract between Stantec and the Client. The opinions in the document are based on conditions and information existing at the time the document was published and do not take into account any subsequent changes. In preparing the document, Stantec did not verify information supplied to it by others. Any use which a third party makes of this document is the responsibility of such third party. Such third party agrees that Stantec shall not be responsible for costs or damages of any kind, if any, suffered by it or any other third party as a result of decisions made or actions taken based on this document.

Prepared by 
(signature)
Akram Botrous, PhD, PE, BCEE

Reviewed by 
(signature)
Gabe Aronow, PE

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LIST OF FIGURES

NO TABLE OF FIGURES ENTRIES FOUND.



ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION CONVERSION PROJECT AT LINCOLN WWTRF

Prepared By: Akram Botrous, PhD, PE, BCEE

Reviewed By: Gabe Aronow, PE

Date: March 03, 2023

1.1 PURPOSE AND SCOPE

The City of Lincoln (City) wastewater treatment and reclamation facility (WWTRF) upgraded two of the existing three oxidation ditches (Oxidation Ditch 1 and Oxidation Ditch 2) by converting the surface aerators (rotors) installed with the original facility to fine bubble diffusers and banana blade mixers. This project was implemented to address the aging rotors, which were at the end of their useful service life, and to benefit from more efficient technology. The project was completed, and the two ditches were put in service on August 15, 2022. The purpose of this Technical Memorandum is to evaluate the energy savings after the project is constructed and operational.

1.2 ENERGY CONSUMPTION FOR OXIDATION DITCHES 1 AND 2

Energy consumption was measured pre- and post-conversion project with the power monitor installed in September 2019 that measures the energy consumed by Oxidation Ditches 1 and 2. Energy consumed by the Oxidation Ditches 1 and 2 are shown in blue in Figure 1. Since September 2019, the oxidation ditches were in and out of service depending on the rotor operating status. Table 1 shows the dates when each ditch was in or out of service. If all three oxidation ditches were in service, Oxidation Ditch 1 and 2, receive two thirds of the organic load to the plant. If Oxidation Ditch 1 or Oxidation Ditch 2 are out of service, then oxidation ditch 3 receives 50% of the load and the other oxidation ditch that in service, Oxidation Ditch 1 or 2, receives 50% of the load. If Oxidation Ditch 3 is out of service, then Oxidation Ditches 1 and 2 receive 100% of the organic load. The percentage of the organic load to Oxidation Ditches 1 and 2 changes the energy consumption, as shown by the energy consumption range fluctuations through different periods (A through I) shown on Figure 1. The percentage of the organic load to Oxidation Ditches 1 and 2 (50%, 66.7% or 100%) for each period is listed in Table 1 and illustrated by the red line in Figure 1.



TECHNICAL MEMORANDUM ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION CONVERSION PROJECT AT LINCOLN WWTRF

Table 1. Oxidation Ditches In/Out of Service Periods

Period	Start date	End Date	Ox Ditch 1*	Ox Ditch 2*	Ox Ditch 3*	Ox Ditches 1 and 2 Load / Total Load
A	9/17/2019	8/11/2020	1	1	1	67%
B	8/12/2020	9/10/2020	0	1	1	50%
C	9/11/2020	9/26/2020	1	1	0	100%
D	9/27/2020	10/13/2020	1	1	1	67%
E	10/14/2020	10/29/2020	1	0	1	50%
F	10/30/2020	3/12/2021	1	1	1	67%
G	3/13/2021	8/15/2022	0	1	1	50%
H	8/16/2022	9/27/2022	1	0	1	50%
I	9/28/2022	2/9/2023	1	1	1	67%

* In service =1, out of service = 0

As shown in Figure 1, Periods A through G are before the conversion project and periods H and I are after the conversion. For apples-to-apples comparison, the energy consumed will only be compared when Oxidation Ditches 1 and 2 receive the same amount of organic load. Two energy comparison cases were evaluated: One when the oxidation ditches received 50% and one when oxidation ditches received 66.7% of the organic load, as shown in Table 2.

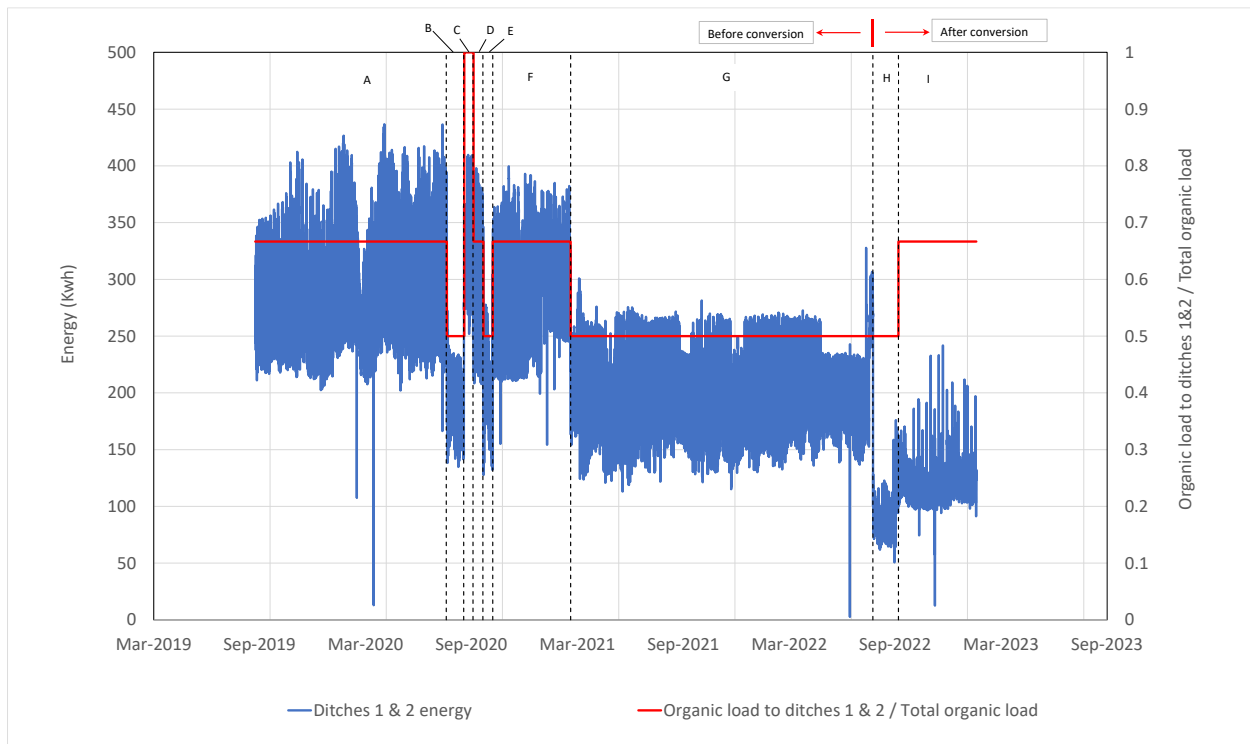


Figure 1 Power and Organic Load Percentage to Oxidation Ditches 1 and 2



TECHNICAL MEMORANDUM ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION CONVERSION PROJECT AT LINCOLN WWTRF

Table 2. Periods with Similar Organic Loading to Ditches 1 and 2

	Periods before conversion	Periods after conversion	Percentage of the Organic Load
Comparison 1	B, E, G	H	50%
Comparison 2	A, D, F	I	66.7%

With Oxidation Ditch 1 and 2 receiving 50% of the organic load to the plant, the pre-conversion aeration equipment utilized approximately 208 to 220 kwh/day (periods B, E, and G). After the conversion, under the same conditions, the ditches used approximately 95 kwh/day (See Figure 2). This is approximately a 60% energy savings.

Similarly, when Oxidation Ditches 1 and 2 received 66.7% of the total organic load, the average energy was reduced from about 301 kwh/day (periods A, D, and F) to to 121 kwh/day as shown in Figure 3.

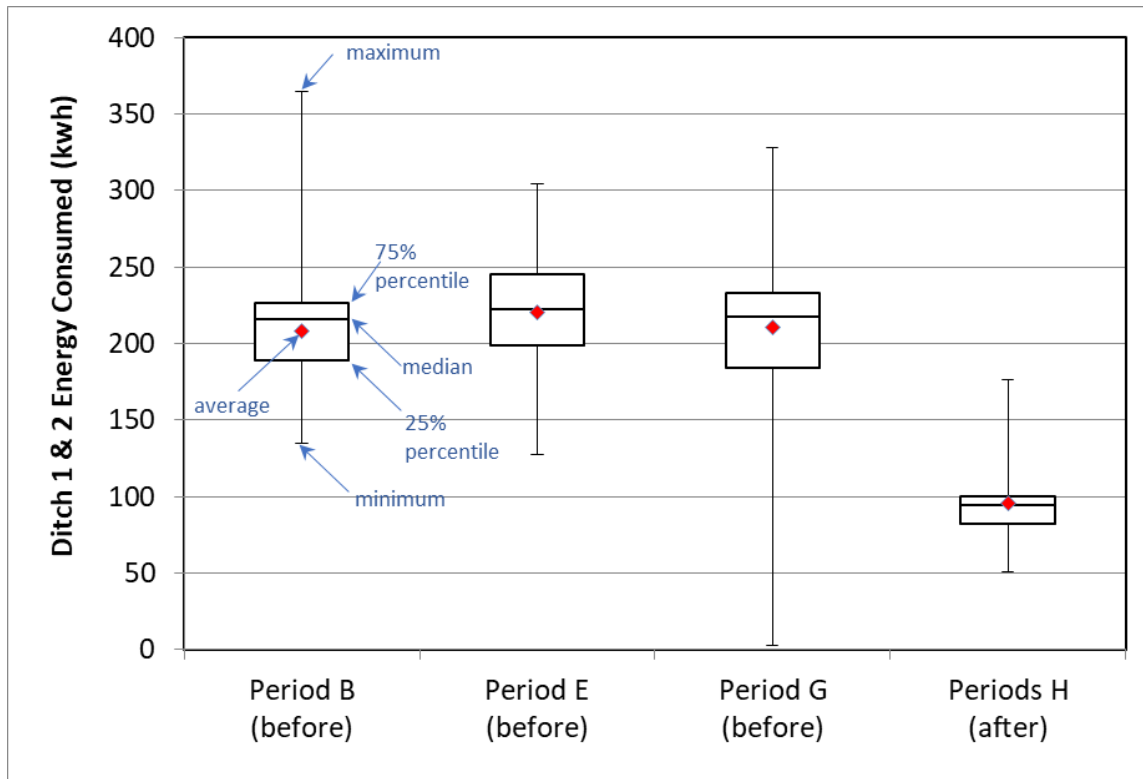


Figure 2 Power Measured for Oxidation Ditches 1 And 2 When Receiving 50% of the Organic Load – Before and After Aeration Conversion Project.



TECHNICAL MEMORANDUM ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION CONVERSION PROJECT AT LINCOLN WWTRF

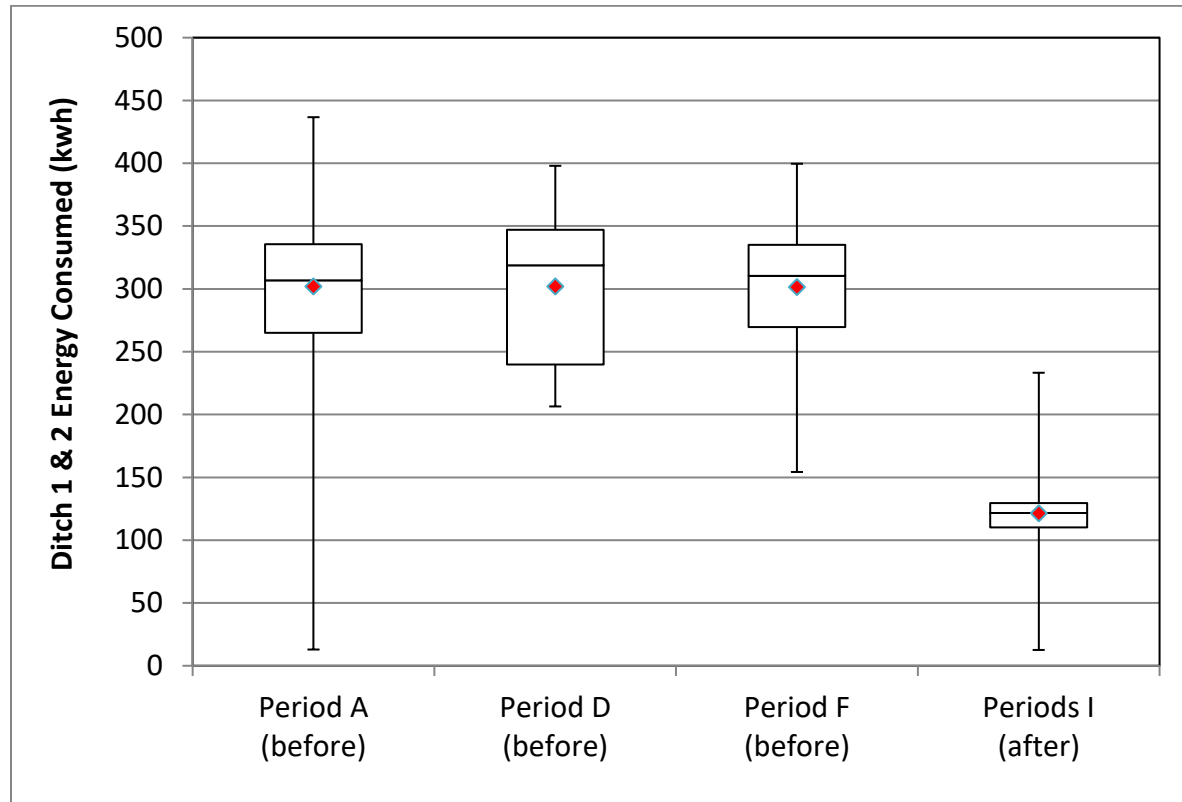


Figure 3 Power Measured for Oxidation Ditches 1 And 2 When Receiving 66.7% of the Organic Load – Before and After Aeration Conversion Project.

1.3 ENERGY SAVING AND PAYBACK PERIOD

The annual energy costs for the two oxidation ditches using mechanical rotors was approximately \$564,720. The energy cost after the oxidation ditch conversion with diffused air and mixers is \$241,900 per year. This conversion project reduced energy cost by about \$322,820 per year. See Table 3. The payback period for converting two existing two ditches to fine bubble diffusers is about 11.7 years. This is a simple payback period, which is calculated as the capital cost (\$3,792,393) divided by the annual energy savings of \$322,820/year.

It should be noted that this project bid at a time of unprecedented cost uncertainty and inflation due to Covid-19 negatively affecting material and labor costs and causing extended equipment and material lead time delays. These conditions adversely affected the project capital costs and implementation schedule, extending the payback period from the estimated 6 years at the original estimate (~\$2M), to the 11.7 years reported herein. Fortunately, the measured energy savings are higher than the original estimate, limiting the payback extension.



TECHNICAL MEMORANDUM ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION CONVERSION PROJECT AT LINCOLN WWTRF

Table 3. Energy Cost for Oxidation Ditches 1 and 2 Before and After the Aeration Conversion

Parameter	Unit	Before	After
Average Energy Consumed for Ditches 1 and 2	kwh	301.77	121.46
Peak Hour Energy Required for Aeration	kwh	411.44	233.24
Average Energy Cost	\$/kwh	0.180	0.180
Demand Charges	\$/kw	18	18
Operating Hours per Year	hours/year	8760	8760
Energy Charges Per Ditch	\$/Year	475,800	191,500
Demand Charges Per Ditch	\$/Month	7,410	4,200
Total (Energy and Demand) Charges per Year	\$/Year	564,720	241,900

1.4 SUMMARY AND CONCLUSIONS

The pre- and post-conversion project energy levels are relatively stable with the time of year, which theoretically can influence energy consumption based on temperature and high flows. However, these factors appear to have an insignificant effect on the energy consumption measured. It is also possible to compare pre- and post-conversion project energy consumption at the same time of year and observe approximately the same energy savings.

In conclusion, using the data available, the aeration conversion from mechanical aeration to diffused air with mixers for Oxidation Ditch 1 and 2 results in approximately 57% less energy consumed.

1.5 PHOTO DOCUMENTATION OF FINISHED PROJECT/EQUIPMENT

New Blowers:



TECHNICAL MEMORANDUM ENERGY SAVINGS POST LINCOLN OXIDATION DITCH AERATION CONVERSION PROJECT AT LINCOLN WWTRF

New Diffusers and Mixers



1.6 DOCUMENTATION OF PROJECT COST

City of Lincoln Oxidation Ditch 1 & 2 Aeration Conversion Project Retention Payment Request (attached), and tally of City pre-purchased equipment (attached).



City of Lincoln
Oxidation Ditch 1 & 2 Aeration Conversion Project
Retention Payment Request

From: Cushman Contracting Corporation
PO Box 147
Goleta, CA 93116

Date: 2-Dec-22

Payment Request Retention


CCC Job # 2106

To: City of Lincoln
600 6th Street
Lincoln, CA 95648

Original Contract Amount:	\$	2,494,000.00	Aeration Conversion Bid
Approved Change Orders	\$	1,403,051.00	\$15,551 Aeration Conversion Share
CO #01	\$	24,079.00	Aeration Conversion Change Order
Amendment #01	\$	1,387,500.00	Not related to Aeration Conversion
CO #02	\$	(8,528.00)	Aeration Conversion Change Order
Scada Allowance not used	\$	(30,000.00)	\$ (30,000) Aeration Conversion Credit
Total Contract Amount to Date:	\$	3,867,051.00	\$2,479,551 Aeration Conversion Total

Value of Work Completed to Date:	\$	3,867,051.00
Less Retention:	\$	-
Subtotal:	\$	3,867,051.00
Less Previous Payments Approved:	\$	3,681,800.05
Progress Payment Requested:	\$	185,250.95

knowledge, information and belief, the work covered in this application for payment has been completed



Signature

Dale Cushman

Print Name

Owner

Title

2-Dec-22

Date

Payment Request Form

Job Name: Lincoln Oxidation Ditches Conversion Project

CCC Job #: 2106

ITEM NO.	DESCRIPTION	QTY.	UNIT	UNIT		THIS PERIOD		PREVIOUS		TOTAL	
				PRICE	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL
1	Construction of All Work	1	LS	\$ 2,330,000	\$ 2,330,000						
1.1	Mobilization	1	LS								
	a. Purchase Bonds & Insurance	1	LS	\$ 74,000	\$ 74,000	0%		100%	\$ 74,000	100%	\$ 74,000
	b. Mobilize to site & establish temp facilities	1	LS	\$ 19,000	\$ 19,000	0%		100%	\$ 19,000	100%	\$ 19,000
	c. Submittals and Div 0 & Div 1 Work	1	LS	\$ 32,000	\$ 32,000	0%		100%	\$ 32,000	100%	\$ 32,000
1.2	Sitework										
	a. Excavate & Backfill RAS Pipe Encasement	1	LS	\$ 37,000	\$ 37,000	0%		100%	\$ 37,000	100%	\$ 37,000
	b. Place RAS Pipe Concrete Encasement	1	LS	\$ 20,000	\$ 20,000	0%		100%	\$ 20,000	100%	\$ 20,000
	c. Site & Building Underground Electrical	1	LS	\$ 86,000	\$ 86,000	0%		100%	\$ 86,000	100%	\$ 86,000
	Blower Canopy Structure										
1.3	Earthwork	1	LS	\$ 32,000	\$ 32,000	0%		100%	\$ 32,000	100%	\$ 32,000
1.4	Concrete										
	a. Form Canopy Foundation Slab	1	LS	\$ 20,000	\$ 20,000	0%		100%	\$ 20,000	100%	\$ 20,000
	b. Place Rebar Canopy Foundation Slab	1	LS	\$ 35,000	\$ 35,000	0%		100%	\$ 35,000	100%	\$ 35,000
	c. Place Concrete Canopy Foundation Slab	1	LS	\$ 52,000	\$ 52,000	0%		100%	\$ 52,000	100%	\$ 52,000
	d. Strip Forms Canopy Foundation Slab	1	LS	\$ 10,000	\$ 10,000	0%		100%	\$ 10,000	100%	\$ 10,000
	e. F/R/P/S Blower & MCC Equipment Pads	1	LS	\$ 24,000	\$ 24,000	0%		100%	\$ 24,000	100%	\$ 24,000
1.5	Paint Canopy Steel	1	LS	\$ 24,000	\$ 24,000	0%		100%	\$ 24,000	100%	\$ 24,000
1.6	Canopy										
	a. Erect Columns & Beams	1	LS	\$ 26,000	\$ 26,000	0%		100%	\$ 26,000	100%	\$ 26,000
	b. Erect Purlins & Bracing	1	LS	\$ 20,000	\$ 20,000	0%		100%	\$ 20,000	100%	\$ 20,000
	c. Install Roof	1	LS	\$ 18,000	\$ 18,000	0%		100%	\$ 18,000	100%	\$ 18,000
	d. Install Gutter & Downspouts	1	LS	\$ 3,000	\$ 3,000	0%		100%	\$ 3,000	100%	\$ 3,000
1.7	Mechanical										
	a. Install Air Pipe at Canopy Structure	1	LS	\$ 32,000	\$ 32,000	0%		100%	\$ 32,000	100%	\$ 32,000
	Oxidation Ditches										
1.8	Demolition										
	a. Demo Effluent Weirs	1	LS	\$ 18,000	\$ 18,000	0%		100%	\$ 18,000	100%	\$ 18,000
	b. Demo Mixers	1	LS	\$ 18,000	\$ 18,000	0%		100%	\$ 18,000	100%	\$ 18,000
	c. Demo Rotors & Misc Structural	1	LS	\$ 38,000	\$ 38,000	0%		100%	\$ 38,000	100%	\$ 38,000
	d. Remove & Relocate Grating	1	LS	\$ 10,000	\$ 10,000	0%		100%	\$ 10,000	100%	\$ 10,000
	e. Remove & Relocate Instruments	1	LS	\$ 10,000	\$ 10,000	0%		100%	\$ 10,000	100%	\$ 10,000
	f. Removal of Conduit & Wire	1	LS	\$ 5,000	\$ 5,000	0%		100%	\$ 5,000	100%	\$ 5,000

ITEM NO.	DESCRIPTION	QTY.	UNIT	UNIT		THIS PERIOD		PREVIOUS		TOTAL	
				PRICE	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL
1.9	Concrete										
	a. F/R/P/S Effluent Weir Wall Extension	1	LS	\$ 20,000	\$ 20,000	0%		100%	\$ 20,000	100%	\$ 20,000
	b. F/R/P/S Mixer Equipment Pads	1	LS	\$ 16,000	\$ 16,000	0%		100%	\$ 16,000	100%	\$ 16,000
1.9	Metals										
	a. Furnish Handrail	1	LS	\$ 30,000	\$ 30,000	0%		100%	\$ 30,000	100%	\$ 30,000
	b. Install Handrail	1	LS	\$ 40,000	\$ 40,000	0%		100%	\$ 40,000	100%	\$ 40,000
	c. Furnish Misc Metals	1	LS	\$ 36,000	\$ 36,000	0%		100%	\$ 36,000	100%	\$ 36,000
	d. Install Pipe Bridges	1	LS	\$ 24,000	\$ 24,000	0%		100%	\$ 24,000	100%	\$ 24,000
	e. Install Effluent Weirs	1	LS	\$ 19,000	\$ 19,000	0%		100%	\$ 19,000	100%	\$ 19,000
	f. Install Scum Baffles	1	LS	\$ 22,000	\$ 22,000	0%		100%	\$ 22,000	100%	\$ 22,000
	g. Install Grit Baffles	1	LS	\$ 19,000	\$ 19,000	0%		100%	\$ 19,000	100%	\$ 19,000
	h. Install Hose Racks	1	LS	\$ 5,000	\$ 5,000	0%		100%	\$ 5,000	100%	\$ 5,000
1.10	Equipment										
	a. Furnish Mixers	1	LS	\$ 196,000	\$ 196,000	0%		100%	\$ 196,000	100%	\$ 196,000
	b. Install Mixers	1	LS	\$ 22,000	\$ 22,000	0%		100%	\$ 22,000	100%	\$ 22,000
	c. Furnish Davit Cranes	1	LS	\$ 26,000	\$ 26,000	0%		100%	\$ 26,000	100%	\$ 26,000
	d. Install Davit Cranes	1	LS	\$ 16,000	\$ 16,000	0%		100%	\$ 16,000	100%	\$ 16,000
	e. Submit Startup & Testing Plan	1	LS	\$ 5,000	\$ 5,000	0%		100%	\$ 5,000	100%	\$ 5,000
	f. Startup & Test Equipment	1	LS	\$ 15,000	\$ 15,000	0%		100%	\$ 15,000	100%	\$ 15,000
1.11	Mechanical										
	a. Furnish Stainless Air Pipe	1	LS	\$ 150,000	\$ 150,000	0%		100%	\$ 150,000	100%	\$ 150,000
	b. Furnish Pipe Supports	1	LS	\$ 90,000	\$ 90,000	0%		100%	\$ 90,000	100%	\$ 90,000
	c. Furnish Butterfly Valves	1	LS	\$ 32,000	\$ 32,000	0%		100%	\$ 32,000	100%	\$ 32,000
	d. Install Aeration Air Pipe Along Ox Ditches Catwalk	1	LS	\$ 25,000	\$ 25,000	0%		100%	\$ 25,000	100%	\$ 25,000
	e. Install Aeration Air Pipe Ox Ditch 1	1	LS	\$ 40,000	\$ 40,000	0%		100%	\$ 40,000	100%	\$ 40,000
	f. Install Aeration Air Pipe Ox Ditch 2	1	LS	\$ 40,000	\$ 40,000	0%		100%	\$ 40,000	100%	\$ 40,000
	g. Insulate Air Pipe	1	LS	\$ 18,000	\$ 18,000	0%		100%	\$ 18,000	100%	\$ 18,000
	h. Install 3W Pipe	1	LS	\$ 35,000	\$ 35,000	0%		100%	\$ 35,000	100%	\$ 35,000
	i. Insulate 3W Pipe	1	LS	\$ 18,000	\$ 18,000	0%		100%	\$ 18,000	100%	\$ 18,000
1.12	Electrical	1	LS								
	a. Submit & Approve Basic Electrical Material	1	LS	\$ 15,000	\$ 15,000	0%		100%	\$ 15,000	100%	\$ 15,000
	b. Submit & Approve Lighting	1	LS	\$ 5,000	\$ 5,000	0%		100%	\$ 5,000	100%	\$ 5,000
	c. Submit & Approve Instrumentation	1	LS	\$ 21,000	\$ 21,000	0%		100%	\$ 21,000	100%	\$ 21,000
	d. Furnish Lighting	1	LS	\$ 10,000	\$ 10,000	0%		100%	\$ 10,000	100%	\$ 10,000
	e. Furnish Disconnect Switches	1	LS	\$ 18,000	\$ 18,000	0%		100%	\$ 18,000	100%	\$ 18,000
	f. Furnish Field Control Stations	1	LS	\$ 55,000	\$ 55,000	0%		100%	\$ 55,000	100%	\$ 55,000
	g. Furnish Thermal Mass Flowmeters	1	LS	\$ 14,000	\$ 14,000	0%		100%	\$ 14,000	100%	\$ 14,000

ITEM NO.	DESCRIPTION	QTY.	UNIT	UNIT PRICE	TOTAL	THIS PERIOD		PREVIOUS		TOTAL	
						% COMPL.	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL
	h. Furnish Pressure Indicating Transmitters	1	LS	\$ 8,000	\$ 8,000	0%		100%	\$ 8,000	100%	\$ 8,000
	i. Furnish Harmonic Distortion Test Equipment	1	LS	\$ 19,000	\$ 19,000	0%		100%	\$ 19,000	100%	\$ 19,000
	j. Furnish Spare Parts for Owner Supplied Equipment	1	LS	\$ 50,000	\$ 50,000	0%		100%	\$ 50,000	100%	\$ 50,000
	k. Furnish & Install Fiber Optic	1	LS	\$ 16,000	\$ 16,000	0%		100%	\$ 16,000	100%	\$ 16,000
	l. Rough-In Electrical Oxidation Ditch 1	1	LS	\$ 85,000	\$ 85,000	0%		100%	\$ 85,000	100%	\$ 85,000
	m. Rough-In Electrical Oxidation Ditch 2	1	LS	\$ 118,000	\$ 118,000	0%		100%	\$ 118,000	100%	\$ 118,000
	n. Pull Wire to all site systems Oxidation Ditch 1	1	LS	\$ 54,000	\$ 54,000	0%		100%	\$ 54,000	100%	\$ 54,000
	o. Pull Wire to all site systems Oxidation Ditch 2	1	LS	\$ 76,000	\$ 76,000	0%		100%	\$ 76,000	100%	\$ 76,000
	p. Finish Electrical Oxidation Ditch 1	1	LS	\$ 13,000	\$ 13,000	0%		100%	\$ 13,000	100%	\$ 13,000
	q. Finish Electrical Oxidation Ditch 2	1	LS	\$ 13,000	\$ 13,000	0%		100%	\$ 13,000	100%	\$ 13,000
	r. Startup & Commissioning of Instrumentation & Electrical	1	LS	\$ 22,000	\$ 22,000	0%		100%	\$ 22,000	100%	\$ 22,000
	s. Electrical Acceptance Testing	1	LS	\$ 21,000	\$ 21,000	0%		100%	\$ 21,000	100%	\$ 21,000
1.13	Demobilization	1	LS	\$ 75,000	\$ 75,000	0%		100%	\$ 75,000	100%	\$ 75,000
2	Shoring	1	LS	\$ 2,500	\$ 2,500	0%		100%	\$ 2,500	100%	\$ 2,500
3	Purchase Property Insurance	1	LS	\$ 5,000	\$ 5,500	0%		100%	\$ 5,500	100%	\$ 5,500
4	SCADA Allowance NOT USED	1	LS	\$ 30,000	\$ -				\$ -		\$ -
5	Install Owner Provided Equipment	1	LS	\$ 126,000	\$ 126,000	0%		0%	\$ -	0%	\$ -
	a. Install Diffuser System Piping	1	LS	\$ 44,000	\$ 44,000	0%		100%	\$ 44,000	100%	\$ 44,000
	b. Install Diffusers	1	LS	\$ 13,000	\$ 13,000	0%		100%	\$ 13,000	100%	\$ 13,000
	c. Install Blowers	1	LS	\$ 20,000	\$ 20,000	0%		100%	\$ 20,000	100%	\$ 20,000
	d. Install MCC & Electrical Equipment	1	LS	\$ 34,000	\$ 34,000	0%		100%	\$ 34,000	100%	\$ 34,000
	e. Startup & Testing	1	LS	\$ 15,000	\$ 15,000	0%		100%	\$ 15,000	100%	\$ 15,000
6	Change Order #01 Including:	1	LS	\$ 24,079	\$ 24,079						
	a. Delete Canopy Painting (PCO #01)	1	LS	\$ (13,770)	\$ (13,770)	0%		100%	\$ (13,770)	100%	\$ (13,770)
	b. Change Mixers Model (PCO #02)	1	LS	\$ 3,690	\$ 3,690	0%		100%	\$ 3,690	100%	\$ 3,690
	c. Delete Concrete Encasement (PCO #03)	1	LS	\$ (12,603)	\$ (12,603)	0%		100%	\$ (12,603)	100%	\$ (12,603)
	d. Build Concrete Stairs (PCO #06)	1	LS	\$ 11,618	\$ 11,618	0%		100%	\$ 11,618	100%	\$ 11,618
	e. Air Purge Line Improvements (PCO #07.1)	1	LS	\$ 26,104	\$ 26,104	0%		100%	\$ 26,104	100%	\$ 26,104
	f. Modify Existing Handrail Toeplates (PCO #08)	1	LS	\$ 9,040	\$ 9,040	0%		100%	\$ 9,040	100%	\$ 9,040
6.1	Change Order #02	1	LS	\$ (8,528)	\$ (8,528)						
	a. MCC Spare Parts Deletions	1	LS	\$ (8,528)	\$ (8,528)	100%	\$ (8,528)	0%	\$ -	100%	\$ (8,528)
7	Contract Amendment #01: Maturation Pond Lining	1	LS	\$ 1,387,500	\$ 1,387,500						
7.1	Mobilization										
	a. Mobilize and establish temp facilities	1	LS	\$ 20,000	\$ 20,000	0%		100%	\$ 20,000	100%	\$ 20,000
	b. Submittals and Div 0 & Div 1 Work	1	LS	\$ 17,500	\$ 17,500	0%		100%	\$ 17,500	100%	\$ 17,500
7.2	Demolition										
	a. Demo Concrete	1	LS	\$ 30,000	\$ 30,000	0%		100%	\$ 30,000	100%	\$ 30,000

ITEM NO.	DESCRIPTION	QTY.	UNIT	UNIT		THIS PERIOD		PREVIOUS		TOTAL	
				PRICE	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL	% COMPL.	TOTAL
	b. Demo Geogrid	1	LS	\$ 50,000	\$ 50,000	0%		100%	\$ 50,000	100%	\$ 50,000
	c. Remove & Relocate Rip Rap/Rock	1	LS	\$ 50,000	\$ 50,000	0%		100%	\$ 50,000	100%	\$ 50,000
7.3	Earthwork										
	a. Grade Pond Slopes	1	LS	\$ 190,000	\$ 190,000	0%		100%	\$ 190,000	100%	\$ 190,000
	b. Dig/Backfill Anchor Trench	1	LS	\$ 130,000	\$ 130,000	0%		100%	\$ 130,000	100%	\$ 130,000
	c. Excavate Levee for Overflow Slab	1	LS	\$ 25,000	\$ 25,000	0%		100%	\$ 25,000	100%	\$ 25,000
	d. Excavate for Sump Pit	1	LS	\$ 15,000	\$ 15,000	0%		100%	\$ 15,000	100%	\$ 15,000
7.4	Concrete										
	a. Form Overflow Weir Slab	1	LS	\$ 30,000	\$ 30,000	0%		100%	\$ 30,000	100%	\$ 30,000
	b. Place Rebar Overflow Weir Slab	1	LS	\$ 50,000	\$ 50,000	0%		100%	\$ 50,000	100%	\$ 50,000
	c. Place Concrete Overflow Weir Slab	1	LS	\$ 40,000	\$ 40,000	0%		100%	\$ 40,000	100%	\$ 40,000
	d. F/R/P/S Sump Pit	1	LS	\$ 30,000	\$ 30,000	0%		100%	\$ 30,000	100%	\$ 30,000
	e. F/R/P/S Pipe Outlet Penetration Collar	1	LS	\$ 10,000	\$ 10,000	0%		100%	\$ 10,000	100%	\$ 10,000
7.5	Pond Lining										
	a. Install Pond Liner	1	LS	\$ 700,000	\$ 700,000	0%		100%	\$ 700,000	100%	\$ 700,000
CONTRACT TOTAL					\$ 3,867,051		\$ (8,528)		\$ 3,875,579		\$ 3,867,051

APPROVED BY ENGINEER: DATE: 12/6/22

SIGNED NAME: *Mark Patta*

APPROVED BY OWNER: DATE: 12-2-22

SIGNED NAME: *[Signature]*

TOTAL AMOUNT EARNED TO DATE: \$ 3,867,051.00
 LESS 5% RETENTION:
 LESS AMOUNT PREVIOUSLY PAID: \$ 3,681,800.05
 TOTAL AMOUNT DUE THIS PERIOD: \$ 185,250.95

WWTRF Ox. Ditch Conversion & Pond Liner

CIP 459

Equipment Pre-Purchase

725-6860-80070-0459

Aerzen (Blowers)

PO: 20210272

Invoice NO	Fund - 721	Total Invoice	Invoice Date
1	\$ 28,234.83	\$ 28,234.83	11/22/2021
2	\$ 183,744.72	\$ 183,744.72	2/14/2022
3	\$ 57,505.45	\$ 57,505.45	3/7/2022
4	\$ 28,234.83	\$ 28,234.83	6/30/2022
5	\$ 4,272.17	\$ 4,272.17	1/27/2023
Total Invoiced	\$ 301,992.00	\$ 301,992.00	
Contract Amount	\$ 301,992.00	\$ 301,992.00	
Remainder	\$ -	\$ -	

Tesco (MCC)

PO: 20210273

Invoice NO	Fund - 721	Total Invoice	Invoice Date
1	\$ 87,750.00	\$ 87,750.00	5/13/2022
2	\$ 372,500.00	\$ 372,500.00	6/7/2022
3	\$ 298,000.00	\$ 298,000.00	7/5/2022
4	\$ 19,955.00	\$ 19,955.00	8/11/2022
5	\$ 71,405.00	\$ 71,405.00	1/23/2023
6	\$ 14,900.00	\$ 14,900.00	1/23/2023
Total Invoiced	\$ 864,510.00	\$ 864,510.00	
Contract Amount	\$ 864,510.00	\$ 864,510.00	
Remainder	\$ -	\$ -	

OTT (Diffusers)

PO: 20210274

Invoice NO	Fund - 721	Total Invoice	Invoice Date
1	\$ 146,340.00	\$ 146,340.00	6/30/2022
2		\$ -	
3		\$ -	
Total Invoiced	\$ 146,340.00	\$ 146,340.00	
Contract Amount	\$ 166,639.00	\$ 166,639.00	
Remainder	\$ 20,299.00	\$ 20,299.00	

Pre-Purchase Equipment Total Contract Amounts	\$ 1,333,141.00
Pre-Purchase Equipment Total Invoiced	\$ 1,312,842.00
Pre-Purchase Equipment Total Remainder	\$ 20,299.00

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

Agenda Item #9

SUBJECT: REIMBURSEMENT AGREEMENT– Consider authorization for the General Manager to execute and deliver a reimbursement agreement with the City of Lincoln for expenses paid during the establishment of LiSWA accounting functions.

As previously discussed, the City has been paying bills and invoices for LiSWA as we are setting up our accounting system and having services transferred to LiSWA.

The attached reimbursement agreement memorializes that action and is recommended.

Staff Recommendation:

“Authorize the General Manager to execute the reimbursement with the City of Lincoln for expenses paid during the establishment of LiSWA accounting functions.”

FUNDING AND REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is made as of the _____ day of May 2023 (“Effective Date”), by and between the City of Lincoln, (“City”), a city duly organized and existing under the constitution and laws of the State of California and the Lincoln-SMD1 Wastewater Authority (“LiSWA”), a joint powers authority duly organized under the laws of the State of California. The City and LiSWA may be referred to herein as a “Party” or collectively “Parties.”

RECITALS

WHEREAS, effective December 1, 2022, the Lincoln-SMD-1 Wastewater Authority (“LiSWA”) was formed to take ownership and operational control of the City of Lincoln Wastewater Treatment Plant and related facilities and property (“WWTP”);

WHEREAS, since December 1, 2022, LiSWA has completed various preliminary activities, such as appointing a General Manager and General Counsel, developing an agreement for financial services and general accounting with the County of Placer, amongst other activities to effectuate the LiSWA’s purposes. LiSWA continues to work toward securing general and liability insurance, negotiating an agreement for operation and maintenance of the WWTP, and transferring physical assets and assuming remaining operational expenses including but not limited to utilities, communications, IT, materials purchasing, and the like;

WHEREAS, in order to ensure continuity of services and protection and preservation of the public health, the City has continued to pay the operational costs associated with the WWTP station since December 1, 2022; and

WHEREAS, the LiSWA intends to pay for all operational costs of the WWTP as of December 1, 2022 going forward, including but not limited to operational costs initially paid by the City.

AGREEMENT

NOW THEREFORE, the Parties hereto agree as follows:

1. Purpose and Intent of Agreement. The purpose and intent of this Agreement is to memorialize the understanding between the LiSWA and City regarding the LiSWA’s responsibility for operational expenses for WWTP and reimbursement to the City for operational costs incurred and paid by the City from December 21, 2022, going forward until such time that the City no longer pays such costs.

2. Term and Termination. This Agreement shall be effective as of the Effective Date. This Agreement shall terminate when the LiSWA has: (i) assumed by transfer or equivalent action of all accounts, agreements, and other such items

necessarily related to the operational expenses for the WWTP, and (ii) has reimbursed the City for all operational expenses incurred by City on behalf of LiSWA since December 1, 2022.

3. Initial Reimbursement of Operational Expenses. The City shall provide to LiSWA a listing and copies of invoices, or other similar documentation of all operational expenses incurred and paid by City for the WWTP from December 1, 2022, to April 30, 2023. This initial submission for reimbursement shall be provided within 15 days of execution of this Agreement. Upon receipt and after satisfactory review of documentation provided, the LiSWA shall reimburse the City within 45 days of submission for reimbursement.

4. Subsequent Reimbursement of Operational Expenses.

a. Following the initial submission for reimbursement, the City shall provide a monthly listing and copies of invoices or other valid documentation, of all operational expenses incurred and paid for by the City for the WWTP for the previous 30 days. Subsequent reimbursements shall be provided from the City to the LiSWA by the 20th of each month. Upon receipt and after satisfactory review of documentation provided, the LiSWA shall reimburse the City within 45 days of submission for reimbursement.

b. The City shall continue to submit monthly for reimbursements until the expiration of this Agreement or until LiSWA completes the assumption and/or transfer of all operational expenses for the WWTP, whichever occurs first, as set forth above in Section 2.

5. General Provisions

a. Compliance with Other Agreements. Each Party shall comply with all other agreements, if any, made by the Parties in furtherance of this Agreement.

b. Records and Accounts. The City shall provide the LiSWA copies of all invoices or other documentation to properly demonstrate the amount of the reimbursement to the City.

c. Further Assurances. Each party shall adopt, make, execute, and deliver any and all such further resolutions, instruments, and assurances as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement.

d. Amendment. This Agreement may be amended only by the written agreement of the Parties.

e. Jurisdiction and Venue. This Agreement shall be deemed to have been executed within the State of California and shall be constructed and governed by the laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in the County of Placer in the State of California.

f. No Third Party Beneficiaries. This Agreement is not intended to and shall

not be construed to create any right on the part of a third party to bring an action to enforce any of its terms.

g. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties relative to the subject matter hereof.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, the parties have each caused their duly authorized officers to execute this Agreement effective as of the dates appearing next to their signatures below.

LINCOLN-SMD1 WASTEWATER AUTHORITY

Approved:

By: _____
George Barber
General Manager
Date: _____

Approved as to Form:

By: _____
LiSWA Counsel
Date: _____

Address for notices to County:
Lincoln-SMD1 Wastewater
Authority
City Manager's Office
600 6th Street
Lincoln, CA 95648

CITY OF LINCOLN

Approved:

By: _____
Sean Scully
City Manager
Date: _____

Approved as to Form:

By: _____
City Counsel
Date: _____

Address for notices:
City of Lincoln
City Manager's Office
600 6th Street
Lincoln, CA 95648

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

Agenda Item #10

SUBJECT: RESOLUTION NO. 2023-04 - APPROVAL OF ACTIONS NECESSARY FOR REAL PROPERTY TRANSFERS – Consider approval of Resolution.

From time-to-time, the Authority will acquire, or will need to acquire, (1) easements or rights-of-way in real property necessary to operate its facilities and/or infrastructure; and/or (2) fee interests in real property necessary to operate its facilities and/or infrastructure, pursuant to the terms and conditions of agreements, grants, deeds or similar instruments which may be separately approved by the LiSWA Board of Directors.

California law, specifically Government Code Section 27281, requires public agencies to execute a certificate of acceptance, which must be recorded along with any documents or deeds granting real property interests to such agency.

Resolution No. 2023-04 will provide authorization for the General Manager (or the General Manager's designee(s)) to execute certificates of acceptance and take related actions for transfers to, and acquisitions of, real property interests to the Authority.

Staff Recommendation:

“Approval of Resolution No. 2023-04, a RESOLUTION OF THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY DELEGATING AUTHORITY TO THE GENERAL MANAGER TO PERFORM ACTIONS NECESSARY TO FINALIZE THE ACQUISITION OF CERTAIN REAL PROPERTY INTERESTS AND EXECUTE AND DELIVER CERTIFICATES OF ACCEPTANCE .”

RESOLUTION NO. 2023-04

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY DELEGATING AUTHORITY TO THE GENERAL MANAGER TO PERFORM ACTIONS NECESSARY TO FINALIZE THE ACQUISITION OF CERTAIN REAL PROPERTY INTERESTS AND EXECUTE AND DELIVER CERTIFICATES OF ACCEPTANCE

WHEREAS, the Lincoln SMD-1 Wastewater Authority (“LiSWA” or “Authority”) is a joint powers agency organized and operating pursuant to the provisions of the Constitution and the laws of the State of California (“State”); and

WHEREAS, the LiSWA was established pursuant to a Joint Powers Agreement (“JPA”) entered into by and between the City of Lincoln (“City”) and the County of Placer (“County” and collectively with the City, the “Member Agencies” and each a “Member Agency”); and

WHEREAS, from time-to-time, the Authority will acquire, or will need to acquire, (1) easements or rights-of-way in real property necessary to operate its facilities and/or infrastructure; and/or (2) fee interests in real property necessary to operate its facilities and/or infrastructure, pursuant to the terms and conditions of agreements, grants, deeds or similar instruments which may be separately approved by the LiSWA Board of Directors (“Board”); and

WHEREAS, California law requires public agencies to execute a certificate of acceptance, which must be recorded along with any documents or deeds granting property interests to such agency; and

WHEREAS, to facilitate the acquisition of real property interests, or to otherwise complete the transfer of real property interests to the Authority, the Board has determined that it is appropriate to delegate authority to the Authority’s General Manager (“General Manager”) to perform various actions necessary or desirable in connection therewith,

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LINCOLN SMD-1 WASTEWATER AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are each true and correct and are incorporated herein.

Section 2. Authorization. Pursuant to California Government Code Section 27281, and related California law, the Board hereby authorizes the General Manager or the General Manger’s designee(s) to:

(a) accept, on behalf of the Authority and the Board, interests in real property, or any portion thereof, to be conveyed to the Authority;

(b) accept on behalf of the Authority and the Board those easement interests reasonably necessary for the operation of the Authority’s wastewater systems or infrastructure;

(c) consent to the recording of deeds and other instruments providing for conveyance to the Authority of real property interests as referred to herein;

(d) take any and all such actions, and execute any and all other documents, as necessary or convenient for purposes of completing the acquisition of real property interests by the Authority as contemplated herein; and

(e) if applicable, cause to be disbursed all funds necessary, up to the amount separately approved by the Board, to complete the acquisition by the Authority of real property interests contemplated herein.

Section 3. Certificate of Acceptance. The acceptance and consent provided pursuant to Section 2(a) and (b) hereof may be evidenced by the execution of a “Certificate of Acceptance” by the General Manager, or the General Manager’s designee(s), either attached to or set forth on the face of the deed or other instrument conveying any portion of the contemplated real property interest, in substantially the following form:

CERTIFICATE OF ACCEPTANCE: This is to certify that the interests in real property conveyed by this deed or grant, dated _____, from _____ to the Lincoln SMD-1 Wastewater Authority, a governmental agency, is hereby accepted by the undersigned officer on behalf of the Board of Directors of the Lincoln SMD-1 Wastewater Authority, pursuant to authority conferred by Resolution No. _____ adopted by such Board on _____, 2023, and the Lincoln SMD-1 Wastewater Authority consents to recording hereof by the undersigned, duly authorized officer.

Section 4. Other Actions. The General Manager and other Authority officers and staff and the Authority’s consultants are hereby authorized and directed to take all necessary and appropriate actions as may be required or desirable to carry out the findings and directives of this Resolution.

Section 5. Effective Date. This Resolution shall be effective immediately upon adoption by the Board.

[Remainder of this page intentionally left blank]

ADOPTED, SIGNED AND APPROVED this _____ day of May, 2023.

THE BOARD OF DIRECTORS OF THE
LINCOLN SMD-1 WASTEWATER AUTHORITY

By: _____
President of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

ATTEST:

By: _____
Clerk of the Board of Directors of the
Lincoln SMD-1 Wastewater Authority

DRAFT

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

Agenda Item #11

SUBJECT: 11. LETTER AGREEMENT WITH CITY OF LINCOLN REGARDING EASEMENTS FOR CITY DRINKING WATER INFRASTRUCTURE – Consider approval of authorizing the LiSWA General Manager to execute and administer a letter agreement with City of Lincoln regarding transfer of property from the City to LiSWA in accordance with the LiSWA Joint Power Authority Agreement dated November 30, 2022.

It was determined during the process of developing the property transfer actions that the City has two wells and infrastructure on the land contemplated to be transferred in the JPA. The City needs to retain the appropriate amount of property for both the current as well as the future uses.

The effort to get surveying involved and completed will draw out the timing too long. The resolution of the problem is to provide a blanket easement for drinking water infrastructure, then at a later date, a fee title property transfer back to the City would occur.

Sean Scully requested, and I agree that it is best to memorialize this in a letter agreement. Attached is the draft agreement for your review.

Staff Recommendation:

“Approval of authorizing the LiSWA General Manager to execute and administer a letter agreement with City of Lincoln regarding transfer of property from the City to LiSWA in accordance with the LiSWA Joint Power Authority Agreement dated November 30, 2022.”

PROPERTY TRANSFER LETTER AGREEMENT

THIS PROPERTY TRANSFER LETTER AGREEMENT (“Agreement”) is made as of the _____ day of May 2023 (“Effective Date”), by and between the City of Lincoln, (“City”), a city duly organized and existing under the constitution and laws of the State of California and the Lincoln-SMD1 Wastewater Authority (“LiSWA”), a joint powers authority duly organized and existing under the laws of the State of California. The City and LiSWA may be referred to herein as a “Party” or collectively “Parties.”

RECITALS

WHEREAS, effective December 1, 2022, the Lincoln-SMD-1 Wastewater Authority (“LiSWA”) was formed to take ownership and operational control of the City of Lincoln Wastewater Treatment Plant (“WWTP”);

WHEREAS, in accordance with the LiSWA Joint Powers Authority Agreement dated November 30, 2022 (“JPA Agreement”), the real property where the WWTP is located was to be transferred to LiSWA except for facilities for the operation of the drinking water system;

WHEREAS, time is of the essence for LiSWA to own and operate the WWTP in order to secure insurance coverage, establish debt financing ability and other such functions to effectively own and operate the WWTP and related property; and

WHEREAS, the most efficient way to meet the timing needs of LiSWA for property transfers, while also preserving the City’s interests in and the operation of its drinking water system is to reserve a blanket easement for such purposes and to make a fee title transfer at a later date.

AGREEMENT

NOW THEREFORE, the Parties hereto agree as follows:

- 1. Purpose and Intent of Agreement.** The purpose and intent of this Agreement is to memorialize the understanding between the LiSWA and City regarding the transfer of property from the City to LiSWA.
- 2. Term and Termination.** This Agreement shall be effective as of the Effective Date. This Agreement shall terminate when fee title for the drinking water system is provided back to the City.
- 3. Transfer of Property** The City shall transfer the property as provided in the JPA Agreement while reserving a blanket easement for the operation of the drinking water system owned by the City. After appropriate surveying is completed and legal

descriptions are developed, LiSWA will transfer the land determined for that purpose in fee title to the City.

4. General Provisions

- a. Compliance with Other Agreements. Each Party shall comply with all other agreements, if any, made by the Parties in furtherance of this Agreement.
- b. Further Assurances. Each Party shall adopt, make, execute, and deliver any and all such further resolutions, instruments, and assurances as may be reasonably necessary or appropriate to carry out the purposes and intent of this Agreement.
- c. Amendment. This Agreement may be amended only by the written agreement of the Parties.
- d. Jurisdiction and Venue. This Agreement shall be deemed to have been executed within the State of California and shall be constructed and governed by the laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in the County of Placer in the State of California.
- e. No Third Party Beneficiaries. This Agreement not intended to and shall not be construed to create any right on the part of a third party to bring an action to enforce any of its terms.
- f. Entire Agreement. This Agreement constitute the entire agreement and understanding between the Parties relative to the subject matter hereof.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, the parties have each caused their duly authorized officers to execute this Agreement effective as of the dates appearing next to their signatures below.

COUNTY OF PLACER

Approved:

By: _____
George Barber
General Manager
Date: _____

Approved as to Form:

By: _____
LiSWA Counsel
Date: _____

Address for notices to County:
Lincoln-SMD1 Wastewater
Authority
City Manager's Office
600 6th Street
Lincoln, CA 95648

CITY OF LINCOLN

Approved:

By: _____
Sean Scully
City Manager
Date: _____

Approved as to Form:

By: _____
City Counsel
Date: _____

Address for notices:
City of Lincoln
City Manager's Office
600 6th Street
Lincoln, CA 95648

Lincoln-SMD1 Wastewater Authority

Memorandum

To: Board of Directors
From: George Barber, General Manager
Date: 05/12/23 Regular Board Meeting

Agenda Item #12

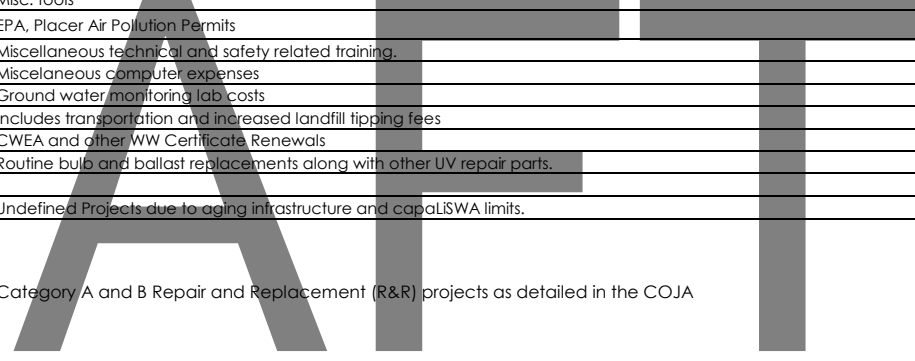
SUBJECT: Initial presentation of proposed budget for Board review and input.

Attached you will find the draft 2023-24 Budget for your review and input. As time goes on and accounts and expenses are transferred over, the budget will continue to gain detail. Work is ongoing on providing revenue projections. The budget will be amended when details of the project and financing are determined.

The final budget will be presented at the June special meeting.

LiSWA Financial Analysis							Adopted	DRAFT	Projected	Projected	Projected	Projected
ASSUMPTIONS							Budget	Budget	Projected	Projected	Projected	Projected
							2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Cost Inflator							1.030	1.030	1.030	1.030	1.030	1.030
EXPENDITURES							Budget	Budget	Projected	Projected	Projected	Projected
							FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028
							2016-17	2017-18	2018-19	FYE 2020	FYE 2021	FYE 2022
JPA Board members (\$200/member/mtg/mo)							-	-	-	-	-	-
OTHER STAFF (includes Admin Allocation)							\$ 216,444.84	\$ 223,205.59	\$ 246,827.80	\$ 294,677.28	\$ 225,312.33	\$ 269,632.82
RENTS AND LEASES - PROPERTY							-	-	-	-	-	-
RENTS AND LEASES - LAND							\$ 47,347.00	\$ 48,550.86	\$ 50,383.11	\$ 46,325.70	\$ 52,644.26	\$ 54,980.08
COMPUTERS AND SOFTWARE												
Cyber security/VPN							10,000	10,500	10,815	11,139	11,474	11,818
Subscriptions (microsoft, adobe, etc.)							5,000	5,200	5,356	5,517	5,682	5,853
Internet (air fiber connection)							8,000	8,500	8,755	9,018	9,288	9,567
OFFICE EQUIPMENT (printers, phone system, etc.)							\$ 11.18	\$ 586.01	\$ 717.12	\$ 1,865.50	\$ 1,352.26	\$ 1,489.85
UTILITIES							\$ 1,372,199.23	\$ 1,303,224.96	\$ 1,469,772.18	\$ 1,619,738.62	\$ 1,440,766.63	\$ 1,640,964.56
MATERIALS/SUPPLIES												
FUEL & OIL							\$ 755.04	\$ 1,922.99	\$ -	\$ 3,875.90	\$ 2,238.78	\$ 799.43
CLOTHING							\$ 3,038.63	\$ 3,987.94	\$ 4,106.07	\$ 7,235.37	\$ 10,764.09	\$ 17,773.80
MAINTENANCE-JANITORIAL							\$ 577.42	\$ 594.68	\$ 637.47	\$ 693.82	\$ 557.38	\$ 602.08
COMMUNICATION							\$ 1,200.39	\$ 18,939.54	\$ 2,937.57	\$ 3,407.29	\$ 9,143.71	\$ 7,502.28
ADVERTISING/OUTREACH							\$ 2,259.88	\$ 2,400.00	\$ 480.00	\$ 8.84	\$ 500.00	\$ 178.39
Website												
LEGAL FEES							\$ 25,929.30	\$ 7,480.43	\$ 6,180.47	\$ 11,941.55	\$ 10,963.00	\$ 11,289.46
CONSULTANT SERVICES												
GM Services - West Yost							375,000	425,000	437,750	450,883	464,409	478,341
Legal Services												
Accounting/Audit- Placer County							5,000	5,150	5,305	5,464	5,628	5,796
Operations Contract							\$ 3,264,865.01	\$ 3,689,222.42	\$ 3,890,657.33	\$ 4,153,486.99	\$ 4,268,265.84	\$ 4,667,000.00
Engineering							\$ 17,744.50	\$ 50,603.28	\$ 72,359.68	\$ 51,451.71	\$ 76,125.45	\$ 106,287.06
City Of Lincoln IT Services							\$ -	\$ -	\$ 446.13	\$ 2,583.73	\$ 5,278.94	\$ 20,428.49
Other general contract services							100,000	100,000	103,000	106,090	109,273	112,551
TRAVEL/MEETINGS							\$ 305.43	\$ 313.03	\$ 315.95	\$ 163.35	\$ 164.10	\$ 17.36
EQUIPMENT REPAIR/MAINT							\$ -	\$ -	\$ 10,416.00	\$ 3,108.88	\$ 133.80	\$ 1,020.16
FLEET MAINTENANCE							\$ 27,120.83	\$ 29,237.18	\$ 19,261.40	\$ 22,149.74	\$ -	\$ 19,500.00
PRINTING/COPIES/POSTAGE/SUPPLIES												
MEMBERSHIP DUES							\$ -	\$ 44.50	\$ 103.20	\$ 148.00	\$ 263.75	\$ 94.14
INSURANCE							\$ 15,977.81	\$ 1,014.65	\$ 1,058.00	\$ 2,801.04	\$ 36,712.57	\$ 64,184.48
REGULATORY FEES							\$ 94,242.00	\$ 69,570.55	\$ 84,012.00	\$ 57,761.75	\$ 43,930.00	\$ 47,693.00
Rounding												
TOTAL O & M EXPENDITURES-----							5,090,018	5,450,899	5,860,671	6,283,425	6,185,117	6,931,437
APPROPRIATION FOR CONTINGENCIES												
CHEMICAL TREATMENT for order control												
CAPITAL PROJECTS (annual ave. excluding expansion)							948,965	785,000	500,000	500,000	500,000	500,000
ORDER CONTROL FACILITY (not currently used)												
DEBT (Phase 1 & 2, Scenario 1)							-	-	-	-	-	-
TOTAL EXPENDITURES-----							5,090,018	5,450,899	5,860,671	6,283,425	6,185,117	6,931,437
							9,240,165	9,368,013	9,255,781	9,516,133	9,786,295	10,062,502

LISWA of Lincoln Wastewater Treatment and Reclamation Facility WWTRF Operation and Maintenance Budget FY 2023-24	Actual	Actual	Actual	Actual	Actual	WWTRF Adopted Budget	WWTRF Proposed Budget	Proposed Budget Change	Budgetary Comments
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-2023	FY 2023-24	FY 22-23 to FY 23-24	
DIRECT PERSONNEL (Stantec O&M Labor)									
Reg Labor Direct (220.000)	\$2,284,476	\$2,218,123	\$2,285,345	\$2,225,197	\$2,462,262	\$2,589,576	\$2,991,063	15.5%	Stantec Labor for General Operation and Maintenance of the WWTRF.
Over Time (220.001)	\$43,159	\$38,581	\$38,602	\$37,780	\$24,997	\$85,000	\$50,000	-41.2%	Call-outs and other overtime as needed.
Standby Pay (220.006)	\$17,520	\$17,520	\$17,568	\$17,328	\$17,328	\$18,000	\$23,700	31.7%	Standby Pay for being on call. Rates adjusted to County rates. \$56/weekday, \$84/ weekends and holidays
R&R Labor(220.007)	\$34,401	\$34,401	\$90,777	\$36,865	\$0	\$10,000	\$0	-100.0%	COJA requirement no longer applicable.
DIRECT PERSONNEL (Stantec Engineering Labor)									
Groundwater Testing Labor (220.004)	\$4,824	\$7,746	\$9,544	\$10,294	\$7,392	\$11,000	\$11,000	0.0%	Analysis of quarterly ground water sampling and reporting results.
Planning and Reporting Engineering Services (220.003)	\$32,269	\$95,022	\$205,099	\$303,686	\$69,655	\$180,000	\$100,000	-44.4%	General LISWA and Regional board reports 30k, Salinity Evaluation and Minimization Plan 10k, Report of Waste Discharge 50k, new Master Reclamation permit 30k, Pivot relocation study 30k, Contingency 30k.
Sub Total	\$2,364,727	\$2,411,392	\$2,646,934	\$2,631,149	\$2,581,634	\$2,893,576	\$3,175,763	9.8%	
WWTRF DIRECT EXPENSES									
Operating Supplies	\$10,295	\$14,814	\$16,674	\$18,492	\$21,798	\$18,500	\$23,000	24.3%	Routine operating supplies
Maintenance Supplies	\$20,053	\$23,108	\$20,568	\$22,832	\$20,293	\$23,000	\$25,000	8.7%	Routine maintenance supplies
Chemicals	\$434,427	\$327,868	\$328,006	\$322,652	\$436,837	\$475,000	\$500,000	5.3%	Centrifuge polymer, DAF polymer, filter sand, sulfuric acid and bleach for filter cleaning and new reclaim disinfection.
Laboratory Supplies	\$36,373	\$37,552	\$30,286	\$30,909	\$19,708	\$10,000	\$8,000	-20.0%	Routine Laboratory Supplies
Outside Lab Services	\$33,014	\$37,259	\$37,758	\$73,917	\$81,201	\$125,000	\$80,000	-36.0%	Possible accelerated monitoring for chronic toxicity, and other routine outside lab testing. 50k for lab testing previously performed onsite, other permit required testing.
Safety Supplies	\$3,501	\$4,579	\$2,925	\$4,197	\$9,129	\$5,000	\$5,000	0.0%	Routine safety supplies
Repair Parts	\$491,951	\$139,128	\$106,282	\$124,433	\$288,685	\$170,000	\$250,000	47.1%	Includes any routine repair part not otherwise categorized from pumps to electronic componets.
Outside Services	\$210,343	\$289,977	\$194,671	\$213,230	\$351,364	\$270,000	\$350,000	29.6%	Miscellaneous outside services such as major leak repairs, third party instrument maintenance, routine weed and pest control, janitorial, minor pump repairs, etc.
Equipment Rental-Outside	\$473	\$87	\$577	\$42	\$2,628	\$1,500	\$1,500	0.0%	Occasional rental of heavy equipment and miscellaneous equipment as needed
Telephone	\$4,550	\$4,900	\$4,550	\$4,400	\$5,150	\$5,000	\$5,000	0.0%	Partial cell phone reimbursement (10 staff @ \$50/month each) for operators and plant mechanics. Used for daily communications and call outs
Postage & Freight	\$910	\$341	\$190	\$448	\$531	\$1,000	\$1,000	0.0%	Covers the cost of equipment shipping/returns and PO Box rental
Vehicle Expense	\$1,113	\$1,657	\$1,092	\$581	\$1,060	\$2,000	\$1,500	-25.0%	Reimbursable travel expense for LISWA buisness.
Utilities/Plant Diesel Fuel	\$0	\$3,426	\$661	\$7,055	\$4,701	\$7,000	\$8,000	14.3%	Standby generator and non-highway use diesel equipment
Uniform Expense	\$9,987	\$11,095	\$11,286	\$12,051	\$15,915	\$15,000	\$18,000	20.0%	Laundry service for 11 staff uniforms, entry mats and shop rags
Tools	\$1,610	\$0	\$2,219	\$2,278	\$0	\$2,500	\$3,000	20.0%	Misc. tools
Taxes & Licenses	\$6,364	\$11,250	\$3,973	\$8,433	\$7,871	\$8,000	\$9,000	12.5%	EPA, Placer Air Pollution Permits
Training	\$2,686	\$3,622	\$1,259	\$810	\$7,839	\$5,000	\$6,000	20.0%	Miscellaneous technical and safety related training.
Computer Expense	\$2,214	\$5,198	\$706	\$3,842	\$0	\$3,500	\$3,500	0.0%	Miscellaneous computer expenses
Ground Water Monitoring	\$14,645	\$13,481	\$12,582	\$20,597	\$17,964	\$16,000	\$18,000	12.5%	Ground water monitoring lab costs
Biosolids Disposal	\$277,855	\$318,845	\$296,893	\$452,523	\$587,058	\$675,000	\$800,000	18.5%	Includes transportation and increased landfill tipping fees
Membership & Certificates	\$2,747	\$2,605	\$6,130	\$1,925	\$1,764	\$5,000	\$5,000	0.0%	CWEA and other WW Certificate Renewals
UV Maintenance	\$54,951	\$83,870	\$39,017	\$51,094	\$96,857	\$75,000	\$100,000	33.3%	Routine bulb and ballast replacements along with other UV repair parts.
LISWA Contingency						\$100,000	\$100,000	0.0%	Undefined Projects due to aging infrastructure and capalISWA limits.
Sub Total	\$1,620,062	\$1,334,662	\$1,118,305	\$1,650,657	\$1,978,351	\$2,018,000	\$2,320,500	15.0%	
Sub Total All Operations	\$3,984,789	\$3,746,055	\$3,765,239	\$4,281,806	\$4,559,984	\$4,911,576	\$5,496,263		
R&R Outside Labor and Expenses (220.007)		\$453,671	\$368,235	\$235,230	\$54,285	\$695,000	\$785,000	12.9%	Category A and B Repair and Replacement (R&R) projects as detailed in the COJA
WWTRF Total	\$3,984,789	\$3,746,055	\$4,133,474	\$4,517,036	\$4,614,270	\$5,606,576	\$6,281,263	12.0%	



Material and External Labor Cost	Notes
\$130,000	Clarifier #1 bearing failed March 2021. Clarifier #2 main bearing is the same age and due for replacement.
\$35,000	original safety netting in vaults are due for replacement
\$25,000	There aren't enough vehicles to transport personnel around the plant. This cart would add an electric maintenance vehicle for use around the plant
\$10,000	Old fuel scrubber no longer works and is in need of replacement
\$300,000	Improves SCADA security and includes parts and labor.
\$125,000	Replace 35 HP 2 C pump with 85 HP pump as due for replacement, provides more redundancy
	Pump has failed repeatedly over the years. It has been rebuilt a few times and is no longer very reliable. It is critical infrastructure during irrigation season.
\$30,000	like to purchase a new one and keep this one on the shelf as a backup.
\$130,000	Actuators and hydraulic system is at end of life. A simpler and more reliable electric actuator system is proposed.
\$785,000	

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