

Kennedy/Jenks Consultants

Engineers & Scientists

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25 March 2011

Mr. Pete Kampa
General Manager
Tuolumne Utilities District
18885 Nugget Blvd.
P.O. Box 3728
Sonora, CA 95670

Subject: Proposal for Professional Services
2010 Urban Water Management Plan
K/J B11041

Dear Mr. Kampa:

We are pleased to submit this proposal for providing professional services to Tuolumne Utilities District (District) for completion of the District's 2010 Urban Water Management Plan (UWMP). We have developed the following comprehensive and cost effective proposal for the District that meets the requirements of the Urban Water Management Planning Act (Act) and its recent amendments.

Understanding and Background

The Act, which has been incorporated into Sections 10610 et seq. of the California Water Code (Water Code), requires the preparation of a UWMP and periodic updates. The Water Code also specifies the contents and procedures for adoption of an UWMP. Typically UWMPs must be adopted and submitted to the California Department of Water Resources (DWR) before December 31 for years ending in 5 and 0. However, the 2010 UWMP schedule has been extended due to the addition of recent amendments and now must be adopted by 1 July 2011 and submitted to DWR before 1 August 2011.

Kennedy/Jenks Consultants (Kennedy/Jenks) prepared the District's original UWMP in 2000 and the District prepared the 2005 UWMP using District staff. The District has begun preparation of the 2010 UWMP and recently asked for Kennedy/Jenks assistance to complete the UWMP to help assure that it is completed by the DWR deadline.

It is important for the District to develop a comprehensive plan that meets the requirements of the Act and its recent amendments as UWMPs are required not only by law but are also a minimum requirement for receiving grant or loan funding from the State of California under several bond programs and through the State's Safe Drinking Water Revolving Fund. The District's 2010 UWMP is required for the District to receive the approved Tuolumne - Stanislaus Region Integrated Regional Water Management (IRWM) Planning Grant of \$636,380.

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Therefore, it is critical that the District's 2010 UWMP must be submitted on time and address all Act requirements.

Our scope of services has been prepared assuming that we will utilize and update the District's 2005 UWMP. However, significant amendments have been made by the Legislature to the Act since the District's 2005 UWMP was completed. New Water Code sections include Senate Bill (SB)X7-7 20x2020 per capita water use reduction targets and AB 1420 self certification of Demand Management Measures (DMM's) apply to this round of UWMP preparation. Agencies not in compliance with AB 1420 and SBX7-7 will be ineligible for state loan and grant funding.

We have developed a detailed scope that will address these new Water Code section requirements in the 2010 UWMP, as well as, utilize DWR recently produced final "Guidebook to Assist Water Suppliers in the Preparation of a 2010 Urban Water Management Plan" (DWR Guidebook) dated March 2011. In addition, we will incorporate work that District staff and John Mills, the District's water resource consultant, have developed to date.

Our firm is well versed in the 2010 UWMP requirements and we are preparing over 20 of these documents within our Sacramento office. Our knowledge of your service areas, your water supply and demand conditions, the needs of the local communities, and our focus on not reinventing the wheel will facilitate our team's ability to "hit the ground running" to complete your project before the DWR deadlines. We also have developed close relationships with DWR staff and have learned valuable lessons that will facilitate in timely approval of the District's 2010 UWMP.

Scope of Services

The scope of services defined below is based on our understanding of the project requirements, our knowledge of the applicable regulations and guidance documents, and our experience on similar projects.

Task 1 – Project Management

Project management will be provided to keep the District informed of the project status, budget and schedule. In addition, quality control procedures will be followed, including review of the documents by our QA/QC team prior to submitting them to the District and DWR. As part of this process, Kennedy/Jenks will participate in periodic coordination calls with the District throughout the duration of the 2010 UWMP preparation process. Task 1 is broken in to three separate tasks as shown below:

Task 1.1 - Project Management

Kennedy/Jenks' Project Manager, Tracie Mueller, will provide the proper resources and staff that will be dedicated to this project to achieve timely completion of the UWMP. Project management tasks will be completed throughout the duration of the project to include execution

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of the scope of work, delegation of tasks to project staff, compliance with the project schedule, and budget, and preparation of monthly invoices.

Task 1.2 - Quality Assurance and Quality Control (QA/QC)

Kennedy/Jenks' Project Manager will implement our internal QA/QC programs. A Concept and Criteria Review (C&CR) Meeting will be held with internal Kennedy/Jenks staff to help make sure that the project is effectively meeting the goals of the District and complies with the regulations and contractual scope of work. The Draft UWMP document will be reviewed internally by both Bob Young and Mary Lou Cotton. Bob has a deep knowledge of TUD's water system and has been preparing UWMP since 2000. Mary Lou Cotton is our expert in water conservation legislation and program development and serves on the DWR SBX7-7 Urban Stakeholder Committee where she helped develop the methodologies incorporated into the UWMP Guidebook.

Task 1.3 - Meetings and Coordination

Kennedy/Jenks anticipates a minimum of bi-weekly communication with the District's Project Manager by focused conference calls. A project kick off meeting will be held at the District's office after the notice to proceed is received, and a Draft 2010 UWMP review meeting will be held once the District has compiled their staff and Public Advisory Committee (PAC) comments.

Task 1 Deliverables:

- Monthly Invoices – one hard copy
- Meeting Agendas and Notes – electronic copy emailed to attendees

Assistance from the District:

- Attend meetings and participate on conference calls
- Process and pay invoices

Task 2 – Data Collection and Review

Kennedy/Jenks will prepare a 2010 UWMP outline based on the Act requirements, which will include the recommended tables included in the DWR Guidebook. This outline will be submitted to the District for review. Once the outline has been approved, District staff will incorporate all work done to date into the outline including applicable information within the District's 2005 UWMP, 2009 Addendum to the 2005 UWMP, AB1420 certification and DMM information completed for the IRWM Planning Grant Application in September 2010, and 2010 UWMP information generated by District staff and John Mills to date.

Once the outline is submitted back to Kennedy/Jenks, we will review the information and identify remaining work and data needs. Kennedy/Jenks will prepare a request for information (RFI) of any additional information that may be required to complete the UWMP. Kennedy Jenks will use the DWR Guidebook and DWR Review for Completeness Form to create an RFI for additional

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information to help ensure the District's 2010 UWMP meets DWR requirements and required information needed is assembled at the start of the project. The Review for Completeness Form will be used throughout the project to verify the UWMP meets DWR requirements and can be submitted with the plan to DWR to aid in review.

In addition as part of this task, Kennedy/Jenks will review the District's 2009 Water Supply Assessment, water conservation documents, calculations provided by the District, and other related documents.

Task 2 Deliverables:

- Plan Outline with Guidebook Tables – electronic via email
- RFI (if necessary) and DWR Review for Completeness Form – electronic copy via email

Assistance from the District:

- Review Plan Outline and assemble previously generated data and text into the outline.
- Provide requested information

Task 3: Service Area Information and Population Projections

This task will define the service area for the UWMP, as required in Section 10631 (a) of the Water Code. The physical setting and climate descriptions provided in the 2005 UWMP will be reused to the extent possible. Kennedy/Jenks will update rainfall and other pertinent information as required by DWR. California Irrigation Management Information Systems (CIMIS) and National Oceanic and Atmospheric Administration (NOAA) data will be used for climate definition. Demographic data will be summarized based on the information previously developed by District staff for the 2010 UWMP.

Population projections scenarios will be estimated through 2035 in 5-year increments to facilitate use in SB 610 water supply assessments. Kennedy/Jenks will work with District staff to establish a "most likely growth" scenario that will be used for population growth projection, and to provide defensible documentation of the projected growth rate as it is assumed that growth rate project data is not available from governmental agencies as recommended within the DWR Guidebook that coincides with the District's service area boundary.

Task 3 Deliverables:

- None, information developed under this task will be included in the Task 4 memo and a Task 8 UWMP section.

Assistance from the District:

- Provide historical and current demographic data
- Provide data to support defensible growth rate calculation (e.g. historical number of connections subtracting any annexed water system areas)

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Task 4: Demand Analysis and Demand Projections

The District must be compliant with the provisions of SBX7-7 passed in November 2009, with the goal of reducing California's urban per capita water use by 20% by 31 December 2020, and with an incremental goal of reducing per capita water use by 10% by 31 December 2015. SBX7-7 requires that the District develop an urban water use target and an interim urban water use target in accordance with specified requirements. The District has elected to evaluate Compliance Method 3 included in the DWR Guidebook for selecting urban water use targets for the 2010 UWMP. Compliance Method 3 established the urban water use target at 95 percent of the applicable state hydrologic region target as identified in the 2020 Conservation Plan, or 165 gallons per capita per day (GPCD).

District staff has established draft demand projections for the District's Treated Water System Optimization Plan (TWSOP) and District staff has begun calculating baseline water use for the 2010 UWMP. Kennedy/Jenks will review this data, as well as available meter data, and work with District staff to develop appropriate demand analysis and projections for current and projected economic conditions to be included in the 2010 UWMP.

Kennedy/Jenks will finalize demand projections for a 25-year timeframe (2010 through 2035). A summary memorandum will be prepared describing current and projected water demands and will be provided to the District for review and use during a District PAC meeting. Based on the District's comments; Kennedy/Jenks will include the revised document as a section in the 2010 UWMP.

Task 4 Deliverables:

- Memo summarizing demand analysis and projections— electronic copy submitted via email.

Assistance from the District:

- Review memo summarizing demand analysis and projections.
- Present memo summarizing demand analysis and projections to the PAC.
- Consolidate District staff and PAC comments and submit to Kennedy/Jenks

Task 5: Water Supply Analysis

Kennedy/Jenks will confirm existing water supplies and contract, and identify constraints on these supplies. The amount of future groundwater, surface water, and recycled water supplies will be estimated in conjunction with District staff based on existing information and studies.

As part of this task, Kennedy/Jenks will also conduct a water supply analysis, comparing estimated District supplies and demands over the projected 25-year period assuming normal year, single dry year and multiple dry year scenarios. Kennedy Jenks will be sensitive to the District's long term water supply strategy and work closely with District staff to realistically

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present the District's vision of water supply. The results of the water supply analysis will be summarized for inclusion in the 2010 UWMP.

Task 5 Deliverables:

- None, information developed under this task will be included in a UWMP section under Task 8.

Assistance from the District:

- Provide most current water supply documents and information.

Task 6: Demand Management Measures

A summary of DMM's that have been implemented by the District were included in the 2005 UWMP and 2009 amendment. In addition, as part of the IRWM Planning Grant application, the District prepared AB 1420 Self Certification Tables 1 and 2 and supporting documentation on DMM's that the District has not implemented because they are not locally cost effective. District staff will update and summarize the DMM information into a 2010 UWMP section.

Kennedy/Jenks will use its experience with DMM's to provide a realistic review of the District's DMM's section and AB 1420 Self Certification. In addition, Kennedy/Jenks will help the District tie the DMM's into the SBx7-7 reduction targets prepared in Task 4 and help the District identify means and methods to achieve the reduction targets.

Task 6 Deliverables:

- Summary of review comments on District's draft DMM Section – electronic via email

Assistance from the District:

- Update AB 1420 Self Certification (if required)
- Prepare DMM section for 2010 UWMP report and incorporate Kennedy/Jenks comments

Task 7: Water Shortage Contingency Plan

In order to be compliant with Section 10632 of the Water Code, the 2010 UWMP will include an urban water shortage contingency analysis. We will use the District's 2005 UWMP, 2009 amendment, and 2009 Water Supply Assessment and discussions with District staff as the basis for the Water Shortage Contingency Plan section. This section will be updated and included in the 2010 UWMP:

Task 7 Deliverables:

- None, information developed under this task will be included in a UWMP section under Task 8.

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Assistance from the District:

- Provide appropriate District staff for discussions on any updates to the Water Shortage Contingency Plan.

Task 8: Plan Preparation and Submittal

Task 8 consists of the compilation of work completed in Tasks 1 through 7 into a 2010 UWMP. Kennedy/Jenks will prepare the text, tables and graphs and it is assumed that the District will provide any necessary figures. A Draft UWMP will be provided to the District for review. Kennedy/Jenks will incorporate the District's consolidated staff and PAC comments into the Final UWMP and submit it to the District for the public hearing and District's Board adoption. Kennedy/Jenks will coordinate with the District for adoption of the plan by the District Board no later than 1 July 2011. Public comments received will be summarized in an appendix to the 2010 UWMP if needed following the Board adoption of the plan and provided to the District. In addition a copy of the adoption resolution shall be included in the 2010 UWMP submitted to DWR.

It is assumed that the District will submit the final plan to DWR by 1 August 2011 and provide coordination with DWR following the submittal of the 2010 UWMP. It is also assumed that the District will submit the finalized 2010 UWMP to cities within the District's boundaries, Tuolumne County, and the California State Library within 30 days of submittal to DWR as required by the Act.

Task 8 Deliverables:

- Draft UWMP (15 copies and one electronic copy) for District and PAC review
- Final UWMP (25 copies and one electronic copy) for the public viewing, public hearing and District Board adoption and submission to DWR
- Final UWMP with public comment appendix and Board Resolution (15 copies and one electronic copy) for submission to DWR and other agencies as summarized above.

Assistance from the District:

- Develop and submit figures for draft and final 2010 UWMP
- Review and provide consolidated comments from District staff and PAC on Draft UWMP
- Submit the Final UWMP to DWR by 1 August 2011 and provide any follow up DWR coordination
- Submit the Final UWMP to each city within the District's boundary, Tuolumne County, and the California State Library within 30 days of submittal to DWR

Task 9: Public Outreach

Both the Act and SBX7-7 require public outreach, which can be met by presenting a summary of the UWMP during a public hearing at a regularly schedule District Board Meeting. However, the

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District also intends to develop a PAC, which will review materials at the request of District staff and make recommendations back to the District staff in a timely manner. It is our assumption that Kennedy/Jenks will not be required to attend the Board Meetings nor the PAC meetings and that District staff will present information and consolidate any comments received into one document submitted back to Kennedy/Jenks.

As part of this task, Kennedy Jenks will prepare a draft PowerPoint slide show presentation for the District Board Meeting/public hearing presentation and submitted it to District staff for review. Kennedy/Jenks will help finalize the presentation based on District comments and submit the final presentation to District staff. The presentation will highlight the major points of the UWMP and how the new UWMP Act requirements will affect the District.

Kennedy/Jenks Consultants will also assist the District in preparation of summary documents for up to two (2) PAC meetings as requested (we have assumed a maximum of 2 hours of staff engineer and project manager time will be required for preparation of each meeting), and incorporate PAC comments that have been reviewed and consolidated by TUD staff.

It is also assumed that the District will arrange and pay for all required public notifications, provide Kennedy/Jenks with any information related to comments received or coordination with other agencies, groups or organizations for inclusion in the 2010 UWMP, and hold the required public hearing and submit public hearing comments to Kennedy/Jenks.

Task 9 Deliverables:

- Draft and final public presentation for the public hearing and Board Meeting – electronic copies of each via email or FTP site if files are too large
- PAC meeting materials such as handouts for up to two meetings – electronic copies via email or FTP site if files are too large

Assistance from the District:

- Provide the required 60 day notice of plan preparation prior to the public hearing
- Provide Kennedy/Jenks with any information related to comments received or coordination with other agencies, groups and/or organizations for inclusion in the 2010 UWMP
- Provide guidance and assistance on preparation of document for PAC meetings
- Run PAC meetings
- Review and consolidate PAC comments for submittal to Kennedy/Jenks
- Review and provide comments on the draft Board Meeting presentation
- Distribute the Final UWMP for public review
- Advertise the required public hearing and availability of the UWMP for public review pursuant to Government Code 6066
- Hold the public hearing
- Conduct UWMP public presentation for the public hearing at the Board Meeting

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- Provide Kennedy/Jenks with public review comments received during the public hearing and Board resolution for adoption
- Make a copy of the Final 2010 UWMP available for public review during normal business hours within 30 days of submittal to DWR

Project Team

Our proposed project team includes Tracie Mueller as Project Manager. Tracie is currently working with the District on the TWSOP and therefore has an in-depth understanding of the District's water system and relationship with District staff. Tracie will be supported by project engineer Sean Maguire, and staff engineers Mike Downey, Araceli Cazarez and Amber Kirk who are all experienced in development of 2010 UWMPs. As described above in the Scope of Work, Bob Young and Mary Lou Cotton will provide QA/QC of the project documents, both of whom have extensive knowledge in the development of UWMPs and current applicable regulations.

Project Schedule

We anticipate receiving a Notice to Proceed from the District no later than Wednesday, 13 April 2011 so that we can immediately begin working with you to complete the scope of work described above. As shown on the enclosed Proposed TUD 2010 UWMP Project Schedule, time is of the essence to get the necessary work completed and the UWMP adopted by the TUD Board before 1 July 2011.

As described in the Scope of Work above, we will conduct bi-weekly conference calls to keep the flow of information and decision making between Kennedy/Jenks and District staff moving forward in a timely manner. This will enable us to complete and submit the required documents to DWR before the deadline. It is essential that the District understand that all data request must be fulfilled within the requested timeframe to meet the ultimate goal of submitting a comprehensive 2010 UWMP that meets the applicable regulatory requirements on time and within budget.

Basis of Compensation

We propose that compensation for our services be on a time and expense reimbursement basis in accordance with our attached Schedule of Charges dated 1 January 2011. Payments shall be made monthly based on invoices, which describe services and list actual costs and expenses.

Based on our estimate of services required, we propose a not to exceed budget of \$49,000, which will not be exceeded without authorization. We will notify you prior to beginning any additional scope of work items to negotiate a revised scope and prepare an appropriate budget amendment. As we have discussed, if District staff are able to complete more of the work outlined in our scope of work, this will reduce our cost of our services.

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Terms and Conditions

This proposal is based on current projections of staff availability and costs and, therefore, is valid for 90 days following the date of this letter. However, please note that if the Notice to Proceed is provided after the anticipated date of 13 April 2011, the District will need to negotiate a revised schedule and Kennedy/Jenks will not be able to complete the 2010 UWMP in time for Board adoption by 1 July 2011 as required by the Act.

If this proposal meets with your approval, please prepare an agreement authorizing us to proceed on this project. Thank you for considering us for this work. We look forward to working with you and your District staff

Very truly yours,

KENNEDY/JENKS CONSULTANTS, INC.

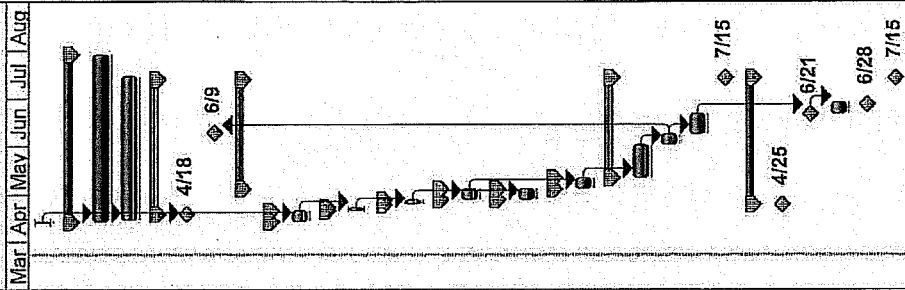


Tim Williams
Principal

Enclosures (Schedule, Proposal Fee Estimate and 2011 Rate Schedule)

Proposed TUD 2010 Urban Water Management Plan Project Schedule

| ID | Task Name | Duration | Start | Finish | Predecessors |
|----|---|----------|-------------|-------------|--------------|
| 1 | Notice to Proceed | 1 day | Wed 4/13/11 | Wed 4/13/11 | |
| 2 | Task 1-Project Management and QA/QC | 77 days | Thu 4/14/11 | Fri 7/29/11 | |
| 3 | Project Management | 77 days | Thu 4/14/11 | Fri 7/29/11 | 1FS-1 day |
| 4 | QA/QC and C&CR | 66 days | Fri 4/15/11 | Fri 7/15/11 | 1 |
| 5 | Meetings | 62 days | Mon 4/18/11 | Wed 7/13/11 | 1FS+3 days |
| 6 | Kick-off Meeting | 0 days | Mon 4/18/11 | Mon 4/18/11 | 29FS+1 day |
| 7 | Draft Review Meeting | 0 days | Thu 6/9/11 | Thu 6/9/11 | |
| 8 | Bi-Weekly Calls | 50 days | Wed 5/4/11 | Wed 7/13/11 | |
| 15 | Task 2-Data Collection and Review | 5 days | Thu 4/14/11 | Wed 4/20/11 | |
| 16 | Data Collection and Review | 5 days | Thu 4/14/11 | Wed 4/20/11 | 1 |
| 17 | Task 3-Service Area Information and Population Projections | 2 days | Thu 4/21/11 | Fri 4/22/11 | |
| 18 | Service Area Information and Population Projections | 2 days | Thu 4/21/11 | Fri 4/22/11 | 16 |
| 19 | Task 4--Demand Analysis and Demand Projections | 3 days | Mon 4/25/11 | Wed 4/27/11 | |
| 20 | Demand Analysis and Demand Projections | 3 days | Mon 4/25/11 | Wed 4/27/11 | 18 |
| 21 | Task 5-Water Supply Analysis | 5 days | Thu 4/28/11 | Wed 5/4/11 | |
| 22 | Water Supply Analysis | 5 days | Thu 4/28/11 | Wed 5/4/11 | 20 |
| 23 | Task 6-Demand Management Measures | 5 days | Thu 4/28/11 | Wed 5/4/11 | |
| 24 | Review of DMM Section and Relate to SBX7-7 | 5 days | Thu 4/28/11 | Wed 5/4/11 | 20 |
| 25 | Task 7-Water Shortage Contingency Plan | 5 days | Thu 5/5/11 | Wed 5/11/11 | |
| 26 | Water Shortage Contingency Plan | 5 days | Thu 5/5/11 | Wed 5/11/11 | 22 |
| 27 | Task 8-Plan Preparation and Submittal | 46 days | Thu 5/12/11 | Fri 7/15/11 | |
| 28 | Draft UWMP | 15 days | Thu 5/12/11 | Wed 6/1/11 | 26 |
| 29 | District and PAC Review and Comment | 5 days | Thu 6/2/11 | Wed 6/8/11 | 28 |
| 30 | Final UWMP | 9 days | Thu 6/9/11 | Tue 6/21/11 | 29 |
| 31 | Submit UWMP to DWR | 0 days | Fri 7/15/11 | Fri 7/15/11 | |
| 32 | Task 9-Plan Adoption and Public Review | 59 days | Mon 4/25/11 | Fri 7/15/11 | |
| 33 | 60 Calendar Day Notice for Plan Adoption | 0 days | Mon 4/25/11 | Mon 4/25/11 | |
| 34 | Final UWMP for Public Review | 0 days | Tue 6/21/11 | Tue 6/21/11 | 30 |
| 35 | Plan Available for Public Review | 5 days | Wed 6/22/11 | Tue 6/28/11 | 34 |
| 36 | Public Hearing and Board Adoption of UWMP at 28 June 2011 Board Meeting | 0 days | Tue 6/28/11 | Tue 6/28/11 | |
| 37 | Submit Final Adopted UWMP to DWR | 0 days | Fri 7/15/11 | Fri 7/15/11 | |



Project: Schedule.
Date: Wed 3/23/11

Task: Milestone: External Tasks:
 Split: Summary: External Milestone:
 Progress: Project Summary: Deadline:

Proposal Fee Estimate

Kennedy/Jenks Consultants

CLIENT Name: Tuolumne Utilities District
 PROJECT Description: 2010 Urban Water Management Plan
 Proposal/Job Number: B11041 Date: 3/24/2011

| January 1, 2011 Rates | Eng-Sr-9 RY | Eng-Sr-8 MLC | Eng-Sr-5 TRM & SAM | Eng-Sr-3 MAD & AAC | Eng-Sr-2 AMK | CAD | Project Admin. | Admin. Assist. | Total Hours | KJ | | Total Expenses | Total Labor + Expenses |
|--|----------------|-----------------|-----------------------|-----------------------|-----------------|-------|----------------|----------------|----------------|------|----------|-------------------|---------------------------|
| | | | | | | | | | | Fees | ODCs | | |
| Classification: | \$235 | \$230 | \$175 | \$140 | \$125 | \$100 | \$90 | \$75 | | | | | |
| Hourly Rates: | | | | | | | | | | | | | |
| Task 1-Project Management and QA/QC | | | | | | | | | | | | | |
| 1.1- Project Management | | | 10 | 2 | | | | 2 | 14 | | \$2,180 | \$0 | \$2,180 |
| 1.2- QA/QC and C&CR | 8 | 8 | 10 | 2 | 1 | | | | 29 | | \$5,875 | \$0 | \$5,875 |
| 1.3- Meetings (Kick-Off Meeting, Review Meeting and 6 Status Calls) | | | 38 | | | | | | 38 | | \$6,650 | \$200 | \$6,850 |
| Task 1 - Subtotal | 6 | 8 | 58 | 4 | 1 | 0 | 0 | 2 | 61 | | \$14,705 | \$200 | \$14,905 |
| Task 2-Data Collection and Review | | | | | | | | | | | | | |
| Data Collection and Review | 0 | 0 | 6 | 8 | 6 | | | | 20 | | \$2,920 | \$0 | \$2,920 |
| Task 3-Service Area Information and Population Projections | | | | | | | | | | | | | |
| Service Area Information and Population Projections | | | 4 | 12 | | | | | 16 | | \$2,380 | \$0 | \$2,380 |
| Task 3 - Subtotal | 0 | 0 | 4 | 12 | 0 | 0 | 0 | 0 | 16 | | \$2,380 | \$0 | \$2,380 |
| Task 4-Demand Analysis and Demand Projections | | | | | | | | | | | | | |
| Demand Analysis and Projections | | | 10 | 16 | 2 | | 2 | | 30 | | \$4,420 | \$0 | \$4,420 |
| Task 4 - Subtotal | 0 | 0 | 10 | 16 | 2 | 0 | 2 | 0 | 30 | | \$4,420 | \$0 | \$4,420 |
| Task 5-Water Supply Analysis | | | | | | | | | | | | | |
| Water Supply Analysis | | | 12 | 16 | | | | | 28 | | \$4,340 | \$0 | \$4,340 |
| Task 5 - Subtotal | 0 | 0 | 12 | 16 | 0 | 0 | 0 | 0 | 28 | | \$4,340 | \$0 | \$4,340 |
| Task 6-Demand Management Measures | | | | | | | | | | | | | |
| Review of DIMM Section | | 2 | 2 | 4 | | | | | 8 | | \$1,370 | \$0 | \$1,370 |
| Relate DIMMs to SBR7-7 and Identify Methods to Achieve Reduction Targets | | 2 | 2 | 8 | | | | | 12 | | \$1,930 | \$0 | \$1,930 |
| Task 6 - Subtotal | 0 | 4 | 4 | 12 | 0 | 0 | 0 | 0 | 20 | | \$3,300 | \$0 | \$3,300 |
| Task 7-Water Shortage Contingency Plan | | | | | | | | | | | | | |
| Water Shortage Contingency Plan | | | 8 | 8 | | | | | 16 | | \$2,520 | \$0 | \$2,520 |
| Task 7 - Subtotal | 0 | 0 | 8 | 8 | 0 | 0 | 0 | 0 | 16 | | \$2,520 | \$0 | \$2,520 |
| Task 8-Plan Preparation and Submittal | | | | | | | | | | | | | |
| Plan Preparation and Submittal | 0 | 0 | 20 | 20 | 12 | | 24 | | 76 | | \$9,980 | \$1,055 | \$11,035 |
| Task 8 - Subtotal | 0 | 0 | 20 | 20 | 12 | 0 | 24 | 0 | 76 | | \$9,980 | \$1,055 | \$11,035 |
| Task 9-Public Outreach | | | | | | | | | | | | | |
| Public Outreach | | | 8 | 8 | 4 | | 2 | | 22 | | \$3,200 | \$0 | \$3,200 |
| Task 9 - Subtotal | 0 | 0 | 8 | 8 | 4 | 0 | 2 | 0 | 22 | | \$3,200 | \$0 | \$3,200 |
| Not to Exceed ALL Tasks Total | 8 | 12 | 130 | 104 | 26 | 0 | 28 | 2 | 309 | | \$47,745 | \$1,255 | \$49,000 |

Client/Address: Tuolumne Utilities District
18885 Nugget Blvd
P.O. Box 3728
Sonora, CA 95370

Kennedy/Jenks Consultants

Contract/Proposal Date: 25 March 2011

Schedule of Charges

January 1, 2011

Personnel Compensation

| Classification | Hourly Rate |
|---------------------------------------|-------------|
| CAD-Technician | \$100 |
| Designer-Senior Technician..... | \$130 |
| Engineer-Scientist-Specialist 2 | \$125 |
| Engineer-Scientist-Specialist 3 | \$145 |
| Engineer-Scientist-Specialist 4 | \$160 |
| Engineer-Scientist-Specialist 5 | \$175 |
| Engineer-Scientist-Specialist 6 | \$195 |
| Engineer-Scientist-Specialist 7 | \$220 |
| Engineer-Scientist-Specialist 8 | \$230 |
| Engineer-Scientist-Specialist 9 | \$235 |
| Project Administrator | \$90 |
| Administrative Assistant | \$75 |
| Aide..... | \$60 |

In addition to the above Hourly Rates, a three percent Communications Surcharge will be added to Personnel Compensation for normal and incidental copies, communications and postage.

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus ten percent for items such as:

- Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- Consultants, soils engineers, surveyors, contractors, and other outside services.
- Rented vehicles, local public transportation and taxis, travel and subsistence.
- Project specific telecommunications and delivery charges.
- Special fees, insurance, permits, and licenses applicable to the work.
- Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

Reimbursement for use of computerized drafting systems (CAD), geographical information systems (GIS), and other specialized software and hardware will be at the rate of \$12 per hour.

Rates for professional staff for legal proceedings or as expert witnesses will be at rates one and one-half times the Hourly Rates specified above.

Excise and gross receipts taxes, if any, will be added as a direct expense.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2011 through December 31, 2011. After December 31, 2011, invoices will reflect the Schedule of Charges currently in effect.