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

<table>
<thead>
<tr>
<th>Prime Contractor</th>
<th>Current Contract Amount</th>
<th>Contract SEED % Commitment</th>
<th>SEED Spend to Date</th>
<th>SEED % to Date</th>
<th>Additional SEED Funds Currently Authorized</th>
<th>Proposed New Contract Amount</th>
<th>Proposed Seed Commitment (%)</th>
<th>Proposed SEED Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brown and Caldwell</td>
<td>$1.9M</td>
<td>20</td>
<td>$271,000</td>
<td>22.8</td>
<td>$263,000</td>
<td>$3.3M</td>
<td>20</td>
<td>$660,000</td>
</tr>
</tbody>
</table>

- 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

<table>
<thead>
<tr>
<th>Scope Item</th>
<th>Estimated Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Effort for Groundwater and Soil Vapor Remediation</td>
<td>$108,000</td>
</tr>
<tr>
<td>Off-Site Deep Groundwater Investigation Activities</td>
<td>$665,000</td>
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<tr>
<td>Routine Soil Vapor and Groundwater Monitoring for 2023 and January - March 2024</td>
<td>$75,000</td>
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<tr>
<td>Additional Groundwater Injections</td>
<td>$385,000</td>
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<tr>
<td>SVE System O&amp;M for 2023 and Jan - March 2024</td>
<td>$164,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$1,400,000</strong></td>
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</table>
Benefits to Contract Amendment

- Maintain current contract rates (labor and markup) through the contact 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.