

I hereby certify that the following Agenda was posted at least 72 hours prior to the time of the Board Meeting so noticed below, at the usual agenda posting location of the South Orange County Wastewater Authority [SOCWA] and at www.socwa.com.


Betty Burnett, General Manager
SOCWA and the Board of Directors thereof

AGENDA

Regular Meeting of The South Orange County Wastewater Authority Board of Directors

Thursday, October 5, 2017
8:30 a.m.

THE BOARD OF DIRECTORS MEETING ROOM IS LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA. THE ROOM IS WHEELCHAIR ACCESSIBLE. IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS (I.E. ACCESS TO AN AMPLIFIED SOUND SYSTEM, ETC.), PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY'S OFFICE AT 949-234-5421 AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON WRITTEN REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY AT LEAST SEVENTY-TWO (72) HOURS PRIOR TO THE SCHEDULED MEETING.

AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY BOARD OF DIRECTORS IN CONNECTION WITH A MATTER SUBJECT TO DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE BOARD OF DIRECTORS ARE AVAILABLE FOR PUBLIC INSPECTION IN THE AUTHORITY OFFICE, 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE"). IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE BOARD OF DIRECTORS LESS THAN SEVENTY-TWO (72) HOURS PRIOR TO THE MEETING, THEY WILL BE AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE BOARD OF DIRECTORS, EXCEPT THAT, IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE BOARD OF DIRECTORS MEETING ROOM.

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ORAL COMMUNICATIONS

- A. Members of the public may address the board regarding an item on the agenda or may reserve this opportunity during the meeting at the time item is discussed by the board. There will be a three-minute limit for public comments. A "Request to be Heard" form is available at the entry table and may be submitted to the Clerk of the Board before the Presiding Officer announces the Agenda Item. Your name will be called to speak at that time.

4. CONSENT CALENDAR

A. Monthly Financial Reports

The Finance Committee recommends that the Board receive and file the Month End July 31, 2017 reports.

ACTION Staff recommends that the Board ratify the Summary of Disbursements (Item 1 below) and receive and file the subject reports (Item 2 below):

1. Summary of Disbursements in the amount of \$2,827,439.63 for the period July 1, 2017 through July 31, 2017. (Exhibit A).....	3
2. July 31, 2017 Financial Reports	
• Schedule of Funds Available for Reinvestment (Exhibit B).....	4
• Schedule of Cash and Investments (Exhibit C)	5
• Capital Projects Summary (Exhibit D)	6
a) Large Capital Projects Budget vs. Actual – Graph (Exhibit D1).....	7
• Budget vs. Actual Expenses:	
a) O&M vs. Actual Comparison by PC (Exhibit E1)	8
b) Budget vs. Actual Comparison - Residual Engineering (Exhibit E2).....	16
c) Budget vs. Actual Comparison - Administration (Exhibit E3)	17
d) Budget vs. Actual Comparison - Information Technology (Exhibit E4).....	18

B. Operational Reports

ACTION The Board will be requested to receive and file subject reports.

1) August 2017 Operations Report	21
2) Ocean Outfall Discharges by Agency	28
3) Beach/Ocean Monitoring Report.....	30
4) Recycled Water Report.....	51
5) Pretreatment Report.....	55

C. Capital Improvement Program

ACTION The Board will be requested to receive and file subject reports.

Status Report	59
---------------------	----

D. Project Committee No. 2

Change Order – HDR Engineering Construction Services Contract.....	75
--	----

ACTION The PC2 Board will be requested to approve Change Orders 1, 2, 3 and 4 to the construction services contract with HDR Engineering for the J. B. Latham Treatment Plant Facility Improvements Packages 'A' and 'C' Project.

E. Project Committee No. 5

Dilution Study Contract Extension Request79

ACTION The Board will be requested to extend the contract with Michael Baker International in the amount of \$17,674.

F. Project Committee No. 15

Change Order – Dudek Design and Environmental Services Contract.....80

ACTION The PC15 Board will be requested to approve Change Order 5 to the design and environmental services contract with Dudek for the Coastal Treatment Plant Export Sludge System Replacement Project.

5. FINANCIAL MATTERS

A. FY 2015-16 Audited Financial Statements Supplemental Schedules88

ACTION Staff recommends that the Board receive and file the FY Ending June 30, 2016 Supplemental Schedules as revised.

B. General Budget: Policy on Allocation of Costs131

1. Presentation by Trabuco Canyon Water District and discussion to follow.

2. SOCWA Staff Discussion

ACTION The Board will be requested to return the item to Finance Committee for further development based on discussion.

C. 2005 Capitalization Policy Update147

ACTION The Finance Committee recommends that the Board of Directors approve one correction to Exhibit “A” as referred to and adopted by SOCWA Resolution 2005-23, described as within Paragraph 6: “All Office Equipment purchased through operational budgets, with a value of \$5000 or more and a useful life of more than three years shall be considered a depreciable asset.”

D. Implementation of Additional Retiree Health Benefits Tier155

ACTION 1) The Board will be requested to approve authorization to be given to the General Manager to execute the following:

- a) Administrative Services Agreement
- b) Resolution for Adoption and Statement of Adoption

- c) VantageCare Retirement Health Savings (RHS) Adoption Agreement
- d) Declaration of Trust
- e) Retiree Welfare Benefits Plan

2) The Board will be requested to approve a budget adjustment to the FY 2017-18 SOCWA Administration Budget to add \$2500 for the funding of the ADP Services Attendant to the Tier I reimbursements.

6. ENGINEERING MATTERS

A. Award of Contract – JBL Treatment Plant Improvements Package ‘B’ [PC 2]193

ACTION The Board will be requested to approve the award of the engineering services contract to Carollo at a fee of \$1,597,876.00.

7. GENERAL MANAGER’S REPORTS

General Manager’s Status Report202

ACTION The Board will review the General Manager’s Status Report:

- Board Questions
- Receive and file

8. OTHER MATTERS

A. Open discussion or items received too late to be agendized.

Note: Determine the need to take action on the following item(s) introduced by the General Manager which arose subsequent to the agenda being posted.

[Adoption of this action requires a two-thirds vote of the Board, or if less than two-thirds are present an unanimous vote.]

9. ADJOURNMENT

THE NEXT REGULAR SOCWA BOARD MEETING WILL HELD ON
NOVEMBER 2, 2017 AT 8:30 A.M.

Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

TO: Board of Directors
FROM: Betty Burnett, General Manager
STAFF CONTACT: Mary Carey, Finance Controller
SUBJECT: Financial Matters – For Month of July 31, 2017

Summary/Discussion

The following selected financial reports are routinely provided monthly to the Board of Directors. This information was presented to the Finance Committee on September 21, 2017, including the Monthly Financial Report. The Finance Committee recommends that the Board of Directors approve Item a) Summary of Disbursements for the Month of July 2017 (Exhibit A) and Receive and File b) through e) hereinbelow:

- a) Summary of Disbursements for Month of July 2017 (Exhibit A)
- b) Schedule of Funds Available for Reinvestment (Exhibit B)
- c) Schedule of Cash and Investments (Exhibit C)
- d) Capital Project Summaries (Exhibit D)
 - Large Capital Projects Budget vs. Actual – Graph (Exhibit D-1)
- e) Budget vs. Actual Expenses:
 - O&M Budget vs. Actual Comparison by PC (Exhibit E-1)
 - Budget vs. Actual Comparison – Residual Engineering (Exhibit E-2)
 - Budget vs Actual Comparison – Administration (Exhibit E-3)
 - Budget vs. Actual Comparison – Information Technology (IT) (Exhibit E-4)

Fiscal impact

During the month of July 2017, disbursements totaled \$2,827,440 and are summarized by Project Committee in the attached Exhibit A.

The attached Exhibits B, C, D and G are informational reports only.

Recommendation

Staff requests the Board of Directors to:

- 1) Ratify the Summary of Disbursements for the period from July 01 through July 31, 2017 (attached as Exhibit A).
- 2) Receive and file the following as information items:
 - Schedule of Funds Available for Reinvestment (Exhibit B)
 - Schedule of Cash and Investments (Exhibit C)
 - Capital Project Summaries (Exhibit D)
 - Large Capital Projects Budget vs. Actual – Graph (Exhibit D-1)
 - Budget vs. Actual Expenses:
 - O&M Budget vs. Actual Comparison by PC (Exhibit E-1)
 - Budget vs. Actual Comparison – Residual Engineering (Exhibit E-2)
 - Budget vs Actual Comparison – Administration (Exhibit E-3)
 - Budget vs. Actual Comparison – Information Technology (IT) (Exhibit E-4)

Exhibit A

South Orange County Wastewater Authority
Summary of Disbursements for Month of July 2017
 Staff Recommendation of Fiscal Matters

	Actual
General Fund	(\$687,569)
PC 2 - Jay B. Latham Plant	(936,966)
PC 3 - SOCWA Plant/PCA AWT	-
PC 5 - San Juan Creek Ocean Outfall	(50,539)
PC 8 - Pretreatment Program	(8,060)
PC 12 SO - Water Reclamation Permits	(672)
PC 15 - Coastal Treatment Plant/AWT	(272,355)
PC 17 - Joint Regional Wastewater Reclamation	(822,065)
PC 21 - Effluent Transmission Main	(2,077)
PC 24 - Aliso Creek Ocean Outfall	(47,138)
Total	(\$2,827,440)

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT**

as of July 31, 2017

CASH IN BANK: (BEGINNING BAL.)	\$ 1,249,035
L.A.I.F. FUNDS: (BEGINNING BAL.)	11,699,069
DEPOSITS, TRANSFERS & ADJUSTMENTS:	623,678
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION	<u>(2,827,440)</u>
	<u><u>\$ 10,744,342</u></u>

In accordance with Government Code 53646(c), since all funds are placed in the State LAIF, staff has included in the Financial Packet, the most current statement from the State LAIF, in lieu of the report required by Government Code 53646(b)(1).

In accordance with requirements of the Government Code and the "SOCWA Investment Policy", I hereby certify that:

- 1). All investment actions executed since the last report have been made in full compliance with the Investment Policy.
- 2). SOCWA does not have sufficient funds currently on hand to meet its expenditure obligations for the next six months (see note) due to the fact that SOCWA bills and receives operational funds on a quarterly basis only.



Betty Burnett
General Manager

Note: Operational funds are collected on a quarterly basis at the beginning of the quarter. Capital funds are collected on a quarterly basis in connection with projected needs. Member agencies have pledged to have funds available to meet all obligations.

Exhibit C

South Orange County Wastewater Authority
Schedule of Cash and Investments
as of July 31, 2017

MVA	\$ 400,848	(A)
A/P Checking	\$ 784,644	(B)
Payroll Checking	\$ 408,826	(C)
State LAIF	\$ 9,150,024	(D)
Total Cash in Bank	10,744,342	
Petty Cash	1,600	(E)
Total Operating Cash	10,745,942	
OPEB Trust	4,290,924	(F)
Total Cash and Investments	\$ 15,036,865	

Notes:

- (A) Interest bearing account; all cash receipts are deposited in this account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account from the LAIF account.
- (C) Payroll including payroll taxes and related liabilities are drawn against this account; money is transferred to this account from the LAIF account.
- (D) LAIF balance.
- (E) Cash on hand with GM's office and held by Chief Operators at each Treatment facility.
- (F) OPEB Trust Fund; these funds can only be used for Retiree health benefits.

**South Orange County Wastewater Authority
Capital Projects Summaries
as of July 31, 2017**

FY 2017-18 Budget vs. Actual Spending							
Description	Capital Budget	Fiscal Year Spending	(Over)/ Under Budget	% Expended	Member Agency Billed	Member Agency Collected	Past Due Amount
PC 2-JB Latham PC 3A	3,743,470	35,235	3,708,235	0.9%	771,501		67,785 (1)
PC 5-San Juan Creek Outfall	195,510		195,510	0.0%	5,127		-
PC 15-Coastal	6,637,145	18,329	6,618,816	0.3%	619,221		649,515 (1)
PC 17-Regional	3,196,068	837,930	2,358,138	26.2%	573,061		
PC 21 Effluent Transmission	236,607	291	236,316	0.1%	82,251		
PC 24 Aliso Creek Outfall	25,001		25,001		-		-
Total Large Capital	14,033,801	891,785	13,142,016	6.4%	2,051,161	0	717,300
Non-Capital Engineering	158,952	60,276	98,676	37.9%	157,452		21,817 (1)
Small Internal Capital	1,946,997		1,946,997	0.0%	486,747		84,538 (1)
Small Internal Capital carryover from 15/16							
It Small Internal Capital							
Total Capital	16,139,750	952,061	15,187,689	5.9%	2,695,360	0	823,655

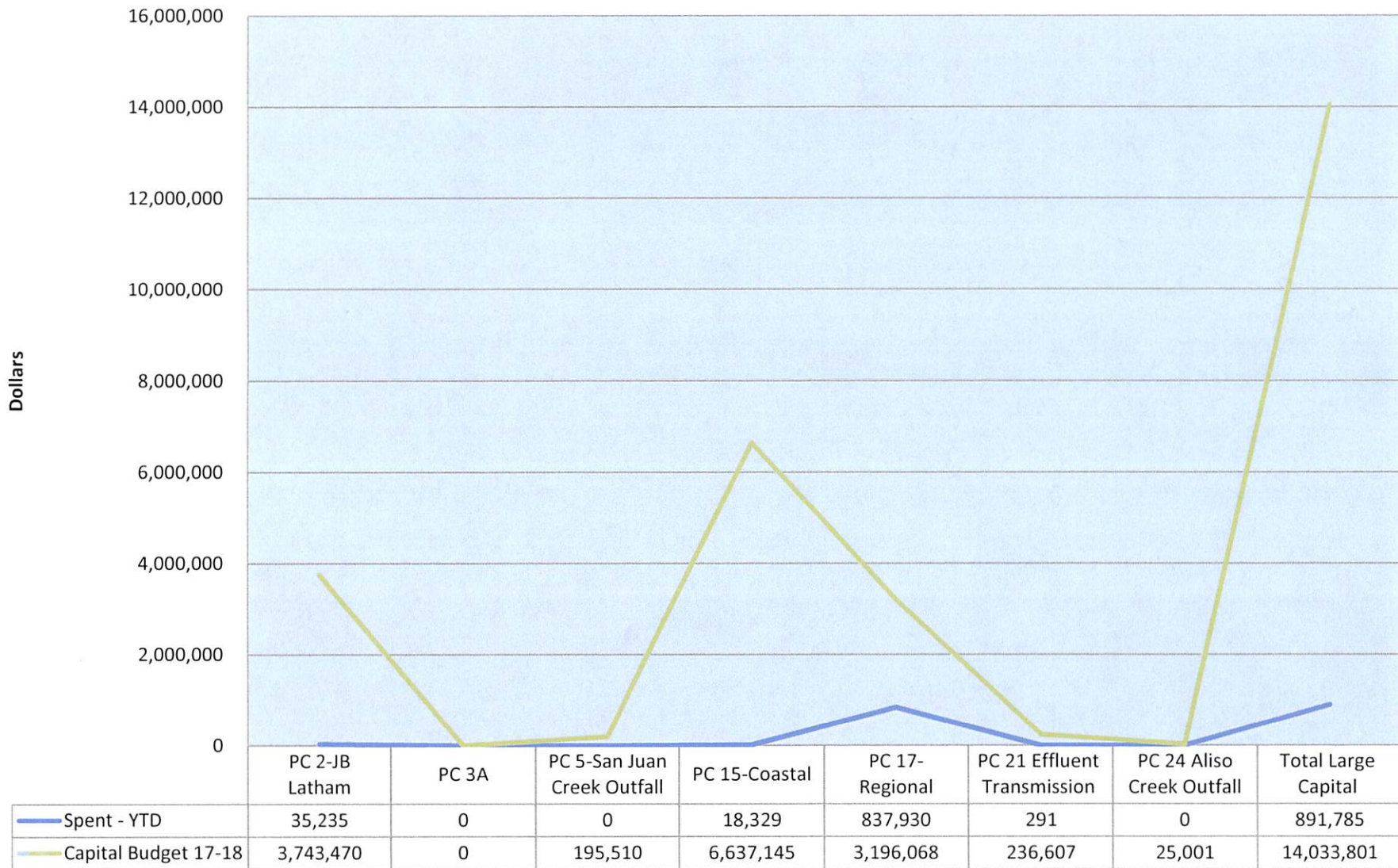
(1) **Schedule for Past Due Amounts as of July 31, 2017**

Description	Past Due Amount MNWD	Past Due Amount SCWD	Past Due Amount TOTAL	
PC 2-JB Latham	33,525	34,260	67,785	(3)
PC 15-Coastal	649,515		649,515	
Total Large Capital	683,040	34,260	717,300	
Non-Capital Engineering	21,817		21,817	(2)
Small Internal Capital	84,538		84,538	(2)
Total Capital	789,395	34,260	823,655	

(2) Balances due are for PC 15 Coastal Treatment Plant

(3) Balances due are for SOCWA/Zephyr Boundary Wall invoiced outside of the budget. Payments were received from MNWD & SCWD on August 14, 2017.

Large Capital Projects Exhibit D-1 Budget vs. Actual For the Period Ended July 31, 2017



South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe						
-5000--**-**	Regular Salaries-O&M	4,371,300	305,979	4,065,321	7.0%	
-5001--**-**	Overtime Salaries-O&M	74,992	14,724	60,268	19.6%	(1)
-5302--**-**	Performance Based Merit Pay	-	5,129	(5,129)	0.0%	(2)
-5306--**-**	Scheduled Holiday Work	39,904	3,709	36,195	9.3%	
-5307--**-**	Weekend Shift Pay	-	200	(200)	0.0%	(2)
-5401--**-**	Fringe Benefits IN to PC's & Depts.	3,243,512	227,036	3,086,301	4.8%	
-5700--**-**	Standby Pay	69,996	5,460	64,536	7.8%	
	Total Payroll Costs	7,799,704	562,235	7,307,294	6.3%	
Other Expenses						
-5002--**-**	Electricity	1,484,000	221,993	1,262,561	14.9%	(3)
-5003--**-**	Natural Gas	209,512	5,231	205,390	2.0%	
-5004--**-**	Potable & Reclaimed Water	62,008	7,702	54,306	12.4%	(4)
-5005--**-**	Co-generation Power Credit	(250,000)	-	(250,000)	0.0%	
-5006--**-**	Chlorine/Sodium Hypochlorite	478,000	50,051	427,949	10.5%	(5)
-5007--**-**	Polymer Products	709,016	55,911	653,105	7.9%	
-5008--**-**	Ferric Chloride	255,012	33,467	221,545	13.1%	(6)
-5009--**-**	Odor Control Chemicals	160,000	14,494	145,506	9.1%	
-5010--**-**	Other Chemicals - Misc.	5,000	-	5,000	0.0%	
-5011--**-**	Laboratory Services	36,500	940	35,560	2.6%	
-5012--**-**	Grit Hauling	122,008	10,138	111,870	8.3%	
-5013--**-**	Landscaping	183,004	9,029	173,975	4.9%	
-5014--**-**	Engineering - Misc.	392,508	12	392,496	0.0%	
-5015--**-**	Management Support Services	128,008	1,431	126,577	1.1%	
-5016--**-**	Audit - Environmental	500	-	500	0.0%	
-5017--**-**	Legal Fees	12,216	9,059	3,157	74.2%	
-5018--**-**	Public Notices/ Public Relations	500	-	500	0.0%	
-5019--**-**	Contract Services Misc.	287,000	56,772	230,228	19.8%	(7)
17-5020-01-00-00	Postage Expense	-	7	(7)	0.0%	
-5021--**-**	Small Vehicle Expense	20,900	3,070	17,830	14.7%	(8)
-5022--**-**	Miscellaneous Expense	18,492	1,301	17,191	7.0%	
-5023--**-**	Office Supplies - All	42,000	3,869	38,131	9.2%	
-5024--**-**	Petroleum Products	60,000	-	60,000	0.0%	
-5025--**-**	Uniforms	36,000	3,496	32,504	9.7%	
-5026--**-**	Small Vehicle Fuel	37,688	250	37,438	0.7%	
-5027--**-**	Insurance - Property/Liability	211,740	-	211,740	0.0%	
-5028--**-**	Small Tools & Supplies	77,476	8,406	69,070	10.8%	
-5030--**-**	Trash Disposal	5,000	258	4,742	5.2%	
-5031--**-**	Safety Program & Supplies	86,872	27,391	59,481	31.5%	(9)
-5032--**-**	Equipment Rental	7,004	-	7,004	0.0%	
-5033--**-**	Recruitment	1,000	330	670	33.0%	
-5034--**-**	Travel Expense/Tech. Conferences	61,012	3,503	57,509	5.7%	
-5035--**-**	Training Expense	52,564	12,150	40,414	23.1%	(10)
-5036--**-**	Laboratory Supplies	75,024	2,340	72,684	3.1%	
-5037--**-**	Office Equipment	22,496	86	22,410	0.4%	
-5038--**-**	Permits	475,500	18,904	456,596	4.0%	
-5039--**-**	Membership Dues/Fees	12,244	1,563	10,681	12.8%	(11)
-5044--**-**	Offshore Monitoring	42,008	2,212	39,796	5.3%	
-5046--**-**	Effluent Chemistry - 20C	45,996	1,680	45,996	0.0%	
-5047--**-**	Access Road Expenses	46,996	-	46,996	0.0%	
-5048--**-**	Storm Damage	19,000	-	19,000	0.0%	
-5049--**-**	Biosolids Disposal	1,541,004	107,410	1,433,594	7.0%	
-5050--**-**	Contract Services Generators - 29A	21,008	-	21,008	0.0%	
-5052--**-**	Janitorial Services	100,016	2,914	97,102	2.9%	
-5053--**-**	Contract Serv - Digester Cleaning - 29E	60,004	-	60,004	0.0%	
-5054--**-**	Diesel Truck Maint	40,000	710	39,290	1.8%	
-5055--**-**	Diesel Truck Fuel	13,996	774	13,927	0.5%	
-5056--**-**	Maintenance Equip. & Facilities (Solids)	328,004	2,539	325,492	0.8%	
-5057--**-**	Maintenance Equip. & Facilities (Liquids)	575,000	44,252	530,748	7.7%	
-5058--**-**	Maintenance Equip. & Facilities (Common)	73,008	1,862	71,146	2.6%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

Exhibit E-1

	FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended		
-5059--***	Maintenance Equip. & Facilities (Co-Gen)	500,000	9,569	490,431	1.9%	
-5060--***	Maintenance Equip. & Facilities (AWT)	70,000	2,517	67,483	3.6%	
-5061--***	Mileage	5,688	126	5,562	2.2%	
-5067--***	Port Cleaning	35,000	-	35,000	0.0%	
-5068--***	MNWD Potable Water Supplies & Svcs.	23,996	30	23,966	0.1%	
-5069--***	Misc-Capital-Dilution & Metering Study	15,004	-	15,004	0.0%	
-5077--***	IT Direct	-	-	-	0.0%	
17-5101-01-00-00	Employee Recognition	-	274	(274)	0.0%	(12)
-5105--***	Co-Generation Power Credit - Offset	250,000	-	250,000	0.0%	
02-5301-01-00-00	Vehicle Pay	-	-	(0)	0.0%	
-5303--***	Group Insurance Waiver	10,796	587	10,209	5.4%	
-5305--***	Medicare Tax Payments for Employees	11,044	542	10,502	4.9%	
-5309--***	Operating Leases	12,000	425	11,575	3.5%	
-5705--***	Monthly Car Allowance	28,196	2,278	25,918	8.1%	
-5706--***	Effluent Pond Cleaning	90,004	-	90,004	0.0%	
-6500--***	IT Allocations in to PC's & Depts.	654,684	44,622	654,684	0.0%	
	Total Other Expenses	10,190,256	788,478	9,404,531	7.7%	
	Total Expenses	17,989,960	1,350,713	16,711,825	7.1%	

- (1) Elevated overtime due to staffing vacancy's and overnight new engine startup monitoring/troubleshooting at JBL. Regular Salaries-O&M is under budget and offsets the staffing shortage overtime.
- (2) Budgeted as Regular Salaries.
- (3) JBL electricity expenses are elevated due to reduced engine power production from the new engine as efforts continue to startup/troubleshoot the facility.
- (4) Potable water usage was elevated due to construction projects at RTP requiring potable and recycled water.
- (5) Summer usage of this chemical is elevated in the summer and lower in the winter and will normalize over the Fiscal Year.
- (6) Two months of chemicals were ordered in July for several PC's.
- (7) Several quarterly bills are paid in July for several PC's.
- (8) Several vehicle repairs were delayed until the new Fiscal Year started.
- (9) The elevated costs were associated with projects identified during the quarterly safety inspections and restocking of supplies.
- (10) Elevated expense levels are associated with specialty HACHWIMS training that occurred in July.
- (11) A number of SOCWA's memberships are due July 1 of each year.
- (12) Budgeted as Admin Employee Recognition, however the actual expense follows employee home project.

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

Exhibit E-1-A

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended	
02 - Jay B. Latham Plant						
Salary and Fringe						
02-5000-01-***	Regular Salaries-O&M	1,228,504	99,722	1,128,782	8.12%	
02-5000-02-***	Regular Salaries-O&M	163,196	9,139	154,057	5.60%	
02-5001-01-***	Overtime Salaries-O&M	21,908	7,232	14,676	33.01%	(1)
02-5001-02-***	Overtime Salaries-O&M	204	57	147	27.83%	
02-5306-01-***	Scheduled Holiday Work	11,992	1,243	10,749	10.37%	
02-5306-02-***	Scheduled Holiday Work	1,804	147	1,657	8.16%	
02-5307-01-***	Weekend Shift Pay	-	80	(80)	0.00%	
02-5307-02-01-00	Weekend Shift Pay	-	7	(7)	0.00%	
02-5401-01-***	Fringe Benefits IN to PC's & Depts.	911,556	73,994	837,562	8.12%	
02-5401-02-***	Fringe Benefits IN to PC's & Depts.	121,096	6,781	114,315	5.60%	
02-5700-01-***	Standby Pay	23,328	2,048	21,281	8.78%	
	Total Payroll Costs	2,483,588	200,451	2,283,137	8.07%	
Other Expenses						
02-5002-01-***	Electricity	524,000	85,570	438,430	16.33%	(2)
02-5003-01-***	Natural Gas	65,012	3,182	61,830	4.89%	
02-5004-01-***	Potable & Reclaimed Water	15,004	1,455	13,549	9.69%	
02-5006-01-***	Chlorine/Sodium Hypochlorite	28,000	1,465	26,535	5.23%	
02-5007-01-***	Polymer Products	301,004	51,456	249,548	17.09%	(3)
02-5008-01-***	Ferric Chloride	100,004	14,256	85,748	14.26%	(4)
02-5009-01-***	Odor Control Chemicals	25,000	1,720	23,280	6.88%	
02-5010-01-***	Other Chemicals - Misc.	1,000	-	1,000	0.00%	
02-5011-02-***	Laboratory Services	10,500	30	10,470	0.29%	
02-5012-01-***	Grit Hauling	40,000	3,915	36,085	9.79%	
02-5013-01-***	Landscaping	48,000	2,757	45,243	5.74%	
02-5014-01-***	Engineering - Misc.	4,996	-	4,996	0.00%	
02-5014-02-***	Engineering - Misc.	100,004	-	100,004	0.00%	
02-5015-01-***	Management Support Services	4,996	5	4,991	0.10%	
02-5015-02-***	Management Support Services	13,000	1,426	11,574	10.97%	
02-5017-01-***	Legal Fees	1,200	3,362	(2,162)	280.17%	
02-5019-01-***	Contract Services Misc.	95,000	29,353	65,647	30.90%	(5)
02-5021-01-***	Small Vehicle Expense	8,004	1,149	6,855	14.35%	(6)
02-5022-01-***	Miscellaneous Expense	8,004	641	7,363	8.01%	
02-5023-01-***	Office Supplies - All	25,008	2,306	22,702	9.22%	
02-5024-01-***	Petroleum Products	16,004	-	16,004	0.00%	
02-5025-01-***	Uniforms	12,996	1,202	11,794	9.25%	
02-5026-01-***	Small Vehicle Fuel	15,000	113	14,887	0.75%	
02-5027-01-***	Insurance - Property/Liability	70,448	-	70,448	0.00%	
02-5028-01-***	Small Tools & Supplies	40,004	2,537	37,467	6.34%	
02-5030-01-***	Trash Disposal	1,000	95	905	9.53%	
02-5031-02-***	Safety Program & Supplies	30,396	7,802	22,594	25.67%	(7)
02-5032-01-***	Equipment Rental	3,000	-	3,000	0.00%	
02-5033-01-***	Recruitment	1,000	-	1,000	0.00%	
02-5034-01-***	Travel Expense/Tech. Conferences	13,836	704	13,132	5.09%	
02-5034-02-***	Travel Expense/Tech. Conferences	3,140	-	3,140	0.00%	
02-5035-01-***	Training Expense	15,904	7,043	8,861	44.29%	(8)
02-5035-02-***	Training Expense	1,116	-	1,116	0.00%	
02-5036-02-***	Laboratory Supplies	13,004	371	12,633	2.85%	
02-5037-01-***	Office Equipment	15,500	86	15,414	0.56%	
02-5038-02-***	Permits	22,000	16,128	5,872	73.31%	(9)
02-5039-01-***	Membership Dues/Fees	3,044	1,013	2,031	33.28%	(10)
02-5039-02-***	Membership Dues/Fees	800	-	800	0.00%	
02-5049-01-***	Biosolids Disposal	550,004	31,349	518,655	5.70%	
02-5050-01-***	Contract Services Generators - 29A	9,004	-	9,004	0.00%	
02-5052-01-***	Janitorial Services	40,004	1,319	38,685	3.30%	
02-5054-01-***	Diesel Truck Maint - 31B	20,004	-	20,004	0.00%	
02-5055-01-***	Diesel Truck Fuel	6,000	319	5,682	5.31%	
02-5056-01-***	Maintenance Equip. & Facilities (Solids)	138,000	578	137,422	0.42%	
02-5057-01-***	Maintenance Equip. & Facilities (Liquids)	240,000	6,914	233,086	2.88%	
02-5058-01-***	Maintenance Equip. & Facilities (Common)	26,000	661	25,339	2.54%	
02-5059-01-***	Maintenance Equip. & Facilities (Co-Gen)	250,000	5,505	244,495	2.20%	
02-5061-01-***	Mileage	1,000	-	1,000	0.00%	
02-5061-02-***	Mileage	492	-	492	0.00%	
02-5301-01-00-00	Vehicle Pay	-	0	(0)	0.00%	
02-5303-01-***	Group Insurance Waiver	3,604	199	3,405	5.52%	
02-5305-01-***	Medicare Tax Payments for Employees	3,812	224	3,588	5.87%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended
02-5309-01-**-**	Operating Leases	6,000	425	5,575	7.08%
02-5705-01-**-**	Monthly Car Allowance	7,196	678	6,518	9.43%
02-5705-02-00-00	Monthly Car Allowance	-	97	(97)	0.00%
02-6500-01-**-**	IT Allocations in to PC's & Depts.	184,880	12,600	172,280	6.82%
02-6500-02-**-**	IT Allocations in to PC's & Depts.	24,040	1,638	22,402	6.81%
	Total Other Expenses	3,205,968	303,649	2,902,319	10.03%

02 - Jay B. Latham Plant Total Expenses

5,689,556	504,100	5,185,456	8.86%
------------------	----------------	------------------	--------------

05 - San Juan Creek Ocean Outfall

Salary and Fringe					
05-5000-01-**-**	Regular Salaries-O&M	11,252	600	10,652	5.33%
05-5000-02-**-**	Regular Salaries-O&M	90,480	8,213	82,267	9.08%
05-5001-01-**-**	Overtime Salaries-O&M	376	-	376	0.00%
05-5001-02-**-**	Overtime Salaries-O&M	96	-	96	0.00%
05-5306-01-**-**	Scheduled Holiday Work	96	-	96	0.00%
05-5306-02-**-**	Scheduled Holiday Work	2,404	-	2,404	0.00%
05-5307-02-11-00	Weekend Shift Pay	-	1	(1)	0.00%
05-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	8,348	445	7,903	5.33%
05-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	67,136	6,094	61,042	9.08%
	Total Payroll Costs	180,188	15,353	164,835	8.52%

Other Expenses					
05-5002-01-**-**	Electricity	1,000	-	1,000	0.00%
05-5003-01-**-**	Natural Gas	500	-	500	0.00%
05-5014-02-**-**	Engineering - Misc.	20,004	-	20,004	0.00%
05-5015-02-**-**	Management Support Services	27,500	-	27,500	0.00%
05-5017-02-**-**	Legal Fees	2,004	-	2,004	0.00%
05-5026-01-**-**	Small Vehicle Fuel - 37A	2,496	-	2,496	0.00%
05-5027-01-**-**	Insurance - Property/Liability	5,372	-	5,372	0.00%
05-5031-02-**-**	Safety Supplies	128	-	128	0.00%
05-5034-02-**-**	Travel Expense/Tech. Conferences	2,484	-	2,484	0.00%
05-5036-02-**-**	Laboratory Supplies	16,000	87	15,913	0.54%
05-5038-02-**-**	Permits	145,000	-	145,000	0.00%
05-5044-02-**-**	Offshore Monitoring	20,004	1,106	18,898	5.53%
05-5046-02-**-**	Effluent Chemistry - 20C	16,000	-	16,000	0.00%
05-5058-01-**-**	Maintenance Equip. & Facilities (Common)	1,004	-	1,004	0.00%
05-5069-02-**-**	Misc-Capital-Dilution & Metering Study	15,004	-	15,004	0.00%
05-5305-02-**-**	Medicare Tax Payments for Employees	2,352	-	2,352	0.00%
05-5705-02-**-**	Monthly Car Allowance	4,200	242	3,958	5.77%
05-6500-01-**-**	IT Allocations in to PC's & Depts.	1,692	115	1,577	6.80%
05-6500-02-**-**	IT Allocations in to PC's & Depts.	12,952	883	12,069	6.82%
	Other Expenses	295,696	2,433	293,263	0.82%

5 - San Juan Creek Ocean Outfall Total Expenses

475,884	17,786	458,098	3.7%
----------------	---------------	----------------	-------------

08 - Pre Treatment

Salary and Fringe					
08-5000-01-03-00	Regular Salaries-O&M	-	343	(343)	0.00%
08-5000-02-**-**	Regular Salaries-O&M	83,504	6,185	77,319	7.41%
08-5001-02-**-**	Overtime Salaries-O&M	1,412	-	1,412	0.00%
08-5306-02-**-**	Scheduled Holiday Work	200	-	200	0.00%
08-5401-01-00-00	Fringe Benefits IN to PC's & Depts.	-	254	(254)	0.00%
08-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	61,956	4,589	57,367	7.41%
	Total Payroll Costs	147,072	11,371	135,701	7.73%

Other Expenses					
08-5011-02-**-**	Laboratory Services	2,500	210	2,290	8.40%
08-5015-02-**-**	Management Support Services	2,008	-	2,008	0.00%
08-5016-02-**-**	Audit - Environmental	500	-	500	0.00%
08-5017-02-**-**	Legal Fees	2,008	-	2,008	0.00%
08-5018-02-**-**	Public Notices/ Public Relations	500	-	500	0.00%
08-5021-02-**-**	Small Vehicle Expense - 31A	900	-	900	0.00%
08-5022-02-**-**	Miscellaneous Expense	1,496	-	1,496	0.00%
08-5026-02-**-**	Small Vehicle Fuel - 37A	1,200	-	1,200	0.00%
08-5027-02-**-**	Insurance - Property/Liability	2,196	-	2,196	0.00%
08-5028-02-**-**	Small Tools & Supplies	3,472	25	3,447	0.72%
08-5034-02-**-**	Travel Expense/Tech. Conferences	3,504	-	3,504	0.00%
08-5035-02-**-**	Training Expense	1,496	-	1,496	0.00%

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended	
08-5038-02-**-**	Permits and Fines	10,008	-	10,008	0.00%	
08-5039-02-**-**	Membership Dues/Fees	796	-	796	0.00%	
08-6500-02-**-**	IT Allocations in to PC's & Depts.	12,568	857	11,711	6.82%	
	Other Expenses	45,152	1,092	44,060	2.42%	
08 - Pre Treatment Total Expenses		192,224	12,463	179,761	6.5%	
12 - Water Reclamation Permits						
Salary and Fringe						
12-5000-02-**-**	Regular Salaries-O&M	50,192	672	49,520	1.34%	
12-5306-02-**-**	Scheduled Holiday Work	392	-	392	0.00%	
12-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	37,240	498	36,742	1.34%	
	Total Payroll Costs	87,824	1,170	86,654	1.33%	
Other Expenses						
12-5015-02-**-**	Management Support Services	15,992	-	15,992	0.00%	
12-5017-02-**-**	Legal Fees	5,000	-	5,000	0.00%	
12-5027-02-**-**	Insurance - Property/Liability	2,740	-	2,740	0.00%	
12-5034-02-**-**	Travel Expense/Tech. Conferences	1,256	-	1,256	0.00%	
12-5038-02-**-**	Permits	124,996	-	124,996	0.00%	
12-6500-02-**-**	IT Allocations in to PC's & Depts.	7,064	482	6,582	6.82%	
	Total Other Expenses	157,048	482	156,566	0.31%	
12 - Water Reclamation Permits Total Expenses		244,872	1,652	243,220	0.7%	
15 - Coastal Treatment Plant						
Salary and Fringe						
15-5000-01-**-**	Regular Salaries-O&M	697,360	50,379	646,981	7.22%	
15-5000-02-**-**	Regular Salaries-O&M	149,952	7,140	142,812	4.76%	
15-5001-01-**-**	Overtime Salaries-O&M	10,920	1,419	9,501	13.00%	(11)
15-5001-02-**-**	Overtime Salaries-O&M	188	91	97	48.38%	(12)
15-5302-01-**-**	Performance Based Merit Pay	-	87	(87)	0.00%	
15-5306-01-**-**	Scheduled Holiday Work	3,004	481	2,523	16.00%	
15-5306-02-**-**	Scheduled Holiday Work	1,800	221	1,579	12.27%	
15-5307-01-**-**	Weekend Shift Pay	-	11	(11)	0.00%	
15-5307-02-**-**	Weekend Shift Pay	-	10	(10)	0.00%	
15-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	517,440	37,382	480,058	7.22%	
15-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	111,268	5,298	105,970	4.76%	
15-5700-01-**-**	Standby Pay	23,336	1,365	21,971	5.85%	
	Total Payroll Costs	1,515,268	103,885	1,411,383	6.86%	
Other Expenses						
15-5002-01-**-**	Electricity	283,004	24,204	258,800	8.55%	
15-5003-01-**-**	Natural Gas	3,000	35	2,965	1.15%	
15-5004-01-**-**	Potable & Reclaimed Water	13,000	1,663	11,337	12.79%	
15-5006-01-**-**	Chlorine/Sodium Hypochlorite	99,996	5,693	94,303	5.69%	
15-5007-01-**-**	Polymer Products	2,004	347	1,657	17.31%	
15-5008-01-**-**	Ferric Chloride	30,004	4,806	25,198	16.02%	(13)
15-5009-01-**-**	Odor Control Chemicals	85,000	6,824	78,176	8.03%	
15-5011-02-**-**	Laboratory Services	9,500	393	9,108	4.13%	
15-5012-01-**-**	Grit Hauling	30,004	1,374	28,630	4.58%	
15-5013-01-**-**	Landscaping	60,008	2,393	57,615	3.99%	
15-5014-01-**-**	Engineering - Misc.	5,000	-	5,000	0.00%	
15-5014-02-**-**	Engineering - Misc.	50,000	-	50,000	0.00%	
15-5015-01-**-**	Management Support Services	5,000	-	5,000	0.00%	
15-5015-02-**-**	Management Support Services	4,500	-	4,500	0.00%	
15-5017-01-00-00	Legal Fees	-	5,697	(5,697)	0.00%	
15-5019-01-**-**	Contract Services Misc.	67,000	13,402	53,598	20.00%	(14)
15-5021-01-**-**	Small Vehicle Expense	5,996	1,216	4,780	20.28%	(15)
15-5022-01-**-**	Miscellaneous Expense	2,996	272	2,724	9.09%	
15-5023-01-**-**	Office Supplies - All	6,996	35	6,961	0.50%	
15-5024-01-**-**	Petroleum Products	2,000	-	2,000	0.00%	
15-5025-01-**-**	Uniforms	5,996	906	5,090	15.11%	(16)
15-5026-01-**-**	Small Vehicle Fuel	5,996	121	5,875	2.01%	
15-5027-01-**-**	Insurance - Property/Liability	34,640	-	34,640	0.00%	
15-5028-01-**-**	Small Tools & Supplies	9,000	837	8,163	9.30%	
15-5030-01-**-**	Trash Disposal	2,996	105	2,891	3.50%	
15-5031-02-**-**	Safety Program & Supplies	24,000	8,208	15,792	34.20%	(17)
15-5032-01-**-**	Equipment Rental	1,000	-	1,000	0.00%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended
15-5034-01-***	Travel Expense/Tech. Conferences	13,832	102	13,730	0.74%
15-5034-02-***	Travel Expense/Tech. Conferences	3,324	-	3,324	0.00%
15-5035-01-***	Training Expense	15,904	101	15,803	0.63%
15-5035-02-***	Training Expense	1,116	-	1,116	0.00%
15-5036-02-***	Laboratory Supplies	10,004	469	9,535	4.69%
15-5037-01-***	Office Equipment	1,000	-	1,000	0.00%
15-5038-02-***	Permits	6,504	640	5,865	9.83%
15-5039-01-***	Membership Dues/Fees	2,996	-	2,996	0.00%
15-5039-02-***	Membership Dues/Fees	804	-	804	0.00%
15-5047-01-***	Access Road Expenses	46,996	-	46,996	0.00%
15-5048-01-***	Storm Damage	19,000	-	19,000	0.00%
15-5049-01-***	Biosolids Disposal - 21B	125,000	-	125,000	0.00%
15-5050-01-***	Contract Services Generators - 29A	4,004	-	4,004	0.00%
15-5052-01-***	Janitorial Services	20,008	605	19,403	3.02%
15-5054-01-***	Diesel Truck Maint - 31B	996	-	996	0.00%
15-5055-01-***	Diesel Truck Fuel - 37B	996	-	996	0.00%
15-5057-01-***	Maintenance Equip. & Facilities (Liquids)	170,004	5,464	164,540	3.21%
15-5058-01-***	Maintenance Equip. & Facilities (Common)	20,008	69	19,939	0.34%
15-5060-01-***	Maintenance Equip. & Facilities (AWT) 41-	35,000	1,463	33,537	4.18%
15-5061-01-***	Mileage	1,196	-	1,196	0.00%
15-5303-01-***	Group Insurance Waiver	3,596	249	3,347	6.93%
15-5305-01-***	Medicare Tax Payments for Employees	2,964	185	2,779	6.25%
15-5705-01-***	Monthly Car Allowance	4,200	339	3,861	8.08%
15-6500-01-***	IT Allocations in to PC's & Depts.	104,820	7,144	97,676	6.82%
15-6500-02-***	IT Allocations in to PC's & Depts.	22,212	1,514	20,698	6.82%
	Total Other Expenses	1,485,120	96,874	1,388,246	6.52%

15 - Coastal Treatment Plant Total Expenses

3,000,388	200,759	2,799,629	6.7%
------------------	----------------	------------------	-------------

17 - Joint Regional Reclamation

Salary and Fringe					
17-5000-01-***	Regular Salaries-O&M	1,531,652	97,869	1,433,783	6.39%
17-5000-02-***	Regular Salaries-O&M	272,888	16,363	256,525	6.00%
17-5001-01-***	Overtime Salaries-O&M	39,148	5,777	33,371	14.76%
17-5001-02-***	Overtime Salaries-O&M	196	132	64	67.19%
17-5302-01-***	Performance Based Merit Pay	-	5,041	(5,041)	0.00%
17-5306-01-***	Scheduled Holiday Work	12,004	1,322	10,682	11.01%
17-5306-02-***	Scheduled Holiday Work	2,992	295	2,697	9.84%
17-5307-01-***	Weekend Shift Pay	-	70	(70)	0.00%
17-5307-02-***	Weekend Shift Pay	-	18	(18)	0.00%
17-5401-01-***	Fringe Benefits IN to PC's & Depts.	1,136,496	72,619	1,063,877	6.39%
17-5401-02-***	Fringe Benefits IN to PC's & Depts.	202,488	12,142	190,346	6.00%
17-5700-01-***	Standby Pay	23,332	2,048	21,285	8.78%
	Total Payroll Costs	3,221,196	213,695	3,007,501	6.63%

Other Expenses

17-5002-01-***	Electricity	675,000	112,219	562,781	16.63%	(20)
17-5003-01-***	Natural Gas	141,000	2,014	138,986	1.43%	
17-5004-01-***	Potable & Reclaimed Water	34,004	4,585	29,419	13.48%	(21)
17-5005-01-***	Co-generation Power Credit	(250,000)	-	(250,000)	0.00%	
17-5006-01-***	Chlorine/Sodium Hypochlorite	350,004	42,892	307,112	12.25%	(22)
17-5007-01-***	Polymer Products	406,008	4,108	401,900	1.01%	
17-5008-01-***	Ferric Chloride	125,004	14,406	110,598	11.52%	(23)
17-5009-01-***	Odor Control Chemicals	50,000	5,950	44,050	11.90%	(24)
17-5010-01-***	Other Chemicals - Misc.	4,000	-	4,000	0.00%	
17-5011-02-***	Laboratory Services	14,000	308	13,693	2.20%	
17-5012-01-***	Grit Hauling - 21A	52,004	4,849	47,155	9.32%	
17-5013-01-***	Landscaping	74,996	3,879	71,117	5.17%	
17-5014-01-***	Engineering - Misc.	5,004	12	4,992	0.25%	
17-5014-02-***	Engineering - Misc.	125,000	-	125,000	0.00%	
17-5015-01-***	Management Support Services	5,004	-	5,004	0.00%	
17-5015-02-***	Management Support Services	22,504	-	22,504	0.00%	
17-5019-01-***	Contract Services Misc.	125,000	13,949	111,051	11.16%	(25)
17-5020-01-00-00	Postage Expense	-	7	(7)	0.00%	
17-5021-01-***	Small Vehicle Expense	6,000	705	5,295	11.75%	
17-5022-01-***	Miscellaneous Expense	5,996	388	5,608	6.47%	
17-5023-01-***	Office Supplies - All	9,996	1,528	8,468	15.29%	(26)
17-5024-01-***	Petroleum Products	41,996	-	41,996	0.00%	
17-5025-01-***	Uniforms	17,008	1,387	15,621	8.16%	

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

Exhibit E-1-A

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended	
17-5026-01-**-**	Small Vehicle Fuel	12,996	17	12,979	0.13%	
17-5027-01-**-**	Insurance - Property/Liability	90,252	-	90,252	0.00%	
17-5028-01-**-**	Small Tools & Supplies	25,000	5,007	19,993	20.03%	(27)
17-5030-01-**-**	Trash Disposal	1,004	58	946	5.74%	
17-5031-02-**-**	Safety Program & Supplies	31,352	11,382	19,970	36.30%	(28)
17-5032-01-**-**	Equipment Rental	3,004	-	3,004	0.00%	
17-5033-01-00-00	Recruitment	-	330	(330)	0.00%	
17-5034-01-**-**	Travel Expense/Tech. Conferences	13,832	2,496	11,336	18.05%	(29)
17-5034-02-**-**	Travel Expense/Tech. Conferences	3,324	201	3,123	6.04%	
17-5035-01-**-**	Training Expense	15,904	5,005	10,899	31.47%	(30)
17-5035-02-**-**	Training Expense	1,124	-	1,124	0.00%	
17-5036-02-**-**	Laboratory Supplies	19,020	1,326	17,694	6.97%	
17-5037-01-**-**	Office Equipment	5,996	-	5,996	0.00%	
17-5038-02-**-**	Permits	35,000	2,136	32,864	6.10%	
17-5039-01-**-**	Membership Dues/Fees	3,004	550	2,454	18.31%	
17-5039-02-**-**	Membership Dues/Fees	800	-	800	0.00%	
17-5049-01-**-**	Biosolids Disposal	866,000	76,061	789,939	8.78%	
17-5050-01-**-**	Contract Services Generators - 29A	8,000	-	8,000	0.00%	
17-5052-01-**-**	Janitorial Services	40,004	990	39,014	2.48%	
17-5053-01-**-**	Contract Serv - Digester Cleaning - 29E	60,004	-	60,004	0.00%	
17-5054-01-**-**	Diesel Truck Maint	19,000	710	18,290	3.74%	
17-5055-01-**-**	Diesel Truck Fuel	7,000	456	6,544	6.51%	
17-5056-01-**-**	Maintenance Equip. & Facilities (Solids)	190,004	1,962	188,042	1.03%	
17-5057-01-**-**	Maintenance Equip. & Facilities (Liquids)	164,996	31,874	133,122	19.32%	(31)
17-5058-01-**-**	Maintenance Equip. & Facilities (Common)	25,000	1,132	23,868	4.53%	
17-5059-01-**-**	Maintenance Equip. & Facilities (Co-Gen)	250,000	4,065	245,935	1.63%	
17-5060-01-**-**	Maintenance Equip. & Facilities (AWT)	35,000	1,054	33,946	3.01%	
17-5061-01-**-**	Mileage	3,000	126	2,874	4.21%	
17-5068-02-**-**	MNWD Potable Water Supplies & Svcs.	23,996	30	23,966	0.13%	
17-5101-01-00-00	Employee Recognition	-	274	(274)	0.00%	
17-5105-01-**-**	Co-Generation Power Credit - Offset	250,000	-	250,000	0.00%	
17-5303-01-23-16	Group Insurance Waiver	32	-	32	0.00%	
17-5303-02-**-**	Group Insurance Waiver	3,564	138	3,426	3.88%	
17-5305-01-**-**	Medicare Tax Payments for Employees	1,784	133	1,651	7.46%	
17-5305-02-**-**	Medicare Tax Payments for Employees	132	-	132	0.00%	
17-5309-01-**-**	Operating Leases	6,000	-	6,000	0.00%	
17-5705-01-**-**	Monthly Car Allowance	8,396	921	7,475	10.97%	
17-5705-02-**-**	Monthly Car Allowance	4,204	-	4,204	0.00%	
17-5706-01-**-**	Effluent Pond Cleaning	90,004	-	90,004	0.00%	
17-6500-01-**-**	IT Allocations in to PC's & Depts.	230,508	15,711	214,797	6.82%	
17-6500-02-**-**	IT Allocations in to PC's & Depts.	40,652	2,771	37,881	6.82%	
	Total Other Expenses	4,628,420	380,100	4,248,320	8.21%	

17 - Joint Regional Reclamation Total Expenses

7,849,616	593,795	7,255,821	7.56%
------------------	----------------	------------------	--------------

21 - Effluent Transmission Main

Salary and Fringe

21-5000-01-13-00	Regular Salaries-O&M	-	293	(293)	0.00%
21-5401-01-00-00	Fringe Benefits IN to PC's & Depts.	-	218	(218)	0.00%
	Total Payroll Costs	-	511	(511)	0.00%

Other Expenses

21-5014-02-**-**	Engineering - Misc.	62,496	-	62,496	0.00%
21-5019-02-00-00	Contract Services Misc. - 29	-	68	(68)	0.00%
21-5027-02-**-**	Insurance - Property/Liability	728	-	728	0.00%
	Total Other Expenses	63,224	68	63,157	0.11%

21 - Effluent Transmission Main Total Expenses

63,224	579	62,645	0.92%
---------------	------------	---------------	--------------

24 - Aliso Creek Ocean Outfall

Salary and Fringe

24-5000-01-**-**	Regular Salaries-O&M	6,696	600	6,096	8.96%
24-5000-02-**-**	Regular Salaries-O&M	85,624	8,460	77,164	9.88%
24-5001-01-**-**	Overtime Salaries-O&M	348	-	348	0.00%
24-5001-02-**-**	Overtime Salaries-O&M	196	16	180	8.18%
24-5306-01-**-**	Scheduled Holiday Work	104	-	104	0.00%
24-5306-02-**-**	Scheduled Holiday Work	3,112	-	3,112	0.00%
24-5307-02-11-00	Weekend Shift Pay	-	2	(2)	0.00%
24-5401-01-**-**	Fringe Benefits IN to PC's & Depts.	4,960	445	4,515	8.97%

**South Orange County Wastewater Authority
O&M Budget vs. Actual Comparison by PC
For the Period Ended 7/31/2017**

Exhibit E-1-A

		FY 2017-18 Budget	Actual	(Over)/Under Budget	% Expended
24-5401-02-**-**	Fringe Benefits IN to PC's & Depts.	63,528	6,277	57,251	9.88%
	Total Payroll Costs	164,568	15,800	148,768	9.60%
Other Expenses					
24-5002-01-**-**	Electricity	996	-	996	0.00%
24-5014-02-**-**	Engineering - Misc.	20,004	-	20,004	0.00%
24-5015-02-**-**	Management Support Services	27,504	-	27,504	0.00%
24-5017-02-**-**	Legal Fees	2,004	-	2,004	0.00%
24-5027-02-**-**	Insurance - Property/Liability	5,364	-	5,364	0.00%
24-5031-02-**-**	Safety Supplies	996	-	996	0.00%
24-5034-02-**-**	Travel Expense/Tech. Conferences	2,480	-	2,480	0.00%
24-5036-02-**-**	Laboratory Supplies	16,996	87	16,909	0.51%
24-5038-02-**-**	Permits	131,992	-	131,992	0.00%
24-5044-02-**-**	Offshore Monitoring	22,004	1,106	20,898	5.03%
24-5046-02-**-**	Effluent Chemistry	29,996	1,680	28,316	5.60%
24-5058-01-**-**	Maintenance Equip. & Facilities (Common)	996	-	996	0.00%
24-5067-02-**-**	Port Cleaning	35,000	-	35,000	0.00%
24-6500-01-**-**	IT Allocations in to PC's & Depts.	1,008	69	939	6.85%
24-6500-02-**-**	IT Allocations in to PC's & Depts.	12,288	838	11,450	6.82%
	Total Other Expenses	309,628	3,780	305,848	1.22%

24 - Aliso Creek Ocean Outfall Total Expenses

474,196	19,580	454,616	4.13%
----------------	---------------	----------------	--------------

SOCWA

Total Payroll Costs	7,799,704	562,235	7,237,469	7.21%
Total Other Expenses	10,190,256	788,478	9,401,778	7.74%

SOCWA Total Expenses

17,989,960	1,350,713	16,639,247	7.51%
-------------------	------------------	-------------------	--------------

- (1) Elevated overtime to due staffing vacancy's and overnight new engine startup monitoring/troubleshooting at JBL.
- (2) JBL electricity expenses are elevated due to reduced engine power production from the new engine as efforts continue to startup/troubleshoot the facility.
- (3) Two months of chemicals were ordered in July.
- (4) Two months of chemicals were ordered in July.
- (5) Several quarterly bills are paid in July.
- (6) Several vehicle repairs were delayed until the new Fiscal Year started.
- (7) The elevated costs were associated with projects identified during the quarterly safety inspections and restocking of supplies.
- (8) Elevated costs are associated with specialty HACHWIMS training that occurred in July.
- (9) A number of SOCWA's permits are due July 1 of each year.
- (10) A number of SOCWA's memberships are due July 1 of each year.
- (11) CTP was staffed over the July 4 weekend to adjust the plant as needed with the elevated holiday flows.
- (12) Testing of the AWT over the holiday.
- (13) Two months of chemicals were ordered in July.
- (14) Several quarterly bills are paid in July.
- (15) Several vehicle repairs were delayed until the new Fiscal Year started.
- (16) New equipment for new employees working at CTP including winter gear.
- (17) The elevated costs were associated with projects identified during the quarterly safety inspections and restocking of supplies.
- (18) Overtime primarily to support bypass operations for Engineering construction projects.
- (19) Testing of the AWT over the holiday.
- (20) RTP engine offline during replacement project. Power bills are anticipated to normalize once the engine returns to service.
- (21) Potable water usage was elevated due to construction projects at RTP requiring potable and recycled water.
- (22) Summer usage of this chemical is elevated in the summer and lower in the winter and will normalize over the Fiscal Year.
- (23) Two months of chemicals were ordered in July.
- (24) Summer usage of this chemical is elevated in the summer and lower in the winter and will normalize over the Fiscal Year.
- (25) Several quarterly bills are paid in July.
- (26) Office supplies were restocked for the beginning of the Fiscal Year.
- (27) Elevated expense level due to new employee tool kits and specialty tools needed for new engine systems.
- (28) The elevated costs were associated with projects identified during the quarterly safety inspections and restocking of supplies.
- (29) Elevated expense levels are associated with specialty HACHWIMS training that occurred in July.
- (30) Elevated expense levels are associated with specialty new engine training that occurred in July.
- (31) Elevated expense levels are due to several projects started in July.

**South Orange County Wastewater Authority
 Budget vs. Actual Comparison - Residual Engineering
 (Labor & Fringe Costs are Net of Labor & Fringe to Capital Projects)
 For the Period Ended July 31, 2017**

		FY 2017-18 Original Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
-5000--**-00	Regular Salaries-O&M	155,460	18,546	136,914	11.9%
-5401--**-00	Fringe Benefits IN to PC's & Depts.	115,356	13,761	101,595	11.9%
	Total Payroll Costs	270,816	32,307	238,509	11.9%
Other Expenses					
01-5015-03-00-00	Management Support Services	994	-	994	0%
01-5022-03-00-00	Miscellaneous Expense	3,000	-	3,000	0%
01-5034-03-00-00	Travel Expense/Tech. Conferences	6,348	285	6,063	4.5%
01-5035-03-00-00	Training Expense	3,300	60	3,240	1.8%
01-5039-03-00-00	Membership Dues/Fees	1,776	40	1,736	2.3%
01-5061-03-00-00	Mileage	204	-	204	0.0%
01-5309-03-00-00	Operating Leases	16,500	1,277	15,223	7.7%
01-5705-03-00-00	Monthly Car Allowance	4,200	339	3,861	8.1%
01-5802-03-00-00	Shipping/Freight	300	-	300	0.0%
01-6500-03-00-00	IT Allocations in to PC's & Depts.	58,488	3,987	54,501	6.8%
	Total Other Expenses	95,110	5,988	89,122	6.3%
	Total Expenses	365,926	38,295	327,631	10.5%

**South Orange County Wastewater Authority
Budget vs. Actual Comparison- Administration
For the Period Ended July 31, 2017**

Exhibit E-3

		FY 2017-18 Budget	*Budget Increase	Adjusted Budget	Actual	(Over)/Under Budget	% Expended	
Salary and Fringe								
01-6000-04-00-00	Regular Salaries-Admin or IT	871,373		871,373	59,841	811,532	6.9%	
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000		10,000	10,026	(26)	100.3%	(1)
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	646,559		646,559	44,402	602,157	6.9%	
	Total Payroll Costs	1,527,932	0	1,527,932	114,268	1,413,664	7.5%	
Other Expenses								
01-5018-04-00-00	Public Notices/ Public Relations	1,400		1,400	0	1,400	0.0%	
01-5037-04-00-00	Office Equipment	8,000		8,000	0	8,000	0.0%	
01-6101-04-00-00	Recruitment & Employee Relations	10,104		10,104	595	9,509	5.9%	
01-6102-04-00-00	Subscriptions	1,008		1,008	115	893	11.5%	
01-6200-04-00-00	Management Support Services	112,500	117,500	230,000	39,124	190,876	17.0%	(2)
01-6201-04-00-00	Audit	35,000	5,000	40,000	0	40,000	0.0%	(3)
01-6202-04-00-00	Legal	90,000		90,000	21,591	68,409	24.0%	(3)
01-6203-04-00-00	Outside Services	2,016		2,016	0	2,016	0.0%	
01-6204-04-00-00	Postage	708		708	80	628	11.3%	
01-6205-04-00-00	JLAC	0		0	13,487	(13,487)		(4)
01-6223-04-00-00	Office Supplies - Admin	7,500		7,500	728	6,772	9.7%	
01-6234-04-00-00	Memberships & Trainings	84,827		84,827	0	84,827	0.0%	
01-6239-04-00-00	Travel & Conference	36,950		36,950	872	36,079	2.4%	
01-6240-04-00-00	Scholarship Sponsorship	1,000		1,000	0	1,000	0.0%	
01-6310-04-00-00	Miscellaneous	14,000		14,000	2,024	11,976	14.5%	
01-6311-04-00-00	Mileage	1,000		1,000	0	1,000	0.0%	
01-6317-04-00-00	Contract Services Misc	1,800		1,800	350	1,450	19.4%	
01-6500-04-00-00	IT Allocations in to PC's & Depts.	111,365		111,365	7,590	103,775	6.8%	
01-6601-04-00-00	Shipping/Freight	1,200		1,200	111	1,089	9.2%	
01-6705-04-00-00	Monthly Car Allowance	12,000		12,000	969	11,031	8.1%	
	Total Other Expenses	532,378	122,500	654,878	87,635	567,243	13.4%	
	Total Expenses	2,060,310	122,500	2,182,810	201,904	1,980,906	9.2%	

*Budget increase approved at June 7th Board Meeting.

(1) Overtime is due to State Audit Support; additional Budget is needed.

(2) Management Support actual costs include \$24k for CliftonLarson verification work on historical capital expenditures; additional budget is \$115k for Infrastructure project and \$2.5k for Retiree Health Cafeterial Plan Administration approved September 7, 2017.

(3) The balance includes legal expenses related to employee benefits PERS/retirement and legal fees for Board matters.

(4) Legal fees for Board matters.

**South Orange County Wastewater Authority
Budget vs. Actual Comparison-IT
For Period Ended July 31, 2017**

		FY 2016-17 Budget	Actual	(Over)/Under Budget	% Expended
Salary & Fringe					
01-6000-05-00-00	Regular Salaries-Admin or IT	\$87,428	\$7,627	\$79,801	8.7%
01-6001-05-00-00	Overtime Salaries-Admin or IT	\$2,076	\$1,397	\$679	67.3%
01-6401-05-00-00	Fringe Benefits IN to ADMIN or IT	\$64,871	\$5,659	\$59,334	8.5%
	Total Salary & Fringe	<u>\$154,375</u>	<u>\$14,683</u>	<u>\$139,814</u>	<u>9.4%</u>
Other Expenses					
01-5028-05-00-00	Small Tools & Supplies	\$1,250	\$0	\$1,250	0.0%
01-5035-05-00-00	Training Expense	\$7,800	\$0	\$7,800	0.0%
01-5037-05-00-00	Office Equipment	\$1,270	\$0	\$1,270	0.0%
01-5061-05-00-00	Mileage	\$1,008	\$0	\$1,008	0.0%
01-6239-05-00-00	Travel & Conference	\$9,900	\$0	\$9,900	0.0%
01-6300-05-00-00	Software Maintenance Agreements	\$170,893	\$6,220	\$164,673	3.6%
01-6301-05-00-00	Hardware Maintenance Agreements	\$11,657	\$0	\$11,657	0.0%
01-6302-05-00-00	Cloud Subscriptions (Internet)	\$45,300	\$5,995	\$39,305	13.2%
01-6303-05-00-00	Telecommunications	\$134,300	\$9,132	\$125,168	6.8%
01-6305-05-00-00	IT Professional Services	\$77,000	\$0	\$77,000	0.0%
01-6306-05-00-00	Small Hardware Purchases (< \$5k)	\$70,000	\$3,783	\$66,217	5.4%
01-6307-05-00-00	Small Software Purchases & Licenses (<\$5k)	\$89,455	\$12,151	\$77,304	13.6%
01-6308-05-00-00	IT Memberships	\$160	\$0	\$160	0.0%
01-6309-05-00-00	Operating Leases	\$44,000	\$4,079	\$39,921	9.3%
01-6310-05-00-00	Miscellaneous	\$5,000	\$0	\$5,000	0.0%
01-6312-05-00-00	Computer & Photocopy Supplies	\$900	\$155	\$745	17.2%
01-6601-05-00-00	Shipping/Freight	\$276	\$0	\$276	0.0%
	Total Other Expenses	<u>\$670,169</u>	<u>\$41,516</u>	<u>\$628,543</u>	<u>6.2%</u>
	Total Expenses before Allocation	<u>824,544</u>	<u>56,199</u>	<u>768,357</u>	<u>6.8%</u>
IT Allocations (Out) to PC's & Depts					
01-6400-05-00-00	IT Allocations (OUT) to PC's & Depts.	(\$824,556)	(\$56,199)	(\$768,357)	0.0%
	Total IT Allocations (Out) to PC's & Depts	<u>(\$824,556)</u>	<u>(\$56,199)</u>	<u>(\$768,357)</u>	<u>0.0%</u>
		<u>(824,556)</u>	<u>(56,199)</u>	<u>(768,357)</u>	<u>0.0%</u>

Agenda Item

Meeting Date: October 5, 2017

TO: Board of Directors
FROM: Betty Burnett, General Manager
STAFF CONTACT: Jim Burror, Director of Operations
SUBJECT: August 2017 Operations Report

Summary/Discussion

The following selected operational reports are provided monthly to the Board of Directors. The operational reports included are as follows:

1) Monthly Operational Report

A six (6) page overview and comparison of owner use of facilities, including influent and recycled water production. The pages include ongoing calculation used by SOCWA for billing the agencies. Other items include important statistics for regulatory compliance, visitations by the public to the treatment works, and other vendor interactions. The information is broken down by facility and by member agency.

2) SOCWA Ocean Outfall Discharges by Agency

This data shows how much water is being discharged to the ocean each month and for the last 12 months. This data is presented for the agencies planning reuse projects to better understand the potential to expand water reuse in their service area.

3) Beach Ocean Monitoring Report

4) Recycled Water Report

5) Pretreatment Report

Fiscal impact

No change

Recommendation

Receive and file the operational reports.

Monthly Operational Report

SOCWA Operational Report August, 2017

Excursion, Complaint, and Violation Events

Events	CTP	RTP	JBL	Totals
Odor	0	2	0	2
Noise	0	0	0	0
Spills	0	0	0	0
Violations	0	0	0	0
Others	0	0	0	0

Reported secondary treatment odors at RTP - same resident different days.

Plant Wastewater Billing Characteristics

Key Parameters	CTP	RTP	JBL TP1	JBL TP2	Totals
Influent (mgd)	3.01	7.67	6.48	0.97	18.12
Effluent (mgd)	2.56	0.72	6.48	1.12	10.88
Peak Flow (mgd)	3.23	22.50	11.93	6.87	44.53
Influent BOD (mg/l)	236	247	236	279	
Influent TSS (mg/l)	351	317	549	359	
Effluent BOD (mg/l)	4.2	3.4	6.3	5.7	
Effluent TSS (mg/l)	5.8	5.3	5.6	7.1	
Effluent Turbidity (NTU)	2.8	2.7	3.3	2.9	

Recycled Water (AWT) Operations

Key Parameters	CTP	RTP	JBL	Totals
Average Flow (mgd)	1.36	6.95		8.31
Days of Operation (days)	31	31		
Total Flow (million gallons)	42.2	215.4		257.6
Plant Irrigation (million gallons)	0.10	0.00	0.23	
AWT Time Online (%)	100.0	100.0		

Wastewater Unit Definitions

mgd = million gallons per day

mg/l = milligram per liter also known as parts per million

NTU = Nephelometric Turbidity Units

SOCWA Operational Report August, 2017 (cont'd)

Biosolids Management

Biosolids Management Site	CTP	RTP	JBL	Totals
Synagro Compost (tons)		779.7	0.0	779.7
Nursery Products (tons)		194.8	466.6	661.4
Prima Deshecha (tons)		223.6	234.6	458.2
Other: (tons)		0.0	0.0	0.0
Total Processed (tons)		1,198.1	701.2	1,899.3

Summary of Maintenance Activities

Task Type	CTP	RTP	JBL	Totals
Preventative Maintenance	400	463	592	1,455
Corrective Maintenance	46	188	97	331

Site Visitors

Visitor Types	CTP	RTP	JBL	Totals
Regulatory	0	2	0	2
Member Agency	0	3	0	3
Residents	0	0	0	0
Others	10	0	55	65
Tours #/Visitors	0	0	30	30

Grit Disposal Management

Grit & Screenings	CTP	RTP	JBL	Totals
Simi Valley Landfill (tons)	13.7	36.3	NA	50.0

Chemical and Energy Utilization

Chemical/Utility	CTP	RTP	JBL	Totals
Ferric Chloride (tons)	0.1	NA	NA	0.1
Power (kWh)	203,432	626,464	436,827	1,266,723
Natural Gas (Dth)	17	NA	NA	17
Digester Gas to Engines (scfm)		0(1)	484,175	484,175
Digester Gas to Flares (scfm)		10,753,921	3,908,825	14,662,746
Digester Gas Power Savings		(1)		

(1) Engines were off at RTP and being started up at JBL under ongoing construction projects.

NA = Not Available at the time this report was generated.

Wastewater Unit Definitions

kWh = kilowatt hours

Dth = Dekatherms

scfm = standard cubic feet per minute

SOCWA Operational Report August, 2017 (cont'd)

Agency Wastewater Flows to SOCWA by Facility (Including Internal Waste Streams Used for Billing)

Agency	CTP (mgd)	CTP (%)	RTP (mgd)	JBL (mgd)	JBL (%)	Total (mgd)
CLB	1.736	55.53%				1.74
EBSB	0.055	1.76%				0.06
SCWD	1.335	42.71%		1.713	26.43%	3.05
MNWD	0.000	0.00%	7.67	1.400	21.60%	9.07
CSJC				2.267	34.97%	2.27
SMWD				1.102	17.00%	1.10
Total	3.125	100.00%	7.67	6.482	100.00%	17.28

Total Agency Outfall Flows by Outfall System-Billing Flows

Agency	SJCOO (mgd)	SJCOO (%)	SJCOO Meter (mgd)	ACOO (mgd)	ACOO (%)	Total (mgd)	Notes
CLB				1.74	29.23%	1.74	
EBSB				0.06	0.93%	0.06	
SCWD	1.84	20.02%		0.67	11.33%	2.52	Includes Desalters
MNWD	1.66	18.06%		0.72	12.13%	2.38	
ETWD				1.65	27.84%	1.65	Direct Outfall Only
CSJC	2.76	29.94%				2.76	Includes Desalter
SMWD	1.63	17.75%				1.63	Includes Chiquita
CSC	1.31	14.22%				1.31	Direct Outfall Only
IRWD				1.10	18.54%	1.10	Direct Outfall Only
Total	9.21	100.00%	9.54	5.94	100.00%	15.15	

SOCWA Operational Report August, 2017 (cont'd)

FY Flow/Solids Summary-Billing

Project Committee No. 2 Liquids (JBL)

Agency	Own (mgd)	Own (%)	Budget (mgd)	Budget (%)	Month (mgd)(1)	Month (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CSJC	4.00	30.77%	3.19	38.02%	2.267	34.97%	2.21	35.63%
MNWD	3.00	23.08%	1.40	16.69%	1.400	21.60%	1.40	22.61%
SCWD	3.75	28.85%	2.00	23.84%	1.713	26.43%	1.75	28.19%
SMWD	2.25	17.31%	1.80	21.45%	1.102	17.00%	0.84	13.58%
Total	13.00	100.00%	8.39	100.00%	6.482	100.00%	6.19	100.00%

Project Committee No. 2 Solids (JBL)

Agency	Own (lbs/d)	Own (%)	Budget (lbs/d)	Budget (%)	Month (lbs/d)	Month (%)	36 Month Rol. Avg. (lbs/d)	36 Month Rol. Avg. (%)
CSJC	11,572	30.00%	8,620	33.30%	5,228	26.35%	6,466	26.67%
MNWD	8,340	21.62%	5,270	20.36%	5,149	25.95%	6,033	24.88%
SCWD	7,715	20.00%	5,304	20.49%	5,414	27.28%	5,007	20.65%
SMWD	10,946	28.38%	6,695	25.86%	4,053	20.42%	6,741	27.80%
Total	38,573	100.00%	25,889	100.00%	19,844	100.00%	24,248	100.00%

Project Committee No. 5 - Effluent Pumping Station (SJCOO EPS)

Agency	Own (%)	Variable Budget (mgd)	Variable Budget (%)	Month Outfall Flow (mgd)	Month Outfall Flow (%)	Month EPS Outfall Flow (mgd)	Month EPS Outfall Flow (%)
CSC	16.62%	3.00	17.13%	1.31	14.22%		
CSJC	11.08%	3.83	21.87%	2.76	29.94%	2.27	34.97%
MNWD	15.51%	2.42	13.82%	1.66	18.06%	1.40	21.60%
SCWD	12.47%	2.67	15.25%	1.84	20.02%	1.71	26.43%
SMWD	44.32%	5.59	31.92%	1.63	17.75%	1.10	17.00%
Total	100.00%	17.51	100.00%	9.21	100.00%	6.48	100.00%

(1) Influent billing meter summary:

- a. CSJC is metered for two weeks of each month to determine the monthly flow.
The area velocity metering system in the collection system has an accuracy of +/- 20%.
- b. MNWD is assumed to be 1.4 mgd unless Treatment Plant 3A is discharging to the sewer. If other discharges occur they are estimated.
- c. SCWD is the summation of the DPSD and Victoria PS meters.
The two metering systems have an accuracy of +/- 10%.
- d. The Oso Trabuco sewer is metered for two weeks of each month to determine the monthly flow.
The flows from MNWD are subtracted from the metering data collected to determine SMWD's flows. The area velocity metering system in the collection system has an accuracy of +/- 20%.

Source: Cost Allocation Methodology for Project Committees, Dudek Engineering 2012.

SOCWA Operational Report August, 2017 (cont'd)

FY Flow/Solids Summary-Billing (cont'd)

Project Committee No. 5 - Outfall (SJCOO)

Agency	FY Avg Outfall Flow (mgd)	FY Avg Outfall Flow (%)	FY Avg EPS Outfall Flow (mgd)	FY Avg EPS Outfall Flow (%)
CSC	1.454	13.83%		
CSJC	2.591	24.64%	2.21	35.63%
MNWD	1.396	13.28%	1.40	22.61%
SCWD	1.891	17.98%	1.75	28.19%
SMWD	3.183	30.27%	0.84	13.58%
Total	10.515	100.00%	6.19	100.00%

Project Committee No. 15 (CTP)

Agency	Own (mgd)	Own (%)	Budget (mgd)	Budget (%)	Month (mgd)	Month (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CLB	2.54	37.91%	1.960	60.61%	1.736	55.53%	1.782	55.71%
EBS	0.20	2.99%	0.061	1.89%	0.055	1.76%	0.058	1.80%
SCWD	2.00	29.85%	1.213	37.51%	1.335	42.71%	1.359	42.49%
MNWD	1.96	29.25%	0.000	0.00%	0.000	0.00%	0.000	0.00%
Total	6.70	100.00%	3.234	100.00%	3.125	100.00%	3.198	100.00%

Project Committee No. 17 Liquids (RTP)

Agency	Budget Liquids (mgd)	Budget Liquids (%)	Month Plant Influent (mgd)	Month Centrate (mgd)	Month Total (mgd)(1)	Month Total (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CLB	0.01408	0.167%	0.0000	0.0155	0.0155	0.20%	0.0151	0.19%
EBS	0.00044	0.005%	0.0000	0.0005	0.0005	0.01%	0.0005	0.01%
SCWD	0.00871	0.103%	0.0000	0.0119	0.0119	0.15%	0.0115	0.15%
ETWD	0.01719	0.204%	0.0000	0.0132	0.0132	0.17%	0.0129	0.17%
MNWD	8.40541	99.521%	7.6681	0.0494	7.7175	99.47%	7.7302	99.48%
Total	8.44583	100.000%	7.6681	0.0905	7.7586	100.00%	7.7703	100.00%

(1) Month total does not double count MNWD centrate. It is included in the Monthly Plant Influent too.

SOCWA Operational Report August, 2017 (cont'd)

FY Flow/Solids Summary (cont'd)

Project Committee No. 17 Solids (RTP)

Agency	Own (lbs/d)	Own (%)	Budget (lbs/d)	Budget (%)	Total Month (lbs)	Total Month (%)	FY Avg Total to Date (lbs)	FY Avg Total to Date (%)
CLB	5,605	11.22%	4,728	12.95%	205,412	17.13%	204,763	16.95%
EBSD	295	0.59%	147	0.40%	6,510	0.54%	6,605	0.55%
SCWD	4,480	8.96%	2,926	8.02%	157,970	13.18%	156,214	12.93%
ETWD	10,200	20.41%	5,903	16.17%	174,639	14.57%	174,675	14.46%
MNWD	29,395	58.82%	22,801	62.46%	654,257	54.58%	666,105	55.12%
Total	49,975	100.00%	36,505	100.00%	1,198,787	100.00%	1,208,362	100.00%

Project Committee No. 24 (ACOO)

Agency	Own (%)	Budget (mgd)	Budget (%)	Month Outfall Flow (mgd)	Month Outfall Flow (%)	FY Avg Outfall Flow (mgd)	FY Avg Outfall Flow (%)
CLB	11.000%	1.49	13.32%	1.736	29.23%	1.782	28.74%
EBSD	0.780%	0.06	0.54%	0.055	0.93%	0.058	0.93%
ETWD	16.302%	2.89	25.83%	1.653	27.84%	1.560	25.16%
IRWD	15.760%	2.62	23.41%	1.100	18.54%	1.226	19.77%
MNWD	43.848%	2.96	26.45%	0.720	12.13%	0.827	13.34%
SCWD	12.310%	1.17	10.46%	0.673	11.33%	0.748	12.06%
Total	100.000%	11.19	100.00%	5.937	0.00%	6.200	100.00%

SOCWA Ocean Outfall Discharges by Agency

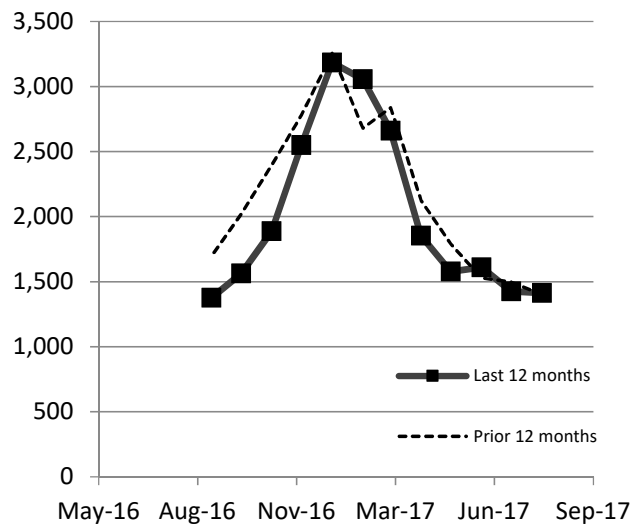
SOCWA Outfall Discharge Report August, 2017

Agency	SJCOO (mgd)	SJCOO (%)	ACOO (mgd)	ACOO (%)	Total (mgd)
CLB			1.74	29.23%	1.74
EBSD			0.06	0.93%	0.06
SCWD	1.84	20.02%	0.67	11.33%	2.52
MNWD	1.66	18.06%	0.72	12.13%	2.38
ETWD			1.65	27.84%	1.65
CSJC	2.76	29.94%			2.76
SMWD	1.63	17.75%			1.63
CSC	1.31	14.22%			1.31
IRWD			1.10	18.54%	1.10
Total	9.21	100.00%	5.94	100.00%	15.15
or Acre-Foot per year equivalent					16,963

12-Month Running Total Discharge to Ocean Outfalls (AF)

Aug-17	1,414
Jul-17	1,425
Jun-17	1,611
May-17	1,578 ^C
Apr-17	1,854
Mar-17	2,659
Feb-17	3,057
Jan-17	3,184
Dec-16	2,549
Nov-16	1,886
Oct-16	1,564
Sep-16	1,376
Total	24,157

C - Corrected in August 2017



Beach / Ocean Monitoring Report

ALISO CREEK OCEAN OUTFALL MONITORING REPORT

August 2017

DATE	IRWD LOS ALISOS WRP				EL TORO WRP				SOCWA REGIONAL PLANT				SOCWA COASTAL PLANT				IRWD IDP	IRWD SGU	SCWD ACWRF	ACOO FLOW	Rain Fall
	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	FLOW MGD	FLOW MGD	FLOW MGD	inches
08/01/17	No Flow				1.933	15.6	4.0	<0.1	0.750	4.5	4.0	0.2	2.860	9.5	3.0	0.1	0.841	0.591	0.103	7.078	0.00
08/02/17	No Flow				1.359	7.6	4.5	<0.1	0.290	8.3	3.0	0.1	1.984	7.5	3.0	0.1	0.044	0.034	0.004	3.715	0.00
08/03/17	No Flow				1.865	8.6	4.3	<0.1	0.330	6.3	3.0	0.1	2.223	8.5	7.0	0.1	0.000	0.000	0.102	4.520	0.00
08/04/17	No Flow				1.343	8.8	3.7	<0.1	0.330	5.5	2.0	0.1	2.633	6.9	3.0	0.1	0.619	0.369	0.084	5.378	0.00
08/05/17	No Flow				3.275	14.2	1.8	<0.1	0.690	5.9	<2.0	0.1	3.117	9.4	3.0	<0.1	0.841	0.426	0.105	8.454	0.00
08/06/17	No Flow				1.279	11.6	2.7	<0.1	0.450	6.2	6.0	0.2	2.339	10.9	5.0	<0.1	0.842	0.424	0.110	5.444	0.00
08/07/17	No Flow				1.720	12.2	2.8	<0.1	1.190	7.4	5.0	0.1	3.003	6.2	4.0	<0.1	0.841	0.409	0.096	7.259	0.00
08/08/17	No Flow				1.842	11.6	3.0	<0.1	0.580	4.3	3.0	<0.1	2.506	9.6	6.0	<0.1	0.842	0.424	0.105	6.299	0.00
08/09/17	No Flow				1.235	7.2	6.4	<0.1	0.300	5.6	4.0	0.1	1.996	2.6	5.0	<0.1	0.842	0.557	0.096	5.026	0.00
08/10/17	No Flow				1.365	7.2	3.7	<0.1	0.670	16.1	3.0	0.1	2.584	9.8	4.0	0.1	0.842	0.554	0.063	6.078	0.00
08/11/17	No Flow				1.065	14.8	6.8	<0.1	0.830	5.2	3.0	0.1	2.259	6.0	6.0	<0.1	0.841	0.551	0.129	5.675	0.00
08/12/17	No Flow				1.281	7.4	2.4	<0.1	0.220	4.4	2.0	0.1	2.468	5.2	4.0	0.2	0.842	0.584	0.097	5.492	0.00
08/13/17	No Flow				1.205	2.8	2.7	<0.1	0.640	4.3	5.0	<0.1	2.613	8.5	10.0		0.842	0.583	0.101	5.984	0.00
08/14/17	No Flow				1.530	12.2	3.3	<0.1	0.890	4.7	3.0	<0.1	2.887	3.4	5.0	<0.1	0.842	0.581	0.096	6.826	0.00
08/15/17	No Flow				1.583	12.4	3.7	<0.1	0.890	1.0	3.0	<0.1	2.447	3.2	3.0	0.1	0.842	0.581	0.087	6.430	0.00
08/16/17	No Flow				1.468	6.4	3.5	<0.1	0.880	5.7	3.0	0.1	2.109	2.7	3.0	<0.1	0.841	0.580	0.097	5.975	0.00
08/17/17	No Flow				1.667	6.8	2.7	<0.1	0.730	4.9	3.0	0.1	2.221	2.5	2.0	0.1	0.842	0.578	0.100	6.138	0.00
08/18/17	No Flow				1.374	6.2	2.7	<0.1	0.620	4.9	3.0	0.1	2.325	3.0	2.0	0.1	0.448	0.574	0.060	5.401	0.00
08/19/17	No Flow				1.771	7.4	2.9	<0.1	1.430				2.640				0.421	0.531	0.105	6.898	0.00
08/20/17	No Flow				1.129	26.6	3.0	<0.1	0.580	4.9	4.0	<0.1	2.813	8.1	6.0		0.421	0.571	0.060	5.574	0.00
08/21/17	No Flow				1.507	5.0	3.6	<0.1	1.180	4.6	3.0	0.1	2.473	2.6	2.0	<0.1	0.421	0.572	0.099	6.252	0.00
08/22/17	No Flow				2.137	7.6	4.6	<0.1	1.000	3.3	2.0	<0.1	2.514	1.4	3.0	<0.1	0.422	0.571	0.109	6.753	0.00
08/23/17	No Flow				1.563	11.2	5.1	<0.1	0.540	3.1	2.0	<0.1	1.683	3.7	3.0	<0.1	0.408	0.568	0.070	4.832	0.00
08/24/17	No Flow				2.175	7.6	2.4	<0.1	0.710	5.3	<2.0	0.1	2.391	7.1	4.0	0.1	0.400	0.568	0.121	6.365	0.00
08/25/17	No Flow				1.110	11.6	3.9	0.5	0.650	3.1	3.0	0.1	2.627	3.3	3.0	0.1	0.419	0.567	0.084	5.457	0.00
08/26/17	No Flow				2.253	11.2	2.4	<0.1	0.410				2.464				0.425	0.575	0.111	6.238	0.00
08/27/17	No Flow				1.812	11.8	2.3	<0.1	1.150	3.8	5.0	0.1	2.268	11.3	7.0		0.425	0.574	0.103	6.332	0.00
08/28/17	No Flow				1.795	15.0	6.2	<0.1	1.430	5.7	4.0	0.2	3.006	2.1	3.0	0.1	0.424	0.574	0.100	7.329	0.00
08/29/17	No Flow				2.130	29.2	3.5	1.0	0.460	6.2	3.0	0.1	2.624	4.3	2.0	0.2	0.424	0.573	0.104	6.315	0.00
08/30/17	No Flow				1.481	22.2	7.0	3.0	0.660	3.3	5.0	0.1	2.009	1.5	6.0	0.1	0.424	0.572	0.082	5.228	0.00
08/31/17	No Flow				1.991	21.4	6.2	0.5	0.840	4.7	5.0	0.1	2.279	6.3	6.0	0.1	0.412	0.558	0.120	6.200	0.00
AVG	No Flow				1.653	11.7	3.8	<0.2	0.720	5.3	3.4	<0.1	2.463	5.8	4.2	<0.1	0.592	0.509	0.094	6.030	
TOTAL	No Flow				51.24				22.32				76.37				18.34	15.77	2.903	186.95	0.00

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1 2017
 SAMPLE SOURCE: Surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: High Tide 0810

Weather: Clear

COMMENTS:

STA#	DATE	TIME	Total Coliform	Fecal Coliform	Entero-coccus	Material of Sewage Origin		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			CFU/100ml SM9222B	CFU/100ml SM9222D	CFU/100ml EPA 1600	Onshore	Offshore							
S3	08/03/17	1005	<20	<20	2	None	None	None	None	Green	72	Slightly Turbid		
S4	08/03/17	0950	<20	<20	<3	None	None	None	None	Green		Slightly Turbid		
S5	08/03/17	0940	9	9	<3	None	None	None	None	Green		Turbid		
S6	08/03/17	0915	<20	<20	<3	None	None	None	None	Green		Turbid		
WEST	08/03/17	0910	<20	<20	<3	None	None	None	None	Green		Turbid		
S7	08/03/17	0905	<20	<20	2	None	None	None	None	Green		Turbid		
S8	08/03/17	0900	<20	<20	<3	None	None	None	None	Green		Slightly Turbid		
S9	08/03/17	0845	<20	<20	<3	None	None	None	None	Green		Turbid		
ACM1	08/03/17	0840	10	<10	3	None	None	None	None	Green		Turbid		
S10	08/03/17	0834	9	<20	<3	None	None	None	None	Green		Slightly Turbid		
S11	08/03/17	0830	<20	<20	2	None	None	None	None	Green	72	Slightly Turbid		
S12	08/03/17	0825	70	20	<3	None	None	None	None	Green		Slightly Turbid		

RECREATIONAL WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

Unified Beach Monitoring

#2

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: High tide 1149

Weather: Overcast

COMMENTS:

STA#	DATE	TIME	Total	Fecal	Entero-	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			Coliform CFU/100ml SM9222B	Coliform CFU/100ml SM9222D	coccus CFU/100ml EPA 1600	Onshore	Offshore							
S3	08/10/17	1005	<20	<20	<3	None	None	None	None	Green	74	Clear		
S4	08/10/17	950	<20	9	2	None	None	None	None	Green		Clear		
S5	08/10/17	940	<20	<20	2	None	None	None	None	Green		Clear		
S6	08/10/17	920	9	<20	<3	None	None	None	None	Green		Clear		
WEST	08/10/17	915	20	<20	<3	None	None	None	None	Green		Clear		
S7	08/10/17	910	<20	<20	<3	None	None	None	None	Green		Clear		
S8	08/10/17	855	<20	<20	<3	None	None	None	None	Green		Clear		
S9	08/10/17	845	<20	<20	<3	None	None	None	None	Green	74	Clear		
ACM1	08/10/17	830	9	<20	<3	None	None	None	None	Green		Clear		
S10	08/10/17	820	<20	<20	<3	None	None	None	None	Green		Clear		
S11	08/10/17	815	9	<20	<3	None	None	None	None	Green	74	Clear		
S12	08/10/17	805	9	<20	<3	None	None	None	None	Green		Clear		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: Low Tide 0814

Weather: Partly Cloudy

COMMENTS:

STA#	DATE	TIME	Total	Fecal	Entero-	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			Coliform CFU/100ml SM9222B	Coliform CFU/100ml SM9222D	coccus CFU/100ml EPA 1600	Onshore	Offshore							
S3	08/14/17	1120	<20	<20	<3	None	None	None	None	Green	70	Clear		
S4	08/14/17	1100	<20	<20	3	None	None	None	None	Green		Clear		
S5	08/14/17	1045	<20	<20	3	None	None	None	None	Green		Clear		
S6	08/14/17	1025	<20	<20	<3	None	None	None	None	Green		Clear		
WEST	08/14/17	1020	<20	<20	3	None	None	None	None	Green		Clear		
S7	08/14/17	1015	<20	<20	<3	None	None	None	None	Green		Clear		
S8	08/14/17	1000	20	<20	3	None	None	None	None	Green		Clear		
S9	08/14/17	951	80	20	40	None	None	None	None	Green		Clear		
ACM1	08/14/17	945	>=40	3	160	None	None	None	None	Green		Clear	Flowing	
S10	08/14/17	920	20	<20	<3	None	None	None	None	Green		Clear		
S11	08/14/17	910	20	<20	<3	None	None	None	None	Green		Clear		
S12	08/14/17	900	<10	20	4	None	None	None	None	Green	73	Clear		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: High Tide 1037

Weather: Overcast

COMMENTS:

STA#	DATE	TIME	Total	Fecal	Entero-	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			Coliform CFU/100ml SM9222B	Coliform CFU/100ml SM9222D	coccus CFU/100ml EPA 1600	Onshore	Offshore							
S3	08/22/17	935	<20	<20	3	None	None	None	None	Green		Clear		
S4	08/22/17	920	<20	20	<3	None	None	None	None	Green	70	Slightly Turbid		
S5	08/22/17	910	<20	30	<3	None	None	None	None	Green		Slightly Turbid		
S6	08/22/17	850	30	<20	3	None	None	None	None	Green		Slightly Turbid		
WEST	08/22/17	845	<20	<20	3	None	None	None	None	Green		Slightly Turbid		
S7	08/22/17	840	<20	<20	5	None	None	None	None	Green		Slightly Turbid		
S8	08/22/17	835	<20	<20	<3	None	None	None	None	Green		Slightly Turbid		
S9	08/22/17	825	<10	<10	<4	None	None	None	None	Green	69	Slightly Turbid		50
ACM1	08/22/17	820	<20	<20	<3	None	None	None	None	Green		Slightly Turbid		
S10	08/22/17	810	<20	<20	<3	None	None	None	None	Green		Slightly Turbid		
S11	08/22/17	805	<20	<20	<3	None	None	None	None	Green		Slightly Turbid		
S12	08/22/17	800	<20	<20	3	None	None	None	None	Green		Slightly Turbid		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: High Tide 0718

Weather: Partly Cloudy

COMMENTS:

STA#	DATE	TIME	Total	Fecal	Entero-	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			Coliform CFU/100ml SM9222B	Coliform CFU/100ml SM9222D	coccus CFU/100ml EPA 1600	Onshore	Offshore							
S3	08/31/17	730	<20	<20	<3	None	None	None	None	Green	71	Clear		
S4	08/31/17	1055	<20	<20	<3	None	None	None	None	Green		Clear		
S5	08/31/17	1035	9	<20	<3	None	None	None	None	Green		Clear		
S6	08/31/17	1005	<20	<20	<3	None	None	None	None	Green		Clear		
WEST	08/31/17	1000	<20	<20	<3	None	None	None	None	Green		Clear		
S7	08/31/17	955	<20	9	<3	None	None	None	None	Green		Clear		
S8	08/31/17	945	<20	<20	<3	None	None	None	None	Blue		Clear		
S9	08/31/17	920	90	30	10	None	None	None	None	Green		Clear		
ACM1	08/31/17	915	70	9	10	None	None	None	None	Green		Clear		
S10	08/31/17	845	<20	<20	2	None	None	None	None	Green		Clear		
S11	08/31/17	835	9	<20	<3	None	None	None	None	Green		Clear		
S12	08/31/17	825	<10	<10	<4	None	None	None	None	Green	73	Clear		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

Aliso Creek Ocean Outfall

Unified Beach Water Quality Monitoring Stations

SOCWA's NPDES discharge permit requires participation in the South Orange County Unified Beach Water Quality Monitoring Program. The monitoring stations below are tested by SOCWA at least once per week for Total and Fecal Coliform and Enterococcus Bacteria.

Station	Location
S3	Three Arch Bay Beach; 10,000' down-coast from ACOO
S4	Ninth Street-1000 Steps; 5,000' down-coast from ACOO
S5	Laguna Lido Beach; 4,000 down-coast from ACOO
West	West Street Drain; 2,000' down-coast from ACOO
S6	Table Rock Beach; 3,000' down-coast from ACOO
S7	Camel Point Beach; 2,000' down-coast from ACOO
S8	Aliso Beach south; 1,000' down-coast from ACOO
S9	Aliso Beach middle; at ACOO
ACM1	Aliso Beach at Aliso Creek Outlet
S10	Aliso Beach north; 1,000' up-coast of ACOO
S11	Treasure Island Beach; 2,000' up-coast of ACOO
S12	Goff Island Beach; 3,000' up-coast of ACOO

Unified Beach Water Quality Sample Station Map – Aliso Creek Ocean Outfall



MONITORING REPORT

Off Shore Stations

South Orange County Wastewater Authority

DISCHARGE: Aliso Creek Ocean Outfall

REPORT FOR: August 2017

REPORT DUE: October 1, 2017

SAMPLE SOURCE: Receiving water, nearshore and offshore

EXACT SAMPLE POINTS: As specified in permit

SAMPLES COLLECTED BY: Seaventures/SOCWA staff

SAMPLES ANALYZED BY: SOCWA Lab

REPORT FREQUENCY: Monthly

SAMPLING FREQUENCY: Monthly

TYPE OF SAMPLE: Grab

Comments: High Tide 1106

Sta No.	Sample Depth	Sample Date	Total Coliform CFU/100ml SM9222B	Fecal Coliform CFU/100ml SM9222D	Enterococcus CFU/100ml EPA 1600	Sample Time	Oil & Grease	Sewage Debris	0 - None 1 - Mild 2 - Moderate 3 - Severe
A-1	Surface	08/09/17	<2	<2	<2	800	0	0	
A-1	Mid depth	08/09/17	<10	<10	<10				
A-2	Surface	08/09/17	<2	<2	<2	750	0	0	
A-2	Mid depth	08/09/17	<10	<10	<10				
A-3	Surface	08/09/17	<2	<2	<2	754	0	0	
A-3	Mid depth	08/09/17	<10	<10	<10				
A-4	Surface	08/09/17	<2	<2	<2	806	0	0	
A-4	Mid depth	08/09/17	<10	<10	<10				
A-5	Surface	08/09/17	2	<2	<2	757	0	0	
A-5	Mid depth	08/09/17	<10	<10	<10				
B-1	Surface	08/09/17	<2	<2	<2	740	0	0	
B-1	Mid depth	08/09/17	<10	<10	<10				
B-2	Surface	08/09/17	<2	<2	<2	815	0	0	
B-2	Mid depth	08/09/17	<10	<10	<10				
N1	Surface	08/09/17	6	<2	<2	829	0	0	
N2	Surface	08/09/17	6	2	4	828	0	0	
N3	Surface	08/09/17	<2	<2	<2	827	0	0	
N4	Surface	08/09/17	<2	<2	<2	826	0	0	
N5	Surface	08/09/17	4	<2	<2	825	0	0	
N6	Surface	08/09/17	<2	<2	<2	824	0	0	
N7	Surface	08/09/17	<2	<2	<2	822	0	0	

REQUIREMENT: (1) Floating particulates and grease and oil shall not be visible. (2) The discharge of wasteshall not cause aesthetically undesirable discoloration of the ocean surface.



SOCWA and MEMBER AGENCY FACILITIES ACOO Spill / Overflow Report Log - 2017 Order No. R9-2012-0013 ~ NPDES Permit No. CA0107611

Reporting Agency	Responsible Agency	Estimated Volume (Gallons)	Type of Discharge	Location/Comments	Receiving Waters	Date Reported To State	Date Resolved
SOCWA	Regional Treatment Plant	60	Tertiary Effluent	Broken 3WHP 1" reclaimed water line due to a broken elbow. Spill was contained and pumped back to the plant.	None	N/A	1/11/2017
SOCWA	Regional Treatment Plant	124,320	Secondary Effluent	One of two applied reclaimed water effluent pumps failed. These pumps push water from the reclaimed water effluent pond to the reclaimed water reservoirs. The single pump could not keep up with the demand thus leading to a spill from the pond. All flows were diverted to the outfall while the applied pump was repaired. Sandbags were placed around the overflow in an effort to contain secondary water in the pond.	Sulphur Creek Aliso Creek Pacific Ocean	1/23/2017	1/22/2017
SOCWA	Pacific Hydrotech	100	Untreated Sewage	Pacific Hydrotech and Herc Rental has a sewer bypass in operation at RTP. One of the bypass pumps did not start. One of their employees noticed the spill and started the pump. The spill was contained in the area and internal drains routed the flow to the influent Junction Structure.	None	7/11/2017	7/11/2017
SOCWA	Pacific Hydrotech	225	Untreated Sewage	Pacific Hydrotech and Herc Rental has a sewer bypass in operation at RTP. One of the bypass pumps got a rag ball stuck in the pump One of their employees noticed the spill and remove rags form suction of the pump. The spill was contained in the area and internal drains routed the flow to the influent Junction Structure.	None	7/14/2017	7/14/2017
SOCWA	Pacific Hydrotech	300	Untreated Sewage	Pacific Hydrotech and Herc Rental has a sewer bypass in operation at RTP. One of the bypass pumps got a rag ball stuck in the pump One of their employees noticed the spill and remove rags form suction of the pump. The spill was contained in the area and internal drains routed the flow to the influent Junction Structure.	None	07-17-17	07-17-17
SOCWA	Regional Treatment Plant	7,575	Untreated Sewage	The control power on Barscreen 1 blew a 30 amp fuse making the barscreen inoperable. Spill was contained treated in the plant.	None	7/18/2017	7/18/2017
SOCWA	Regional Treatment Plant	200	Untreated Sewage	The control power fuse blew, preventing operation of Bar Screen 1. A pacific hydrotech employee on site for the bypass found the spill and called the standby operator. The standby operator called the CPO.	None	7/18/2017	7/19/2017

SAN JUAN CREEK OCEAN OUTFALL MONITORING REPORT

August 2017

DATE	J.B. LATHAM FACILITY				SAN CLEMENTE WRP				SMWD CHIQUITA WRP				3-A PLANT				CSJC	SCWD	SJCOO	Rain
	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	FLOW MGD	FLOW MGD	Fall inches
08/01/17	6.750	7.4	9.7	0.1	1.007	12.4	6.0	<0.1	0.410	11.0	15.2	<0.1	0.551	2.4	14.0	<0.1	0.018	0.062	10.400	0.00
08/02/17	6.680	6.2	7.2	0.1	1.160	11.5	6.0	<0.1	1.060	8.0	10.0	<0.1	0.095	3.4	3.0	0.3	0.319	No Flow	8.420	0.00
08/03/17	6.840	8.8	8.0	0.1	1.484	9.5	5.0	<0.1	0.440	8.2	9.4	0.1	0.107	3.6	3.0	0.1	0.546	0.120	10.000	0.00
08/04/17	6.900	6.7	7.4	0.2	1.370	9.4	6.0	<0.1	0.480	5.2	9.0	<0.1	0.108	4.4	3.0	<0.1	0.566	0.159	9.740	0.00
08/05/17	6.910	2.9	5.3	0.1	0.973				0.510				0.101				0.578	0.160	9.200	0.00
08/06/17	6.910	5.4	6.8	<0.1	2.057				0.450				0.159				0.579	0.164	9.890	0.00
08/07/17	6.700	4.6	6.6	0.5	1.628	8.8	6.0	<0.1	0.500	12.2	13.0	<0.1	0.199	3.5	11.0	<0.1	0.576	0.159	10.190	0.00
08/08/17	6.720	5.0	6.5	<0.1	2.808	11.5	6.0	<0.1	0.130	7.4	14.0	0.1	0.121	3.4	12.0	0.2	0.576	0.159	11.070	0.00
08/09/17	6.770	7.7	6.0	<0.1	1.017	9.6	6.0	<0.1	0.740	10.0	9.9	0.1	0.167	3.5	2.0	0.2	0.573	0.164	9.280	0.00
08/10/17	6.850	6.7	4.8	0.2	1.068	8.2	4.0	<0.1	0.580	9.0	8.2	<0.1	0.139	3.2	3.0	<0.1	0.574	0.159	9.760	0.00
08/11/17	7.050	6.9	7.0	0.1	0.895	8.5	5.0	<0.1	0.300	7.0	7.5	<0.1	0.044	2.3	3.0	<0.1	0.523	0.160	8.930	0.00
08/12/17	6.800	1.1	2.8	0.1	0.750				0.540				0.064				0.531	0.164	8.850	0.00
08/13/17	6.790	2.4	4.5		1.846				0.600				0.204				0.535	0.160	9.880	0.00
08/14/17	6.770	7.1	7.8	0.1	1.347	10.4	8.0	<0.1	0.650	12.8	14.0	<0.1	0.216	2.8	12.0	0.1	0.535	0.159	9.660	0.00
08/15/17	6.530	4.3	7.3	0.1	1.215	7.5	5.0	<0.1	0.420	7.6	12.8	0.2	0.275	3.9	11.0	0.3	0.532	0.027	9.150	0.00
08/16/17	6.360	8.7	7.0	0.1	1.612	8.8	5.0	<0.1	0.320	7.0	6.0	0.1	0.294	4.3	4.0	0.4	0.529	No Flow	9.660	0.00
08/17/17	6.270	6.1	6.7	0.1	2.334	9.2	6.0	<0.1	0.310	12.0	8.3	0.2	0.284	4.1	4.0	0.4	0.531	0.141	10.020	0.00
08/18/17	6.480	6.9	4.3	<0.1	1.005	8.0	5.0	<0.1	0.120	8.0	5.9	0.2	0.086	5.6	4.0	0.2	0.533	0.158	9.000	0.00
08/19/17	6.630				1.091				0.160				0.057				0.536	0.166	8.780	0.00
08/20/17	6.670	6.0	7.0		1.225				0.950				0.195				0.537	0.160	9.030	0.00
08/21/17	6.710	7.3	5.3	0.2	1.084	7.8	5.0	<0.1	0.970	15.0	14.0	0.2	0.217	1.8	13.0	<0.1	0.537	0.160	9.830	0.00
08/22/17	6.910	3.8	5.0	0.1	1.202	9.4	6.0	<0.1	0.530	11.6	15.8	0.1	0.144	4.5	14.0	0.1	0.539	0.165	10.250	0.00
08/23/17	6.620	7.7	7.0	0.3	1.920	9.2	6.0	<0.1	0.310	8.6	9.4	<0.1	0.109	3.0	3.0	<0.1	0.536	0.159	9.760	0.00
08/24/17	6.850	5.8	5.0	0.1	0.412	8.8	6.0	<0.1	0.470	9.0	8.4	0.1	0.110	2.9	3.0	0.2	0.515	0.164	9.700	0.00
08/25/17	6.550	6.6	6.1	0.1	1.017	9.1	6.0	<0.1	0.720	15.8	10.8	0.1	1.780	3.2	4.0	0.1	0.533	0.160	9.230	0.00
08/26/17	6.450				0.978				0.680				0.066				0.475	0.160	9.010	0.00
08/27/17	6.840	6.6	8.3		1.313				1.050				0.259				0.459	0.164	9.740	0.00
08/28/17	6.990	5.7	5.8	0.1	1.651	8.0	5.0	<0.1	0.710	24.3	14.0	0.1	0.389	2.5	13.0	0.1	0.464	0.160	10.650	0.00
08/29/17	6.750	6.6	5.1	0.2	1.220	7.2	4.0	<0.1	0.490	12.0	15.0	<0.1	0.168	3.8	13.0	<0.1	0.469	0.030	9.520	0.00
08/30/17	6.490	4.0	5.9	0.2	1.039	6.5	4.0	<0.1	0.480	20.5	13.5	0.1	0.328	5.2	3.0	<0.1	0.143	No Flow	8.440	0.00
08/31/17	6.400	4.2	3.1	0.1	0.877	9.2	6.0	<0.1	0.440	14.5	10.2	<0.1	0.160	7.1	4.0	0.2	0.308	0.130	8.810	0.00
AVG	6.708	5.8	6.2	<0.1	1.310	9.1	5.5	<0.1	0.533	11.2	11.1	<0.1	0.232	3.7	6.9	<0.2	0.490	0.131	9.544	
TOTAL	207.940				40.605				16.520				7.196				15.205	4.053	295.850	0.00

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: High Tide 1035

Weather: Partly Cloudy

COMMENTS:

STA#	DATE	TIME	Total	Fecal	Enterococcus	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			Coliform CFU/100ml	Coliform CFU/100ml	CFU/100ml	Onshore	Offshore							
S0	08/08/17	840	<=40	<40	20	None	None	None	None	Green	73	Slightly Turbid		
S1	08/08/17	850	<40	<40	<3	None	None	None	None	Green		Clear		
S2	08/08/17	810	<=40	40	<3	None	None	None	None	Green		Slightly Turbid		
DSB5	08/08/17	800	<=40	40	106	None	None	None	None	Green		Slightly Turbid		
S3	08/08/17	855	<40	<40	<3	None	None	None	None	Green		Clear		
DSB4	08/08/17	900	<40	<40	<3	None	None	None	None	Green		Clear		
S5	08/08/17	910	<40	<40	<3	None	None	None	None	Green		Clear		
DSB1	08/08/17	930	<40	<40	<3	None	None	None	None	Green		Clear		
SJC1	08/08/17	835	<40	<40	20	None	None	None	None	Green		Slightly Turbid		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: Low Tide 1039

Weather: Partly Cloudy

COMMENTS:

STA#	DATE	TIME	Total Coliform	Fecal Coliform	Enterococcus	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			CFU/100ml SM9222B	CFU/100ml SM9222D	CFU/100ml EPA 1600	Onshore	Offshore							
S0	08/16/17	0845	<40	<40	7	None	None	None	None	Green		Turbid		
S1	08/16/17	0850	<40	<40	7	None	None	None	None	Green		Turbid		
S2	08/16/17	0831	40	<40	<4	None	None	None	None	Brown	70	Turbid		
DSB5	08/16/17	0824	30	<30	5	None	None	None	None	Green		Turbid		
S3	08/16/17	0855	<40	<40	9	None	None	None	None	Green		Turbid		
DSB4	08/16/17	0855	40	<40	5	None	None	None	None	Green		Turbid		
S5	08/16/17	0905	<40	<40	70	None	None	None	None	Green	70	Turbid		
DSB1	08/16/17	0915	40	<40	4	None	None	None	None	Green		Turbid		
C1	08/16/17	0845	<200	<200	30	None	None	None	None	Green		Turbid		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: High tide 910

Weather: Overcast

COMMENTS:

STA#	DATE	TIME	Total	Fecal	Entero-	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			Coliform CFU/100ml SM9222B	Coliform CFU/100ml SM9222D	coccus CFU/100ml EPA 1600	Onshore	Offshore							
S0	08/23/17	910	<40	<40	2	None	None	None	None	Green		Turbid		
S1	08/23/17	915	20	40	2	None	None	None	None	Green		Turbid		
S2	08/23/17	850	<40	<40	5	None	None	None	None	Green		Turbid		
DSB5	08/23/17	840	70	20	5	None	None	None	None	Green		Turbid		
S3	08/23/17	920	20	<40	2	None	None	None	None	Green		Turbid		
DSB4	08/23/17	925	20	50	10	None	None	None	None	Green		Turbid		
S5	08/23/17	930	40	20	<4	None	None	None	None	Green		Turbid		
DSB1	08/23/17	935	20	<40	4	None	None	None	None	Green		Turbid		
C1	08/23/17	914	50	50	20	None	None	None	None	Green		Turbid		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: August 2017
 REPORT DUE: October 1, 2017
 SAMPLE SOURCE: Receiving water surf zone
 TYPE OF SAMPLE: Grab

REPORT FREQUENCY: Monthly
 EXACT SAMPLE POINTS: As specified in Unified Monitoring Plan
 SAMPLES COLLECTED BY: SOCWA Lab
 SAMPLES ANALYZED BY: SOCWA Lab

Tidal Condition: Low Tide 907
 Weather: Partly Cloudy
 COMMENTS: Hot & Humid

STA#	DATE	TIME	Total Coliform	Fecal Coliform	Enterococcus	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			CFU/100ml SM9222B	CFU/100ml SM9222D	CFU/100ml EPA 1600	Onshore	Offshore							
S0	08/29/17	907	40	20	9	None	None	None	None	Green	67	Turbid		
S1	08/29/17	912	100	40	22	None	None	None	None	Green		Turbid		
S2	08/29/17	838	<40	<40	2	None	None	None	None	Green		Turbid		
DSB5	08/29/17	828	<40	<40	10	None	None	None	None	Green		Turbid		
S3	08/29/17	916	40	20	40	None	None	None	None	Green		Turbid		
DSB4	08/29/17	917	<40	20	20	None	None	None	None	Green		Turbid		
S5	08/29/17	925	20	<40	2	None	None	None	None	Green	66	Turbid		
DSB1	08/29/17	931	<40	<40	4	None	None	None	None	Green		Turbid		
C1	08/29/17	905	<100	<100	<30	None	None	None	None	Green		Turbid		

RECEIVING WATER LIMITATIONS: Single Sample Maximum - Total coliform density shall not exceed 10,000 per 100ml; Fecal coliform density shall not exceed 400 per 100ml; Enterococcus density shall not exceed 104 per 100ml.

San Juan Creek Ocean Outfall

Unified Beach Water Quality Monitoring Stations

SOCWA's NPDES discharge permit requires participation in the South Orange County Unified Beach Water Quality Monitoring Program. The monitoring stations below are tested by SOCWA at least once per week for Total and Fecal Coliform and Enterococcus Bacteria.

Station	Location
DSB 5	Doheny Beach – North Creek Outlet 1500' up-coast from SJCOO
S2	Doheny Beach- Midway between Jetty and San Juan Creek
SJC1	San Juan Creek Mouth – up-coast from SJCOO
S0	Doheny Beach at Outfall; surf line over SJCOO
S1	Doheny Beach Campground; 1,000' down-coast from SJCOO
DSB 4	Doheny State Beach; 1,900' down-coast from SJCOO
S3	South Day Use; 2000' down-coast from SJCOO
S5	Doheny Beach near overpass; 3000' down-coast from SJCOO
DSB 1	End of Doheny State Beach; 3500' down-coast from SJCOO



MONITORING REPORT

Offshore

South Orange County Wastewater Authority

DISCHARGE: San Juan Creek Ocean Outfall

REPORT FOR: August 2017

REPORT FREQUENCY: Monthly

REPORT DUE: October 1, 2017

SAMPLE SOURCE: Receiving water, nearshore and offshore

SAMPLING FREQUENCY: Monthly

EXACT SAMPLE POINTS: As specified in permit

TYPE OF SAMPLE: Grab

SAMPLES COLLECTED BY: Seaventures/SOCWA staff

SAMPLES ANALYZED BY: SOCWA Lab

Comments: High Tide 1106

Sta No.	Sample Depth	Sample Date	Total Coliform CFU/100ml SM9222B	Fecal Coliform CFU/100ml SM9222D	Enterococcus CFU/100ml EPA 1600	Sample Time	Oil & Grease	Sewage Debris	
A-1	Surface	08/09/17	2	<2	<2	927	0	0	0 - None
A-1	Mid depth	08/09/17	420	190	10				1 - Mild
A-2	Surface	08/09/17	<2	<2	<2	930	0	0	2 - Moderate
A-2	Mid depth	08/09/17	20	10	<10				3 - Severe
A-3	Surface	08/09/17	2	<2	<2	933	0	0	
A-3	Mid depth	08/09/17	10	20	<10				
A-4	Surface	08/09/17	<2	<2	<2	941	0	0	
A-4	Mid depth	08/09/17	<10	<10	<10				
A-5	Surface	08/09/17	<2	<2	<2	936	0	0	
A-5	Mid depth	08/09/17	500	230	30				
B-1	Surface	08/09/17	2	2	<2	919	0	0	
B-1	Mid depth	08/09/17	90	10	30				
B-2	Surface	08/09/17	<2	<2	4	949	0	0	
B-2	Mid depth	08/09/17	<10	<10	<10				
N1	Surface	08/09/17	<2	<2	<2	910	0	0	
N2	Surface	08/09/17	<2	<2	<2	906	0	0	
N3	Surface	08/09/17	<2	<2	<2	902	0	0	
N4	Surface	08/09/17	10	2	2	900	0	0	
N5	Surface	08/09/17	6	<2	<2	858	0	0	
N6	Surface	08/09/17	4	<2	<2	855	0	0	

REQUIREMENT: (1) Floating particulates and grease and oil shall not be visible. (2) The discharge of waste shall not cause aesthetically undesirable discoloration of the ocean surface.

**Compliance Summary Report
San Juan Creek Ocean Outfall 2017**

SJCOO Permit Order No. R9-2012-0012							
Agency	Violation Date	Constituent	Effluent Limit Violation	Units	Permit Limit	Reported Value	Potential Fine
SMWD - 3A	4/8/2017	Turbidity	Deficient Monitoring	ntu	weekly	not monitored	\$3,000
SMWD - CWRP	4/17/2017	TSS	TSS Monthly Average Limit	mg/L	30	87.8	\$3,000
SMWD - CWRP	4/18/2017	TSS	TSS Weekly Average Limit	mg/L	45	292	\$3,000
SMWD - CWRP	4/17/2017	TSS	TSS % Removal	%	85	0	\$3,000
SMWD - CWRP	4/30/2017	TSS	TSS % Removal	%	85	0	\$3,000
SOCWA - Outfall	7/12/2017	Fecal Coliform	30 Day Geometric Mean	cfu/100mL	200	315	N/A



**SOCWA and MEMBER AGENCY FACILITIES
SJCOO Spill / Overflow Report Log - 2017
Order No. R9-2012-0012 ~ NPDES Permit No. CA0107417**

Reporting Agency	Responsible Agency	Estimated Volume (Gallons)	Type of Discharge	Location/Comments	Receiving Waters	Date Reported To State	Date Resolved
SOCWA	JB Latham Plant	100	Primary	High flows experienced at the plant.	N/A	N/A	01-22-17

Recycled Water Report

**Compliance Summary Report
Recycled Water Permit
2017**

Waste Discharge Requirement Order 97 - 52							
Agency - Facility	Violation Date	Constituent	Effluent Limit Violation	Units	Permit Limit	Reported Value	Remarks
SCWD-CTP	1/4/2017	Manganese	12-Month	mg/L	0.05	0.06	
SOCWA - RTP	1/4/2017	TDS	12-month	mg/L	1,000	1026	
SOCWA - RTP	1/4/2017	Manganese	12-Month	mg/L	0.05	0.06	
SMWD-3A	1/31/2017	Manganese	12-Month	mg/L	0.05	0.06	Plant offline in January
SOCWA - RTP	2/14/2017	TDS	12-month	mg/L	1,000	1101	
SOCWA - RTP	2/14/2017	TDS	Daily	mg/L	1,100	1101	
SOCWA - RTP	2/14/2017	Manganese	12-Month	mg/L	0.05	0.06	
SMWD-3A	2/28/2017	Manganese	12-Month	mg/L	0.05	0.06	Plant offline in February
SOCWA - RTP	3/7/2017	TDS	12-month	mg/L	1,000	1047	
SOCWA - RTP	3/7/2017	Manganese	12-Month	mg/L	0.05	0.08	
SCWD-RTP	3/7/2017	Manganese	Daily	mg/L	0.06	0.11	
SMWD-3A	3/16/2017	Manganese	Daily	mg/L	0.06	0.07	
SMWD-3A	3/16/2017	Manganese	12-Month	mg/L	0.05	0.06	
SOCWA - RTP	4/11/2017	TDS	12-month	mg/L	1000	1083	
SOCWA - RTP	4/11/2017	Manganese	12-Month	mg/L	0.05	0.08	
SMWD-3A	4/13/2017	Manganese	12-Month	mg/L	0.05	0.06	
SMWD-3A	4/13/2017	Manganese	Daily	mg/L	0.06	0.07	
SMWD-3A	5/10/2017	Manganese	12-Month	mg/L	0.05	0.06	
SCWD-CTP	5/6/2017	Coliform	Daily	cfu/100mL	23	NR*	Monitoring violation
SOCWA - RTP	5/16/2017	Manganese	12-Month	mg/L	0.05	0.07	
SMWD-OCWRP	5/21/2017	Coliform	Daily	cfu/100mL	23	1600	Possible sample contamination reported by the Chief Plant Operator
SOCWA - RTP	6/6/2017	Manganese	12-Month	mg/L	0.05	0.08	
SMWD-3A	6/8/2017	Manganese	12-Month	mg/L	0.05	0.06	
SMWD-3A	7/1/2017	Manganese	12-Month	mg/L	0.05	0.06	
SOCWA - RTP	7/4/2017	Manganese	12-Month	mg/L	0.05	0.07	
SMWD-3A	8/21/2017	Manganese	12-Month	mg/L	0.05	0.06	

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

QUARTERLY RECYCLED WATER MONITORING

Monitoring Period Ending: Aug 31, 2017

Constituent	Units	12-month Avg Maximum Permit Limit	IRWD-LAWRP 12-month Average	ETWD-WRP 12-month Average	TCWD 12-month Average	SMWD Oso 12-month Average	SMWD Chiquita 12-month Average	SMWD Nichols 12-month Average	MNWD-3A 12-month Average	MNWD-RTP 12-month Average	SCWD-CTP 12-month Average
			*	**							***
TDS	mg/L	1000	752	924	977	818	867	937	850	962	709
Chloride	mg/L	375	144	185	218	165	196	271	191	238	207
Sulfate	mg/L	400	194	216	250	245	223	234	220	321	254
Sodium	mg/L	None	149	159	179	140	150	217	150	180	150
Alkalinity	mg/L	None	-	-	-	-	-	-		257	185
Adjusted SAR	Ratio	None	5.10	-	4.36	4.36	4.49	5.63	4.85	4.39	4.52
Iron	mg/L	0.3	0.023	0.038	0.037	0.295	0.086	0.071	0.13	0.187	0.123
Manganese	mg/L	0.05	0.024	0.010	0.020	0.022	0.033	0.023	0.060	0.082	0.044
MBAS	mg/L	0.5	0.11	0.03	0.04	0.60	0.60	0.44	0.60	0.10	0.10
Boron	mg/L	0.75	0.36	0.280	0.339	0.290	0.320	0.350	0.29	0.347	0.27
Fluoride	mg/L	None	0.49	1.685	0.32				0.92	0.93	0.79
Total Organic Carbon	mg/L	None	8.5	-	8.3	9.3	11.2	9.8	10.5	13.0	11.0

* The LAWRP 12-month permit limits are listed below:

TDS	1000 mg/L
Chloride	180 mg/L
Sulfate	340 mg/L

**The ETWD 12-month permit limits are listed below:

TDS	910 mg/L
-----	----------

*** The CTP 12-month permit limits are listed below:

TDS	1200 mg/L
Chloride	400 mg/L
Sulfate	500 mg/L

SOCWA Service Area Recycled Water Production (Ac-Ft) - 2017

Agency	Facility or Region	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Annual Totals
CSJC ¹	3-A Plant/MNWD	0.00	0.91	5.54	1.51	0.48	0.00	0.00	0.48					8.92
CSJC ²	Chiquita/SMWD	0.30	0.02	9.60	22.50	21.70	21.00	21.90	25.10					122.12
CSJC ³	Non-Domestic Well	3.18	4.44	NR	46.32	56.30	61.32	79.19	53.34					304.09
ETWD	Region 8	27.67	21.00	28.97	88.91	169.07	168.67	170.35	150.68					825.32
IRWD														
	⁴ IRWD - 8	2.71	3.65	39.50	74.46	94.27	100.26	106.56	139.76					561.16
	⁴ IRWD - 9	1.11	4.97	28.05	63.80	85.49	88.45	102.61	157.79					532.27
SCWD	SOCWA CTP	3.32	10.16	49.66	116.27	116.12	76.77	123.91	129.51					625.72
MNWD	JRP	153.48	158.57	268.68	479.15	505.02	559.34	643.09	661.04					3428.37
	3-A Plant	0.00	0.00	70.24	123.24	174.31	175.83	178.74	179.59					901.95
	⁵ CTP	-1.25	4.36	2.16	18.65	12.63	-34.25	0.40	9.19					11.88
SMWD	Oso Creek	151.60	141.02	149.58	136.93	142.67	143.50	153.23	142.06					1160.59
	Chiquita	197.02	95.04	205.46	421.26	351.57	404.51	377.81	375.97					2428.64
	Nichols	1.73	1.53	1.82	1.72	1.98	2.21	2.84	2.83					16.66
TCWD	RRWRP	52.88	36.21	43.81	49.50	53.28	51.90	48.67	48.06					384.31
TOTALS		594.70	476.59	885.77	1601.56	1750.08	1832.75	1987.00	2040.63	0.00	0.00	0.00	0.00	11169.08

¹ Denotes transfer of recycled water from MNWD (3A Plant) for use in the CSJC service area. Not counted as additional production.

² Denotes recycled water purchased from SMWD Chiquita-WRP used in the CSJC service area. Not counted as additional production.

³ Denotes nondomestic groundwater produced from wells used for landscape irrigation.

⁴ IRWD production is from recycled water production, nonpotable water wells, and surface water impoundments

⁵ Denotes transfer of recycled water from SCWD (SOCWA CTP) for use in the MNWD service area. Not counted as additional production.

Note: All of ETWD reclaimed water produced and used in Region 8.

NR = No Report

Pretreatment Report

Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

TO: SOCWA Board of Directors

FROM: Betty Burnett, General Manager

STAFF CONTACT: Katie Greenwood, Source Control Manager

SUBJECT: Monthly Pretreatment Report, August and September 2017
San Juan Creek Ocean Outfall
NPDES Permit #CA0107417 Order #R9-2012-0012
Aliso Creek Ocean Outfall
NPDES Permit #CA0107611 Order #R9-2012-0013

Summary of Program Activities

State contractors conducted a Pretreatment Compliance Inspection (PCI) of SOCWA's Pretreatment Program on March 23, 2017. The following two categorical industrial user (CIU) files and facilities were inspected: IRWD-Dynacast, SMWD-Applied Medical (003). Preliminary findings were presented verbally and include the requirement to modify permit language to state that all self-monitoring performed (at the sampling location described in the permit) must be reported to SOCWA, even if the IU is monitoring more frequently than required. Several recommendations for program improvement were also given verbally and include: 1.) SOCWA should evaluate IU facilities for the need to have a Slug Discharge Control Plan (SDCP) more frequently than federal law requires, and 2.) SOCWA staff should be less specific as to when compliance sampling will occur over a timeframe when communicating with IUs.

- Staff anticipated receiving a formal audit report by the end of August 2017 and now hopes to receive the report by the end of October 2017.

The Dental Amalgam Rule became effective on July 14, 2017. The compliance date, meaning the date that Existing Sources subject to the rule must comply with the standards in this rule is July 14, 2020. New Sources subject to this rule must comply immediately with the standards in this rule. Staff has finished updating SOCWA's list of all existing dental offices. Staff created a Dental Discharger One-Time Compliance Report in advance of EPA publishing theirs. Staff is awaiting EPA Control Authority (CA) guidance and expects that a fact sheet describing the responsibility of CA's will soon be published. Staff plans to post information about the Rule along with a link to SOCWA's One-Time Compliance Report on its website. If required, staff will conduct a mass mail-out to all Dental Users to provide the Discharger One-Time Compliance Report.

SOCWA staff sent, via e-mail on July 14, 2017, to all MAs the appropriate reporting sheets for their necessary data submittals to assist in the production of the annual pretreatment report, which is due to the RWQCB-SD by March 1, 2018. Once received, Staff will review and enter the data into the Water Information Management Solution (WIMS) database so it can be uploaded electronically to the State CA Integrated Water Quality System (CIWQS) database. Influent and effluent data from each of the treatment plants and the narrative portion of the report will only be submitted electronically to the State.

Trainings and Committee Meetings Attended

SOCWA staff attended a CWEA SARBS Training “Using a Tire and Chain to Clean Sewer Lines” on August 30, 2017.

SOCWA Staff attended an Industry Council Meeting on September 12, 2017 at LA County Sanitation Districts' HQs in Whittier.

Permit Related Activities

The following Wastewater Discharge (WD) Permits, Special Wastewater Discharge (SWD) Permits, Nuisance Water-Special Wastewater Discharge (NSWD) Permits, Non-Industrial Wastewater Discharge (NIWD) forms, and BMP letters were issued or are in the process of being drafted for issuance:

SMWD – WD Permit No. 2-001 (Control Components, Inc.) – Renewal, Non-SIU Class II WD Permit to continue to allow parts and floor cleaning wastewater and hydrotest valve pressure testing wastewater to be discharged to the sewer. The current permit expires October 20, 2017. Staff is aiming to issue the renewal permit to be effective October 21, 2017.

CSC – SWD Permit No. 4-001 (FREY Environmental) – New, Non-SIU, Class IV SWD Permit to allow treated groundwater contaminated from a petroleum underground storage tank to be discharged to the sewer. A SWD Permit has been drafted. Staff is awaiting test results which show pollutant levels in the groundwater before and after treatment to prove the treatment system effectively treats the groundwater to non-detect pollutant levels.

SCWD – NSWD Permit No. N4-007 (Montage Resorts) – Montage Council submitted Agreement legal revisions to SCWD on July 27, 2017. SCWD staff are working with legal to incorporate changes into the Agreement. The Permit may not be finalized until the Agreement is approved and signed by all parties.

Enforcement Events

Three Arch Bay Community Services District, 5 Bay Drive, Laguna Niguel, CA 92651 issued a Warning Notice of non-Compliance (WNON) on August 21, 2017 for exceeding the permit flow limit of 10,000 gpd on one day during the month of July 2017.

At SCWD's request, SOCWA verbally informed Three Arch Bay that the permit flow limit may be exceeded, but an additional cost will be billed out for the higher volume.

Inspection and Monitoring Activities

SOCWA Staff has started the annual site inspections and monitoring/sampling of all SIU/CIU's in the SOCWA service area. This is a required activity of the SOCWA approved pretreatment program. The information and data obtained from these required activities will be incorporated into the SOCWA Pretreatment Annual Report.

On August 31, 2017 SOCWA Staff inspected CSJC's Groundwater Treatment Plant, SWD Permit No. CSJC-4-002. The inspection was performed to familiarize Staff with the operation and to perform a slug discharge control plan evaluation.

On September 8, 2017 SOCWA Staff inspected both permitted sites associated with Applied Medical, WD Permit Nos. SMWD-1-003 and SMWD-1-004. Samples were collected at three discharge locations to verify compliance with permit limits. Staff is awaiting laboratory results.

**Summary of Activities and Types of IUs in the SOCWA Service Area.
 YTD through September 21, 2017.**

<u>MA</u>		<u>Events</u>	<u>Permit</u>	<u>NIWD</u>	<u>BMP</u>	<u>FSE</u>	<u>OSE</u>	<u>Closed</u>	<u>Enforcement</u>	<u># of IUs</u>
CLB	(S)	1	3	2	5	8	111	0	0	129
CSC	(M)	0	6	35	18	181	1283	0	2	1522
CSJC	(S)	0	2	27	59	137	1669	0	1	1894
ETWD	(M)	0	3	98	0	262	134	0	0	497
EBSD	(U)	0	1	0	0	0	0	0	0	1
IRWD	(S)	1	3	51	21	63	920	0	0	1058
MNWD	(S)	80	5	125	40	607	2050	14	2	2827
SMWD	(S)	52	5	20	20	183	732	5	1	960
SCWD	(S)	0	6	33	7	148	184	0	4	386
TCWD	(S)	0	11	0	0	7	33	0	0	51
SOCWA	(S)	2	3	1	0	0	0	0	2	4
Totals		88	55	392	170	1596	7097	7	8	9329
Dentist (All)										444
Total Known IUs										9773

(S) = SOCWA conducts PT program.
 (M) = MA conducts PT program /w SOCWA oversight.
 (U) = Urban Diversion Only.

NIWD = Non-industrial Waste Discharger.
 BMP = Best Management Practices.
 FSE = Food Service Establishment.
 OSE = Other Surveyed Establishment.
 YTD = Year to Date.

Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

TO: Board of Directors

FROM: Betty Burnett, General Manager

STAFF CONTACT: Brian Peck, Director of Engineering

SUBJECT: Capital Improvement Program Status Report

The status of the SOCWA Capital Improvement Program is presented in the tables on the following pages.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 2(R) - JB LATHAM TREATMENT PLANT CAPITAL PROJECTS
(*17/*18)**

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECT LIQUIDS			
3213-000	Water System Piping Improvements (2014)	Design	Study completed. Remaining work is part of the Package 'B' Improvements.
3201-000	Aeration/Secondary Upgrade (2009)	Constuction	Project completed. Follow-up project underway to repair structural cracking in the Plant No.1 Blower Building.
3214-000	4MGD Diversion Flow Meter & Control Structure (2012)	Design	Part of the Package 'B' Improvements.
3212-000	East Primary Influent Channel Repair (2015)	Design	Part of the Package 'B' Improvements.
3202-000	Preliminary and Primary Treatment Improvements (Package "B") (2016)	Design	Preliminary design completed.
3280-000	Facility Improvements B - Basin Upgrades (2018)	Design	Recommendation for award of design contract to Carollo Engineers to be presented at the SOCWA Board of Directors meeting on October 5, 2017.
3203-000	Effluent Standby Generator ATS Replacement (2016)	Constuction	Project completed.
3252-000	Plant 1 Standby Power Generator Replacement (2017)	Design	Operations staff has requested a standby power generator large enough to supply power to all of Plant No.1. Design on hold to allow consideration.
3251-000	Effluent Flow Meter Replacement (2017)	Design	Hazen and Sawyer has indicated that there is no cost effective metering option that will allow improvement to existing meter accuracy; project is on hold
3250-000	Plant 1 Grit Basin Improvements (2017)	Design	Project to be advertised for construction bid in October, 2017.
3253-000	Effluent System Valve Replacement (2017)	Design	Hazen and Sawyer design completed; project to be included as part of Package B construction.
3285-000	Main Plant Drain Line Reconstruction (2018)	Construction	Part of the Package 'B' Improvements.
3204-000	Facility Improvements - Structural Repair (2015)	Constuction	Project completed.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 2(R) - JB LATHAM TREATMENT PLANT CAPITAL PROJECTS
(*17/*18)**

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECT COMMON			
3218-000	Energy Building Roof Reconstruction (2015)	Design	Part of the Package 'B' Improvements.
3206-000	Diesel Storage Tank (2016)	Construction	Project completed.
4014-000	Foul Air System Evaluation (2016) (NCP)	Study	Workshop conducted with DHK Engineers on September 11, 2017. Process type and location was agreed upon by the project participants.
3205-000	West Side Power System Upgrade (2013)	Constuction	Project completed.
3216-000	Hoist System for Maintenance Shop (2013)	Design	Part of the Package 'B' Improvements.
3286-000	PLC Upgrades (2018)	Construction	Project underway by SOCWA Operations department.
4001-000	Plant Drain System Study (2017) (NCP)	Study	RFP to be issued in November, 2017.
CAPITAL IMPROVEMENT PROJECT SOLIDS			
3209-000	Facility Improvements - Co-Generation Reconstruction (2015)	Construction	Project completed.
3287-000	Facility Improvements B - DAFT and Ancillary Solids Improvements (2018)	Design	Recommendation for award of design contract to Carollo Engineers to be presented at the SOCWA Board of Directors meeting on October 5, 2017.
4002-000	Dewatering System Condition Assessment (2017) (NCP)	Condition Assessment	Draft report received from Carollo Engineers; workshop conducted on September 18, 2017.
4003-000	Heating System Condition Assessment (2017) (NCP)	Condition Assessment	Draft report received from Carollo Engineers; workshop conducted on September 18, 2017.
3210-000	Facility Improvements - Solids Area (2015)	Design	Projects being performed to provide temporary structural repair at DAF No.2; automation of flare pilot. Remainder of work to be completed as part of Package B.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 5 - SAN JUAN CREEK OCEAN OUTFALL CAPITAL PROJECTS
(‘17/’18)**

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECTS			
3601-000	Junction Structure Rehabilitation Design	Design	Black & Veatch and Dudek are currently working on resource agency and Coastal Commission permit applications.
4004-000	Emergency Plan Development (2016) (NCP)	Study	Draft plan submittal expected on September 22, 2017.
4005-000	Dilution Study (2017) (NCP)	Study	Amendment for analysis of port openings is included in the Consent Calendar for the October 5, 2017 Engineering Committee meeting.

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 15(R) - COASTAL TREATMENT PLANT CAPITAL PROJECTS
('17/'18)

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECTS LIQUIDS			
1367	Export Sludge Line Repair & Rip Rap (R - 2) (2012)	Design	Protection in this area has been largely addressed through the routing of the new Export Sludge pipeline as well as through minor embankment protection features that will be integrated with Export Sludge System replacement.
3504-000	Aeration System Modification Design (2015)	Design	Conceptual analysis complete; proposals for final design are due on October 4, 2017.
3507-000	East Primary Influent Gates (2015)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Contruction has mobilized on the site.
3508-000	Grit System Knife Gate Valve Replacement (2015)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Contruction attempted the first valve replacement during the night of September 13/14. Upstream valves would not seal. Use of a line stop being evaluated.
3509-000	Switchgear Replacement Design (2016)	Design	Conceptual analysis complete; proposals for final design are due on October 4, 2017.
3593-000	Primary Sludge Valve Replacement (2018)	Design	An RFP for design services will be issued for this project in October, 2017.
3595-000	Primary Device Electrical Conduit and Conductor Replacement (2018)	Design	An RFP for design services will be issued for this project in October, 2017.
3514-000	CTP Facility Upgrade Design (2016)	Study	Conceptual analysis complete; proposals for final design are due on October 4, 2017.
3534-000	Export Sludge System (1997)	Design	Staff conducted a fourth review meeting with the USFWS in August, 2017; a pathway to completing the permitting was identified.
3510-000	Grating Rebate and Concrete Repair Between Aeration Basins and Primary Basins (2016)	Construction	Olsson Construction began field work on these improvements in August, 2017.
3512-000	Grating Rebate and Concrete Repair Between HW Building and Primary Basins (2016)	Construction	Olsson Construction began field work on these improvements in August, 2017.

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
 PROJECT COMMITTEE NO. 15(R) - COASTAL TREATMENT PLANT CAPITAL PROJECTS
 ('17/'18)

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECTS LIQUIDS			
3550-000	Export Sludge Pump Addition (2017)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Construction has mobilized on the site.
3594-000	PLC Replacement (2018)	Construction	Project underway by SOCWA Operations department.
3592-000	Facility Improvements Project Design (2018)	Design	Conceptual analysis complete; proposals for final design are due on October 4, 2017.
3553-000	Plant Drainage Improvements (2017)	Design	Preliminary design completed; TetraTech is proceeding with final design.
3554-000	Odor Scrubber Bleach Tank Replacement (2017)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Construction has mobilized on the site.
3503-000	Scrubber Upgrade (2013)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Construction has mobilized on the site.
4015-000	Conceptual Building Design (2017) (NCP)	Study	AECOM has submitted the draft report for the second phase of the work: evaluation of the demolition of the Personnel Building.

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
 PROJECT COMMITTEE NO. 15(R) - COASTAL TREATMENT PLANT CAPITAL PROJECTS
 ('17/'18)

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECT AWT			
3562-000	AWT Applied Water Pump Replacement (2017)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Construction has mobilized on the site.
3596-000	Applied Water VFD Pump Panel and Electrical (2018)	Design	An RFP for design services will be issued for this project in October, 2017.
3597-000	MCC A Replacement Design (2018)	Design	An RFP for design services will be issued for this project in October, 2017.
3517-000	AWT Backwash Water Pump Replacement (2016)	Construction	This item is part of the Miscellaneous Improvements 2017 project; Olsson Construction has mobilized on the site.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 17(R) - REGIONAL TREATMENT PLANT CAPITAL PROJECTS
(‘17/‘18)**

Task Code	Description	Phase	Status
CAPITAL IMPROVEMENT PROJECT LIQUIDS			
3701-000	Secondary Electrical System Rerouting (2014)	Design	Lee & Ro is proceeding with the design.
3730-000	Primary Gallery Upgrade (2014)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; kick-off meeting with Lee & Ro scheduled for October 12, 2017.
3702-000	Waste Activated Sludge VFD Control Panel (2013)	Design	Lee & Ro is proceeding with the design.
3704-000	Odor Control Scrubber Control Panel No. 1 (2013)	Design	This project pending completion of odor technology evaluation.
3707-000	Influent Manholes 1 and 2 and Sewer Repair (2016)	Construction	Part of the RTP Miscellaneous Improvements 2016 Project; this work is substantially completed.
3708-000	Influent Junction Structure Gate Replacement (2016)	Construction	Part of the RTP Miscellaneous Improvements 2016 Project; this work is substantially completed.
201617RL3	Influent Junction Structure and Pipe Condition Assessment (2016) (NCP)	Condition Assessment	Completed.
3710-000	AWT Water Quality Instrumentation (2016)	Construction	Part of the RTP Miscellaneous Improvements 2016 Project; this work is substantially completed.
3712-000	Grit Basin Drop Gate and Weir Replacement (2016)	Construction	This is part of the RTP Miscellaneous Improvements 2016 Project. Pacific Hydrotech is currently performing the field work.
3752-000	AWT No.2 Upgrade Design (2017)	Design	Carollo Engineers is proceeding with the design.
3781-000	Primary Scum Skimmer Replacement (2018)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; kick-off meeting with Lee & Ro scheduled for October 12, 2017.
3784-000	DAF (Mannich) Polymer System Replacement (2018)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; kick-off meeting with Lee & Ro scheduled for October 12, 2017.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 17(R) - REGIONAL TREATMENT PLANT CAPITAL PROJECTS
(17/18)**

Task Code	Description	Phase	Status
CAPITAL IMPROVEMENT PROJECT LIQUIDS			
3785-000	DAF Dissolution Tank System Replacement (2018)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; kick-off meeting with Lee & Ro scheduled for October 12, 2017.
3786-000	Primary Gallery Mechanical and Electrical Upgrade (2018)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; kick-off meeting with Lee & Ro scheduled for October 12, 2017.
4023-000	Foul Air System Evaluation (2016) (NCP)	Study	Workshop conducted with DHK Engineers on September 11, 2017. Process type and location was agreed upon by the project participants.
3787-000	Aeration Area Upgrade Design (2018)	Design	The RFP for the design was issued on September 21; proposals are due on October 26, 2017.
201717RL1	Effluent Equalization Pond and Gate Condition Assessment (2017) (NCP)	Condition Assessment	Project has been awarded to V&A consultants; assessments to be performed in December, 2017.
201617RL5	Primary Influent Channel Condition Assessment (2016) (NCP)	Condition Assessment	Project has been awarded to V&A consultants; assessments to be performed in October, 2017.
CAPITAL IMPROVEMENT PROJECT COMMON			
3715-000	Switchgear Upgrade (2006)	Construction	Pacific Hydrotech is currently working on the electrical connections for Panel SSG.
3760-000	Develop Buried Piping Reconstruction Master Plan (2017)	Study	Lee & Ro has submitted a revised draft for SOCWA staff review.
3761-000	External Lighting Upgrade (2017)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; kick-off meeting with Lee & Ro scheduled for October 12, 2017.
3762-000	Secondary Access Road CEQA (2017)	Permitting	Work is currently on hold.
3788-000	PLC Upgrade (2018)	Construction	Project underway by SOCWA Operations Dept.
3717-000	Security Fencing (2015)	Construction	Part of the RTP Miscellaneous Improvements 2016 Project; this work is substantially completed.
3718-000	Access Bridge Upgrades (2015)	Construction	Part of the RTP Miscellaneous Improvements 2016 Project; this work is substantially completed.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 17(R) - REGIONAL TREATMENT PLANT CAPITAL PROJECTS
(*17/'18)**

Task Code	Description	Phase	Status
CAPITAL IMPROVEMENT PROJECT SOLIDS			
3720-000	Digester Dome Recoating (2014)	Construction	Pacific Hydrotech has substantially completed this work.
1478	Underground Piping Upgrade (2006)	Construction	Pacific Hydrotech has substantially completed this work.
3722-000	Co-Generation System Retrofit (2008)	Construction	Pacific Hydrotech is currently working on the waste heat system; co-generation system start-up scheduled for late November, 2017.
3790-000	Solids Area Upgrade Design (2018)	Design	The RFP for the design was issued on September 21; proposals are due on October 26, 2017.
3723-000	Recoat Top of Digesters (2016)	Construction	Pacific Hydrotech has substantially completed the recoating work.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 21 - EFFLUENT TRANSMISSION MAIN CAPITAL PROJECTS
(‘17/‘18)**

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECTS			
3601-000	Reach B/C Techite Pipeline Replacement Concept Update (Reach B/C)	Study	TetraTech retained to update study; draft technical memorandum expected in September, 2017.
3181-000	Air Vacuum Release Valve Replacement Reach D (2018)	Construction	Evaluating valve size prior to procurement.
3182-000	Air Vacuum Release Valve Replacement Reach E (2018)	Construction	Evaluating valve size prior to procurement.
4004-000	Trail Bridge Creek Crossing Protection (Reach D)	Design	A single proposal for design services was received from TetraTech; this proposal is currently being reviewed with

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 24 - ALISO CREEK OCEAN OUTFALL CAPITAL PROJECTS
(‘17/‘18)**

<i>Task Code</i>	<i>Description</i>	<i>Phase</i>	<i>Status</i>
CAPITAL IMPROVEMENT PROJECTS			
3480-000	Internal Seal Replacement (2018)	Design	Issue RFP in November, 2017.
4004-000	Emergency Plan Development (2016) (NCP)	Study	Draft plan submittal expected on September 22, 2017.

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 2(R) - JB LATHAM TREATMENT PLANT CAPITAL PROJECTS**

Task Code	Description	Fiscal Year 17/18				Fiscal Year 18/19	
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
FACILITY IMPROVEMENTS PACKAGES A/C		C					
3203-000	Effluent Standby Generator ATS Replacement (2016)	C					
3204-000	Facility Improvements - Structural Repair (2015)	C					
3205-000	West Side Power System Upgrade (2013)	C					
3209-000	Facility Improvements - Co-Generation Reconstruction (2015)	C					
FACILITY IMPROVEMENTS PACKAGE B			D	D	D	B&A	C
3213-000	Water System Piping Improvements (2014)		D	D	D	B&A	C
3214-000	4MGD Diversion Flow Meter & Control Structure (2012)		D	D	D	B&A	C
3202-000	Preliminary and Primary Treatment Improvements (Package "B") (2016)		D	D	D	B&A	C
3285-000	Main Plant Drain Line Reconstruction (2018)		D	D	D	B&A	C
3280-000	Facility Improvements B - Basin Upgrades (2018)		D	D	D	B&A	C
3287-000	Facility Improvements B - DAFT (2018)		D	D	D	B&A	C
3212-000	East Primary Influent Channel Repair (2015)		D	D	D	B&A	C
3218-000	Energy Building Roof Reconstruction (2015)		D	D	D	B&A	C
3216-000	Hoist System for Maintenance Shop (2013)		D	D	D	B&A	C
3210-000	Facility Improvements - Solids Area (2015)		D	D	D	B&A	C

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 2(R) - JB LATHAM TREATMENT PLANT CAPITAL PROJECTS**

Task Code	Description	Fiscal Year 17/18				Fiscal Year 18/19	
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
MISCELLANEOUS IMPROVEMENTS 2017		D	B&A	C	C	C	C
3252-000	Plant 1 Standby Power Generator Replacement (2017)	D	B&A				
3251-000	Effluent Flow Meter Replacement (2017)	D	B&A				
3250-000	Plant 1 Grit Basin Improvements (2017)	D	B&A	C	C	C	C
3253-000	Effluent System Valve Replacement (2017)	D				B&A	C

INDEPENDENT PROJECTS							
4014-000	Foul Air System Evaluation (2016) (NCP)	P	P				
3286-000	PLC Upgrades (2018)	C	C	C	C		
4001-000	Plant Drain System Study (2017) (NCP)		P	P			
4002-000	Dewatering System Condition Assessment (2017) (NCP)	CA					
4003-000	Heating System Condition Assessment (2017) (NCP)	CA					

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 15(R) - COASTAL TREATMENT PLANT CAPITAL PROJECTS**

Task Code	Description	Fiscal Year 17/18				Fiscal Year 18/19	
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
MISCELLANEOUS IMPROVEMENTS 2017		C	C	C			
3507-000	East Primary Influent Gates (2015)	C	C	C			
3508-000	Grit System Knife Gate Valve Replacement (2015)	C	C	C			
3510-000	Grating Rebate and Concrete Repair Between Aeration Basins and Primary Basins (2016)	C	C	C			
3512-000	Grating Rebate and Concrete Repair Between HW Building and Primary Basins (2016)	C	C	C			
3550-000	Export Sludge Pump Addition (2017)	C	C	C			
3554-000	Odor Scrubber Bleach Tank Replacement (2017)	C	C	C			
3503-000	Scrubber Upgrade (2013)	C	C	C			
3562-000	AWT Applied Water Pump Replacement (2017)	C	C	C			
3517-000	AWT Backwash Water Pump Replacement (2016)	C	C	C			
FACILITY IMPROVEMENTS PACKAGE			D	D	D	B&A	C
3504-000	Aeration System Modification Design (2015)		D	D	D	B&A	C
3592-000	Facility Improvements Project Design (2018)		D	D	D	B&A	C
3509-000	Switchgear Replacement Design (2016)		D	D	D	B&A	C
3514-000	CTP Facility Upgrade Design (2016)		D	D	D	B&A	C

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 15(R) - COASTAL TREATMENT PLANT CAPITAL PROJECTS**

Task Code	Description	Fiscal Year 17/18				Fiscal Year 18/19	
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
MISCELLANEOUS IMPROVEMENTS 2018			D	D	B&A	C	C
3593-000	Primary Sludge Valve Replacement (2018)		D	D	B&A	C	C
3595-000	Primary Device Electrical Conduit and Conductor Replacement (2018)		D	D	B&A	C	C
3597-000	MCC-A Replacement (2018)		D	D	B&A	C	C
3596-000	Applied Water VFD Pump Panel and Electrical (2018)		D	D	B&A	C	C
EXPORT SLUDGE SYSTEM REPLACEMENT		ENV	ENV	B&A	C	C	C
1367	Export Sludge Line Repair & Rip Rap (R - 2) (2012)	ENV	ENV	B&A	C	C	C
3534-000	Export Sludge System (1997)	ENV	ENV	B&A	C	C	C
INDEPENDENT PROJECTS							
3594-000	PLC Replacement (2018)	C	C	C	C		
3553-000	Plant Drainage Improvements (2017)	D	B&A	C			
4015-000	Conceptual Building Design (2017) (NCP)	P					

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 17(R) - REGIONAL TREATMENT PLANT CAPITAL PROJECTS**

Task Code	Description	Fiscal Year 17/18				Fiscal Year 18/19	
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
MISCELLANEOUS IMPROVEMENTS 2016		C					
3707-000	Influent Manholes 1 and 2 and Sewer Repair (2016)	C					
3708-000	Influent Junction Structure Gate Replacement (2016)	C					
3710-000	AWT Water Quality Instrumentation (2016)	C					
3712-000	Grit Basin Drop Gate and Weir Replacement (2016)	C					
3717-000	Security Fencing (2015)	C					
3718-000	Access Bridge Upgrades (2015)	C					
3723-000	Recoat Top of Digesters (2016)	C					

MISCELLANEOUS IMPROVEMENTS 2017		D	D	B&A	C	C	C
3701-000	Secondary Electrical System Rerouting (2014)	D	D	B&A	C	C	C
3702-000	Waste Activated Sludge VFD Control Panel (2013)	D	D	B&A	C	C	C
3730-000	Primary Gallery Upgrade (2014)	D	D	B&A	C	C	C
3781-000	Primary Scum Skimmer Replacement (2018)	D	D	B&A	C	C	C
3784-000	DAF (Mannich) Polymer System Replacement (2018)	D	D	B&A	C	C	C
3785-000	DAF Dissolution Tank System Replacement (2018)	D	D	B&A	C	C	C
3786-000	Primary Gallery Mechanical and Electrical Upgrade (2018)	D	D	B&A	C	C	C
3761-000	External Lighting Upgrade (2017)	D	D	B&A	C	C	C

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
PROJECT COMMITTEE NO. 17(R) - REGIONAL TREATMENT PLANT CAPITAL PROJECTS**

Task Code	Description	Fiscal Year 17/18				Fiscal Year 18/19	
		1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
COGENERATION AND SWITCHGEAR UPGRADE		C	C				
3715-000	Switchgear Upgrade (2006)	C	C				
3720-000	Digester Dome Recoating (2014)	C	C				
1478	Underground Piping Upgrade (2006)	C	C				
3722-000	Co-Generation System Retrofit (2008)	C	C				
MISCELLANEOUS IMPROVEMENTS 2017			D	D	B&A	C	C
3787-000	Aeration Area Upgrade Design (2018)		D	D	B&A	C	C
3752-000	AWT No.2 Upgrade Design (2017)	D	D		B&A	C	C
3790-000	Solids Area Upgrade Design (2018)		D	D	B&A	C	C
INDEPENDENT PROJECTS							
3704-000	Odor Control Scrubber Control Panel No. 1 (2013)						
201617RL3	Influent Junction Structure and Pipe Condition Assessment (2016) (NCP)	CA					
201717RL1	Effluent Equalization Pond and Gate Condition Assessment (2017) (NCP)		CA	CA			
201617RL5	Primary Influent Channel Condition Assessment (2016) (NCP)	CA					
3760-000	Develop Buried Piping Reconstruction Master Plan (2017)	P					
3762-000	Secondary Access Road CEQA (2017)			ENV			
3788-000	PLC Upgrade (2018)	C	C	C	C		

Agenda Item

Budgeted: Yes
Budget amount: \$19,700,000
Line Items: PC 2 Tasks 3201-000, 3204-000, 3205-000, and 3209-000
Legal Counsel Review: No
Meeting Date: October 5, 2017

TO: Project Committee 2

FROM: Betty Burnett, General Manager

STAFF CONTACT: Brian Peck, Director of Engineering

SUBJECT: Change Orders to HDR Engineering Construction Services Contract for the J. B. Latham Treatment Plant Facility Improvements Packages 'A' and 'C' Project

Recommendation

The Engineering Committee recommends that the Board of Directors approve Change Orders 1, 2, 3 and 4 to the construction services contract with HDR Engineering for the J. B. Latham Treatment Plant Facility Improvements Packages 'A' and 'C' Project.

Change Orders

1. Approve Change Orders 5, 6, and 7 for the Co-Generation Upgrade (PC 2, Task 3209-000).

CO #	CO Item	Description	Change Order Price	Total Change Order Price*	Status
5	Additional Agency Coordination	Additional 42 hours expended in communication with and development of supporting materials for SCAQMD and SDG&E.	\$6,959.00	\$62,878.50	SOCWA Engineering Committee Recommended

CO #	CO Item	Description	Change Order Price	Total Change Order Price*	Status
6	Additional Start-Up Services	An additional 40 hours expended in the start-up of the co-generation system largely related to design of relay system required to meet SDG&E request for system protection; evaluation of SCR performance.	\$8,060.00	\$70,938.50	SOCWA Engineering Committee Recommended
7	Additional Record Drawings	Original scope based on updating 25 drawings; modifications to 40 drawings actually needed.	\$13,248.00	\$84,186.50	SOCWA Engineering Committee Recommended

* Cumulative for specific budget task code.

Advisory Status

Reviewed and recommended by the SOCWA Engineering Committee on September 14, 2017.

Financial Status

Original Contract Amount:	_____	\$ 412,000.00
Net change by previous change orders:	_____	\$ 111,823.00
Contract amount prior to this change order:	_____	\$ 523,823.00
Net increase, decrease due to this change order:	_____	\$ 28,267.00
New contract amount, including this change order:	_____	\$ 552,090.00

The overall project remains within budget. The revised project ledger is presented in Exhibit 1. The allocation of the change order costs is shown below.

Task	3209-000
<i>Member Agency</i>	<i>Solids</i>
Moulton Niguel Water District	\$6,111.33
City of San Juan Capistrano	\$8,480.10
Santa Margarita Water District	\$8,022.17
South Coast Water District	\$5,653.40
Total	\$28,267.00

Exhibit 1
 Project Cost Ledger: J.B. Latham Treatment Plant Facility Improvements
 Packages A and C
 (Millions)

	Aeration and Secondary Improvements	Structural Modifications	West Side Power Sys. Upgrade	Co- Generation Upgrade	Total *
<u>Budget (2016/2017)</u>	7.4	2.0	3.7	6.6	19.7
<u>Budget Task Codes</u>	3201-000	3204-000	3205-000	3209-000	
<u>Actual Bid Costs-</u> <u>Constr.</u>	4.911	0.471	2.556	6.013	13.951
<u>Construction Change</u> <u>Orders</u>	0.074	0.135	0.162	0.155	0.526
<u>Study & Design</u> <u>(Upfront Costs)</u>	1.268	0.000	0.241	0.000	1.509
Contingency Construction Management (Butier)	0.506	1.319	0.188	-0.184	1.829
Construction Management Change Orders	0.335	0.045	0.128	0.250	0.758
Construction Services (Lee & Ro)	0.016	0.000	0.039	0.094	0.149
Construction Services (HDR)	0.064	0.005	0.135	0.000	0.204
Construction Services Change Orders San Diego Gas & Electric (SDG&E)	0.194	0.005	0.000	0.213	0.412
	0.056	0.000	0.000	0.084	0.140
	0.000	0.000	0.200	0.000	0.200
Total Project Costs	7.4	2.0	3.7	6.6	19.7
<u>Spending</u> Total Current Spending	(7.3)	(0.7)	(3.6)	(6.5)	(18.1)
Remaining Spending	(0.1)	(1.3)	(0.1)	(0.1)	(1.6)
Remaining Budget	0.0	0.0	0.0	0.0	0.0
*Grants				0.8	0.8
Net SOCWA Costs	7.4	2.0	3.7	5.8	18.9

* Excludes budget and costs associated with Diesel Storage Tank and Effluent Pump Station Automatic Transfer Switch.

This page intentionally left blank

Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

TO: SOCWA Board of Directors
FROM: Betty Burnett, General Manager
STAFF CONTACT: Amber Baylor, Director of Environmental Compliance
SUBJECT: Dilution Study Contract Extension Request – PC5 Board of Directors

Michael Baker International (MBI) completed the Board approved dilution study for the San Juan Creek Ocean Outfall and the Aliso Creek Ocean Outfall on June 30, 2017. Results were presented to the July 2017 Engineering Committee. The report evaluated the dilution capacity between 5 MGD and maximum flow of 38 MGD to determine if modifications of the port outfalls are necessary due to the significant reduction of flows in the preceding five years.

During the previous NPDES permit cycle (Order No. R9-2014-0105), modeling results indicated that the SJCOO obtained a 101:1 dilution factor. MBI study results indicate that under 20 MGD SJCOO achieves a dilution factor of 200:1. However, due to anti-backsliding requirements (40 CFR 131.12 and State Water Board Resolution No. 68-16) to achieve the actual dilution factor of 200:1, engineered modification to the 125 ports are necessary.

This item is a request to complete an Engineer's Estimate of Probable Cost to evaluate the three engineered modifications to the SJCOO identified in the MBI Study. This item is a request to extend the contract \$17,674 for a total contract amount of \$120,344. The Engineering Committee approved the extension of the contract in the September 2017 meeting.

The three (3) port modifications were covered at the July Engineering Committee meeting and are as follows:

- Tideflex Tf-125 Series Duckbill Check Valves – Used in Monterey, CA by the Sewer Authority Mid-Coastside which treats wastewater of 30,000 people and discharges into the Monterey National Marine Sanctuary.
- Helical Vortex Nozzle – Designed by MBI.
- Vortex Cone Nozzle – Designed by MBI.

The engineered modifications would achieve a 200:1 dilution factor at the SJCOO which would accomplish three things:

- Ensure the plume does not reach the surface in order not to violate REC-1 beneficial use standards for fecal indicator bacteria.
- Increase the mixing velocity in the initial zone of dilution due to the smaller surface area of the particles in the plume.
- Match the current dilution factor with the plume characteristics based on flow.

SOCWA has submitted the NPDES permit application but is six to nine months away from receiving the draft permit. The dilution study and possible modifications to the ports will be provided to the RWQCB to determine the water quality based effluent limitations.

Recommendation

The Engineering Committee recommends the Board of Directors extend the contract with Michael Baker International in the amount of \$17,674.

Agenda Item

Budgeted: Yes
Budget amount: \$8,611,233.00
Line Items: PC 15, Task 3534-000
Legal Counsel Review: No
Meeting Date: October 5, 2017

TO: Project Committee 15

FROM: Betty Burnett, General Manager

STAFF CONTACT: Brian Peck, Director of Engineering

SUBJECT: Change Order to Dudek Design and Environmental Services Contract for the Coastal Treatment Plant Export Sludge System Replacement Project

Recommendation

The Engineering Committee recommends that the Board of Directors approve Change Order 5 to the design and environmental services contract with Dudek for the Coastal Treatment Plant Export Sludge System Replacement Project.

Change Orders

1. Recommend Change Orders 6 through 11 to the design and environmental services contract with Dudek for the Coastal Treatment Plant Export Sludge System Replacement Project (PC 15, Task 3534-000).

CO #	CO Item	Description	Change Order Price	Cumulative Change Order	Status
6	Additional USFWS Coordination	Additional services include (i) Endangered Species consultation, (ii) continued 404 Nationwide Permit processing, (iii) Habitat and Monitoring Plan revisions and (iv) final review of CDP conditions.	\$16,780.00	\$117,730.00	SOCWA Engineering Committee Recommended

CO #	CO Item	Description	Change Order Price	Cumulative Change Order	Status
7	Draft Low-Effect HCP	<p>Prepare the Draft Low-Effect HCP. Scope assumes preparation of an initial Draft Low-Effect HCP, two rounds of internal client revisions, and two rounds of revisions based on USFWS comments. Assume no additional protocol focused surveys would be required and that the species to only include California gnatcatcher and least Bell's vireo.</p> <p>Generate exhibits to accompany the HCP, including Regional Map, Vicinity Map, Aerial Photograph of Site, Biological Resources Map, and Impacts Analysis Map. This task concludes with production of the final HCP for submittal to the USFWS as part of application for an Incidental Take Permit.</p>	\$21,800.00	\$139,530.00	SOCWA Engineering Committee Recommended

CO #	CO Item	Description	Change Order Price	Cumulative Change Order	Status
8	Incidental Take Application Form	Prepare the draft Incidental Take Application, coordinate with SOCWA on the review and signature of the document, and transmit the form along with the HCP and a \$100 administrative filing fee to the USFWS Carlsbad Field Office for processing.	\$3,040.00	\$142,570.00	SOCWA Engineering Committee Recommended

CO #	CO Item	Description	Change Order Price	Cumulative Change Order	Status
9	Low-Effect HCP Processing	Task involves providing support to SOCWA and USFWS staff during finalization of the HCP. Support to USFWS is required during their preparation of the Biological Opinion (BO) and Findings. This typically includes responding to questions and comments and/or providing additional data to support the effects analysis and conservation strategy on an Ad Hoc basis. Coordinate with USFWS and SOCWA staff on the development of reasonable operational conservation and minimization measures to address future repairs related to erosion and undermining of the export sludge force main.	\$20,255.00	\$162,825.00	SOCWA Engineering Committee Recommended

CO #	CO Item	Description	Change Order Price	Cumulative Change Order	Status
10	Additional California Coastal Commission Support Services	Services include additional coastal permitting services to assist SOCWA in meeting the prior-to- issuance special conditions of the CDP, specifically regarding preparation and mailing of the archeological monitoring plan (CMTP), as well as additional review and comment time for the CMTP, HMMP and final public access plans for compliance with the CCC requirements.	\$6,000.00	\$168,825.00	SOCWA Engineering Committee Recommended
11	Additional Engineering Support Services	Engineering support related to presentation of the project design components, preparation of supplemental engineering graphics and drawings, and attendance at meetings with resource agency staff to answer questions through the permitting process.	\$14,880.00	\$183,705.00	SOCWA Engineering Committee Recommended

Advisory Status

Reviewed and recommended by the SOCWA Engineering Committee on September 14, 2017. The representative for the Moulton Niguel Water District (MNWD) did not support the project amendment as MNWD contends that the Fiscal Year 2017/2018 capital improvement budget for Project Committee 15 was not officially approved.

Financial Status

Original Contract Amount:	_____ \$ 445,958.00
Net change by previous change orders:	_____ \$ 100,950.00
Contract amount prior to this change order:	_____ \$ 546,908.00
Net increase, decrease due to this change order:	_____ \$ 82,755.00
New contract amount, including this change order:	_____ \$ 629,663.00

The allocation of the contract amendment is as shown below.

Member Agency	PC 15 Task 3534-000
Emerald Bay Service District	\$2,474.37
City of Laguna Beach	\$31,372.42
Moulton Niguel Water District	\$24,205.84
South Coast Water District	\$24,702.37
Total	\$82,755.00

Project Update

This contract amendment was developed subsequent to a meeting held in Carlsbad on August 8, 2017, with the U.S. Fish and Wildlife Service (USFWS). This meeting and a subsequent conference call USFWS indicated that the most expedient way to complete the Endangered Species Consultation and the project permitting was through the preparation and processing of a low-effect Habitat Conservation Plan (HCP).

Project Schedule Update

Dudek’s latest project construction schedule is presented in Exhibit 1. This schedule estimates the completion of permitting by February 5, 2018. Dudek’s schedule further shows Award to the contractor on April 5, 2018; Notice to Proceed on June 8, 2018; and, project completion on June 7, 2019.

Construction Cost Update

Dudek’s latest construction cost estimate is attached as Exhibit 2. This estimate can be summarized as follows:

Construction:	\$2,726,900
Construction Services:	\$ 263,100
<u>Mitigation Measures:</u>	<u>\$1,131,700</u>
Total	\$4,121,700

APPENDIX B

Opinion of Probable Construction Cost

CSI Division Cost Estimate Report

Company: Dudek
SOCWA Export Sludge Force

Date: 7/20/2017

Project: Main Design

By: KP

Submittal: Final Submittal - Update

Checker: DMM

Specification Division	Summary of Costs		Total
Division 1 - General Requirements	\$		324,300
Division 2 - Sitework	\$		1,013,300
Division 3 - Concrete	\$		70,000
Division 4 - Masonry	\$		-
Division 5 - Metals	\$		-
Division 6 - Wood and Plastics	\$		-
Division 7 - Thermal and Moisture Protection	\$		-
Division 8 - Doors, Windows, and Hardware	\$		-
Division 9 - Finishes	\$		-
Division 10 - Specialties	\$		-
Division 11 - Equipment	\$		-
Division 12 - Furnishings	\$		-
Division 13 - Special Construction	\$		355,500
Division 14 - Conveying Systems	\$		-
Division 15 - Mechanical	\$		341,600
Division 16 - Electrical	\$		-
Division 17 - Instrumentation	\$		-
Total Construction Cost Opinion	\$		2,105,000

Project Level Allowance for Class 1	10%	\$	210,500
Insurance	1.5%	\$	31,600
Overhead and Profit	15%	\$	315,800
Bond	1%	\$	21,100
Engineering & Construction Management	12.5%	\$	263,100
SubTotal		\$	2,926,000
Escalation to Mid-Point of Construction	3%	\$	63,150
TOTAL CONSTRUCTION COST		\$	2,990,000
PROJECTED MITIGATION MEASURES COST		\$	1,131,700
TOTAL PROJECT COST		\$	4,121,700

Agenda Item

Meeting Date: October 5, 2017

TO: Board of Directors

FROM: Betty Burnett, General Manager

STAFF CONTACT: Mary Carey, Finance Controller

SUBJECT: FY 2015-16 Audited Financial Statements Supplemental Schedules

At the June 14, 2017 Board of Directors meeting a lengthy discussion occurred regarding the differences in the Supplemental Schedules and the Changes in Net Position by Project Committee as reported in the Financial Statements and Independent Auditor's Report prepared by DavisFarr, LLP for Fiscal Year Ending June 30, 2016.

Ms. Carey committed to review the question and provide clarification. As a result of the request for information and with the concurrence of Jennifer Farr of DavisFarr, LLP the Supplemental Schedules prepared here at SOCWA were not received and filed by the Board of Directors for the FY 2015-16 Audit.

In the attached, you will see two adjustments that make up the difference between the supplemental schedules and the Changes in Net Position by Project Committee which include:

1. The adjustment out of the PC 23 North Coast Interceptor financials, which are not included in SOCWA's Use Audit or Budget, but are included in the Audit. You may recall that PC 23 is a Project Committee of one member, the City of Laguna Beach, and the accounting is all conducted at the City, but it is still a SOCWA Project Committee and included in the SOCWA Independent Audit.
2. Staff has included the numbers coming from the Use Audit adjustment. As explained at several meetings, the FY 15-16 Budget and subsequent Use Audit were the first year of the new SOCWA financial system for which staff implemented departmental reporting. As you know, the staff here built the new system while it was in use, and early in the 2015-16 fiscal year. Therefore, the department codes were still being loaded, and the Use Audit adjustment came from expenses that were entered in the new system before all of the adjustments to department codes occurred.

Recommended Action

Staff recommends that the Board receive and file the FY Ending June 30, 2016 Supplemental Schedules as revised.

2015-16 Audit - Staff Supplemental Statements

The following demonstrates the Changes in Net Position by Project Committee reconciliation to O&M expenses by Project Committee. The Intended Use of the Change in Net Position by Project Committee is to show the Connection between the November 29, 2016 approved USE AUDIT and the Audited Financial Statements received and filed June 14, 2017.

	JB Latham Treatment Plant PC 02	Water Reclamation Permits PC 12	SOCWA Plan PCA AWT PC 03	San Juan Creek Outfall PC 05	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	Pre-Treatment Program PC 08	Total
Total O&M Expenses (page 71 Audit)	5,590,465	204,417	43,956	467,833	2,835,067	6,963,008	2,697	184,871	442,693	197,218	16,932,225
1. Less PC 23, North Coast Interceptor (NCI)								(184,871)			(184,871) (1)
Net SOCWA Expenses	5,590,465	204,417	43,956	467,833	2,835,067	6,963,008	2,697	-	442,693	197,218	16,747,354
2. Less Audit Adjustment	(9,117)		(0)	(63,209)	(25,667)	(115,275)	6		(95,000)	(1,416)	(309,680) (2)
Other	2	-	0	-	2	(4)	0	-	0	0	2
Reconciled O&M Expenses to Changes in Net Position	5,581,350	204,417	43,956	404,624	2,809,402	6,847,729	2,703	-	347,693	195,802	16,437,676
Schedule of Revenues, Expenses and Changes in Net Position by Project Committee (pages 58-67 Audit)	5,581,350	204,417	43,956	404,624	2,809,402	6,847,729	2,703		347,693	195,802	16,437,676 (3)
Other	0	(1)	0	0	(2)	1	0	0	(1)	0	(3)
FY 2015-16 USE AUDIT O&M Expenses (USE AUDIT Book page 9)	5,581,350	204,416	43,956	404,624	2,809,400	6,847,730	2,703	0	347,692	195,802	16,437,673 (4)

- (1) PC 23 North Coast Interceptor, NCI, is included in SOCWA's Financial Statements but is not on the Authority's Books.
- (2) The Audit Adjustment was recorded after the completion of the USE Audit.
- (3) Pages 58-67 are the Supplemental Schedules discussed at the June 14th Board of Director's Meeting.
- (4) USE AUDIT approved November 29, 2016

REQUIRED SUPPLEMENTARY INFORMATION

South Orange County Wastewater Authority
Schedule of the Plan's Proportionate Share of the Net Pension Liability
*Last Ten Years**

	Measurement Date	Measurement Date
	6/30/2015	6/30/2014
Proportion of the Collective Net Pension Liability	0.30215%	0.10903%
Proportionate Share of the Collective Net Pension Liability	\$ 9,054,535	\$ 6,794,277
Covered-Employee Payroll	\$ 4,981,141	\$ 5,148,701
Proportionate Share of the Collective Net Pension Liability as percentage of covered-employee payroll	181.78%	131.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.43%	83.03%

Notes to Schedule:

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (aka Golden Handshakes).

Changes in assumptions. The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

**Fiscal year 2015 was the first year of implementation, therefore only two years are shown.*

South Orange County Wastewater Authority
Schedule of Plan Contributions
*Last Ten Years**

	Fiscal Year 2015-16	Fiscal Year 2014-15	Fiscal Year 2013-14
Actuarially Determined Contribution	\$ 947,627	\$ 780,373	\$ 759,739
Contributions in Relation to the Actuarially Determined Contribution	(947,627)	(780,373)	(759,739)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 5,402,930	\$ 5,402,930	\$ 5,272,545
Contributions as a Percentage of Covered-Employee Payroll	8.896%	8.896%	9.671%

Notes to Schedule

Fiscal Year End: 6/30/2016
Valuation Date: 6/30/2014

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Discount Rate	7.50%
Projected Salary Increase	3.30% to 14.20% depending on Age, Service, and type of employment
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.

**Fiscal year 2015 was the first year of implementation; therefore, only three years are shown.*

This page intentionally left blank

SUPPLEMENTARY INFORMATION

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

01 - General Fund

ASSETS

Current Assets

Cash and Investments	\$ 256,928
Accounts Receivable, net	4,923
LAIF Interest Receivable	6
Prepaid items	6,687

Total Current Assets	268,544
----------------------	---------

Noncurrent Assets

Capital Assets

Assets	32,540
Accumulated Depreciation	(6,876)

Total Capital Assets	25,664
----------------------	--------

Total Noncurrent Assets	25,664
-------------------------	--------

Total ASSETS	294,208
--------------	---------

LIABILITIES

Current Liabilities

Accounts Payable	171,970
Due to Member Agencies	306
Payroll Costs Payable	50,734
Current Portion of Compensated Absences	259,347

Total Current Liabilities	482,357
---------------------------	---------

Noncurrent Liabilities

Long-term Portion of Compensated Absences	425,420
---	---------

Total Noncurrent Liabilities	425,420
------------------------------	---------

Total LIABILITIES	907,777
-------------------	---------

NET POSITION

Net Investment in Capital Assets	25,664
----------------------------------	--------

Restricted for Project Committees	(639,233)
-----------------------------------	-----------

Total NET POSITION	\$ (613,569)
--------------------	--------------

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

02 - Jay B. Latham Plant

ASSETS

Current Assets

Cash and Investments	\$ 1,140,169
Accounts Receivable, net	(951)
Due from Member Agencies	531,460
LAIF Interest Receivable	(1,157)
Inventories	81,456
Prepaid Items	25,782

Total Current Assets 1,776,759

Noncurrent Assets

Capital Assets Not Depreciated

Land	653,224
Construction in Progress	17,585,365

Total Capital Assets Not Depreciated 18,238,589

Capital Assets

Assets	53,742,049
Accumulated Depreciation	(38,184,968)

Total Capital Assets 15,557,081

Total Noncurrent Assets 33,795,670

Total ASSETS 35,572,429

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	265,118
Deferred Outflows - Actuarial	213,907

Total Deferred Outflows 479,025

LIABILITIES

Current Liabilities

Accounts Payable	736,375
Due to Member Agencies	403,698
Payroll Costs Payable	26,079

Total Current Liabilities 1,166,152

Noncurrent Liabilities

Net Other Postemployment Benefits	214,820
Net Pension Liability	2,533,192

Total Noncurrent Liabilities 2,748,012

Total LIABILITIES 3,914,164

DEFERRED INFLOWS

Deferred Inflows - Actuarial	275,607
Deferred Inflows - Additional Deferral	92,331

Total Deferred Inflows 367,938

NET POSITION

Net Investment in Capital Assets	33,795,670
Restricted for Project Committees	(2,026,318)

Total NET POSITION \$ 31,769,352

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

03 - SOCWA Plant/PCA AWT

ASSETS

Current Assets

Cash and Investments	\$ 817,306
LAIF Interest Receivable	1,370

Total Current Assets	818,676
----------------------	---------

Total ASSETS	818,676
--------------	---------

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	120,983
Deferred Outflows - Actuarial	97,616

Total Deferred Outflows	218,599
-------------------------	---------

LIABILITIES

Current Liabilities

Accounts Payable	4,680
Due to Member Agencies	288,141
Payroll Costs Payable	176

Total Current Liabilities	292,997
---------------------------	---------

Noncurrent Liabilities

Net Other Postemployment Benefits	106,649
Net Pension Liability	1,155,983

Total Noncurrent Liabilities	1,262,632
------------------------------	-----------

Total LIABILITIES	1,555,629
-------------------	-----------

DEFERRED INFLOWS

Deferred Inflows - Actuarial	125,765
Deferred Inflows - Additional Deferral	42,133

Total Deferred Inflows	167,898
------------------------	---------

NET POSITION

Restricted for Project Committees	(686,252)
-----------------------------------	-----------

Total NET POSITION	\$ (686,252)
--------------------	--------------

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

05 - San Juan Creek Ocean Outfall

ASSETS

Current Assets

Cash and Investments	\$ 424,489
LAIF Interest Receivable	693
Prepaid Items	1,781
Total Current Assets	<u>426,963</u>

Noncurrent Assets

Capital Assets Not Depreciated	
Construction in Progress	142,926
Total Capital Assets Not Depreciated	<u>142,926</u>
Capital Assets	
Assets	4,931,297
Accumulated Depreciation	(4,233,193)
Total Capital Assets	<u>698,104</u>
Total Noncurrent Assets	<u>841,030</u>

Total ASSETS	<u>1,267,993</u>
---------------------	------------------

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	12,404
Deferred Outflows - Actuarial	10,009
Total Deferred Outflows	<u>22,413</u>

LIABILITIES

Current Liabilities

Accounts Payable	10,404
Due to Member Agencies	301,465
Payroll Costs Payable	1,316
Total Current Liabilities	<u>313,185</u>

Noncurrent Liabilities

Net Other Postemployment Benefits	15,185
Net Pension Liability	118,530
Total Noncurrent Liabilities	<u>133,715</u>

Total LIABILITIES	<u>446,900</u>
--------------------------	----------------

DEFERRED INFLOWS

Deferred Inflows - Actuarial	12,897
Deferred Inflows - Additional Deferral	4,321
Total Deferred Inflows	<u>17,218</u>

NET POSITION

Net Investment in Capital Assets	841,030
Restricted for Project Committees	(14,742)
Total NET POSITION	<u>\$ 826,288</u>

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

08 - Pre Treatment

ASSETS

Current Assets

Cash and Investments	\$ 25,235
Due from Member Agencies	10,076
LAIF Interest Receivable	(307)

Total Current Assets	35,004
----------------------	--------

Noncurrent Assets

Capital Assets

Assets	79,238
Accumulated Depreciation	(65,388)

Total Capital Assets	13,850
----------------------	--------

Total Noncurrent Assets	13,850
-------------------------	--------

Total ASSETS	48,854
--------------	--------

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	30,148
Deferred Outflows - Actuarial	24,317

Total Deferred Outflows	54,465
-------------------------	--------

LIABILITIES

Current Liabilities

Accounts Payable	4,690
Due to Member Agencies	14,820
Payroll Costs Payable	1,241

Total Current Liabilities	20,751
---------------------------	--------

Noncurrent Liabilities

Net Other Postemployment Benefits	14,919
Net Pension Liability	288,052

Total Noncurrent Liabilities	302,971
------------------------------	---------

Total LIABILITIES	323,723
-------------------	---------

DEFERRED INFLOWS

Deferred Inflows - Actuarial	31,357
Deferred Inflows - Additional Deferral	10,499

Total Deferred Inflows	41,856
------------------------	--------

NET POSITION

Net Investment in Capital Assets	13,850
Restricted for Project Committees	(276,110)

Total NET POSITION	\$ (262,260)
--------------------	--------------

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

12 - Water Reclamation Permits

ASSETS

Current Assets

Cash and Investments \$ 66,574

LAIF Interest Receivable 65

Total Current Assets 66,639

Total ASSETS 66,639

LIABILITIES

Current Liabilities

Accounts Payable 13,309

Due to Member Agencies 52,205

Payroll Costs Payable 1,039

Total Current Liabilities 66,553

Total LIABILITIES 66,553

NET POSITION

Restricted for Project Committees 86

Total NET POSITION \$ 86

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

15 - Coastal Treatment Plant

ASSETS

Current Assets

Cash and Investments	\$ 1,509,178
Accounts Receivable, net	312,800
Due from Member Agencies	344,427
LAIF Interest Receivable	3,509
Inventories	101,223
Prepaid Items	5,788

Total Current Assets	2,276,925
----------------------	-----------

Noncurrent Assets

Capital Assets Not Depreciated

Land	7,160,000
Construction in Progress	1,704,561

Total Capital Assets Not Depreciated	8,864,561
--------------------------------------	-----------

Capital Assets

Assets	40,532,971
Accumulated Depreciation	(20,285,818)

Total Capital Assets	20,247,153
----------------------	------------

Total Noncurrent Assets	29,111,714
-------------------------	------------

Total ASSETS	31,388,639
--------------	------------

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	174,969
Deferred Outflows - Actuarial	141,165

Total Deferred Outflows	316,134
-------------------------	---------

LIABILITIES

Current Liabilities

Accounts Payable	563,890
Due to Member Agencies	60,149
Payroll Costs Payable	12,446

Total Current Liabilities	636,485
---------------------------	---------

Noncurrent Liabilities

Net Other Postemployment Benefits	125,269
Net Pension Liability	1,671,795

Total Noncurrent Liabilities	1,797,064
------------------------------	-----------

Total LIABILITIES	2,433,549
-------------------	-----------

DEFERRED INFLOWS

Deferred Inflows - Actuarial	181,902
Deferred Inflows - Additional Deferral	60,935

Total Deferred Inflows	242,837
------------------------	---------

NET POSITION

Net Investment in Capital Assets	29,111,714
Restricted for Project Committees	(83,327)

Total NET POSITION	\$ 29,028,387
--------------------	---------------

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

17 - Joint Regional Wastewater Reclamation and Sludge Handling

ASSETS

Current Assets

Cash and Investments	\$ 854,438
Due from Member Agencies	430,292
LAIF Interest Receivable	354
Inventories	34,750
Deposits	18,000
Prepaid Items	23,676
Total Current Assets	<u>1,361,510</u>

Noncurrent Assets

Capital Assets Not Depreciated	
Land	6,589,000
Construction in Progress	8,510,667
Total Capital Assets Not Depreciated	<u>15,099,667</u>

Capital Assets

Assets	78,690,000
Accumulated Depreciation	<u>(53,155,483)</u>
Total Capital Assets	<u>25,534,517</u>

Total Noncurrent Assets	<u>40,634,184</u>
--------------------------------	-------------------

Total ASSETS	<u>41,995,694</u>
---------------------	-------------------

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	329,111
Deferred Outflows - Actuarial	265,548

Total Deferred Outflows	<u>594,659</u>
--------------------------------	----------------

LIABILITIES

Current Liabilities

Accounts Payable	867,321
Due to Member Agencies	171,857
Payroll Costs Payable	35,773

Total Current Liabilities	<u>1,074,951</u>
----------------------------------	------------------

Noncurrent Liabilities

Net Other Postemployment Benefits	254,276
Net Pension Liability	3,144,662

Total Noncurrent Liabilities	<u>3,398,938</u>
-------------------------------------	------------------

Total LIABILITIES	<u>4,473,889</u>
--------------------------	------------------

DEFERRED INFLOWS

Deferred Inflows - Actuarial	342,120
Deferred Inflows - Additional Deferral	114,616

Total Deferred Inflows	<u>456,736</u>
-------------------------------	----------------

NET POSITION

Net Investment in Capital Assets	40,634,184
Restricted for Project Committees	<u>(2,974,456)</u>

Total NET POSITION	<u>\$ 37,659,728</u>
---------------------------	----------------------

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

21 - Effluent Transmission Main

ASSETS

Current Assets

Cash and Investments \$ 368,768

LAIF Interest Receivable 16

Total Current Assets 368,784

Noncurrent Assets

Capital Assets Not Depreciated

Construction in Progress 307

Total Capital Assets Not Depreciated 307

Capital Assets

Assets 14,686,827

Accumulated Depreciation (11,805,471)

Total Capital Assets 2,881,356

Total Noncurrent Assets 2,881,663

Total ASSETS 3,250,447

LIABILITIES

Current Liabilities

Accounts Payable 84

Due to Member Agencies 95,118

Total Current Liabilities 95,202

Total LIABILITIES 95,202

NET POSITION

Net Investment in Capital Assets 2,881,663

Restricted for Project Committees 273,582

Total NET POSITION \$ 3,155,245

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

23 - North Coast Interceptor

ASSETS

Current Assets

Cash and Investments	\$ (842)
Prepaid Items	564
Total Current Assets	<u>(278)</u>

Noncurrent Assets

Capital Assets Not Depreciated	
Construction in Progress	225,307
Total Capital Assets Not Depreciated	<u>225,307</u>

Capital Assets

Assets	6,816,349
Accumulated Depreciation	<u>(3,505,940)</u>
Total Capital Assets	<u>3,310,409</u>

Total Noncurrent Assets	<u>3,535,716</u>
--------------------------------	------------------

Total ASSETS	<u>3,535,438</u>
---------------------	------------------

LIABILITIES

Current Liabilities

Accounts Payable	<u>(9)</u>
Total Current Liabilities	<u>(9)</u>

Total LIABILITIES	<u>(9)</u>
--------------------------	------------

NET POSITION

Net Investment in Capital Assets	3,535,716
Restricted for Project Committees	<u>(269)</u>
Total NET POSITION	<u>\$ 3,535,447</u>

South Orange County Wastewater Authority
Schedule of Net Position by Project Committee
As of June 30, 2016

24 - Aliso Creek Ocean Outfall

ASSETS

Current Assets

Cash and Investments	\$ 315,243
LAIF Interest Receivable	385
Prepaid Items	1,336
Total Current Assets	<u>316,964</u>

Noncurrent Assets

Capital Assets Not Depreciated	
Construction in Progress	177
Total Capital Assets Not Depreciated	<u>177</u>
Capital Assets	
Assets	15,872,067
Accumulated Depreciation	<u>(11,454,246)</u>
Total Capital Assets	<u>4,417,821</u>
Total Noncurrent Assets	<u>4,417,998</u>

Total ASSETS	<u>4,734,962</u>
---------------------	------------------

DEFERRED OUTFLOWS

Deferred Outflows - Pension Contribution	14,894
Deferred Outflows - Actuarial	12,020
Total Deferred Outflows	<u>26,914</u>

LIABILITIES

Current Liabilities

Accounts Payable	80,364
Due to Member Agencies	304,639
Payroll Costs Payable	1,155
Total Current Liabilities	<u>386,158</u>

Noncurrent Liabilities

Net Other Postemployment Benefits	14,844
Net Pension Liability	142,321
Total Noncurrent Liabilities	<u>157,165</u>

Total LIABILITIES	<u>543,323</u>
--------------------------	----------------

DEFERRED INFLOWS

Deferred Inflows - Actuarial	15,478
Deferred Inflows - Additional Deferral	5,190
Total Deferred Inflows	<u>20,668</u>

NET POSITION

Net Investment in Capital Assets	4,417,998
Restricted for Project Committees	<u>(220,112)</u>
Total NET POSITION	<u>\$ 4,197,886</u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee

For the year ended June 30, 2016

01 - General Fund

OPERATING EXPENSES	
Engineering After Capital Transfer	\$ 200,311
Administration	(198,861)
SCADA System transfer to Capital	(218,030)
O&M Costs missing from Use Audit, will be allocated in 16/17	309,680
Total OPERATING EXPENSES	<u>93,100</u>
Operating Loss	<u>(93,100)</u>
NON-OPERATING REVENUES	
Other Revenues	
Interest Income	444
Other Income - Misc	18,987
Total NON-OPERATING REVENUES	<u>19,431</u>
Depreciation	2,285
CHANGE IN NET POSITION	<u><u>\$ (75,954)</u></u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee

For the year ended June 30, 2016

02 - Jay B. Latham Plant

OPERATING REVENUES

O & M Member Agency Assessments

City of San Juan Capistrano \$ 1,763,918

Moulton Niguel Water District 1,459,703

South Coast Water District 1,486,125

Santa Margarita Water District 1,521,846

Total O & M Member Agency Assessments 6,231,592

Total OPERATING REVENUES 6,231,592

OPERATING EXPENSES

O&M & Environmental, Compliance & Safety

City of San Juan Capistrano 1,579,860

Moulton Niguel Water District 1,307,389

South Coast Water District 1,331,054

Santa Margarita Water District 1,363,047

Total O&M & Environmental, Compliance & Safety 5,581,350

Administration 688,065

Depreciation 1,500,584

Total OPERATING EXPENSES 7,769,999

Operating Loss (1,538,407)

CAPITAL CONTRIBUTIONS AND TRANSFERS

Member Agency Assessments

City of San Juan Capistrano 3,996,988

Moulton Niguel Water District 2,939,507

South Coast Water District 3,208,525

Santa Margarita Water District 3,010,929

Total Member Agency Assessments 13,155,949

Total CAPITAL CONTRIBUTIONS AND TRANSFERS 13,155,949

NON-OPERATING REVENUES

Other Revenues

Interest Income 3,179

Total Other Revenues 3,179

Total NON-OPERATING REVENUES 3,179

CHANGE IN NET POSITION \$ 11,620,721

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee

For the year ended June 30, 2016

03 - SOCWA Plant/PCA AWT

OPERATING REVENUES	
O & M Member Agency Assessments	
Moulton Niguel Water District	\$ 43,894
Santa Margarita Water District	5,183
Total O & M Member Agency Assessments	<u>49,077</u>
Total OPERATING REVENUES	<u>49,077</u>
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
Moulton Niguel Water District	39,314
Santa Margarita Water District	4,642
Total O&M & Environmental, Compliance & Safety	<u>43,956</u>
Administration	(9,148)
Total OPERATING EXPENSES	<u>34,808</u>
Operating Income	<u>14,269</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Member Agency Assessments	
Moulton Niguel Water District	1,134,068
South Coast Water District	(56,283)
Santa Margarita Water District	499,938
Total Member Agency Assessments	<u>1,577,723</u>
Total CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>1,577,723</u>
NON-OPERATING REVENUES (EXPENSES):	
Other Revenues	
Interest Income	2,302
Total Other Revenues	<u>2,302</u>
Other Expenses	
PC 3A CIP Elimination	(1,548,438)
Total Other Expenses	<u>(1,548,438)</u>
Total NON-OPERATING REVENUES (EXPENSES)	<u>(1,546,136)</u>
CHANGE IN NET POSITION	<u>\$ 45,856</u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

05 - San Juan Creek Ocean Outfall

OPERATING REVENUES	
O & M Member Agency Assessments	
City of San Clemente	\$ 78,540
City of San Juan Capistrano	67,673
Moulton Niguel Water District	71,052
South Coast Water District	62,360
Santa Margarita Water District	172,138
Total O & M Member Agency Assessments	<u>451,763</u>
Total OPERATING REVENUES	<u>451,763</u>
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
City of San Clemente	70,345
City of San Juan Capistrano	60,612
Moulton Niguel Water District	63,638
South Coast Water District	55,853
Santa Margarita Water District	154,176
Total O&M & Environmental, Compliance & Safety	<u>404,624</u>
Administration	43,751
Depreciation	203,053
Total OPERATING EXPENSES	<u>651,428</u>
Operating Loss	<u>(199,665)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Member Agency Assessments	
City of San Clemente	33,240
City of San Juan Capistrano	22,160
Moulton Niguel Water District	31,020
South Coast Water District	24,941
Santa Margarita Water District	88,639
Total Member Agency Assessments	<u>200,000</u>
Total CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>200,000</u>
NON-OPERATING REVENUES	
Other Revenues	
Interest Income	2,023
Total Other Revenues	<u>2,023</u>
Total NON-OPERATING REVENUES	<u>2,023</u>
CHANGE IN NET POSITION	<u><u>\$ 2,358</u></u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee

For the year ended June 30, 2016

08 - Pre Treatment

OPERATING REVENUES	
O & M Member Agency Assessments	
City of Laguna Beach	\$ 14,617
City of San Clemente	17,712
City of San Juan Capistrano	16,621
Emerald Bay Service District	1,985
El Toro Water District	10,285
Irvine Ranch Water District	20,989
Moulton Niguel Water District	47,639
South Coast Water District	38,466
Santa Margarita Water District	50,479
Total O & M Member Agency Assessments	<u>218,793</u>
Total OPERATING REVENUES	<u>218,793</u>
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
City of Laguna Beach	12,930
City of San Clemente	15,864
City of San Juan Capistrano	14,887
El Toro Water District	9,212
Emerald Bay Service District	1,778
Irvine Ranch Water District	18,799
Moulton Niguel Water District	42,668
South Coast Water District	34,452
Santa Margarita Water District	45,212
Total O&M & Environmental, Compliance & Safety	<u>195,802</u>
Administration	24,716
Depreciation	3,451
Total OPERATING EXPENSES	<u>223,969</u>
Operating Income/(Loss)	<u>(5,176)</u>
NON-OPERATING REVENUES	
Other Revenues	
Interest Income	132
Total Other Revenues	<u>132</u>
Total NON-OPERATING REVENUES	<u>132</u>
CHANGE IN NET POSITION	<u>\$ (5,044)</u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

12 - Water Reclamation Permits

OPERATING REVENUES	
O & M Member Agency Assessments	
City of San Juan Capistrano	\$ 19,797
El Toro Water District	16,308
Irvine Ranch Water District	20,816
Moulton Niguel Water District	66,803
South Coast Water District	24,342
Santa Margarita Water District	59,226
Trabuco Canyon Water District	20,940
Total O & M Member Agency Assessments	228,232
Total OPERATING REVENUES	228,232
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
City of San Juan Capistrano	17,732
El Toro Water District	14,606
Irvine Ranch Water District	18,644
Moulton Niguel Water District	59,832
South Coast Water District	21,802
Santa Margarita Water District	53,046
Trabuco Canyon Water District	18,755
Total O&M & Environmental, Compliance & Safety	204,417
Administration	23,815
Total OPERATING EXPENSES	228,232
Operating Income	-
NON-OPERATING REVENUES	
Other Revenues	
Interest Income	178
Total Other Revenues	178
Total NON-OPERATING REVENUES	178
CHANGE IN NET POSITION	\$ 178

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

15 - Coastal Treatment Plant

OPERATING REVENUES	
O & M Member Agency Assessments	
City of Laguna Beach	\$ 1,359,491
Emerald Bay Service District	64,430
Moulton Niguel Water District	395,640
South Coast Water District	1,333,973
Total O & M Member Agency Assessments	<u>3,153,534</u>
Total OPERATING REVENUES	<u>3,153,534</u>
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
City of Laguna Beach	1,202,560
Emerald Bay Service District	57,707
Moulton Niguel Water District	354,357
South Coast Water District	1,194,778
Total O&M & Environmental, Compliance & Safety	<u>2,809,402</u>
Administration	336,621
Depreciation	1,301,134
Total OPERATING EXPENSES	<u>4,447,157</u>
Operating Loss	<u>(1,293,623)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Member Agency Assessments	
City of Laguna Beach	441,569
Emerald Bay Service District	34,768
Moulton Niguel Water District	340,738
South Coast Water District	457,693
Total Member Agency Assessments	<u>1,274,768</u>
Total CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>1,274,768</u>
NON-OPERATING REVENUES (EXPENSES)	
Other Revenues	
Interest Income	6,515
Other Income - Misc	825,000
Gain on Sale of Fixed Assets	7,200
Total Other Revenues	<u>838,715</u>
Other Expenses	
Other	(830,500)
Total Other Expenses	<u>(830,500)</u>
Total NON-OPERATING REVENUES (EXPENSES)	<u>8,215</u>
CHANGE IN NET POSITION	<u>\$ (10,640)</u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

17 - Joint Regional Wastewater Reclamation and Sludge Handling

OPERATING REVENUES

O & M Member Agency Assessments	
City of Laguna Beach	\$ 500,985
Emerald Bay Service District	16,284
El Toro Water District	621,659
Moulton Niguel Water District	6,175,621
South Coast Water District	337,163
Total O & M Member Agency Assessments	7,651,712

Total OPERATING REVENUES	7,651,712
--------------------------	-----------

OPERATING EXPENSES

O&M & Environmental, Compliance & Safety	
City of Laguna Beach	443,154
El Toro Water District	556,791
Emerald Bay Service District	14,585
Moulton Niguel Water District	5,531,254
South Coast Water District	301,945
Total O&M & Environmental, Compliance & Safety	6,847,729

Administration	793,406
----------------	---------

Depreciation	2,119,162
--------------	-----------

Total OPERATING EXPENSES	9,760,297
--------------------------	-----------

Operating Loss	(2,108,585)
----------------	-------------

CAPITAL CONTRIBUTIONS AND TRANSFERS

Member Agency Assessments	
City of Laguna Beach	559,422
Emerald Bay Service District	29,553
El Toro Water District	1,018,060
Moulton Niguel Water District	5,397,980
South Coast Water District	447,048
Total Member Agency Assessments	7,452,063

Total CAPITAL CONTRIBUTIONS AND TRANSFERS	7,452,063
---	-----------

NON-OPERATING REVENUES (EXPENSES):

Other Revenues	
Interest Income	7,538
Other Income - Misc	204
Gain on Sale of Fixed Assets	11,589
Total Other Revenues	19,331

Total NON-OPERATING REVENUES (EXPENSES)	19,331
---	--------

CHANGE IN NET POSITION	\$ 5,362,809
------------------------	--------------

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

21 - Effluent Transmission Main

OPERATING REVENUES	
O & M Member Agency Assessments	
El Toro Water District	\$ 1,243
Irvine Ranch Water District	1,243
Moulton Niguel Water District	533
Total O & M Member Agency Assessments	<u>3,019</u>
Total OPERATING REVENUES	<u>3,019</u>
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
El Toro Water District	1,113
Irvine Ranch Water District	1,113
Moulton Niguel Water District	477
Total O&M & Environmental, Compliance & Safety	<u>2,703</u>
Administration	316
Depreciation	216,355
Total OPERATING EXPENSES	<u>219,374</u>
Operating Loss	<u>(216,355)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Member Agency Assessments	
El Toro Water District	12,500
Irvine Ranch Water District	12,500
Total Member Agency Assessments	<u>25,000</u>
Total CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>25,000</u>
NON-OPERATING REVENUES	
Other Revenues	
Interest Income	1,183
Total Other Revenues	<u>1,183</u>
Total NON-OPERATING REVENUES	<u>1,183</u>
CHANGE IN NET POSITION	<u><u>\$ (190,172)</u></u>

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

23 - North Coast Interceptor

OPERATING REVENUES

O & M Member Agency Assessments

City of Laguna Beach \$ 742,116

Total OPERATING REVENUES 742,116

OPERATING EXPENSES

O&M & Environmental, Compliance & Safety

City of Laguna Beach 184,871

Total O&M & Environmental, Compliance & Safety 184,871

Engineering After Capital Transfer 233,374

Administration 56,809

Depreciation 169,949

Total OPERATING EXPENSES 645,003

CHANGE IN NET POSITION \$ 97,113

South Orange County Wastewater Authority
Schedule of Revenues, Expenses and Changes in Net Position
by Project Committee
For the year ended June 30, 2016

24 - Aliso Creek Ocean Outfall

OPERATING REVENUES	
O & M Member Agency Assessments	
City of Laguna Beach	\$ 52,242
Emerald Bay Service District	2,368
El Toro Water District	81,965
Irvine Ranch Water District	84,676
Moulton Niguel Water District	133,009
South Coast Water District	<u>34,587</u>
Total O & M Member Agency Assessments	<u>388,847</u>
Total OPERATING REVENUES	<u>388,847</u>
OPERATING EXPENSES	
O&M & Environmental, Compliance & Safety	
City of Laguna Beach	46,211
El Toro Water District	73,412
Emerald Bay Service District	2,121
Irvine Ranch Water District	75,840
Moulton Niguel Water District	119,131
South Coast Water District	<u>30,978</u>
Total O&M & Environmental, Compliance & Safety	<u>347,693</u>
Administration	38,623
Depreciation	<u>330,629</u>
Total OPERATING EXPENSES	<u>716,945</u>
Operating Loss	<u>(328,098)</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS	
Member Agency Assessments	
City of Laguna Beach	2,750
Emerald Bay Service District	195
El Toro Water District	4,076
Irvine Ranch Water District	3,940
Moulton Niguel Water District	10,962
South Coast Water District	<u>3,077</u>
Total Member Agency Assessments	<u>25,000</u>
Total CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>25,000</u>
NON-OPERATING REVENUES (EXPENSES):	
Other Revenues	
Interest Income	1,094
Total Other Revenues	<u>1,094</u>
Total NON-OPERATING REVENUES (EXPENSES)	<u>1,094</u>
CHANGE IN NET POSITION	<u><u>\$ (302,004)</u></u>

South Orange County Wastewater Authority
Schedule of Capital Contributions by Project Committee and Member Agency
For the Year Ended June 30, 2016

Capital Contributions by Project Committee and Member Agency	PC 2	PC 3	PC 5	PC 15	PC 17	PC 21	PC 24	Total
City of Laguna Beach	\$ -	-	-	441,569	559,422	-	2,750	1,003,741
City of San Clemente	-	-	33,240	-	-	-	-	33,240
City of San Juan Capistrano	3,996,988	-	22,160	-	-	-	-	4,019,148
El Toro Water District	-	-	-	-	1,018,060	12,500	4,076	1,034,636
Emerald Bay Service District	-	-	-	34,768	29,553	-	195	64,516
Irvine Ranch Water District	-	-	-	-	-	12,500	3,940	16,440
Moulton Niguel Water District	2,939,507	1,134,068	31,020	340,738	5,397,980	-	10,962	9,854,276
Santa Margarita Water District	3,010,929	499,938	88,639	-	-	-	-	3,599,506
South Coast Water District	3,208,525	(56,283)	24,941	457,693	447,048	-	3,077	4,085,001
Trabuco Canyon Water District	-	-	-	-	-	-	-	0
Total Capital Contributions	\$ 13,155,949	1,577,723	200,000	1,274,769	7,452,063	25,000	25,000	23,710,504

South Orange County Wastewater Authority
Schedule of O&M Operating Expenses by Project Committee
For the Year Ended June 30, 2016

	JB Latham Treatment Plant PC 02	Water Reclamation Permits PC 12	SOCWA Plan PCA AWT PC 03	San Juan Creek Outfall PC 05	Coastal Treatment Plant PC 15
Salary and Fringe					
Regular Salaries-O&M	#####	33,466	20,795	68,145	753,438
Overtime Salaries-O&M	41,646	-	530	3,387	11,426
Fringe Benefits IN to PC's & Depts.	1,049,637	26,104	16,220	53,153	584,252
Standby Pay	19,500	-	-	-	4,550
Total Payroll Costs	<u>2,460,869</u>	<u>59,570</u>	<u>37,545</u>	<u>#####</u>	<u>#####</u>
Other Expenses					
Electricity	691,961	-	-	97	218,757
Natural Gas	20,289	-	-	132	1,937
Potable & Reclaimed Water	15,979	-	-	-	13,437
Co-generation Power Credit	-	-	-	-	-
Chlorine/Sodium Hypochlorite	16,767	-	-	-	73,924
Polymer Products	301,507	-	-	-	-
Ferric Chloride	98,253	-	-	-	29,311
Odor Control Chemicals	32,820	-	-	-	79,538
Other Chemicals - Misc.	164	-	-	-	-
Laboratory Services	9,508	-	153	-	10,025
Grit Hauling	53,638	-	-	-	22,276
Landscaping	41,584	-	-	-	80,757
Engineering - Misc.	72,086	-	3,757	7,461	150,988
Management Support Services	37,321	13,600	-	-	16,607
Legal Fees	39,747	1,125	-	1,558	88,605
Contract Services Misc.	84,690	-	-	-	58,386
Postage Expense	-	-	-	-	-
Small Vehicle Expense	9,647	-	-	-	4,873
Miscellaneous Expense	10,970	-	-	-	2,398
Office Supplies - All	22,543	-	317	-	7,184
Petroleum Products	12,869	-	-	-	86
Uniforms	11,133	-	-	-	4,758
Small Vehicle Fuel	9,462	-	-	-	2,181
Insurance - Property/Liability	13,512	-	-	24,317	45,776
Small Tools & Supplies	35,285	-	-	-	8,183
Trash Disposal	1,265	-	-	-	1,153
Safety Supplies	29,505	-	121	5,468	27,582
Equipment Rental	2,533	-	-	-	274
Recruitment	780	-	-	-	-
Travel Expense/Tech. Conferences	16,505	-	-	1,302	1,845
Training Expense	28,853	-	-	-	7,028
Laboratory Supplies	9,412	-	-	9,474	10,344
Office Equipment	17,295	-	-	-	854
Permits	11,748	109,095	-	<u>#####</u>	4,284
Membership Dues/Fees	7,088	-	-	-	4,751

Joint Regional Treatment Plant PC 17	Effluent Transmission PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	Pre- Treatment Program PC 08	Total
1.621.466	145	-	60.286	#####	4.013.626
61.036	-	-	3.891	-	121.916
1.261.314	113	-	47.023	82.523	3.120.339
20.475	-	-	-	-	44.525
2.964.291	258	-	111.200	#####	7.300.406
366.358	-	-	-	-	1,277.173
86.251	-	-	-	-	108.609
37.597	-	-	-	-	67.013
(489,013)	-	-	-	-	(489,013)
271.180	-	-	-	-	361.871
382.744	-	-	-	-	684.251
117.607	-	-	-	-	245.171
41.918	-	81.897	-	-	236.173
1.831	-	3.655	-	-	5.650
14.376	-	-	-	3.600	37.662
65.461	-	-	-	-	141.375
50.322	-	-	-	-	172.663
137.332	101	-	14.857	-	386.582
31.102	-	-	-	-	98.630
2.447	-	-	451	-	133.933
145.423	327	73.321	-	-	362.147
4	-	-	-	-	4
5.228	-	-	-	16	19.764
12.816	-	-	-	549	26.733
11.123	-	-	-	-	41.167
36.653	-	-	-	-	49.608
15.478	-	-	-	-	31.369
5.497	-	-	-	45	17.185
57.820	2.011	-	1.052	155	144.643
20.800	-	-	-	1.877	66.145
1.080	-	-	-	-	3.498
33.436	-	-	5.389	-	101.501
858	-	-	-	-	3.665
2.331	-	-	-	-	3.111
1.653	-	-	-	1,219	22.524
12.392	-	-	-	1,435	49.708
21.221	-	-	11.006	-	61.457
4.364	-	-	-	-	22.513
15.164	-	-	138.306	-	422.789
8.525	-	-	-	-	20.364

(Continued)

South Orange County Wastewater Authority
Fiscal Year 2015-16 O&M Operating Expenses by Project Committee
(Administration and Residual Engineering not Included)

	PC 02	PC 12	PC 03	PC 05	PC 15	PC 17	PC 21	PC 24	PC 08	SOCWA
Salary and Fringe										
Regular Salaries-O&M	\$1,350,086	\$33,466	\$20,795	\$68,145	\$753,438	\$1,621,466	\$145	\$60,286	\$105,799	\$4,013,626
Overtime Salaries-O&M	41,646	-	530	3,387	11,426	61,036	-	3,891	-	121,917
Fringe Benefits IN to PC's & Depts.	1,049,637	26,104	16,220	53,153	584,252	1,261,314	113	47,023	82,523	3,120,339
Standby Pay	19,500	-	-	-	4,550	20,475	-	-	-	44,525
Total Payroll Costs	2,460,869	59,570	37,546	124,685	1,353,665	2,964,291	259	111,200	188,322	7,300,407
Other Expenses										
Electricity	691,961	-	-	97	218,757	366,358	-	-	-	1,277,173
Natural Gas	20,289	-	-	132	1,937	86,251	-	-	-	108,610
Potable & Reclaimed Water	15,979	-	-	-	13,437	37,597	-	-	-	67,013
Co-generation Power Credit	-	-	-	-	-	(489,013)	-	-	-	(489,013)
Chlorine/Sodium Hypochlorite	16,767	-	-	-	73,924	271,180	-	-	-	361,871
Polymer Products	301,507	-	-	-	-	382,744	-	-	-	684,250
Ferric Chloride	98,253	-	-	-	29,311	117,607	-	-	-	245,172
Odor Control Chemicals	32,820	-	-	-	79,538	41,918	-	-	-	154,277
Other Chemicals - Misc.	164	-	-	-	-	1,831	-	-	-	1,995
Laboratory Services	9,508	-	153	-	10,025	14,376	-	-	3,600	37,663
Grit Hauling	53,638	-	-	-	22,276	65,461	-	-	-	141,376
Landscaping	41,584	-	-	-	80,757	50,322	-	-	-	172,662
Engineering - Misc.	72,086	-	3,757	7,461	150,988	137,332	101	14,857	-	386,581
Management Support Services	37,321	13,600	-	-	16,607	31,102	-	-	-	98,630
Legal Fees	39,747	1,125	-	1,558	88,605	2,447	-	451	-	133,933
Contract Services Misc.	84,690	-	-	-	58,386	145,423	327	-	-	288,826
Postage Expense	-	-	-	-	-	4	-	-	-	4
Small Vehicle Expense	9,647	-	-	-	4,873	5,228	-	-	16	19,764
Miscellaneous Expense	10,970	-	-	-	2,398	12,816	-	-	549	26,734
Office Supplies - All	22,543	-	317	-	7,184	11,123	-	-	-	41,167
Petroleum Products	12,869	-	-	-	86	36,653	-	-	-	49,608
Uniforms	11,133	-	-	-	4,758	15,478	-	-	-	31,370
Small Vehicle Fuel	9,462	-	-	-	2,181	5,497	-	-	45	17,185
Insurance - Property/Liability	13,512	-	-	24,317	45,776	57,820	2,011	1,052	155	144,644
Small Tools & Supplies	35,285	-	-	-	8,183	20,800	-	-	1,877	66,146
Trash Disposal	1,265	-	-	-	1,153	1,080	-	-	-	3,498
Safety Supplies	29,505	-	121	5,468	27,582	33,436	-	5,389	-	101,499
Equipment Rental	2,533	-	-	-	274	858	-	-	-	3,664
Recruitment	780	-	-	-	-	2,331	-	-	-	3,111
Travel Expense/Tech. Conferences	16,505	-	-	1,302	1,845	1,653	-	-	1,219	22,525
Training Expense	28,853	-	-	-	7,028	12,392	-	-	1,435	49,709
Laboratory Supplies	9,412	-	-	9,474	10,344	21,221	-	11,006	-	61,458
Office Equipment	17,295	-	-	-	854	4,364	-	-	-	22,513
Permits	11,748	109,095	-	144,192	4,284	15,164	-	138,306	-	422,788
Membership Dues/Fees	7,088	-	-	-	4,751	8,525	-	-	-	20,363
Electricity - EPS - PC 5	-	-	-	2,534	-	-	-	-	-	2,534
Offshore Monitoring	-	-	-	12,471	-	-	-	12,313	-	24,784
Offshore Biochemistry - 20B	-	-	-	4,190	-	-	-	-	-	4,190
Effluent Chemistry	-	-	-	15,196	-	-	-	29,576	-	44,773
Access Road Expenses	-	-	-	-	84,538	-	-	-	-	84,538
Biosolids Disposal	569,254	-	-	-	-	908,443	-	-	-	1,477,697
Contract Services Generators - 29A	10,127	-	-	-	3,099	6,537	-	-	-	19,763
Janitorial Services	11,942	-	32	-	9,919	10,705	-	-	-	32,597
Contract Serv - Digester Cleaning - 29E	-	-	-	-	-	34,641	-	-	-	34,641
Diesel Truck Maint	28,525	-	-	-	6,088	21,441	-	-	-	56,054
Diesel Truck Fuel	2,048	-	-	-	-	7,850	-	-	-	9,899
Maintenance Equip. & Facilities (Solids)	166,198	-	1,750	9,246	-	209,691	-	-	-	386,885
Maintenance Equip. & Facilities (Liquids)	231,731	-	61	-	128,029	169,640	-	-	-	529,461
Maintenance Equip. & Facilities (Common)	15,436	-	220	-	20,872	21,363	-	-	-	57,891
Maintenance Equip. & Facilities (Co-Gen)	76,406	-	-	-	-	136,578	-	-	-	212,984
Maintenance Equip. & Facilities (AWT)	-	-	-	-	21,975	41,738	-	-	-	63,713
Mileage	1,514	-	-	-	895	2,309	-	-	-	4,718
Port Cleaning	-	-	-	68,607	-	-	-	99,050	-	167,657
MNWD Potable Water Supplies & Svcs.	-	-	-	-	-	16,284	-	-	-	16,284
IT Direct	18,351	-	-	-	96,056	160,462	-	-	-	274,869 (1)
Employee Recognition	-	-	-	-	-	236	-	-	-	236
Co-Generation Power Credit - Offset	-	-	-	-	-	489,013	-	-	-	489,013
Non-Capital Engineering	18,851	-	-	-	-	-	-	-	-	18,851
Vehicle Pay	39	-	-	-	-	-	-	-	-	39
Group Insurance Waiver	1,771	-	-	-	2,400	1,292	-	-	-	5,463
Medicare Tax Payments for Employees	2,313	83	-	944	2,133	1,207	-	-	-	6,680
Operating Leases	4,515	-	-	-	-	-	-	-	-	4,515
Monthly Car Allowance	15,307	162	-	1,777	3,877	11,931	-	-	-	33,053
Shipping/Freight	108	-	-	-	-	53	-	-	-	162
IT Allocations in to PC's & Depts.	188,441	20,782	-	34,182	123,418	217,922	-	19,493	-	604,238
Total Other Expenses	3,129,598	144,848	6,411	343,147	1,481,401	3,998,713	2,438	331,493	8,897	9,446,947
Total Expenses	\$5,590,467	\$204,417	\$43,957	\$467,833	\$2,835,067	\$6,963,004	\$2,697	\$442,693	\$197,219	\$16,747,354

1. Includes \$218,030, SCADA system computer hardware which was reclassified to Fixed Assets.

Joint Regional Treatment Plant PC 17	Effluent Transmission PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	Pre- Treatment Program PC 08	Total
-	-	-	-	-	2,534
-	-	-	12,313	-	24,784
-	-	-	-	-	4,190
-	-	-	29,576	-	44,772
-	-	-	-	-	84,538
908,443	-	-	-	-	1,477,697
6,537	-	-	-	-	19,763
10,705	-	-	-	-	32,598
34,641	-	-	-	-	34,641
21,441	-	-	-	-	56,054
7,850	-	-	-	-	9,898
209,691	-	-	-	-	386,885
169,640	-	-	-	-	529,461
21,363	-	-	-	-	57,891
136,578	-	-	-	-	212,984
41,738	-	-	-	-	63,713
2,309	-	-	-	-	4,718
-	-	-	99,050	-	167,657
16,284	-	-	-	-	16,284
160,464	-	-	-	-	274,871 (1)
236	-	-	-	-	236
489,013	-	-	-	-	489,013
-	-	25,998	-	-	44,849
-	-	-	-	-	39
1,292	-	-	-	-	5,463
1,207	-	-	-	-	6,680
-	-	-	-	-	4,515
11,931	-	-	-	-	33,054
53	-	-	-	-	161
217,922	-	-	19,493	-	604,238
<u>3,998,717</u>	<u>2,439</u>	<u>184,871</u>	<u>331,493</u>	<u>8,896</u>	<u>9,631,819</u>
<u>6,963,008</u>	<u>2,697</u>	<u>184,871</u>	<u>442,693</u>	<u>#####</u>	<u>#####</u>

South Orange County Wastewater Authority
Engineering Expenses
For the Year Ended June 30, 2016

Salary and Fringe	
Regular Salaries-O&M	\$ 130,251
Fringe Benefits IN to PC's & Depts.	<u>48,248</u>
Total Payroll Costs	178,499
Other Expenses	
Engineering - Misc	21,608
Management Support Services	16,004
Miscellaneous Expense	121,701
Office Supplies - All	37
Travel Expense/Tech. Conferences	974
Training Expense	594
Membership Dues/Fees	862
Mileage	98
Recruitment	30,300
Operating Leases	15,348
Monthly Car Allowance	1,938
IT Allocations in to PC's & Depts.	<u>45,721</u>
Total Other Expenses	<u>122,499</u>
Total Engineering Expenses	<u><u>\$ 300,998</u></u>

South Orange County Wastewater Authority
Administrative Expenses
For the Year Ended June 30, 2016

Salary and Fringe	
Fringe Benefits IN to PC's & Depts.	\$ 537,570
Regular Salaries-Admin & IT	667,234
Overtime Salaries-Admin & IT	21,816
Total Payroll Costs	1,226,620
Other Expenses	
Public Notices/ Public Relations	1,350
Miscellaneous Expense	38,209
Office Supplies - All	2,705
Insurance - Property/Liability	1,374
Office Equipment	7,814
Earned Benefit	2,211
Recruitment & Employee Relations	22,310
Management Support Services	180,895
Audit	22,900
Legal	76,861
Postage	3,512
Board of Directors - Fees	10,854
Memberships & Trainings	57,300
Travel & Conference	24,734
Scholarship Sponsorship	1,000
Miscellaneous	18,408
Mileage	328
Contract Services Misc	4,225
IT Allocations in to PC's & Depts.	80,556
Shipping/Freight	1,067
Monthly Car Allowance	11,607
Total Other Expenses	570,220
Total Administrative Expenses	\$ 1,740,032

South Orange County Wastewater Authority
Information Technology Expenses
For the Year Ended June 30, 2016

Salary & Fringe	
Fringe Benefits IN to PC's & Depts.	\$ 52,159
Regular Salaries-Admin & IT	66,870
Overtime Salaries-Admin & IT	1,275
Total Salary & Fringe	<u>120,304</u>
Other Expenses	
Office Supplies - All	91
Small Tools & Supplies	458
Training Expense	99
Office Equipment	3,626
Mileage	83
Subscriptions	168
Management Support Services	5,021
Memberships & Trainings	13,701
Travel & Conference	1,586
Software Maintenance Agreements	74,078
Hardware Maintenance Agreements	150,043
Cloud Subscriptions (Internet)	21,049
Telecommunications	116,136
IT Professional Services	158,246
Small Hardware Purchases (< \$5k)	4,692
Small Software Purchases (<\$5k)	13,469
Operating Leases	42,880
Total Other Expenses	<u>605,426</u>
Total IT Expenses before Allocation	<u>\$ 725,730</u>
IT Allocations (OUT) to PC's & Depts.	(725,730)

South Orange County Wastewater Authority
Depreciation Summary Report
For the Year Ended June 30, 2016

Class	No. of Assets	Acquisition Value	Disposal Price	Depreciation Basis	Total Depreciation	Book Value
Building Improvements	47	10,042,279	-	10,042,279	7,558,119	2,484,160
Buildings	30	20,024,645	-	20,024,645	14,483,681	5,540,964
Computer Hardware	50	2,369,250	-	2,369,250	1,996,522	372,728
Computer Software	10	109,714	-	109,714	83,008	26,706
Furniture & Fixtures	7	116,326	-	116,326	116,326	(0)
Infrastructure	143	123,304,844	-	123,304,844	77,758,566	45,546,278
Land	4	14,402,224	-	14,402,224	-	14,402,224
Machinery & Equipment	284	58,750,579	-	58,750,579	40,213,656	18,536,923
Vehicles	34	665,702	-	665,702	487,505	178,197
GRAND TOTALS:	609	229,785,563	-	229,785,563	142,697,383	87,088,180
9 class(es) listed.						
Less Land		14,402,224	-	14,402,224	-	14,402,224
Plant and Equipment		215,383,339	-	215,383,339	142,697,383	72,685,956

OTHER INFORMATION

South Orange County Wastewater Authority
Other Information
For the year ended June 30, 2016

PROJECT COMMITTEES

The following is a description of Project Committee (“PC”) activity during the fiscal year ended June 30, 2016:

Project Committee No. 2 (“PC 2”) and Project Committee No. 2 Rehabilitation (“PC 2R”)

PC 2 was formed for the acquisition, use, operation, maintenance and expansion of the J.B. Latham Sewage Treatment Plant. Operations and maintenance expenses are allocated to participating member agencies on the basis of ownership and usage of the facilities. Standby charges are based on unused capacity. On June 30, 2016, the capacity ownership of the PC 2 members in the J.B Latham Sewage Treatment Plant, excluding the Advanced Wastewater Treatment (“AWT”) project, was as follows:

Members	Liquid Capacity		Solids Handling Capacity	
	(MGD)	Percentage	(MGD)	Percentage
CSJC	4.00	30.77%	5.55	30.00%
MNWD	3.00	23.08%	4.00	21.62%
SCWD	3.75	28.84%	3.70	20.00%
SMWD	2.25	17.31%	5.25	28.38%
Total	13.00	100.00%	18.50	100.00%

MGD = Million gallons per day average dry weather flow rate

On June 29, 2000, the members entered into Amendment 2 to the PC 2 agreement to provide for the design and construction of the AWT project at the J.B. Latham Sewage Treatment Plant. The PC 2 members who funded, and therefore have capacity interest in the AWT project, are CSJC, MNWD, and SCWD.

Project Committee No. 2(SO) (“PC 2(SO)”)

PC 2(SO) was formed in order to obtain a permit to discharge reclaimed water. The Authority is to hold a single producer/primary user permit and maintain waste discharge permit requirements for the production, distribution and use of reclaimed water. A portion of the costs are split equally among each member agency, part of the costs are allocated to member agencies based on non-potable water production in Region 9, and permit costs are allocated based on region. CSJC, ETWD, IRWD, MNWD, SCWD, SMWD, and TCWD are members of PC 2(SO).

Project Committee No. 3A (“PC 3A”) and Project Committee No. 3A Rehabilitation (“PC 3A(R)”)

The Authority provides contract operation and maintenance services for the PC 3A wastewater treatment plant and related reclamation facilities for the benefit of MNWD and SMWD. An amendment to the original agreement extended the contract to the fiscal year ending June 30, 2012. The agreement provides for subsequent extensions.

South Orange County Wastewater Authority
Other Information, Continued
For the year ended June 30, 2016

PROJECT COMMITTEES, Continued

Project Committee No. 5 ("PC 5")

PC 5 was formed for the purpose of planning, designing, constructing, operating and maintaining the San Juan Creek Ocean Outfall. On June 30, 2016, the capacity ownership of the PC 5 members in the San Juan Creek Ocean Outfall was as follows:

<u>Members</u>	<u>MGD</u>	<u>Percentage</u>
CSC	13.30	16.62%
CSJC	8.86	11.08%
MNWD	12.41	15.51%
SCWD	9.97	12.47%
SMWD	35.46	44.32%
Total	80.00	100.00%

MGD = Million gallons per day peak flow rate

Project Committee No. 15 ("PC 15") and Project Committee No. 15 Rehabilitation ("PC 15R")

PC 15 caused construction of facilities known as the Coastal Wastewater Treatment Facility to receive and treat wastewater. Operations and maintenance expenses are allocated to participating member agencies on the basis of ownership and usage of the facilities. PC 15R is used to account for rehabilitation and construction projects for the Coastal Treatment Plant. On June 30, 2015, the capacity ownership of the PC 15 members in the Coastal Treatment Plant was as follows:

<u>Members</u>	<u>MGD</u>	<u>Percentage</u>
CLB	2.54	37.91%
EBSD	0.20	2.99%
SCWD	2.00	29.85%
MNWD	1.96	29.25%
Total	6.70	100.00%

MGD = Million gallons per day average dry weather flow rate

South Orange County Wastewater Authority
Other Information, Continued
For the year ended June 30, 2016

PROJECT COMMITTEES, Continued

Project Committee No. 17 ("PC 17") and Project Committee No. 17 Rehabilitation ("PC 17(R)")

PC 17 is for the operations and maintenance of the facilities known as the Regional Wastewater Treatment, Reclamation and Solids Handling Facilities ("Joint Regional Treatment Plant"). The Joint Regional Treatment Plant treats and reclaims wastewater and handles solid waste. Operations and maintenance expenses are allocated to participating member agencies on the basis of ownership and of usage of the facilities. PC 17(R) is used to account for rehabilitation and construction projects for the Joint Regional Treatment Plant. On June 30, 2016, the capacity ownership of the PC 17 members in the Joint Regional Treatment Plant was as follows:

Members	Liquid Capacity		Solids Handling Capacity	
	(MGD)	Percentage	Pounds	Percentage
CLB	-	0.00%	5,605	11.22%
EBSD	-	0.00%	295	0.59%
ETWD	-	0.00%	10,200	20.41%
MNWD	12.00	100.00%	29,395	58.82%
SCWD	-	0.00%	4,480	8.96%
Total	12.00	100.00%	49,975	100.00%

MGD = Million gallons per day average dry weather flow rate

Pounds = Loadings are shown in pounds per day

Project Committee No. 21 ("PC 21")

PC 21 is for the operation and maintenance of the Effluent Transmission Main. Expenses are allocated to participating members on the basis of ownership of the facilities as follows:

Members	Reach B/C	Reach D	Reach E
ETWD	50.00%	50.00%	23.29%
IRWD	50.00%	50.00%	23.29%
MNWD	0.00%	0.00%	53.42%
Total	100.00%	100.00%	100.00%

On October 7, 1999, the title to Reach A of the Effluent Transmission Main was transferred to Los Aliso Water District (now part of IRWD) and the El Toro Pump Station was transferred to ETWD. The Alicia Parkway Pump Station is owned and operated by MNWD.

PROJECT COMMITTEES, Continued

Project Committee No. 23 ("PC 23")

PC 23 is for the operations and maintenance of the North Coast Interceptor and the Laguna Beach and Bluebird pump stations. Operations and maintenance expenses are allocated to participating member agencies on the basis of ownership and usage of the facilities. The City of Laguna Beach operates and maintains the facility. Ownership of the facilities at June 30, 2016 was as follows:

South Orange County Wastewater Authority
Other Information, Continued
For the year ended June 30, 2016

Members	Percentage
CLB	95.88%
EBSD	4.12%
Total	100.00%

Project Committee No. 24 ("PC 24")

PC 24 is for the operations and maintenance of the facilities known as the Aliso Creek Land and Ocean Outfall which disposes of treated wastewater. Operations and maintenance expenses are allocated to participating member agencies on the basis of ownership and usage of the facilities. On June 30, 2016, the capacity ownership in the Aliso Creek Ocean Outfall was as follows:

Members	MGD	Percentage
CLB	5.50	11.00%
EBSD	0.39	0.78%
ETWD	8.15	16.30%
IRWD	7.88	15.76%
MNWD	21.92	43.85%
SCWD	6.16	12.31%
Total	50.00	100.00%

MGD = Million gallons per day peak flow rate

Pre-Treatment Program

The Pre-Treatment Program was established in compliance with the Environmental Protection Agency ("EPA") to monitor the contents of industrial waste flowing from industries within the areas served by several of the member agencies.

Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

DATE: October 5, 2017
TO: Board of Directors
FROM: Betty Burnett, General Manager
SUBJECT: \$365,323 General Budget – Policy/Expense/Percentage Decisions

Summary

The Board of Directors requested that the Finance Committee take up the matter of the General Budget as adopted at the June 14, 2017 Board of Directors meeting during the first quarter of fiscal year 2017-18.

At the August 29, 2017, Finance Committee the Committee discussed the matter and requested that this item return to the Finance Committee agenda at the September 21, 2017 Committee Meeting for further discussion.

On September 21, 2017, the Trabuco Canyon Water District (TCWD) representative provided a presentation on a potential approach to revising the General Budget (see Attached Item 5.B.1). The Finance Committee requested that TCWD provide a presentation to the Board at the October 5, 2017 meeting and explain TCWD's conceptual approach.

The TCWD approach would divide the items identified by MNWD as General Fund Expenses (total of \$536,883) by a fraction representing 1/42 for purposes of establishing a unit value/percent that is representative of agencies participation (units = per agency per project committee). Since TCWD participates in just 1 project committee the percent multiplier is 2.38%.

[Note - staff counts 48 units of participation over the 10 project committees.]

Staff Discussion

Board discussion on June 14, 2017 included consideration of possible policy objectives:

- 1) Prepare the General Budget as a baseline cost of legal compliance for a JPA and related costs thereto, or
- 2) Set a baseline for costs of maintaining the JPA as an organization assuming a scenario where there was no flow, or
- 3) Other

At the June 14, 2017, Board of Directors meeting the General Budget was approved based on costs and assigned percentages as shown in Table 1 (attached).

The TCWD approach is noteworthy in that it takes into account the number of project committees each member agency participates in a factor in determining the benefit received from the JPA. Staff would note from staff experience that not all project committees garner the same level of administrative effort due to differences in purchasing and contracting needs,

differences in personnel requirements, differences in board/committee level matters, outside coordination or regional effort required, etc.

Staff supports a reset of the General Budget to a level related to the costs of legal compliance incurred to retain the JPA organizational structure.

Recommendation

- 1) Presentation of Trabuco Canyon Water District
- 2) Board discussion and recommendations to Finance Committee for further consideration

Table 1

Expense	Staff Proposed % (on 6/14/17)	Staff Proposed Amount	Board Approved % on 6/14/17	Board Approved Amount 6/14/17
Public Notices	100%	\$1,400	100%	\$1,400
Office Equipment	20%	\$1,800	100%	\$8,000
Audit	50%	\$17,500	100%	\$35,000
Legal (Admin)	20%	\$18,000	40%	\$36,000
Outside Services (Records Mgt.)	100%	\$2,016	100%	\$2,016
Postage			20%	\$142
Office Supplies	20%	\$1,500	100%	\$7,500
Miscellaneous	20%	\$2,800	20%	\$2,800
IT Allocation	5.5%	\$6,109	5%	\$5,568
GM Payroll	32 hours per month	\$149,496	50%	\$266,897
Executive Asst.	48 hours per month		50%	
Finance Controller	5% of salary		5% of salary	
Total		\$184,392		\$365,323

Consistent with the terms of the JPA Agreement, the policy directing the sharing of expenses and percentages is as determined by the Board and subject to the approval of a simple majority of the Board. However, if the General Budget expenses are shared on some other basis than equal allocation among the 10-member agencies, then unanimous consent of all agencies is required to adopt the General Budget.

TCWD - Potential Alternative (5.B.1)

	Proposed by TCWD Based on Quantifiable Participation & Benefit			
	Pre-Allocated Cost	General Fund Allocation %	General Fund Allocation Note	
Public Notices	\$ 1,400.00	8.3333%	1 required meeting per year	\$ 116.67
Office Equipment	\$ 8,000.00	2.3810%	1/42 nd participation for Permitting	\$ 190.48
Audit	\$ 35,000.00	2.3810%	1/42 nd participation for Permitting	\$ 833.33
Legal (Admin)	\$ 90,000.00	2.3810%	1/42 nd participation for Permitting	\$ 2,142.86
Outside Services (Records Mgt.)	\$ 2,016.00	2.3810%	1/42 nd participation for Permitting	\$ 48.00
Postage	\$ 710.00	2.3810%	1/42 nd participation for Permitting	\$ 16.90
Office Supplies	\$ 7,500.00	2.3810%	1/42 nd participation for Permitting	\$ 178.57
Miscellaneous	\$ 14,000.00	2.3810%	1/42 nd participation for Permitting	\$ 333.33
IT Allocation	\$ 111,360.00	2.3810%	1/42 nd participation for Permitting	\$ 2,651.43
GM Payroll			1/42 nd participation for Permitting	
Executive Asst.	\$ 266,897.00	2.3810%	1/42 nd participation for Permitting	\$ 6,354.69
Finance Controller			1/42 nd participation for Permitting	
Total General Fund				\$ 12,866.26

\$536,883

Proposed General Fund Equal Allocation per Agency = **\$ 1,286.63**

	Proposed by TCWD Based on Quantifiable Participation & Benefit			
	Pre-Allocated Cost	General Fund Allocation %	General Fund Allocation Note	
Public Notices	\$ 1,400.00	8.3333%	1 required meeting per year	\$ 116.67
Office Equipment	\$ 8,000.00	2.3810%	1/42 nd participation for Permitting	\$ 190.48
Audit	\$ 35,000.00	2.3810%	1/42 nd participation for Permitting	\$ 833.33
Legal (Admin)	\$ 90,000.00	2.3810%	1/42 nd participation for Permitting	\$ 2,142.86
Outside Services (Records Mgt.)	\$ 2,016.00	2.3810%	1/42 nd participation for Permitting	\$ 48.00
Postage	\$ 710.00	2.3810%	1/42 nd participation for Permitting	\$ 16.90
Office Supplies	\$ 7,500.00	2.3810%	1/42 nd participation for Permitting	\$ 178.57
Miscellaneous	\$ 14,000.00	2.3810%	1/42 nd participation for Permitting	\$ 333.33
IT Allocation	\$ 111,360.00	2.3810%	1/42 nd participation for Permitting	\$ 2,651.43
GM Payroll			1 required meeting per year	
Executive Asst.	\$ 266,897.00	8.3333%	1 required meeting per year	\$ 22,241.42
Finance Controller			1 required meeting per year	
Total General Fund				\$ 28,752.99

Proposed General Fund Equal Allocation per Agency = **\$ 2,875.30**



TCWD's 2017/18 SOCWA Budget Participation Approach

1st Quarter Check-In

Summary

- At the June 14th Board Meeting SOCWA adopted a budget that increased TCWD's participation by 138%
- TCWD opposed the budget on the grounds it was hastily established without sufficient cost allocation/justification
- TCWD is committed to our participation in SOCWA, but the General Fund budget must be equitable. Equal Cost/Equal Benefit
- SOCWA committed to revisit in Q1

Concept

- SOCWA should provide the efficiency of a JPA
- Any agency' s participation in SOCWA should provide cost benefits
- There are three main areas of SOCWA Services/Infrastructure
 - Permitting, Treatment and Outfalls
- A fair approach could create “bookends” for participation

SOCWA Services/Infrastructure



- Permitting is the smallest and most discrete service performed
- The cost for permitting support is undefined in the General Fund allocations
- The total cost should be comparable to any agency performing the same permitting task
- TCWD is unique in our level of participation.

Bookends

- The cost for each agency to obtain its own permit is easily quantifiable
 - Numerous outside consultants perform this work
- Compare with each agencies level of participation within SOCWA

Book End #1

- Consultant Proposal
 - TCWD has soliciting a separate proposal to determine the cost if we were to obtain our own permit.
 - The additional cost for TCWD to obtain its own permit is estimated between \$27,000 and \$38,000.

Book End #2



- Using the number of distinct agency participations within SOCWA
- 42 Total

Potential Alternatives for the GF

Proposed by TCWD Based on Quantifiable Participation & Benefit				
	Pre-Allocated Cost	General Fund Allocation %	General Fund Allocation Note	
Public Notices	\$ 1,400.00	8.3333%	1 required meeting per year	\$ 116.67
Office Equipment	\$ 8,000.00	2.3810%	1/42 nd participation for Permitting	\$ 190.48
Audit	\$ 35,000.00	2.3810%	1/42 nd participation for Permitting	\$ 833.33
Legal (Admin)	\$ 90,000.00	2.3810%	1/42 nd participation for Permitting	\$ 2,142.86
Outside Services (Records Mgt.)	\$ 2,016.00	2.3810%	1/42 nd participation for Permitting	\$ 48.00
Postage	\$ 710.00	2.3810%	1/42 nd participation for Permitting	\$ 16.90
Office Supplies	\$ 7,500.00	2.3810%	1/42 nd participation for Permitting	\$ 178.57
Miscellaneous	\$ 14,000.00	2.3810%	1/42 nd participation for Permitting	\$ 333.33
IT Allocation	\$ 111,360.00	2.3810%	1/42 nd participation for Permitting	\$ 2,651.43
GM Payroll			1/42 nd participation for Permitting	
Executive Asst.	\$ 266,897.00	2.3810%	1/42 nd participation for Permitting	\$ 6,354.69
Finance Controller			1/42 nd participation for Permitting	
Total General Fund				\$ 12,866.26

Proposed General Fund Equal Allocation per Agency = **\$ 1,286.63**

Proposed by TCWD Based on Quantifiable Participation & Benefit				
	Pre-Allocated Cost	General Fund Allocation %	General Fund Allocation Note	
Public Notices	\$ 1,400.00	8.3333%	1 required meeting per year	\$ 116.67
Office Equipment	\$ 8,000.00	2.3810%	1/42 nd participation for Permitting	\$ 190.48
Audit	\$ 35,000.00	2.3810%	1/42 nd participation for Permitting	\$ 833.33
Legal (Admin)	\$ 90,000.00	2.3810%	1/42 nd participation for Permitting	\$ 2,142.86
Outside Services (Records Mgt.)	\$ 2,016.00	2.3810%	1/42 nd participation for Permitting	\$ 48.00
Postage	\$ 710.00	2.3810%	1/42 nd participation for Permitting	\$ 16.90
Office Supplies	\$ 7,500.00	2.3810%	1/42 nd participation for Permitting	\$ 178.57
Miscellaneous	\$ 14,000.00	2.3810%	1/42 nd participation for Permitting	\$ 333.33
IT Allocation	\$ 111,360.00	2.3810%	1/42 nd participation for Permitting	\$ 2,651.43
GM Payroll			1 required meeting per year	
Executive Asst.	\$ 266,897.00	8.3333%	1 required meeting per year	\$ 22,241.42
Finance Controller			1 required meeting per year	
Total General Fund				\$ 28,752.99


Proposed General Fund Equal Allocation per Agency = **\$ 2,875.30**

- Permitting needs can likely be met with a single meeting annually
- The General Fund participation should range from \$1,287 to \$2,875

Current GF vs TCWD Potential

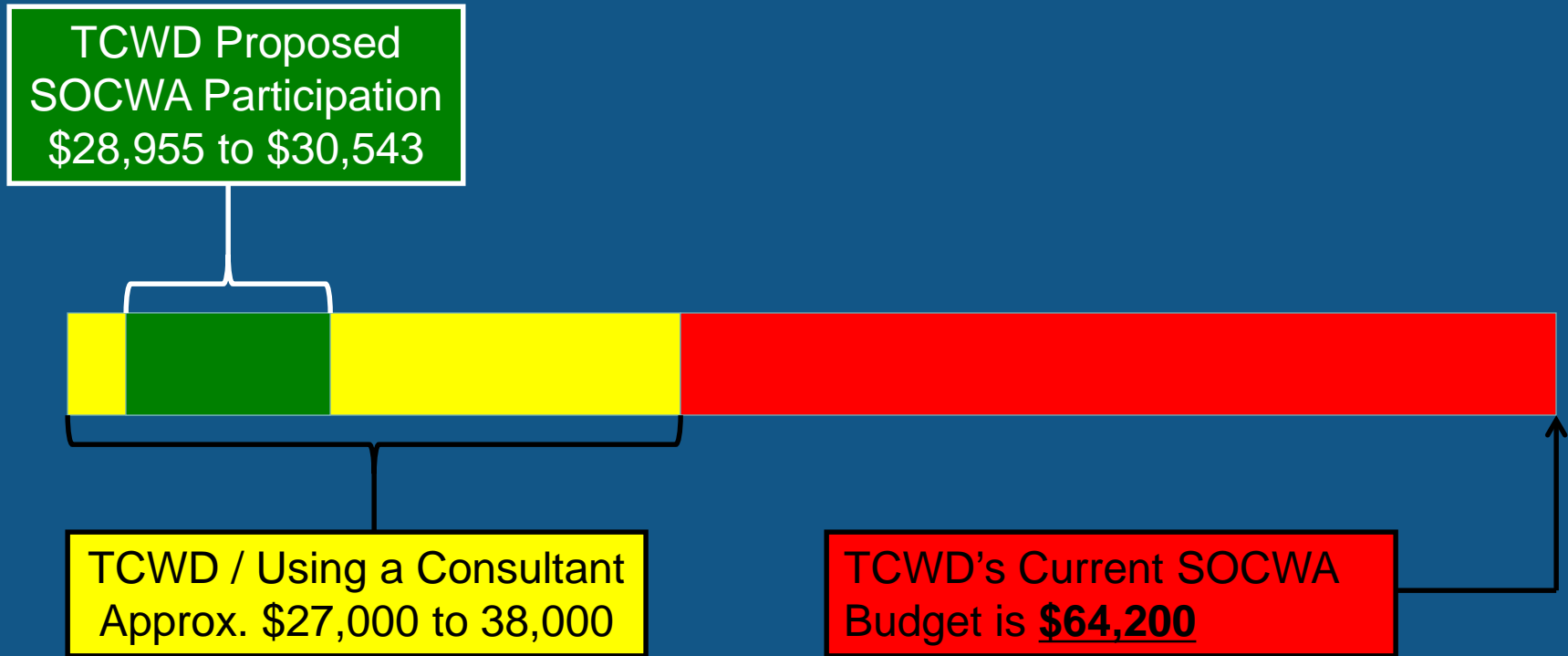
Expense	Staff Proposed % (on 6/14/17)	Staff Proposed Amount	Board Approved % on 6/14/17	Board Approved Amount 6/14/17
Public Notices	100%	\$1,400	100%	\$1,400
Office Equipment	20%	\$1,800	100%	\$8,000
Audit	50%	\$17,500	100%	\$35,000
Legal (Admin)	20%	\$18,000	40%	\$36,000
Outside Services (Records Mgt.)	100%	\$2,016	100%	\$2,016
Postage			20%	\$142
Office Supplies	20%	\$1,500	100%	\$7,500
Miscellaneous	20%	\$2,800	20%	\$2,800
IT Allocation	5.5%	\$6,109	5%	\$5,568
GM Payroll	32 hours per month	\$149,496	50%	\$266,897
Executive Asst.	48 hours per month			
Finance Controller	5% of salary			
Total		\$184,392		\$365,323

÷ 10 =

	Current FY 2017-18	Potential FY 2017-18	
O&M Environmental, Safety Expenses	\$ 24,824	\$ 24,824	
Member Agency Administration & Residual Engineering Expenses	\$ 2,844	\$ 2,844	
Member Agency General Fund Expenses	\$ 36,532	\$ 1,287	\$ 2,875.30
TOTAL - O&M Environmental, Safety Expenses PLUS Member Agency Administration, Residual Engineering Expenses & General Fund Expenses	\$ 	\$ 28,955	\$ 30,543.30

TCWD Proposed
SOCWA Participation

Is This Approach Reasonable?



Key Considerations & Request

- There is a intangible value to TCWD to participate in regional matters
- If the General Fund is reduced, where do these reallocated cost from the General Fund get re-distributed?
 - Admin vs PC Budgets
 - A similar policy approach should be established
- TCWD is requesting we continue discussions through Q2 of FY 2017-18 to formulate an overall policy

Discussion



Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

DATE: October 5, 2017

TO: Board of Directors

FROM: Betty Burnett, General Manager

SUBJECT: Policy Establishing Guidelines for Capitalization and Depreciation of Facilities & Equipment, Exhibit A to SOCWA Resolution 2005-23


Background

At the September 21, 2017 Finance Committee the Committee members discussed the various questions/comments occurring at SOCWA Board meetings regarding the recording of assets on the books and records of SOCWA. The Committee members concurred that the SOCWA Board should consider one clarifying adjustment to one value within Exhibit A to Resolution 2005-23. The adjustment would reflect that the SOCWA guideline for the recording of office equipment as an asset is consistent with SOCWA current and past practice which is to utilize an asset value of \$5000 or greater (rather than \$3000). The prior independent auditing firms have concurred with SOCWA staff that \$5000 or greater in asset value is an appropriate standard for office equipment assets. This change is shown on the attached 5th page of the Exhibit "A".

Recommendation Action

The Finance Committee recommends that the Board of Directors approve one correction to Exhibit "A" as referred to and adopted by SOCWA Resolution 2005-23, as shown on the attached page and described as within Paragraph 6: "All Office Equipment purchased through operational budgets, with a value of \$5000 or more and a useful life of more than three years shall be considered a depreciable asset."

attachments: Exhibit "A" 2005 Capitalization Policy, Adopted by Resolution 2005-23

 South Orange County Wastewater Authority	POLICY NUMBER: Administration 1.720
Agency Policy	Title: Capitalization & Depreciation Policy
2005 Policy (Resolution 2005-23)	Amended Pg. No. 3 as of 10-5-17

to existing fixed assets will generally be expensed and not subject to capitalization. Improvements to existing fixed assets will be presumed to extend the useful life of that fixed asset only if the cost of the improvement meets the \$5,000 threshold.

6. Office Equipment

Office Equipment will incorporate, but not be limited to; office furniture, cabinets, copiers, computer systems, phone equipment, and information technology infrastructure. All Office Equipment purchased through operational budgets, with a value of **\$5,000** or more and a useful life of more than three years shall be considered as a depreciable asset. This threshold will not be applied to components of fixed assets. For example, when purchasing a complete computer system, all components (mouse, keyboard, monitor, and CPU) will be considered one asset. The Director of Finance will determine useful life of any piece of Office Equipment. These assets shall be properly accounted for on the Agency's books and depreciated over the useful life of the asset. Repairs to existing fixed assets will generally be expensed and not subject to capitalization. Improvements to existing fixed assets will be presumed to extend the useful life of that fixed asset only if the cost of the improvement meets the \$3,000 threshold.

8. POLICY REVISIONS

This document will be maintained and revised by the executive management staff in consultation with the Agency's legal counsel. Revisions will occur whenever applicable federal, state or local regulations change or otherwise as the need arises.

8.1 Policy approval and adoption


This policy has been reviewed by the SOCWA Board of Directors and adopted by Resolution 2005-23 on December 5, 2005.

Exhibit A

**Policy Establishing
Guidelines for
Capitalization and
Depreciation of Facilities &
Equipment**

TABLE OF CONTENTS

- 1. Purpose of Policy**
- 2. General Policy**
- 3. Definitions**
- 4. Capital Projects**
- 5. Plant Equipment**
- 6. Office Equipment**
- 7. Policy Revisions**

 <small>South Orange County Wastewater Authority</small>	POLICY NUMBER: Administration 1.720
Agency Policy	Title: Capitalization & Depreciation Policy
Established December 5, 2005	Path: I:\TNoson\1 BoD and Committee Folders\Board of Directors\2017\10-5-17\Dummy\34 5C - Capitalization & Depreciation of Facilities & Equipment.doc

1. PURPOSE OF POLICY:

To have a systematic and rational system of Accounting which aims to track the cost of tangible capital assets or groups of assets. It should be realized that depreciation is not a precise measurement of expense since all factors including the method, life, and salvage value are only estimates.

2. GENERAL POLICY

A Capitalization policy is hereby established to properly account for the monetary recording and depreciation of completed Capital Projects, Plant Equipment, and Office Equipment. These recordings will be known as Capital Asset and Depreciation Schedules. The policy will also establish criteria that will determine what is to be considered an asset for monetary recording purposes. While these schedules will mainly be used for tracking costs and depreciation of certain assets, they may also be used to determine budgetary demands and useful life of various equipment. Adhering to Project Committee policies, no depreciation for any assets will be funded through SOCWA’s budget process. All assets will be depreciated on a straight-line basis.


3. DEFINITIONS

Capital Projects Construction – For purposes of this policy shall mean actual physical projects completed, including the costs of studies directly related to the projects and done in conjunction with the construction of said projects, for the upgrade or rehabilitation of physical equipment currently owned by SOCWA.

Capital Projects Studies – For purposes of this policy shall mean the analysis and completed reports for possible physical projects that are not to be undertaken within six months of the completion of said analysis.

Plant Equipment – For purposes of this policy shall mean actual physical equipment that may or may be part of the physical plant. This includes, but is not limited to; pumps, motors, vehicles, and small infrastructure.

Depreciation – Decrease in the value of equipment from wear and tear and the passage of time.

 <small>South Orange County Wastewater Authority</small>	POLICY NUMBER: Administration 1.720
Agency Policy	Title: Capitalization & Depreciation Policy
Established December 5, 2005	Path: I:\TNoson\1 BoD and Committee Folders\Board of Directors\2017\10-5-17\Dummy\34 5C - Capitalization & Depreciation of Facilities & Equipment.doc

Useful Life – A period of time that each piece of equipment should normally last before having to be replaced. This will vary depending on the type of equipment, the general environment surrounding the equipment, and the actual use of the equipment.

4. **Capital Projects**

A. Construction Projects:


All construction projects, upon completion and actual start-up of the equipment, will be capitalized and depreciated. The capitalized cost to be recorded and depreciated will include, but not be limited to; studies, design, construction and all equipment, construction management, legal, and administration expenses related to the project. Direction from the Director of Engineering will be sought to determine the useful life of the equipment installed for purposes of depreciation. These assets shall be properly accounted for on the Agency’s books and depreciated over the useful life of the asset. Repairs to existing fixed assets will generally be expensed and not subject to capitalization. Improvements to existing fixed assets will be presumed to extend the useful life of that fixed asset only if the cost of the improvement meets the \$5,000 threshold noted under section 5.

B. Project Studies:

All studies or analyses that may be used to start Capital Construction Projects within 6 months will be deemed to have a useful life of three years. They will be considered assets and depreciated over their useful life. If the construction project starts before three years is up the value of the study will be added to the construction project and depreciated over the life of the equipment installed.

5. **Plant Equipment**

All Plant Equipment purchased through operational budgets, with a value of \$5,000 or more and a useful life of more than three years shall be considered as a depreciable asset. This Capitalization threshold is applied to individual units of fixed assets. In other words each quantity of one will need to meet the threshold. The Maintenance Supervisor or Director of Operations will determine the useful life of any piece of Plant Equipment. These assets shall be properly accounted for

 <small>South Orange County Wastewater Authority</small>	POLICY NUMBER: Administration 1.720
Agency Policy	Title: Capitalization & Depreciation Policy
Established December 5, 2005	Path: I:\TNoson\1 BoD and Committee Folders\Board of Directors\2017\10-5-17\Dummy\34 5C - Capitalization & Depreciation of Facilities & Equipment.doc

on the Agency's books and depreciated over the useful life of the asset. Repairs to existing fixed assets will generally be expensed and not subject to capitalization. Improvements to existing fixed assets will be presumed to extend the useful life of that fixed asset only if the cost of the improvement meets the \$5,000 threshold.

6. Office Equipment


Office Equipment will incorporate, but not be limited to; office furniture, cabinets, copiers, computer systems, phone equipment, and information technology infrastructure. All Office Equipment purchased through operational budgets, with a value of \$3,000 or more and a useful life of more than three years shall be considered as a depreciable asset. This threshold will not be applied to components of fixed assets. For example, when purchasing a complete computer system, all components (mouse, keyboard, monitor, and CPU) will be considered one asset. The Director of Finance will determine useful life of any piece of Office Equipment. These assets shall be properly accounted for on the Agency's books and depreciated over the useful life of the asset. Repairs to existing fixed assets will generally be expensed and not subject to capitalization. Improvements to existing fixed assets will be presumed to extend the useful life of that fixed asset only if the cost of the improvement meets the \$3,000 threshold.

8. POLICY REVISIONS

This document will be maintained and revised by the executive management staff in consultation with the Agency's legal counsel. Revisions will occur whenever applicable federal, state or local regulations change or otherwise as the need arises.

8.1 Policy approval and adoption

This policy has been reviewed by the SOCWA Board of Directors and adopted by Resolution 2005-23 on December 5, 2005.

 <p>SOCWA South Orange County Wastewater Authority</p>	<p>POLICY NUMBER: Administration 1.720</p>
<p>Agency Policy</p>	<p>Title: Capitalization & Depreciation Policy</p>
<p>Established December 5, 2005</p>	<p>Path: I:\TNoson\1 BoD and Committee Folders\Board of Directors\2017\10-5-17\Dummy\34 5C - Capitalization & Depreciation of Facilities & Equipment.doc</p>

Agenda Item

Legal Counsel Review: N/A

Meeting Date: October 5, 2017

TO: Board of Directors
FROM: Betty Burnett, General Manager
STAFF CONTACT: Dina Ash, Human Resources Administrator
SUBJECT: Implementation of Additional Retiree Health Benefits Tier

Summary/Discussion

At the August 3, 2017, Board meeting the Board of Directors took the first steps in implementation of the new approach to Retiree Health Benefits approved with the 2017 - 2020 SOCWA Employee Memorandum of Understanding by adopting two Resolutions as follows:

1. Resolution No. 2017-07 Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants under the Public Employees' Medical and Hospital Care Act; and
2. Resolution No. 2017-06 approving the adoption of (1) the restated South Orange County Wastewater Authority Cafeteria Plan and (2) the South Orange County Wastewater Authority Retiree Health Premium Reimbursement Plan in order to implement two separate tiers, Tier I and Tier 11, of retiree health benefits effective July 1, 2017.

Beginning January 1, 2018 SOCWA will utilize the services of its existing payroll provider, ADP, to process current retiree payments implementing the Retiree Health Premium Reimbursements (Tier I) at an estimated cost of \$2,500 per year.¹ SOCWA staff will continue to look for and consider an outside vendor option for the Tier I program administration, but will begin the program through in-house administration and assess the impact to existing workload.

As discussed at the August 3rd Board meeting several further approvals are needed to complete the implementation of the Tier II changes to retiree health benefits.

Employees hired on or after July 1, 2017, ("Tier II") will receive a SOCWA contribution in excess of the Statutory Minimum towards their enrollment in a CalPERS health benefit plan during employment, but the SOCWA contribution will be capped at the Statutory Minimum during retirement. Tier II employees will also receive a monthly contribution to a retiree health savings ("RHS") plan administered by ICMA-RC to be used to reimburse out of pocket health care costs upon retirement. This amount is currently \$200/month but is subject to modification pursuant to subsequent negotiations. Aside from the Statutory Minimum and the accrued balance in the RHS plan upon retirement, Tier II employees will get no further retiree health benefit from SOCWA.

¹ Employees hired prior to July 1, 2017 ("Tier I") will receive a contribution from SOCWA in excess of the Statutory Minimum towards their enrollment in a CalPERS health benefit plan both during employment and in retirement funding 98% to 95% of the identified plan costs over the period of the existing MOU.

To accommodate the foregoing, Best Best & Krieger ("BB&Kn) has provided review of the following items and recommends them to SOCWA for approval:

- 1) Administrative Services Agreement
This Agreement establishes the services of ICMA Retirement Corporation for the administration of the VantageCare RHS accounts including account maintenance, record-keeping, investment and tax reporting, and benefit disbursement services. Services are paid for by the account holders and through expense fees assessed on investments.
- 2) Resolution for Adoption and Statement of Adoption
Resolution approves adoption of the ICMA Retirement Corporation's VantageCare Retirement Health Savings Program, and establishes the SOCWA Human Resources Administrator as the SOCWA Trustee for the Program, who shall also act as coordinator and contact for the program.
- 3) VantageCare Retirement Health Savings (RHS) Adoption Agreement
Establishes attributes of the employee accounts and monthly contribution for new employees.
- 4) Declaration of Trust
Establishes SOCWA as the Trustee for the Retiree Welfare Benefits Plan.
- 5) Retiree Welfare Benefits Plan
Establishes the Plan for the reimbursement of eligible expenses incurred by future retirees through the VantageCare Retirement Health Savings Program.

The above documents were reviewed at the August Finance Committee meeting and recommended to be brought to the Board at its October meeting.

In addition, staff recommends to the Board of Directors a budget adjustment to the FY 2017-18 SOCWA Administration Budget to add \$2500 for the funding of the ADP Services attendant to the Tier I reimbursements.

Recommendations

1. The Board of Directors approve authorization to be given to the General Manager to execute the following:
 - a) Administrative Services Agreement
 - b) Resolution for Adoption and Statement of Adoption
 - c) VantageCare Retirement Health Savings (RHS) Adoption Agreement
 - d) Declaration of Trust
 - e) Retiree Welfare Benefits Plan
2. The Board of Directors approve a budget adjustment to the FY 2017-18 SOCWA Administration Budget to add \$2500 for the funding of the ADP Services Attendant to the Tier I reimbursements.

ADMINISTRATIVE SERVICES AGREEMENT

Between

ICMA Retirement Corporation

and

South Orange County Wastewater Authority

Type: VantageCare RHS

Account Number: 803721

ADMINISTRATIVE SERVICES AGREEMENT

This Agreement, made as of the 5th day of October, 20 17 (herein referred to as the "Inception Date"), between The International City Management Association Retirement Corporation ("ICMA-RC"), a nonprofit corporation organized and existing under the laws of the State of Delaware; and the South Orange County Wastewater Authority ("Employer") a local governmental instrumentality organized and existing under the laws of the State of California with an office at 24156 Del Obispo Street, Dana Point, California 92629.

RECITALS

Employer acts as a public plan sponsor for a retiree health plan with responsibility to obtain investment alternatives and services for employees participating in that plan;

Employer desires to make the VantageCare Retirement Health Savings ("RHS") Program provided by ICMA-RC available to its employees through the Employer's integral part trust ("Trust") and the Employer's welfare benefits plan ("Plan");

ICMA-RC acts as investment adviser to VantageTrust Company, LLC ("VTC"), the Trustee of VantageTrust II Multiple Collective Investment Funds Trust ("VantageTrust II);

VantageTrust II is a group trust established and maintained in accordance with New Hampshire Revised Statutes Annotated section 391:1 and Internal Revenue Service Revenue Rulings 81-100 and 2011-1, which provides for the collective investment and reinvestment of assets of certain tax-exempt, governmental pension and profit sharing plans, and retiree welfare plans, and other eligible investors;

VTC makes a series of separate funds (the "VT II Funds") available through VantageTrust II for the investment of plan assets as referenced in VantageTrust II's Declaration of Trust and Disclosure Memorandum ("Disclosure Materials");

VTC is a wholly owned subsidiary of ICMA-RC and has exclusive management and investment authority with respect to the VT II Funds;

The VT II Funds are available only through adoption of VantageTrust II; and

In addition to serving as investment adviser to VTC, ICMA-RC provides a complete offering of services to public employers for the operation of employee retirement and retiree health savings plans including, but not limited to, communications concerning investment alternatives, account maintenance, account record-keeping, investment and tax reporting, form processing, benefit disbursement and asset management.

AGREEMENTS

1. Acceptance of RHS Program

Employer agrees to make the RHS Program provided by ICMA-RC available to its employees. The details of the RHS Program shall be as mutually agreed between the Employer and ICMA-RC, and in general shall be as set forth in the RHS Program materials developed by ICMA-RC and provided to Employer. The RHS Program materials are hereby incorporated by reference and made a part of this Agreement, except that Employer and ICMA-RC may from time to time mutually agree in writing to terms that vary from the RHS Program materials. RHS Program materials shall include the *VantageCare RHS Employer Manual*, available electronically through the EZ Link System upon adoption of the RHS Program.

The functions to be performed by ICMA-RC and its agents include:

- (a) allocation in accordance with participant direction of individual accounts to investment funds ("Funds") made available to Plan participants;
- (b) maintenance of individual accounts for participants reflecting amounts contributed, income, gain, or loss credited, and amounts disbursed as benefits;
- (c) provision of periodic reports to the Employer and participants of the status of Plan investments and individual accounts;
- (d) communication to participants of information regarding their rights and elections under the Plan;
- (e) disbursement of benefits as agent for the Employer in accordance with terms of the Plan; and
- (f) performance of tax withholding and reporting in conjunction with the Employer for each RHS account.

2. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities with respect to the Plan, including information needed to allocate individual participant accounts to Funds, and information as to the benefit eligibility and employment status of participants, and participants' ages, addresses, dependents, spouses and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. This is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant, spouse or dependent that is furnished by such participant, spouse or dependent, and ICMA-RC

shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide reports, statements and account information to the Employer through EZLink, the online plan administrative tool.

3. ICMA-RC Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement.
- (b) ICMA-RC is an investment adviser registered as such with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended.
- (c) ICMA-RC will handle participant information in the manner described in the Business Associate Agreement to be executed between the Plan and ICMA-RC, a form of which is provided as Exhibit A to this Agreement.

4. Employer Representations and Warranties

Employer represents and warrants to ICMA-RC that:

- (a) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.
- (b) Information required to be retained by the Employer shall be set forth in the RHS Program materials developed by ICMA-RC and provided to the Employer.
- (c) Employer is required to send in contributions through EZLink, the online plan administration tool provided by ICMA-RC.
- (d) Employer is responsible for determining that there are no state or local laws that would prohibit it from establishing the RHS Program. Employer is also responsible for determining that the investments selected for the Plan fall within state or local requirements. ICMA-RC shall not be responsible for monitoring state or local law or for administering the Plan in compliance with local or state requirements unless Employer notifies ICMA-RC of any such local or state requirements.
- (e) Employer acknowledges that the RHS Plan is a “health plan” for Health Insurance Portability and Accountability Act (“HIPAA”) purposes and therefore is subject to HIPAA privacy rules. Employer also acknowledges that the RHS Plan is a Health

Reimbursement Arrangement, subject to applicable provisions of the Affordable Care Act ("ACA"). An employer sponsoring the Plan is responsible for complying with the HIPAA privacy and security rules with respect to all protected health information created, maintained, received, or transmitted in relation to the Plan and is responsible for complying with the ACA.

- (f) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.
- (g) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan's investment options. Employer shall have exclusive responsibility for the selection and retention of the Plan's investment options, including the selection of the applicable mutual fund share class.
- (h) Employer confirms that it has executed a Participation Agreement for VantageTrust II and acknowledges that it has received the Disclosure Materials.

5. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings regarding the Plan involving the garnishment of benefits or the transfer of benefits pursuant to a medical child support order. Unless Employer notifies ICMA-RC otherwise, Employer authorizes ICMA-RC to determine whether disbursement of benefits to a spouse or child pursuant to a medical child support order is appropriate.

6. Compensation and Payment

Absent an explicit agreement to the contrary between ICMA-RC and Employer, participant fees and expenses shall be payable from RHS assets, in accordance with the requirements of the RHS Program as set forth below.

- (a) Asset-based fees will be included in the daily unit value of each VT II Fund, and no separate asset-based fees will be assessed.
- (b) A \$ 25 annual account administration fee will be charged quarterly to each Accountholder's account.
- (c) The account administration fee is subject to change with appropriate prior notification.
- (d) **Compensation for Advisory and other Services to VT III Vantagepoint**

Funds. Employer acknowledges that ICMA-RC, including certain of its wholly owned subsidiaries, receives compensation for advisory and other services furnished to the VT III Vantagepoint Funds, which are collective funds serving as the underlying funds to certain VT II Funds.

7. Contribution Remittance

Employer understands that amounts contributed to the Plan are to be remitted directly to Vantagepoint Transfer Agents in accordance with instructions provided to Employer in the RHS Program materials and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred, ICMA-RC will return it to Employer with proper instructions.

8. Responsibility

- (a) ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan, or related Trust, other than ICMA-RC in connection with the administration or operation of the Plan or related Trust.
- (b) The Employer understands that, as a general matter, the Internal Revenue Service (“IRS”) may decline to rule on certain design features or provisions that the Employer may request to have added to the RHS Program materials. The Employer agrees to hold ICMA-RC harmless in connection with the addition and administration of any Plan feature or provision requested by the Employer for which the IRS will not provide express interpretive guidance.

9. Indemnification

Employer shall indemnify ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney’s fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or related Trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC’s negligence, bad faith, or willful misconduct.

10. Term

This Agreement shall be in effect for an initial term beginning on the Inception Date and ending 5 years after the Inception Date. This Agreement will be renewed automatically for each succeeding year unless written notice of termination is provided by either party to the other no less than 60 days before the end of such Agreement year.

Either party may terminate this agreement upon 60 days' prior written notice to the other party of a breach of the agreement that is not cured within 30 days of the notice of such breach.

11 Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) The parties agree that only an adjustment to compensation or administrative and operational services under this Agreement may be implemented by ICMA-RC through a proposal to the Employer via correspondence or the Employer Bulletin. The Employer will be given at least 60 days to review the proposal before the effective date of the adjustment. Such adjustment shall become effective unless, within the 60-day period, the Employer notifies ICMA-RC in writing that it does not accept such adjustment, in which event the parties will negotiate with respect to the adjustment.
- (c) No failure to exercise and no delay in exercising any right, remedy, power or privilege hereunder shall operate as a waiver of such right, remedy, power or privilege.

12. Notices

All notices required to be delivered under this Agreement shall be delivered electronically, personally or by registered or certified mail, postage prepaid, return receipt requested, to (i) Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C, 20002-4240; (ii) Employer at the office set forth in the first paragraph hereof, or to any other address designated by the party to receive the same by written notice similarly given.

13 Complete Agreement

This Agreement, with an executed Business Associate Agreement, shall constitute the sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Governing Law

This agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions.


In Witness Whereof, the parties hereto have executed this Agreement as of the Inception Date first above written.

SOUTH ORANGE COUNTY WASTEWATER
AUTHORITY

By _____
Signature/Date

By Betty C. Burnett, General Manager
Name and Title (Please Print)

INTERNATIONAL CITY
MANAGEMENT ASSOCIATION
RETIREMENT CORPORATION

By 
Erica McFarquhar
Assistant Secretary

Please return an executed copy of the Agreement to a Delivery Address, either:

- (a) Electronically to PlanAdoptionServices@icmarc.org, or
- (b) In paper form to ICMA-RC
ATTN: PLAN ADOPTION SERVICES
777 North Capitol Street NE
Suite 600
Washington DC 20002-4240

Exhibit A

RHS HIPAA BUSINESS ASSOCIATE AGREEMENT FOR 803721

This Business Associate Agreement (“BA Agreement”) supplements and is made part of the Administrative Services Agreement entered into between South Orange County Wastewater Authority RHS (“Covered Entity”) and ICMA-RC (“Business Associate”) on October 5, 2017, and is effective as of the effective date of the Administrative Services Agreement (the “Effective Date”).

RECITALS

Covered Entity is a group health plan that reimburses medical expenses for eligible participants, their spouses, and their dependents. Under the Health Information Portability and Accountability Act of 1996 (“HIPAA”), Covered Entity is required to enter into this BA Agreement to obtain satisfactory assurances that Business Associate will appropriately safeguard all Protected Health Information (“PHI”), as defined herein, that is created, maintained, received, or transmitted by Business Associate on behalf of Covered Entity.

Business Associate is a record keeper providing administrative services to Covered Entity. In general, Business Associate will not have access to information that would traditionally be considered PHI because participant medical information used to substantiate reimbursements is sent directly to and reviewed by a third-party claims processor. The third-party claims processor has agreed to protect PHI that it creates, maintains, receives, or transmits in a manner that is consistent with and as stringent as the terms agreed to by Business Associate under this BA Agreement with respect to information that could be considered PHI. Business Associate has access to information that might be interpreted as PHI, including an individual’s participation in the plan, reimbursement amounts, and the timing of reimbursements.

In consideration of the mutual promises below and the exchange of information pursuant to this BA Agreement and in order to comply with all legal requirements for the protection of this information, Covered Entity and Business Associate agree as follows:

1. DEFINITIONS

- a. The following terms used in this BA Agreement shall have the same meaning as those terms are defined in the HIPAA Rules: Breach, Data Aggregations, Designated Record Set, Disclosure, Health Care Operations, Minimum Necessary, Notice of Privacy Practices, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.
- b. “Administrative Services Agreement” refers to a separate agreement outlining the services ICMA-RC will provide to Covered Entity and the terms and conditions governing the provision of such services. The Administrative Services Agreement is made between ICMA-RC and South Orange County Wastewater Authority RHS or its sponsor, acting on behalf of South Orange County Wastewater Authority RHS.

- c. "Business Associate" shall have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to this BA Agreement shall mean ICMA-RC.
- d. "Covered Entity" shall have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference this BA Agreement, shall mean South Orange County Wastewater Authority RHS.
- e. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
- f. "Privacy Rule" shall mean the Privacy Standards and Implementation Specifications at 45 CFR 170 and 164, Subparts A and E.
- g. "Protected Health Information" ("PHI") shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity pursuant to this Agreement.
- h. "Security Rule" shall mean the Security Standards and Implementation Specifications at 45 CFR Parts 160 and 164, Subparts A and C.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

Business Associate agrees to:

- a. Not Use or Disclose PHI other than as permitted or required by this BA Agreement or as required by law.
- b. Use appropriate safeguards to prevent Use or Disclosure of PHI other than as provided for by this BA Agreement, and comply with subpart C of 45 CFR Part 164 with respect to electronic PHI in Business Associate's custody or control, to prevent Use or Disclosure of PHI other than as provided for by this BA Agreement.
- c. Report to Covered Entity any Use or Disclosure of PHI not provided for by the BA Agreement of which it becomes aware not more than 60 calendar days after Business Associate discovers such non-permitted Use or Disclosure, including Breaches of Unsecured PHI as required at 45 CFR 164.410, and any Security Incident for which it becomes aware.
- d. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any Subcontractors that create, receive, maintain, or transmit PHI on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information.
- e. Make available, within 30 calendar days of the request of Covered Entity, PHI in a Designated Record Set in Business Associate's custody or control, to

Covered Entity, or as Directed by Covered Entity, to an individual, so that Covered Entity may meet its access obligations under 45 CFR § 164.524.

- f. Make any amendment(s) to PHI in a Designated Record Set in Business Associate's custody or control as directed in writing by the Covered Entity pursuant to 45 CFR 164.526 no later than 60 days after receipt of such request, so that Covered Entity may meet its amendment obligations under 45 CFR 164.526.
- g. Maintain and make available the information required to provide an accounting of Disclosures to the Covered Entity as requested by Covered Entity in writing and as necessary to satisfy the Covered Entity's obligations under 45 CFR 164.528.
- h. Make its internal practices, books, and records, available to the Secretary for purposes of determining compliance with the HIPAA Rules.
- i. Not directly or indirectly receive remuneration in exchange of PHI.
- j. Comply with the administrative simplification rules applicable to standard transactions, if Business Associate conducts such transactions under the electronic data interchange rules on behalf of Covered Entity.
- k. To the extent the parties agree that Business Associate will carry out directly one or more of Covered Entity's obligations under the Privacy Rule, the Business Associate will comply with the requirements of the Privacy Rule that apply to the Covered Entity in the performance of such obligations.

3. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

- a. Business Associate may only Use or Disclose PHI as necessary to perform the services set forth in the Administrative Services Agreement and as permitted by this BA Agreement.
- b. Business Associate may Use or Disclose PHI as required by law or to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR 164.502(j)(i).
- c. Except as otherwise limited by this BA Agreement, Business Associate agrees to make Uses and Disclosures and requests for PHI consistent with the Covered Entity's Minimum Necessary policies and procedures when such are provided by the Covered Entity to Business Associate.
- d. Business Associate is authorized to de-identify information in accordance with 45 CFR 164.514(a)-(c).
- e. Business Associate may not Use or Disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth below.

- f. Business Associate may Use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
- g. Business Associate may provide Data Aggregation services relating to the Health Care Operations of the Covered Entity.

4. OBLIGATIONS AND ACTIVITIES OF COVERED ENTITY

- a. Covered Entity shall notify Business Associate of any limitations in the Notice of Privacy Practices that Covered Entity provides to individuals pursuant to 45 CFR 164.520, to the extent that such limitation may affect Business Associate's Use or Disclosure of PHI.
- b. Covered Entity shall notify Business Associate of any changes in, or revocation of, the permission by an individual to Use or Disclose his or her PHI, to the extent that such changes may affect Business Associate's Use or Disclosure of PHI.
- c. Covered Entity shall notify Business Associate of any restrictions on the Use or Disclosure of PHI that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's Use or Disclosure of PHI.
- d. Covered Entity shall not request Business Associate to Use or Disclose PHI in any manner that would not be permissible under Subpart E of 45 CFR Part 164 if done by Covered Entity, except to the extent that Business Associate will Use or Disclose PHI for Data Aggregation or management and administration and legal responsibilities of the Business Associate.
- e. Covered Entity shall notify Business Associate of any confidential communication requests with which the Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent such requests would affect Business Associate's Use or Disclosure of PHI.

5. TERM AND TERMINATION

- a. This BA Agreement shall be effective as of the Effective Date, and shall terminate upon the termination of the Administrative Services Agreement, subject to the provisions below regarding the return or destruction of PHI.
- b. Business Associate authorizes termination of this BA Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of the BA Agreement, and Business Associate has not cured the Breach or ended the violation, following written notice to the Business Associate, within a reasonable period of time not to exceed any reasonable cure period defined in the Administrative Services Agreement.

- c. Upon termination of this BA Agreement for any reason, Business Associate, with respect to PHI Received from Covered Entity, or created, maintained, or received from Business Associate on behalf of Covered Entity, shall:
 - i. Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;
 - ii. Return to Covered Entity or, if agreed to by Covered Entity, destroy the remaining PHI that the Business Associate still maintains in any form;
 - iii. Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI to prevent Use or Disclosure of the PHI, other than as provided for in this Section, for as long as Business Associate retains PHI;
 - iv. Not Use or Disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions set out at Paragraph 3(f);
 - v. Return to Covered Entity or, if agreed to Covered Entity, destroy the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities;
 - vi. Notwithstanding any other provision of this BA Agreement, upon termination, Business Associate may also transmit PHI to another Business Associate of the Covered Entity upon the written request of the Covered Entity.
- d. The obligations of Business Associate under Section 5, Term and Termination, shall survive the termination of this BA Agreement.

6. GENERAL PROVISIONS

- a. A reference in this BA Agreement to a section in the HIPAA Rules means the section as in effect or amended.
- b. The parties agree to take such action as is necessary to amend this BA Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable laws.
- c. Any ambiguity in this BA Agreement shall be interpreted to permit compliance with the HIPAA rules.
- d. Nothing in this BA Agreement shall be construed as creating any rights or benefits to any third parties.
- e. The invalidity and unenforceability of any provision of this BA Agreement shall not affect the enforceability of any other provision of this BA Agreement or the Administrative Services Agreement, which shall remain in full force and effect.

- f. All notices and communications required by this BA Agreement shall be in writing. Such notices and communications shall be given in one of the following forms: (i) by delivery in person, (ii) by a nationally-recognized, next-day courier service, (iii) by first-class, registered or certified mail, postage prepaid, or (iv) by electronic mail to the address that each party specifies in writing.
- g. This BA Agreement and the Administrative Services Agreement constitute the entire agreement between the parties with respect to its subject matter and constitute and supersede all prior agreements, representations, and understandings of the parties, written or oral, with regard to the same subject matter.

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY RHS

By _____
 Signature

 Betty C. Burnett, General Manager
 Name and Title (Please Print)

 October 5, 2017
 Date

**INTERNATIONAL CITY
MANAGEMENT ASSOCIATION
RETIREMENT CORPORATION**

By  _____
 Erica McFarquhar
 Assistant Secretary

Please return an executed copy of the Agreement to a Delivery Address, either:

- (a) Electronically to PlanAdoptionServices@icmarc.org, or
- (b) In paper form to ICMA-RC
 ATTN: PLAN ADOPTION SERVICES
 777 North Capitol Street NE
 Suite 600
 Washington DC 20002-4240

SUGGESTED RESOLUTION FOR ADOPTION
and
SUGGESTED AFFIRMATIVE STATEMENT OF ADOPTION
SUGGESTED RESOLUTION FOR ADOPTION OF THE
VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS) PROGRAM

Plan Number: 8 03721

Name of Employer: South Orange County Wastewater Authority (SOCWA) State: CA

Resolution of the above-named Employer (the "Employer"):

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the establishment of a retiree health savings program for such employees serves the interests of the Employer by enabling it to provide reasonable security regarding such employees' health needs during retirement, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that the establishment of the retiree health savings program (the "Program") serves the above objectives;

NOW, THEREFORE BE IT RESOLVED, that the Employer hereby adopts the ICMA Retirement Corporation's VantageCare Retirement Health Savings Program ("Program") through the Employer's integral part trust ("Trust") and the Employer's welfare benefits plan ("Plan").

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with the following entity or individual serving as trustee (Select one):

- the Employer
- the following position within the Employer: Human Resources Administrator
(insert title of individual acting as trustee)
- the following group or committee within the Employer: _____
(insert group or committee acting as trustee)
- the following third-party trustee: _____
(insert name of third-party trustee)

for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan. The Employer has executed the Declaration of Trust of the _____ Integral Part Trust in the form of: (Select one)

- The sample trust made available by the ICMA Retirement Corporation
- The trust provided by the Employer (executed copy attached hereto).

BE IT FURTHER RESOLVED, that the HR Administrator shall be the coordinator and contact for the Program and shall receive necessary reports, notices, etc.

I, _____, Clerk of the _____ of _____, do hereby certify that the foregoing resolution, proposed by _____, was duly passed and adopted in the _____ of the _____ of _____, at a regular meeting thereof assembled this ___ day of _____, 20 ____, by the following vote:

AYES:
NAYS:
ABSENT:

(Seal) Clerk's Signature: _____
Clerk's Title: _____

**VANTAGECARE RETIREMENT HEALTH SAVINGS (RHS)
ADOPTION AGREEMENT**

Plan Number: 8 03721

Select as applicable: Standalone RHS Integrated RHS Amendment to Existing Plan New Plan

I. **Employer Name:** South Orange County Wastewater Authority (SOCWA) CA

II. **The Employer hereby attests that it is a unit of a state or local government or an agency or instrumentality of one or more units of a state or local government.**

III. **Plan Dates:**

A. **Plan Effective Date** July 1, 2017

B. **Plan Year:** Enter the annual accounting period for the RHS program. July 1 - June30

IV. **The Employer intends to utilize the Trust to fund only welfare benefits pursuant to the following welfare benefit plan(s) established by the Employer:** SOCWA Retiree Welfare Benefits Plan

V. **Eligible Groups, Participation and Participant Eligibility Requirements**

A. **Eligible Groups**

The following group or groups of Employees are eligible to participate in the Employer's welfare benefits plan identified in Section IV. (check all applicable boxes):

- All Employees
- All Full-Time Employees
- Non-Union Employees
- Public Safety Employees – Police
- Public Safety Employees – Firefighters
- General Employees
- Collectively-Bargained Employees (Specify unit(s)) _____
- Other (specify group(s)) All employees hired on or after July 1, 2017

The Employee group(s) specified must correspond to a group(s) of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other documents or provisions in effect in the state or locality of the Employer.

B. **Participation**

Mandatory Participation: All Employees in the covered group(s) are required to participate in the Plan and shall receive contributions pursuant to Section VI.

If the Employer's underlying welfare benefit plan is in whole or part a non-collectively bargained plan that allows reimbursement for medical expenses other than insurance premiums, the nondiscrimination requirements of Internal Revenue Code (IRC) Section 105(h) will apply. These rules may impose taxation on the benefits received by highly compensated individuals if the Plan discriminates in favor of highly compensated individuals in terms of eligibility or benefits. The Employer should discuss these rules with appropriate counsel.

C. Participant Eligibility Requirements

- 1. Minimum service: The minimum period of service required for participation is n/a (write N/A if no minimum service is required).
- 2. Minimum age: The minimum age required for eligibility to participate is n/a (write N/A if no minimum age is required).

VI. Contribution Sources and Amounts

A. Definition of Earnings

The definition of Earnings will apply to all RHS Contribution Features that reference "Earnings", including Direct Employer Contributions (Section VI.B.1.) and Mandatory Employee Compensation Contributions (Section VI.B.2.).

Definition of earnings: IRC Section 3401(a) wages

B. Direct Employer Contributions and Mandatory Contributions

1. Direct Employer Contributions

The Employer shall contribute on behalf of each Participant

- _____ % of Earnings*
- \$ _____ each Plan Year
- A discretionary amount to be determined each Plan Year
- Other (describe): \$200/monthly

2. Mandatory Employee Compensation Contributions

The Employer will make mandatory contributions of Employee compensation as follows:

- Reduction in Salary - _____ % of Earnings or \$ _____ will be contributed for the Plan Year.
- Decreased Merit or Pay Plan Adjustment - All or a portion of the Employees' annual merit or pay plan adjustment will be contributed as follows:

An Employee shall not have the right to discontinue or vary the rate of Mandatory Contributions of Employee Compensation.

3. Mandatory Employee Leave Contributions

The Employer will make mandatory contributions of accrued leave as follows (provide formula for determining Mandatory Employee Leave contributions):

- Accrued Sick Leave _____
- Accrued Vacation Leave _____
- Other (specify type of leave) Accrued _____ Leave

An Employee shall not have the right to discontinue or vary the rate of mandatory leave contributions.

** Non-collectively bargained plans that reimburse medical expenses other than insurance premiums should consult their benefits counsel regarding welfare plan nondiscrimination rules if the employer elects to make contributions based on a percentage of earnings.*

C. Limits on Total Contributions (check one box)

The total contribution by the Employer on behalf of each Participant (including Direct Employer and Mandatory Employee Contributions) for each Plan Year shall not exceed the following limit(s) below. Limits on individual contribution types are defined within the appropriate section above.

- There is no Plan-defined limit on the percentage or dollar amount of earnings that may be contributed.
- ____ % of earnings
 Definition of earnings: Same as Section VI.A. Other
- \$ ____ for the Plan year.

VII. Vesting for Direct Employer Contributions

A. Vesting Schedule (check one box)

- The account is 100% vested at all times.
- The following vesting schedule shall apply to Direct Employer Contributions as outlined in Section VI.B.1.:

Years of Service Completed	Vesting Percentage
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

B. The account will become 100% vested upon the death, disability, retirement*, or attainment of benefit eligibility (as outlined in Section IX) by a Participant.

*Definition of retirement includes a separation from service component and is further defined by (check one):

- The primary retirement plan of the Employer
- Separation from service
- Other _____

C. Any period of service by a Participant prior to a rehire of the Participant by the Employer shall not count toward the vesting schedule outlined in A above.

VIII. Forfeiture Provisions

If a Participant separates from service prior to full vesting, non-vested funds in the Participant's account shall be forfeited in accordance with the box checked under this section.

Upon the death of a participant, surviving spouse, and all surviving eligible dependents (as outlined in Section XI), funds remaining in the Participant's account shall be revert to the Trust in accordance with the box checked under this section.

If a Participant permanently opts out and waives future reimbursements, as allowed under IRS Notice 2013-54, all funds in the Participant's account at the time of waiver shall be forfeited in accordance with the box checked under this section.*

- Remain in the Trust to be reallocated among all Plan Participants with a balance as Direct Employer Contributions for the next and succeeding contribution cycle(s).**
- Remain in the Trust to be reallocated on an equal dollar basis among all Plan Participants with a balance.**
- Remain in the Trust to be reallocated among all Plan Participants based upon Participant account balances.**
- Revert to the Employer via check.

IX. Eligibility Requirements to Receive Medical Benefit Payments from the VantageCare Retirement Health Savings Program

A. A Participant is eligible to receive benefits:

- At retirement only (also complete Section B.)
Definition of retirement:
 - Same as Section VII.B.
 - Other _____
- At separation from service with the following restrictions
 - No restrictions
 - Other _____

B. Termination prior to general benefit eligibility: In case where the general benefit eligibility as outlined in Section IX.A includes a retirement component, a Participant who separates from service of the Employer prior to retirement will be eligible to receive benefits:

- Immediately upon separation from service
- Other _____

C. A Participant that becomes totally and permanently disabled

- as defined by the Social Security Administration
- as defined by the Employer's primary retirement plan
- other _____

will become immediately eligible to receive medical benefit payments from his/her account under the Employer's welfare benefits plan.

D. Upon the death of the Participant, benefits shall become payable as outlined in Section XI.

** If the Employer's RHS Program does not limit eligibility to participants who have separated from service, the employer will be required to provide further direction to ICMA-RC regarding the treatment of possible contributions that are required to be made following the participant's waiver.*

*** If the forfeited balance is small whereby the reallocation amount to each Plan Participant with a balance is minimal, the assets will revert to employer's forfeiture account for further direction from the employer. If there are participants without a balance who should receive forfeiture assets, please provide alternative instructions to ICMA-RC on the forfeiture reallocation notice.*

X. Permissible Medical Benefit Payments

Benefits eligible for reimbursement consist of:

- All Medical Expenses eligible under IRC Section 213 other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin).
- The following Medical Expenses eligible under IRC Section 213 other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin). Select only the expenses you wish to cover under the Employer's welfare benefits plan:
 - Medical Insurance Premiums
 - Medical Out-of-Pocket Expenses*
 - Medicare Part B Insurance Premiums
 - Medicare Part D Insurance Premiums
 - Medicare Supplemental Insurance Premiums
 - Prescription Drug Insurance Premiums
 - COBRA Insurance Premiums
 - Dental Insurance Premiums
 - Dental Out-of-Pocket Expenses*
 - Vision Insurance Premiums
 - Vision Out-of-Pocket Expenses*
 - Qualified Long-Term Care Insurance Premiums
 - Non-Prescription medications allowed under IRS guidance*
 - Other qualifying medical expenses (describe)*

* *Non-collectively bargained plans that reimburse medical expenses other than insurance premiums should consult their benefits counsel regarding welfare plan nondiscrimination rules if the employer elects to make contributions based on a percentage of earnings.*

XI. Benefits After the Death of the Participant

In the event of a Participant's death, the following shall apply:

A. Surviving Spouse and/or Surviving Dependents

Upon the death of a participant, the surviving spouse and/or surviving eligible dependents (as defined in Section XII.D.) of the deceased Participant are immediately eligible to maintain the Participant's RHS account and utilizing the remaining balance to fund eligible medical benefits specified in Section X above.

Upon notification of a Participant's death, the Participant's account balance will be transferred into Dreyfus Cash Management fund** (or another fund selected by the Employer). The account balance may be reallocated by the surviving spouse or dependents.

** *Before investing in the Fund you should carefully consider your investment goals, tolerance for risk, investment time horizon, and personal circumstances. There is no guarantee that the Fund will meet its investment objective and you can lose money. For additional information regarding the Fund, including a description of the principal risks, please consult the VantageTrust II Funds Disclosure Memorandum and fund fact sheet, which is available when you log in at www.icmarc.org or upon request by calling 800-669-7400.*

If the plan's default fund is not the VT II Cash Management Fund, please read the disclosure materials or prospectus applicable to the default fund.

If a Participant's account balance has not been fully utilized upon the death of the eligible spouse, the account balance may continue to be utilized to pay benefits of eligible dependents. Upon the death of all eligible dependents, the account will revert in accordance with the Employer's election under Section VIII of the *VantageCare RHS Adoption Agreement*.

B. No Surviving Spouse or Surviving Dependents

If there are no living spouse or dependents at the time of death of the Participant, the account will revert in accordance with the Employer's election under Section VIII of the *VantageCare RHS Adoption Agreement*.

XII. The Plan will operate according to the following provisions:

A. Employer Responsibilities

1. The Employer will submit all VantageCare Retirement Health Savings Plan contribution data via electronic submission.
2. The Employer will submit all VantageCare Retirement Health Savings Plan Participant status updates or personal information updates via electronic submission. This includes but is not limited to termination notification, benefit eligibility, and vesting notification.

B. Participant account administration and asset-based fees will be paid through the redemption of Participant account shares, unless agreed upon otherwise in the Administrative Services Agreement.

C. Assignment of benefits is not permitted. Benefits will be paid only to the Participant, his/her Survivors, the Employer, or an insurance provider (as allowed by the claims administrator). Payments to a third-party payee (e.g., medical service provider) are not permitted with the exception of reimbursement to the Employer or insurance provider (as allowed by the claims administrator).

D. An eligible dependent is (a) the Participant's lawful spouse, (b) the Participant's child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.

E. The Employer will be responsible for withholding, reporting and remitting any applicable taxes for payments which are deemed to be discriminatory under IRC Section 105(h), as outlined in the *VantageCare Retirement Health Savings Employer Manual*.

XIII. Employer Acknowledgements

A. The Employer hereby acknowledges it understands that failure to properly fill out this *VantageCare Retirement Health Savings Adoption Agreement* may result in the loss of tax exemption of the Trust and/or loss of tax-deferred status for Employer contributions.

B. Check this box if you are including supporting documents that include plan provisions.

EMPLOYER SIGNATURE

By: _____	Date: <u>October 5, 2017</u>
Title: <u>General Manager</u>	
Attest: _____	Date: <u>October 5, 2017</u>
Title: <u>Clerk of the Board</u>	

DECLARATION OF TRUST OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

(NAME OF EMPLOYER)
INTEGRAL PART TRUST

Declaration of Trust made as of the 5th day of October, 20 17, by and between the South Orange County Wastewater Authority, CA a Special District
(Name of Employer) (State) (Type of Entity)
(hereinafter referred to as the "Employer") and HR Administrator or its designee (hereinafter referred to as the "Trustee").
(Name or Title of Trustee)

RECITALS

WHEREAS, the Employer is a political subdivision of the State of California exempt from federal income tax under the Internal Revenue Code of 1986; and
(State)

WHEREAS, the Employer provides for the security and welfare of its eligible employees (hereinafter referred to as "Participants"), their Spouses and Dependents by the maintenance of one or more post-retirement welfare benefit plans, programs or arrangements which provide for life, sickness, medical, disability, severance and other similar benefits through insurance and self-funded reimbursement plans (collectively the "Plan"); and

WHEREAS, it is an essential function and integral part of the exempt activities of the Employer to assist Participants, their Spouses and Dependents by making contributions to and accumulating assets in the trust, a segregated fund, for post-retirement welfare benefits under the Plan; and

WHEREAS, the authority to conduct the general operation and administration of the Plan is vested in the Employer or its designee, who has the authority and shall be subject to the duties with respect to the trust specified in this sample Declaration of Trust; and

WHEREAS, the Employer wishes to establish this trust to hold assets and income of the Plan for the exclusive benefit of Plan Participants, their Spouses and Dependents;

NOW, THEREFORE, the parties hereto do hereby establish this trust, by executing the sample

Declaration of Trust of the South Orange County Wastewater Authority Integral Part Trust (hereinafter referred to as the "Trust"), and agree that the following constitute the sample Declaration of Trust (hereinafter referred to as the "Declaration"):

(Name of Employer)

ARTICLE I

Definitions

1.1 Definitions. For the purposes of this Declaration, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.

- (a) **“Account”** means the individual recordkeeping account maintained under the Plan to record the interest of a Participant in the Plan in accordance with Section 7.3.
- (b) **“Administrator”** means the Employer or the entity designated by the Employer to carry out administrative services as are necessary to implement the Plan.
- (c) **“Beneficiary”** means the Spouse and Dependents, who will receive any benefits payable hereunder in the event of the Participant’s death. In the case where there is no Spouse or Dependents, any amount of contributions, plus accrued earnings thereon, remaining in the Account must revert in accordance with the Employer’s election under Section VIII of the VantageCare RHS Adoption Agreement.
- (d) **“Code”** means the Internal Revenue Code of 1986, as amended from time to time.
- (e) **“Dependent”** means (a) the Participant’s lawful spouse, (b) the Participant’s child under the age of 27, as defined by IRC Section 152(f)(1) and Internal Revenue Service Notice 2010-38, or (c) any other individual who is a person described in IRC Section 152(a), as clarified by Internal Revenue Service Notice 2004-79.
- (f) **“Investment Fund”** means any separate investment option or vehicle selected by the Employer in which all or a portion of the Trust assets may be separately invested as herein provided. The Trustee shall not be required to select any Investment Fund.
- (g) **“Nonforfeitable Interest”** means the interest of the Participant or the Participant’s Spouse and Dependent (whichever is applicable) in the percentage of Participant’s Employer’s contribution which has vested pursuant to the vesting schedule specified in the Employer’s Plan. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in the Participant’s own contributions.
- (h) **“Spouse”** means the Participant’s lawful spouse as determined under the laws of the jurisdiction in which the Participant was married.
- (i) **“Trust”** means the trust established by this Declaration.
- (j) **“Trustee”** means the Employer or the person or persons appointed by the Employer to serve in that capacity.

ARTICLE II

Establishment of Trust

2.1 The Trust is hereby established as of the date set forth above for the exclusive benefit of Participants, their Spouses and Dependents.

ARTICLE III

Construction

- 3.1 This Trust and its validity, construction and effect shall be governed by the laws of the State of California.
- 3.2 Pronouns and other similar words used herein in the masculine gender shall be read as the feminine gender where appropriate, and the singular form of words shall be read as the plural where appropriate.
- 3.3 If any provision of this Trust shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions, and such provisions shall be construed to effectuate the purpose of this Trust.

ARTICLE IV

Benefits

- 4.1 **Benefits.** This Trust may provide benefits to the Participant, the Participant's Spouse and Dependents pursuant to the terms of the Plan.
- 4.2 **Form of Benefits.** This Trust may reimburse the Participant, his Spouse and Dependents for insurance premiums or other payments expended for permissible benefits described under the Plan. This trust may reimburse the Employer, or the Administrator for insurance premiums.

ARTICLE V

General Duties

- 5.1 It shall be the duty of the Trustee to hold title to assets held in respect of the Plan in the Trustee's name as directed by the Employer or its designees in writing. The Trustee shall not be under any duty to compute the amount of contributions to be paid by the Employer or to take any steps to collect such amounts as may be due to be held in trust under the Plan. The Trustee shall not be responsible for the custody, investment, safekeeping or disposition of any assets comprising the Trust, to the extent such functions are performed by the Employer or the Administrator, or both.
- 5.2 It shall be the duty of the Employer, subject to the provisions of the Plan, to pay over to the Administrator or other person designated hereunder from time to time the Employer's contributions and Participants' contributions under the Plan and to inform the Trustee in writing as to the identity and value of the assets titled in the Trustee's name hereunder and to keep accurate books and records with respect to the Participants of the Plan.

ARTICLE VI

Investments

- 6.1 The Employer may appoint one or more investment managers to manage and control all or part of the assets of the Trust and the Employer shall notify the Trustee in writing of any such appointment.
- 6.2 The Trustee shall not have any discretion or authority with regard to the investment of the Trust and shall act solely as a directed Trustee of the assets of which it holds title. To the extent directed by the Employer (or Participants or their Spouses and Dependents to the extent provided herein) the Trustee is authorized and empowered with the following powers, rights and duties, each of which the Trustee shall exercise in a nondiscretionary manner:
 - (a) To cause stocks, bonds, securities, or other investments to be registered in its name as Trustee or in the name of a nominee, or to take and keep the same unregistered;

- (b) To employ such agents and legal counsel as it deems advisable or proper in connection with its duties and to pay such agents and legal counsel a reasonable fee. The Trustee shall not be liable for the acts of such agents and counsel or for the acts done in good faith and in reliance upon the advice of such agents and legal counsel, provided it has used reasonable care in selecting such agents and legal counsel;
- (c) To exercise where applicable and appropriate any rights of ownership in any contracts of insurance in which any part of the Trust may be invested and to pay the premiums thereon; and
- (d) At the direction of the Employer (or Participants, their Spouses, their Dependents, or the investment manager, as the case may be) to sell, write options on, convey or transfer, invest and reinvest any part thereof in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing and wherever situated, including but not limited to, time deposits (including time deposits in the Trustee or its affiliates, or any successor thereto, if the deposits bear a reasonable rate of interest), shares of common and preferred stock, mortgages, bonds, leases, notes, debentures, equipment or collateral trust certificates, rights, warrants, convertible or exchangeable securities and other corporate, individual or government securities or obligations, annuity, retirement or other insurance contracts, mutual funds (including funds for which the Trustee or its affiliates serve as investment advisor, custodian or in a similar or related capacity), or in units of any other common, collective or commingled trust fund.

6.3 Notwithstanding anything to the contrary herein, the assets of the Plan shall be held by the Trustee as title holder only. Persons holding custody or possession of assets titled to the Trust shall include the Employer, the Administrator, the investment manager, and any agents and subagents, but not the Trustee. The Trustee shall not be responsible or liable for any loss or expense which may arise from or result from compliance with any direction from the Employer, the Administrator, the investment manager, or such agents to take title to any assets nor shall the Trustee be responsible or liable for any loss or expense which may result from the Trustee's refusal or failure to comply with any direction to hold title, except if the same shall involve or result from the Trustee's negligence or intentional misconduct. The Trustee may refuse to comply with any direction from the Employer, the Administrator, the investment manager, or such agents in the event that the Trustee, in its sole and absolute discretion, deems such direction illegal.

6.4 The Employer hereby indemnifies and holds the Trustee harmless from any and all actions, claims, demands, liabilities, losses, damages or reasonable expenses of whatsoever kind and nature in connection with or arising out of (i) any action taken or omitted in good faith by the Trustee in accordance with the directions of the Employer or its agents and subagents hereunder, or (ii) any disbursements of any part of the Trust made by the Trustee in accordance with the directions of the Employer, or (iii) any action taken by or omitted in good faith by the Trustee with respect to an investment managed by an investment manager in accordance with any direction of the investment manager or any inaction with respect to any such investment in the absence of directions from the investment manager. Notwithstanding anything to the contrary herein, the Employer shall have no responsibility to the Trustee under the foregoing indemnification if the Trustee fails negligently, intentionally or recklessly to perform any of the duties undertaken by it under the provisions of this Trust.

6.5 Notwithstanding anything to the contrary herein, the Employer or, if so designated by the Employer, the Administrator and the investment manager or another agent of the Employer, will be responsible for valuing all assets so acquired for all purposes of the Trust and of holding, investing, trading and disposing of the same. The Employer will indemnify and hold the Trustee harmless against any and all claims, actions, demands, liabilities, losses, damages, or expenses of whatsoever kind and nature, which arise from or are related to any use of such valuation by the Trustee or holding, trading, or disposition of such assets.

6.6 The Trustee shall and hereby does indemnify and hold harmless the Employer from any and all actions, claims, demands, liabilities, losses, damages and reasonable expenses of whatsoever kind and nature in connection with or arising out of (a) the Trustee's failure to follow the directions of the Employer, the Administrator, the investment manager, or agents thereof, except as permitted by the last sentence of Section 6.3 above; (b) any disbursements made without the direction of the Employer, the Administrator, the investment manager or agents thereof; and (c) the Trustee's negligence, willful misconduct, or recklessness with respect to the Trustee's duties under this Declaration.

ARTICLE VII

Contributions

- 7.1 **Employer Contributions.** The Employer shall contribute to the Trust such amounts as specified in the Plan or by resolution.
- 7.2 **Accrued Leave.** Contributions up to an amount equal to the value of accrued sick leave, vacation leave, or other type of accrued leave, as permitted under the Plan. The Employer's Plan must provide a formula for determining the value of the Participant's contribution of accrued leave. The Employer's Plan must contain a forfeiture provision that will prevent Participants from receiving the accrued leave in cash in lieu of a contribution to the Trust.
- 7.3 **Accounts.** Employer contributions, including mandatory Participant contributions, and contributions of accrued leave, all investment income and realized and unrealized gains and losses, and forfeitures allocable thereto will be deposited into an Account in the name of the Participant for the exclusive benefit of the Participant, his Spouse and Dependents. The assets in each Participant's Account may be invested in Investment Funds as directed by the Participant (or, after the Participant's death, by the Spouse or Dependents) or the Employer, as required under the Plan, from among the Investment Funds selected by the Employer.
- 7.4 **Receipt of Contributions.** The Employer or, if so designated by the Employer, the Administrator or investment manager or another agent of the Employer, shall receive all contributions paid or delivered to it hereunder and shall hold, invest, reinvest and administer such contributions pursuant to this Declaration, without distinction between principal and income. The Trustee shall not be responsible for the calculation or collection of any contribution under the Plan, but shall hold title to property received in respect of the Plan in the Trustee's name as directed by the Employer or its designee pursuant to this Declaration.
- 7.5 No amount in any Account maintained under this Trust shall be subject to transfer, assignment, or alienation, whether voluntary or involuntary, in favor of any creditor, transferee, or assignee of the Employer, the Trustee, any Participant, his Spouse, or Dependent.
- 7.6 Upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE VIII

Other Plans

If the Employer hereafter adopts one or more other plans providing life, sickness, accident, medical, disability, severance, or other benefits and designates the Trust hereby created as part of such other plan, the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer shall, subject to the terms of this Declaration, accept and hold hereunder contributions to such other plans. In that event (a) the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, may commingle for investment purposes the contributions received under such other plan or plans with the contributions previously received by the Trust, but the books and records of the Employer or, if so designated by the Employer, the Administrator or an investment manager or another agent of the Employer, shall at all times show the portion of the Trust Fund allocable to each plan; (b) the term "Plan" as used herein shall be deemed to refer separately to each other plan; and (c) the term "Employer" as used herein shall be deemed to refer to the person or group of persons which have been designated by the terms of such other plans as having the authority to control and manage the operation and administration of such other plan.

ARTICLE IX

Disbursements and Expenses

- 9.1 The Employer or its designee shall make such payments from the Trust at such time to such persons and in such amounts as shall be authorized by the provisions of the Plan provided, however, that no payment shall be made, either during the existence of or upon the discontinuance of the Plan (subject to Section 7.6), which would cause any part of the Trust to be used for or diverted to purposes other than the exclusive benefit of the Participants, their Spouses and Dependents pursuant to the provisions of the Plan.
- 9.2 All payments of benefits under the Plan shall be made exclusively from the assets of the Accounts of the Participants to whom or to whose Spouse or Dependents such payments are to be made, and no person shall be entitled to look to any other source for such payments.
- 9.3 The Employer, Trustee and Administrator may be reimbursed for expenses reasonably incurred by them in the administration of the Trust. All such expenses, including, without limitation, reasonable fees of accountants and legal counsel to the extent not otherwise reimbursed, shall constitute a charge against and shall be paid from the Trust upon the direction of the Employer.

ARTICLE X

Accounting

- 10.1 The Trustee shall not be required to keep accounts of the investments, receipts, disbursements, and other transactions of the Trust, except as necessary to perform its title-holding function hereunder. All accounts, books, and records relating thereto shall be maintained by the Employer or its designee.
- 10.2 As promptly as possible following the close of each year, the Trustee shall file with the Employer a written account setting forth assets titled to the Trust as reported to the Trustee by the Employer or its designee.

ARTICLE XI

Miscellaneous Provisions

- 11.1 Neither the Trustee nor any affiliate thereof shall be required to give any bond or to qualify before, be appointed by, or account to any court of law in the exercise of its powers hereunder.
- 11.2 No person transferring title or receiving a transfer of title from the Trustee shall be obligated to look to the propriety of the acts of the Trustee in connection therewith.
- 11.3 The Employer may engage the Trustee as its agent in the performance of any duties required of the Employer under the Plan, but such agency shall not be deemed to increase the responsibility or liability of the Trustee under this Declaration.
- 11.4 The Employer shall have the right at all reasonable times during the term of this Declaration and for three (3) years after the termination of this Declaration to examine, audit, inspect, review, extract information from, and copy all books, records, accounts, and other documents of the Trustee relating to this Declaration and the Trustees' performance hereunder.

ARTICLE XII

Amendment and Termination

- 12.1 The Employer reserves the right to alter, amend, or (subject to Section 9.1) terminate this Declaration at any time for any reason without the consent of the Trustee or any other person, provided that no amendment affecting the rights, duties, or responsibilities of the Trustee shall be adopted without the execution of the Trustee to the amendment. Any such amendment shall become effective as of the date provided in the amendment, if requiring the Trustee's execution, or on delivery of the amendment to the Trustee, if the Trustee's execution is not required.
- 12.2 Upon termination of this Declaration and upon the satisfaction of all liabilities under the Plan to provide such benefits, any amount of Employer contributions, plus accrued earnings thereon, remaining in such separate Accounts must, under the terms of the Plan, be returned to the Employer.

ARTICLE XIII

Successor Trustees

- 13.1 The Employer reserves the right to discharge the Trustee for any or no reason, at any time by giving ninety (90) days' advance written notice.
- 13.2 The Trustee reserves the right to resign at any time by giving ninety (90) days' advance written notice to the Employer.
- 13.3 In the event of discharge or resignation of the Trustee, the Employer may appoint a successor Trustee who shall succeed to all rights, duties, and responsibilities of the former Trustee under this Declaration, and the terminated Trustee shall be deemed discharged of all duties under this Declaration and responsibilities for the Trust.

ARTICLE XIV

Limited Effect of Plan and Trust

Neither the establishment of the Plan and the Trust or any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any person covered under the Plan or other person any legal or equitable right against the Trustee, the Administrator, the Employer or any officer or employee thereof, except as may otherwise be expressly provided in the Plan or in this Declaration.

ARTICLE XV

Protective Clause

Neither the Administrator, the Employer, nor the Trustee shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the Plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

IN WITNESS WHEREOF, the Employer and the Trustee have executed this Declaration by their respective duly authorized officers, as of the date first hereinabove mentioned.

EMPLOYER:

By: _____ Title: _____

TRUSTEE(S):

By: _____ Title: _____

By: _____ Title: _____

By: _____ Title: _____

Name of Employer

RETIREE WELFARE BENEFITS PLAN

ARTICLE I

Preamble

THIS INSTRUMENT made and published by South Orange County Wastewater Authority (hereinafter called "Employer") on the 5th day of October, 20 17, creates the Retiree Welfare Benefits Plan ("Plan"), as follows:

1.01 Establishment of Plan

The Employer named above hereby establishes a Retiree Welfare Benefits Plan as of the 5th day of October, 20 17.

1.02 Purpose of Plan

This Plan has been established to reimburse the eligible Retirees of the Employer for medical and dental expenses incurred by them, their Spouses and Dependents through the Employer's VantageCare Retirement Health Savings (RHS) Program.

ARTICLE II

Definitions

The following words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context:

2.01 "Benefits" means any amounts paid to a Participant, Spouse or Dependents in the Plan as reimbursement for Eligible Medical and Dental Expenses incurred by the Participant during a Plan Year by him, his Spouse or his Dependents.

2.02 "Code" means the Internal Revenue Code of 1986, as amended.

2.03 "Dependent" means any individual who is a dependent of the Participant within the meaning of Code Sec. 152, as amplified by Internal Revenue Service Notice 2004-79, 2004-49 I.R.B.898 and Internal Revenue Service Notice 2010-38.

2.04 "Eligible Medical Expenses or Dental Expenses" means those expenses designated by the Employer as eligible for reimbursement in the VantageCare Retirement Health Savings Adoption Agreement.

2.05 "Employer" means the unit of state or local government creating this Plan, or any affiliate or successor thereof that likewise adopts this Plan.

2.06 "Entry Date" means the first day the Participant meets the eligibility requirements of Article III as of such Date.

2.07 "Participant" means any Retiree who has met the eligibility requirements set forth in Article III.

2.08 "Plan Administrator" means the Employer or other person appointed by the Employer who has the authority and responsibility to manage and direct the operation and administration of the Plan.

2.09 "Plan Year" means the annual accounting period of the Plan, which begins on the ____ day of _____, 20 ____, and ends on the ____ day of _____, 20 ____, with respect to the first Plan Year, and thereafter as long as this Plan remains in effect, the period that begins on _____, and ends on month/day _____.

2.10 "Retiree" means any individual who, while in the service of the Employer, was considered to be in a legal employer-employee relationship with the Employer for federal withholding tax purposes, and who was part of the classification of employees designated as covered by the Employer's VantageCare Retirement Health Savings Program.

2.11 "Spouse" means the Participant's lawful spouse as determined under the laws of the jurisdiction in which the Participant was married. All other defined terms in this Plan shall have the meanings specified in the various Articles of the Plan in which they appear.

ARTICLE III

Eligibility

Each Retiree who meets the eligibility requirements outlined in the Employer's VantageCare Retirement Health Savings Adoption Agreement shall be eligible to participate in this Plan.

ARTICLE IV

Amount of Benefits

4.01 Annual Benefits Provided by the Plan

Each Participant shall be entitled to reimbursement for his documented, Eligible Medical Expenses incurred during the Plan Year in an annual amount not to exceed the participant's account balance under the Plan.

4.02 Cost of Coverage

The expense of providing the benefits set out in Section 4.01 shall be contributed as outlined in the Employer's VantageCare Retirement Health Savings Adoption Agreement.

ARTICLE V

Payment of Benefits

5.01 Eligibility for Benefits

- a) Each Participant in the Plan shall be entitled to a benefit hereunder for all Eligible Medical Expenses incurred by the Participant on or after the Entry Date of his or her participation (and after the effective date of the Plan), subject to the limitations contained in this Article V, regardless whether the mental or physical condition for which the Participant makes application for benefits under this Plan was detected, diagnosed, or treated before the Participant became covered by the Plan.
- b) In order to be eligible for benefits, the Participant must separate from service or separate from service and meet the benefit eligibility criteria outlined in the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.
- c) A Participant who becomes totally and permanently disabled (as defined by the Social Security Administration, by the Employer's primary retirement plan, or otherwise by the Employer) will become immediately eligible to receive medical benefit payments from the Plan. Pursuant to Section 9.02 of this Plan and Section XI of the Employer's VantageCare Retirement Health Savings Adoption Agreement, the surviving Spouse and Dependents shall become immediately eligible to receive or to continue receiving medical benefit payments from the Plan upon the death of the Participant.

5.02 Claims for Benefits

No benefit shall be paid hereunder unless a Participant, his Spouse or Dependent has first submitted a written claim for benefits to the Plan Administrator on a form specified by the Plan Administrator, and pursuant to the procedures set out in Article VI, below. Upon receipt of a properly documented claim, the Plan Administrator shall pay the Participant, his Spouse or Dependent the benefits provided under this Plan as soon as is administratively feasible.

ARTICLE VI

Plan Administration

6.01 Allocation of Authority

The Employer shall control and manage the operation and Administration of the Plan. The Employer shall have the exclusive right to interpret the Plan and to decide all matters arising thereunder, including the right to remedy possible ambiguities, inconsistencies, or omissions. All determinations of the Employer with respect to any matter hereunder shall be conclusive and binding on all persons.

Without limiting the generality of the foregoing, the Employer shall have the following powers and duties:

- a) To decide on questions concerning the Plan and the eligibility of any Employee to participate in the Plan, in accordance with the provisions of the Plan;
- b) To determine the amount of benefits that shall be payable to any person in accordance with the provisions of the Plan; to inform the Plan Administrator, as appropriate, of the amount of such Benefits; and to provide a full and fair review to any Participant whose claim for benefits has been denied in whole or in part; and
- c) To designate other persons to carry out any duty or power which would otherwise be a fiduciary responsibility of the Plan Administrator, under the terms of the Plan.
- d) To require any person to furnish such reasonable information as it may request for the purpose of the proper administration of the Plan as a condition to receiving any benefits under the Plan;
- e) To make and enforce such rules and regulations and prescribe the use of such forms as he shall deem necessary for the efficient administration of the Plan.

6.02 Provision for Third-Party Plan Service Providers

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with operation of the Plan. The Plan Administrator, the Employer (and any person to whom it may delegate any duty or power in connection with the administration of the Plan), and all persons connected therewith may rely upon all tables, valuations, certificates, reports and opinions furnished by any duly appointed actuary, accountant, (including Employees who are actuaries or accountants), consultant, third party administration service provider, legal counsel, or other specialist, and they shall be fully protected in respect to any action taken or permitted in good faith in reliance thereon. All actions so taken or permitted shall be conclusive and binding as to all persons.

6.03 Several Fiduciary Liability

To the extent permitted by law, neither the Plan Administrator nor any other person shall incur any liability for any acts or for failure to act except for his own willful misconduct or willful breach of this Plan.

6.04 Compensation of Plan Administrator

Unless otherwise agreed to by the Employer, the Plan Administrator shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of his duties shall be paid by the Employer.

6.05 Bonding

Unless otherwise determined by the Employer, or unless required by any Federal or State law, the Plan Administrator shall not be required to give any bond or other security in any jurisdiction in connection with the administration of this Plan.

6.06 Payment of Administrative Expenses

All reasonable expenses incurred in administering the Plan, including but not limited to administrative fees and expenses owing to any third party administrative service provider, actuary, consultant, accountant, attorney, specialist, or other person or organization that may be employed by the Plan Administrator in connection with the administration thereof, shall be paid by the Employer, provided, however that each Participant shall bear the monthly cost (if any) charged by a third party administrator for maintenance of his Benefit Account unless otherwise paid by the Employer.

6.07 Timeliness of Payment for Benefits

Payment for Benefits shall be made as soon as administratively feasible after the required forms and documentation have been received by the Plan Administrator.

6.08 Annual Statements

The Plan Administrator shall furnish each Participant with an annual statement of his medical expense reimbursement account within ninety (90) days after the close of each Plan Year.

ARTICLE VII

Claims Procedure

7.01 Procedure if Benefits are Denied Under the Plan

Any Participant, Spouse, Dependent, or his duly authorized representative may file a claim for a plan benefit to which the claimant believes that he is entitled. Such a claim must be in writing on a form provided by the Plan Administrator and delivered to the Plan Administrator, in person or by mail, postage paid. Within thirty (30) days after receipt of such claim, the Plan Administrator shall send to the claimant, by mail, postage prepaid, notice of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed forty-five (45) days from the end of the initial period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 30-day period. If such extension is necessary due to a failure of the Participant, Spouse or Dependent to submit the information necessary to decide the claim, the notice of extension shall describe the required information and the claimant shall be afforded at least forty-five (45) days from receipt of the notice within which to provide such information. The Plan Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review pursuant to Sections 7.03 and 7.04.

7.02 Requirement for Written Notice of Claim Denial

The Plan Administrator shall provide, to every claimant who is denied a claim for benefits, written notice setting forth in a manner calculated to be understood by the claimant:

- a) The specific reason or reasons for the denial;
- b) Specific reference to pertinent Plan provisions, including references to the VantageCare Retirement Health Savings Adoption Agreement, on which the denial is based;
- c) A description of any additional material of information necessary for the claimant to perfect the claim and an explanation of why such material is necessary, and
- d) An explanation of the Plan's claim review procedure.

7.03 Right to Request Hearing on Benefit Denial

Within one-hundred eighty (180) days after the receipt by the claimant of written notification of the denial (in whole or in part) of his claim, the claimant or his duly authorized representative, upon written application to the Plan Administrator, in person or by certified mail, postage prepaid, may request a review of such denial, may review pertinent documents, and may submit issues and comments in writing.

7.04 Disposition of Disputed Claims

Upon its receipt of notice of a request for review, the Plan Administrator shall make a prompt decision on the review. The decision on review shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent plan provisions on which the decision is based. The decision on review shall be made not later than sixty (60) days after the Plan Administrator's receipt of a request for a review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than one hundred-twenty (120) days after receipt of a request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial sixty (60) day period. If notice of the decision on the review is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to legal remedy pursuant to Section 7.05.

7.05 Preservation of Other Remedies

After exhaustion of the claims procedures provided under this Plan, nothing shall prevent any person from pursuing any other legal or equitable remedy otherwise available.

ARTICLE VIII

Amendment or Termination of Plan

8.01 Permanency

While the Employer fully expects that this Plan will continue indefinitely, due to unforeseen, future business contingencies, permanency of the Plan will be subject to the Employer's right to amend or terminate the Plan, as provided in Sections 8.02 and 8.03, below.

8.02 Employer's Right to Amend

The Employer reserves the right to amend the Plan at any time and from time-to-time, and retroactively if deemed necessary or appropriate to meet the requirements of the Code, or any similar provisions of subsequent revenue or other laws, or the rules and regulations in effect under any of such laws or to conform with governmental regulations or other policies, to modify or amend in whole or in part any or all of the provisions of the Plan.

8.03 Employer's Right to Terminate

The Employer reserves the right to discontinue or terminate the Plan at any time without prejudice.

ARTICLE IX

General Provisions

9.01 No Employment Rights Conferred

Neither this Plan nor any action taken with respect to it shall confer upon any person the right to be continued in the employment of the Employer.

9.02 Payments After Death of Participant

Any benefits otherwise payable to a Participant following the date of death of such Participant shall be paid as outlined in Section XI of the Employer's VantageCare Retirement Health Savings Plan Adoption Agreement.

9.03 Nonalienation of Benefits

No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void. No benefit under the Plan shall in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to benefits under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit under the Plan, or if any attempt is made to subject any such benefit to the debts, contracts, liabilities, engagements or torts of the person entitled to any such benefit, except as specifically provided in the Plan, then such benefit shall cease and terminate in the discretion of the Plan Administrator, and he may hold or apply the same or any part thereof to the benefit of any dependent of such person, in such manner and proportion as he may deem proper.

9.04 Mental or Physical Incompetency

If the Plan Administrator determines that any person entitled to payments under the Plan is incompetent by reason of physical or mental disability, he may cause all payments thereafter becoming due to such person to be made to any other person for his benefit, without responsibility to follow the application of amounts so paid. Payments made pursuant to this Section shall completely discharge the Plan Administrator and the Employer.

9.05 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because he cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be escheated under the laws of the State of the last known address of the Participant or other persons eligible for benefits.

9.06 Requirement of Proper Forms

All communications in connection with the Plan made by a Participant shall become effective only when duly executed on forms provided by and filed with the Plan Administrator.

9.07 Source of Payments

The Employer shall be the sole source of benefits under the Plan. No Employee, Spouse or Dependents shall have any right to, or interest in, any assets of the Employer upon termination of employment or otherwise, except as provided from time to time under the Plan, and then only to the extent of the benefits payable under the Plan to such Employee, Spouse or Dependents.

9.08 Tax Effects

Neither the Employer nor the Plan Administrator makes any warranty or other representation as to whether any payments received by a Participant, his Spouse or Dependents hereunder will be treated as includible in gross income for federal or state income tax purposes.

9.09 Multiple Functions

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

9.10 Gender and Number

Masculine pronouns include the feminine as well as the neuter gender, and the singular shall include the plural, unless indicated otherwise by the context.

9.11 Headings

The Article and Section headings contained herein are for convenience of reference only, and shall not be construed as defining or limiting the matter contained thereunder.

9.12 Applicable Laws

The provisions of the Plan shall be construed, administered and enforced according to the laws of the State of California .

9.13 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder thereof shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, we have executed this Plan Agreement the date and year first written above.

EMPLOYER

By: _____ Title: General Manager
Signature of Authorized Official

ATTEST (if applicable)

By: _____ Title: Clerk of the Board
Signature of Attestor

Agenda Item

Budgeted: Yes

Budget amount: \$3,109,545

Line Item: PC 2 Tasks 3280-000 and 3287-000

Legal Counsel Review: No

Meeting Date: October 5, 2017

TO: Project Committee 2 Board of Directors

FROM: Betty Burnett, General Manager

STAFF CONTACT: Brian Peck, Director of Engineering

SUBJECT: Award of Engineering Services for the J. B. Latham Treatment Plant Facility Improvements Package 'B'

Summary

This agenda item provides a recommendation for the award of an engineering services contract to Carollo for the final design the Package 'B' Facility Improvements for the J. B. Latham Treatment Plant.

Background

The development of the J. B. Latham Treatment Plant (JBLTP) Facility Plan in 2010 in conjunction with the SOCWA Ten Year Plan has indicated a series of large capital improvement projects. The proposed improvements were divided into a series of construction projects titled Package 'A/C', 'B', and 'D'. The construction of Package 'A/C' was completed in August 2017. In October 2015, the SOCWA Board of Directors awarded a contract to Carollo Engineers for the preliminary design of the Package 'B' improvements. Three technical memoranda prepared by Carollo Engineers identified a series of short term improvements for the facility. The individual components of Package 'B' are to include the following:

- Effluent Pump Station Piping Modifications. Replacement of the corroded section of the 24-inch discharge pipeline from the 30 x 24-inch reducer section to the 24x30-inch increaser section.
- Plant 2 Secondary Sedimentation Basins Modifications. Replacement of the rotating scum skimmers, telescoping valves and drain valves in each basin.
- Plant 1 Secondary Sedimentation Basins Modifications. Replacement of the chain and flight sludge collector systems and the telescoping valves in each basin. Repairs to damaged concrete on the crosswalks adjacent to the drive unit.
- Primary Effluent Channel. Replacement of the basin protective coating, repair of concrete surface and cracking, replacement of channel slide gates, and replacement of diamond plate covers, supporting angles and grating rebate.
- Plant 1 Primary Sedimentation Basins. Replacement of the basin protective coating, repair of concrete surfaces and cracking, and basin and hatch covers. Process improvements include the replacement of launders, scum beach, and scum skimmers. The work also includes the rerouting of the electrical conduits from the north side of the

Primary Sedimentation Basins, along the east wall of the Basins through Primary Sludge Valve Tunnel to the motor control center in the Plant 1 Blower Room.

- Plant 2 Primary Influent Channel. Work includes replacement of lining, gates, rebate and diamond plates.
- Plant 1 Primary Influent Channel: Replacement of the basin protective coating, repair of concrete surface and cracking, replacement of inlet gates, diamond plate covers and grating rebate.
- Safety Related Items for the Liquid Portion. An evaluation prepared by Arcadis identified safety related modifications for fall protection on roofs, access through and around skylights and roof/ceiling hatches, fixed ladders; and hand rails. The locations of these improvements are noted below.

Structure	Roof	Hatch-Skylight	Fixed Ladder	Handrail
West Headworks Building		X		X
West Blower Building	X	X	X	X
Original Effluent Pump Station		X	X	
Effluent Valve Vaults (E/W)		X		X
Effluent Pump Station	X	X		
East Blower Building			X	X
East Headworks Building	X	X	X	
Valve Vault North Side of Basins			X	
Sodium Hypochlorite Tank West			X	
RAS Pump Station		X		X
Scum Pump Station				X
Primary Sedimentation Basins				X
Aeration Basins				X
Perimeter Handrail				X

- Safety Related Items for the Solids Portion. The Arcadis analysis also set forth safety related modifications for the solids portion of the treatment plant. The locations of these improvements are identified below.

Structure	Roof	Hatch-Skylight	Fixed Ladder	Handrail
Dewatering Building	X	X	X	X
Digester 1&2 Control Room			X	
Digester 3&4 Control Room	X			
Digesters 3&4				X
Ferric Chloride Containment Area			X	

- Modification of the Dissolved Air Flotation (DAF) Thickening System. The work includes patching of the structure, sand blasting and recoating the interior of the DAF units, replacement of the basin covers and handrails. The work also includes the replacement of the collector mechanisms, dissolution tanks, recirculation pumps, compressor, thickened

waste activated sludge (TWAS) pumps, and all above ground piping and valves. The control system for the DAF thickeners will also be upgraded.

- Digesters 1 and 2 Mixing System Improvements. Improvements include replacement of the existing pumps and control valves. The existing mix pumps are to be replaced with chopper type pumps.
- Heat Exchanger Replacement. The work will include replacement of four heat exchangers and associated above ground piping and valving.
- Boilers Replacement. The work will include replacement of indoor boilers and control systems.
- Digester Control Buildings. For Digester Control Building 1/2, the work will include replacement of the gas monitoring system and lighting, removal and reconstruction of the roof. For Digester Control Building 3/4, the work will include a new stairway to the top of Digesters 3 and 4.
- Laboratory Demolition. The existing laboratory dates back to the 1960's. The building is to be demolished to make space for future improvements.
- Energy Recovery Building Improvements. The work will include a 25-foot-long monorail system on the upper floor of building to allow storage of equipment. In addition, the existing built-up roof and skylights are to be replaced.

The Package 'B' project includes two items for evaluation that are not specifically included in the final design:

- Centrate Drainage Pump Station and Discharge Line. The existing centrate piping runs between the Energy Recovery Building and Plant 1 Headworks Building. The original drainage line was modified in 2008, however system is still subject to flow backing up. The design firm will prepare a conceptual memorandum for a new centrate pump station and drainage pipe.
- Solar Power Evaluation. The feasibility of adding solar panels to the Energy Building roof will be evaluated including a conceptual layout, estimate system cost and potential energy savings.

Requests for Proposals

Requests for Proposals (RFP's) for engineering services were submitted to the following eight engineering firms:

- AECOM
- Black & Veatch
- Carollo Engineers
- CH2MHill
- Hazen & Sawyer
- Lee & Ro
- HDR Engineering
- Stantec/MWH

Proposals were received from Carollo and Lee & Ro. The remaining firms indicated that they did not have the resources available to complete the project in the required time.

Discussion/Analysis

Comparison of Proposals

A summary of the proposals is presented in Table 1.

TABLE 1 - PROPOSAL SUMMARY

Firm	Lee & Ro	Carollo Engineers
Project Manager	Jay Jung	Rashi Gupta
Project Engineer	Rick Liskow (Assistant Project Manager)	Jeff Weishaar
Principal	Dhiru Patel	Doug Lanning
Subconsultants	<ul style="list-style-type: none"> • Helix Environmental (CEQA) • Patriot Environmental (Hazardous Materials) • Maddox Electric (Electrical Conductor Mapping) • DAF Inspection (Ovivo) • Bess Testlab (Potholing) 	<ul style="list-style-type: none"> • ESA (CEQA) • Arcadis (Hazardous Materials) • Underground Solutions (Potholing) • Maddox Electric (Electrical Conductor Mapping) • DHK Engineering (Boiler AQMD Application) • Jamison Engineering (Confined Space Entry)
Qualifications	Past work on Latham Plant; extensive WWTP rehab projects	Past work on Latham Plant; extensive WWTP rehab projects. Preparation of Package 'B' Preliminary Design
Discussion Points in Approach	<ul style="list-style-type: none"> • Flow routing/Bypassing • Plant 1 and 2 Influent Channels • Hydro demolition • DAF modifications 	<ul style="list-style-type: none"> • Hydraulics on centrate system • Performing work above active channels • Shut down organization • Boiler issues
QA/QC	Lee Badertscher	Senior staff identified for QA/QC team
Total Labor Hours	10,791 (not including subs)	8,242 (including subs) 7,370 (not including subs)
Total Drawings	251	160
Project Schedule	Completion by June 2018	Completion by June 2018

The proposed fees for each firm are as shown in Table 2.

TABLE 2 - PROPOSAL SUMMARY

Firm	Carollo	Lee and Ro
Total Fee	\$1,597,876	\$1,676,495

The Engineering Committee for Project Committee 2 reviewed each of the proposals. The Engineering Committee found the proposals to both be creative and responsive. A significant discussion occurred regarding the disparity of hours and drawings. Lee & Ro's lower billing rates allowed it to generate significantly more drawings for only a slightly higher fee. Members of the Committee suggested that Carollo's understanding of the project based on preparing the preliminary design might allow it to develop more concise drawings. The Engineering Committee recommended the award of the final design contract to Carollo Engineers. SOCWA staff subsequently met with Carollo's project team to review both scope and fee. This included a rigorous review of the list of drawings. SOCWA staff was satisfied that the number of drawings presented by Carollo would provide sufficient detail for the bidding documents.

The scope of work for the proposed project is presented in Exhibit A.

Advisory Committee Review

Proposals for engineering services for the J. B. Latham Treatment Plant Facility Improvements Package 'B' were reviewed by the Engineering Committee on September 14, 2017. The Project Committee 2 Engineering Committee recommended award of the contract to Carollo Engineers.

Fiscal Impact

The budget status of the two impacted task items for Project Committee 2 is presented in Table 3. The budget for the two task items was intended to cover design only.

TABLE 3 - BUDGET STATUS

Task	Cost Center	Budget	Expended to Date	Proposed Engineering Contract	Contingency
3280-000	Liquids	\$2,336,545.00	\$0.00	\$993,598.40	\$1,342,946.60
3287-000	Solids	\$773,000.00	\$0.00	\$604,277.60	\$128,722.40
Total		\$1,750,000.00	\$0.00	\$1,597,876.00	\$1,471,669.00

The allocation of the project cost to the member agencies is presented in Table 4.

TABLE 4 - ALLOCATION OF COST TO MEMBER AGENCY

		Moulton Niguel Water District	City of San Juan Capistrano	Santa Margarita Water District	South Coast Water District	Total
3280-000	Liquids	\$ 229,322.51	\$ 305,730.23	\$ 171,991.88	\$ 286,553.78	\$ 993,598.40
3297-000	Solids	\$ 130,644.82	\$ 181,283.28	\$ 171,493.98	\$ 120,855.52	\$ 604,277.60
Total		\$ 359,967.33	\$ 487,013.51	\$ 343,485.87	\$ 407,409.30	\$ 1,597,876.00

Recommendation

The following action is recommended:

Approval of the award of the engineering services contract to Carollo at a fee of \$1,597,876.00.

EXHIBIT A
SCOPE OF SERVICES

Tasks include the following:

- I. Progress Meetings. FIRM shall conduct monthly progress meetings at SOCWA's Dana Point Administration Building. FIRM shall prepare the agenda, the action item list and the decision log for each meeting. FIRM shall plan for a maximum of 9 progress meetings including one kickoff meeting.
- II. Document Review. FIRM shall review all planning documentations available including, but not limited to Hazen's design regarding the effluent valves, Carollo's Package "B" planning technical memoranda, V&A's condition assessment, Carollo's solids area condition assessment, Arcadis' safety assessment and Lee & Ro's Digester No. 5 technical memorandum. Documentation Review. FIRM shall also review facility drawings and visit the field to determine the correctness of existing as-built drawings. FIRM shall review project needs with Operations and Maintenance staff.

FIRM shall note that SOCWA does not have CAD drawings for any of the as-built drawings. SOCWA can provide CAD drawings for the following: (a) aerial topography and (b) field survey.

- III. Centrate Pump Station Conceptual Memorandum. The existing centrate piping runs between the Energy Recovery Building and Plant 1 Headworks Building. FIRM shall prepare a conceptual memorandum including the amount of flow to handle the system, pump size, location of pumps, routing of discharge line, pump station control and power supply. FIRM shall identify up to three alternative routes for the new centrate piping. FIRM shall perform five hand-dig potholes on the proposed routing of the discharge line and include the findings in the conceptual memorandum. FIRM shall also prepare budgetary cost for construction on the pump station and piping.
- IV. Hazardous Material Evaluation. FIRM shall provide specialty services to test Laboratory Building for the presence of asbestos, lead paint and other hazardous materials.
- V. Wiring Mapping. FIRM shall provide specialty services needed to identify existing wiring within the Laboratory Building which is still live. FIRM shall identify source for all live wires. FIRM shall prepare graphic presentation showing the condition of the wiring. FIRM shall mark wiring in the field.
- VI. Basis of Design. FIRM shall prepare updated treatment plant basis of design.
- VII. 35% Submittal. This submittal shall include plans, specifications and cost estimate. The plans shall include base sheets, plan views, P&ID, single line diagram, equipment list including cut sheets. FIRM shall provide specifications in electronic form (in *.doc format) and drawings in electronic form (in *.pdf format). Note: after the 35% submittal, SOCWA and FIRM shall agree to the equipment list. SOCWA will take two weeks to review the submittal and return comments. FIRM shall prepare an implementation plan showing how work can be done while maintain the facility in service.
- VIII. Plan Check Sets. FIRM shall print one set of full size (22 x 34) check set each month. FIRM shall maintain one set at the local office. FIRM shall notify SOCWA when new plan set is available for review. FIRM's conference room shall be reserved for four hours

each month to review the check set. Note that consultants do not have to be present during these reviews.

- IX. 90% Submittal. The 90% submittal shall address all SOCWA's comments from the 35% submittal. This submittal shall also include the same elements as the 35% submittal with the completed plans, specifications and cost estimate. FIRM shall provide specifications in electronic form (in *.doc format) and drawings in electronic form (in *.pdf format). SOCWA will take two weeks to review the submittal and return comments. FIRM shall provide a complete list of submittals anticipated during construction at the 90% submittal.
- X. 100% Submittal. The 100% submittal shall address all SOCWA's comments from the 90% submittal. This submittal shall also include the same elements as the 90% submittal with the completed plans, specifications and cost estimate. FIRM shall provide specifications in electronic form (in *.doc format) and drawings in electronic form (in *.pdf format). SOCWA will take two weeks to review the submittal and return comments.
- XI. Final Submittal. FIRM shall provide one set of specifications on 8-12 x 11 paper, one copy of the final drawings on full size (22 x 34) paper and one copy of the final drawings on ½ size bond paper. FIRM shall also provide specifications in electronic form (in *.doc format) and drawings in electronic form (in *.dwg and *.pdf format).
- XII. Divisions 0 and 1. SOCWA will provide the FIRM with the listing of standard specifications Divisions 0 and 1 to be used for the project after the 35% submittals review. FIRM is responsible for preparing Section 01010, Summary of Work and Section 01014, Work Restrictions and Sequence. FIRM shall meet with SOCWA to discuss coordination of specifications sections referenced in the technical specifications. FIRM shall submit required information for review at the 90% submittal.
- XIII. Boiler Permit Applications with South Coast Air Quality Management District (AQMD). FIRM shall assist SOCWA to obtain the AQMD "Permit to Construct" and "Permit to Operate" for the boiler system.
- XIV. Solar Energy Evaluation. FIRM shall review 2012 Solar Energy Study prepared by CH2MHill. FIRM shall develop three alternatives for the installation and utilization of solar panels on the roof (both upper and lower level). Alternatives shall address method of procurement, type of equipment and integration of energy in SOCWA power and/or heating systems. FIRM shall summarize the installation cost, annual operating cost and net energy value for each option. FIRM shall identify impact on existing agreements between San Diego Gas & Electric. FIRM shall summarize in a technical memorandum. FIRM shall respond to all comments by SOCWA staff. FIRM shall also identify necessary improvements for parapet wall for worker's safety.
- XV. Cultural Survey. FIRM shall conduct an archaeological, paleontological and historical survey of the project site. Prior to conducting a field survey, FIRM will conduct a detailed archaeological and paleontological site files record search at the South Central Coastal Information Center at the California State University, Fullerton. A list of previous studies conducted and all registered archaeological and paleontological sites located within one mile of the subject property will be compiled from the inquiry. Copies of all reports pertaining to the immediate project area will be gathered. Once the results of records search inquiry have been compiled, FIRM will conduct a field survey of the project study

area, which consists of the identification of resources through intensive field reconnaissance of the entire project area.

- XVI. CEQA. FIRM shall provide SOCWA with the environment document required to meet SOCWA's obligations as lead agency under CEQA. The FIRM shall prepare an Initial Study in accordance with CEQA Guidelines. FIRM shall prepare noise surveys at the site as needed to support work. FIRM shall present sufficient information on location of staging and work, equipment use and traffic on and off-site as to fully explain temporary impacts of project. FIRM shall prepare up to three renderings to show impacts of potential solar panel addition. FIRM shall prepare Mitigated Negative Declaration. FIRM shall prepare Mitigation Monitoring Plan. FIRM shall prepare and issue Notice for Public Hearing. FIRM shall prepare materials and presentation for Public Hearing. FIRM shall perform all filing necessary to complete the CEQA process.

Agenda Item

Legal Counsel Review: No

Meeting Date: October 5, 2017

TO: SOCWA Board of Directors
FROM: Betty Burnett, General Manager
SUBJECT: General Manager's Status Report

NEW BUSINESS

General

Water Professionals Appreciation Week

The California State Legislature has created California Water Professional Appreciation Week for the first week of October each year. This year the dates are October 7 – 15th.

The effort to obtain the recognition for water professionals was spearheaded by ACWA and CASA. See attached.

Finance

Infrastructure Valuation Services

At the September 21, 2017 Finance Committee, the Committee members heard a discussion and presentation by Carollo Engineering regarding the proposed Valuation Methodology & Objectives. Pun Group attended the Finance Committee Meeting and there was general discussion and staff/consultant agreement on the approach to the infrastructure valuation methodology as described in the September 15, 2017 letter from Carollo Engineering (see attached). The Committee inquired as to the timing and was in general concurrence with the approach. Both consultants agreed that the work could be undertaken and completed within the timeframe for the 2016-17 Audit work and review by the Pun Group.

Operations & Maintenance

Asset Management for Maintenance

At the April 26, 2017 Strategic Planning Meeting, the Board identified Asset Management for Maintenance as a strategic priority. The two specific items identified included:

- Update the Board on PM plan and provide a summary of forward steps.
- Clarify what we are doing now and give a baseline for comparison.

A PowerPoint presentation of the Maintenance Program will be provided at the Board meeting by the SOCWA Director of Operations, Jim Burror (see attached). Staff welcomes Board comments and discussion.

OC Waste and Recycling Meeting

Several SOCWA member agencies sent staff to meet with Tom Koutroulis, Orange County's new Director for Waste and Recycling. We discussed the State mandated organics bans from landfills and the potential to work together to develop options for biosolids and food wastes. All the SOCWA member agencies were very interested in working with the County to develop new options for both Biosolids and food wastes. We will work with the County over the next few months to develop a path forward.

Open Solicitations Started

A number of solicitations have started to support the SOCWA's operations. These include:

- Uniforms and Laundry Services – Award anticipated in February 2018
- Janitorial Services – Award anticipated in December 2017
- Landscaping Services – Award anticipated in March 2018
- Solar Energy Panels – Award anticipated in February 2018
- Biological Catalyst Product Trials (to reduce odor formation in the treatment plants) – Award anticipated in December 2017

The solicitations will close over the next two (2) months and contracts will be brought to the Board starting in December 2017. Staff is using the online bidding tool, PlanetBids, to support the effort, but additional outreach to vendors is also occurring to help ensure several proposers for each solicitation. Staff outreach is to potential vendors with ability to meet SOCWA's needs, including the ability to provide for prevailing wage compliance.

Environmental Compliance

Professional Development

Keith Bacon & Katrina Nguyen of the SOCWA Lab Staff participated in WIMS training in Colorado in preparation of the WIMS database consolidation project schedule for late October 2017. Staff received training on useful WIMS updates including:

- A mobile option – CLAROS – which provides for field collect so that staff can gather and upload data;
- A structured data integrity approval process;
- Calendar module to better track sample requirements;
- Log books for chemical tracking; and
- An industrial pretreatment module.

The benefit of attendance included staff learning more about enhanced database management that allows for predictive and proactive data management.

Bight '18

Staff attended the kick-off meeting of Bight '18 hosted by the Southern California Coastal Water Research Project. SOCWA participated in Bight '13 which evaluated source control tracking for fecal indicator bacteria. The Southern California Bight 2018 Regional Monitoring Program (Bight '18) is the sixth iteration of an ongoing marine monitoring collaboration that examines how human activities have affected the health of 1,539 square miles of Southern California's coastal waters. Via this partnership, which occurs in five-year cycles, nearly 100 participating

organizations pool their resources and expertise to investigate the condition of marine ecosystems across both time and space. There are 5 areas of focus for 2018:

- Contaminant impact assessment;
- Trash and debris;
- Rocky reefs;
- Water quality, and shoreline microbiology.

Staff attended the session focused on shoreline microbiology. The research focus that the group centered around was the presence of HF183 in reclaimed water production and sewer exfiltration. Staff provided input in baseline testing in source water for the HF183 virus and will continue to engage in the shaping of the relevant research questions before participation in Bight '18 can be agreed upon.

Cogeneration at JBL Treatment Plant

Staff began proactively testing the biogas to determine siloxane concentrations that could be entering the engines. The sources of siloxanes in a wastewater treatment plant are from cosmetics, plastics, and food as a substitute for oil in low calorie food. Siloxane concentration should be below 100ppbv (parts per billion by volume) in order not to damage the catalyst in the engine. Siloxane testing will be conducting monthly to ensure adequate media change outs to avoid contamination of the catalyst.

Project Committee No. 12

Staff was requested to review the cost of services included in the PC12 agreement. The major cost driver of PC12 is the annual permit fee for Order No. 97-52 '*Waste Discharge and Water Recycling Requirements for the Purveyance of Recycled Water by Member Agencies of the South Orange County Reclamation Authority (SOCRA)*'. The annual permit fee equals 53% of the overall budget. Staff reviewed the threat/complexity rating which determines the annual fee for Order No. 97-52. The threat/complexity rating has been historically rated at 1A which is the highest threat to surface waters and highest complexity rating of the permit fees. A survey of local agencies in Region XIII indicated that the complexity rating was 2B. Staff contacted the permit engineer at the Regional Water Quality Control Board in Region IX to request the change. This change resulted in a decrease of \$94,166 to the PC12 budget. This cost reduction will appear in the December timeframe when the annual permit fees are charged.

Environmental Laboratory Accreditation Program (ELAP)

Comments closed on September 7, 2017 regarding the proposed draft regulations for the update to ELAP. Staff provided one letter to ELAP with the initial survey results of ELAP laboratories in California. SOCWA also signed a letter from the California Accredited Laboratories with 95 other co-signatories (SCAP included) which opposed the regulations as they are written.

Method Update Rule (MUR)

EPA has finalized the MUR, effective September 27, 2017. The MUR approved over 100 methods published by ASTM, Standard Methods, and other vendors, clarified the procedures for EPA approval of nationwide and limited use of alternative test procedures, amended procedures for the determination of the method detection limits in Appendix B, and made minor changes such as sample preservation requirements. Staff has reviewed the update to MUR and is making the appropriate updates to the laboratory's standard operating procedures.

September 15, 2017

Betty Burnett
General Manager
South Orange County Wastewater Authority
34156 Del Obispo Street
Dana Point, CA 92629

Subject: Infrastructure Audit Process

Below is Carollo's recommended approach for performing the infrastructure audit financial analysis we discussed on September 13, 2017.

The method involves a review of the Infrastructure Fixed Assets records for any items that are missing or should be removed. The basis of comparison will be the Engineering Asset Listing and the facility improvement projects in the Ten Year Capital Improvement Program report prepared by SOCWA staff.

Below is a description of the primary steps for this method:

- Using the records of the Fixed Asset Listing (dated 1-24-2017), and filtering for just the Infrastructure Department records, Carollo will review the records in search of any major records that are missing. This review will also seek to identify any asset currently on the books that have been removed or replaced, and no longer should be included in the Fixed Asset Listing.
- The basis of the review will be the Ten Year Capital Improvement Program reports produced by SOCWA that include a listing of projects and engineer assets at each plant.
- The review process will be structured around each treatment plant and its process areas. The Engineering Assets will be compared to the Fixed Assets to identify any significant inconsistencies. The review is not intended to flag individual pieces of equipment (unless they happened to be of large scale), but rather to find missing processes, systems, or units that need to be reconciled.
- The Machinery & Equipment Department records and the current Tabware maintenance system equipment listing will be used as references to determine what may or may not be in the Fixed Asset Listing.
- A list will be created for SOCWA review of any items identified for removal. SOCWA staff will decide what to remove or modify, if anything.
- A list of recommended additions items will be created. The list will include a proposed in-service date, cost, and a useful life. The list will be given to SOCWA for review and modification for inclusion in the updated Fixed Asset Listing.
- The in-service cost (or Depreciation Basis as it is called in the Fixed Asset Listing) will be determined using estimated acquisition costs from other SOCWA projects, associated with a given year. The value will be discount back to acquisition cost using Engineering News Record (ENR) 20 Cities Construction Cost Index (or other agreed upon index). Where SOCWA does not have historical pricing data to use, Carollo will estimate the current replacement cost (Class 5 Cost Estimate per Association for the Advancement of Cost Engineering definitions).

This method assumes that only the records listed in the Infrastructure Department are in need of modification. The other areas remain unchanged. Any significant errors will be identified in these areas if they are discovered through investigations into the Infrastructure records.

Per our discussions on September 13, we are providing this proposed approach to Ken Pun for his review and comment, to ensure alignment with his efforts.

Please let us know if you have any questions regarding this proposed approach.

CAROLLO ENGINEERS, INC.

Kyle Rhorer
David Baranowski

cc: Jim Buror
Mary Carey
Brian Peck
Ken Pun

Amber Baylor

From: ebulletin@cwea.org
Sent: Wednesday, September 27, 2017 8:08 AM
To: Amber Baylor
Subject: California Water Professionals Appreciation Week

Please click [here](#) to view mobile version

SHARE THIS CONTENT



MORE...



From the CWEA President

Dear Amber,

I wanted to share with you the news the Legislature has created California Water Professionals Appreciation Week for the first full week of October each year. This year it's October 7-15th.



"Resolved by the Senate of California, and the Assembly concurring, the Legislature designates Water Professionals Appreciation Week during October. The Legislature encourages residents to learn about the water and wastewater industries in California and consider careers in this important field." – Resolution SCR 80 (Dodd)

It's exciting to get an entire week dedicated to us. More importantly, I want to acknowledge your courage, sacrifices and dedication to the profession. We are all working on more projects and more

quickly than we have in the past. We have to balance our family life, our personal lives and find time to volunteer for CWEA and our other professional associations. **For doing it all and more – I applaud you!**

In two weeks all Californians will applaud and thank you.

We all deserve a pat on the back. As water professionals we helped navigate the State through one of the worst droughts in modern history. Immediately followed by record flooding. The State not only survived, it did pretty well through the extremes. Whatever gets thrown at us these days, we are keeping up and ensuring water stays clean.

Like a true California water project, this legislation moved forward thanks to a team effort. The Association of California Water Agencies and California Association of Sanitation Agencies worked on the legislation and we jumped in to assist with public outreach. To me, this again demonstrates, **we are stronger together when we work together.**

Enjoy the accolades during Water Professionals Appreciation Week! And, please take a moment to consider what you can do to give back. **Even small efforts make a big difference.** With over 10,000 members we have a wide reach.

Here are just a few outreach ideas for Oct 7-15th:

- [View and download CWEA's social media graphics you can use](#)
- Post on social media what you love about your water career and use the hash tags #cawaterweek and #workforwater
- Offer to mentor one of the new gals or guys on the team – help a young person succeed by being a friend they can turn to for advice
- If you know someone who might be interested in a water job (particularly mechanics, instrumentation techs and electricians), tap them on the shoulder and tell them about all the great opportunities in water. Share the website CAWaterJobs.org

So, those are a few ideas to celebrate Water Professionals Appreciation Week! **What ideas do you have? What do you think about being a California water professional?**

[Take a two question survey and let us know >](#)

Our profession is in a unique moment. We are facing extreme weather events, a generational turnover in the workforce and aging infrastructure that is deteriorating rapidly. Public recognition of the role we play in keeping California running is important, but **we must also work together to face challenges.** Let's stick together, let's propose new ideas and work together on them. For truly, we are stronger together when we stand together.

Sincerely,



Debi Lewis
CWEA President
Stantec

SOCWA
Maintenance Program
Overview
October 5, 2017

Asset Management for Maintenance Strategic Initiative

- ▶ April 26, 2017 Strategic Planning Meeting
- ▶ Update Board on SOCWA's Maintenance program and provide summary of forward steps.
- ▶ Clarify what we are doing now and give a baseline for comparison.

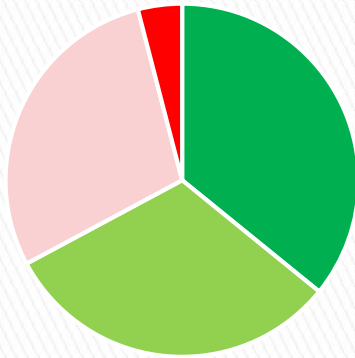
Maintenance Program Overview

- ▶ Program effective in avoiding spills, violations, etc. and within industry standards for PM ratios (PM to CM and CM to Call back).
- ▶ Cost effectiveness difficult to determine with existing accounting systems in place.
- ▶ Infrastructure is aging and getting more difficult to maintain increasing relative risk levels (expertise, parts, vendor resources, obsolescence, etc.)
- ▶ Continuous coordination with Capital Program needed.
- ▶ New equipment much more complex than old systems and requires more maintenance effort.
- ▶ Opportunities for improvements.

Maintenance Program Overview (cont'd)

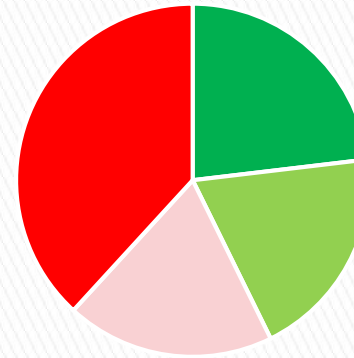
- ▶ 1700 equipment items in Tabware
- ▶ Managed mechanical equipment items
 - 580 gates and valves (\$17M)
 - 552 mechanically rotating/moving equipment items (\$56M)
 - 568 instruments, electrical gear, and area/building tags
- ▶ Values and information based on the 2004 Tetra Tech Asset Management Plan updated for 2017. Tetra Tech costs only include the actual cost of the equipment and not additional engineering and construction support to replacement equipment.
- ▶ What are we up against...

JBL Plant (PC-2) Rotating/Driven Equipment Summary



- Assets with Remaining Life with more than 5 years life remaining
- Assets with Remaining Life 0 to 5 years
- Assets beyond useful life 1 to 5 years
- Assets beyond useful life more than 5 years

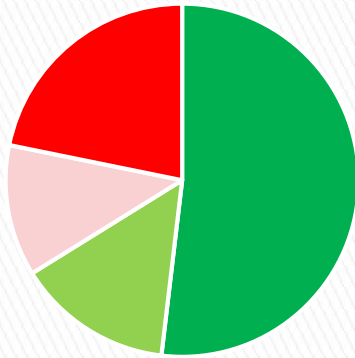
2004



- Assets with Remaining Life with more than 5 years life remaining
- Assets with Remaining Life 0 to 5 years
- Assets beyond useful life 1 to 5 years
- Assets beyond useful life more than 5 years

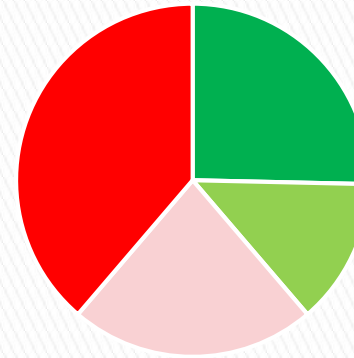
2017

CTP Plant (PC-15) Rotating/Driven Equipment Summary



- Assets with Remaining Life with more than 5 years life remaining
- Assets with Remaining Life 0 to 5 years
- Assets beyond useful life 1 to 5 years
- Assets beyond useful life more than 5 years

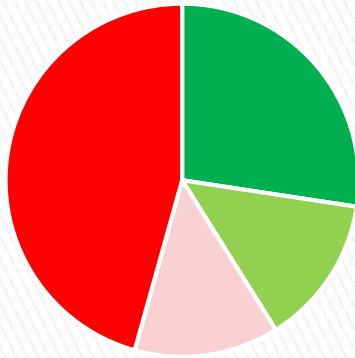
2004



- Assets with Remaining Life with more than 5 years life remaining
- Assets with Remaining Life 0 to 5 years
- Assets beyond useful life 1 to 5 years
- Assets beyond useful life more than 5 years

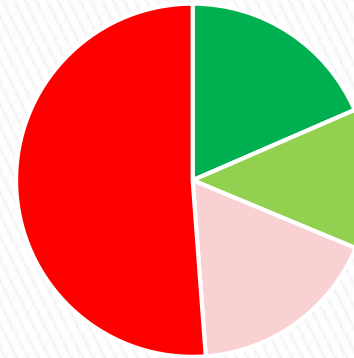
2017

RTP Plant (PC-17) Rotating/Driven Equipment Summary



- Assets with Remaining Life with more than 5 years life remaining
- Assets with Remaining Life 0 to 5 years
- Assets beyond useful life 1 to 5 years
- Assets beyond useful life more than 5 years

2004

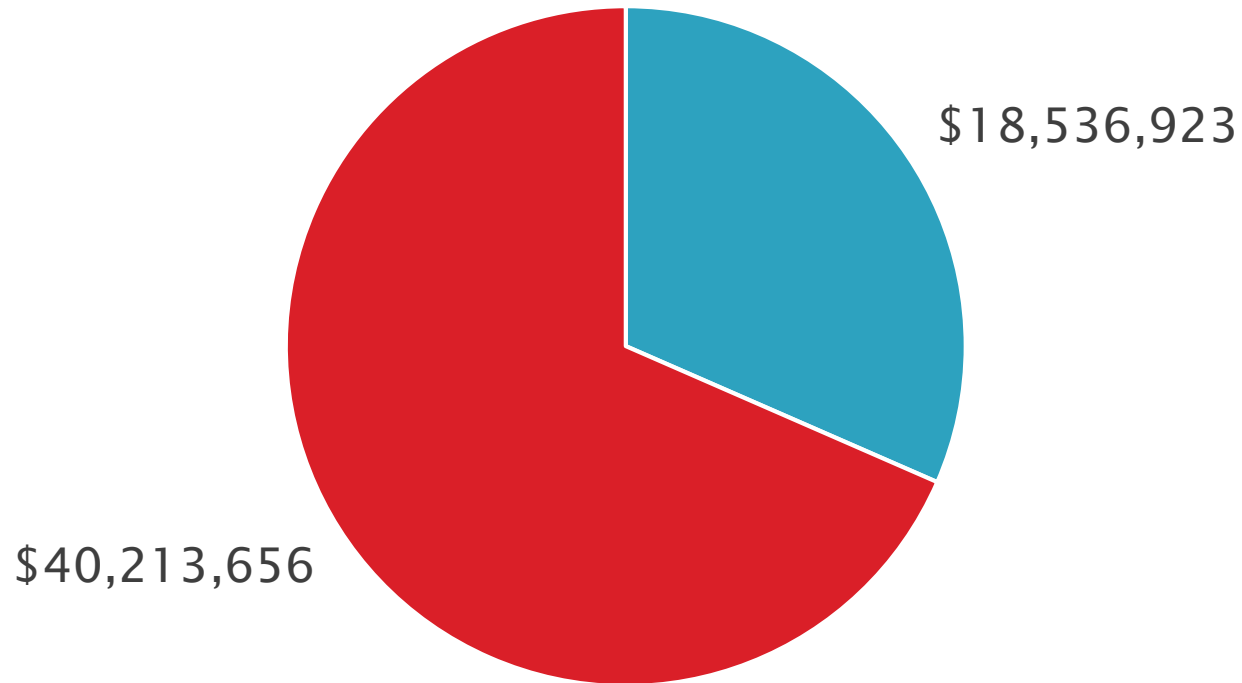


- Assets with Remaining Life with more than 5 years life remaining
- Assets with Remaining Life 0 to 5 years
- Assets beyond useful life 1 to 5 years
- Assets beyond useful life more than 5 years

2017

Machinery and Equipment \$58.75M

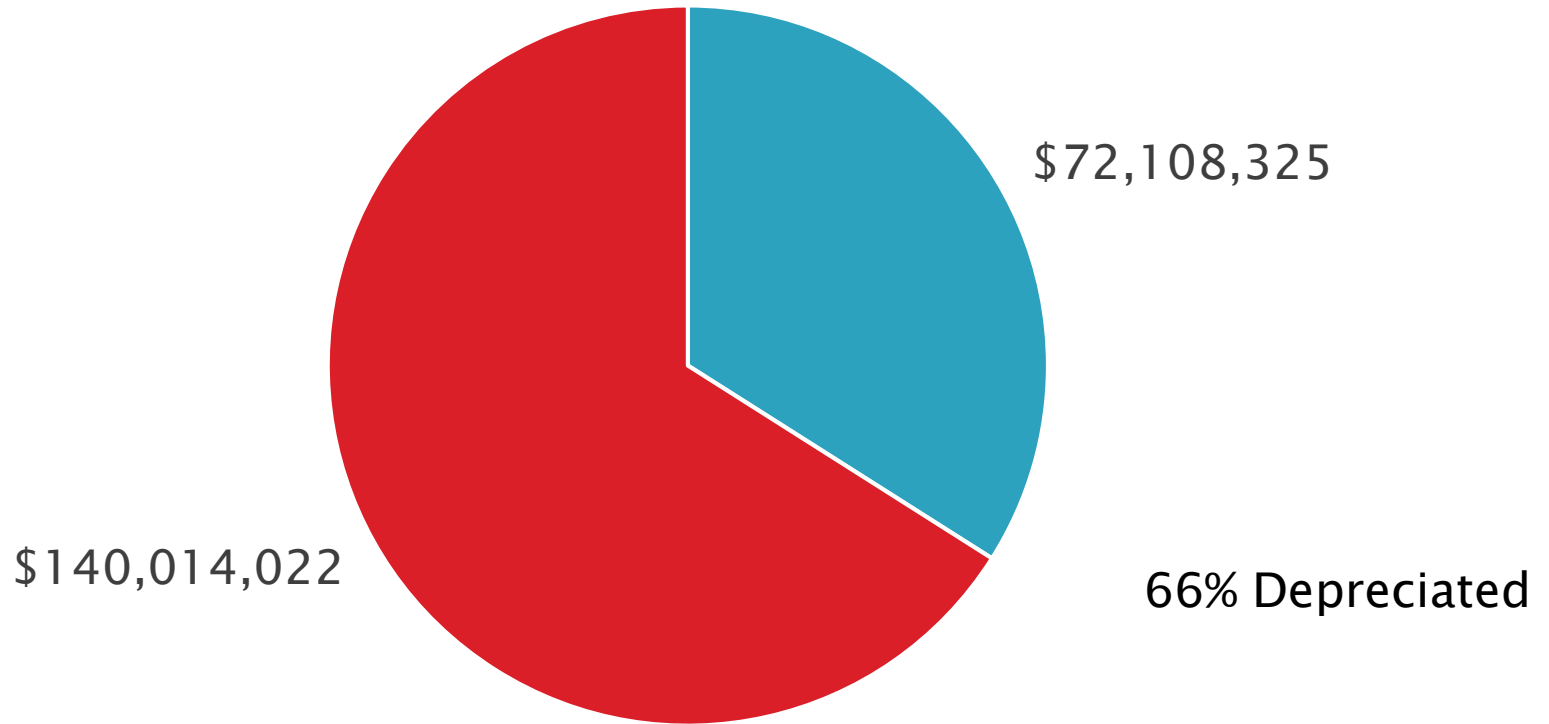
(Source: FY15-16 Audit)



■ Residual Value ■ Depreciated Portion of Value

Total Assets \$212M

(Source: FY15-16 Audit)



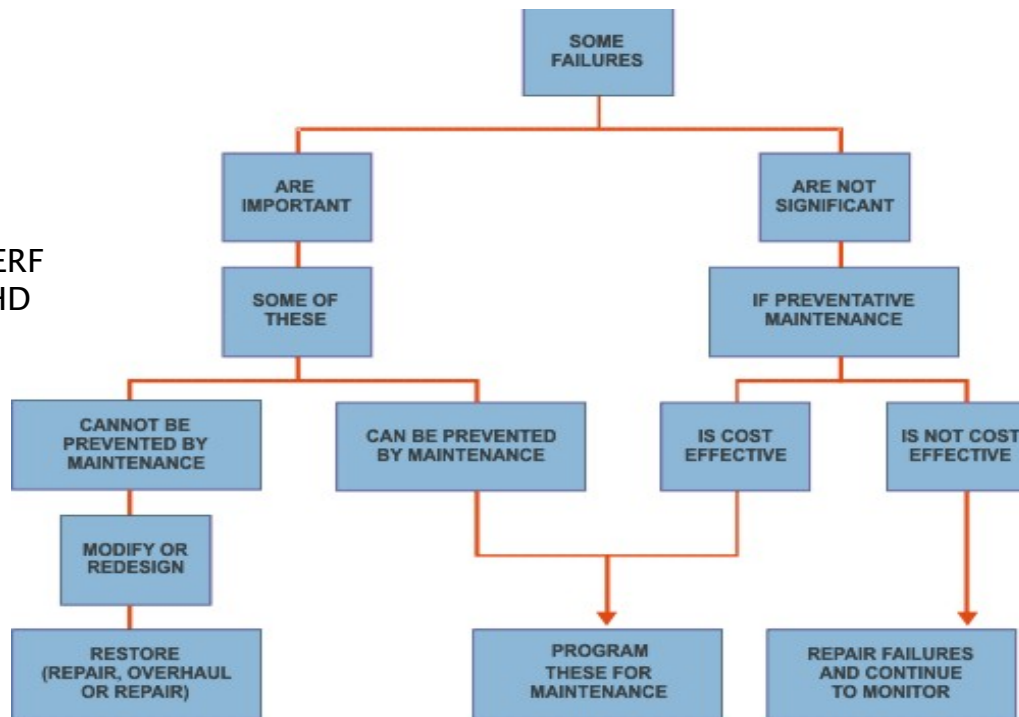
■ Residual Value ■ Depreciated Portion of Value

SOCWA's Maintenance Program Overview

- ▶ SOCWA has a Preventative Maintenance program.

Tabware only contains Equipment with PM's and plant areas for reporting problems.

Source: WERF SIMPLE/GHD



“Replace”

“Run to fail”

“Preventative Maintenance”
218

Industry Standard Preventative Maintenance Definitions

- ▶ The objective of establishing an equipment maintenance program to preserve the inherent levels of reliability and safety of equipment at the lowest overall cost.
 - There usually is no precise method of establishing the "correct" maintenance interval due to:
 - Lack of detailed performance data
 - Differences in the use of similar items
 - Lack of complete understanding about the behavior of the item.

Source: (WERF/GHD)

- ▶ It's Art and Science...



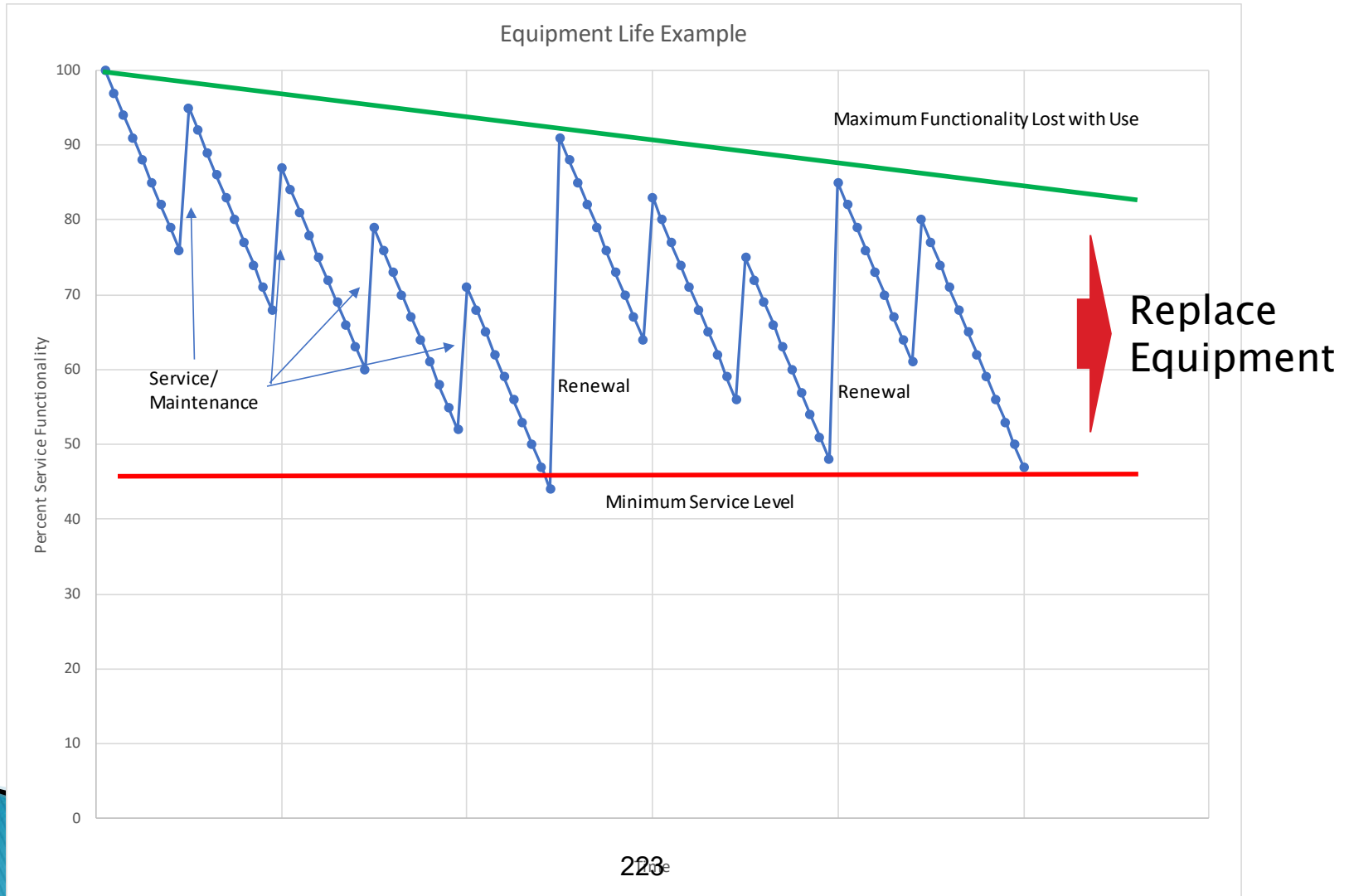
Preventative Maintenance (cont'd)

- ▶ The process involves setting an initial interval following a failure, initial analysis, and progressively refining the interval based on maintenance and performance data collected for the item. Source: WERF/GHD
- ▶ SOCWA generally uses the manufacture's recommendations to set up initial PM's and modifies practices over time based on equipment failures and observations.

SOCWA's Equipment Management Program Overview

- ▶ The program is clearly effective in extending the life of the equipment beyond its expected life.
- ▶ The financial and Tabware systems are not integrated to allow for operational cost efficiency calculations.
- ▶ Efficiency is determined on a case-by-case analysis.

Equipment Maintenance Lifecycle



Elevated Equipment Age Increases Risk

Increases in equipment age increases risk of failures (spills, violations, etc.)

Risks

Increases in equipment age lowers capital costs

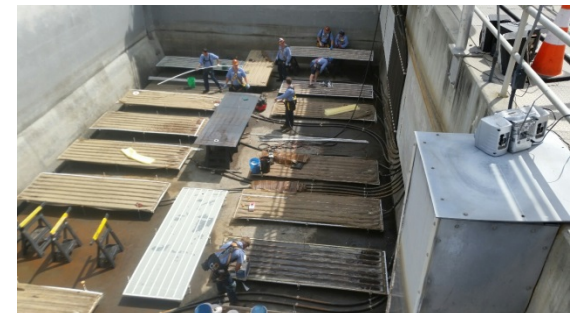
Capital Costs

Last winter all equipment was needed to minimize spills. Up to 2 years to replace key equipment like a failed headworks pumps or centrifuge cannot be tolerated anymore.

Key equipment needs to be replaced at the end of its useful life or a long term contingency plan put in place for specific equipment to remain beyond their useful lives.

Managed Maintenance Program Highlights (last year)

- ▶ Pumps and other driven equipment with Preventative Maintenance (PM) programs:
 - 2539 PM tasks
 - 210 Equipment failures (Corrective) – Ratio 10:1
 - 13 Callbacks failures reoccurred – 6%
- ▶ Lifecycle Engineering indicates that an effective program is at least 6:1
- ▶ Callbacks should range between 3% and 10%



Systems more complicated...



Once through waste cooling system

PC2 Old Engine System



Engine and Blower with control panel



Electrical Gear



Gas Compressor

PC2 New Engine System

Cooling systems
(closed loop waste
system)



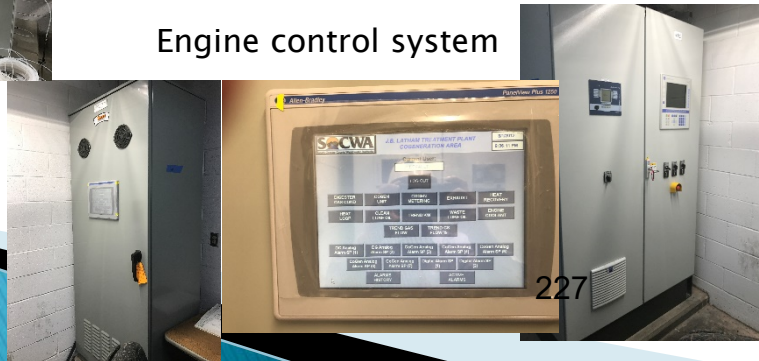
2 emission control systems



Engine



Engine control system



227



Electrical systems

2 gas cleaning systems
and gas compression



Preventative Maintenance Program Improvements



Preventative Maintenance Program Ideas for Improvement

- ▶ SOCWA Maintenance would benefit from a maintenance scheduler position (senior level mechanic)
 - Improving functions
 - Coordinate and obtain resources required for work
 - Assess needs for new equipment and systems
 - Identifying the right resources
 - Coordinate work to minimize plant shut downs

Managing Assets Beyond Expected Useful Lives

- ▶ Requires additional staff training to perform work not typically anticipated for equipment (For example, beyond life pump overhauls include reconditioning volutes.)
- ▶ Requires additional fabricating equipment expenses and expertise for obsolete items.
- ▶ Corrosion of older equipment complicates repairs.
- ▶ Repairs can escalate to emergencies more quickly.

RTP Hot Water Return Pipeline Replacement Example



About \$150,000 on 8 separate repair/replacement projects over the past 3 years due to delays in implementing a larger project to remove utilities from “Hot Soil” trenches at RTP.

O&M and Engineering Capital Project Coordination



About \$30M
in this type
of equipment
at SOCWA



Large Versus Small Capital

- ▶ Major Systems Repairs
- ▶ Design requirements (ex. structural engineering)
- ▶ New regulations
- ▶ Complex shutdowns and tie-ins
- ▶ Large (multiyear) efforts
- ▶ New Services/ Processes
- ▶ Point/Temporary Repairs
- ▶ Emergency Repairs
- ▶ Standalone items
- ▶ IT and Security
- ▶ Obsolescence issues
- ▶ Limit scope items
- ▶ Limited staffing in Engineering to support
- ▶ Near term or critical need (Planned or unplanned in CIP project)

Large Cap

Small Cap

Highlighted items may overlap with large capital program

Phase II – SOCWA Future Capital & Operations Planning

What's Essential

- ❖ What kind of facilities do the SOCWA agencies want and need? When do they want/need them?
- ❖ What is the next generation of wastewater treatment?
- ❖ What does the community need & want?

Community Needs & Wants?

- ▶ Food waste digestion
- ▶ Greater reuse of water
- ▶ Better odor controls
- ▶ Improved resource recovery
- ▶ Nutrient removal
- ▶ Climate change responses
- ▶ Sustainability improvements

SOCWA Decisions – Next Steps

A convergence of

- ❖ The Risks of Aging Infrastructure
- ❖ Diminishing Returns
 - \$\$\$ ongoing repair vs. replace vs. nextgen
- ❖ Technical Opportunities
 - Improve level of treatment
 - Improve operational cost profile
- ❖ Other policy or regulatory objectives
(Increased reuse, sustainability policies...)

QUESTIONS?

Board Discussion/Direction