

Exhibit to Agenda Item #1

Approve Contract Change No. 3 to Contract No. 4500114920 with **Brown & Caldwell** for Kramer Site Environmental Investigation, Remediation, Observation and Monitoring Services to increase the contract not-to-exceed amount by \$1.4 million from \$1.9 million to \$3.3 million.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, April 19, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Background

Brown and Caldwell has been providing professional consulting services for the Former Community Linen (FCL) environmental clean up site since 2015. In that time-frame they have performed a number of activities, including:

- On-and off-site subsurface investigations for soil, groundwater, and soil vapor
- Pilot testing for soil vapor and groundwater cleanup
- Preparation and regulatory approval of the soil and groundwater Remedial Action Plan (RAP) and a Remedial Design and Implementation Plan (RDIP)
- Assisted in various requests from the California Regional Water Quality Control Board (RWQCB) for additional investigation of the off-site residential neighborhood, south of Highway 50.

SEED (Supplier Education and Economic Development) Commitment

| Contract No. 4500114920 | | | | | | | | |
|-------------------------|-------------------------|----------------------------|--------------------|----------------|--|------------------------------|------------------------------|---------------------|
| Prime Contractor | Current Contract Amount | Contract SEED % Commitment | SEED Spend to Date | SEED % to Date | Additional SEED Funds Currently Authorized | Proposed New Contract Amount | Proposed Seed Commitment (%) | Proposed SEED Spend |
| Brown and Caldwell | \$1.9M | 20 | \$271,000 | 22.8 | \$263,000 | \$3.3M | 20 | \$660,000 |

- Confluence Environmental – Groundwater and Soil Vapor Sampling (~1% of Contract)
- Gulf Shore Construction Services – Drilling Services (~3% of Contract)
- Sierra West Consultants – Engineering Services (~20% of Contract)
- Capital Barricade – Traffic Control (~2% of Contract)

Original Project Scope – Completed

The following activities were included in the original scope of work under contract #4500114920 and have either been completed or are currently in progress:

- Project Management
- Subsurface Site Investigation
- Semi-Annual Groundwater Monitoring and Report of up to Fifteen (15) Wells
- Semi-Annual Soil Vapor Sampling and Reporting of Four Onsite (4) Wells
- Groundwater Remedial Feasibility and Pilot Study
- Groundwater Remedial Approach and Design for the Shallow Aquifer
- Groundwater Remedy Permitting, Implementation, and Oversight
- Soil Vapor Extraction (SVE) System Design
- SVE System Installation and Oversight
- Observation Monitoring for the SVE System and Groundwater Remedy Implementation
- Regulatory Support

Project Scope Increases – Previously Completed

The following out-of-scope and unplanned activities have been conducted by Brown and Caldwell under contract #4500114920:

- Change in Regulatory Screening Levels for Soil Vapor
- Discovery of Groundwater Contamination in the Deep Aquifer
- Installation of Additional Soil Vapor and Groundwater Monitoring Wells
- Offsite Residential Soil Vapor Investigation and Coordination with Residents
- Increased Effort for Groundwater and Soil Vapor Remedy



Upcoming Project Scope Increases

The following activities will be required for Brown and Caldwell to complete the investigation / remedial activities under the existing contact #4500114920 with an end date of March 2024:

- Additional Deep Aquifer Investigation Activities
- Continued Routine Soil Vapor and Groundwater Monitoring for 2023 and January through March 2024
- Second Round of Groundwater Amendment Injections
- Soil Vapor Extraction System Operation, Observation, and Routine Monitoring



Cost Increase Breakdown

| Contract No. 4500114920 | |
|---|--------------------|
| Scope Item | Estimated Budget |
| Increased Effort for Groundwater and Soil Vapor Remediation | \$108,000 |
| Off-Site Deep Groundwater Investigation Activities | \$665,000 |
| Routine Soil Vapor and Groundwater Monitoring for 2023 and January - March 2024 | \$75,000 |
| Additional Groundwater Injections | \$385,000 |
| SVE System O&M for 2023 and Jan - March 2024 | \$164,000 |
| Total | \$1,400,000 |

Benefits to Contract Amendment

- Maintain current contract rates (labor and markup) through the contract end date of March 2024.
- Brown and Caldwell has the background knowledge, regulatory relationships, and understand of SMUD's project goals to ensure the project is carried out most efficiently
- Recontracting the remaining work would result in project delays and potentially regulatory actions if due dates/milestones were missed as a result
- Brown and Caldwell was awarded the original contract because they were and are still the most qualified contractor for the job out of the six (6) companies that provided bids.

