

May 27, 2021

Jeff Maupin
General Manager
North Yuba Water District
8691 La Porte Road
Brownsville, CA 95919

**Subject: Proposal for Engineering Services for North Yuba Water District –
Quantification of Water Conservation and Water Marketing Feasibility
Study**

Dear Mr. Maupin:

Thank you for the opportunity to submit this proposal to provide engineering services for this project. This proposal discusses our understanding of the project, recommends a scope of services together with associated fees, deliverables and approximate schedule, sets forth our assumptions and discusses other services that may be of interest as the project proceeds.

Project Understanding

It is our understanding that the North Yuba Water District (NYWD or District) holds water rights in various counties and delivers water for municipal, domestic and irrigation purposes. The District operates a complex conveyance system that includes portions that may be subject to water losses. There appear to be opportunities to improve the existing conveyance system to conserve water for the benefit of the District's water users or to promote future water sales within and/or outside the District's service area.

The District is seeking an evaluation of the District facilities including a review of conservation measures which have been implemented or may be implemented in the near future where the potential water savings can be quantified under its existing water rights. Specifically, the District is seeking assistance to quantify the potential amount of water conserved following future implementation of the Forbestown Pipeline Project which includes replacement of approximately 10 miles of open channel canal. Following review of the potential water savings through conservation of existing and proposed projects the District is seeking recommendations on how to facilitate the potential sale of this water supply within and/or outside of the District service area from a practical, contractual and regulatory perspective.

Scope of Services

This proposal breaks the project into two tasks. Task 1 includes an analysis of the potential water conserved under existing and proposed water conservation projects. Task 2 includes a review of the potential opportunities to sell or exchange the quantity of conserved water from a practical, contractual and regulatory perspective.

Our proposed scope of work for this project is described below.

Task 1: Quantification of Water Conservation Activities (Past and Proposed)

- Review California Water Code and California Code of Regulations (CCR) statutes to identify the regulatory requirements and/or limitation to quantification of water conservation activities under the District's water right licenses/claims, as appropriate.
- Obtain and review any applicable measurement data for conveyance system (obtain data from 2000-2020 water use – or other duration – as mutually agreed upon).
- Develop and perform water balance of NYWD conveyance system.
- Quantify water conservation to-date.
- Review proposed water conservation activities, specifically Forbestown Pipeline Project and estimate potential water conservation (as a result of implementation)
- Provide recommendations regarding implementation of conservation activities to verify estimate

Deliverables: Quantification of Water Conservation Activities within NYWD (or similarly named report)

Task 2: Water Marketing Feasibility Study

- Review California Water Code and CCR statutes to identify the regulatory requirements and/or limitation to transfer of water conservation activities under the District's water right licenses/claims, as appropriate.
- Review NYWD agreements and contracts to identify opportunities (and limitations) to transfer of water within and/or outside service area.
- Explore potential marketing opportunities for the sale/exchange of conserved water.
- Develop strategy for marketing the conserved water identified in Task 1 and provide recommendations relative to facilitation of a future water transfer.

Deliverables: Water Marketing Feasibility Study (or similarly named report)

Professional Fees

Provost & Pritchard Consulting Group will perform the services on a time and materials basis, in accordance with our Standard Fee Schedule in effect at the time services are rendered. For budgeting purposes, our preliminary estimate is that over the next 6 months, our fees will be \$104,000 for both Task 1 and Task 2, as outlined above. These fees will be invoiced monthly as they are accrued. Reimbursable expenses will be invoiced in addition to professional fees and are included in the estimated ranges above. If it appears we will need to exceed the upper range above, we will notify you in writing before we do so, and will provide a revised estimate. We will not continue work beyond the initial budget without additional authorization.

| Proposed Fee – Quantification of Water Conservation and Water Marketing Feasibility Study | |
|--|----------------------|
| Task Number | Estimated Fee |
| Task 1 | \$64,000 |
| Task 2 | \$40,000 |
| Total Estimated Fee: | \$104,000 |

The line items shown above are estimates and are not intended to limit billings for any given Task. Required task effort may vary up or down from the line item estimates shown, however total billings will not exceed the Total shown without additional authorization.

A retainer of \$10,400 (10% of total estimated fee) will be required in order to proceed. The retainer will be held and will be applied to the final project invoice.

Schedule

Following approval and engagement of our services a mutually agreed upon project schedule will be developed for both Task I and Task II. Ideally this work would begin in July of 2021 and would be completed within 6 months of the approval of our engagement for this project. It is our intent to complete these tasks concurrently on a parallel project schedule and capture efficiencies where present to reduce overall project costs, as appropriate. Project management and coordination including monthly status updates, calls with the District and attendance of meetings (as directed) will be prorated between Tasks I and II. This proposed schedule assumes all data needed to complete the water balance is readily available and no new data is needed, as further described below.

Assumptions

- All necessary documents (SWRCB files, contracts, previously prepared reports, etc) will be readily available and provided to P&P in a timely manner
- One site visit (2-man crew for 1 full day)
- Includes monthly status update memos transmitted via email (1 per month for 6 months)
- Monthly coordination calls with District/Agency staff, as needed (1 per month for 6 months)
- Preparation of 1-draft report for each task with opportunity for District/Agency comments
- Preparation of final report for each task incorporating District/Agency comments
- Does not include additional water measurement

Additional Services

The following services are not included in this proposal, however these and others can be provided at additional cost, upon request.

- Implementation of the recommendations provided in Task II of this scope
- Implementation of water conservation activities
- Verification of quantity of water conserved following implementation
- Continued regulatory compliance related to laws/statutes not in place by the date of this proposal
- Facilitation of a water transfer from/within NYWD

Terms and Conditions

If this proposal is acceptable, please sign the Consultant Services Agreement, and return a copy to our office along with the required retainer. These documents will serve as our Notice to Proceed. This proposal is valid for 60 days from the date above.

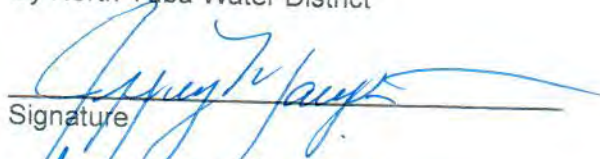
Respectfully,
Provost & Pritchard Consulting Group


Dan Flory, PE 33004
Principal Engineer


Linda G. Sloan, PG/CHG 8299/930
Vice President

Terms and Conditions Accepted

By North Yuba Water District


Signature

JEFFREY MAUPIN
Printed Name

GENERAL MANAGER 6/28/2021
Title Date

Signature

Printed Name

Title Date