

AMENDMENT NO. 1

This Amendment is to the Professional Services Agreement dated 03/18/08 between Antelope Valley State Water Contractors Association, ("Association") and Kennedy/Jenks Consultants ("Consultant") for assistance with the interim governance structure for the Antelope Valley Integrated Regional Water Management Plan.

SCOPE OF SERVICES

This scope of services is for consultant support by Kennedy/Jenks Consultants to advise and assist the Leadership Team regarding Antelope Valley IRWMP implementation activities.

INTRODUCTION AND GENERAL CONDITIONS

The Regional Water Management Group (RWMG) in cooperation with all those interested parties that comprise the Stakeholder Group selected seven individuals to lead collaborative efforts to implement the Integrated Regional Water Management Plan (IRWMP). These seven individuals, as named by the Stakeholder Group and hereinafter referred to as the "Leadership Team," have been given authority by the RWMG and Stakeholder Group to undertake nine (9) Draft Priority Objectives to be accomplished within two years, listed as follows:

1. Provide leadership to implement the IRWMP and conduct regular open stakeholder meetings and provide quarterly updates
2. Accomplish water recycling program at some level
3. Assume authoritative liaison with the Department of Water Resources and potential contracts with the State that may be conditions of receiving Proposition 50 Round 2 or other state-sponsored grants
4. Complete 3 high priority projects as identified in the adopted IRWMP
5. Seek additional funding opportunities
6. Establish enforceable water conservation policies
7. Identify promising sites for groundwater recharge
8. Provide assistance to local agencies to implement projects that provide regional benefit (technical, financial, advisory, legal, grant writing, oversight assistance)
9. Gather and manage performance information for the IRWMP (gather information to protect water quality)

Sixteen specific activities were developed by the RWMG / Stakeholder Group to provide broad guidance to the Leadership Team to achieve the above listed priority objectives. Several of these activities can be successfully undertaken by the Leadership Team; however, other activities may require the assistance of independent consultants or contractors. The RWMG / Stakeholder Group accepted the offer of the Antelope Valley State Water Contractors Association (AVSWCA), a legal Joint Powers Authority that acts broadly to the benefit of the full Antelope Valley constituency, to act as the legal contracting authority on behalf of the RWMG / Stakeholder Group. The assistance needed of independent consultants or contractors will be identified by the Leadership Team and delegated to the AVSWCA to enter into a legal contract for the needed services.

This Scope of Services documents to the AVSWCA the immediate and current needs for consultant assistance that have been identified by the Leadership Team. Specific work products are not immediately known for many of the broad tasks listed below. Therefore, the Leadership Team proposes to work closely with the consultants toward accomplishment of each activity by defining specific tasks as the respective activity work plans are more fully developed. For example, one activity calls for the Leadership Team to provide quarterly progress reports and updates to the IRWMP, but at this time there are no updates immediately known to be required. The Leadership Team anticipates the expertise of the consultants will, from time to time, be necessary to fulfill the objectives established by the RWMG / Stakeholder Group. Therefore, work under this Scope of Services will be performed on a time and material basis and only when directed by the majority decision/direction of the Leadership Team.

PRIOR CONTRACTS CLOSED

With the acceptance of the contract which covers this scope of service, all prior contracts entered by Kennedy/Jenks Consultants to perform work in support of the Antelope Valley Integrated Regional Water Management Group are completed. No further task orders are to be issued/accepted or invoices paid under said prior contracts.

PAYMENT OF INVOICES

Invoices for work performed will be submitted to the Leadership Team for confirmation of work performed and product delivered. With the approval of the Leadership Team, the invoice(s) will then be forwarded to AVSWCA for payment. Initially, invoices will be submitted to the Leadership Team, Attention: Gretchen Gutierrez care of the Antelope Valley Building Industry Association. In her capacity as "Primary Contact for the Leadership Team," Ms. Gutierrez will coordinate with the full Leadership Team to give approval to pay invoices that may be received. Each work effort performed under this Scope of Services will be documented as approved, in advance, by the designated Leadership Team Contract Manager. Only pre-approved and documented work will be eligible for payment.

TASKS TO BE PERFORMED

The following list of activities broadly defines those areas covered by this scope of work.

1. Provide quarterly written progress reports to the RWMG / Stakeholder Group, the general public, and appropriate State of California officials, and update the IRWMP as may be required from time to time to achieve strong and continuing State Department of Water Resources support for the Antelope Valley plan.
2. Initiate actions with the RWMG / Stakeholder Group to identify, select, and apply for appropriate funding opportunities. This task is well suited to the expertise demonstrated by Kennedy/Jenks Consultants.
3. Gather, compile and manage data as defined in the IRWMP and any grant related contracts received to implement the IRWMP. This activity includes the development and implementation of performance measures to keep the

Leadership Team and the RWMG / Stakeholder Group focused on timely accomplishment of goals and objectives for water self-sufficiency. Kennedy/Jenks Consultants has developed programs for other regional groups to accomplish this task.

4. Identify and provide needed expertise when appropriate. The Leadership Team anticipates that as the IRWMP is implemented and regional objectives are pursued, currently unknown expertise will be needed. The Leadership Team may ask Kennedy/Jenks Consultants to work with other consultants to satisfy this requirement as needed.
5. Prepare an annual budget and present to the RWMG / Stakeholder Group for approval. The Leadership Team has determined that Kennedy/Jenks Consultants can provide valuable insight toward setting and/or reviewing the first annual budget for RWMG / Stakeholder Group interests.
6. Provide facilitation for the implementation process; assist the Leadership Team in identifying, discussing, and planning for each step toward implementation of the IRWMP. Kennedy/Jenks Consultants has experience in developing implementation plans for other regions. The Leadership Team requires the assistance of consultants to establish our implementation plan. The Leadership Team expects that through this assistance missteps will be avoided as we take advantage of lessons learned by the consultants when working for other regions.
7. Initiate discussions among the Leadership Team members related to long-term governance preferences suitable for presentation and debate by the RWMG / Stakeholder Group. This activity is a long-term task but one that will require much discussion and debate before a proposal can be delivered to the RWMG / Stakeholder Group or to the general public as may be appropriate. Initially, Kennedy/Jenks Consultants will be asked to collaborate with Kirby Consulting Group, Inc. (retained through a separate scope of work) to prepare a work plan to identify issues of consideration, research that must be conducted, and the procedures to put in place various possible governance forms.
8. Provide, from time to time, assistance as spokesperson or advocate representing the RWMG / Stakeholder Group when, in the judgment of the Leadership Team, an independent voice will better serve the implementation of the IRWMP. Depending upon the purpose and objectives of such meetings that may be scheduled, Kennedy/Jenks Consultants may be required to assist in delivering the message and purpose of the IRWMP.

The Leadership Team currently expects to be able to successfully undertake and complete the remaining activities that were included in the October 16, 2007 draft document that described "Governance Recommendations." However, as details of each activity are better understood, the Leadership Team reserves the right under this Scope of Services to add or subtract certain tasks to be performed by the consultant.

METHOD OF PAYMENT: TIME AND MATERIALS

Work under this Scope of Services will be performed on a time and materials basis according to the below listed rates for calendar year 2008. This Scope of Services will be reviewed for adequacy after six months of its inclusion in a contract and annually thereafter. With the concurrence of the Leadership Team and on the written request of the consultant(s), the rates identified below for work performed in calendar year 2008 may be modified each January beginning in 2009 to reflect current rates of the participating consultants.

2008 Rates for Kennedy/Jenks Consultants

2008 Rate Schedule attached.

Except as modified by the foregoing, the parties' Professional Services Agreement dated 03/18/08 remains in full force and effect.

The parties hereto have caused this Agreement to be duly executed by its authorized officers.

AV STATE WATER CONTRACTORS ASSOCIATION

KENNEDY/JENKS CONSULTANTS

By _____
Its: Interim General Manager

By _____
Its: _____

Date _____

Date _____

Client/Address:

Contract/Proposal Date:

Schedule of Charges

January 1, 2008

Personnel Compensation

Classification	Hourly Rate
CAD-Technician	\$95
Designer-Senior Technician	\$120
Engineer-Scientist-Specialist 1	\$110
Engineer-Scientist-Specialist 2	\$115
Engineer-Scientist-Specialist 3	\$130
Engineer-Scientist-Specialist 4	\$145
Engineer-Scientist-Specialist 5	\$160
Engineer-Scientist-Specialist 6	\$180
Engineer-Scientist-Specialist 7	\$200
Engineer-Scientist-Specialist 8	\$220
Engineer-Scientist-Specialist 9	\$225
Project Administrator	\$85
Administrative Assistant	\$70
Aide.....	\$55

In addition to the above Hourly Rates, a three percent Communications Charge 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:

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

Reimbursement for vehicles used in connection with the work will be at the rate of 50 cents per mile 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.

Other in-house charges for prints and reproductions, equipment usage, laboratory analyses, etc. will be at standard company rates.

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, 2008 through December 31, 2008. After December 31, 2008, invoices will reflect the Schedule of Charges currently in effect.