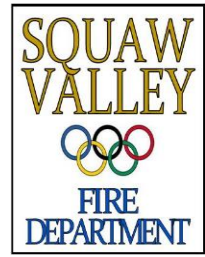




SQUAW VALLEY PUBLIC SERVICE DISTRICT



MUTUAL WATER COMPANY – OPERATIONS & MAINTENANCE SERVICES AGREEMENT

DATE: May 26, 2015

TO: District Board Members

FROM: Mike Geary, General Manager and Brandon Burks, Operations Specialist III

SUBJECT: Mutual Water Company – Operations & Maintenance Services Agreement
Renewal

BACKGROUND: District staff has provided operations and maintenance (O&M) services to the Squaw Valley Mutual Water Company (MWC), from July 1, 2014 through current. The O&M contract was approved by the SVPSD board in May of 2014. The current contract expires on June 30, 2015.

District staff has updated the contract for the July 1, 2015 to June 30, 2016 term. The original contract scope and schedule was maintained. The price of services was lowered, due to efficiencies gained by learning the MWC system and upgrades MWC has made to their system.

DISCUSSION: As proposed in Article 5 and Exhibit C of the attached Agreement, the District will provide Basic Services for a fixed rate of \$6,487 per month and Additional Services on a time and materials (T&M) basis. Additional Services will be provided by the District on an as-needed basis or as otherwise directed by the MWC Board of Directors.

The 2014-2015 contract year had the District operators learning MWC's system and applying some operational efficiency. The impact to the operation's staff was manageable with some prioritization of different projects that came up throughout the year. The additional services work done for the MWC helped upgrade their system and improved system reliability. Additional services included SCADA installation, meter verification, overseeing well pump and motor replacement and leak repairs.

The Agreement was prepared and intends to achieve a balance that does not

result in over-charging the MWC and that does not result in costing the District to provide the described O&M services. Tasks for which time and costs were difficult or impossible to estimate fairly were included in the T&M services to provide flexibility between the MWC's desired scope of services and the costs to provide such services.

As important is the specification of services to be provided by the District identified in Exhibit C of the attached Agreement, it is as important the understanding of what the Agreement *excludes*. The District will not be providing engineering, clerical / administrative, or general management services outside of the services in Exhibit C.

- ALTERNATIVES:**
1. Authorize staff to execute the Agreement between the Squaw Valley Public Service District and the Squaw Valley Mutual Water Company for the Operation and Maintenance of the Squaw Valley Mutual Water Company's Water System.
 2. Do not authorize staff to execute the Agreement.

FISCAL/RESOURCE IMPACTS: The proposal to provide O&M services to the MWC was prepared by District staff by estimating the costs of labor, equipment, materials and services necessary to provide the services requested by the MWC Board of Directors and those necessary to comply with water treatment and distribution standards of the California Department of Public Health and best practices as defined generally by the American Water Works Association (AWWA). Specific tasks and responsibilities necessary to operate and maintain the MWC system were identified and included in the attached Agreement, which provides the District fair reimbursement for its costs to provide such services.

The District's Operations Department is currently staffed and equipped to provide these services without any anticipation of needing additional operators or equipment.

RECOMMENDATION: Authorize staff to execute the Agreement between the Squaw Valley Public Service District and the Squaw Valley Mutual Water Company for the Operation and Maintenance of the Squaw Valley Mutual Water Company's Water System.

ATTACHMENTS: Agreement between the Squaw Valley Public Service District and the Squaw Valley Mutual Water Company for the Operation and Maintenance of the Squaw Valley Mutual Water Company's Water System.

DATE PREPARED: May 15, 2015

AGREEMENT BETWEEN SQUAW VALLEY PUBLIC SERVICE DISTRICT
AND SQUAW VALLEY MUTUAL WATER COMPANY
FOR THE OPERATION AND MAINTENANCE OF
THE SQUAW VALLEY MUTUAL WATER COMPANY'S WATER SYSTEM

This Agreement is made by and between the Squaw Valley Public Service District, a body politic organized under the California Water Code ("District"), and Squaw Valley Mutual Water Company, a nonprofit mutual benefit corporation ("the Mutual").

RECITALS

WHEREAS, the Mutual owns and operates a municipal water supply, storage and delivery system for residents of Squaw Valley;

WHEREAS, the Mutual requires consistent operation, maintenance and service of its Water Supply, Storage and Delivery System ("Water System");

WHEREAS, the Mutual and the District desire to enter into an Agreement for operation and maintenance services for the Mutual's Water System;

WHEREAS, the Mutual established its Water System, the boundaries of which are set forth in Exhibit A attached hereto and incorporated herein by reference, for the purpose of providing potable water to the lands and inhabitants in the Mutual's service area boundary;

WHEREAS, because of the efficiency and cost-effectiveness of the District operating and maintaining the MWC Water System, the Mutual has requested the District to provide operation and maintenance services to the MWC Water System for the Mutual, and

WHEREAS, the District is willing to assist in operating and maintaining the Water System in accordance with the terms and conditions set forth herein:

NOW, THEREFORE, IT IS AGREED as follows:

Article 1. Term. This Agreement shall commence on July 1, 2015 and continue in effect through June 30, 2016. Thereafter the Agreement shall automatically renew annually for the fiscal year commencing July 1 and ending June 30, provided that either Party to this Agreement may terminate the Agreement upon written notice to the other Party delivered not less than sixty (60) days prior to the June 30 lapse of the then existing term.

Article 2. Review and Evaluation. Not more than ninety (90) days nor less than sixty (60) days prior to the June 30 lapse of the then existing term of this Agreement, the Parties shall conduct a review and evaluation related to the condition of the Water System and the services and performances provided pursuant to this Agreement including the financial requirements, rates and charges hereof.

Article 3. District To Operate and Maintain Facilities. During the term of this Agreement between the Mutual and the District for the operation and maintenance of the Mutual's Water System, the District shall operate and provide maintenance for the Mutual's Water System, which shall consist of the facilities shown on Exhibit A and described in Exhibit B, and any additions that are made thereto from time to time. These facilities, including such additions, are herein referred to as the "Water System". Additions may be made to the Water System by the Mutual at any time by sending the District a written description of such additions. Such written descriptions of additions to the facilities shall become addenda to Exhibit B hereof.

Article 4. Scope of Services. The services to be provided by the District in operating and maintaining the Water System are as described in Exhibit C attached hereto and incorporated herein by reference. Any change in the Scope of Services must be approved in writing by the Mutual and the District in order to be effective and when so approved shall constitute an addendum to Exhibit C hereof.

Article 5. District's Compensation. The Mutual shall pay the District as compensation for the services performed under this Agreement as follows:

A. Basic Services for Flat Rate. The Mutual shall pay a flat payment of \$6,487 per month to the District for the services performed set forth in Exhibit C, Section A (Basic

Services). The District will provide an Operations Report monthly that document tasks completed and services provided to operate and maintain the Water System.

B. Additional Services. The District shall perform services set forth in Exhibit C, Section B (Additional Services) and Section C (Emergency Services) on an as needed basis, or as directed by the Mutual, and billed on a T&M basis. The Mutual shall pay the District for labor expenses for performing said services at the hourly rates set forth in Exhibit D attached hereto and incorporated herein by reference. Special technician or craftsman personnel required to complete other repair or services will be arranged by District and billed directly to the Mutual. It is understood that maintenance are those activities prescribed by operating manuals to keep the system in good condition. Repairs are those activities needed to fix parts of the system that are broken. The Mutual will pay for all repairs and parts that are necessary for equipment repairs or replacement during the term of service not provided for in the paragraphs above. The Mutual shall pay the cost of emergency response, if the emergency was not due to the fault or negligence of the District. The minimum payment for an emergency response during standby periods shall be two hours at the overtime hourly rate as provided in Exhibit D and includes the time required to travel roundtrip from the standby personnel's residence. Standby periods are all times outside of Normal working hours, which shall be from 8:00 a.m. to 5:00 p.m. Monday through Friday, excepting holidays.

C. Equipment, Materials, and Contracted Services Costs. The Mutual shall pay the District for equipment and material expenses incurred by the District in performance of tasks set forth in Exhibit C, Sections B and C. The Mutual shall pay the District for all equipment, materials, supplies and services or expense provided or incurred by the District in performance of tasks set forth in Exhibit C.

D. Limitation on Mutual's Funds. The maximum amount to be paid by the Mutual to the District for services provided under Exhibit C, Section A (Basic Services) of this Agreement shall be the sum of \$77,849 per year.

E. Time of Payments. The District shall submit monthly statements to the Mutual showing the work performed under each task set forth in Exhibit C, Sections B and C. Each

statement shall show the time worked by each employee of the District, the employee's name and the amount charged for that employee. It shall also show an itemized breakdown of the non-labor costs and include copies of employee timecards, requisitions, purchase orders, invoices and work orders. All payments due, pursuant to this Agreement, shall be paid by the Mutual to District within thirty (30) days of the date of invoicing. In the event that payment shall not be made within forty five (45) days thereof, a late penalty of ten percent (10%) shall be imposed and any delinquent payment shall gather interest at the rate of ten percent (10%) per annum until paid in full.

In the event that the Mutual reasonably and in good faith disputes a charge, it agrees that it shall not withhold payment of all undisputed sums due after the receipt of each statement. If the Mutual disputes any portion of an invoice or billing statement, it shall notify the District and in good faith the Mutual and the District will try to resolve the dispute. The Mutual shall set aside the amount in dispute in a special fund until such time as the dispute is resolved pursuant to the provisions of Article 8E hereof, at which time the money in the special fund shall be distributed in accordance with the settlement of the dispute.

F. Renegotiation of Rates. The amounts provided for in paragraphs A, B, and D above are for District's 2015-2016 fiscal year and shall be negotiated annually for subsequent years and agreed to in writing by the Parties pursuant to the provisions of Article 2, above. Such revised amounts shall become amendments to this Agreement. Negotiations for such revisions shall commence in March prior to the start of each fiscal year and the Parties shall reach agreement no later than May 1 prior to the start of the new fiscal year.

Article 6. District Personnel. Any District personnel, consultants and subcontractors performing services under this Agreement shall at all times when performing such services have valid permits, licenses and certificates as required by the County or the State, or any other entity having jurisdiction over such work, for the performance of such services.

Article 7. Communication Between the Parties. Each party shall designate in writing the name of the person or persons who shall be responsible for the day to day communication with the other party concerning any matters covered by this Agreement. Each party may change

its designated person or persons by written notice to the other party. Except in emergencies, or when otherwise impossible, communications between the Parties shall generally be conducted between their respective designees.

Article 8. Mutual's Responsibilities. During the term of this Agreement the Mutual shall be responsible for the following:

- a. The Mutual shall provide the forms, report forms, and reporting procedures for recording the operations and maintenance of the Water System.
- b. The Mutual shall directly pay for all electrical and telephone costs associated with the operation and maintenance of the Water System.
- c. The Mutual shall directly pay for all water quality analyses, courier fees, and reporting per California Department of Public Health and USEPA standards and requirements.
- d. The Mutual shall notify the District of customer complaints it receives about the Water System relevant to the services provided by the District in Exhibit C of this Agreement.
- e. The Mutual shall promptly notify the District of all notifications and communications from the California Department of Public Health or any other regulatory agency with jurisdiction over its operations. The Mutual shall notify the District of any Water System deficiency or notice of noncompliance that is received by the Mutual's office or those of its consultants and Contractors.
- f. The Mutual shall provide any necessary communications with its membership.
- g. The Mutual will provide snow removal services for fire hydrants in its Water System.
- h. The Mutual will perform the billing of Water System customers.

- i. The Mutual will perform an initial inventory of spare parts within the first sixty days of this Agreement and subsequent inventories annually each May.
- j. The Mutual shall update the MWC Water System Operations Plan and prepare the annual operations and maintenance budget and the capital replacement program for MWC Water System.
- k. The Mutual shall provide labor, equipment, materials, and/or services necessary to operate and maintain the MWC Water System that are outside of the services provided by the District in Exhibit C of this Agreement.
- l. The Mutual shall perform or provide all of its clerical, administration, engineering and general management duties that are outside of the services provided by the District in Exhibit C of this Agreement.
- m. The Mutual shall be solely responsible for the cost to repair or replace the Water System, or portions thereof, due to system failure, not the cause nor fault of District, or as may be caused or occasioned by system deficiency, deferred maintenance, suffered or incurred by the Mutual prior to the date of execution hereof.

Article 9. Indemnification and Insurance.

A. Indemnification. The District shall indemnify and hold harmless, and when requested by the Mutual to do so, defend the Mutual, its officers, directors, agents, volunteers, independent contractors, and employees from any and all claims, demands, causes of action, judgments or charges and from any loss or liability, including attorney's fees and expenses of litigation, arising out of the negligent acts or omissions, violations of law, willful misconduct or fraudulent representations or concealment of the District, its officers, directors, employees, agents, volunteers, or independent contractors in the performance of the terms and conditions of this Agreement, excepting and excluding liability or damages caused by or contributed to the negligence, violations of law, willful misconduct or fraudulent representation or concealment of the Mutual, its officers, directors, agents, volunteers, employees or independent contractors.

B. Indemnification. The Mutual shall indemnify and hold harmless, and when requested by the District to do so, defend the District, its officers, directors, agents, volunteers, independent contractors, and employees from any and all claims, demands, causes of action, judgments or charges and from any loss or liability, including attorney's fees and expenses of litigation, arising out of the negligent acts or omissions, violations of law, willful misconduct or fraudulent representations or concealment of the Mutual, its officers, directors, employees, agents, volunteers, or independent Contractors in the performance of the terms and conditions of this Agreement, excepting and excluding liability or damages caused by or contributed to the negligence, violations of law, willful misconduct or fraudulent representation or concealment of the District, its officers, directors, agents, volunteers, employees or independent contractors.

C. Worker's Compensation. The District shall maintain for the entire duration of this Agreement such insurance as will protect it from claims under workers' compensation and employer's liability acts, such insurance shall be maintained, as to type and amount, and in strict compliance with state and federal statutes, with employer's liability limits to be not less than \$1,000,000 per accident.

D. District General and Automobile Liability. The District shall maintain for the entire duration of this Agreement such broad form commercial general liability and automobile liability insurance as shall protect the Mutual, its directors, officers, volunteers, agents, independent contractors, and employees and the District from claims which may arise from the District's performance of the terms and conditions of this Agreement, whether such operation be by the District or by its employees, subcontractors, consultants or anyone directly or indirectly employed by any of the foregoing. This liability insurance shall include, but not be limited to, protection against claims arising from bodily or personal injury or damage to property resulting from operations or equipment of the District or by the District's employees, subcontractors, consultants or anyone directly or indirectly employed by any of the foregoing. The amount of insurance shall not be less than \$1,000,000, combined single limit per occurrence coverage for bodily and personal injury and property damage with \$2,000,000 annual aggregate. The Automobile Liability insurance policy shall provide minimum limits of \$1,000,000 per occurrence for bodily injury and property damage.

E. Mutual General Liability Coverage. The Mutual shall maintain for the entire duration of this Agreement such broad form commercial general liability as shall protect the District, its officers, directors, volunteers, agents, independent contractors, and employees and the District from claims which may arise from the Mutual's performance of the terms and conditions of this Agreement, whether such operation be by the Mutual or by its employees, subcontractors, consultants or anyone directly or indirectly employed by any of the foregoing. This liability insurance shall include, but not be limited to, protection against claims arising from bodily or personal injury or damage to property resulting from performance under this Agreement by the Mutual or by the Mutual's employees, subcontractors, consultants or anyone directly or indirectly employed by any of the foregoing. The amount of insurance shall not be less than \$1,000,000, combined single limit per occurrence coverage for bodily and personal injury and property damage with \$2,000,000 annual aggregate.

F. Certificates of Insurance and Additional Insured Endorsements. The Parties shall provide each other with certificates of insurance, and if requested, certified copies of the policies required by paragraphs B, C and D of this Article. Each Party shall also provide Additional Insured Endorsements for the insurance required hereby on forms ISO CG 2010 or ISO 2033 or their equivalents. The certificates shall provide that 30 days written notice of any reduction in coverage or cancellation of the insurance will be provided, and the certificates of insurance required and the underlying policies therefore, shall expressly include the other Party to be named as an additional insured thereunder. All insurance shall be issued by insurers with a Best's rating of no less than A-, or better.

Article 10. Dispute Resolution. In the event that a dispute arises with regard to this Agreement, the Parties agree to work in good faith to resolve the dispute. If informal means of resolution are unsuccessful, either Party may send a written dispute notice to the other Party demanding performance within fifteen (15) days ("Performance Period"). If the matter has not been resolved within the Performance Period to the satisfaction of the Party demanding the performance the matter shall proceed to mediation and, if necessary, to arbitration, as follows.

A. Mediation. The Parties agree to mediate any dispute or claim among them out of this Agreement or any resulting transaction before resorting to arbitration or court action. If

the dispute is not resolved during the Performance Period, within sixty (60) days after the end of Performance Period, either Party may demand in writing that the dispute be promptly submitted to a mediator for resolution. Mediation fees, if any, shall be divided equally among the Parties involved. If any Party commences an arbitration or court action based on a dispute or claim to which this Section applies without first attempting to resolve the matter through mediation, then that Party shall not be entitled to recover attorneys' fees, even if they would otherwise be available to that Party in any such arbitration or court action.

B. Arbitration. Any controversy or claim arising out of or related to this Contract, or the breach thereof, and not resolved by mediation shall be settled through binding arbitration in accordance with the Rules of the American Arbitration Association or of the Judicial Arbitration and Mediation Service (JAMS), as may be selected by the Party filing for arbitration, except that discovery pursuant to California Code of Civil Procedure § 1283.05 shall be allowed. The foregoing notwithstanding, the Parties may mutually agree to the following arbitration procedure: they shall select the arbitrator, who shall be a retired judge or justice, or an attorney with not less than five (5) years substantial experience with public entity law, and in such case the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure, except that discovery pursuant to California Code of Civil Procedure § 1283.05 shall be allowed.

The Parties agree to be bound by an arbitrator's order for specific performance. Failure to perform in accordance with such order is grounds for injunction or termination of this Agreement at the prevailing Party's option.

Judgment upon the award rendered by any arbitrator(s) shall be in accord with substantive California law and may be entered in any court having jurisdiction thereof. The award may be vacated or corrected on appeal to a court of competent jurisdiction for any error in applying substantive California law.

Claims within the monetary limits of the Small Claims Court shall be litigated in such court at the request of either Party, so long as both Parties limit their right to recovery to the jurisdiction of the Small Claims Court. Any claim filed in Small Claims Court shall be deemed

to be a waiver of the right to arbitrate, and if a counter claim in excess of the jurisdiction of the Small Claims Court is filed in Superior Court then the Party filing in Small Claims Court may demand arbitration pursuant to this subsection.

Any arbitration under this Agreement shall be deemed commercial arbitration, not subject to the consumer arbitration provisions of California Code of Civil Procedure § 1284.3.

C. Attorneys' Fees. In the event of legal proceedings, including any arbitration, for the enforcement or interpretation of this Agreement, the prevailing Party in such proceeding shall be entitled to its reasonable attorneys' fees and costs. If a Party prevails on some issues and an opposing Party on other issues, the arbitrator or judge, as the case may be, shall apportion attorneys' fees and costs as is just and equitable in the circumstances.

D. Exclusions from Mediation and Arbitration. The following matters are excluded from mediation and arbitration hereunder:

- i. A judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in California Civil Code § 2985;
- ii. The filing or enforcement of a mechanic's lien or stop work notice;
- iii. Any matter which is within the jurisdiction of a small claims court; and
- iv. An action for bodily injury or wrongful death, or for latent or patent defects to which California Code of Civil Procedure § 337.1 or § 337.15 applies.

Article 11. General Provisions.

A. Performance Standards. All of the District services shall be performed in accordance with prudent water utility practices which shall mean those practices, methods and procedures that are currently and commonly used by water utilities to operate and maintain water systems providing potable water dependably, reliably, safely, efficiently and economically in accordance with all legal requirements governing the operation and maintenance of such systems. The District will not be held responsible for additional operation and maintenance costs

under this Agreement which arise from or are related to substandard materials, design omissions, deferred maintenance of Mutual or improper installation. The District shall notify the Mutual in a timely manner upon discovery of any substandard materials, design omissions, improper installation, deferred maintenance or systems defect, not caused by act or neglect of District.

B. District is Independent Contractor. The District shall operate as an independent contractor and not as an agent or employee of the Mutual, and persons employed by the District to perform services under this Agreement shall not be deemed to be employees of the Mutual, and nothing in this Agreement shall be construed to be inconsistent with this relationship or status.

C. District's Records. The District shall maintain and make available for inspection by the Mutual and its auditors accurate records of its costs, disbursements and receipts with respect to any work under this Agreement that is to be compensated for on the basis of the District's salaries or other costs. Such inspection may be made during regular office hours at any time until three years after the final payment under this Agreement is made to the District. The Mutual may conduct an audit and evaluation of the District's performance required by any tasks of this Agreement at such times as the Mutual deems necessary and the District shall fully cooperate with any such audit and evaluation.

D. Access to Water System Facilities. Each of the Parties shall have full access to all Water System facilities at all times.

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

prevent accidents, injuries, or illnesses; and adequate facilities for the proper inspection and maintenance of all safety measures.

F. Assignment. This Agreement shall be binding upon the heirs, successors, executors, administrators and assigns of the Parties; however, no assignment or subcontract by any party shall be valid without the prior written consent of the other party.

G. Notices. All notices that are required to be given by one party to the other under this Agreement shall have been deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States post office for delivery by registered or certified mail addressed to the Parties at the following addresses, unless such addresses are changed by notice to the other party:

MUTUAL: Squaw Valley Mutual Water Company
 Attn.: John Johnson, President
 P.O. Box 2276
 Olympic Valley, CA 96146

DISTRICT: Squaw Valley Public Service District
 Attn.: Michael Geary, General Manager
 P.O. Box 2026
 Olympic Valley, California 96146

Either party may change the person to whom notices are to be given by written notification to the other party.

H. Invalidity of Agreement Provisions. Should any provision of this Agreement be found or deemed to be invalid, this Agreement shall be construed as not containing such provision and all of the provisions which are otherwise lawful shall remain in full force and effect, and to this end the provisions of this Agreement are declared to be severable.

I. Place of Making and Performance of the Agreement. This Agreement shall be deemed to have been made in Placer County, California and deemed to be required to be performed in Placer County, California.

J. Amendments. All amendments to this Agreement must be in writing and executed by both Parties in order to be effective.

K. Property Ownership. The Water System shall remain the property of the Mutual. Facilities and equipment made available to the District by the Mutual for use in providing the services under this Agreement shall not be disposed of by the District without the express written consent of the Mutual.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates written below.

SQUAW VALLEY MUTUAL WATER
COMPANY

SQUAW VALLEY PUBLIC SERVICE
DISTRICT

By _____
John Johnson, President

By _____
Michael Geary, General Manager

Date: _____

Date: _____

ATTEST:

Board Secretary

Board Secretary

EXHIBIT B

WATER SYSTEM FACILITIES

- A. WATER STORAGE TANKS
 - 1. Upper Tank - 300,000-gallons
 - 2. Lower Tank - 160,000-gallons
- B. DOMESTIC WELLS
 - 1. Well #1
 - 2. Well #2
 - 3. Horizontal Well
- C. DISTRIBUTION SYSTEM
 - 1. Approximately 5.5 miles of distribution main pipe of assorted diameters
 - 2. Approximately 283 residential service laterals (between main and property line)
 - 3. One (1) commercial service lateral (between main and property line)
 - 4. Approximately 55 fire hydrants and hydrant laterals
 - 5. Two (2) Pressure-Reducing Vaults
 - 6. Associated appurtenances and equipment necessary to provide potable water service

EXHIBIT C

SCOPE OF SERVICES

A. BASIC SERVICES

1. Daily Tasks:

- a. Record system data; including pump operational status, pump run time, pump meter reading, system pressure, and tank level.
- b. Fill out work orders for each day's work and time performed on the system.
- c. Check chlorination and corrosion control equipment. Adjust as necessary to maintain chlorine residual levels in the system. Record pounds of chlorine and caustic used and dosage.
- d. Operate chlorination and caustic equipment. Check for leaks at feed pumps and fittings. Clean and wash down spills and leaks.
- e. Maintain good housekeeping. Wipe down cabinets, instruments, pumps/motors and piping; sweep floors, clean up spills off floors, oiler overflow or drips.
- f. Provide personnel during standby periods to provide emergency response as described below. Standby periods are all times outside of normal working hours. Normal working hours shall be from 8:00 a.m. to 5:00 p.m. Monday through Friday, excepting holidays. The cost to respond to emergencies is not included in these Basic Services; only standby services are included.

2. Weekly Tasks:

- a. Conduct pH and chlorine residual tests when corrosion control and chlorination equipment are being operated.
- b. Perform minor repairs as required. Inform Mutual of major equipment malfunctions as soon as practical.

3. Monthly Tasks:

- a. Order and receive delivery of water treatment chemicals and maintain sufficient quantities for the operation and maintenance of the Water System.
- b. Prepare a summary report of work orders to append monthly operations report.
- c. Complete a monthly operations report and present to the board.
- d. Provide water quality sampling and monitoring per California Department of Public Health and USEPA standards and requirements, including quarterly bacteriological sampling.

4. Yearly Tasks:

- a. Chemical feed pumps overhaul / clean / calibrate.
- b. Perform well inspections and check running amps on well pumps.
- c. Four visual inspections of water storage tanks.

- d. Four visual inspections of PRV stations and four inspections of booster pump(s) operation(s).
- e. Two visual inspections of horizontal wells.
- f. Exercise pump house valves.

B. ADDITIONAL SERVICES

- 1. Water main, valve, meter, & lateral (between main and property line) repair.
- 2. Horizontal well repair.
- 3. Hydrant repair.
- 4. Mark underground facilities (USA).
- 5. Maintain SCADA system.
- 6. Water treatment systems repair (chlorine, caustic soda).
- 7. Water Quality Complaint / Investigation / Emergency Flushing
- 8. Snow removal.
- 9. Hydrant snow removal.
- 10. Produce or create forms for logging or reporting.
- 11. Install marker stakes (valves, water boxes, hydrants).
- 12. Easement clearing.
- 13. Backflow prevention device inspection program administration.
- 14. Review and update Emergency Response Plan.
- 15. Construction plan review (other engineering services).
- 16. Water turn on / off services.
- 17. Coordination, inspection, and administration of consultant & contractor services (outside of District's scope of work, SCADA, etc.).
- 18. Parts / materials (purchasing, receiving, maintaining stock).
- 19. New service lateral inspection (open trench, pressure test, meter set, insulation, documentation, reporting, ingest into system map & AMR system).
- 20. Install water meters.
- 21. Meter reading.
- 22. Inspect existing water meter boxes (leaks, insulation, access, etc.).
- 23. Hyper-chlorinate / flush hydrants & blow-off valves / dead-end mains
- 24. Flush dead-end mains
- 25. Exercise valves

C. EMERGENCY SERVICES

A significant failure of any Water System equipment which occurs outside the District's normal working hours (i.e., 5:00 p.m. to 8:00 a.m. from Monday through Friday, excepting holidays) constitutes an "emergency." The District shall provide the first response to Water System emergencies. District shall make every effort to contact the Mutual before authorizing emergency expenditures. Should the Mutual be unavailable to authorize needed emergency expenditure, the District may proceed without the Mutual's approval. The District shall provide to the Mutual a written report detailing such actions within 48 hours of their occurrence if the emergency occurred during the normal working week, or during the normal working hours on the following Monday if the emergency occurred on the weekend.

EXHIBIT D

SVPSD Labor Rates for Fiscal Year 2015-16

Position / Hourly Rates	Normal			Overtime			Double-time		
General Manager	\$144.78			\$144.78			\$144.78		
Operations Manager	\$ 74.18	-	\$104.27	\$74.18	-	\$104.27	\$74.18	-	\$104.27
Operations Technology Specialist / Inspector	\$ 47.84	-	\$ 80.19	\$62.91	-	\$103.26	\$77.98	-	\$126.33
Operations Specialist III	\$ 48.09	-	\$ 77.90	\$63.25	-	\$100.19	\$78.41	-	\$122.48
Operations Specialist II	\$ 43.32	-	\$ 69.84	\$56.83	-	\$ 89.38	\$70.34	-	\$108.91
Operations Specialist I	\$ 39.25	-	\$ 64.25	\$51.35	-	\$ 81.88	\$63.45	-	\$ 99.50
Operations Specialist Trainee	\$ 29.86	-	\$ 54.33	\$39.96	-	\$ 68.55	\$50.06	-	\$ 82.78
Temp/Seasonal Maint Worker	\$ 19.74		\$ 20.99	\$28.32		\$ 30.01	\$36.91		\$ 39.02
Board Secretary	\$ 53.62	-	\$ 67.14	\$53.62	-	\$ 67.14	\$53.62	-	\$ 67.14
Account Clerk II/HR Specialist	\$ 52.88	-	\$ 75.49	\$70.43	-	\$ 98.13	\$87.97	-	\$120.76
Office Manager	\$ 53.25	-	\$ 75.97	\$70.93	-	\$ 98.77	\$88.61	-	\$121.58
Finance & Administration Manager	\$ 62.07	-	\$ 76.49	\$62.07	-	\$ 76.49	\$62.07	-	\$ 76.49

All rates include benefits. The minimum payment for an emergency response shall be two hours at the overtime hourly rate. Standby periods are all times outside of Normal working hours as defined below.

Normal working hours shall be from 8:00 a.m. to 5:00 p.m. Monday through Friday, excepting holidays.