



THREE VALLEYS MUNICIPAL WATER DISTRICT SPECIAL BOARD OF DIRECTORS MEETING AGENDA

1021 E. Miramar Ave., Claremont, CA 91711

July 15, 2026 – 8:00 AM

The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.

NOTICE OF VIDEOCONFERENCE/TELECONFERENCE ACCESSIBILITY

Three Valleys MWD will hold this meeting of its Board of Directors on the date and time, and at the location set forth above. The public may participate in the meeting by physical attendance at the meeting or by videoconference or teleconference utilizing the following links:

Link to join webinar: <https://tvmwd.zoom.us/j/85439021852>

OR

Dial in: (669) 900-9128, Webinar ID: 854 3902 1852

Any member of the public wishing to participate in public comment may do so in any of the following manners: (1) by using the "Raise Hand" feature on the Zoom platform and when prompted by the Board President during the public comment period, (2) by filling out the electronic speaker's card at the following link <https://arcg.is/0z5GqO> prior to the close of public comment, (3) by sending an email to PublicComment@tvmwd.com prior to the close of public comment, or (4) those attending the meeting in person may complete a speaker's card and provide it to the Executive Board Secretary prior to the close of public comment.

1. CALL TO ORDER

TI

2. ROLL CALL

AGUIRRE

Mike Ti, President

Carlos Goytia, Vice President

David De Jesus, Secretary/Treasurer

Bob Kuhn, Director

Jorge Marquez, Director

Jody Roberto, Director

Division III, Vacant

3. FLAG SALUTE

TI

4. PUBLIC COMMENT (*Government Code Section 54954.3*)

TI

Opportunity for members of the public to directly address the Board on items of public interest within its jurisdiction. The public may also address the Board on items being considered on this agenda. TVMWD requests that all public speakers complete a speaker's card and provide it to the Executive Board Secretary.

We request that remarks be limited to three minutes or less. Pursuant to Government Code Section 54954.3, if speaker is utilizing a translator, the total allotted time will be doubled.

5. ACTION AGENDA

LITCHFIELD

The following items on the Action Agenda call for discussion and action by the Board. All items are placed on the agenda so that the Board may discuss and take action on the item if the Board is so inclined.

5.A APPROVE RESOLUTION NO. 26-07-1031 TAX SHARING EXCHANGE COUNTY SANITATION DISTRICT NO. 22, ANNEXATION NO. 22-452

LITCHFIELD

Approval of Resolution No. 26-07-1031 signifies acceptance of the tax sharing exchange by County Sanitation District No. 22.

BOARD ACTION REQUIRED ITEM 5.A

Staff Recommendation: Approve as Presented

5.B CONTRACT AWARD FOR RESIDUALS MANAGEMENT SERVICES

LEE

The Board will consider awarding a professional services agreement to Ecology Auto Parts, Inc., dba Ecology Organics for the Residuals Management Services.

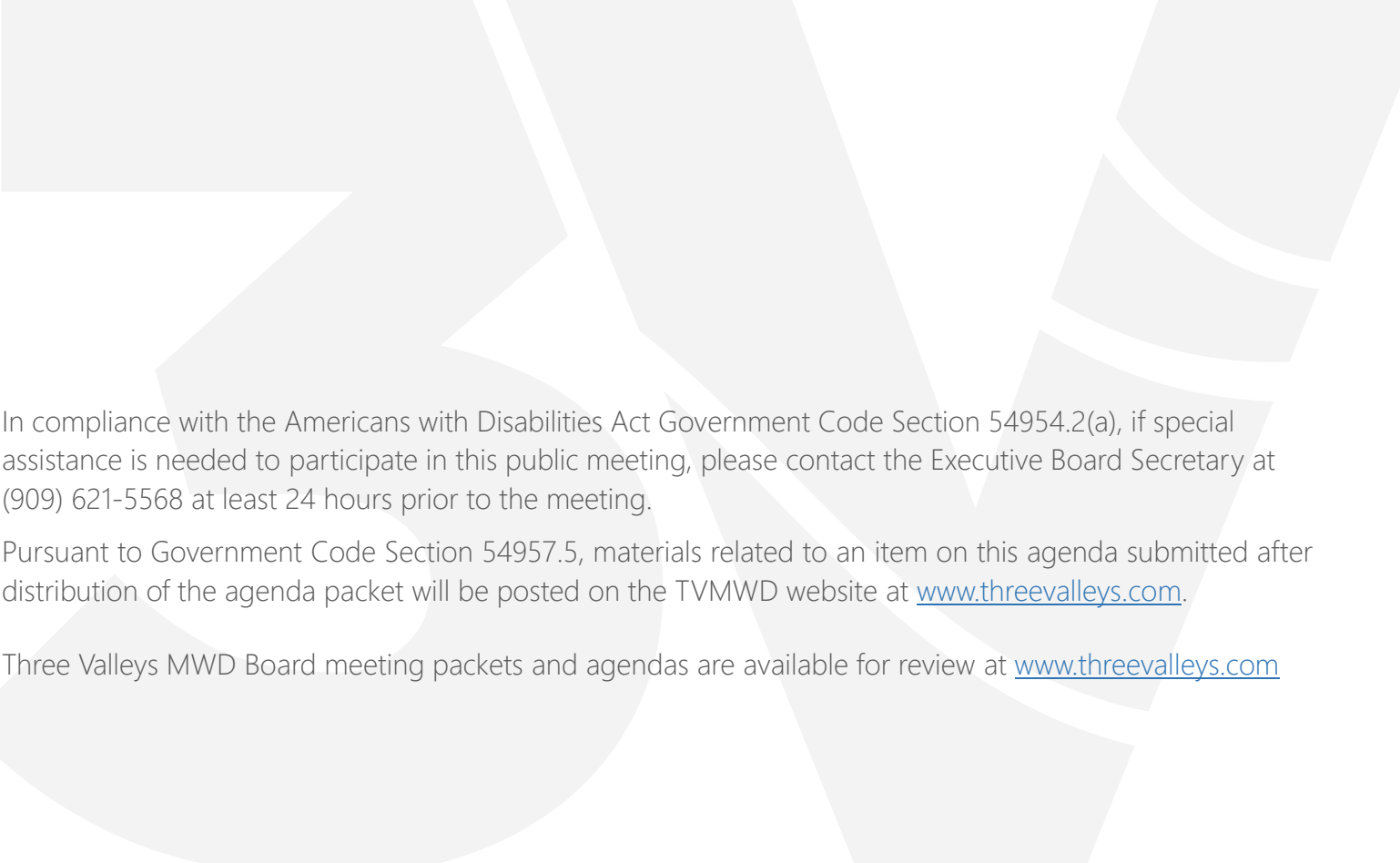
BOARD ACTION REQUIRED ITEM 5.B

Staff Recommendation: Approve as Presented

6. ADJOURNMENT AND NEXT MEETING

TI

The Board will adjourn to a Regular Board of Directors meeting on September 2, 2026.



In compliance with the Americans with Disabilities Act Government Code Section 54954.2(a), if special assistance is needed to participate in this public meeting, please contact the Executive Board Secretary at (909) 621-5568 at least 24 hours prior to the meeting.

Pursuant to Government Code Section 54957.5, materials related to an item on this agenda submitted after distribution of the agenda packet will be posted on the TVMWD website at www.threevalleys.com.

Three Valleys MWD Board meeting packets and agendas are available for review at www.threevalleys.com



BOARD ACTION

BOARD OF DIRECTORS STAFF REPORT

To: TVMWD Board of Directors

From: Matthew H. Litchfield, General Manager 

Date: July 15, 2026

Subject: Approve Resolution No. 26-07-1031 Tax Sharing Exchange County Sanitation District No. 22, Annexation No. 22-452

Staff Recommendation

Staff recommends that the Board of Directors approve Resolution No. 26-07-1031 signifying acceptance of the tax sharing exchange by County Sanitation District (CSD) No. 22, Annexation No. 22-452.

Alternative Action

The TVMWD Board may deny the request, upon which the CSD will make this request to the Los Angeles County Board of Supervisors for final determination.

Discussion

The applicants for projects have requested annexation of their respective properties to CSD No. 22 to receive off-site disposal of sewage. The annexation process requires that a resolution for property tax revenue exchange be adopted by all the affected agencies prior to approval.

Listed below is a matrix and description for the pending tax sharing resolution that require Board approval:

Project Name	TVMWD Current Tax Share	Percent	Adjustments	TVMWD Net Share	Tax Rate Area
A-22-452	0.005282307	0.5282%	-0.000050800	0.005231507	07727

Upon execution and receipt of the documents, fully conformed copies will be provided back to TVMWD.

Fiscal Impact

None

Environmental Impact

None

Strategic Plan Objective(s)

2.2 – Accountability

Attachment(s)

Exhibit A – Resolution No. 26-07-1031

Meeting History

None

NA/ML



RESOLUTION NO. 26-07-1031

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES
ACTING IN BEHALF OF

Los Angeles County General Fund

Los Angeles County Consolidated Fire Protection District

Los Angeles County Flood Control

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES
COUNTY, AND THE GOVERNING BODIES OF

City of Glendora

Three Valleys MWD - Glendora

APPROVING AND ACCEPTING NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES
RESULTING FROM ANNEXATION TO COUNTY SANITATION DISTRICT NO. 22.

"ANNEXATION NO. 452"

WHEREAS, pursuant to Section 99 and 99.01 of the Revenue and Taxation Code, prior to the effective date of any jurisdictional change which will result in a special district providing a new service, the governing bodies of all local agencies that receive an apportionment of the property tax from the area must determine the amount of property tax revenues from the annual tax increment to be exchanged between the affected agencies and approve and accept the negotiated exchange of property tax revenues by resolution; and

WHEREAS, the governing bodies of the agencies signatory hereto have made determinations of the amount of property tax revenues from the annual tax increments to be exchanged as a result of the annexation to County Sanitation District No. 22 entitled Annexation *No. 452*;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenues resulting from the annexation of territory to County Sanitation District No. 22 in the annexation entitled Annexation *No. 452* is approved and accepted.
2. For each fiscal year commencing on and after July 1, 2025, or after the effective date of this jurisdictional change, whichever is later, the County Auditor shall transfer to County Sanitation District No. 22 a total of 0.5262458 percent of the annual tax increment attributable to the land area encompassed within Annexation *No. 452* as shown on the attached Worksheet.
3. No additional transfer of property tax revenues shall be made from any other tax agencies to County Sanitation District No. 22 as a result of annexation entitled Annexation *No. 452*.

4. No transfer of property tax increments from properties within a community redevelopment project, which are legally committed to a Community Redevelopment Agency, shall be made during the period that such tax increment is legally committed for repayment of the redevelopment project costs.

5. If at any time after the effective date of this resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year.

The foregoing resolution was adopted by the Board of Supervisors of the County of Los Angeles, the Board of Directors of County Sanitation District No. 22 of Los Angeles County, and the governing bodies of City of Glendora and Three Valleys MWD - Glendora, signatory hereto.

THREE VALLEYS MWD - GLENDORA

SIGNATURE

Mike Ti, Board President
PRINT NAME AND TITLE

ATTEST:

Secretary, David De Jesus

July 15, 2026
Date

(SIGNED IN COUNTERPART)

ANNEXATION TO: CO.SANITATION DIST.NO 22 DEBT S.
 ACCOUNT NUMBER: 066.85
 TRA: 07727
 EFFECTIVE DATE: 07/01/2026
 ANNEXATION NUMBER: 22-452 PROJECT NAME: ANNEXATION 22-452
 DISTRICT SHARE: 0.009617114

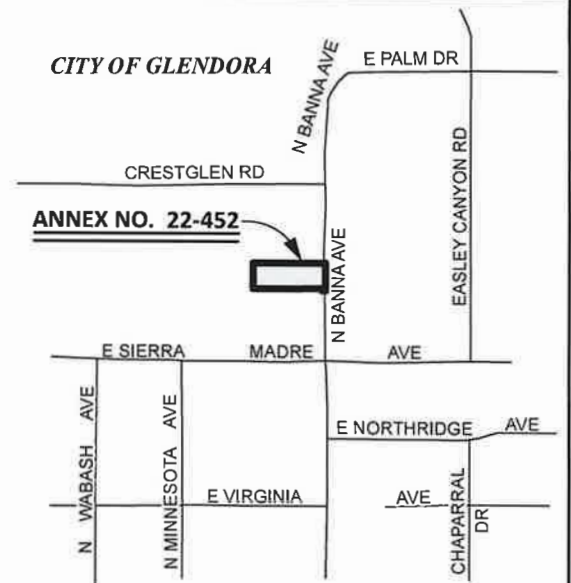
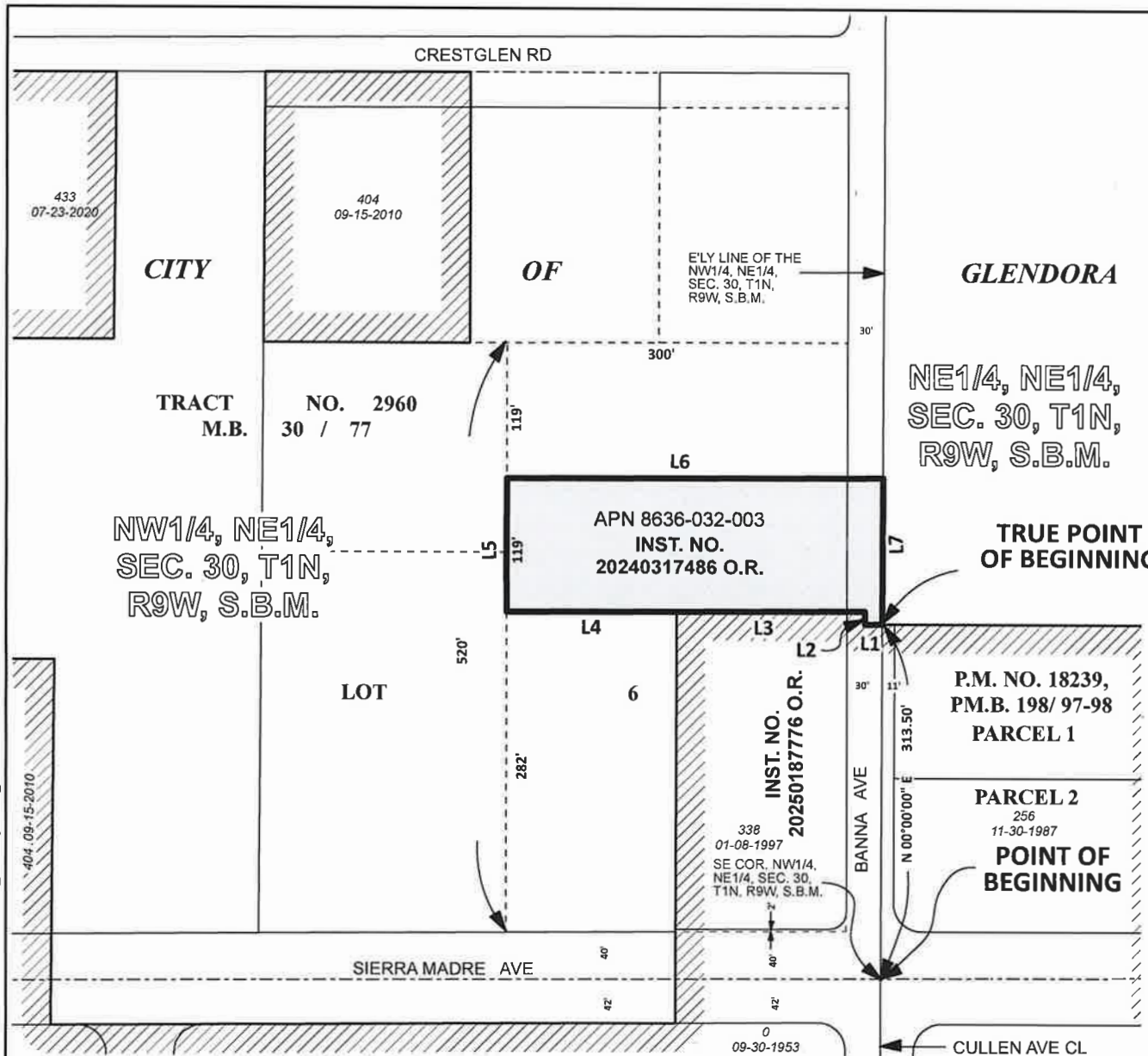
ACCOUNT #	TAXING AGENCY	CURRENT TAX SHARE	PERCENT	PROPOSED DIST SHARE	ALLOCATED SHARE	ADJUSTMENTS	NET SHARE
001.05	LOS ANGELES COUNTY GENERAL	0.267644159	26.7653 %	0.009617114	0.002573973	-0.002634081	0.265010078
001.20	L.A. COUNTY ACCUM CAP OUTLAY	0.000102527	0.0102 %	0.009617114	0.000000986	0.000000000	0.000102527
007.30	CONSOL. FIRE PRO.DIST.OF L.A.CO.	0.157909948	15.7909 %	0.009617114	0.001518637	-0.001518637	0.156391311
007.31	L A C FIRE-FFW	0.006147584	0.6147 %	0.009617114	0.000059122	0.000000000	0.006147584
030.10	L.A.CO.FL.CON.DR.IMP.DIST.MAINT.	0.001468381	0.1468 %	0.009617114	0.000014121	-0.000014121	0.001454260
030.70	LA CO FLOOD CONTROL MAINT	0.008308934	0.8308 %	0.009617114	0.000079907	-0.000079907	0.008229027
160.01	CITY-GLENDORA TD #1	0.100332873	10.0332 %	0.009617114	0.000964912	-0.000964912	0.099367961
365.10	THREE VY MWD GLENDORA AREA	0.005282307	0.5282 %	0.009617114	0.000050800	-0.000050800	0.005231507
400.00	EDUCATIONAL REV AUGMENTATION FD	0.070937097	7.0937 %	0.009617114	0.000682210	EXEMPT	0.070937097
400.01	EDUCATIONAL AUG FD IMPOUND	0.162293875	16.2293 %	0.009617114	0.001560798	EXEMPT	0.162293875
400.15	COUNTY SCHOOL SERVICES	0.001273551	0.1273 %	0.009617114	0.000012247	EXEMPT	0.001273551
400.21	CHILDREN'S INSTIL TUITION FUND	0.002527811	0.2527 %	0.009617114	0.000024310	EXEMPT	0.002527811
791.04	CITRUS COMMUNITY COLLEGE DIST	0.022355908	2.2355 %	0.009617114	0.000214999	EXEMPT	0.022355908
791.20	CHILDREN'S CTR FUND CITRUS C C	0.000583011	0.0583 %	0.009617114	0.000005606	EXEMPT	0.000583011
868.03	GLENDORA UNIFIED SCHOOL DISTRICT	0.184139022	18.4139 %	0.009617114	0.001770885	EXEMPT	0.184139022
868.06	CO.SCH.SERV.FD.- GLENDORA	0.007827783	0.7827 %	0.009617114	0.000075280	EXEMPT	0.007827783
868.07	DEV.CTR.HDCPD.MINOR-GLENDORA	0.000865229	0.0865 %	0.009617114	0.000008321	EXEMPT	0.000865229
***066.85	CO.SANITATION DIST.NO 22 DEBT S.	0.000000000	0.0000 %	0.009617114	0.000000000	0.000000000	0.005262458

ANNEXATION NUMBER: 22-452

PROJECT NAME: ANNEXATION 22-452

TRA: 07727

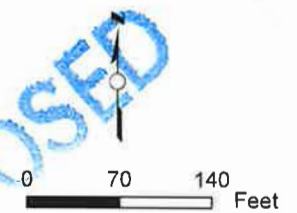
ACCOUNT #	TAXING AGENCY	CURRENT TAX SHARE	PERCENT	PROPOSED DIST SHARE	ALLOCATED SHARE	ADJUSTMENTS	NET SHARE
TOTAL:		1.000000000	100.0000 %		0.009617114	-0.005262458	1.000000000



VICINITY MAP
NO SCALE

COURSE DATA

L1	S 89°37'40" W	15.00'
L2	N 00°00'00" E	8.50'
L3	S 89°37'40" W	165.00'
L4	S 89°37'40" W	150.00'
L5	N 00°00'00" E	119.00'
L6	N 89°37'40" E	330.00'
L7	S 00°00'00" W	127.50'

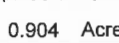


**"FOR TAX ASSESSMENT
PURPOSES ONLY"**

Annexation No. 452 shown thus 

Boundary of Sanitation District No. 22 prior to Annexation No. 452 shown thus 

Prior Annexations shown thus 

Area of Annexation  **0.904 Acres**

ANNEX NO. (RECORDING DATE)

PROPOSED

COUNTY SANITATION DISTRICT NO. 22
OF LOS ANGELES COUNTY, CA
OFFICE OF CHIEF ENGINEER
ROBERT C. FERRANTE
CHIEF ENGINEER & GENERAL MANAGER
ANNEXATION NO. 452
TO
COUNTY SANITATION DISTRICT NO. 22
Recorded

**BOARD ACTION****BOARD OF DIRECTORS
STAFF REPORT**

To: TVMWD Board of Directors

From: Matthew H. Litchfield, General Manager 

Date: July 15, 2026

Subject: Contract Award for Residuals Management Services

Staff Recommendation

Staff recommends that the Board of Directors award the professional services agreement to Ecology Auto Parts, Inc., dba Ecology Organics, for the Residuals Management Services, which includes solids hauling and disposal services based on the unit prices, monthly fees, and other applicable charges set forth in their proposal, and authorize the General Manager to execute the agreement, subject to non-substantive changes.

Discussion

Three Valleys Municipal Water District operates the Miramar Water Treatment Plant, which generates dewatered residual solids as part of the treatment process. These solids must be collected, transported, managed, and disposed of at an approved facility in accordance with applicable regulatory requirements. Three Valleys issued a Request for Proposals for solids hauling, management, and disposal services. The scope of work includes providing and maintaining on-site trailers, exchanging loaded units with empty units, transporting dewatered solids from the Miramar Water Treatment Plant, and disposing of the material at an approved disposal or processing facility.

Three proposals were received from the following firms:

- Advanced Chemical Transport
- Ecology Auto Parts, Inc., doing business as Ecology Organics
- Synagro-WWT, Inc.

Staff reviewed the proposals based on pricing, responsiveness to the requested scope, ability to provide uninterrupted service, disposal approach, and overall cost to the District. The pricing structure for this work is based on unit rates and monthly charges rather than a fixed lump-

sum amount. Therefore, actual annual costs will vary depending on the actual quantity of solids generated, number of loads transported, applicable monthly fees, and any authorized surcharge provisions.

For comparison purposes, staff prepared an estimated annual cost using **600 wet tons per year** and a **24 wet ton minimum/load**. Based on this estimate, the annual cost comparison is summarized below:

Vendor	Estimated Annual Cost
Ecology Auto Parts, Inc. dba Ecology Organics	\$35,472.00
Advanced Chemical Transport	\$75,490.10
Synagro	\$123,623.88

Ecology is the lowest apparent bidder and its proposal provides the best overall value to the District based on its lowest estimated annual cost, established unit pricing, and use of Renewable Wood Products in Chino for processing and disposal of the District's dewatered solids. Because this agreement is based on unit pricing and monthly charges, the agreement does not establish a fixed maximum contract amount or cost ceiling. Payments will be made only for authorized services provided in accordance with the rates and charges set forth in the agreement.

Staff recommends award to Ecology Auto Parts, Inc., doing business as Ecology Organics, as the lowest responsive and responsible proposer, for a three-year contract term with annual rate escalation based on the Consumer Price Index, as provided in Ecology's proposal.

Fiscal Impact

The Fiscal Year 2026-27 budget for sludge removal and cleaning is \$210,000. The estimated cost for the proposed residuals management services is within the approved budget.

Environmental Impact

None

Strategic Plan Objective(s)

1.4 Operational Efficiency
2.5 Operational Strategies

Attachment(s)

Exhibit A – Professional Services Agreement with Ecology Auto Parts

Meeting History

None

NA/ML



**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THREE VALLEYS MUNICIPAL WATER DISTRICT
AND
ECOLOGY AUTO PARTS, INC., DBA ECOLOGY ORGANICS**

This Professional Services Agreement ("AGREEMENT") is made and entered into this August 1, 2026 ("EFFECTIVE DATE"), by and between Three Valleys Municipal Water District, a municipal water district organized and operating pursuant to California Water Code Section 71000 et seq. (hereinafter referred to as "DISTRICT"), and **Ecology Auto Parts, Inc., doing business as Ecology Organics**, (hereinafter referred to as "CONTRACTOR"). DISTRICT and CONTRACTOR are sometimes individually referred to as "PARTY" and collectively as "PARTIES" in this AGREEMENT.

RECITALS

WHEREAS, DISTRICT desires to contract with CONTRACTOR as an independent CONTRACTOR to provide professional services for the **Residuals Management Services**; and

WHEREAS, CONTRACTOR represents that it is duly licensed, qualified and capable to perform such services by virtue of its experience and the training, education and expertise of its principals and employees, and that CONTRACTOR is customarily engaged in an independently established trade, profession, occupation, and/or business of the same nature as the work to be performed for herein; and

WHEREAS, DISTRICT desires to retain CONTRACTOR and CONTRACTOR desires to serve the DISTRICT to perform the services described herein in accordance with the terms and conditions of this AGREEMENT.

COVENANTS

NOW, therefore, in consideration of the faithful performance of the terms and conditions set forth herein, the PARTIES hereto agree as follows:

ARTICLE I

SERVICES OF CONTRACTOR

1. **SCOPE OF SERVICES:** The scope of services to be performed by the CONTRACTOR under this AGREEMENT are described in Exhibit "A" attached hereto and incorporated herein by this reference ("PROJECT"), and shall, where not specifically addressed, include all related services ordinarily provided by the CONTRACTOR under same or similar circumstances. The DISTRICT may request, in writing, changes in the PROJECT or services to be performed. Any changes mutually agreed upon by the PARTIES, and any increase or decrease in compensation or time, shall be incorporated by written amendments to this AGREEMENT.
2. **PREVAILING WAGES:** CONTRACTOR shall comply with all applicable provisions of labor law relating to employment for the performance of services on the PROJECT. In accordance with the provisions of the California Labor Code, CONTRACTOR shall secure the payment of compensation to employees. To the extent required by the California Labor Code, CONTRACTOR shall pay not

less than the prevailing rate of per diem wages as determined by the Director, Department of Industrial Relations, State of California ("DIR"). Copies of such prevailing rate of per diem wages are on file at the DISTRICT's office, which copies will be made available to any interested party upon request. CONTRACTOR shall post a copy of such determination at each job site. If applicable, CONTRACTOR shall forfeit to the DISTRICT the amount of the penalty set forth in California Labor Code Section 1777.7(b), or any subsequent amendments thereto, for each calendar day, or portion thereof, for each worker paid less than the specified prevailing rates for such work or craft in which such worker is employed, whether paid by CONTRACTOR or by any SUBCONTRACTOR. CONTRACTOR shall submit certified payroll records to the Labor Commissioner using DIR's electronic certified reporting system and provide with their invoice certified payroll records verifying that CONTRACTOR has paid prevailing wage in accordance with the DIR requirements as stipulated in California Senate Bills 854 and 96, <https://www.dir.ca.gov/public-works/certified-payroll-reporting.html>

ARTICLE II

ENGAGEMENT OF CONTRACTOR AND AUTHORIZATION TO PROCEED

1. **ENGAGEMENT:** The DISTRICT hereby engages CONTRACTOR, and CONTRACTOR hereby accepts the engagement, to perform the services described in Section I.1 of this AGREEMENT.
2. **AUTHORIZATION TO PROCEED:** Authorization for CONTRACTOR to proceed with the work described in Section I.1 of this AGREEMENT will be granted in writing by the DISTRICT as soon as both PARTIES sign this AGREEMENT and all applicable insurance and security documents required pursuant to Section VI.5 of this AGREEMENT are received and approved by the DISTRICT. CONTRACTOR shall not proceed with said work until so authorized by the DISTRICT and shall commence work immediately upon receipt of the executed AGREEMENT.
3. **INDEPENDENT CONTRACTOR:** The PROJECT services to be performed by CONTRACTOR under this AGREEMENT are outside the usual course of the DISTRICT's business. CONTRACTOR is, and shall at all times remain as to DISTRICT, a wholly independent CONTRACTOR. The personnel performing the services under this AGREEMENT on behalf of CONTRACTOR shall at all times be under CONTRACTOR's exclusive direction and control. CONTRACTOR shall have no power to incur any debt, obligation, or liability on behalf of the DISTRICT. Neither DISTRICT nor any of its agents shall have control over the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as set forth in this AGREEMENT. CONTRACTOR shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of the DISTRICT. No employee benefits shall be available to CONTRACTOR in connection with the performance of this AGREEMENT. Except for the fees paid to CONTRACTOR as provided in this AGREEMENT, the DISTRICT shall not pay salaries, wages, or other compensation to CONTRACTOR for performing services hereunder for the DISTRICT. The DISTRICT shall not be liable for compensation or indemnification to CONTRACTOR for injury or sickness arising out of performing services hereunder.

ARTICLE III

RESPONSIBILITIES OF DISTRICT AND OF CONTRACTOR

- 1. DUTIES OF THE DISTRICT:** The DISTRICT, without cost to CONTRACTOR, will provide all pertinent information necessary for CONTRACTOR's performance of its obligations under this AGREEMENT that is reasonably available to the DISTRICT unless otherwise specified in the PROJECT in which case the CONTRACTOR is to acquire such information. The DISTRICT does not guarantee or ensure the accuracy of any reports, information, and/or data so provided however, in performing its services hereunder, CONTRACTOR shall be entitled to act in reasonable reliance upon all such reports, information, and /or data so provided by the DISTRICT. To the extent that any reports, information, and/or other data so provided was supplied to CONTRACTOR by persons who are not employees of DISTRICT, any liability resulting from inaccuracies and/or omissions contained in said information shall be limited to liability on behalf of the entity who prepared the information for CONTRACTOR.
- 2. REPRESENTATIVE OF DISTRICT:** The DISTRICT will designate **Steve Lang** as the person to act as the DISTRICT's representative with respect to the PROJECT services to be performed under this AGREEMENT. Such person will have complete authority to receive information and interpret and define the DISTRICT's policies pertinent to the PROJECT, although such person will not control or direct CONTRACTOR's work.
- 3. DUTIES OF CONTRACTOR:** CONTRACTOR shall perform PROJECT work in such a manner as to fully comply with all applicable professional standards of care, including professional quality, technical accuracy, timely completion, and other services furnished and/or work undertaken by CONTRACTOR pursuant to this AGREEMENT. The CONTRACTOR shall cause all work and deliverables to conform to all applicable federal, state, and local laws and regulations.
- 4. APPROVAL OF WORK:** The DISTRICT's approval of work or materials furnished hereunder shall not in any way relieve CONTRACTOR of responsibility for the technical adequacy of its work. Neither the DISTRICT's review, approval or acceptance of, nor payment for any of the services shall be construed to operate as a waiver of any rights under this AGREEMENT or of any cause of action arising out of the performance of this AGREEMENT.

ARTICLE IV

PAYMENTS TO CONTRACTOR

- I. PAYMENT:** The DISTRICT will pay CONTRACTOR for work performed under this AGREEMENT, which work can be verified by the DISTRICT, on the basis of the following:

During the term of this AGREEMENT, the DISTRICT will pay CONTRACTOR for services performed in accordance with the rates and estimated hours and costs set forth in the EXHIBIT "A". The amount set forth in Section IV.3 of this AGREEMENT is the maximum compensation to which CONTRACTOR may be entitled for the performance of services to complete the PROJECT or time to complete the work, unless changed by the DISTRICT in writing in advance of the work to be performed thereunder. Adjustments in the total

payment amount shall only be allowed pursuant to Section VI.15 of this AGREEMENT. In no event shall CONTRACTOR be entitled to compensation greater than the amount set forth in Section IV.3 of this AGREEMENT where changes in PROJECT or the time for performance are necessitated by the negligence of CONTRACTOR or any SUBCONTRACTOR performing work.

- 2. PAYMENT TO CONTRACTOR:** Payment will be made by the DISTRICT within thirty (30) calendar days after receipt of an invoice from CONTRACTOR, provided that all invoices are complete, and product and services are determined to be of sufficient quality by the DISTRICT. Each invoice shall itemize the services rendered during the billing period, hourly rates charged, if applicable, and the amount due. If the DISTRICT disputes any of CONTRACTOR'S fees, it shall give written notice to CONTRACTOR within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. In such case, the PARTIES shall work to find a reasonable resolution of any such dispute in good faith and in a timely manner.
- 3. ESTIMATED CHARGES:** Compensation under this AGREEMENT shall be based on the unit prices, monthly fees, and other applicable line-item charges set forth in Exhibit "A". Total charges will vary depending on the actual quantity of services provided, including tons transported and applicable monthly fees. This AGREEMENT does not establish a maximum compensation amount or cost ceiling, and DISTRICT shall only be obligated to pay rates and charges expressly set forth in Exhibit "A" or otherwise approved in writing by the District.
- 4. COST FOR REWORK:** CONTRACTOR shall, at no cost to the DISTRICT, prepare any necessary rework occasioned by CONTRACTOR CONTRACTOR's negligent act or omission or otherwise due substantially to CONTRACTOR's fault.

ARTICLE V

COMPLETION SCHEDULE

- 1. TERM:** The term of this AGREEMENT shall begin on the EFFECTIVE DATE, and shall continue until Three (3) Years, unless this AGREEMENT is earlier terminated pursuant to the provisions of Section VI.8 below. Notwithstanding the above, the provisions of Sections I.2, II.3, III.3, and III.4, and Articles IV, V, and VI herein shall survive the expiration and/or termination of this AGREEMENT.
- 2. SCOPE OF WORK:** The work is anticipated to be completed in accordance with Exhibit "A" as agreed upon by DISTRICT and CONTRACTOR at the time is the AGREEMENT is issued by DISTRICT except as may from time-to-time be adjusted by amendment hereto as provided herein.
- 3. TIME OF ESSENCE:** CONTRACTOR shall perform all services required by this AGREEMENT in a prompt, timely, and professional manner in accordance with the agreed upon schedule. Time is of the essence in this AGREEMENT.

ARTICLE VI

GENERAL PROVISIONS

- 1. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS:** CONTRACTOR shall at all times observe all applicable provisions of Federal, State, and Local laws and regulations including, but not limited to, those related to Equal Opportunity Employment.
- 2. SUBCONTRACTORS AND OUTSIDE CONTRACTOR:** No subcontract shall be awarded by CONTRACTOR if not identified as a SUBCONTRACTORS to PROJECT unless prior written approval is obtained from the DISTRICT. CONTRACTOR shall be responsible for payment to SUBCONTRACTORS used by them to perform the services under this AGREEMENT. If CONTRACTOR subcontracts any of the work to be performed, CONTRACTOR shall be as fully responsible to the DISTRICT for the performance of the work, including errors and omissions of CONTRACTOR's SUBCONTRACTORS and of the persons employed by the SUBCONTRACTORS, as CONTRACTOR is for the acts and omissions of persons directly employed by the CONTRACTOR. Nothing contained in this AGREEMENT shall create any contractual relationship between any SUBCONTRACTOR of CONTRACTOR and the DISTRICT. CONTRACTOR shall bind every SUBCONTRACTOR and every SUBCONTRACTOR of a SUBCONTRACTOR to the terms of this AGREEMENT that are applicable to CONTRACTOR's work unless specifically noted to the contrary in the subcontract in question and approved in writing by the DISTRICT.
- 3. OWNERSHIP OF DOCUMENTS:** Upon completion of, or in the event of termination or suspension of this AGREEMENT, all original documents, designs, drawings, maps, models, computer files containing data generated for the work, surveys, notes, and other documents prepared in the course of providing the services to be performed ("WRITTEN PRODUCTS") pursuant to this AGREEMENT shall become the sole property of the DISTRICT without restriction or limitation upon its use and may be used, reused, disseminated or otherwise disposed of by the DISTRICT without the permission of the CONTRACTOR except that any use of the documents produced in service of this AGREEMENT shall be at DISTRICT's sole risk when used for any purpose or project other than the PROJECT specified herein. With respect to computer files containing data generated for the work, CONTRACTOR shall make available to the DISTRICT, upon reasonable written request by the DISTRICT, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files. CONTRACTOR may take and retain copies of WRITTEN PRODUCTS as desired, but WRITTEN PRODUCTS shall not be the subject of a copyright application by CONTRACTOR.
- 4. INDEMNIFICATION:**
 - A. Indemnity for Design Professional Services:** To the fullest extent permitted by law, CONTRACTOR shall, at its sole cost and expense, protect, indemnify and hold harmless DISTRICT and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and

those DISTRICT agents serving as independent contractors in the role of DISTRICT officials (collectively "INDEMNITEES"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, judgments, penalties, liens and losses of any nature whatsoever, including fees of accountants, attorneys or other professionals, and all costs associated therewith, and reimbursement of attorney's fees and costs of defense, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to, in whole or in part, the negligence, recklessness or willful misconduct of CONTRACTOR, its officers, agents, servants, employees, SUBCONTRACTOR, material men, contractors or their officers, agents, servants or employees (or any entity or individual that CONTRACTOR shall bear the legal liability thereof) in the performance of design professional services under this AGREEMENT. It is the intent of the PARTIES to this AGREEMENT that the defense, indemnity, and hold harmless obligations of CONTRACTOR under this AGREEMENT shall be as broad and inclusive as may be allowed under California Civil Code §2778 through §2784.5, or other similar state or federal law.

B. Other Indemnities:

- i. CONTRACTOR shall, at its sole cost and expense, defend, hold harmless and indemnify the INDEMNITEES from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, judgments, penalties, liens and losses of any nature whatsoever, including fees of accountants, attorneys or other professionals, and all costs associated therewith, and the payment of all consequential damages, in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts, errors, omissions, negligence, willful misconduct or breach of this AGREEMENT by CONTRACTOR, its officers, agents, servants, employees, SUBCONTRACTORS, materialmen, contractors or their officers, agents, servants or employees (or any entity or individual that CONTRACTORS shall bear the legal liability thereof) in the performance of this AGREEMENT, except to the extent arising from the sole negligence or willful misconduct of the INDEMNITEES, as determined by final arbitration or court decision or by the agreement of the PARTIES. CONTRACTOR shall defend the INDEMNITEES in any action or actions filed in connection with any such claim with counsel of the INDEMNITEES' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. CONTRACTOR shall reimburse the INDEMNITEES for any and all legal expenses and costs incurred by the INDEMNITEES in connection therewith.
- ii. CONTRACTOR shall pay all required taxes on amounts paid to CONTRACTOR under this AGREEMENT and indemnify and hold DISTRICT harmless from any and all taxes, assessments, penalties, and interest asserted against DISTRICT by reason of the independent contractor relationship created by this AGREEMENT. CONTRACTOR

shall fully comply with the workers' compensation law regarding CONTRACTOR and CONTRACTOR's employees. CONTRACTOR shall indemnify and hold DISTRICT harmless from any failure of CONTRACTOR to comply with applicable workers' compensation laws. DISTRICT may offset against the amount of any fees due to CONTRACTOR under this AGREEMENT any amount due to DISTRICT from CONTRACTOR as a result of CONTRACTOR's failure to promptly pay to DISTRICT any reimbursement or indemnification arising under this Subparagraph.

- iii. CONTRACTOR shall obtain executed indemnity agreements provisions identical to those in this Section VI.4 from each and every SUBCONTRACTOR or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this AGREEMENT. If CONTRACTOR fails to obtain such indemnities, CONTRACTOR shall be fully responsible and indemnify, hold harmless and defend the INDEMNITEES from and against any and all claims in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the negligent acts or omissions of CONTRACTOR's SUBCONTRACTORS, its officers, agents, servants, employees, SUBCONTRACTOR, materialmen, contractors or their officers, agents, servants or employees (or any entity or individual that CONTRACTOR's SUBCONTRACTOR shall bear the legal liability thereof) in the performance of this AGREEMENT, except to the extent arising from the sole negligence or willful misconduct of the INDEMNITEES, as determined by final arbitration or court decision or by the agreement of the PARTIES.

A. *Workers' Compensation Acts not Limiting:*

CONTRACTOR's obligations under this Section VI.4, or any other provision of this AGREEMENT, shall not be limited by the provisions of any workers' compensation act or similar act. CONTRACTOR expressly waives its statutory immunity under such statutes or laws as to DISTRICT, its officers, agents, employees and volunteers.

- B. *Insurance Requirements not Limiting:*** DISTRICT does not, and shall not, waive any rights that it may possess against CONTRACTOR because of the acceptance by DISTRICT, or the deposit with DISTRICT, of any insurance policy or certificate required pursuant to this AGREEMENT. This hold harmless and indemnification provisions in this Section VI.4 shall apply regardless of whether or not any insurance policies are determined to be applicable to the liability, claim, tax, assessment, penalty or interest asserted against DISTRICT.

- C. *Survival of Terms:*** The indemnification in this Section VI.4

shall survive the expiration or termination of this AGREEMENT.

5. INSURANCE:

A. Minimum Scope and Limits of Insurance: CONTRACTOR shall secure and maintain in full force and effect, until the satisfactory completion and acceptance of AGREEMENT by DISTRICT, such insurance as will protect it and the DISTRICT in such a manner and in such amounts as set forth below. The premiums for said insurance coverage shall be paid by the CONTRACTOR. The failure to comply with these insurance requirements may constitute a material breach of this AGREEMENT, at the sole discretion of the DISTRICT.

- i. **Workers' Compensation:** CONTRACTOR shall maintain Workers' Compensation insurance, as required by the State of California, with Statutory Limits and Employers' Liability Insurance in an amount not less than \$1,000,000 per accident for bodily injury or disease. This insurance shall also waive all right to subrogation against the DISTRICT, its Board of Directors, officers, employees, representatives, and guests.
- ii. **General Liability:** CONTRACTOR shall maintain Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least \$2,000,000 per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, the general aggregate limit shall be twice the required occurrence limit. DISTRICT shall be named as an additional insured.
- iii. **Automobile Liability:** CONTRACTOR shall maintain Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) or if CONTRACTOR has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit of \$1,000,000 for bodily injury and property damage each accident. This insurance shall have an endorsement naming the DISTRICT as an additional insured.
- iv. **Professional Liability:** CONTRACTOR shall maintain professional liability insurance with coverage for wrongful acts, errors, or omissions committed by CONTRACTOR in the course of work performed for the DISTRICT under this AGREEMENT. This insurance shall include coverage for liability assumed under this AGREEMENT when CONTRACTOR's wrongful acts, errors, or omissions cause such liability. The limit for this insurance shall be not less than \$1,000,000 per occurrence or claim and \$2,000,000 policy aggregate.

- B. *Acceptability of Insurers:*** The insurance policies required under this Section VI.5 shall be issued by an insurer admitted to write insurance in the State of California with a rating of AA:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self-insurance shall not be considered to comply with the insurance requirements under this Section VI.5.
- C. *Primary and Non-Contributing:*** The insurance policies required under this Section VI.5 shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to DISTRICT. Any insurance or self-insurance maintained by DISTRICT, its officers, employees, agents or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- D. *CONTRACTOR's Waiver of Subrogation:*** The insurance policies required under this Section VI.5 shall not prohibit CONTRACTOR and CONTRACTOR's employees, agents or SUBCONTRACTORS from waiving the right to subrogation prior to loss. CONTRACTOR hereby waives all rights of subrogation against DISTRICT/A.
- E. *Deductibles and Self-Insured Retentions:*** Any deductibles or self-insured retentions must be approved by DISTRICT. At DISTRICT's option, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to DISTRICT, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.
- F. *Cancellations or Modifications to Coverage:*** CONTRACTOR shall not cancel, reduce or otherwise modify the insurance policies required by this Section VI.5 during the term of this AGREEMENT. The commercial general and automobile liability policies required under this AGREEMENT shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail thirty (30) calendar days' prior written notice to DISTRICT. If any insurance policy required under this Section VI.5 is canceled or reduced in coverage or limits, CONTRACTOR shall, within two (2) business days of notice from the insurer, phone, fax or notify DISTRICT via certified mail, return receipt requested, of the cancellation of or changes to the policy.
- G. *District Remedy for Noncompliance:*** If CONTRACTOR does not maintain the policies of insurance required under this Section VI.5 in full force and effect during the term of this AGREEMENT, or in the event any of CONTRACTOR's policies do not comply with the requirements under this Section VI.5, DISTRICT may either immediately terminate this AGREEMENT or, if insurance is available at a reasonable cost, DISTRICT may, but has no duty to, take out the necessary insurance and pay, at CONTRACTOR's expense, the premium thereon. CONTRACTOR shall promptly reimburse DISTRICT for any premium paid by DISTRICT or DISTRICT may withhold amounts sufficient to pay the premiums from payments due to CONTRACTOR.

- H. Evidence of Insurance:** Prior to the performance of services under this AGREEMENT, CONTRACTOR shall furnish DISTRICT representative with a certificate or certificates of insurance and all original endorsements demonstrating the DISTRICT as additionally insured, evidencing and effecting the coverages required under this Section VI.5. The endorsements are subject to DISTRICT's approval. CONTRACTOR may provide complete, certified copies of all required insurance policies to DISTRICT. CONTRACTOR shall maintain current endorsements on file with DISTRICT's representative. CONTRACTOR shall provide proof to DISTRICT representative that insurance policies expiring during the term of this AGREEMENT have been renewed or replaced with other policies providing at least the same coverage. CONTRACTOR shall furnish such proof at least two (2) weeks prior to the expiration of the coverages.
- I. Indemnity Requirement not Limiting:** Procurement of insurance by CONTRACTOR shall not be construed as a limitation of CONTRACTOR's liability or as full performance of CONTRACTOR's duty to indemnify DISTRICT under Section VI.4 of this AGREEMENT.
- J. Subcontractor's Insurance Requirements:** CONTRACTOR shall require each of its SUBCONTRACTORS that perform services under this AGREEMENT to maintain insurance coverage that meets all of the requirements of this Section VI.5.
- K. Claim Reporting:** CONTRACTOR shall not fail to comply with the claim reporting provisions or cause any breach of a policy condition or warranty of the insurance policies required by this AGREEMENT that would affect the coverage afforded under the policies to the DISTRICT.
- L. Broader Coverage/Higher Limits:** If CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown above, the DISTRICT requires and shall be entitled to the broader coverage and/or higher limits maintained by CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the DISTRICT.

6. MUTUAL COOPERATION

- A. District's Cooperation:** DISTRICT shall provide CONTRACTOR with all pertinent data, documents and other requested information as is reasonably available for CONTRACTOR's proper performance of the services required under this AGREEMENT.
- B. CONTRACTOR's Cooperation:** In the event any claim or action is brought against the DISTRICT relating to CONTRACTOR's performance or services rendered under this AGREEMENT, CONTRACTOR shall render any reasonable assistance that DISTRICT requires.

7. EXAMINATION OF RECORDS: All original drawings, specifications, reports,

calculations, and other documents or electronic data developed by CONTRACTOR for this AGREEMENT shall be furnished to and become the property of the DISTRICT. CONTRACTOR agrees that the DISTRICT will have access to and the right to examine any directly pertinent books, documents, papers, and records of any and all of the transactions relating to this AGREEMENT at CONTRACTOR's office, during normal business hours and following a reasonable advance notice to CONTRACTOR from DISTRICT. The DISTRICT shall not be limited in any way in its use of the work materials at any time except as otherwise provided herein.

8. TERMINATION OR SUSPENSION OF AGREEMENT

A. Right to Terminate or Suspend: DISTRICT may suspend performance under this AGREEMENT upon written notice to CONTRACTOR. DISTRICT may terminate this AGREEMENT for convenience upon at least thirty (30) calendar days' written notice to CONTRACTOR. DISTRICT may also terminate this AGREEMENT for cause in the event of CONTRACTOR's material breach, provided CONTRACTOR is given written notice of the breach and an opportunity to cure within ten (10) calendar days, unless the breach cannot reasonably be cured within such period or presents an immediate risk to public health, safety, regulatory compliance, District facilities, or District operations.

CONTRACTOR may terminate this AGREEMENT only in the event of DISTRICT's material breach provided CONTRACTOR gives DISTRICT written notice of the breach and at least thirty (30) calendar days before the termination is to be effective.

9. Obligations upon Termination: CONTRACTOR shall cease all work under this AGREEMENT on or before the effective date of termination specified in the notice of termination. In the event of DISTRICT's termination of this AGREEMENT, DISTRICT shall pay CONTRACTOR for authorized services actually performed in accordance with Exhibit "A" through the effective date of termination, including applicable unit prices, monthly fees, and other approved charges incurred prior to termination. CONTRACTOR shall not be entitled to payment for lost profits, anticipated work, unperformed services, or other consequential damages arising from termination. **NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY:** In the performance of this AGREEMENT, CONTRACTOR shall not discriminate against any employee, SUBCONTRACTOR or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation or other basis prohibited by law. CONTRACTOR will take affirmative action to ensure that SUBCONTRACTORS and applicants are employed, and that employees are treated during employment, without regard to their race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information or sexual orientation.

10. PROHIBITION OF ASSIGNMENT AND DELEGATION: CONTRACTOR shall

not assign any of its rights or delegate any of its duties under this AGREEMENT, either in whole or in part, without DISTRICT's prior written consent, which consent shall not be unreasonably withheld or delayed. DISTRICT's consent to an assignment of rights under this AGREEMENT shall not release CONTRACTOR from any of its obligations or alter any of its primary obligations to be performed under this AGREEMENT. Any attempted assignment or delegation in violation of this section shall be void and of no effect and shall entitle DISTRICT to terminate this AGREEMENT. As used in this section, "assignment" and "delegation" means any sale, gift, pledge, hypothecation, encumbrance or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this AGREEMENT to any person or entity, Whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs.

11. NO THIRD-PARTY BENEFICIARIES INTENDED: Except as otherwise provided in Section VI.4, this AGREEMENT is made solely for the benefit of the PARTIES to this AGREEMENT and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this AGREEMENT.

12. WAIVER: No delay or omission to exercise any right, power or remedy accruing to DISTRICT under this AGREEMENT shall impair any right, power or remedy of DISTRICT, nor shall it be construed as a waiver of, or consent to, any breach or default. No waiver of any breach, any failure of a condition, or any right or remedy under this AGREEMENT shall be (1) effective unless it is in writing and signed by PARTY making the waiver, (2) deemed to be a waiver of, or consent to, any other breach, failure of a condition, or right or remedy, or (3) deemed to constitute a continuing waiver unless the writing expressly so states.

13. ENTIRE AGREEMENT: This AGREEMENT and all exhibits referred to in this AGREEMENT constitute the final, complete and exclusive statement of the terms of this AGREEMENT between the PARTIES pertaining to the subject matter of this AGREEMENT and supersede all other prior or contemporaneous oral or written understandings and agreements of the PARTIES. No PARTY has been induced to enter into this AGREEMENT by, nor is any PARTY relying on, any representation or warranty except those expressly set forth in this AGREEMENT.

14. HEADINGS: Article and Section headings in this AGREEMENT are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this AGREEMENT.

15. AMENDMENT OF AGREEMENT: This AGREEMENT may be amended only by a writing signed by both PARTIES. The DISTRICT representative is authorized to sign an amendment to this AGREEMENT on the DISTRICT's behalf to make the following non-substantive modifications to the AGREEMENT: (a) name changes; (b) extensions of time; (c) non-monetary changes in AGREEMENT; and (d) termination of this AGREEMENT.

16. GOVERNING LAW AND CHOICE OF FORUM: This AGREEMENT, and any dispute arising from the relationship between the PARTIES to this AGREEMENT, shall be governed by and construed in accordance with the laws of the State of California, except

that any rule of construction to the effect that ambiguities are to be resolved against the drafting PARTY shall not be applied in interpreting this AGREEMENT. Any dispute that arises under or relates to this AGREEMENT (whether contract, tort or both) shall be resolved in a municipal, superior or federal court with geographic jurisdiction over the DISTRICT.

17. ATTORNEYS' FEES: In any litigation or other proceeding by which a PARTY seeks to enforce its rights under this AGREEMENT (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this AGREEMENT, the prevailing PARTY shall be awarded reasonable attorneys' fees together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

18. SEVERABILITY: If a court of competent jurisdiction holds any provision of this AGREEMENT to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this AGREEMENT shall not be affected and continue in full force and effect.

19. SAFETY: CONTRACTOR shall perform the work in full compliance with applicable State and Federal safety requirements including, but not limited to, Occupational Safety and Health Administration requirements. CONTRACTOR shall take all precautions necessary for the safety of, and prevention of damage to, property on or adjacent to PROJECT site, and for the safety of, and prevention of injury to, persons, including DISTRICT's employees, CONTRACTOR's employees, and third persons. All work shall be performed entirely at CONTRACTOR's risk. CONTRACTOR shall comply with the insurance requirements set forth in Section VI.5 of this AGREEMENT. CONTRACTOR shall also furnish the DISTRICT with a copy of any injury prevention program established for the CONTRACTOR's employees pursuant to Labor Code Section 6401.7, including any necessary documentation regarding implementation of the program. CONTRACTOR hereby certifies that its employees have been trained in the program, and procedures are in place to train employees whenever new substances, processes, procedures, or equipment are introduced. CONTRACTOR shall demonstrate compliance with Labor Code Section 6401.7 by maintaining a copy of its Injury and Illness Prevention Plan at PROJECT site and making it available to the DISTRICT.

20. USE OF NAMES: CONTRACTOR shall not employ or use the name of the DISTRICT in any promotional materials, advertising, or in any other manner without prior express written permission of the DISTRICT. The foregoing notwithstanding, nothing herein shall prohibit or exclude CONTRACTOR from referencing the work for DISTRICT on the PROJECT in response to a Request for Proposal or other similar professional solicitations.

21. NOTICES: All notices to either PARTY by the other shall be made in writing and delivered or mailed to such PARTY at their respective addresses as follows, or to other such address as either PARTY may designate and said notices shall be deemed to have been made when delivered or, if mailed, five (5) days after mailing.

To DISTRICT:

Three Valleys Municipal Water District

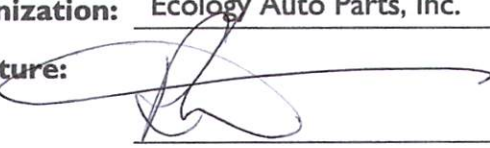


1021 E. Miramar Avenue
Claremont, CA 91711
Attn: General Manager

To CONTRACTOR:
Ecology Auto Parts, Inc., DBA Ecology Organics
14150 Vine Place Cerritos, California 90703
Attn: Aaron Siroonian

22. AUTHORITY TO EXECUTE AGREEMENT: The individuals executing this AGREEMENT represent and warrant that they have the legal capacity and authority to sign this AGREEMENT on behalf of and to so bind their respective legal entities.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT as of the date opposite their respective signatures.

Name: Robert Walker
Title: CFO
Organization: Ecology Auto Parts, Inc.
Signature: 
Date: 7/9/2026

Matthew H. Litchfield, P.E.
General Manager/ Chief Engineer
Three Valleys Municipal Water District

Date: _____



Three Valleys Municipal Water District
Brian Pen
Water Resources Analyst
1021 E. Miramar Avenue
Claremont, CA 91711

To Mr. Pen,

Ecology Organics, a d.b.a. of Ecology Auto Parts, Inc. ("Ecology"), respectfully submits this proposal in response to the Residual Sludge Removal & Disposal RFP 26-003 for hauling services from the District's Miramar Treatment Plant ("MTP"). Ecology has thoroughly reviewed the RFP and fully understands the scope of services, including onsite trailer needs and capacity requirements, regulatory compliance, and the requirements to transport the District's residuals to an approved off-site facility.

Ecology has over two decades of operational experience as a premier waste hauling and resource management company. Annually, Ecology manages:

- Over 150,000 tons of biosolids;
- Over 6,000,000 tons of recyclables and municipal solid waste;
- Over 26,000 tons of grit and screenings.

Ecology operates a fleet of approximately 630 tractor units, including approximately 200 CNG-powered tractors, and over 850 trailers, all maintained in full compliance with CARB and regional air quality regulatory standards. Ecology proposes a beneficial reuse option for MTP's residual sludge through a partnership with a local company that produces engineered soil blends for landscaping and agricultural use. These products are used by landscape contractors, nurseries, growers, and agricultural operations throughout the region. Based on the samples and analytical data provided, the material appears suitable for use as a non-hazardous soil amendment and blending ingredient, subject to receiving facility and District approval. This approach supports resource recovery, reduces landfill disposal, and provides the District with a sustainable, environmentally responsible management solution.

Ecology would designate Joel Santos, General Manager of the Biosolids Division, as the Project Manager for this project. Mr. Santos brings extensive experience in water treatment sludge and biosolids hauling, beneficial reuse, regulatory compliance and biosolids reporting. We thank the District for its consideration of our proposal.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Aaron Siroonian", is written over a horizontal line.

Aaron Siroonian
Chief Operating Officer
Ecology Auto Parts, Inc.

A. Company Profile

Ecology Organics is a d.b.a. of Ecology Auto Parts, Inc., a California corporation and a family-owned and operated company headquartered in Cerritos, California. Ecology Organics specializes in biosolids and organic residuals management services. Founded in 1966, Ecology has approximately six decades of experience in waste transportation and resource management, with operational roots in scrap metal recycling and hauling. Since 2001, Ecology has operated a dedicated Transportation Division providing specialty hauling services throughout Southern California, including the hauling of, on an annual basis, of over 150,000 tons of biosolids, over 6,000,000 tons of recyclables and municipal solid waste, over 26,000 tons of grit and screenings, and over 160,000 tons of construction and demolition debris.

Ecology employs approximately 700 personnel, including over 480 drivers, and operates a fleet of approximately 630 tractor units and 850 trailers, including approximately 200 CNG-powered units. The company provides transportation services for biosolids, municipal solid waste, green waste, recyclables, aggregate, grit and screenings, construction debris, scrap metals, and other commodities. Ecology is proficient in hauling from, and following protocols for, various origin sites such as water and wastewater treatment plants, and waste transfer stations, to numerous destinations sites including landfills, composting sites and land application sites. Ecology maintains all required licensing including from DOT, CHP, and CARB, and also has its Class A General Engineering contractor's license in CA and in AZ through its Biosolids General Manager, Joel Santos.

B. Qualifications and Experience

Ecology brings extensive experience supporting municipal and wastewater agencies and large-scale operations through long-term residuals and biosolids hauling contracts and beneficial reuse programs. With a proven track record of consistent and reliable service delivery, Ecology has successfully managed high-volume transportation services for a diverse range of public and private sector clients, including over 16 years of biosolids hauling for County of Los Angeles Sanitation District No. 2.

Additional representative clients include:

- City of Los Angeles – Sanitation Department (CLARTS)
- Inland Empire Utilities Agency
- City of Coachella - Coachella Sanitary District
- City of Santa Cruz - Wastewater Treatment Facility
- Waste Management National Services, Inc.
- California Waste Services, LLC
- "Athens"-Arakelian Enterprises Inc.
- Waste Connections-Santa Maria Transfer Station, LLC
- County of Los Angeles, Sanitation District No. 2
- Encina Wastewater Authority
- City of Oceanside – La Salina and San Luis Rey WWTP
- Republic Services Procurement Inc.
- Burrtec Waste Industries, Inc.
- Tierra Verde Industries, Inc.
- Mission Springs Water District

C. Understanding and Approach

Understanding of Scope of Work; Agreement & Insurance Acknowledgement

Ecology understands that the District is seeking a qualified contractor to provide as-needed removal, transportation, and beneficial reuse or disposal of its non-hazardous residual water treatment sludge

generated at the Miramar Treatment Plant in Claremont, California. Services include furnishing and staging compatible leak-resistant trailer(s), exchanging full and empty trailers to maintain uninterrupted operations, transporting approximately 600 wet tons of dewatered sludge annually, and delivering the material to approved beneficial reuse or disposal facilities. Ecology will provide all labor, equipment, transportation, permitting, documentation, and regulatory compliance necessary to safely and reliably perform the work throughout the term of the agreement. Ecology also acknowledges that it has reviewed the District's Professional Services Agreement and insurance requirements and, upon award, will comply with the applicable contract and insurance provisions as agreed upon by the Parties.

Approach: Beneficial Reuse

Ecology proposes to beneficially reuse MTP's residual sludge through its partnership with Recycled Wood Products ("RWP"), an Ontario, CA-based wood recycling company that manufactures mulch, compost, soil blends, and other landscaping and agricultural products. Upon collection from MTP, the material will be transported to one of RWP's recycling facilities where it will be incorporated into the production process in accordance with all applicable regulatory requirements and facility acceptance criteria. This beneficial reuse approach, subject to District review and approval, supports resource recovery, reduces reliance on landfill disposal, and converts residual materials into useful products that serve landscape contractors, nurseries, growers, and agricultural operations throughout the region.

D. Key Personnel

Joel Santos, General Manager – Biosolids Division

Mr. Santos would serve as the Project Manager and primary point of contact for the District, and would be responsible for overall contract performance, regulatory compliance, reporting, and coordination with District staff. Since joining Ecology in January 2023, Mr. Santos brings over 18 years of experience in the organic residuals and wastewater industry, with extensive expertise in regulatory compliance and managing biosolids for municipal, industrial, and commercial clients across California and Arizona. With a previous employer, Mr. Santos also has direct experience supporting operational and environmental oversight for Three Valley Water District's loads. His background includes transportation operations management, site permitting, and regulatory inspections, along with daily oversight of Ecology's composting and land application operations. Mr. Santos holds Class A General Engineering Contractor licenses in both California and Arizona and graduated with Highest Honors from the University of California, Berkeley with a Bachelor of Science in Environmental Studies with an emphasis on Environmental Health and Safety.

Johnnie Caballero – Operations Manager, Biosolids Division

Mr. Caballero would manage day-to-day hauling operations and serve as the primary liaison for scheduling, dispatch, and service coordination. Mr. Caballero would be responsible for ensuring consistent trailer availability, driver performance, and adherence to weekly hauling schedules, including weekend operations as required. Mr. Caballero would coordinate directly with District personnel to address operational needs, resolve issues in real time, and maintain uninterrupted service.

Saul Gracian – Transportation Manager

Mr. Gracian would support Ecology's CNG-fleet deployment, driver allocation, and operational scalability. With over 25 years of transportation experience, Mr. Gracian would ensure adequate staffing and

equipment availability to maintain operational continuity and responsiveness to the District's production demands.

Aaron Siroonian – Chief Operating Officer

Mr. Siroonian would provide executive oversight and strategic support for the contract. Mr. Siroonian would ensure adequate resources, address any escalated issues, and maintain alignment between Ecology's operations and the District's service expectations. Mr. Siroonian's involvement ensures accountability at the highest level of the organization.

E. References

Ecology has extensive experience providing residuals hauling, transportation, beneficial reuse, and disposal services for municipal water and wastewater agencies throughout California. The following representative projects demonstrate Ecology's ability to safely and reliably manage residual materials while maintaining responsive service and regulatory compliance.

REFERENCES

	REFERENCE NO. 1
NAME OF FIRM	Encina Wastewater Authority
ADDRESS	6200 Avenida Encinas
CITY, STATE, ZIP	Carlsbad, CA 92011
TELEPHONE NO.	(760) 801-9110
CONTACT	Octavio Navarrete; onavarrete@encinajpa.com
PROJECT NAME	Biosolids Hauling and Beneficial Reuse/Land Application
COMPLETION DATE	June 2024 to present
	REFERENCE NO. 2
NAME OF FIRM	City of Los Angeles - Sanitation Department.
ADDRESS	1149 S. Broadway, 5th Fl.
CITY, STATE, ZIP	Los Angeles, CA 90015
TELEPHONE NO.	213-804-7919
CONTACT	James Greenfield
PROJECT NAME	Hauling of MSW and green waste from CLARTS.
COMPLETION DATE	Current contract term began 2008-present
	REFERENCE NO. 3
NAME OF FIRM	Los Angeles County Sanitation District No. 2
ADDRESS	24501 Figueroa St.
CITY, STATE, ZIP	Carson, CA 90745
TELEPHONE NO. & E-MAIL	559-580-4070; matthewhutton@lacsdsd.org
CONTACT	Matthew Hutton
PROJECT NAME	Hauling of biosolids, inert, and food waste
DURATION	Approx. 2008 to present

	REFERENCE NO. 4
NAME OF FIRM	Mission Springs Water District
ADDRESS	66575 2nd Street
CITY, STATE, ZIP	Desert Hot Springs, CA 92240
TELEPHONE NO.	760-275-2339; agrunnet@mswd.org
CONTACT	Andy Grunnet
PROJECT NAME	Hauling and Dispsal of Biosolids, Grit& Screenings
DURATION	March 2023 - Present

	REFERENCE NO. 5
NAME OF FIRM	City of Coachella - Coachella Sanitary District
ADDRESS	87-075 Avenue 54th
CITY, STATE, ZIP	Coachella CA 92236
TELEPHONE NO. & E-MAIL	(760) 578-9023; rhuerta@coachella.org
CONTACT	Robert Huerta
PROJECT NAME	Biosolids Hauling and Beneficial Reuse/Land Application
DURATION	June '24 - August '24

F. Suggested Topics for Discussion:

Ecology is honored to be considered, and if awarded the work, would appreciate the opportunity to discuss the following terms of Exhibit E ("PSA"), which the RFP requires be identified in order to preserve for discussion (and which the Q&A process indicated would not lower Contractor's score):

- PSA sec. 8.A.: Ecology would suggest a termination only occur upon a material breach that is not cured with a reasonable time period to cure.
- PSA sec. 5.D.: Ecology would suggest a waiver of subrogation not be required to the extent of the negligence/willful misconduct of the District, and that the indemnification provision be mutual to cover any third party claim against Ecology that results from the District's negligence/willful misconduct.
- PSA sec. 10: Ecology would suggest that in the unlikely event of an assignment request, that the District not unreasonably withhold consent.

G. Conclusion

In summary, Ecology's longevity in the transportation industry, extensive residual sludge and biosolids hauling experience, expansive fleet, and specialized team position Ecology as a highly qualified and reliable partner for the District's residual sludge hauling and disposal service needs. Ecology remains committed to delivering safe, compliant, and cost-effective solutions while supporting the District's operational objectives. We appreciate the opportunity to submit this proposal and will remain fully responsive throughout the evaluation process.

RATE SHEET – THREE VALLEYS RFP 26-003

We are pleased to provide you with the proposal below for your review and consideration. Rates are inclusive of labor, equipment, fuel, tipping fees, and the charges listed below will apply.

Origin Facility	Destination	Trailer Type	RT Miles	Per Ton
Three Valleys MTP 1021 Miramar Ave. Clairmont, CA 91711	RWP 8559 Schaefer Ave. Ontario, CA 91761	Belt Trailer	28	\$39.12
Trailer Fee	Each haul includes exchanging the on-site loaded trailer with an empty trailer to provide uninterrupted service. On-site trailers will be charged at \$1000/mo./trailer.			
Annual CPI:	After initial year, all hauling rates shall be increased (not decreased) by a percentage equal to 100% of the consumer price index as provided by the U.S. Department of Labor, Bureau of Labor Statistics, for All Urban Consumers for the Los Angeles-Long Beach-Anaheim, CA Area (All Items), for the monthly index period two months prior to the anniversary date as compared to the same index twelve months prior.			
Load minimum charge:	23 tons			
Fuel Surcharge Formula:	Rates include up to \$ 6.00 per gallon (diesel fuel base) based on California Department of Energy (DOE) per gallon monthly average. Rate only increases if fuel base is exceeded on DOE index (Gasoline and Diesel Fuel Update - U.S. Energy Information Administration (EIA)), fuel recovery is based per mile. Base fuel – DOE California average = Difference per gallon price divided by 5 mpg = Fuel surcharge Price per mile, multiplied by miles round trip, calculated monthly			