



Thursday, May 29, 2025

Mr. Mike Futrell
City of Riverside, Regional Water Quality Control Plant
5950 Acorn Street
Riverside, CA 92504

VIA E-MAIL – mfutrell@riversideca.gov

Subject: Change Order No. 3 to Consulting Services Agreement, dated September 18, 2020 (“CSA”) by and between Southern California Gas Company (“Utility”) and City of Riverside, Regional Water Quality Control Plant, a Government Entity Non-Profit 501 (C) (“Interconnector”)

Dear Mr. Futrell:

On May 8, 2025, Interconnector requested that Utility prepare for the parties’ execution an Exhibit A3 to the CSA, Detailed Engineering Study with Long Lead Material Procurement (“Exhibit A3”). Interconnector made this request because it desires Utility to procure long-lead materials as part of the scope of work. Since Utility was in the process of completing the scope of work outlined in Exhibit A2 to the CSA, Detailed Engineering Study, executed September 18, 2020 (“Exhibit A2”), and in accordance with Section 2.3 of the CSA, the parties must enter into a Change Order (as defined in the CSA).

In accordance with and subject to the requirements of the CSA, this letter, and the attached enclosed Change Order, Interconnector and Utility shall enter into Exhibit A3, which will, as of the effective date of Exhibit A3, incorporate and replace Exhibit A2. Since there are not sufficient funds collected from the work Utility is performing under Exhibit A2, Utility will issue a revised remittance slip for an additional \$1,200,000 in estimated costs for long-lead materials procurement, and Interconnector will be required to make payment in accordance with the requirements of the revised remittance slip and the CSA.

Please call me at 213-214-9419 with your comments or questions.

Very Truly Yours,

Eric Kroh
Project Manager, Energy Markets

FORM OF CHANGE ORDER

PROJECT NAME: RWQCP Biogas Project

INTERCONNECTOR: City of Riverside, Regional Water Quality Control Plant

UTILITY: Southern California Gas Company

CHANGE ORDER NUMBER: 3

CHANGE ORDER DATE: As of the latest signature date in the signature block of this Change Order

This Change Order is issued and entered into pursuant to that certain Consulting Services Agreement, dated September 18, 2020, ("CSA"), between Utility and Client. Upon the execution of this Change Order by the parties hereto and subsequent full remittance of the payment hereunder by Client to Utility, this Change Order will change the estimated payment for and the time to complete the scope of Services to be performed by Utility.

CSA dated September 18, 2020 Section 1-Consulting Services, 1.2 Scope of Services, and the Exhibit A2- Detailed Engineering Study check box, will be replaced with a mark of the check box associated with the Exhibit A3- Detailed Engineering Study and Long Lead Material Procurement.

Exhibit A2 Detailed Engineering Study executed on September 18, 2020, is incorporated into and replaced by Exhibit A3 Detailed Engineering Study (DES) with Long Lead Material Procurement. SoCalGas estimates that procurement of long lead materials at two hundred fifty (250) business days and will issue long lead materials purchase orders after receipt of additional funding of \$1,200,000 and after development of 60% design package at Utility discretion.

Adjustment to estimated costs due to Utility by Client:

1. The original estimated cost was \$ 325,000.00
2. Net change to estimated cost by previously authorized Change Orders \$ 375,000.00
3. The estimated cost prior to this Change Order was \$ 700,000.00
4. The estimated cost will be increased by this Change Order in the amount of \$ 1,200,000.00
5. The new estimated cost including this Change Order will be..... \$ 1,900,000.00

Utility shall commence the Services set forth in this Change Order on the latest to occur of (a) the Change Order Date, (b) execution of CSA Exhibit A3, and (c) receipt of payment to Utility by Client of the adjusted estimated cost.

Upon execution of this Change Order by Utility and Client, the above-referenced change shall become a valid and binding part of the CSA (including the Exhibit A3) without exception or qualification, unless noted in this Change Order. Except as modified by this and any previously issued Change Order, all other terms and conditions of the CSA (including the Exhibit A3) shall remain in full force and effect. This Change Order is executed by each party's duly authorized representative.

City of Riverside, Regional Water Quality Control Plant

By: _____
Name: Mike Futrell
Title: City Manager
Date: _____

Southern California Gas Company

By: _____
Name: Evan Garza
Title: Senior Account Manager, Energy Markets
Date: _____

APPROVED AS TO FORM

BY: 
Deputy City Attorney

Detailed Engineering Study with Long Lead Material Procurement - Exhibit A3
Consulting Services Agreement dated **September 18, 2020**

SoCalGas will provide the Client with a report that provides a Detailed Engineering Study that includes long lead materials procurement ("DESLMP") requested by the Client for construction of necessary facilities as described below (the "Services"). SoCalGas proposes to analyze the impact on its gas transmission system of receiving **four hundred ninety two (492) or two thousand (2,000)** million Standard cubic feet per day (MMScfd) of new supply at **5950 Acorn Street, at approximately 33°57'44.89" N; 117°27'11.62" W, Riverside** California, on a **displacement** basis. SoCalGas' analysis will identify any system improvements necessary to accept this new supply under the assumption that the new supply **will be permitted to negatively impact SoCalGas' ability to receive supply from its current receipts points or storage fields.**

A cost estimate for any facility improvements, accurate to $\pm 20\%$, will be calculated. The findings and estimate will not constitute a proposal by SoCalGas. The DES will (1) describe all costs of construction, (2) develop complete engineering construction drawings, (3) prepare all construction and environmental permit applications and right-of-way acquisition requirements and (4) issue purchase orders for all long lead materials.

A report that summarizes the results of SoCalGas' analyses, identifies any facility improvements, and a list of the long lead purchase order materials, and estimates the cost of construction of those improvements, will be provided to the Client. The Client will be granted an unrestricted license to use, copy, and distribute the report; however, the report and all work product shall remain the property of SoCalGas.

The estimated cost to perform the Services is \$ **1,900,000, of which \$1,200,000 is outstanding and required to enable SoCalGas to issue long lead material purchase orders**. SoCalGas will complete the analysis within **two hundred (200)** business days after receipt of payment **from the latter date of the initial Exhibit A2 funding date which occurred on September 18, 2024 and execution of Change Order No. 2 which occurred on February 26, 2025; SoCalGas will issue long lead materials purchase orders after receipt of the \$1,200,000 outstanding funds.**

Payment in full of the estimated cost of the Services is required upon execution of a Consulting Services Agreement and Exhibit A3 to proceed with the analysis. The Client will be responsible for the actual costs of the Services; to this end, an invoice or refund will be issued to the Client at the completion of the project for any difference between the actual costs and this estimate.

Should the Client's requirements vary from this proposal, SoCalGas would like the opportunity to modify and resubmit this proposal as appropriate. If the Client has any questions, please call **Eric Kroh** at **213-214-9419**.

Detailed Engineering Study with Long Lead Material Procurement - Exhibit A3
Consulting Services Agreement dated **September 18, 2020**

Accepted and agreed to by their respective authorized representatives:

SOUTHERN CALIFORNIA GAS COMPANY	<u>City of Riverside, Regional Water Quality Control Plant</u>
By: _____	By: _____
Name: <u>Evan Garza</u>	Name: <u>Mike Futrell</u>
Title: <u>Energy Markets Sr. Account Manager</u>	Title: <u>City Manager</u>
Date: _____	Date: _____

CERTIFIED AS TO FUNDS AVAILABILITY

BY: 
ASSISTANT CHIEF FINANCIAL OFFICER

APPROVED AS TO FORM

BY: 
Deputy City Attorney