STANDARD AGREEMENT AMENDMENT STRANGARD AGREEMENT AMENDMENT

X	CHECK HERE IF ADDITION	VAL PAGES ARE ATTACHED	7 Pages	AGREEMENT NUMBER	AMENDMENT NU	MBER	
				4600000651	1		
1.	This Agreement is en	This Agreement is entered into between the State Agency and Contractor named below:					
	STATE AGENCY'S NAME						
	Department of Water contractor's NAME	Resources/The Reclamation	on Board				
	Department of the Ar	rmv					
2.	The term of this						
	Agreement is	July 10, 1998	through	October 30, 2007	This Agreement she become effective to by the Department Services.	until approved	
3.	The maximum amou	nt of this \$120.60	0.000	±hc	usand	1024	
	Agreement after this		•	million six hundred doll		YILK	
4.	The parties mutually	agree to this amendment a	s follows. All	actions noted below are	e by this reference	made a nacere	

- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a pacere of the Agreement and incorporated herein:
 - I. The amendment to Agreement No. 4600000651 for the American River Watershed (Common Features)
 California Project updating the current project cost to \$120.6 million is based on a Schedule and Cost Change Request, SACCR No. 077522-02-01, dated October 24, 2001, from the Department of the Army to The Reclamation Board. Cost increases are attributed to the Water Resources Development Act of 1999 authorization, and design and construction changes associated with deep foundation slurry cutoff walls that added additional features to roads, utilities, and bridge crossings using the jet grouting method.

This amendment to the Project Cooperation Agreement adjusts the projected total project costs by \$54,100,000 from \$66,500,000 to \$120,600,000, as reflected in the aforementioned SACCR. This amount is slightly below the federal cap under Section 902 project cost limit. (Nonfederal costs of the project are capped at 50 percent of the Section 902 limit). This adjustment increases the nonfederal project share by \$13,525,000 from \$16,625,000 to \$30,150,000 and increases the Local project share by \$4,057,500 from \$4,987,500 to \$9,045,000. The maximum nonfederal share under the current estimate may not exceed \$60,300,000.

- II. This Agreement is amended as follows:
 - 1. Add Exhibit A to reflect changes in scope and costs due to redesign. The U.S. Army Corps of Engineers' Schedule and Cost Change Request, SACCR No. 077522-02-01, dated October 24, 2001, with the Table is attached as Exhibit A and made a part of this Agreement by this reference.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTR	CALIFORNIA Department of General Services Use Only			
CONTRACTOR'S NAME (If other than an individual, state	1 72 1 7-2 97			
Department of the Army	artment of the Army			
BY (Authorized Signature)	DATE SIGNED (Do not type)			
E Mu W. Connelle	LIE EN	TARROVED		
PRINTED NAME AND TITLE OF PERSON SIGNING	APPROVED			
Colonel Michael J. Conrad, Jr.				
ADDRESS		JUN 1 3 2003		
1325 J Street		1 00.4		
Sacramento, California 95814		DEPT OF GENERAL SERVICES		
STATE OF	STATE OF CALIFORNIA			
AGENCY NAME	X			
Department of Water Resources	3 112	1-8 11		
BY (Authorized Signature)	DATE SIGNED (Do not type)	Day 4		
PRINTED NAME AND TITLE OF PERSON SIGNING	2 2			
Peter D. Rabbon	fictory			
ADDRESS	nike C			
1416 9th Street	Approv			
Sacramento, California 95814	4 4 4			

AMERICAN RIVER (COMMON FEATURES) CALIFORNIA PROJECT

- II. This Agreement is amended as follows: (continued)
 - 2. Extend the contract termination date from June 30, 2003 of the original contract to October 30, 2007 to coincide with current projected project completion date referenced in the aforementioned SACCR.
 - 3. Increase the cumulative financial obligation for construction from \$66,500,000 to \$120.000,000. Article II Obligations of the Government and the Non-Federal Sponsor, Paragraph A. 3, the first sentence on page 5 of 24, of the original agreement is being replaced by the following language and amended to read: Notwithstanding paragraph A.1. of this Article, if, upon the award of any contract for construction of the Project, cumulative financial obligations for construction would exceed \$120,600,000 the Government and the Non-Federal Sponsor agree to defer award of that contract and all subsequent contracts for construction of the Project until such time as the Government and the Non-Federal Sponsor agree to proceed with further contract awards for the Project, but in no event shall the ward of contracts be deferred for more than three years.
 - 4. As original stated in Article VI Method of Payment, Page 14 of 24, Paragraph A is hereby amended to increase the estimated total project cost by \$54,100,000 from \$66,500,000 to \$120,600,000 and the Non-Federal Sponsor's cash contribution required under Article II.D of this Agreement is projected to be \$23,090,000. Such amounts are estimates subject to adjustment by the Government and are not to be construed as the total financial responsibilities of the Government and the Non-Federal Sponsor.
 - 5. Increase the maximum projected total Project cost limit by \$54,100,000 as reflected in the aforementioned SACCR. Article XIX Section 902 Project Cost Limits, Page 22 of 24, is hereby amended to increase the maximum Project cost limit from \$66,500,000 to \$120,600,000. This increases the projected non-Federal Project share by \$13,525,000 from \$16,625,000 to \$30,150,000 and increases the projected Local Project share by \$4,057,500 from \$4,987,500 to \$9,045,000. The maximum nonfederal share under the current estimate may not exceed \$60,300,000.
 - 6. Add Exhibit B Special Terms and Conditions for Department of Water Resources (Department of the Army Corps of Engineers).
 - 7. All other terms and conditions of Contract No. 4600000651 shall remain the same.

Contract 4600000651 Am. 1 Exhibit A

Schedule and Cost Change Request (SACCR)

Alternate Eng. Form 5040-1-R

	ater Valence Ca	
From CESPK-PM-C	To CESPK-DD-P	Project Manager Name Richard Nishio Phone (916)-557 6645 Signature Level O. Mala Date Oct 28, 2001
W. 1. 2.2.		Section I - Request

Description of Change Request:

Request approval to the increase the current project cost to \$120.6 million (fully funded, Oct 01 price level). The sponsor requests that this cost change be compared to the original authorized project cost estimate of \$65.5 million (fully funded, Oct 95 price level) as authorized by WRDA 1996 to justify the sponsor increasing the sponsor's cost ceiling clause in the PCA (Article II A.3.) to the current project cost estimate of \$120.6 million. Subsequent to WRDA1996 authorization, the sponsor though SAFCA got the authorized project cost increased to \$91.9 million in WRDA 1999 authorization. The project cost estimate change comparison is shown on the attached continuation sheet.

Justification for Change: Cost increases are mainly attributed to construction and engineering & design and are described below. Cost increases for other items are shown on the attached sheet and detailed in the footnotes.

- (1) Adopting a complete cutoff wall closure design requirement and additional geotechnical explorations resulted in construction of deeper slurry walls down to impermeable material and required the more expensive jet grout method of slurry wall construction around bridges and deep utility crossings.
- (2) Adding cement to soil-bentonite slurry wall mixture increased both material cost and construction operation costs.
- (3) Issuance of a number of high cost contract modifications. The more significant modifications resulted from unexpected slurry leaks during construction of the slurry wall that required emergency repair and restoration of the levee and at times extended work hours. Contract modifications to comply with EPA notice of violation and to accelerate Garden Highway slurry wall construction before the flood season were also very costly contract modifications.

Justification for Change (continues):

- (4) Construction of a short 1.5 mile slurry reach from Howe Avenue to Watt Avenue to meet project goal of initiation of slurry wall construction in 1998 resulted in a very costly slurry wall. Also the original project cost estimate assumed all the slurry walls would be constructed under one contract which is generally less costly to construct than multiple contracts. Due to design schedule constraints and the jet grouting requirement, 6 contracts are needed to complete slurry wall construction (4 construction contracts have been completed and 2 more are scheduled for award in 2001 and 2002).
- (5) Engineering and design cost increases are due to increased effort to prepare an additional 5 slurry wall and jet grout construction contracts and added effort required to conduct additional exploration and design work required to refine the for the Sacramento River East Levee and Natomas Cross Canal Levee modifications.
- (6) Price escalation from Oct 95 to Oct 2001 price levels has increased construction and engineering & design costs. The current project cost estimate of \$120.6 million is under the Federal cost ceiling as calculated in accordance to Section 902 of WRDA 1986 as based on the current authorized project cost of \$91.9 million as authorized by WRDA 1999.

		Section II - Impact Assessment			
Organization	Description				
N/A	No impacts to I million.	District team since workload was budgeted for the current project cost estimate of \$120.6			
		Section III - Project Manager's Evaluation			
Category	Impact	Resources Required			
Costs (\$000)	None	Current project cost of \$120.6 million is under Sec 902 limit			
Schedule	None Project completion date of Oct 2007 remains unchanged from SACCR #07522				
Manpower None		Workload was budgeted for the project current cost estimate of \$120.6 million.			

AMERICAN RIVER WATERSHED, CA (COMMON FEATURES) 10/24/01

Project Cost Estimate Comparison (S1000)

	Past Project Cost	Estimated	Current Project
	Estimate Based	Increase	Cost Estimate
	WRDA 1996		Based on WRDA
	Authorization (Fully		1999 Authorization
	Funded, Oct 95 Price		(Fully Funded, Oct
	Lavel) (1)		01 Price Level) (5)
Federal RE In-house Labor	40	900	940
F&W Mitigation (2)	0	1660	1660
Cultural Resources	430	170	. 600
Construction (3)	45150	37450	82600
Engineering & Design (4)	6830	14670	21500
Supervision & Admin	6850	-460	6390
LERRDs	6200	710	6910
TOTAL	\$65,500	\$55,100	\$120,600

- (1) Cost estimates as reported in the (First) Addendum to the 1996 Supplemental Information Report (SIR), dated September 2, 1997.
- (2) At the time the authorized cost estimate was prepared F&W mitigation costs were not considered since construction would be within the existing project right of way.
- (3) \$82.6 million reflects actual slurry wall construction contract costs and funds required to complete two jet grout construction contracts along the lower American River as authorized by WRDA 1996. Construction contract expenditures to date amount to approximately \$45 million. Cost increases are due to deeper slurry wall requirement, need for jet grout method of slurry wall construction, adding cement to the slurry wall, significant contract modifications, high cost to construct the Howe to Watt Ave slurry wall contract and price escalation.
- (4) Engineering and design cost increases are due to increased effort to prepare an additional 5 slurry wall and jet grout construction contracts and added effort required to conduct additional exploration and design work required to refine the plans for the Sacramento River East Levee and Natomas Cross Canal Levee modifications.
- (5) The current project cost estimate of \$120.6 million is under the Federal cost ceiling as calculated in accordance to Section 902 of WRDA 1986 and based on the current authorized cost of \$91.9 million as authorized by WRDA 1999.

File: Project Cost Estimate for SACCR

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EXHIBIT B-Special Terms and Conditions for Department Of Water Resources (Department of the Army Corps of Engineers)

- 1. <u>AVAILABILITY OF FUNDS</u>: Work to be performed under this contract is subject to availability of funds through the State's normal budget process.
- 2. <u>AUDIT CLAUSE</u>: For contracts in excess of \$10,000, the contracting parties shall be subject to the examination and audit of the State Auditor for a period of three years after final payment under the contract (Government Code Section 8546.7).

3. CONFLICT OF INTEREST:

- a. <u>Current and Former State Employees</u>: Contractor should be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.
 - (1) Current State Employees: (PCC §10410)
 - (a) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
 - (b) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

(2) Former State Employees: (PCC §10411)

- (a) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- (b) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

b. Penalty for Violation:

(a) If the Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (PCC §10420)

c. Members of Boards and Commissions:

(a) Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (PCC §10430 (e)

d. Representational Conflicts of Interest:

The Contractor must disclose to the DWR Program Manager any activities by contractor or subcontractor personnel involving representation of parties, or provision of consultation services to parties, who are adversarial to DWR. DWR may immediately terminate this contract if the contractor fails to disclose the information required by this section. DWR may immediately terminate this contract if any conflicts of interest cannot be reconciled with the performance of services under this contract.

e. Financial Interest in Contracts:

Contractor should also be aware of the following provisions of Government Code §1090:

"Members of the Legislature, state, county district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Nor shall state, county, district, judicial district, and city officers or employees be purchasers at any sale or vendors at any purchase made by them in their official capacity."

f. Prohibition on Contracts for End Product of Contract:

Pursuant to the provisions of Public Contract Code §10365.5, the Contractor and subcontractors (except for subcontractors who provide services amounting to 10 percent or less of the contract price) may not submit a bid/SOQ, or be awarded a contract, for the provision of services, procurement of goods or supplies or any other related action which is required, suggested, or otherwise deemed appropriate in the end product of this contract. This prohibition does not apply to contracts pursuant to Government Code Section 4525 et seq., to local assistance or subvention contracts with non-profit entities, or Federal, state and local public entities.