

REVISED
NOTICE OF SPECIAL MEETING OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
BOARD OF DIRECTORS

AND

NOTICE OF SPECIAL MEETING OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
FINANCE COMMITTEE

(for the Purpose of Attending the SOCWA Board of Directors Meeting)

December 14, 2017

8:30 a.m.

NOTICE IS HEREBY GIVEN that a Special Meeting of the South Orange County Wastewater Authority (SOCWA) Board of Directors is called by the Chairperson of the SOCWA Board of Directors to be held on **December 14, 2017**, at **8:30 a.m.** at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

NOTICE IS HEREBY GIVEN that concurrent with the Board of Directors meeting, a Special Meeting of the Finance Committee of South Orange County Wastewater Authority (SOCWA) is called by the Chairperson of the SOCWA Finance Committee for the purpose of allowing a quorum or more of the Finance Committee of SOCWA to attend the Board of Directors meeting and participate therein as observers, presenters and speakers, to be held at **8:30 a.m.** on **December 14, 2017**, at the SOCWA Administrative Office located at 34156 Del Obispo Street, Dana Point, California.

All meeting business will be conducted by the Members of the Board of Directors with comment or participation of SOCWA Finance Committee members in attendance.

THE SOCWA MEETING 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 SECRETARY'S OFFICE AT (949) 234-5421 AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON WRITTEN REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING.

AGENDA EXHIBITS 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/ FINANCE COMMITTEE IN CONNECTION WITH A MATTER SUBJECT TO DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE BOARD OF DIRECTORS/ FINANCE COMMITTEE 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/ FINANCE COMMITTEE LESS THAN TWENTY-FOUR (24) 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/FINANCE COMMITTEE MEMBERS, EXCEPT THAT, IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM.

NOTICE OF SPECIAL MEETING – BOARD OF DIRECTORS AND FINANCE COMMITTEE

December 14, 2017

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AGENDA

1. Pledge of Allegiance

2. Call Meeting to Order

3. Public Comments

THOSE WISHING TO ADDRESS THE BOARD OF DIRECTORS ON ANY ITEM LISTED ON THE AGENDA SHOULD SUBMIT A “REQUEST TO BE HEARD” FORM TO THE CLERK OF THE BOARD BEFORE THE PRESIDING OFFICER ANNOUNCES THAT AGENDA ITEM. YOUR NAME WILL BE CALLED TO SPEAK AT THAT TIME.

4. Consent Calendar

A. Minutes for Approval

1) Engineering Committee, June 8, 2017

2) Joint Meeting of Project Committees PC2 & PC5 and Engineering Committee, March 23, 2017

Recommended

The Board will be requested to approve subject Minutes

B. Capital Improvement Program

Recommended

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

C. Change Order – Pacific Hydrotech Construction [PC17]

Recommended

The Board will be requested to approve Change Order 14 to the construction contract with Pacific Hydrotech for the Regional Treatment Plant Cogeneration and Switchgear Upgrade Project.

D. Change Order – Pacific Hydrotech Construction [PC17]

Recommended

The Board will be requested to approve Change Orders 4 and 5 to the construction contract with Pacific Hydrotech for the Regional Treatment Plant Miscellaneous Improvements 2016 Project.

5. Engineering Matters

A. Award of Engineering Services – Dudek [PC15]

Recommended

The Board will be requested to approve the engineering services contract to Dudek at a fee of \$139,710.

B. Award of Engineering Services – Lee & Ro [PC17]

NOTICE OF SPECIAL MEETING – BOARD OF DIRECTORS AND FINANCE COMMITTEE

December 14, 2017

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Recommended

The board will be requested to approve the engineering services contract to Lee & Ro at a fee of \$139,818.

6. General Manager Reports

A. Letter of Support to CASA

Recommended

The Board will be requested to submit a letter of support on behalf of SOCWA supporting CASA's efforts to support the Bioenergy Association of California's Petition to extend the BioMAT program and add measures to expedite interconnection for BioMAT projects.

B. Updated Reporting on Critical Infrastructure Repair

Recommended

Information Item – receive and file.

C. Infrastructure Valuation Services – Presentation by Carollo Engineering

Recommended

Board questions and discussion – accept, receive and file. Direct staff to include results in FY16-17 Audited Financial Statements.

D. Use Audit FY 2016-17, Draft of December 7, 2017

Updated pages from December 11, 2017, Finance Committee submitted under separate cover.

Recommended

The Board will be requested to 1) approve the FY 2016-17 Use Audit dated December 7, 2017, 2) approve refunds for SOCWA member agencies whose costs were under budget, and 3) approve billings for SOCWA member agencies with additional assessments in accordance with the Use Audit dated December 7, 2017, or as provided by the Board after additional discussion.

E. Financial Statements and Independent Auditors Report FY Ending 6-30-17 (delivered under separate cover)

Recommended

Presentation and Discussion Item. Direct staff to adendize for a meeting on December 28, 2017 to consider approval.

F. Employee MOU (July 1, 2017 – June 30, 2020) Side Letter 3

Recommended

The Board will be requested to adopt Resolution No. 2017-12 approving Side Letter of Agreement No. 3 to the Memorandum of Understanding between South Orange County Wastewater Authority and SOCWA Employees Association.

7. Closed Session

A. Conference with SOCWA labor Negotiator – Closed Session

Employee MOU (July 1, 2017 – June 30, 2020), Side Letter 3, a Closed Session will be conducted in accordance with Government Code Section 54957.6.

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Conference with SOCWA Negotiator – Betty Burnett, GM
Employee Organization – SOCWA Employee Association.

8. Report Out of Closed Session

9. Other Matters

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

Note: Determine the need to take Recommended on the following items(s) introduced by the General manager which arose subsequent to the agenda being posted. [Adoption of this Recommended requires a two-thirds vote of the Board, or less than two thirds are present a unanimous vote].

10. Adjournment

I hereby certify that the foregoing Notice was personally emailed or mailed to each member of the SOCWA Board of Directors at least 24 hours prior to the scheduled time of the Special Meeting referred to above.

I hereby certify that the foregoing Notice was posted at least 24 hours prior to the time of the above-referenced Board of Directors at the usual agenda posting location of the South Orange County Wastewater Authority and at www.socwa.com.

Dated this 12th day of December 2017 by



Betty C. Burnett, General Manager/Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

**MINUTES OF REGULAR MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

Engineering Committee

June 8, 2017

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee was held on Thursday, June 8, 2017, at 8:30 a.m. at their Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members were present:

ROD WOODS	Moulton Niguel Water District
RICK SHINTAKU	South Coast Water District [exit 9:04 a.m.]
MICHAEL DUNBAR	Emerald Bay Service District
MIKE MARQUIS	City of San Juan Capistrano [exit 9:15 a.m.]
DENNIS CAFFERTY	El Toro Water District [exit 9:55 a.m.]
DAVID SHISSLER	City of Laguna Beach

Absent:

DON BUNTS	Santa Margarita Water District
HECTOR RUIZ	Trabuco Canyon Water District
DAVE REBENSORF	City of San Clemente
KEVIN BURTON	Irvine Ranch Water District

Also present:

ANDY BRUNHART	South Coast Water District
MATT COLLINGS	Moulton Niguel Water District
KEN HUME	KEH Engineering

Staff present:

BETTY BURNETT	General Manager
BRIAN PECK	Director of Engineering
JASON MANNING	Senior Engineer
RONI YOUNG-GRANT	Associate Engineer
JIM BURROR	Director of Operations
JEANETTE COTINOLA	Procurement/Contracts Administrator

Mr. Peck called the meeting to order at 8:32 a.m. and welcomed everyone present.

Public Comments

Mr. Peck asked if members of the public desired to address the Engineering Committee or desired to reserve addressing the Engineering Committee during the meeting regarding any item on the Agenda.

No comments were received.

Review/Approval of Meeting Minutes

ACTION TAKEN

Motion was made by Mr. Dunbar and seconded by Mr. Shintaku to approve the May 11, 2017, Engineering Committee Meeting minutes with changes as noted.

Motion carried: Aye 5; Nay 0; Abstain 1; Absent 4

Michael Dunbar	Aye
Kevin Burton	Absent
Rick Shintaku	Aye
Mike Marquis	Aye
Dave Rebensdorf	Absent
Don Bunts	Absent
Hector Ruiz	Absent
Dennis Cafferty	Aye
David Shissler	Abstain
Rod Woods	Aye

**J. B. Latham Treatment Plant Facility Upgrade Package B Update
(Project Committee 2)**

DISCUSSION:

Mr. Peck gave a recap of the previous discussions regarding the Package 'B' components, costs, and schedule. Mr. Peck noted that the Package 'B' design cost was included in the Fiscal Year '17/'18 budget. This budget is to be reviewed by the Finance Committee on June 12 and the Board of Directors on June 14, 2017. The current plan is to defer the majority of the work on the Plant 2 liquids facilities until Package 'D'; this will allow the Project Committee 2 member agencies more time to make final decisions regarding capacity utilization.

ACTION TAKEN:

No action necessary. This item was presented for information only.

J. B. Latham Treatment Plant Facility Improvements Packages A/C Construction

DISCUSSION:

Mr. Peck provided an update to the cogeneration project. Mr. Peck noted that there had been much discussion regarding the actual digester gas available given the reduced loading to the Latham Plant. The actual engine performance is dictated by available digester gas, AQMD permit levels, the requirements of the SGIP program. Engine testing is expected to be completed and the project closed by the end of June.

Mr. Peck also stated that there will be two final change orders resulting in a net credit. These change orders will be presented at the July Engineering Committee meeting.

ACTION TAKEN:

No action necessary. This item was presented for information only.

**Coastal Treatment Plant Access Road Repair Status Report
(Project Committees 15 and 21)**

DISCUSSION:

Mr. Peck provided an update to the site visit with representatives of the Coastal Commission and U.S. Fish and Wildlife Service (USFWS) on June 1. Coastal Commission staff members did agree that the West 1 (W1) site along the paved access road was a safety issue. However, they stated that the work requested was permanent repair work and only temporary patch work would be approved for consideration as emergency repair work. A minimum approach was agreed to and a larger project, if submitted, would be reviewed at the Coastal Commission's August meeting.

During the June 1 meeting the Export Sludge pipeline project was also discussed. USFW has requested to move the alignment in five locations and to provide creek embankment protection at four locations. SOCWA is preparing a response letter to USFWS. SOCWA will then meet again with USFW representatives in Carlsbad. It is believed that it will be necessary

to elevate the discussion to the regional office in Sacramento. Mr. Shissler and Mr. Dunbar expressed a desire to attend the Carlsbad meeting if it fit into their schedules. Mr. Shissler expressed concern that the delays in the project are increasing the likelihood of a pipe failure and putting the local communities at risk.

ACTION TAKEN:

No action necessary. This item was presented for information only.

Regional Treatment Plant Switchgear and Cogeneration Upgrade Construction Project (Project Committee 17)

DISCUSSION:

Mr. Manning reported on the status of the Regional Treatment Plant Switchgear and Cogeneration Upgrade Project. The new transformer has been installed by Southern California Edison (SCE) and the existing transformer has been removed. The original switchgear is now being removed and the installation of the new distribution panel for the cogeneration system is underway.

Mr. Manning presented three change orders to the Pacific Hydrotech contract. Change Order No. 11 involved providing increased structural support with upgraded beams in the equipment bay; the facility as-built drawings had incorrectly identified the size of the support beams. The cost of Change Order No.11 is \$24,698.65. Change Order No. 12 is the upsizing of the boiler instrumentation panel to include three hourly meters required by the AQMD. The cost for Change Order No.12 is \$4,249.73. Change Order No. 13 is the demolition of the piping and equipment originally kept to support the remaining two cogeneration engines. Pacific Hydrotech and SOCWA staff agreed that the removal of the piping would be easier to do as part of the current construction project. The cost for Change Order No.13 is \$32,258.49.

ACTION TAKEN:

The present Project Committee No. 17 members recommended Change Orders Nos. 11, 12, and 13 to the construction contract with Pacific Hydrotech for the Regional Treatment Plant Cogeneration and Switchgear Upgrade Project for action by the Board of Directors.

Coastal Treatment Plant Ten Year Plan Review (Project Committee 15)

DISCUSSION:

Mr. Peck reviewed the draft Ten Year Plan (TYP) for the Coastal Treatment Plant and explained the Listing of Expected Asset Lives (Table 5.1) and Coastal Treatment Plant Asset Listing (Table 5.2). He stated that the TYP uses an annual inflation rate of 3.2% (as set forth in the attached memorandum from Carollo Engineers). The TYP is a living document to be updated approximately every one to two years.

Ms. Burnett requested that the item numbers in Table 5.2 be added to the information in Appendix F so the projects can be more easily cross referenced with the asset expected life. Mr. Peck agreed to have the information added.

Mr. Brunhart asked if the 2010 TYP was the last plan adopted. Mr. Peck stated that the 2010 TYP was the last plan adopted by the Board of Directors. Mr. Brunhart asked if the underlying philosophy of the document was the same as the 2010 TYP. Mr. Peck noted that that the current draft took a more rigorous approach to the end of useful life. If the asset exceeded its useful life during the 15 year span of the planning document it was included somewhere in the document. Mr. Peck noted that the exception to that were the structures – many of which will have exceeded their useful life during the span of the current TYP.

Mr. Collings expressed concern that the capital investment projected for Project Committee (PC) 15 over a fifteen-year period was more than \$10 million higher than presented with the 2017-2018 draft capital improvement program budget. Mr. Peck agreed that the investment was substantially higher; the draft TYP included cost information so that the member agencies could see the basis for the proposed cost. A detailed discussion of these costs will take place at a subsequent PC 15 meeting. Additionally, Mr. Collings noted concern that the

existing governing agreement for the Coastal Treatment Plant expires during the planning window of the TYP and the member agencies need to prioritize addressing the expiring agreement.

Mr. Brunhart emphasized that the TYP needed to be based on the current 6.7 mgd capacity of the treatment. Any reductions in capital expenditure based on a resetting of the plant capacity to 4.0 mgd (or other capacity) need to be documented separately. Mr. Peck noted that the majority of the draft TYP was based on the current 6.7 mgd capacity; however, there are elements of the proposed Facility Improvements Project that are based on the reduced 4.0 mgd capacity of the facility. Mr. Peck noted that the numbers would be revised to reflect the 6.7 mgd existing capacity.

It was also stressed that the TYP is a planning document, not a budgetary document. Mr. Peck will schedule a meeting for PC 15 to meet to discuss any questions related to the TYP.

ACTION TAKEN:

No action necessary. This item was presented for information only.

Adjournment

There being no further business, Mr. Peck adjourned the meeting at 10:17 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Regular Meeting of the South Orange County Wastewater Authority Engineering Committee of June 8, 2017, and approved by the Board of Directors of the South Orange County Wastewater Authority.

Betty Burnett, General Manager/Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

**MINUTES OF SPECIAL MEETING
OF THE
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

**Project Committee No. 2 and Project Committee No. 5
Board and Engineering Committee Members**

March 23, 2017

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Project Committee No. 2 and Project Committee No. 5 Board and Engineering Committee members was held on Thursday, March 23, 2017 at 2:00 p.m. at the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Board of Directors were present:

RAY MILLER, City of San Juan Capistrano	Director
MATT COLLINGS, Moulton Niguel Water District	Director
DAN FERONS, Santa Margarita Water District	Chairman
DAVE REBENS DORF, City of San Clemente	Director

Absent:

ANDY BRUNHART, South Coast Water District	Director
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Staff present:

BETTY BURNETT	General Manager/Secretary
PAT GIANNONE	Bowie, Arneson, Wiles & Giannone
BRIAN PECK	Director of Engineering
BRENNON FLAHIVE	Director of Environmental Compliance
JIM BURROR	Director of Operations
TERI NOSON	Executive Assistant/Assistant Secretary
AMBER BAYLOR	Environmental Specialist

Also present:

DON BUNTS	Santa Margarita Water District
ERIC BAUMAN	City of San Juan Capistrano
ROD WOODS	Moulton Niguel Water District
TREVER AGRELIUS	Moulton Niguel Water District [arrival 2:05 p.m.]

Chairman Ferons called the meeting to order at 2:30 p.m. and welcomed everyone present. Director Miller led the Pledge of Allegiance to the Flag of the United States of America.

Oral Comments

Chairman Ferons asked if members of the public desired to address the Board, or desired to reserve addressing the Board during the meeting regarding any item the Agenda. No comments were received.

ACTION TAKEN

No action required.

Update from Agencies on their Current and Future Planning Efforts

Chairman Ferons provided a brief overview of the Santa Margarita Water District system and provided meeting material handouts, which are herewith attached to these minutes. Mr. Bunts reviewed the handouts as submitted. SOCWA member agencies provided relevant current and future planning efforts for their member agency. An open discussion ensued.

ACTION TAKEN

Discussion item, no action required.

Overview of Project Committee No. 2 Capital and O&M Budget FY 2017-18

Mr. Peck provided the PowerPoint presentation *Project Committee No. 2 J.B. Latham Treatment Plant Capital Improvement Budget March 23, 2017*, which is herewith attached to these minutes. An open discussion ensued throughout the presentation.

Mr. Burror provided a brief overview of the O&M Budget for FY2017-18. There were no comments or questions from the Board.

ACTION TAKEN

Discussion item, no action required.

Overview of Historical Approach to Project Committee No. 2 Flow Metering, Estimation Practices, Approach to Solids Loading and Cost Allocations for Project Committee No. 2

Mr. Flahive proved the PowerPoint presentation *Project Committee 2 Budget Allocation Review March 9, 2017*, which is herewith attached to these minutes. An open discussion ensued throughout the presentation.

ACTION TAKEN

Discussion item, no action required.

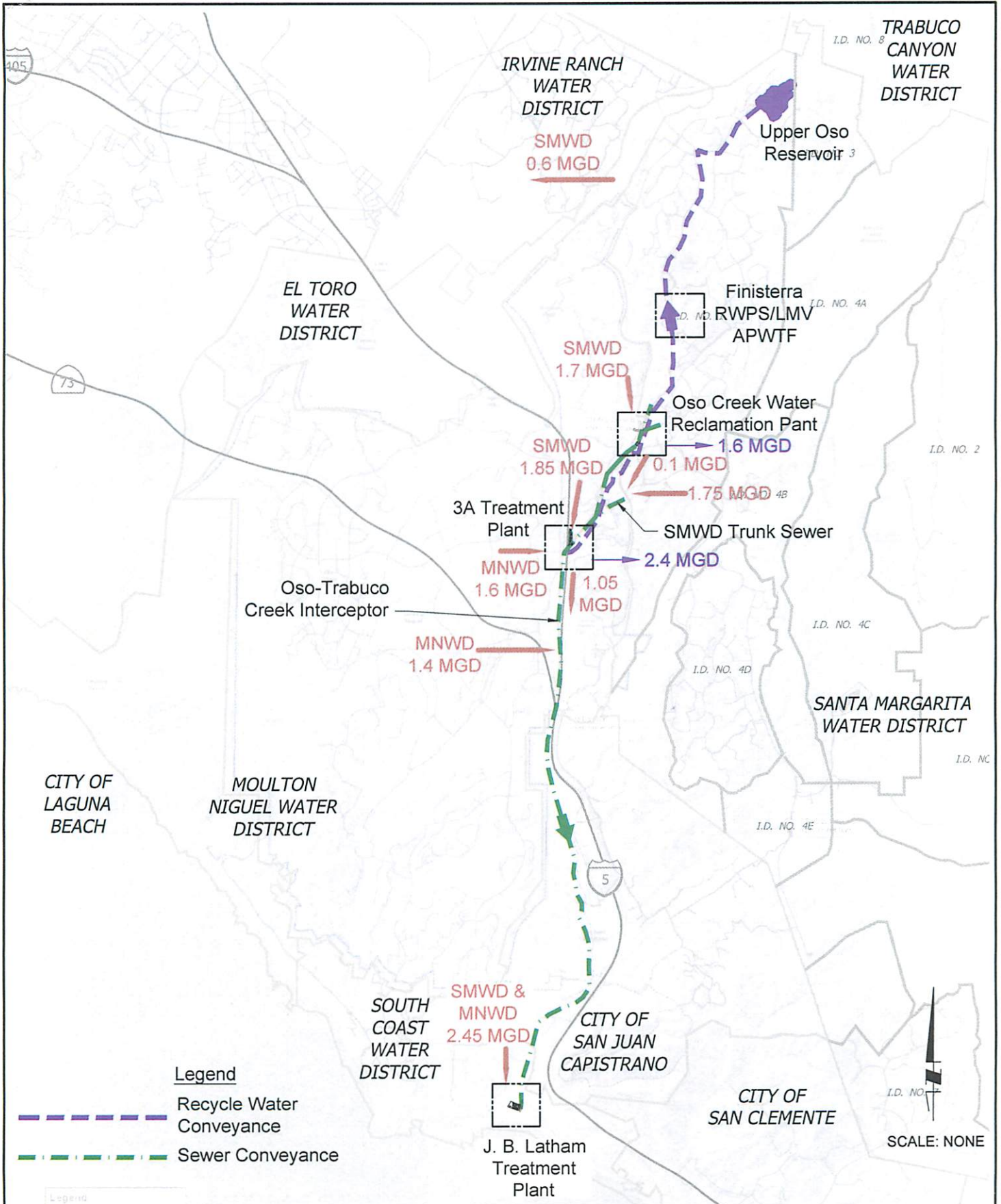
Adjournment

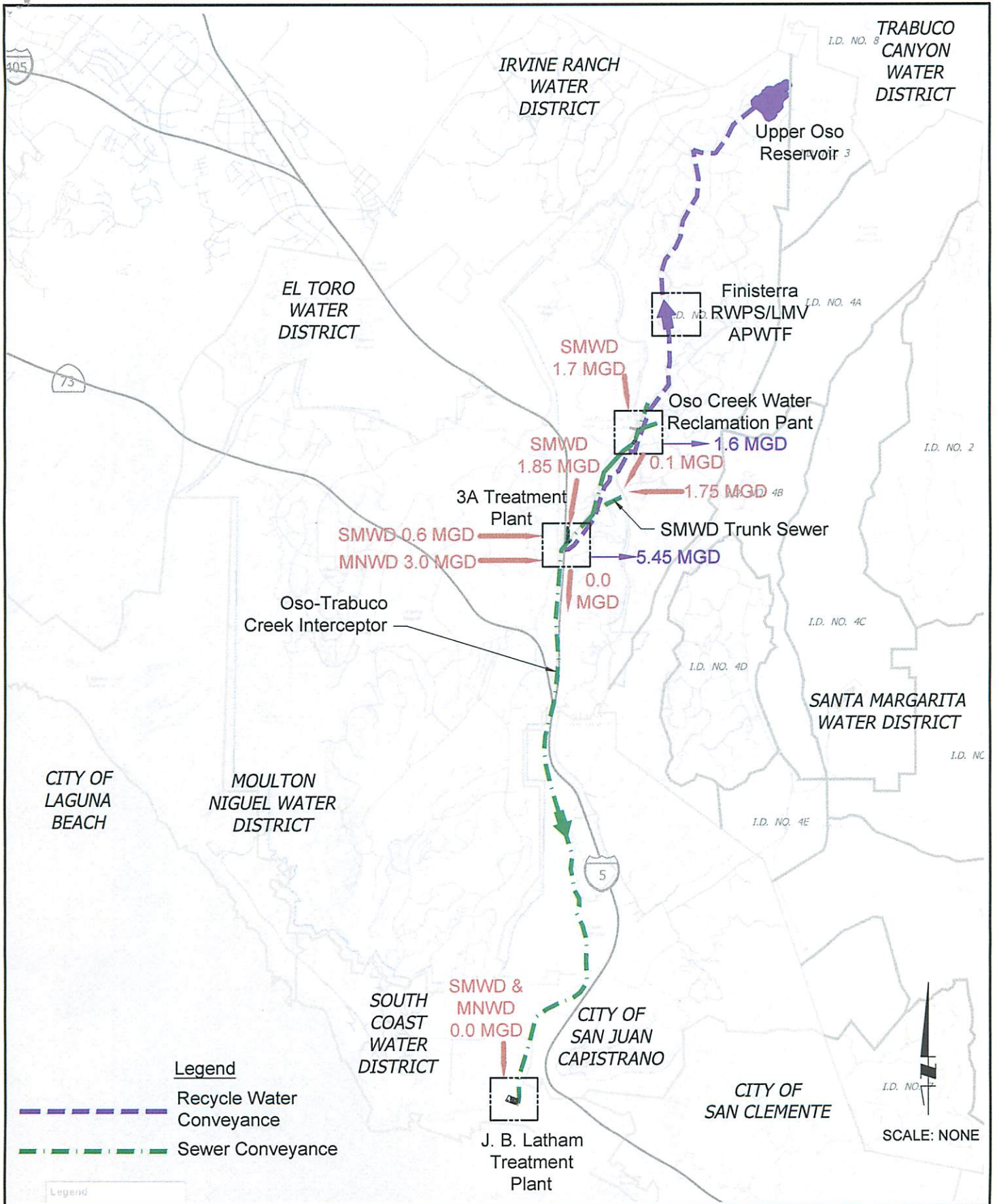
There being no further business, Chairman Ferons adjourned the meeting at 3:50 a.m.

I HEREBY CERTIFY that the foregoing Minutes are a true and accurate copy of the Minutes of the Special Meeting of the South Orange County Wastewater Authority Project Committee No. 2 and Project Committee No. 5 of March 23, 2017, and approved by the Board of Directors of the South Orange County Wastewater Authority.

Betty C. Burnett, General Manager / Secretary
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

P:\PROJECTS\C-1505-05 3A PLANT UPGRADES\3A RW Planning Current Flows.dwg, File date: 12/15/2016 12:21 PM, Print date: 3/22/2017 2:58 PM, by: Rivas, Alex





3A RW PLANNING
FUTURE FLOWS



MARCH 2017

Figure No. 2

Project Committee 2 J. B. Latham Treatment Plant Capital Improvement Budget

March 23, 2017

Project Committee 2 FY '17/'18

Liquids	Project Description	Budget	Expenditure
3213-000	Water System Piping Improvements(2014)	176,000	1,000
3214-000	4 MGD Diversion Flow Meter & Control Structure (2012)	495,500	3,000
3212-000	East Primary Influent Channel Repair (2015)	407,000	2,000
3250-000	Plant 1 Grit Basins and Handling (2017)	469,500	189,968
3251-000	Effluent Flow Meter Replacement (2017)	96,000	40,568
3252-000	Plant 1 Standby Power Generator Repl (2017)	340,750	138,468
3253-000	Effluent System Valves Replacement(2017)	206,000	84,568
20182RL1	Facility Improvements B - Basin Upgrades (2018)	2,431,160	2,336,545
20182RL2	Main Plant Drain Line Reconstruction (2018)	283,000	86,852
	Sub-Total Liquids	4,904,910	2,882,970
Common			
3218-000	Energy Building Roof Reconstruction (2014)	202,000	2,000
3216-000	Hoist System for Maintenance Shop (2013)	82,000	2,000
20182RC1	PLC Upgrades (2018)	83,500	83,500
	Sub-Total Common	367,500	87,500
Solids			
20182RS1	Facility Improvements B - DAFT and Ancillary Solids Improvements Design (2018)	773,000	773,000
	Sub-Total Solids	773,000	773,000
	Total JB Latham Work Plan	6,045,410	3,743,470

JBLTP Miscellaneous Improvements 2016



3

Project Committee 2 FY '18/'19

Liquids	Project Description	Budget	Expenditure
3213-000	Water System Piping Improvements (2014)	177,000	127,000
3214-000	4 MGD Diversion Flow Meter & Cntrl Structure (2012)	495,500	139,250
3212-000	East Primary Influent Channel Repair (2015)	407,000	366,500
20192RL1	Facility Improvements B - Basin Upgrades (2019)	16,393,500	7,417,275
20192RL2	Aeration Basin Drain Pump Replacement (2019)	121,000	121,000
20182RL2	Main Plant Drain Line Reconstruction (2018)	277,000	198,148
	Sub-Total Liquids	17,871,000	8,364,173
Common			
3218-000	Energy Building Roof Reconstruction (2014)	202,000	182,000
3216-000	Hoist System for Maintenance Shop (2013)	82,000	75,600
20192RC1	Admin Building Roof Reconstruction and HVAC Replacement (2019)	384,600	384,600
20192RC2	Relocation of Admin Bldg PLC (2019)	164,600	164,600
	Sub-Total Common	833,200	806,800
Solids			
20192RS1	Facility Improvements B - DAFT and Ancillary Solids Improvements Design (2019)	7,556,462	7,162,231
	Sub-Total Solids	7,556,462	7,162,231
	Total JB Latham Work Plan	26,260,662	16,333,204

4

Package B Capital Expenditures

Fiscal Year Capital Expenditure

FY '17/'18	FY '18/'19
\$3,109,545	\$15,663,004

5

Package B

- * Solids
 - * Rehabilitate DAFTs
 - * Address repair/rehab needs to maintain operations
- * Liquids
 - * Address safety issues
 - * Repair and rehabilitate those basins required for selected feasible scenario
 - * Allow for flow diversion between Plants 1 and 2

6

Ancillary Improvements to Solids

DETAIL 1 - ROOF PLAN

REPLACE & PROVIDE NEW SKYLIGHTS WITH METAL CURB & ON METAL CURB SEE DETAIL 2 (TYP)

PHOTO VIEW

REPLACE & PROVIDE NEW BUILT UP ROOFING (TYP)

PHOTO VIEW

SOILS PARADEL BLDG.

MESH SHEET AIR HANDLING BLDG.

EDGE BLDG.

DETAIL 2 - METAL CURB DETAIL

STEEL CURB (MINIMUM 2" TO SILENCE) (SEE DETAIL 1)

DO NOT ALLOW CORN

MEMBRANE

INSULATION

PREPARED METAL CURB WITH GASKET DETAIL

METAL FLASHING AS DETAIL IN DETAIL 1

SPRINKLER

POLYURETHANE INSULATION INDICATED ON THE CURB

FELT UNDERLAMENT

DO NOT ALLOW 7" TO CORNER FLASHING ON FIBERGLASS SHEETS

PREPARED ROOF FLOOR AS INDICATED ON THE CURB

PHOTO VIEW (TYP) (SEE DETAIL 1)

NOTES:

- SKYLIGHT SHALL BEEL CURB TO ALLOW METAL PROTECTION REQUIREMENTS.
- CURB SHALL BE 2" MIN. IN HEIGHT OR MORE METAL.
- PROVIDE 1/2" FIBERGLASS OVER SHEETS 6" ON SIDE OF CURB.

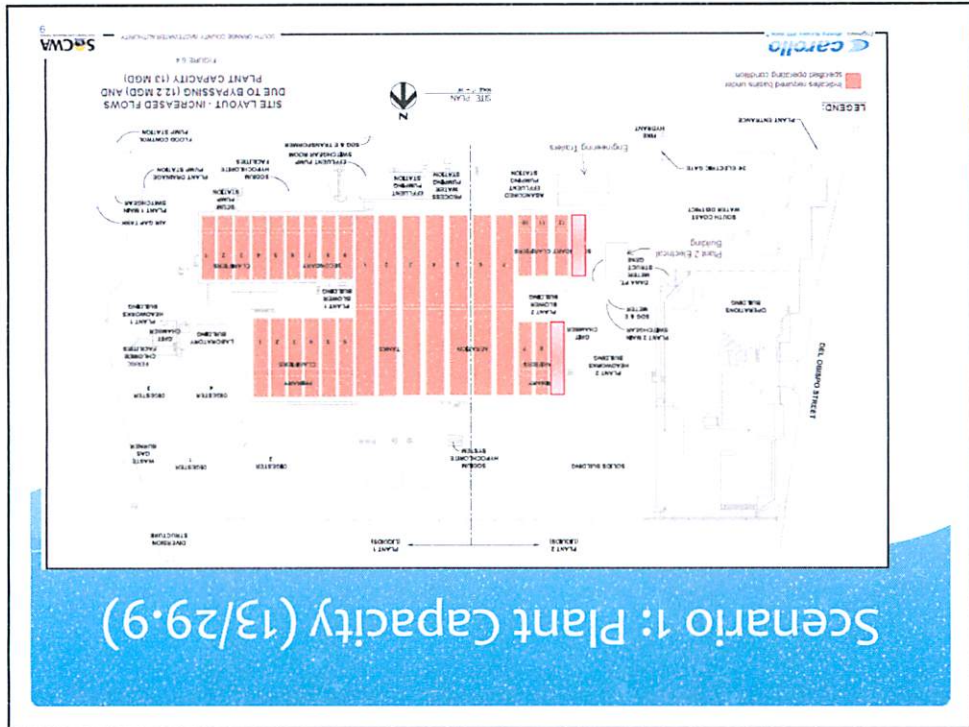
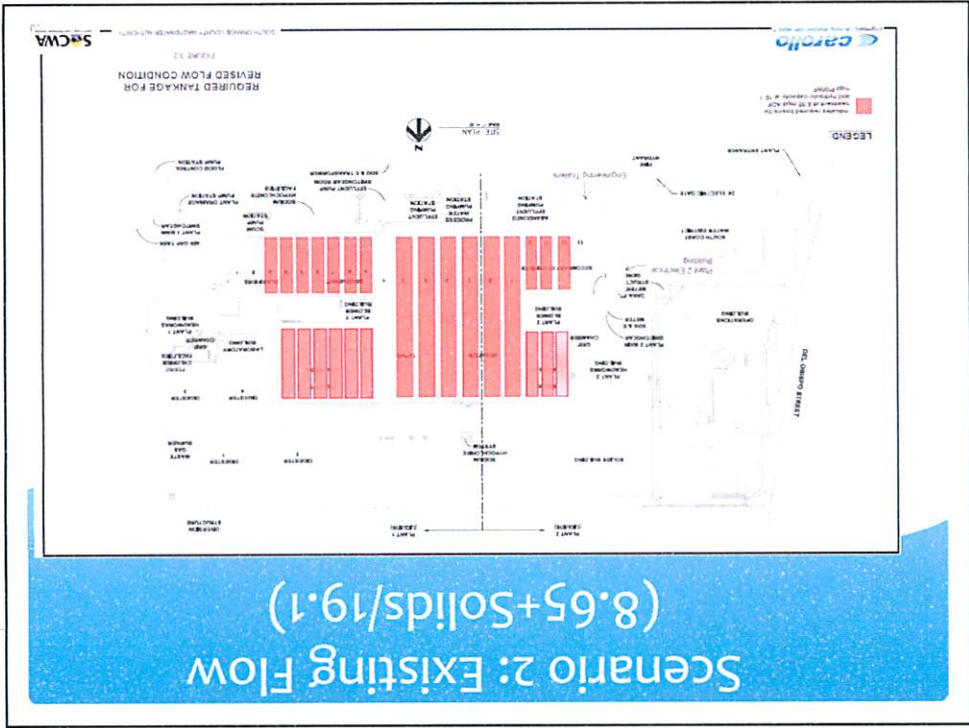
EXISTING BUILDING ROOF PLAN

SKYLIGHTS

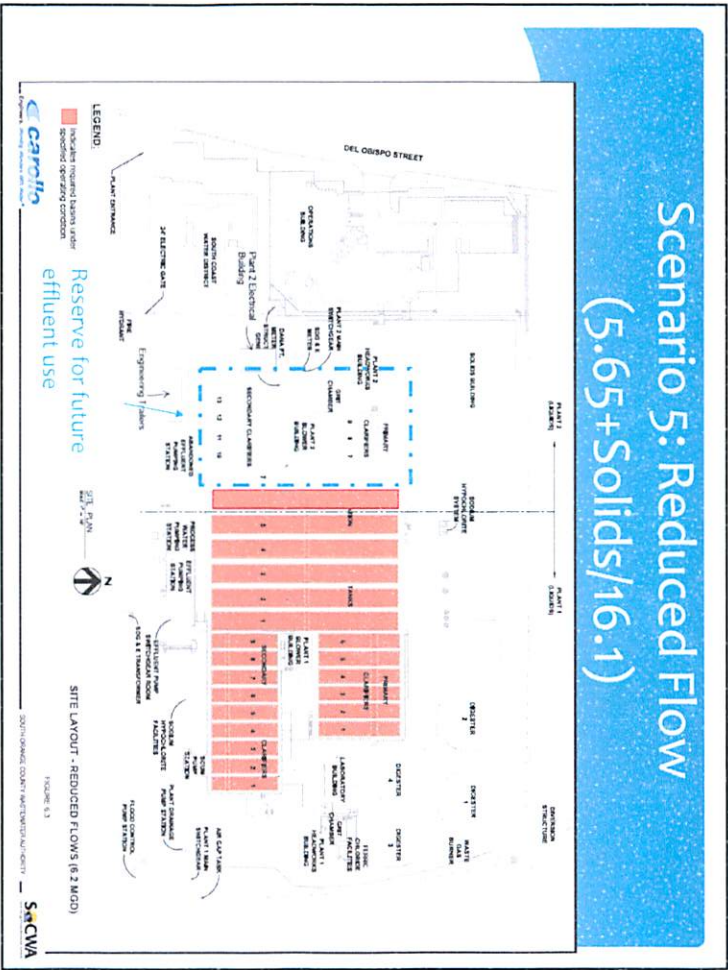
ROOF ABOVE COGEN BLDG

Scenarios

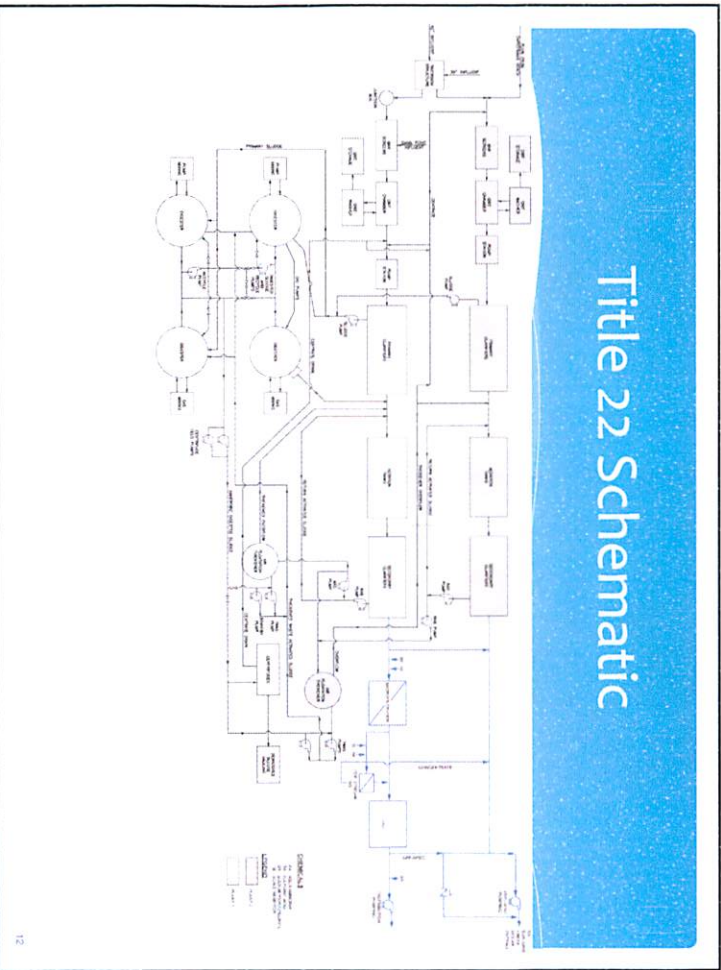
Scenario	Description	JBLTP ADWF, mgd	JBLTP PWWF, mgd	ADWF Associated with External Solids
Scenario 1	Permitted+Oso	13	29	Oso: 1.8 mgd
Scenario 2	Current+P3A+Oso	8.65	19.1	Oso: 1.8 mgd Plant 3A: 2 mgd
Scenario 3	Current+Oso	8.65	19.1	Oso: 1.8 mgd
Scenario 4	Reduced+Oso	5.65	16.1	Oso: 1.8 mgd
Scenario 5	Reduced+P3A+Oso	5.65	16.1	Oso: 1.8 mgd Plant 3A: 6 mgd



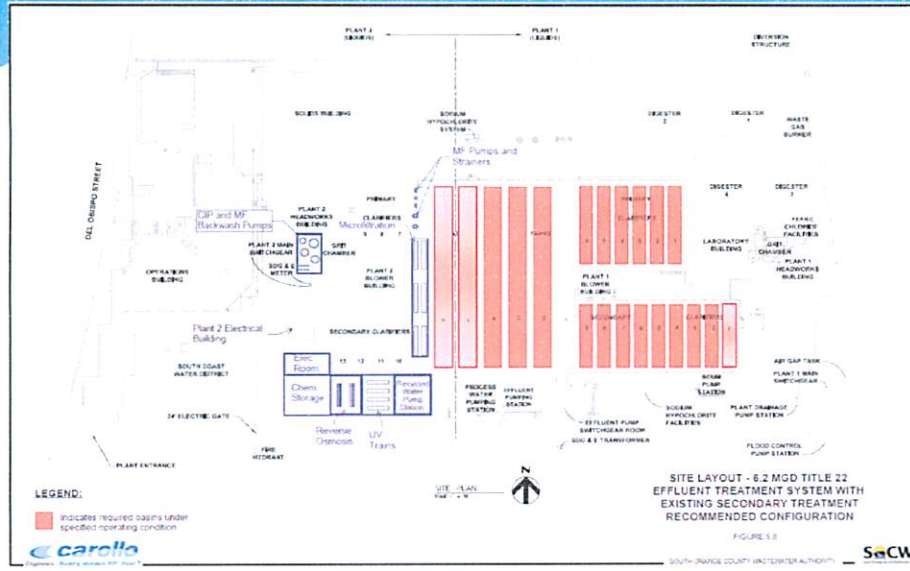
Scenario 5: Reduced Flow (5.65+Solids/16.1)



Title 22 Schematic



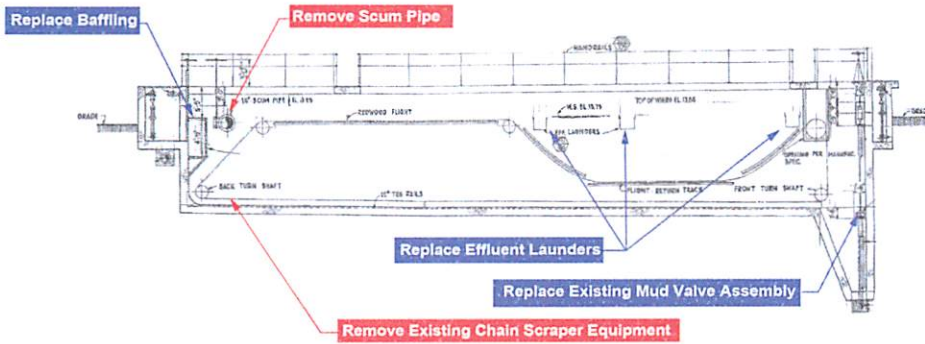
6.2 mgd with Title 22 AWT



San Francisco North East Plant



Secondary Clarifiers



15

JBL Agency Flow Summary

PC-Plant	Peak Hydraulic Capacity (mgd)	Peak Flow on 1/22/2017 (mgd)
PC2 – JBL Treatment Plant 1	20.0	40.0
PC2 – JBL Treatment Plant 2	6.0	6.0
PC2 – JBL Treatment Combined	26.0	44.0

Agency	Peak Capacity Owned (mgd)	Peak Flow on 1/22/2017 (mgd)(1)
CSJC	8.0	15.8
SCWD	7.5	8.7
SMWD	7.5	
MNWD	6.0	
SMWD&MNWD (Oso)	13.5	26.0

1) Not all agencies peaked at the same time.

16

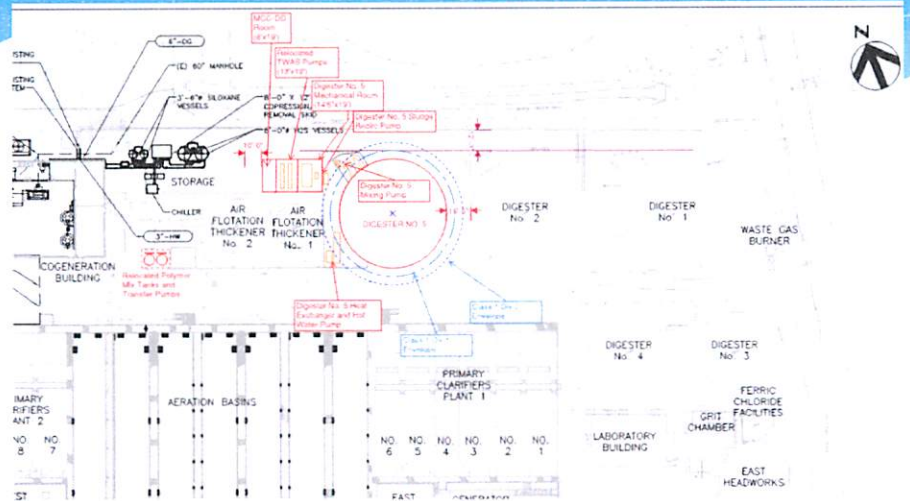
Package B Scenario Selection and Cost

Fiscal Year Capital Expenditure

	FY '17/'18	FY '18/'19	FY '19/'20	Total
Scenario 2 Existing Flow	\$3,109,545	\$15,663,004	\$14,442,451	\$33,215,000
Scenario 5 Reduced Flow	\$3,109,545	\$15,663,004	\$5,610,451	\$24,383,000

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Site Plan – Thickening Option 1 with Digester No. 5



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Next Steps

- * Meeting with Engineering Committee – April 13, 2017
- * Evaluation of Peak Wet Weather Factors
- * Finalize Scope Package B
- * Plant Scale Solids Study



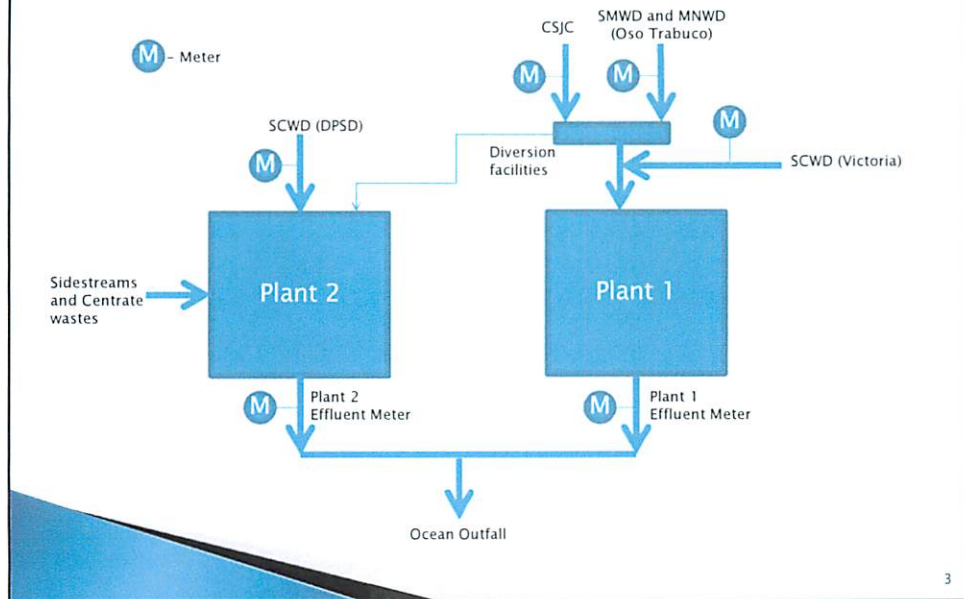
Project Committee 2 Budget Allocation Review

March 9, 2017

2016 Budget Allocation Workshop Recommendations (PC2)

- Improve metering of Member Agency trunkline sewer flows to J.B. Latham Plant
- Analyze the effects of long-term averaging in determining Member Agency Solids contributions to J.B. Latham Plant
- Move the J.B. Latham Effluent Pump Station operating budget from PC 5 to PC 2 (JBL)

JB Latham – Flow Monitoring



Trunkline Monitoring

- ▶ Historically trunklines have been monitored for flow and waste strength for 7-10 days per month
- ▶ Monitoring for flow and waste strength of raw sewage is inherently highly variable especially when it is conducted in structures that were not designed for monitoring
- ▶ The data was used to assign monthly Liquids and Solids Allocations to PC 2 Member Agencies

Improved Monitoring of Trunklines

- ▶ SOCWA received price quotes for monitoring the Oso Trabuco and San Juan Sewer Trunklines
- ▶ We chose ADS to provide the service
- ▶ ADS installed the meters on January 23, 2017
- ▶ On January 24th ADS removed the meter from the Oso Trabuco line due to high sediment in the line
- ▶ A segment of the Oso Trabuco Line was scheduled to be cleaned between March 7 - 10, to remove sediment and then ADS will reinstall the flow meter

Allocation Questions

- ▶ Staff analyzed 15 years of PC 2 Use Audit data the results of the analysis are provided in report
- ▶ The Flow data did not show a high degree of variability and the changes that occurred were real events
- ▶ Allocation of the Oso Trabuco Truckline Flow has been a primary concern to SOCWA staff for several years (2013)

PC 2 Use Audit Data

PC 2 Billing Flows by Member Agency
MGD

Fiscal Year	MNWD PC 2 Flow MGD	SMWD PC 2 Flow MGD	CSJC PC 2 Flow MGD	SCWD PC 2 Flow MGD	PC 2 Billing Q MGD
2001-02	1.500	2.120	3.050	2.400	9.070
2002-03	1.270	1.900	3.200	2.600	8.970
2003-04	1.210	1.910	3.350	2.440	8.910
2004-05	1.440	2.130	3.180	2.720	9.470
2005-06	1.370	1.200	3.130	2.450	8.150
2006-07	1.400	1.270	3.260	2.450	8.380
2007-08	1.270	1.230	3.300	2.520	8.320
2008-09	1.260	1.970	3.270	2.440	8.940
2009-10	1.270	2.160	3.200	2.350	8.980
2010-11	1.490	2.240	3.430	2.450	9.610
2011-12	1.320	2.240	3.310	2.550	9.420
2012-13	1.400	2.170	3.070	2.060	8.700
2013-14	1.936	2.231	3.126	1.937	9.230
2014-15	1.805	1.849	3.031	1.824	8.509
2015-16	1.400	1.500	2.170	1.760	6.830

Note 1: Increased SMWD Flow treated at 3A Plant
 Note 2: 3A Effluent Line shutdown, 3A Effluent retreated at JBL

PC 2 Solids Allocation by Member Agency
#/Day

Fiscal Year	MNWD PC 2 Loading #/Day	SMWD PC 2 Loading #/Day	CSJC PC 2 Loading #/Day	SCWD PC 2 Loading #/Day	PC 2 PC 2 Loading #/Day
2001-02	4297	6074	7080	5054	22425
2002-03	2833	4239	6752	4890	18714
2003-04	2583	4078	6692	5372	18725
2004-05	3357	4965	6684	5830	20836
2005-06	4119	3608	7414	5425	20566
2006-07	4169	3782	7205	5885	21041
2007-08	4126	3996	7583	6463	22168
2008-09	4225	6605	7555	7977	26362
2009-10	3983	6774	7406	6860	25073
2010-11	5413	8119	7741	9343	30616
2011-12	5467	9321	8663	7444	30895
2012-13	5301	8217	8040	5395	26953
2013-14	7331	8448	8213	5073	29065
2014-15	5769	7509	8847	4792	26917
2015-16	6155	6352	5222	5143	23372

How to Allocate Oso Trabuco Flow ?

- ▶ In 2013 agency turnover resulted in a lose of institutional knowledge
- ▶ We assume a flow constant of 1.4 MGD to MNWD and the remaining trunkline flow was allocated to SMWD
- ▶ Based on our analysis we believe it was more likely a 60 - 40 % split of flow
- ▶ Based on all analysis the Oso Trabuco Line Solids Loading has historically been split evenly

Oso Trabuco Flows

Table 2 Oso Trabuco Flow Allocation

Fiscal Year	MNWD PC 2 Flow MGD	SMWD PC 2 Flow MGD	Oso Trabuco Flow MGD	Percent Flow MNWD
2001-02	1.500	2.120	3.620	41.4
2002-03	1.270	1.900	3.170	40.1
2003-04	1.210	1.910	3.120	38.8
2004-05	1.440	2.130	3.570	40.3
Note 1 2005-06	1.370	1.200	2.570	53.3
Note 1 2006-07	1.400	1.270	2.670	52.4
Note 1 2007-08	1.270	1.230	2.500	50.8
2008-09	1.260	1.970	3.230	39.0
2009-10	1.270	2.160	3.430	37.0
2010-11	1.490	2.240	3.730	39.9
2011-12	1.320	2.240	3.560	37.1
2012-13	1.400	2.170	3.570	39.2
Note 2 2013-14	1.936	2.231	4.167	46.5
Note 2 2014-15	1.805	1.849	3.654	49.4
2015-16	1.400	1.500	2.900	48.3

Note 1: Increased SMWD flow treated at 3A Plant

Note 2: 3A Effluent Line shutdown, 3A Effluent retreated at JBL

Long-term Averaging for PC 2 Solids Allocations

- ▶ Staff analyzed 15 years of PC 2 Use Audit data the results of the analysis are provided in report
- ▶ The analysis shows the use of annual averaging for Solids Allocation produces highly variable results
- ▶ Using three year Solids data averaging produces more stable year over year changes to allocations
- ▶ Over the long-term 3yr Averaging for Solids Allocations is; fair, equitable, and provides greater budget stability

Solids Allocation

- ▶ Under the best of circumstances raw sewage strength data is highly variable
- ▶ Using the Use Audit data, Member Agencies saw Solids allocation percentage changes from a decrease of -26.38 % to an increase of +38.99%.

Historic Solids Allocation using Annual Averages

PC 2 Solids Allocation by Present
Member Agency Percentage Change Year Over Year

Table 3

Fiscal Year	MNWD	MNWD	MNWD	SMWD	SMWD	SMWD	CSIC	CSIC	CSIC	SCWD	SCWD	SCWD
	PC 2 Solids #/Day	PC 2 Solids %	% Change Yr/Yr	PC 2 Solids #/Day	PC 2 Solids %	% Change Yr/Yr	PC 2 Solids #/Day	PC 2 Solids %	% Change Yr/Yr	PC 2 Solids #/Day	PC 2 Solids %	% Change Yr/Yr
2001-02	4297	19.16		6074	27.09		7000	31.22		5054	22.54	
2002-03	2833	15.14	-21.00	4239	22.65	-16.37	6752	36.08	15.58	4890	26.13	15.94
2003-04	2583	13.79	-8.88	4078	21.78	-3.85	6692	35.74	-0.95	5372	28.69	9.79
2004-05	3357	16.11	16.80	4965	23.83	9.42	6684	32.08	-10.24	5830	27.98	-2.47
2005-06	4119	20.03	24.31	3608	17.54	-26.38	7414	36.05	12.38	5425	26.38	-5.73
2006-07	4169	19.81	-1.07	3782	17.97	2.46	7205	34.24	-5.01	5885	27.97	6.03
2007-08	4126	18.61	-6.06	3996	18.03	0.29	7583	34.21	-0.10	6463	29.15	4.24
2008-09	4225	16.03	-13.89	6605	25.06	38.99	7555	28.66	-16.22	7977	30.26	3.79
2009-10	3983	15.92	-0.68	6774	27.07	8.05	7406	29.60	3.27	6860	27.41	-9.40
2010-11	5413	17.68	11.08	8119	26.52	-2.04	7741	25.28	-14.57	9343	30.52	11.31
2011-12	5467	17.70	0.09	9321	30.17	13.77	8663	28.04	10.90	7444	24.09	-21.04
2012-13	5301	19.67	11.14	8217	30.49	1.05	8040	29.83	6.38	5395	20.02	-16.93
2013-14	7331	25.22	28.25	8448	29.07	-4.66	8213	28.26	-5.27	5073	17.45	-12.80
2014-15	5769	21.43	-15.03	7509	27.90	-4.02	8847	32.87	16.32	4792	17.80	2.00
2015-16	6155	26.33	22.87	6352	27.18	-2.58	5722	24.48	-25.51	5143	22.00	23.60

Proposed Solids Allocation using 3Yr Averaging

- ▶ Using the annual average flow data with 3 year average waste strength data produces more stable results
- ▶ With 3 year averaging Member Agencies would have only have seen allocation percentage changes from a drop of -17.8 to an increase of +15.7%.

Solids Allocation using 3Yr Averaging

PC 2 Solids Allocation by Percent With 3 Year Averaging
Member Agency Percentage Change Year Over Year

Table 4

Fiscal Year	MNWD #/Day 3 Yr Avg	MNWD % Pounds/Day	% Change Yr/Yr 3 Yr Avg	SMWD #/Day 3 Yr Avg	SMWD % Pounds/Day	% Change Yr/Yr 3 Yr Avg	CS/C #/Day 3 Yr Avg	CS/C % Pounds/Day	% Change Yr/Yr 3 Yr Avg	SCWD #/Day 3 Yr Avg	SCWD % Pounds/Day	% Change Yr/Yr 3 Yr Avg
2001-02												
2002-03												
2003-04	3238	16.23		4797	24.04		6815	34.15		5105	25.58	
2004-05	2924	15.05	-7.23	4427	22.79	-5.19	6709	34.54	1.14	5364	27.62	7.95
2005-06	3353	16.73	11.14	4217	21.04	-7.68	6930	34.58	0.11	5542	27.65	0.13
2006-07	3882	18.65	11.48	4118	19.78	-5.97	7101	34.12	-1.33	5713	27.45	-0.74
2007-08	4138	19.46	4.35	3798	17.86	-9.71	7401	34.81	2.03	5924	27.86	1.51
2008-09	4178	18.01	-7.45	4794	20.67	15.70	7448	32.11	-7.76	6775	29.21	4.83
2009-10	4111	16.77	-6.91	5792	23.62	14.30	7515	30.55	-4.55	7100	28.96	-0.86
2010-11	4510	16.52	-1.48	7166	26.25	11.10	7567	27.71	-9.58	8060	29.52	1.94
2011-12	4954	17.18	3.98	8071	27.98	6.61	7937	27.52	-0.71	7882	27.33	-7.43
2012-13	5394	18.29	6.50	8552	29.00	3.65	8148	27.63	0.42	7394	25.07	-8.24
2013-14	6033	20.82	13.84	8662	29.90	3.09	8305	28.67	3.75	5971	20.61	-17.80
2014-15	6134	22.19	6.55	8058	29.15	-2.51	8367	30.26	5.58	5087	18.40	-10.72
2015-16	6418	24.26	9.36	7436	28.11	-3.55	7594	28.71	-5.14	5003	18.91	2.79

Comparing PC 2 Solids Allocation Methods

Using the Use Audit data and an assumed annual PC 2 Solids Budget of \$1,000,000 we compared:

- ▶ MA Solids budget costs
- ▶ % allocation
- ▶ and year over year budget change

When using the current allocation method verses using a 3Yr average for waste strength

Historic Allocation Method with Assumed \$1 Million PC 2 Budget

Table 5

PC 2 Solids Allocation Percentages and Costs Based FY 2001-02 through 2015-16
& Costs Allocations Using an Assumed \$1,000,000 Annual Solids Cost

Fiscal Year	MNWD Solids Percentage	SMWD Solids Percentage	CSIC Solids Percentage	SCWD Solids Percentage	Fiscal Year	MNWD Solids Costs	SMWD Solids Costs	CSIC Solids Costs	SCWD Solids Costs	Total Solids Costs
2001-02	19.16	27.09	31.22	22.54	2001-02	\$ 191,616.50	\$ 270,858.42	\$ 312,151.62	225,373.47	\$ 1,000,000.00
2002-03	15.14	22.65	36.08	26.13	2002-03	151,383.99	226,514.91	360,799.40	261,301.70	1,000,000.00
2003-04	13.79	21.78	35.74	28.69	2003-04	137,943.93	217,783.71	357,383.18	286,889.19	1,000,000.00
2004-05	16.11	23.83	32.08	27.98	2004-05	161,115.38	238,289.50	320,790.94	279,804.19	1,000,000.00
2005-06	20.03	17.54	36.05	26.38	2005-06	200,282.02	175,435.18	360,497.91	263,784.89	1,000,000.00
2006-07	19.81	17.97	34.24	27.97	2006-07	198,136.97	179,744.31	342,426.69	279,692.03	1,000,000.00
2007-08	18.61	18.03	34.21	29.15	2007-08	186,124.14	180,259.83	342,069.65	291,546.37	1,000,000.00
2008-09	16.03	25.06	28.66	30.26	2008-09	160,268.57	250,550.03	286,586.75	302,554.64	1,000,000.00
2009-10	15.92	27.07	29.60	27.41	2009-10	159,173.56	270,710.95	295,967.71	274,147.78	1,000,000.00
2010-11	17.68	26.52	25.28	30.52	2010-11	176,802.98	265,188.14	252,841.65	305,167.23	1,000,000.00
2011-12	17.70	30.17	28.04	24.09	2011-12	176,954.20	301,699.30	280,401.36	240,945.14	1,000,000.00
2012-13	19.67	30.49	29.83	20.02	2012-13	196,675.69	304,864.02	298,237.04	200,163.25	1,000,000.00
2013-14	25.22	29.07	28.26	17.45	2013-14	252,227.77	290,658.87	282,573.54	174,539.82	1,000,000.00
2014-15	21.43	27.90	32.87	17.80	2014-15	214,325.52	278,968.68	328,677.04	178,028.76	1,000,000.00
2015-16	26.33	27.18	24.48	22.00	2015-16	263,349.31	271,778.20	244,822.86	220,049.63	1,000,000.00
Average	18.84	24.82	31.11	25.23						
Minimum	13.79	17.54	24.48	17.45						
Maximum	26.33	30.49	36.08	30.52						
					Total Costs	\$ 2,483,380.03	\$ 3,225,930.73	\$ 3,093,336.33	\$ 3,297,352.92	\$13,000,000.00

3Yr Avg. Allocation Method with Assumed \$1 Million PC 2 Budget

Table 6

PC 2 Solids Allocation Percentages and Costs Based FY 2001-02 through 2015-16
& Costs Allocations Using 3-Year Averaging and an Assumed \$1,000,000 Annual Solids Cost

Fiscal Year	MNWD Solids	SMWD Solids	CSJC Solids	SCWD Solids	Fiscal Year	MNWD Solids	SMWD Solids	CSJC Solids	SCWD Solids	Total Liquids
	3Yr %	3Yr %	3Yr %	3Yr %		3Yr Cost Average	3Yr Cost Average	3Yr Cost Average	3Yr Cost Average	
2001-02					2001-02					
2002-03					2002-03					
2003-04	16.23	24.04	34.15	25.58	2003-04	162,265.10	240,390.88	341,518.42	255,825.61	1000000.00
2004-05	15.05	22.79	34.54	27.62	2004-05	150,535.42	227,913.92	345,397.45	276,153.21	1000000.00
2005-06	16.73	21.04	34.58	27.65	2005-06	167,298.67	210,408.14	345,773.87	276,519.31	1000000.00
2006-07	18.65	19.78	34.12	27.45	2006-07	186,509.08	197,847.60	341,164.60	274,478.72	1000000.00
2007-08	19.46	17.86	34.81	27.86	2007-08	194,628.66	178,636.94	348,102.16	278,632.24	1000000.00
2008-09	18.01	20.67	32.11	29.21	2008-09	180,125.03	206,682.47	321,103.69	292,088.81	1000000.00
2009-10	16.77	23.62	30.65	28.96	2009-10	167,672.73	236,234.60	306,509.50	289,583.16	1000000.00
2010-11	16.52	26.25	27.71	29.52	2010-11	165,183.31	262,462.00	277,149.03	295,205.66	1000000.00
2011-12	17.18	27.98	27.52	27.33	2011-12	171,751.49	279,815.56	275,169.88	273,263.07	1000000.00
2012-13	18.29	29.00	27.63	25.07	2012-13	182,921.87	290,816.28	276,315.79	260,746.07	1000000.00
2013-14	20.82	29.90	28.67	20.61	2013-14	208,242.73	298,988.64	286,665.98	206,100.65	1000000.00
2014-15	22.19	29.15	30.26	18.40	2014-15	221,876.58	291,470.74	302,647.76	184,004.92	1000000.00
2015-16	24.26	28.11	28.71	18.91	2015-16	242,637.33	281,123.59	287,096.90	189,142.19	1000000.00
Average	18.47	24.63	31.19	25.71						
Minimum	15.05	17.86	27.52	18.40	Total Costs	\$ 2,401,648.00	\$ 3,201,991.37	\$ 4,054,615.02	\$ 3,341,745.61	\$ 11,000,000.00
Maximum	24.26	29.90	34.81	29.52						

3yr Avg. Solids Allocations is: Fair, Equitable, & Stable

PC 2 Cost Comparisons Using Audit Data & Assumed Solids Budget

Agency	Total Costs Annual Avg.	Total Costs 3Yr Avg.	% Change
CSJC	\$ 3,993,336.73	\$ 4,051,615.02	1.46
MNWD	\$ 2,483,380.03	\$ 2,401,648.00	-3.29
SCWD	\$ 3,297,352.92	\$ 3,341,745.61	1.35
SMWD	\$ 3,225,930.73	\$ 3,201,991.37	-0.74

Recommendations

- ▶ PC2 Member Agencies agree that going forward SOCWA uses 3 year waste strength averaging for calculating Solids Allocations
- ▶ MNWD & SMWD provide us with written direction for allocating the contributions from the Oso Trabuco Trunkline

Agenda Item

Legal Counsel Review: N/A

Meeting Date: December 14, 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	Design contract awarded to Carollo Engineers.
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 December, 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)	Design	Part of the Package 'B' Improvements.

**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.
4014-000	Foul Air System Evaluation (2016) (NCP)	Study	The final workshop was conducted with DHK Engineering on November 22, 2017. The final report is to be submitted in December, 2017.
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 December, 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	Design contract awarded to Carollo Engineers.
4002-000	Dewatering System Condition Assessment (2017) (NCP)	Condition Assessment	Carollo Engineers finalizing condition assessment report.
4003-000	Heating System Condition Assessment (2017) (NCP)	Condition Assessment	Carollo Engineers finalizing condition assessment report.
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	Black & Veatch has submitted draft plan for review by SOCWA staff.
4005-000	Dilution Study (2017) (NCP)	Study	Baker is proceeding with the work in the contract amendment.

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	Part of the Facility Improvements Project; project kick-off meeting with Hazen & Sawyer will be held on December 5, 2017.
3507-000	East Primary Influent Gates (2015)	Construction	Olsson Construction proceeding with field work; completion expected in December, 2017.
3508-000	Grit System Knife Gate Valve Replacement (2015)	Construction	Olsson Construction has substantially completed the gate valve replacement.
3509-000	Switchgear Replacement Design (2016)	Design	Part of the Facility Improvements Project; project kick-off meeting with Hazen & Sawyer will be held on December 5, 2017.
3593-000	Primary Sludge Valve Replacement (2018)	Design	Project underway by SOCWA Operations department.
3595-000	Primary Device Electrical Conduit and Conductor Replacement (2018)	Design	Project underway by SOCWA Operations department.
3514-000	CTP Facility Upgrade Design (2016)	Design	Part of the Facility Improvements Project; project kick-off meeting with Hazen & Sawyer will be held on December 5, 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			
3534-000	Export Sludge System (1997)	Design	The Low Effect Habitat Conservation Plan and Incidental Take Permit Application have been submitted to the USFWS for review.
3510-000	Grating Rebate and Concrete Repair Between Aeration Basins and Primary Basins (2016)	Construction	Olsson Construction proceeding with field work; completion expected in December, 2017.
3512-000	Grating Rebate and Concrete Repair Between HW Building and Primary Basins (2016)	Construction	Olsson Construction proceeding with field work; completion expected in December, 2017.
3550-000	Export Sludge Pump Addition (2017)	Construction	Olsson Construction has installed the new Export Sludge pump; the contractor is working on completing the piping and electrical connections.
3594-000	PLC Replacement (2018)	Construction	Project underway by SOCWA Operations department.
3592-000	Facility Improvements Project Design (2018)	Design	Part of the Facility Improvements Project; project kick-off meeting with Hazen & Sawyer will be held on December 5, 2017.
3553-000	Plant Drainage Improvements (2017)	Design	TetraTech has completed design. SOCWA intends to advertise for bids in December, 2017.
3554-000	Odor Scrubber Bleach Tank Replacement (2017)	Construction	Olsson Construction has substantially completed improvements to the scrubber system.
3503-000	Scrubber Upgrade (2013)	Construction	Olsson Construction has substantially completed improvements to the scrubber system.
4015-000	Conceptual Building Design (2017) (NCP)	Study	Work completed.

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	Olsson Construction proceeding with field work; project completion anticipated in February, 2018.
3596-000	Applied Water VFD Pump Panel and Electrical (2018)	Design	A recommendation for award of design contract will be presented at the SOCWA Board of Directors meeting on December 14, 2017.
3597-000	MCC A Replacement Design (2018)	Design	A recommendation for award of design contract will be presented at the SOCWA Board of Directors meeting on December 14, 2017.
3517-000	AWT Backwash Water Pump Replacement (2016)	Construction	Olsson Construction proceeding with field work; project completion anticipated in February, 2018.

**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 has submitted 50% complete design drawings for SOCWA review.
3730-000	Primary Gallery Upgrade (2014)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; 30% documents were reviewed with Lee & Ro on November 28, 2017.
3702-000	Waste Activated Sludge VFD Control Panel (2013)	Design	Lee & Ro has submitted 50% complete design drawings for SOCWA review.
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	Part of the RTP Miscellaneous Improvements 2016 Project; this work is substantially completed.
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; 30% documents were reviewed with Lee & Ro on November 28, 2017.
3784-000	DAF (Mannich) Polymer System Replacement (2018)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; 30% documents were reviewed with Lee & Ro on November 28, 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; 30% documents were reviewed with Lee & Ro on November 28, 2017.
3786-000	Primary Gallery Mechanical and Electrical Upgrade (2018)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; 30% documents were reviewed with Lee & Ro on November 28, 2017.
4023-000	Foul Air System Evaluation (2016) (NCP)	Study	The final workshop was conducted with DHK Engineering on November 22, 2017. The final report is to be submitted in December, 2017.
3787-000	Aeration Area Upgrade Design (2018)	Design	A recommendation for the award of the project to Lee & Ro will be presented at the December 14, 2017, SOCWA Board meeting.
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, 2018.
201617RL5	Primary Influent Channel Condition Assessment (2016) (NCP)	Condition Assessment	Project has been awarded to V&A consultants; assessments to be performed in December, 2018.
CAPITAL IMPROVEMENT PROJECT COMMON			
3715-000	Switchgear Upgrade (2006)	Construction	Pacific Hydrotech is currently working on the installation of the CEMS.
3760-000	Develop Buried Piping Reconstruction Master Plan (2017)	Study	SOCWA staff is integrating the Lee & Ro data with the Regional Treatment Plant Ten Year Plan.
3761-000	External Lighting Upgrade (2017)	Design	Part of the RTP Miscellaneous Improvements 2017 Project; 30% documents were reviewed with Lee & Ro on November 28, 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	Co-generation system start-up is scheduled for the week of December 4, 2017.
3790-000	Solids Area Upgrade Design (2018)	Design	A single proposal was received for the Solids Area design project. The SOCWA Engineering Committee requested that staff obtain additional proposals.
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	Review comments on the draft Technical Memorandum have been submitted to TetraTech.
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 Engineering Committee.

**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 January, 2018.
4004-000	Emergency Plan Development (2016) (NCP)	Study	Black & Veatch has submitted draft plan for review by SOCWA staff.

**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		
		2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr
FACILITY IMPROVEMENTS PACKAGE B		D	D	D	B&A	C	C
3213-000	Water System Piping Improvements (2014)	D	D	D	B&A	C	C
3214-000	4MGD Diversion Flow Meter & Control Structure (2012)	D	D	D	B&A	C	C
3202-000	Preliminary and Primary Treatment Improvements (Package "B") (2016)	D	D	D	B&A	C	C
3285-000	Main Plant Drain Line Reconstruction (2018)	D	D	D	B&A	C	C
3280-000	Facility Improvements B - Basin Upgrades (2018)	D	D	D	B&A	C	C
3287-000	Facility Improvements B - DAFT (2018)	D	D	D	B&A	C	C
3212-000	East Primary Influent Channel Repair (2015)	D	D	D	B&A	C	C
3218-000	Energy Building Roof Reconstruction (2015)	D	D	D	B&A	C	C
3216-000	Hoist System for Maintenance Shop (2013)	D	D	D	B&A	C	C
3210-000	Facility Improvements - Solids Area (2015)	D	D	D	B&A	C	C

MISCELLANEOUS IMPROVEMENTS 2017							
3252-000	Plant 1 Standby Power Generator Replacement (2017)						
3251-000	Effluent Flow Meter Replacement (2017)						
3250-000	Plant 1 Grit Basin Improvements (2017)	B&A	C	C	C	C	
3253-000	Effluent System Valve Replacement (2017)				B&A	C	C

INDEPENDENT PROJECTS							
4014-000	Foul Air System Evaluation (2016) (NCP)	P					
3286-000	PLC Upgrades (2018)	C	C	C			
4001-000	Plant Drain System Study (2017) (NCP)	P	P				

**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		
		2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr
MISCELLANEOUS IMPROVEMENTS 2017		C	C				
3507-000	East Primary Influent Gates (2015)	C	C				
3508-000	Grit System Knife Gate Valve Replacement (2015)	C	C				
3510-000	Grating Rebate and Concrete Repair Between Aeration Basins and Primary Basins (2016)	C	C				
3512-000	Grating Rebate and Concrete Repair Between HW Building and Primary Basins (2016)	C	C				
3550-000	Export Sludge Pump Addition (2017)	C	C				
3554-000	Odor Scrubber Bleach Tank Replacement (2017)	C	C				
3503-000	Scrubber Upgrade (2013)	C	C				
3562-000	AWT Applied Water Pump Replacement (2017)	C	C				
3517-000	AWT Backwash Water Pump Replacement (2016)	C	C				
FACILITY IMPROVEMENTS PACKAGE		D	D	D	B&A	C	C
3504-000	Aeration System Modification Design (2015)	D	D	D	B&A	C	C
3592-000	Facility Improvements Project Design (2018)	D	D	D	B&A	C	C
3509-000	Switchgear Replacement Design (2016)	D	D	D	B&A	C	C
3514-000	CTP Facility Upgrade Design (2016)	D	D	D	B&A	C	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		
		2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr
MISCELLANEOUS IMPROVEMENTS 2018		D	D	B&A	C	C	C
3593-000	Primary Sludge Valve Replacement (2018)	D	D	B&A	C	C	C
3597-000	MCC-A Replacement (2018)	D	D	B&A	C	C	C
3596-000	Applied Water VFD Pump Panel and Electrical (2018)	D	D	B&A	C	C	C
EXPORT SLUDGE SYSTEM REPLACEMENT		ENV	B&A	C	C	C	C
1367	Export Sludge Line Repair & Rip Rap (R - 2) (2012)	ENV	B&A	C	C	C	C
3534-000	Export Sludge System (1997)	ENV	B&A	C	C	C	C
INDEPENDENT PROJECTS							
3594-000	PLC Replacement (2018)	C	C	C			
3553-000	Plant Drainage Improvements (2017)	B&A	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		
		2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd 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		
		2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr
COGENERATION AND SWITCHGEAR UPGRADE		C					
3715-000	Switchgear Upgrade (2006)	C					
3720-000	Digester Dome Recoating (2014)	C					
1478	Underground Piping Upgrade (2006)	C					
3722-000	Co-Generation System Retrofit (2008)	C					
MISCELLANEOUS IMPROVEMENTS 2017		D	D	B&A	C	C	C
3787-000	Aeration Area Upgrade Design (2018)	D	D	B&A	C	C	C
3752-000	AWT No.2 Upgrade Design (2017)	D		B&A	C	C	C
3790-000	Solids Area Upgrade Design (2018)	D	D	B&A	C	C	C
INDEPENDENT PROJECTS							
3704-000	Odor Control Scrubber Control Panel No. 1 (2013)						
201717RL1	Effluent Equalization Pond and Gate Condition Assessment (2017) (NCP)					CA	CA
201617RL5	Primary Influent Channel Condition Assessment (2016) (NCP)					CA	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			

Agenda Item

Budgeted: Yes

Budget amount: \$12,720,000

Line Items: PC 17 Tasks 3720-000, 3715-000, 3721-000, and 3722-000

Legal Counsel Review: No

Meeting Date: December 14, 2017

TO: Project Committee 17

FROM: Betty Burnett, General Manager

STAFF CONTACT: Brian Peck, Director of Engineering

SUBJECT: Change Order to Pacific Hydrotech Construction Contract for the Regional Treatment Plant Cogeneration and Switchgear Upgrade Project

Recommendation

The Engineering Committee recommends that the Board of Directors approve Change Order 14 to the construction contract with Pacific Hydrotech for the Regional Treatment Plant Cogeneration and Switchgear Upgrade Project.

Change Orders

1. Approve Change Order 14 to the construction contract for the Cogeneration Upgrade Project (PC 17, Task 3722-000).

CO #	CO Item	Description	Change Order Price	Cumulative Change Order*	Status
14	Motor Rated Disconnect Switches	Add local disconnect switches to 5 cogeneration supporting pump motors	\$5,555.28	\$64,582.24	SOCWA Engineering Committee Recommended

* Cumulative for specific budget task code.

Advisory Status

Reviewed and recommended by the SOCWA Engineering Committee on October 12, 2017.

Financial Status

Original Contract Amount:	_____ \$ 8,925,217.00
Net change by previous change orders:	_____ \$ 511,343.27
Contract amount prior to this change order:	_____ \$ 9,436,560.27
Net increase, decrease due to this change order:	_____ \$ 5,555.28
New contract amount, including this change order:	_____ \$ 9,442,115.55

The overall project remains within budget. The project ledger is shown in Table 1. The allocation of these change order costs is shown below.

Task	3722-000
El Toro Water District	\$1,133.83
Emerald Bay Service District	\$32.78
City of Laguna Beach	\$623.30
Moulton Niguel Water District	\$3,267.62
South Coast Water District	\$497.75
Total	\$5,555.28

Change Order No.14 Brief Description

Some of the cogeneration system auxiliary pumps (Clean Lube Oil Pump, Waste Lube Oil Pump, Boiler Hot Water Pump, Hot Water Pump, and Cogen Jacket Water Pump) were designed to be automatically or manually operated from the PLC HMI. The nearest disconnect switches for these pumps were located at a motor control center in an adjacent room. SOCWA standard operation requires a disconnect in sight of the device. This change order adds local disconnects for the five pump motors listed so staff can locally lock-out as needed.

Table 1
 Project Cost Ledger: Regional Treatment Plant
 Cogeneration and Switchgear Upgrades
 (Millions)

	Switchgear Upgrade	Underground Piping Relocation	Digester Recoating	Co-Generation Upgrade	Total
Budget (2016/17)	3.475	0.636	1.024	7.585	12.720
Budget Task Codes	3715-000	3721-000	3720-000	3722-000	
<u>Actual Bid Costs-Constr.</u>	1.930	0.156	0.316	6.520	8.922
<u>Construction Change Orders</u>	0.452	0.000	0.000	0.065	0.517
<u>Previous Costs (Prior Construct and Design)</u>	0.365	0.292	0.621	0.443	1.721
Contingency	-0.021	0.148	0.057	0.079	0.264
Construction Management	0.094	0.007	0.030	0.162	0.294
Construction Management Change Order No.1	0.191	0.000	0.000	0.035	0.226
Construction Management Change Order No.2	0.124	0.000	0.000	0.124	0.248
Construction Services	0.110	0.033	0.000	0.156	0.298
Construction Services Change Order	0.080	0.000	0.000	0.000	0.080
Southern California Edison (SCE)	0.150	0.000	0.000	0.000	0.150
Total Project Costs	3.475	0.636	1.024	7.585	12.720
<u>Spending</u>					
Total Current Spending	(1.900)	(0.470)	(0.960)	(6.100)	(9.430)
Remaining Spending	(1.575)	(0.166)	(0.064)	(1.485)	(3.290)
Remaining Budget	1.575	0.166	0.064	1.485	3.290
*Grants				1.700	1.700
Net SOCWA Costs	3.475	0.636	1.024	5.885	11.020

Agenda Item

Budgeted: Yes

Budget amount: \$1,860,000.00

Line Items: PC 17 Tasks 3707-000, 3708-000, 3712-000, 3713-000, 3717-000, 3718-000, 3710-000, and 3723-000

Legal Counsel Review: No

Meeting Date: December 14, 2017

TO: Project Committee 17

FROM: Betty Burnett, General Manager

STAFF CONTACT: Brian Peck, Director of Engineering

SUBJECT: Change Orders to Pacific Hydrotech Contract for the Regional Treatment Plant Miscellaneous Improvements 2016 Project

Recommendation

The Engineering Committee recommends that the Board of Directors approve Change Orders 4 and 5 to the construction contract with Pacific Hydrotech for the Regional Treatment Plant Miscellaneous Improvements 2016 Project.

Change Orders

1. Approve Change Order 4 for the Grit Basin Drop Gate Improvements (PC 17, Task 3712-000)

CO #	CO Item	Description	Change Order Price	Cumulative Change Order*	Status
4	Repaired T-Lock at Grit Tanks	A small damaged section of T-Lock in the influent channel was found after the area had been drained and cleaned.	\$1,151.98	\$1,151.98	SOCWA Engineering Committee Recommended

2. Recommend Change Order 5 for the Influent Junction Structure Gate Replacement (PC 17, Task 3708-000)

CO #	CO Item	Description	Change Order Price	Cumulative Change Order*	Status
5	Replaced Influent Junction Structure Covers	The new gate frame size difference rendered the current covers unusable.	\$2,003.48	\$2,003.48	SOCWA Engineering Committee Recommended

* Cumulative for specific budget task code.

Advisory Status

Reviewed and recommended by the SOCWA Engineering Committee on November 9, 2017.

Financial Status

Original Contract Amount:	_____ \$ 1,451,200.00
Net change by previous change orders:	_____ \$ 43,830.87
Contract amount prior to this change order:	_____ \$ 1,495,030.87
Net increase, decrease due to this change order:	_____ \$ 3,155.46
New contract amount, including this change order:	_____ \$ 1,498,186.33

The allocation of the change order costs is shown below.

Task	Task 3712	Task 3708	Total
Member Agency	Liquids	Liquids	
El Toro Water District			
Emerald Bay Service District			
City of Laguna Beach			
Moulton Niguel Water District	\$1,151.98	\$2,003.48	\$3,155.46
South Coast Water District			
Total	\$1,151.98	\$2,003.48	\$3,155.46

The overall project remains within budget. The revised project ledger is presented in Table 1.

Agenda Item

Legal Counsel Review: No

Meeting Date: December 14, 2017

TO: SOCWA Board of Directors

FROM: Betty Burnett, General Manager

STAFF CONTACT: Jim Burror, Director of Operations

SUBJECT: Letter of Support for CASA Responding to the Bioenergy Association
Petition to Modify Senate Bill 1122 - Renewable Bioenergy Projects

Summary

The California Association of Sanitation Agencies (CASA) is supporting the Bioenergy Association of California's petition to extend the BioMAT program and to facilitate Biogas interconnections to the electricity grid. CASA has requested letters of support from its members in its effort to support this petition.

Discussion/Analysis

The current Renewable Bioenergy Projects created under Senate Bill 1122 started in 2015 will end in December 2017. The goal of the program is 110 MW from wastewater treatment, municipal organic waste diversion, food processing, and co-digestion. CASA and the Bioenergy Association of California's contends that projects in the wastewater industry take many years to plan, fund and construct. In addition, a major hurdle to the projects can be interconnection fees to the utilities.

Therefore, CASA and the Bioenergy Association of California are petitioning the California Public Utilities Commission (CPUC) for the following:

1. Remove or extend the program end date adopted in D.14-12-081; and
2. Add measures to expedite interconnection for BioMAT projects.

Prior Related Project Committee or Board Action(s)

None

Fiscal impact

Potentially reduced costs associated with interconnections to the gas and electricity utilities, if SOCWA determined that it wished to sell gas or power to the utility companies.

Recommendation

Authorize the General Manager to submit a letter of support on behalf of SOCWA supporting CASA's efforts to support the Bioenergy Association of California's petition to extend the BioMAT program and add measures to expedite interconnection for BioMAT projects.

December 14, 2017

Greg Kester
CASA
1225 8th Street, Suite 595
Sacramento, CA 95814

Re: Need to Maintain BioMAT Program

Dear Mr. Kester:

The South Orange County Wastewater Authority (SOCWA) supports the California Association of Sanitation Agencies (CASA) position that the California Public Utilities Commission (CPUC) reject PG&E's announced suspension of the BioMAT program on December 31, 2017. SOCWA is still looking at potential options for participation in grant programs to increase the production of renewable energy from food waste that is currently sent to landfills and potentially causing the release of short lived climate pollutants.

SOCWA urges the CPUC to order PG&E to continue BioMAT procurement and not to allow any of the utilities to announce that they will suspend procurement without prior Commission approval.

Sincerely,

Betty Burnett
General Manger
SOCWA

Agenda Item

Legal Counsel Review: No

Meeting Date: December 14, 2017

TO: SOCWA Board of Directors
FROM: Betty Burnett, General Manager
STAFF CONTACT: Jim Burror, Director of Operations
SUBJECT: Updated Reporting on Critical Infrastructure Repairs

Summary

At the April 26, 2017 SOCWA Board Strategic Planning Workshop, the Board set a strategic priority for Asset Maintenance. The Board is seeking clarity on what maintenance tasks are being performed to establish a baseline for comparison.

SOCWA staff has started listing highlighted critical asset repairs in the month Operations Report to the Board. Also, staff will be adding a new pie chart on Critical Equipment Repairs to future quarterly Key Performance Indicators. Both items are attached to this report for review and will be presented for discussion at the December 14th meeting.

Fiscal impact

None.

Recommendation

Receive and file this report on updated reporting on Critical Infrastructure Repairs.

attachment(s)

- 1) Pages 91 and 92 from the December 7, 2017 Board Book on the October 2017 Operations Report
- 2) Pie Chart for FY17-18 First Quarter Critical Equipment Corrective Maintenance Repairs

SOCWA Operational Report October, 2017

Select Critical Equipment Repairs

JBL - PC2

Repaired a section of potable water line feeding plant air gap tank.
Centrifuge #2 pillow bearings and trust bearing.
Replaced Bar Rake #3 motor, gear box adapter, and drive roller/follower roller.
Replaced Primary sludge pump #3 and cleaned check valve.
Setup new Engineering office trailer utilities.
Rebuilt Plant #2 Wetwell control bubbler piping.
Replaced broken decant line.
Cleaned and unfroze idler gears in Secondary #11.
Continued replacement of failing tank wear strips.
Replaced flights in secondary tanks #5 and #9.
Prepared site for new manual barscreen at Plant #2.
Replaced barscreen rack motor and drive at Plant No. 2.
Replaced and rebuilt TWAS pump #2 motor and gear box.
Removed scum beach in Primary #9 for fabrication and replacement project.
Replaced failed process water line located by plant sump pump.

CTP - PC15

Acid washed scrubber and entered to removed blocks of sulfur clogging recirculation pumps.
Replaced leaking caustic valves on scrubber.
Replaced and calibrated faulty Chlorine Sensor.
Replaced failed process water control panel cooling unit.
Replaced overheated proses water pump VFD's.
Replaced chain and flights in Secondary Tank #9.
Replaced broken valve on process water line.
Replaced bad motor on Building #1 odor control fan.
Replaced Drainage Pumping Station Sump Pump
Removed broken AWT mixer and shipped to fabricator.
Repaired CTP effluent autosampler.
Replaced failed valve for high pressure air system.
Troubleshooted scum skimmer shear pin failure on primary tank.
Replaced failed DO probe on West 1B tank.
Troubleshooted SC200 Controller on West 2B tank.

RTP - PC17

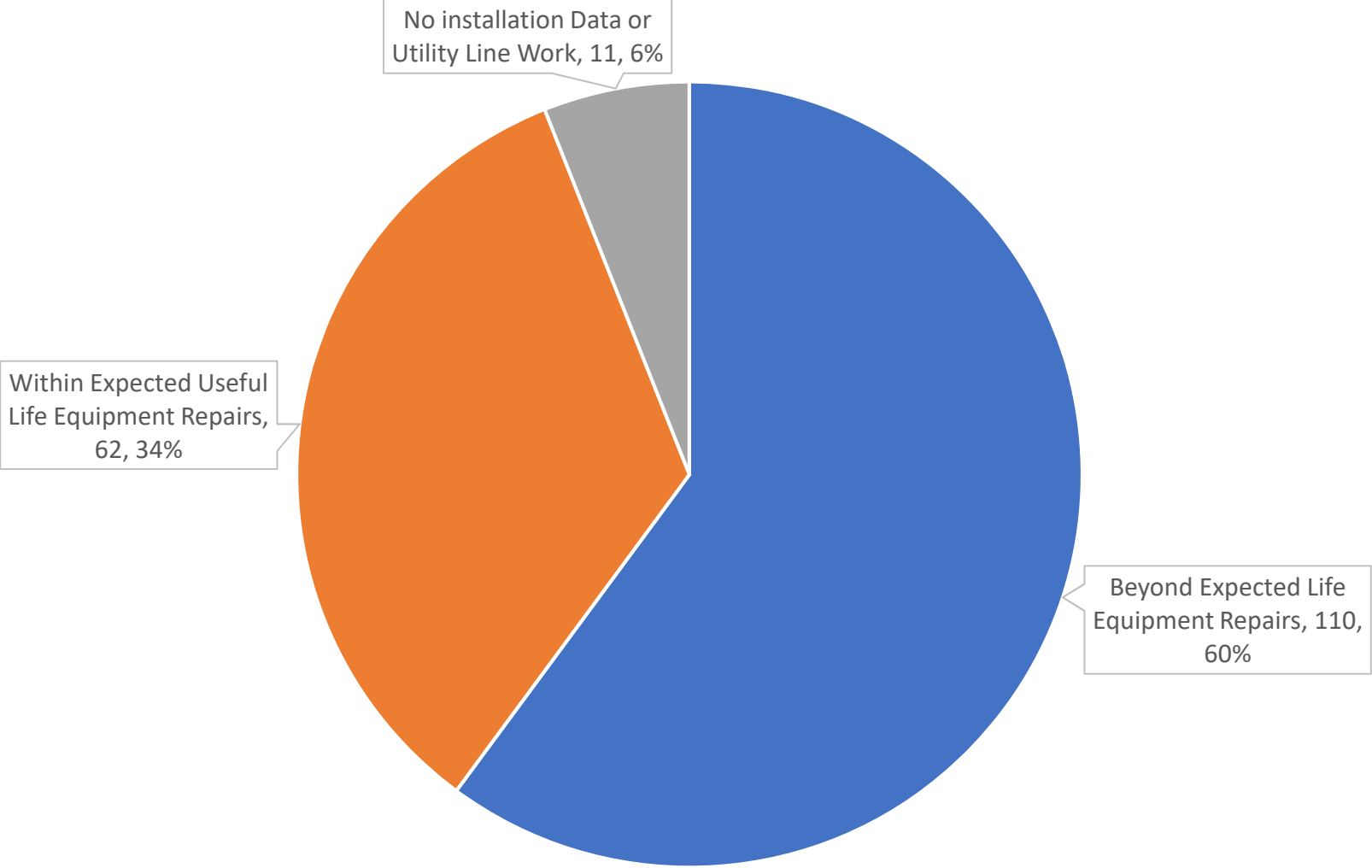
Troubleshoot Centrifuge 3, diagnose bad cyclo unit.
Fabricate and install Primary Skimmer 1.
Replace Scrubber 1, Stage 2/3 Circulation Pump.
Repair broken flange and repiped suction side on 2-Water Booster Pump.

SOCWA Operational Report October, 2017 (cont'd)

RTP - PC17 (cont'd)

Fabricate new Mixed Liquor Channel Gate.
Repair Broken 3-Water (High Pressure) line on Scrubber 1.
Cleaned, inspected and repaired Grit Tank 1 piping.
Replaced corroded odor box for Aeration Tank 1.
Repaired access gate on Aeration Tank 3.
Jetted out plugged digester pipeline.
Removed failed primary gallery sump pumps for inspection and replacement.
De-ragged Primary Scum Pump 3.
Replace motor on Digester Building AHU.
Repaired leaking odor scrubber bleach tank.
Remove and replace broken sprayer nozzle on scrubber 1 Stage 2/3.
Rebuilt wet end of Scrubber 1 Stage 2/3 Bleach Pump.
Pumped out Truck Bay and Jetted plugged drain lines.
Removed and replaced RAS gate 3.
Installed rebuilt RAS Pumps 3 and 13.
Replaced pneumatic actuated wash water valve on Centrifuge 3.
Installed new pulleys and belts on Service Air Compressor 1.
Replaced broken nipple on suction side of Grit pump 6.

FY17-18 First Quarter Critical Equipment Corrective Maintenance Repairs



- Beyond Expected Life Equipment Repairs
- Within Expected Useful Life Equipment Repairs
- No installation Data or Utility Line Work

Agenda Item

Legal Counsel Review: No

Meeting Dates: December 14, 2017

TO: Board of Directors
FROM: Betty Burnett, General Manager
STAFF CONTACTS: Brian Peck, Mary Carey
SUBJECT: Infrastructure Valuation Services

Summary

On September 7, 2017, the Board of Directors authorized the work of Carollo Engineering to review SOCWA records, conduct field investigations and research, and prepare a valuation report for SOCWA infrastructure assets for submission to the FY 2016-17 Auditors, Pun Group. A Finance Committee workshop was held on September 21, 2017, for the purposes of discussing with Carollo Engineering and Pun Group representatives the scope of the work and the approach expected to be used to determine asset detail and value at the time of acquisition. At the workshop, Carollo Engineering and Pun Group discussed the planned work and there was general concurrence of the Finance Committee to proceed with the work.

At the December 6, 2017, Finance Committee Meeting, Carollo Engineering representatives attended and provided an overview of the project and process used in preparing the valuation. The Board of Directors asked that the Finance Committee review the report at the December 11, 2017, meeting and report to the Board at the December 14, 2017, meeting.

Attached hereto is the Draft Valuation Report and spreadsheets indicating the recommended changes to the infrastructure assets for SOCWA. Carollo Engineering representatives will attend the December 14, 2017 Board Meeting to present the report and answer questions.

Background

With the submission of the FY 2015-16 Audit the DavisFarr audit firm recommended that SOCWA conduct an engineering valuation to provide the detail that supports the net book value of SOCWA infrastructure assets. In the past audit years, SOCWA has reported \$23.6 million in infrastructure assets and the project is important to identify the assets, determine what is in use and confirm the values.

Recommended Action

Board questions, comments.

Finance Committee recommends to the Board of Directors that the final Valuation Report be received and filed.

Infrastructure Audit Progress Update

December 7, 2017



Quick Recap of the Project

What:

- Review the assets in the financial register and update information

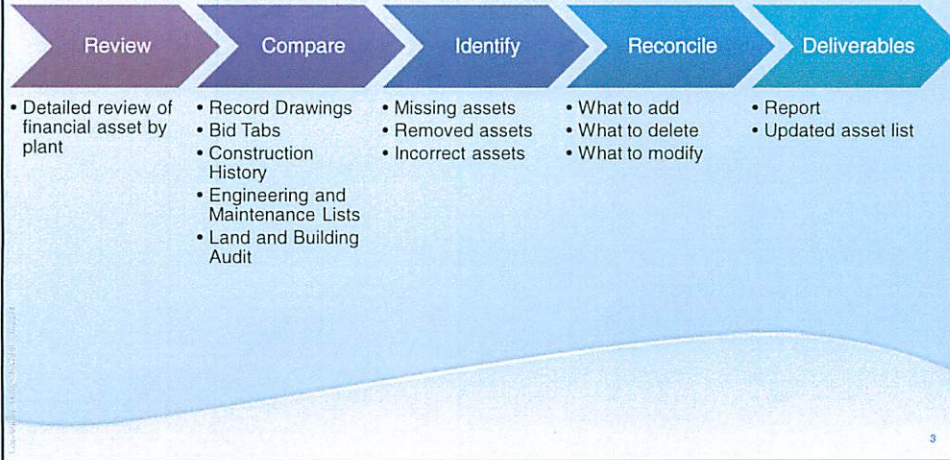
Why:

- Improve the confidence in the asset records
- Support the financial audit

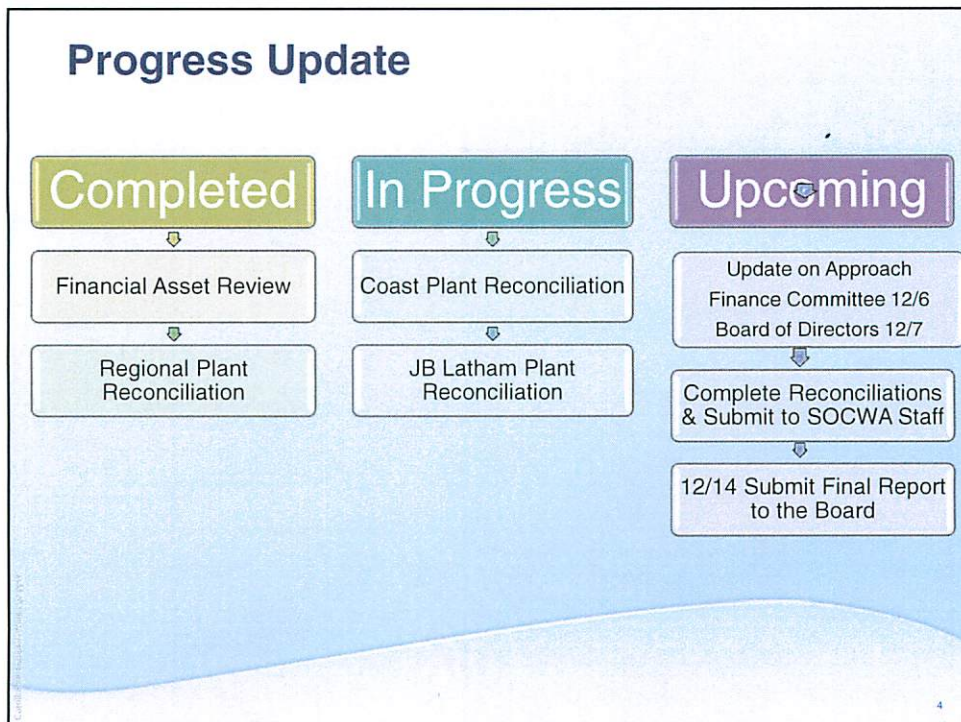
How:

- Compare the financial assets to other sources of asset information

Process Overview



Progress Update



Key Findings to this Point

A few large historically constructed projects were missing from the financial register

- Adding new asset records so they can be tracked and disposed of in future audits. Most of the assets are fully depreciated by now.

Large construction from 1970s, 80s, and 90s are lacking detail

- Adding detail to better reflect the types of assets contained in these projects, using bid tabs to split out costs.

Some historically constructed assets no longer exist

- These will be removed from the financial register.

Effect on overall value of assets is minor

5

Any Questions?



Questions

6

The spreadsheets indicating the recommended changes to the Infrastructure Assets for SOCWA are available upon request.

Please contact the Clerk of the Board at:

**34196 Del Obispo Street
Dana Point CA 92629
(949) 234-5400 ext. 421**

Agenda Item

Legal Counsel Review: N/A

Meeting Dates: December 14, 2017

DATE: December 14, 2017
TO: Board of Directors
FROM: Betty Burnett, General Manager
SUBJECT: Use Audit FY 2016-17, Draft of December 7, 2017

Summary

The Finance Committee and the Board of Directors received the draft FY 2016-17 Use Audit the week of December 5, 2017. The Finance Committee considered a first cut of member agency staff comments to the draft Use Audit on December 11, 2017. The Finance Committee discussion included a recognition that additional time would be needed for a review of certain costs where agency verification of flows may be needed; several agencies for PC 2 are working to confirm flow data previously provided to SOCWA staff.

So far, the following changes to the draft document have been identified; see pages attached hereto to replace pages in the draft document as follows:

1. Pages 38-41 listing Capital Assets Placed in Service are revised to include additional assets for the FY period.
2. Pages 14 and 33 are revised to show corrected outfall flows for PC 5.
3. Page 16 and 34 are revised with corrected recycled water produced, which changed the percentage shares for 50% of costs.
4. Page 23 c is highlighted to note that the Effluent Pump Station costs for the JBL facility are moved to PC 2 Liquids (this decision was affirmed by the Board in the budget direction for the 17-18 FY Budget – and is being applied to the 16-17 Use Audit).
5. Pages 12 and 32 may be revised based on further input from SMWD and MNWD as to the OSO/Trabuco flows to JBL facility.

For the December 14, 2017 Board meeting, the Board members may submit additional comments to staff and consider a timeframe for returning the Use Audit for consideration of approval in accordance with the recommendation below.

Recommendation

Consider Finance Committee Recommendations. Provide Additional Board Comments and Questions. Determine a schedule for the following staff recommendation:

Staff recommends that Board of Directors: 1) approval of the FY 2016-17 Use Audit dated December 7, 2017, and 2) approve refunds for SOCWA member agencies whose costs were under budget, and 3) approve billings for SOCWA member agencies with additional assessments in accordance with the Use Audit dated December 7, 2017, or as approved by the Board after additional consideration of revisions.

**South Orange County Wastewater Authority
Large Capital Close Outs Detail
Diesel Storage Tank (2016) - Project 3206-000 (Common)**

Date	Transaction	Journal	Vendor Name	Amount
12/29/15	76-422	Accounts Payable	Project Partners, In-7165	354
3/15/16	204-68	Adjustments Journal	Lee & RO - 1133-03/01 S/B 3206-000	6,966
3/15/16	204-70	Adjustments Journal	Lee & RO - 1133-03/02 correct project#	5,159
3/16/16	213-236	Accounts Payable	Project Partners, In-7295-PO 8567 3206-0	4,498
3/28/16	237-350	Accounts Payable	DHK Engineers, Inc.-4216-	13,510
4/1/16	272-06	General Journal	Lee & Ro, Inc.-1133-03/03	2,063
4/12/16	243-107	Accounts Payable	Orange County Fire A-04/12/16-3206-000	980
6/20/16	324-035	Accounts Payable	Project Partners, In-7322-A-	1,534
9/30/16	606-0817	Accounts Payable	Gateway Pacific Cont-20-	51,921
10/18/16	606-0094	Accounts Payable	Project Partners, In-7396-	1,770
10/18/16	606-0106	Accounts Payable	Project Partners, In-7356-	1,416
10/18/16	606-0150	Accounts Payable	Project Partners, In-7500-	236
11/30/16	673-1993	Accounts Payable	DHK Engineers, Inc.-4266-	2,680
1/31/17	724-289	Accounts Payable	Gateway Pacific Cont-24-	84,412
			Total	177,499
			Cash Collected	227,430
			USE AUDIT Refund/(Amount Due)	49,931

2R		
Member Allocations		
Member Agency	Ownership %	Amount Allocated
CSJC	30.38%	15,171
MNWD	22.35%	11,159
SCWD	24.42%	12,195
SMWD	22.84%	11,406
Total Commons		49,931

**South Orange County Wastewater Authority
Capital Assets Placed In-Service
FY 2016-17**

Project Description	Project #	Amount Capitalized
PC2 JB Latham Aeration/Cogeneration Design/Construction		
Secondary Sedimentation Basin No.1 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.1 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.1 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.1 Drain Valves	3201	14,876
Secondary Sedimentation Basin No. 1 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.2 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.2 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.2 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.2 Drain Valves	3201	14,876
Secondary Sedimentation Basin No. 2 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.3 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.3 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.3 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.3 Drain Valves	3201	14,876
Secondary Sedimentation Basin No. 3 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.4 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.4 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.4 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.4 Drain Valves	3201	14,876
Secondary Sedimentation Basin No. 4 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.5 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.5 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.5 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.5 Drain Valves	3201	14,876
Secondary Sedimentation Basin No. 5 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.6 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.6 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.6 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.6 Drain Valves	3201	14,876
Secondary Sedimentation Basin No. 6 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.7 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.7 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.7 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.7 Drain Valves	3201	14,876
Secondary Sedimentation Basin No.7 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.8 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.8 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.8 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.8 Drain Valves	3201	14,876
Secondary Sedimentation Basin No.8 Launderers/Weirs	3201	32,616
Secondary Sedimentation Basin No.9 Collector Drive	3201	31,801
Secondary Sedimentation Basin No.9 Isolation Gates	3201	27,950
Secondary Sedimentation Basin No.9 Scum Skimmer	3201	28,985
Secondary Sedimentation Basin No.9 Drain Valves	3201	14,876
Secondary Sedimentation Basin No.9 Launderers/Weirs	3201	32,616

**South Orange County Wastewater Authority
Capital Assets Placed In-Service
FY 2016-17**

Project Description	Project #	Amount Capitalized
Plant No.1 Secondary Sedimentation Basin Electrical Improvements	3201	82,205
Blower No.5	3201	454,484
Blower No.6	3201	454,484
Blower No.7	3201	454,484
Blower Building No.1 Piping and Valves	3201	207,015
Blower Building No.1 Electrical (Aeration Related Only)	3201	415,270
Aeration Basin No.1 Diffusers	3201	198,603
Aeration Basin No.1 Control Valves	3201	79,202
Aeration Basin No.1 Air Flow Meters	3201	70,790
Aeration Basin No.1 Effluent Gates	3201	74,879
Aeration Basin No.2 Diffusers	3201	198,603
Aeration Basin No.2 Control Valves	3201	79,202
Aeration Basin No.2 Air Flow Meters	3201	70,790
Aeration Basin No.2 Effluent Gates	3201	74,879
Aeration Basin No.3 Diffusers	3201	198,603
Aeration Basin No.3 Control Valves	3201	79,202
Aeration Basin No.3 Air Flow Meters	3201	70,790
Aeration Basin No.3 Effluent Gates	3201	74,879
Aeration Basin No.4 Diffusers	3201	198,603
Aeration Basin No.4 Control Valves	3201	79,202
Aeration Basin No.4 Air Flow Meters	3201	70,790
Aeration Basin No.5 Effluent Gates	3201	74,879
Aeration Basin No.6 Diffusers	3201	198,603
Aeration Basin No.6 Control Valves	3201	79,202
Aeration Basin No.6 Air Flow Meters	3201	70,790
Aeration Basin No.6 Effluent Gates	3201	74,879
Aeration Basin No.7 Diffusers	3201	198,603
Aeration Basin No.7 Control Valves	3201	79,202
Aeration Basin No.7 Air Flow Meters	3201	70,790
Aeration Basin No.7 Effluent Gates	3201	74,879
Aeration Basin Electrical Improvements	3201	190,270
Aeration PLC	3201	76,545
Total Aeration/Cogeneration		6,101,653
PC2 JB Latham Effluent Standby Generator ATS Repl (2016)		
Effluent Pump Station Auto Transfer Switch	3203	18,561
Total Effluent Standby Generator ATS Repl		18,561
PC2 JB Latham Facility Improvements - Structural Repairs (2015)		
Aeration Basin Structural Improvements	3204	383,752
Effluent Pump Station Structural Improvements	3204	58,778
Plant No.1 Secondary Sedimentation Basin Structural Improvements	3204	324,645
Total Facility Improvements - Structural Repairs		767,175

**South Orange County Wastewater Authority
Capital Assets Placed In-Service
FY 2016-17**

Project Description	Project #	Amount Capitalized
PC2 JB Latham West Side Power System Upgrade		
Plant No.2 Power Supply Building	3205	406,474
Switchgear MA	3205	400,089
Switchboard P2SE	3205	332,320
MCC 1A Improvements	3205	404,820
MCC J	3205	444,038
ESBD J	3205	461,735
Raw Sewage Pump PLC and VFDs	3205	382,187
Site Electrical Modifications	3205	546,474
Total West Side Power System Upgrade		3,378,136
PC2 JB Latham Diesel Storage Tank		
Diesel Storage Tank	3206	177,499
Total Diesel Storage Tank		177,499
Total Assets Placed In Service FY 2016-17		10,443,024

**South Orange County Wastewater Authority
PC 05 Wastewater Distribution by Member Agency
Budget vs Actual**

Member Agency	Fixed			EPS			Var 5%			VAR 95%			Total		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
City of San Clemente	32,800	42,352	(9,552)	0	0	0	2,324	2,448	(124)	56,840	60,456	(3,616)	91,964	105,256	(13,292)
City of San Juan Capistrano	21,868	28,236	(6,368)	24,524	0	24,524	1,552	1,644	(92)	68,892	56,083	12,809	116,836	85,963	30,873
Moulton Niguel Water District	30,604	39,524	(8,920)	16,348	0	16,348	2,164	2,280	(116)	29,816	48,096	(18,280)	78,932	89,900	(10,968)
Santa Margarita Water District	87,456	112,932	(25,476)	16,348	0	16,348	6,200	6,540	(340)	72,448	41,565	30,883	182,452	161,037	21,415
South Coast Water District	24,608	31,776	(7,168)	23,428	0	23,428	1,748	1,836	(88)	35,888	74,077	(38,189)	85,672	107,689	(22,017)
Total	197,336	254,820	(57,484)	80,648	0	80,648	13,988	14,748	(760)	263,884	280,277	(16,393)	555,856	549,845	6,011

Member Agency	Spending Variance			Spending Variance ₁			Spending Variance			VAR 95%			Total		
	Budget	Actual	% Variance	Budget	Actual	% Variance	Budget	Actual	% Variance	Budget	Actual	% Variance	Budget	Actual	% Variance
City of San Clemente	16.6%	16.6%	0.0%			0.0%	16.6%	16.6%	0.0%	21.5%	21.6%	0.0%	16.5%	19.1%	-2.6%
City of San Juan Capistrano	11.1%	11.1%	0.0%	30.4%		30.4%	11.1%	11.1%	-0.1%	26.1%	20.0%	6.1%	21.0%	15.6%	5.4%
Moulton Niguel Water District	15.5%	15.5%	0.0%	20.3%		20.3%	15.5%	15.5%	0.0%	11.3%	17.2%	-5.9%	14.2%	16.3%	-2.1%
Santa Margarita Water District	44.3%	44.3%	0.0%	20.3%		20.3%	44.3%	44.3%	0.0%	27.5%	14.8%	12.6%	32.8%	29.3%	3.5%
South Coast Water District	12.5%	12.5%	0.0%	29.0%		29.0%	12.5%	12.4%	0.0%	13.6%	26.4%	-12.8%	15.4%	19.6%	-4.2%
Total	100.0%	100.0%	0.0%	100.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%

1 - Pursuant to the 2017-18 Budget page 16, Budget Assumptions, Item 8, SOCWA directed to allocate JBL Effluent Pump Station costs within PC2 liquids ownership percentages; therefore, same percentages are used to include the EPS costs within PC2 for the 2016-17 USE AUDIT.

2 - The actual flow percentages were revised based on comments from the 12/11/17 Finance Committee.

PC 5 FY 2016/17 Actual Flows

Member Agency	Outfall Flows MGD	Outfall Flows Percent
CSC	2.531	21.57
CSJC	2.348	20.01
MNWD	2.013	17.16
SCWD	1.74	14.83
SMWD	3.101	26.43

Totals	11.733	100.00
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2 - The actual flow percentages were revised based on comments from the 12/11/17 Finance Committee.

**South Orange County Wastewater Authority
PC 12 Recycled Water Distribution by Member Agency
Budget vs Actual**

Member Agency	Region 9			Equally			Total		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget ¹	Actual	Variance
City of San Juan Capistrano	1,060	3,320	(2,260)	18,712	16,268	2,444	19,772	19,588	184
El Toro Water District	0	0	0	18,712	0	18,712	18,712	0	18,712
Irvine Ranch Water District	3,624	5,107	(1,483)	18,712	16,268	2,444	22,336	21,375	961
Moulton Niguel Water District	65,496	36,909	28,587	18,712	16,268	2,444	84,208	53,177	31,031
Santa Margarita Water District	47,608	5,751	41,857	18,704	16,268	2,436	66,312	22,019	44,293
South Coast Water District	7,940	42,866	(34,926)	18,704	16,268	2,436	26,644	59,134	(32,490)
Trabuco Canyon Water District	5,236	3,691	1,545	18,704	16,268	2,436	23,940	19,959	3,981
Total	130,964	97,644	33,320	130,960	97,608	33,352	261,924	195,252	66,672

Member Agency				Spending Variance						RW acft	% RW
	Budget	Actual	% Variance	Budget	Actual	% Variance	Budget	Actual	% Variance		
City of San Juan Capistrano	0.8%	3.4%	-2.6%	14.3%	16.7%	-2.4%	7.5%	10.0%	-2.5%	529	3.4%
El Toro Water District	0.0%	0.0%	0.0%	14.3%	0.0%	14.3%	7.1%	0.0%	7.1%	0	0.0%
Irvine Ranch Water District	2.8%	5.2%	-2.5%	14.3%	16.7%	-2.4%	8.5%	10.9%	-2.4%	815	5.2%
Moulton Niguel Water District	50.0%	37.8%	12.2%	14.3%	16.7%	-2.4%	32.1%	27.2%	4.9%	5,888	37.8%
Santa Margarita Water District	36.4%	5.9%	30.5%	14.3%	16.7%	-2.4%	25.3%	11.3%	14.0%	918	5.9%
South Coast Water District	6.1%	43.9%	-37.8%	14.3%	16.7%	-2.4%	10.2%	30.3%	-20.1%	6,839	43.9%
Trabuco Canyon Water District	4.0%	3.8%	0.2%	14.3%	16.7%	-2.4%	9.1%	10.2%	-1.1%	589	3.8%
Total	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%	15,578	100.0%

1 - PC12 is allocated 50% to the water produced and the remaining 50% shared equally.

PC 12 Recycled Water		
FY 2016-17		
Member Agency	Region 9 Recycled Use FY 2016/17 acft	% RW Use FY 2016/17 %
CSJC	529	3.40
ETWD	0	0
IRWD	815	5.23
MNWD	5888	37.80
SCWD	918	5.89
SMWD	6839	43.90
TCWD	588.5	3.78
Total	15577.5	100

South Orange County Wastewater Authority
Budget vs. Actual Comparison by Project Committee
For the Fiscal Year Ended June 30, 2017

		Budget	Actual	(Over)/Under Budget	% Expended
05 - San Juan Creek Ocean Outfall					
Salary and Fringe					
05-5000-01-***	Regular Salaries-O&M	11,496	520	10,976	4.52%
05-5000-02-***	Regular Salaries-O&M	99,672	99,084	588	99.41%
05-5001-02-***	Overtime Salaries-O&M	3,000	52	2,948	1.73%
05-5306-02-***	Scheduled Holiday Work	1,992	0	1,992	0.00%
05-5401-01-***	Fringe Benefits IN to PC's & Depts.	8,164	448	7,716	5.49% (1)
05-5401-02-***	Fringe Benefits IN to PC's & Depts.	70,768	85,832	(15,064)	121.29% (1)
	Total Payroll Costs	195,092	185,936	9,156	95.31%
Other Expenses					
05-5002-01-***	Electricity	1,000	128	872	12.80%
05-5002-02-***	Electricity	1,104	0	1,104	0.00% (2)
05-5003-01-***	Natural Gas	0	172	(172)	0.00%
05-5003-02-***	Natural Gas	504	0	504	0.00% (2)
05-5014-01-***	Engineering - Misc.	10,000	2,592	7,408	25.92%
05-5015-02-***	Management Support Services	20,004	19,512	492	97.54%
05-5017-01-***	Legal Fees	0	484	(484)	0.00%
05-5022-02-***	Miscellaneous Expense	0	1,732	(1,732)	0.00%
05-5027-01-***	Insurance - Property/Liability	0	4,428	(4,428)	0.00% (3)
05-5027-02-***	Insurance - Property/Liability	2,332	580	1,752	24.87% (3)
05-5031-02-***	Safety Supplies	504	5,716	(5,212)	1134.13% (4)
05-5034-02-***	Travel Expense/Tech. Conferences	3,004	400	2,604	13.32%
05-5036-02-***	Laboratory Supplies	16,996	15,404	1,592	90.63%
05-5038-02-***	Permits	145,000	182,524	(37,524)	125.88%
05-5040-02-***	Natural Gas - 11-EPS - PC 5	396	0	396	0.00% (5)
05-5041-02-***	Electricity - 10-EPS - PC 5	31,500	0	31,500	0.00% (5)
05-5042-02-***	Contract Services - 29-EPS - PC 5	4,104	0	4,104	0.00% (5)
05-5044-02-***	Offshore Monitoring - 20A	20,004	15,592	4,412	77.94%
05-5046-02-***	Effluent Chemistry - 20C	26,000	14,112	11,888	54.28%
05-5056-01-***	Maintenance Equip. & Facilities (Solids) 41-A	0	2,092	(2,092)	0.00% (6)
05-5069-02-***	Misc-Capital-Dilution & Metering Study	50,004	67,288	(17,284)	134.57%
05-5101-02-***	Employee Recognition	0	1,228	(1,228)	0.00% (7)
05-5301-02-***	Vehicle Pay	0	160	(160)	0.00%
05-5305-02-***	Medicare Tax Payments for Employees	0	1,932	(1,932)	0.00% (7)
05-5705-02-***	Monthly Car Allowance	0	4,124	(4,124)	0.00% (8)
05-5802-01-***	Shipping/Freight	0	24	(24)	0.00% (7)
05-6500-02-***	IT Allocations in to PC's & Depts.	28,308	23,688	4,620	83.68%
	Rounding	0	(3)	3	0.00%
	Total Other Expenses	360,764	363,909	(3,145)	100.87%
	Total Expenses	555,856	549,845	6,011	98.92%

- (1) Actual fringe rate was 86.6%
- (2) Expenses to be reclassified to Department 01 in the Use Audit.
- (3) Increased Premiums
- (4) Safety supplies are restocked for the FY and limited expenses are planned for the remainder of the FY.
- (5) Based on the cost allocation workshop recommendation these costs will be reclassified to PC-2.
- (6) Security and communications work occurred during the Fiscal Year.
- (7) Expense Line Item Not Budgeted
- (8) Expense under budgeted for PC. Overall expense is under budget.

Agenda Item

Meeting Date: December 14, 2017

TO: Board of Directors
FROM: Bradley Neufeld, Labor Counsel
STAFF CONTACT: Dina Ash, Human Resources Administrator
SUBJECT: Approval of Side Letter Agreement No. 3

Action Requested

Adopt Resolution 2017-12 approving Side Letter of Agreement: No. 3 to the Memorandum of Understanding between South Orange County Wastewater Authority and SOCWA Employees Association ("SEA") regarding SEA access to new employee orientations and employee contact information.

Summary/Discussion

On June 22, 2017, Governor Brown signed into law AB 119 which codified the legislature's intent that recognized exclusive representatives of California's public employees be provided "meaningful access to their represented members" during the new employee orientation process and requiring that the exclusive representative be provided contact information for their members. Under the law, "exclusive representatives" (the recognized employee organization for the bargaining unit) are guaranteed mandatory access to new employee orientation meetings when they involve members of their bargaining unit. The new law set forth specific timelines and requirements, but allowed the public employer and exclusive representative to meet and confer and enter into agreements that varied from some of the requirements of the law. Government Code section 3557(d).

SOCWA representatives met with SEA representatives and agreed to the attached Proposed Side Letter Agreement No. 3. The Side Letter provides that the SEA will receive no less than 10 days written notice (via email) in advance of an orientation for new hires whose positions are within the bargaining unit. This general rule is subject to an exception that allows for a shorter notice period where there is an urgent need critical to SOCWA's operations to fill the position that was not reasonably foreseeable. The designated SEA representative is allowed 15 minutes during the orientation, or a longer time if mutually agreed upon, to present information to the new hire(s) related to the SEA and its MOU with SOCWA.

The new law also contained requirements regarding providing employee contact information to the exclusive representative. In this case, the parties agreed that within 30 days of date of hire, SOCWA will provide the SEA with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email address on file with the SOCWA and the home address of a new hire within the bargaining unit. However, as set forth in Government Code section 6254.3(c) employees may provide SOCWA a written request not to disclose the employee's personal information which includes the employee's home address, home telephone number, personal cellular telephone number, and personal email address. All bargaining unit employees will be provided a form that allows them to easily make this written request to SOCWA.

Finally, the Side Letter provides that SOCWA will provide updated contact information for all employees in the bargaining unit to the SEA every 6 months, beginning approximately January 5,

2018. (In the absence of obtaining an agreement on this issue, SOCWA would have had to provide the information every 120 days.)

Recommendation

Adopt Resolution 2017-12 approving Side Letter of Agreement: No. 3 to the Memorandum of Understanding between South Orange County Wastewater Authority and SOCWA Employees Association (“SEA”) regarding new employee orientations and employee contact information.

- attachments
1. Resolution 2017-12 Approving Side Letter of Agreement No. 3 to the 2017-2020 Memorandum of Understanding between the South Orange County Wastewater Authority and the SOCWA Employees Association.
 2. Side Letter of Agreement No. 3 to Memorandum of Understanding between South Orange County Wastewater Authority and SOCWA Employees Association regarding new employee orientations and employee contact information.
 3. 2017-2020 Memorandum of Understanding.

RESOLUTION NO. 2017-12
A RESOLUTION APPROVING SIDE LETTER OF AGREEMENT NO. 3 TO THE JULY 1, 2017
TO JUNE 30, 2020 MEMORANDUM OF UNDERSTANDING BETWEEN THE SOUTH
ORANGE COUNTY WASTEWATER AUTHORITY AND THE SOCWA EMPLOYEE
ASSOCIATION

WHEREAS, the employees represented by the South Orange County Wastewater Authority Employee Association (SEA) are a viable and important part of the SOCWA organization, and

WHEREAS, the SEA has met and conferred in good faith with the designated Authority representatives on hours and other terms and conditions of employment; and

WHEREAS, as a result of the meet and confer process Side Letter of Agreement No. 3 to the Memorandum of Understanding (MOU) between SOCWA and the SEA has been presented to the Board for its approval.

NOW, THEREFORE, the Board of Directors of the South Orange County Wastewater Authority does hereby RESOLVE, DETERMINE AND ORDER as follows:

Section 1. The General Manager or the Chairperson of the Board of Directors is authorized to execute Side Letter of Agreement No. 3 on behalf of the Authority.

Section 2. The Secretary of SOCWA shall certify the adoption of Resolution No. 2017-12 and shall maintain a certified copy thereof at the principal office of SOCWA.

ADOPTED, SIGNED AND APPROVED this 14th day of December, 2017

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

By: _____
Dan Ferons, Chairman

By: _____
Betty Burnett, Secretary

SIDE LETTER OF AGREEMENT NO. 3
TO THE MEMORANDUM OF UNDERSTANDING
BETWEEN
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
AND

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY EMPLOYEES ASSOCIATION

Subject to the South Orange County Wastewater Authority's approval, the South Orange County Wastewater Authority ("SOCWA") and the SOCWA Employees Association ("Association") have met regarding implementation of Assembly Bill 119 related to recognized exclusive representatives access to their represented members and hereby agree as follows:

1. The Association will receive no less than 10 days written notice (via email) in advance of an orientation for new hires whose positions are within their bargaining unit, except that a shorter notice may be provided in a specific instance where there is an urgent need critical to the SOCWA's operations that was not reasonably foreseeable. The Association representative shall have 15 minutes during the orientation, or a longer time if mutually agreed upon, to present information to the new hire(s) related to the Association and MOU. Within 30 days of the date of hire, the SOCWA shall provide the Association with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email address on file with the SOCWA and the home address of the new hire (personal information may be excluded upon written request of the employee as set forth in Government Code section 6254.3(c).) In addition, the SOCWA shall provide the same information for all employees in the bargaining unit to the Association every six months beginning approximately January 5, 2018.

By: _____
SOUTH ORANGE COUNTY WASTEWATER
AUTHORITY
Daniel Ferons, Chairperson, Board of Directors

Date: _____

By: _____
SOCWA EMPLOYEES ASSOCIATION
Mike Harper, President

Date: _____

By: _____
ORANGE COUNTY EMPLOYEES
ASSOCIATION
Aaron Peardon, Senior Labor
Relations Representative

Date: _____

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE
SOUTH ORANGE COUNTY
WASTEWATER AUTHORITY
AND THE
SOCWA EMPLOYEE ASSOCIATION**

July 1, 2017 to June 30, 2020

MEMORANDUM OF UNDERSTANDING
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SECTION I

A. RECOGNITION

The South Orange County Wastewater Authority, hereinafter referred to collectively as the "Agency," recognize the SOCWA Employee Association, hereinafter referred to as the "SEA", as the exclusive recognized employee organization for matters within the scope of representation for the classifications shown in Exhibit "D".

B. DURATION

This Memorandum of Understanding shall become effective as of July 1, 2017 and shall remain in full force and effect until June 30, 2020 and shall renew automatically from year to year thereafter unless either party gives at least sixty (60) days' notice in writing to the other party prior to any annual expiration date of their desire to modify or terminate this Agreement.

C. FULL UNDERSTANDING, MODIFICATION AND WAIVER

It is intended that this Memorandum of Understanding sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby suspended or terminated in their entirety.

Except as specifically provided herein, it is agreed and understood that SEA hereto voluntarily and unqualifiedly waives its rights, and agrees that the Agency will not be required to negotiate with respect to any subject or matter covered herein during the term of this Agreement. Except in cases of emergency as provided by Government Code Section 3504.5, the Agency shall provide reasonable written notice to the SEA of any ordinance, resolution; rule or regulation directly related to matters within the scope of representation proposed to be adopted by the Agency Board of Directors and shall give SEA the opportunity to meet with the Agency representatives.

Any agreement, alteration, understanding, variation, waiver or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless contained in writing signed by both parties and approved and implemented by the Agency Board of Directors.

The waiver of any breach, term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all of its terms and provisions.

D. PROVISIONS OF LAW

It is understood and agreed that this Memorandum of Understanding is subject to all current and future applicable federal and state laws, and federal and state regulations. If any part of a provision of this Memorandum of Understanding is in conflict or inconsistent with such above applicable laws, rules and regulations, or is otherwise held to be invalid or unenforceable by any tribunal of competent jurisdiction, such part of provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this Memorandum of Understanding shall not be affected thereby.

E. MANAGEMENT RIGHTS

Except as expressly limited by the provisions of this Memorandum of Understanding, all management rights, including the control, direction, and supervision of all SOCWA operations and personnel are vested in the Agency. Such functions include, but are not limited to, the right to hire new employees; to direct the work force; to determine the types and kind of services to be provided; to hire outside companies and vendors to perform services; to increase and decrease the amount of work available; to schedule and assign work; to determine the number of work shifts and hours of work; to subcontract work; to determine the types of work to be performed; to establish and enforce job standards; qualifications; conduct and safety regulations; to determine job content; and to change materials, processes, services, equipment, jobs, operations, locations and the number and type of facilities. The Agency also retains the right to hire, transfer, promote, demote, layoff and recall employees and to discharge, suspend and discipline employees for just cause.

F. NO STRIKE OR LOCKOUT

During the term of this Memorandum of Understanding, the employees, their agents and representatives, including, but not limited to, SEA will not instigate, promote, sponsor, engage in or condone any strike (including sympathy strike), slow down, concerted stoppage of work, sick-out, or any other disruption of the operations of the Agency, regardless of the reason for so doing. Any employee engaging in such activity prohibited by this Article, or who instigates or gives leadership to such activity, shall be subject to disciplinary action up to and including termination.

During the term of this Memorandum of Understanding, the Agency will not institute a lockout over a dispute with the employees so long as there is no breach of the above no-strike provision.

G. AGENCY SHOP

The Agency will deduct from each regular paycheck and remit to the SEA Treasurer, the dues, initiation fees and assessments for each employee. Such authorizations must be filed five (5) working days prior to the pay period for which the deduction is requested.

Authorizations for payroll deductions and authorizations to stop payroll deductions will be submitted in writing by the employee simultaneously to the Agency Employee Relations Officer and the SEA Treasurer.

All bargaining unit members of the Agency who are not dues paying members of SEA shall have deducted from their pay an amount of money equal to the regular SEA dues paid by SEA members. Said money shall be forwarded by the Agency on a regular basis with other SEA dues to the SEA Treasurer. Said deductions shall be paid by nonmember bargaining unit employees as a service fee for the representation provided by SEA as the exclusive representative of the bargaining unit.

Employment applicants being considered for hire for any position within the SEA bargaining unit shall be advised by management that membership in SEA or the payment of the agency shop fee as an alternative of SEA membership is a condition of employment. SEA shall provide the Agency with informational material to be presented to new hires.

No employee shall be obligated to pay dues or service fees to SEA until the first of the month following 30 calendar days after the employee first comes into the bargaining unit.

Any employee who is a member of a bona fide religion, body or sect which has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support SEA as a condition for employment. Such employee shall be required, in lieu of a service fee, to pay sums equal to such service fee to a non-religious, non-labor organization, charitable fund exempt from taxation under Section 501E(c)(3) of Title 26 of the Internal Revenue Code, examples of which may include:

1. Cancer Fund
2. Heart Association
3. Diabetes Foundation

H. USE OF AGENCY FACILITIES

SEA may use Agency facilities to hold general membership and Board of Directors meetings with employees. Reasonable release time will be allowed to conduct Association business, subject to approval by the General Manager. Such requests must be made in writing to the Human Resources Department at least 48 hours prior to the date requested. Approval will be granted unless prior Agency use of the facility is scheduled. This permission to use Agency facilities is subject to revocation upon ten (10) days' notice to the SEA.

I. ACCRUAL OF NEW OR EXISTING FACILITIES

In the event any new or existing plant and/or facility is acquired by, or comes under the control or direction of the Agency during the time of this Memorandum of Understanding, the parties agree that the employees of any such plants and/or facilities, occupying positions identical, or substantially similar to, and/or performing job duties identical, and/or substantially similar to classifications contained herein, shall be governed by the provisions of this Agreement to the extent allowed by law. In the event that there is any discrepancy between policies, procedures, or other practices currently governing such employees, the current MOU between SOCWA and SEA and the personnel policies of the Agency would govern.

J. AGENDAS

Agendas of SOCWA Board of Director meetings will be furnished to SEA at no charge.

K. AMERICANS WITH DISABILITIES ACT

The parties recognize that they are subject to the Americans with Disabilities Act (ADA) and Fair Employment and Housing Act ("FEHA"), and that these laws may require, among other things, that the Agency provide reasonable accommodation to employees with disabilities. Accordingly, the Agency is permitted to take all actions necessary to comply with the ADA and FEHA.

SECTION II EMPLOYMENT

A. EMPLOYEE EVALUATION

1. Original Appointments: Original appointments shall be subject to a probationary period of between six to twelve months. In the event an employee is off work for

any reason for two or more weeks during the probationary period, then the probationary period will be extended by the amount of time that employee is away from work.

2. Probation Period: The probationary period shall be regarded as part of the selection process and shall be utilized for close observation and evaluation in order to determine the capability of the probationer to satisfactorily perform the requirements of the position.

After serving the probationary period and receiving a favorable rating from their immediate supervisor and/or Department Director and a favorable recommendation from the General Manager, said employee may thereafter be paid on a monthly basis at the rate fixed no greater than the amount approved by the General Manager and within the range the employee was hired. Passing the probation period with a satisfactory rating is a requirement for continued employment. Each year thereafter, the employee shall receive a performance rating. Upon recommendation of the General Manager, a new employee may be hired at a higher rate than the minimum salary of the applicable range of the salary schedule.

3. Promotional Appointments: Present employees will be notified of promotional opportunities when a vacancy occurs at any of the SOCWA treatment plants. Employees with the required knowledge, certification, skill, ability, interest and physical fitness will be given an opportunity to apply for such vacancies. Decisions regarding promotional appointments shall be made by a review panel appointed by the General Manager. All promotional appointments are subject to final approval by the General Manager. Promotional appointments shall be subject to at least six (6) and up to nine (9) months probationary period. In the event an employee is off work for any reason for two or more weeks during the probationary period, then the probationary period will be extended by the amount of time that the employee is away from work.

Any employee, who is in a Grade I or II category, may be promoted to a Grade II or III upon:

- 1) Successful completion of the required or voluntary applicable exam; and
- 2) Two consecutive above-standard performance reviews, one while in possession of the higher certification and recommendation of the employee's supervisor and approval of the General Manager.

4. Rejection during Probationary Period: A probationary employee may be rejected at any time without the right of appeal or hearing during the probationary period. A rejected probationer serving as a result of original appointment shall be dismissed from service. A rejected probationer serving as a result of promotional appointment shall be reinstated to the position or class, or comparable position, from which promoted, unless otherwise dismissed from service as provided in this policy.
5. Reclassification. When a full-time employee is reclassified and the position he/she occupies is reclassified to a position with a lower salary range, the employee will

be designated at the lower salary range unless otherwise recommended by the employee's supervisor and concurred with by the General Manager.

6. Performance Evaluation: Employees who have passed their probationary period shall have their performance evaluated by their supervisors at least annually from the date of completing probation (anniversary date). Such evaluations may be prepared on such a frequency as is deemed appropriate by the supervisor. The evaluation and appraisal form will be reviewed together by both the employee and his/her supervisor and signed after having been reviewed and approved by the General Manager.

B. WORK DAYS

1. Work day shifts may be changed from time to time, in regard to the respective job functions. The workweek schedule will commence on Sunday and end on Saturday. The designated work schedule will include a one half-hour lunch period for which the employee will be compensated.

SOCWA establishes work schedules and start times to meet the needs of the organization. Normal work weeks consist of either five eight-hour day weeks (5/80), a 36-44 hour pay period (9/80) schedule, or a four ten-hour per day schedule (4-10). Additional work weeks may be considered and approved by the general manager at his or her sole discretion.

Current work schedules available year –around are:

5 days per week, 8 hours per day (5/40)

9 days per pay period (9/80)

4 days per week, 10 hours per day (4/10)

Individual employees are assigned a work schedule by management and may, at the General Manager's sole discretion, determine which type of work week the employee will work (5/40, 9/80 or 4/10).

Employees may request to work flexible starting hours (starting at either 6:00 a.m. or 7:00 a.m.). Management retains the sole right to determine whether or not SOCWA can accommodate the request.

2. The designated work schedule will be established by the appropriate department head, subject to approval by the General Manager. The Agency may change work schedules at any time in its sole discretion.
3. Under normal weather and operating conditions, employees subject to shift changes will be given one hundred forty-four (144) hour advance notice of any changes in their normal work schedule, except in cases of an emergency as determined by the General Manager. At the end of the weather or operating emergency, the employee's shift will revert to what it was prior to the emergency.
4. In cases where the employee could not be given one hundred forty-four (144) hour advance notice of a shift change, the employee will be eligible to receive

compensation equal to the rate of one and one-half times the employee's rate of pay for the first day of the altered work schedule.

5. Employees in the Operation, Maintenance or Laboratory Divisions may, at the discretion of the General Manager, be assigned to work at any of the SOCWA treatment plants.
6. Employees are required to be dressed and ready for work at the start of their scheduled work period. Punctuality is expected at all times and a lack of same is grounds for discipline or termination.
7. An employee shall personally notify his/her supervisor within one (1) hour of the start of the employee's assigned shift of the employee's inability to report to work on that shift. Repeated failure to comply with this provision is grounds for disciplinary action.

C. GRIEVANCE PROCEDURE

1. A grievance procedure has been established for the following purposes:
 - a. Promoting improved employer/employee relations by establishing an appropriate means for determining the validity of grievances; i.e., claims by an employee that the Agency has violated, misinterpreted or misapplied an obligation to the employee as such obligation is expressed and written in this MOU.
 - b. Providing a method of resolving such claims as closely as possible to the point of origin and as informally as possible.
 - c. Encouraging free communication between supervisors and employees.
2. The following steps shall be taken when filing a grievance.
 - a. Step One: Employees who have a grievance shall first take it up verbally with their division supervisor within five (5) working days after they knew or reasonably should have known of the occurrence of the cause of the grievance and any action taken. An SEA representative will be permitted at a mutually agreed upon time so as not to negatively impact agency operations, as a neutral observer of the discussion in the event the employee so chooses. Management retains the right to have a representative from Human Resources present at such a grievance meeting.
 - b. Step Two: If the grievance is not resolved within two (2) working days after its submission in Step One, employees may submit the grievance in writing to the division supervisor within five (5) working days thereafter. The division supervisor shall meet with the employee within five (5) working days after submission of the grievance and shall deliver his/her answer, in writing, to the employee within five (5) working days after such meeting.

At this and subsequent steps in the grievance procedure, employees have the right to present their grievance with or without a representative at their

option. Should an employee choose to have representation, they must submit, in writing, their intention to do so with the name and title of their representative to the appropriate division supervisor at the time of the Step Two grievance submission.

- c. Step Three: If the grievance is not resolved within two (2) working days after its submission in Step Two, employees may submit the grievance in writing to the Department Director, within five (5) working days thereafter. The Department Director shall meet with the employee within five (5) working days after submission of the grievance and shall deliver his/her answer, in writing, to the employee within five (5) working days after such meeting.
- d. Step Four: If the grievance is not resolved in the Third Step, the aggrieved employee may submit it in writing to the General Manager within five (5) working days after the Department Director's answer is received. The General Manager shall meet with the employee within five (5) working days after receiving the grievance and shall deliver his/her answer in writing within five (5) working days after such meeting.

D. DISCIPLINARY ACTIONS

- 1. Disciplinary actions shall be administered as set forth in the SOCWA Employee Manual, except that a disciplinary suspension of two (2) or more working days, a disciplinary demotion or a disciplinary termination may be appealed by the SEA to final and binding arbitration.
 - a. The appeal to arbitration shall be made in writing to the General Manager.
 - b. Within ten (10) calendar days of the appeal to arbitration, the parties shall either mutually select an impartial arbitrator or jointly make a request to the State Mediation & Conciliation Service to provide a list of seven names to the parties.
 - c. Within Five (5) working days of receipt of the State Mediation & Conciliation Service list, the parties shall select an arbitrator from said list by alternatively striking names until only one name remains. The party starting first shall be determined by a coin flip.
 - d. The cost of the arbitrator shall be shared equally by SOCWA and SEA.
 - e. An employee shall suffer no loss of pay for the time spent as a witness at an arbitration hearing held pursuant to this procedure.
 - f. The decision of the arbitrator shall be in writing and transmitted to the parties within thirty (30) calendar days after the close of the hearing.
 - g. The decision of the arbitrator shall be final and binding.

E. LAYOFF PROCEDURES

Business and operational needs may necessitate a decrease in the number of employees. Layoffs are not used for disciplinary reasons or to discriminate against any protected person or group. Layoffs are to be determined by the General Manager to meet current staffing needs. In determining who is to be affected by a layoff, the General Manager will consider the length of service of each employee and the individual skills and abilities of each employee. The Agency reserves the right to add, delete or modify individual job responsibilities to maintain maximum operating efficiency.

Should a reduction-in-force be deemed necessary, the Agency will observe the following procedures:

1. Order of Layoff:

- a. Temporary employees.
- b. Probationary employees who have not yet completed their probation, excluding promotional probationary employees who shall be considered full-time employees.
- c. Full-time employees.

In each of the above categories when a reduction in the work force is necessary, the Agency will select employees for layoff based on consideration of all of the following factors:

- 1) Length of continuous service with the Agency (this includes length of time with either AWMA, SERRA, or Moulton Niguel Water District, South Coast Water District or any other predecessor which has operated a current SOCWA facility).
- 2) Past and present performance based on performance evaluations.
- 3) Demonstrated special skills/abilities of the individual employee.
- 4) Inter-agency cross training.
- 5) Education and/or job certification beyond the minimum required.

It is to be noted that when all other factors are equal, length of continuous service will be the determining factor when evaluating persons for layoff.

All SOCWA employees, whether in Operations, Maintenance, Laboratory or other Departments, will be considered for available job openings within respective departments (at all plant facilities), to avoid layoffs.

An employee who holds a higher-level position within a Department (such as Operations, Maintenance or Laboratory) may be placed (bumped) into a lower level position within the same Department for which the employee is qualified in order to avoid a layoff. This may necessitate the layoff of an employee holding a lower level position. For purposes of this section, "qualification" is presumed where the

person has held the position previously with the Agency or where the person meets the minimum qualifications for the position. An employee may not have "bumping" rights in the event an entire classification is eliminated unless they have previously held a like position within SOCWA that would qualify them for such position. The Agency's decision to abolish a position is not subject to the employee's right of appeal or grievance.

2. Y-Rate: An employee's salary is Y-Rated or frozen when the employee bumps into a lower level position for which the top range of the salary scale is below the employee's salary in his/her previous position. The employee will continue to receive his former salary and will be frozen at this salary level until such time as subsequent general salary increases cause the top range of the salary scale for the lower level position to exceed the employee's salary at the Y-Rate. The employee's salary anniversary date shall not change. If the employee's salary rate in the lower level position is below the top of the range for that position, he/she shall be entitled to be considered for normal salary increases.
3. Notification to Employees: Written notices of layoff shall be served to employees personally at work whenever practicable. The notice of layoff shall include the proposed effective date of the layoff. The Agency shall give at least thirty (30) days' notice of layoff to affected employees.
4. Status on Re-employment: An employee who is laid off according to this policy and is subsequently re-hired within eighteen (18) months from the date of his/her layoff to a regular, full-time position will receive the following considerations and benefits:
 - a. All unpaid sick leave at the time of the layoff will be credited to the employee's account when employment is restored; and
 - b. All prior service is credited for all purposes.
5. Recall: Recall will be in reverse order of layoff, with the recall list being maintained for a period of eighteen (18) months. The employee must qualify for such position being recalled by holding a like position when previously employed with SOCWA.

Laid-off employees are eligible for recall for up to eighteen (18) months.
6. Separation Pay: Regular full-time employees whose employment with the Agency terminates due to a reduction-in-force or layoff are eligible to receive separation pay equivalent to two (2) weeks salary providing an employee has completed at least six (6) months to one (1) full year of continuous service to the Agency, with an additional week for every full year of employment thereafter. Receipt of separation pay will not impact a terminated employee's right to apply for unemployment insurance benefits. All employees affected by a layoff are eligible for unemployment and COBRA benefits as provided by law.

Manner in Which Points are Calculated Under SOCWA - SEA Layoff Provision:

1. Length of continuous service with the Agency (this includes length of time with either AWMA, SERRA, Moulton Niguel Water District, South Coast Water District or any other predecessor which has operated a current SOCWA facility). This

factor will have a **maximum** weight of 12 points, with each full year of service up to 12 years receiving one point.

2. Past and present performance based on the two most recent performance evaluations. This factor will have a **maximum** weight of 5 points to be determined as outlined below:

For Each Performance Review:

Superior or Outstanding	2.5
Exceeds Expectations or Above Standard	2
Meets Standard or Standard	1
Needs Improvement	0
Unsatisfactory	-.5

This could give a maximum total of 5 points after reviewing the two most recent performance evaluations.

Example:

- 2 Superior or Outstanding = 5
- 2 Exceeds Expectations or Above Standard = 4
- Above standard or Exceeds Expectations & 1 standard or Meets Standard = 3
- 2 Standards or 2 Meets Standard = 2
- 1 Standard or Meets Standard & 1 needs improvement = 1

3. Demonstrated special skills/abilities of the individual employee. This factor will have a **maximum** weight of 5 points to be determined by how many relevant special skills/abilities the employee will bring into the job are not requirements in the job description. Each additional skill/ability will be counted as one point, up to a **maximum** of 5 total points for this category. Skills/abilities will be determined by the Agency.

The following types of demonstrated skills/abilities are examples of what may be determined to be relevant, depending on the circumstances: Welding skills, truck driving, heavy equipment operator skills, carpentry skills, electrical experience, computer skills, etc. This is not intended to be an exhaustive list.

4. Cross-training: This factor will have a **maximum** weight of 5 points to be determined by the number of different Agency/jobs/departments the employee has been cross-trained in.

Example:

Cross-training at different plant (minimum 1-year at each facility) = 2 points

Cross-training in separate department at same plant (until proficient at task/job) = 1 points

SOCWA cross-training program (minimum 120 hours at different plant) = 1 points

5. Education and/or job certification beyond the minimum required per the job description. This factor will have a **maximum** weight of 5 points and will be determined by giving one point for any certification above the minimum required (i.e., an Operator in a position requiring a Grade II certificate will receive 2 points if he/she has a Grade IV certificate). Additional points may be given in the Agency discretion for (a) any job-related class that has been approved by the Agency and successfully completed by the employee, or (b) other relevant education deemed beneficial to the long-term interests of the Agency.

SECTION III BENEFITS

A. VACATION

1. Accrual Rates:

For employees hired prior to July 1, 2014, the following applies:

Full-time employees shall accrue the following vacations hours which will be properly credited on a biweekly basis.

- First year through five years of employment - 96 hours per year.
- Sixth year through tenth year of employment - 120 hours per year.
- After ten years of employment - 160 hours per year.

- 1(b) For employees hired on or after July 1, 2014, the following applies:

- First year through five years of employment - 80 hours per year.
- Sixth year through tenth year of employment - 120 hours per year.
- After ten years of employment - 160 hours per year.

2. Part-time regular employees who work at least 40 hours per pay period shall accrue vacation subject to the schedule set forth in paragraph 1 above, but it shall be prorated on the basis of the number of hours worked.
3. All vacation time must have prior approval. The Director may approve vacation requests up to three (3) days.
4. Vacation requests for over three (3) days must be submitted no less than two weeks prior to the commencement of the requested vacation, except in an emergency situation as determined by the General Manager or his/her designee.
5. No vacation time for over thirty (30) hours shall be taken without prior approval of the General Manager or his/her designee.
6. Vacation duration is limited to no more than 120 hours (3 weeks) without special approval by the General Manager.
7. Vacation requests submitted three (3) months in advance and approved at least four (4) weeks prior to the commencement of the requested vacation, will not be canceled by anyone other than the employee, except in cases of an emergency as

determined by the General Manager, his/her designee or the Assistant General Manager/Director of Operations.

8. Any employee separating from employment who has not taken earned vacation shall receive pay for each hour (or part thereof) of earned vacation according to the level of earnings for such employee on the last day worked.
9. Not more than 240 hours may be accrued and carried over from one calendar year to the next calendar year, nor may an employee receive pay in lieu of taking a vacation, without prior approval of the General Manager. Every effort shall be made by the employees to schedule at least one continuous forty (40) hour (one week) vacation during the year.
10. Eligible new hires shall accrue vacation beginning with the date of hire, but may not utilize such during the first six (6) months of their probationary period.
11. Employees may request up to 40 hours pay in lieu of vacation, subject to approval by the General Manager, provided the employee has taken 7 consecutive days off in any combination of holidays, vacation, personal holidays, weekends, scheduled days off, etc., within the last 12 months. This policy may be used up to a maximum of 2 times within twelve consecutive months. After the employee has been paid for the second 40 hours of vacation pay in lieu of vacation he/she will not be granted another 40 hours vacation pay in lieu of vacation until it has been 12 consecutive months from the original and first date of request.

B. HOLIDAYS

1. All full-time employees and those eligible part-time employees shall receive the following paid holidays:
 - New Year's Day (January 1)
 - President's Day (third Monday in February)
 - Memorial Day (last Monday in May)
 - Independence Day (July 4)
 - Labor Day (first Monday in September)
 - Veteran's Day (November 11)
 - Thanksgiving Day
 - Thanksgiving Holiday (Friday after Thanksgiving Day)
 - Christmas Day (December 25)
2. Holiday overtime pay will only be paid for working on the above nine dates, the actual day of the holiday.
3. Whenever a holiday falls on a Saturday not scheduled as a regular workday, the preceding Friday shall be observed as the day off. Whenever a holiday falls on a Sunday not scheduled as a regular workday, the following Monday shall be observed as the day off.
4. When a holiday falls on an employee's regular scheduled day off and the employee would otherwise lose the holiday, the employee will be paid for the amount of a regularly scheduled work day as straight-time pay. If staffing requirements allow,

an employee may elect to take a regularly scheduled day off, providing the day off falls within the same pay period as the holiday. Arrangements for such days off must be made with the employee's supervisor.

5. In addition, all full-time employees are eligible to receive three (3) personal days per fiscal year. Personal days must be taken as a full day off. Advanced notification of an employee's use of a personal day is encouraged, but not required.

Personal days accrue on July 1 of each year (2017, 2018, and 2019) and must be taken prior to June 30 of the following year.

A personal day is the equivalent of a full day worked regardless of the number of hours in the employee's shift at the time the personal day is used (8, 9 or 10 hour shift).

6. All Part-time employees are eligible to receive 1 ½ days of Personal Leave per calendar year.

Once an employee has given his/her notice of termination, there will be no further accumulation of floating holidays.

7. An employee must have been paid for the entire amount of regularly scheduled hours the days immediately prior to and following a holiday observed by the Agency in order to be paid holiday pay.
8. All employees eligible to receive paid holidays, and who are regularly scheduled to work on a holiday observed by the Agency, shall be paid at one and one-half times their normal rate of pay. This is in addition to the holiday pay (or day off in lieu) at eight, nine or ten hour's straight time, depending on the employee's schedule. Employees not scheduled to work but who are called in to work shall receive compensation equal to double their normal rate of pay for the first consecutive nine or ten hours worked (depending on employee's schedule). All consecutive hours worked beyond nine or ten (depending on employee's schedule) on a holiday will be paid at three times the employees' normal rate of pay.
9. Temporary employees shall be entitled to paid holidays only if such a holiday falls on a day such employee would ordinarily be required to work.

C. SICK LEAVE

1. All full-time employees hired prior to July 1, 2014; earn ninety-six (96) hours of sick leave per year. All full-time employees hired on or after July 1, 2014, earn eighty (80) hours of sick leave per year. Employees shall accrue sick leave beginning with the date of hire, on a biweekly basis, but may not utilize such during the first thirty (30) days of employment.
2. Part-time regular employees who work at least forty (40) hours in a pay period shall accrue sick leave subject to Paragraph 1 above, but it shall be prorated on the basis of the number of hours worked per week versus a 40 hour week.
3. Not more than forty-eight (48) hours of sick leave per calendar year may be taken in cases where an employee's presence is required elsewhere to attend to the illness of an "immediate family member". An employee's "immediate family" includes a registered domestic partner, spouse, parent, child, brother, sister, or grandparent. A non-serious illness or disability is defined as one that is not covered under the Family and Medical Leave Act of 1993. Employee leave for the serious health condition of members of their immediate family is governed by the Agency Family Leave policy as detailed in the Employee Manual.
4. The General Manager may require a doctor's certificate if an employee's absence exceeds three (3) consecutive working days. If an employee is absent for five (5) consecutive working days, a doctor's certificate may be mandatory in order to return to work.
5. An employee may carry over a maximum of two hundred forty (240) hours of accumulated sick leave on an annual basis. This annual basis shall end on the last day of the first pay period that ends in December. For all hours in excess of one hundred seventy six (176) hours, employees will be eligible to receive compensation for 75% of those hours at their current rate of pay. Such compensation will be paid at the end of the first pay period that ends in December.
6. When an employee has utilized their total accumulated sick leave, accrued vacation may be taken to the extent available providing the employee receives prior approval (refer to Section III-A, above, regarding submittal of vacation requests). If an employee does not elect to utilize, does not have sufficient accrued vacation time to cover the absence, and/or does not receive prior approval for the use of vacation leave, the employee shall not receive compensation.
7. Accumulated sick leave and/or vacation time may be utilized by an employee during his/her family leave or pregnancy disability leave.
8. Employees, who have given at least two weeks written notice of their intention to leave the employ of the Agency shall be paid 75% of their accumulated sick leave above one hundred seventy six (176) hours on the date of termination.

Employees, who have given at least two weeks written notice of their intention to retire from the Agency, shall be paid for unused sick leave at a rate of 75% upon retirement.

D. HEALTH, DENTAL INSURANCE AND VISION CARE PLAN FOR EMPLOYEES

1. Full-time and part-time employees and their dependents are provided a group dental and vision care plan; the premiums for the vision and dental are paid for by the

Agency. Eligibility for dental and vision insurance will begin the first of the month following thirty (30) days of employment.

2. Full-time employees and their dependents are provided with group health insurance coverage under the CalPERS PEMHCA program. The Agency shall revise its current PEMHCA contract with CalPERS through the adoption of a new PEMHCA resolution to provide that the Agency shall pay to CalPERS, on behalf of each employee and retired employee who qualifies for retiree medical benefits, a monthly employer contribution equal to the minimum contribution required under Government Code Section 22892(b)(2) ("PEMHCA Minimum"). The PEMHCA Minimum is established by CalPERS and may change annually. Additional employer contributions shall be provided in accordance with the terms set forth in this Section D and Section E below.
3. Employees of the Agency shall be eligible for a monthly health insurance allowance from the Agency equal to an amount that is 98% of the average of all health plans CalPERS makes available to the Agency, excluding the PERS Care Plan, at the appropriate tier (single, double *and* family). The percentage in the preceding sentence will decrease to 95% effective January 1, 2018. The Health Allowance shall be made available through the Agency's Cafeteria Plan in order to preserve it as a nontaxable benefit and a portion of the Health Allowance will be designated as the PEMHCA Minimum contribution set forth in paragraph #2 above and paid directly to CalPERS. If an employee enrolls in a CalPERS health plan with a monthly premium that exceeds the Health Allowance, the excess cost will be the employee's responsibility. Contributions to be paid for by the employee will be calculated on an annual basis and withheld in equal amounts over the amount of pay periods in the year. Unequal remainder amounts will be included in the final paycheck for the calendar year. Eligibility for health coverage and the Health Allowance will begin the first of the month following thirty (30) days of employment.
4. Regular part-time employees who meet the applicable eligibility requirements established by the Agency insurance partner shall be provided health, dental and vision insurance for themselves and their dependents, upon request.
5. The cost of the premiums for dental and vision insurance for part-time employees will be shared by the Agency and the employee based upon the number of hours the employee normally works in an eighty (80) hour pay period. For example, an employee who normally works sixty (60) hours will pay 25% of the premium, while an employee who normally works forty (40) hours will pay 50% of the premium. Withholdings will be calculated as they are in paragraph #3 above.
6. It is mandatory that each employee notifies the Agency, in writing, whenever any additions or deletions occur in the status of his/her dependents. Failure to do so may result in a lapse of coverage for the additional dependent (s).
7. In lieu of health insurance coverage, eligible employees may elect to receive compensation at a rate of \$300.00 per month in addition to their regular pay. Employees must show current proof of health insurance coverage under another plan outside of the Agency and may be required to periodically show proof upon request. Requests for compensation in lieu of health insurance coverage should be in writing and are subject to review and approval of the General Manager. Compensation will

begin on the first of the month following cancellation of coverage from the Agency Health Plan.

8. The post-retirement health insurance plan must be selected from the health care plans provided to other full-time SOCWA employees in accordance with requirements of the PERS Program, which may be revised from time to time.

E. RETIREE HEALTH INSURANCE

1. Pursuant to PEMHCA and relevant CalPERS regulations, a retired employee will qualify for retiree medical benefits if his or her retirement from the Agency is effective within 120 days of his or her separation from employment with the Agency and the retired employee receives a retirement allowance from CalPERS resulting from his or her service with the Agency. Retired employees who satisfy the preceding requirements ("Eligible Retirees") are eligible to continue health coverage with CalPERS for themselves and their eligible dependents. All allowances described in this section shall only be available to Eligible Retirees enrolling in a CalPERS health plan.

2. The retiree health benefits provided by the Agency vary depending upon an Eligible Retiree's date of employment with the Agency. The Agency provides retiree health benefits as follows:

- a) Employees hired before July 1, 2017. Eligible Retirees hired before July 1, 2017 will receive a monthly amount from the Agency not to exceed the Health Allowance made available by the Agency to active employees ("Tier I Allowance"). The Tier I Allowance will be paid as follows:

an amount equal to the PEMHCA Minimum will be paid directly to CalPERS by the Agency; and

a reimbursement by the Agency will be paid to the retiree for the monthly health insurance premiums actually paid by

the retiree, in an amount not to exceed the difference between the Tier I Allowance and the PEMHCA Minimum.

If an Eligible Retiree subject to this Section E.2.a enrolls in a CalPERS health plan with a monthly premium that exceeds the Tier I Allowance, the excess cost will be the Eligible Retiree's responsibility. Conversely, if any Eligible Retirees enrolls in a CalPERS health plan with a monthly premium that is less than the Tier I Allowance, the remainder shall be forfeited.

Eligible Retirees shall be subject to any changes to the health insurance coverage provided by the Agency to the same extent as active employees of the Agency.

- b) Employees hired on or after July 1, 2017.
 - Eligible Retirees hired on or after July 1, 2017 will receive a monthly amount from the Agency equal to the PEMHCA Minimum, which the Agency will pay directly to CalPERS. If an Eligible Retiree subject to

this Section E.2.b enrolls in a CalPERS health plan with a monthly premium that exceeds the PEMHCA Minimum, the excess cost will be the Eligible Retiree's responsibility.

- In addition, during employment with the Agency, employees hired on or after July 1, 2017 shall receive an Agency contribution equal to \$200 per month to an individual account under a retiree health savings plan. This amount may be subject to change at the Agency's discretion but will not be reduced below \$200 during the term of this MOU. The retiree health savings plan is to be used exclusively to reimburse qualifying medical expenses during retirement. The retiree health savings plan will be administered by a third party administrator selected by the Agency.

F. LONG -TERM DISABILITY INSURANCE

Effective thirty days after employment, both short-term and long-term disability insurance coverage is provided for all full-time and part-time employees; the premiums are paid for by the Agency.

G. LIFE INSURANCE

1. Effective thirty days after employment, group life insurance is provided to all full-time and part-time employees in an amount of \$100,000. The premiums for full-time employees are paid for by the Agency. The premiums for part-time employees are shared 50/50 by the Agency and the employee. (The cost of premiums, paid by the Agency for life insurance in excess of \$50,000 is considered noncash compensation for tax purposes).
2. It is mandatory that each employee notify the Human Resource Department whenever any additions or deletions occur in the status of his/her dependents, as well as any desired change in beneficiary data.

H. RETIREMENT

1. PERS Retirement Plans
 - a. All regular full and part-time employees' are covered by the Public Employees' Retirement System (PERS). Employees hired prior to February 2011 are on the 2.5% at 55 formula with the employee paying the full employee contribution of 8% (capped at 8%).
 - b. Employees hired after February 2011 but prior to January 1, 2013, will be on the 2% at 55 formula with the employee paying the full employee contribution of 7% (capped at 8%).
 - c. Employees hired after of January 1, 2013 that do not qualify as an existing PERS "Classic" employee are on the 2% at 62 formula with the employee paying the full employee contribution of 6.25% (capped at 6.25%).

I. DEFERRED COMPENSATION PLAN

Regular full and part-time employees are eligible to participate in the Agency deferred compensation plan(s). The primary purpose of the plan(s) is to provide future payments in lieu of deferred current income upon death, disability, retirement, or other termination of employment. The plan(s) are intended to qualify as eligible State Deferred Compensation Plan(s) within the meaning of Section 457 of the Internal Revenue Code of 1954, as amended. Each employee may elect to become a participant of any Plan(s) and defer payment of part of his/her compensation (within the guidelines of Section 457) by executing the required participation agreement.

The Agency will provide a matching contribution for deferred compensation during the term of this MOU up to \$1,100.00 per fiscal year.

J. UNIFORMS AND SAFETY EQUIPMENT

The Agency shall provide, as an employee benefit, all full-time field operational personnel with uniforms to be worn while on duty and the necessary Agency owned safety equipment. The Agency shall reimburse full-time field operational personnel, upon date of hire and annually thereafter, up to a maximum amount of \$200.00 for purchase of steel-toed shoes as required by the Agency's separate Injury and Illness Prevention Safety Program included in the Safety Handbook. Field operational personnel may purchase a second pair of shoes if funds remain from the original allocation and, if needed; the employee shall contribute the additional funds required. Employees will be allowed to use this amount to also purchase other work uniform related items such as belts, boot/shoe inserts, laces, etc. If, in the discretion of an employee's department head, the employees work boots are worn out or damaged due to work-related wear-and-tear, the department head may authorize the reimbursement of a second pair of boots within one year.

Laboratory personnel will be allowed an additional \$75 per year to purchase aqua shoes to be used for beach sampling.

It is the responsibility of the employee to provide an original receipt of charges for payment reimbursement. All employees shall present a clean and neat appearance at all times.

SECTION IV COMPENSATION

A. EMPLOYEE COMPENSATION

1. All full-time employees shall receive compensation in accordance with the adjusted ranges in the Salary Schedule (as defined herein as Exhibit A attached).
2. Pay days are on a biweekly basis - every other Thursday.

B. BONUS/MERIT POOL

During the term of this agreement a merit pay pool equal to approximately 3.0% of the salaries of all employees covered by this MOU will be established for the purpose of awarding merit/bonus increases. Individual employees may be awarded a salary increase of between zero and five percent (0 – 5%) based on their level of performance. Award of a merit increase is based on a recommendation by the employee's supervisor and department head, and subject to approval of the General Manager.

The total amount of meritorious salary increases shall not exceed the 3.0% merit pay pool in any fiscal year. SOCWA will provide training for supervisors and managers to assure compliance with this section.

In the event an employee covered by this MOU receives a merit increase that is less than the total amount awarded during the review process, due to being topped out in their respective salary range, said employee shall receive the remaining review award in a monetary bonus.

C. SALARY ADJUSTMENTS

Salary adjustments will be made on the following schedule for all employees:

1. The Later of 7/1/17 or date of ratification of MOU by SEA – 2.7% Salary Adjustment
2. 7/1/18 –Salary Adjustment equal to Los Angeles-Riverside-Orange County CPI-U percentage change for the preceding 12 months ended in March, subject to a 2 % minimum and 4% maximum.
3. 7/1/19 –Salary Adjustment equal to Los Angeles-Riverside-Orange County CPI-U percentage change for the preceding 12 months ended in March, subject to a 2% minimum and 4% maximum.

D. INCENTIVE PAY

1. For Employees hired prior to July 1, 2017
 - a. Full-time continuous employees receiving education certification one step or higher above their existing job classification will be eligible to receive a 2.5% salary increase. Any Grade III employees may receive an additional 2.5% incentive pay if they obtain a certification two-steps above their existing job classification (i.e., Grade III Operator with a Grade V certification), as approved by the General Manager. Employees must first make application to their supervisor to be eligible to participate in the incentive program including employees whose job classification may not have corresponding education certification. All applications are subject to approval of the General Manager.
 - b. Employees that hold both a driving and crane certification will be awarded a one-time salary range increase of 2.5%.
2. Employees hired on or after July 1, 2017 will only be eligible for additional pay certifications as follows: employees will receive a one time \$800 payment on achieving a grade II and one time \$1200 payment upon achieving a grade III or higher certification.

E. STANDBY PAY

1. When Field Personnel have been designated to be on standby duty after their normal workday, they shall be compensated at a rate of \$325.00 per week for any employee in Operations or Maintenance that covers SOCWA facilities as assigned in addition to their regular pay.
2. Standby duties require an employee to be available upon forty-five (45) minutes' notice, on a twenty-four hour basis.

3. A mobile phone will be provided for all personnel designated on standby. Employees will be responsible for the mobile phone while in his/her possession and must replace it if lost.
4. When any employee is called back to work without prior notice, and the employee has completed their normal work shift and left the plant, the employee shall receive a minimum of two (2) hours call back pay. The two (2) hour minimum, whether or not actually worked, shall be paid at the rate of one and one half times the employee's regularly hourly rate.

F. COMPENSATORY TIME OFF

Non-exempt employees may accrue up to 45 hours of compensatory time off ("CTO") in lieu of overtime compensation. Employees electing CTO in lieu of overtime compensation must indicate on their time card. Use of compensatory time off must be pre-approved by the employee's supervisor and cannot be cashed out except upon termination of employment.

Date: June 15, 2017

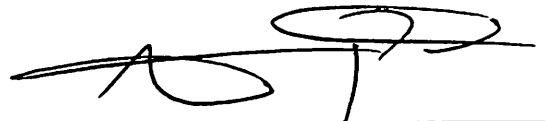
Date: 8.28.17



Daniel Ferons
Chairperson, Board of Directors
South Orange County Wastewater
Authority



Mike Harper, SEA President
For South Orange County Wastewater
Authority Employee Association



Aaron Peardon,
Senior Labor Representative
OCEA

EXHIBIT "A"
SOCWA
EMPLOYEE HANDBOOK SALARY RANGE SUMMARY
07/01/2017 - 06/30/2018

July 1, 2017		COLA @ 2.7%		1.027	
Ranges	Minimum Hourly Salary	Maximum Hourly Salary	Minimum Monthly Salary	Maximum Monthly Salary	
33.0	24.10	30.76	\$4,177.33	\$5,331.73	
33.5	24.71	31.52	\$4,283.07	\$5,463.47	
34.0	25.30	32.32	\$4,385.33	\$5,602.13	
34.5	25.93	33.13	\$4,494.53	\$5,742.53	
35.0	26.58	33.92	\$4,607.20	\$5,879.47	
35.5	27.24	34.77	\$4,721.60	\$6,026.80	
36.0	27.90	35.62	\$4,836.00	\$6,174.13	
36.5	28.60	36.49	\$4,957.33	\$6,324.93	
37.0	29.29	37.39	\$5,076.93	\$6,480.93	
37.5	30.03	38.11	\$5,205.20	\$6,605.73	
38.0	30.76	39.27	\$5,331.73	\$6,806.80	
38.5	31.52	40.25	\$5,463.47	\$6,976.67	
39.0	32.32	41.23	\$5,602.13	\$7,146.53	
39.5	33.13	42.28	\$5,742.53	\$7,328.53	
40.0	33.92	43.27	\$5,879.47	\$7,500.13	
40.5	34.77	44.37	\$6,026.80	\$7,690.80	
41.0	35.62	45.45	\$6,174.13	\$7,878.00	
41.5	36.49	46.59	\$6,324.93	\$8,075.60	
42.0	37.39	47.74	\$6,480.93	\$8,274.93	
42.5	38.33	48.92	\$6,643.87	\$8,479.47	
43.0	39.27	50.12	\$6,806.80	\$8,687.47	
43.5	40.25	51.36	\$6,976.67	\$8,902.40	
44.0	41.23	52.62	\$7,146.53	\$9,120.80	
44.5	42.29	53.94	\$7,330.27	\$9,349.60	
45.0	43.27	55.25	\$7,500.13	\$9,576.67	
45.5	44.37	56.62	\$7,690.80	\$9,814.13	
46.0	45.45	58.01	\$7,878.00	\$10,055.07	
46.5	46.59	59.47	\$8,075.60	\$10,308.13	
47.0	47.74	60.93	\$8,274.93	\$10,561.20	
47.5	48.92	62.43	\$8,479.47	\$10,821.20	
48.0	50.12	63.98	\$8,687.47	\$11,089.87	
48.5	51.36	65.55	\$8,902.40	\$11,362.00	
49.0	52.62	67.17	\$9,120.80	\$11,642.80	
49.5	53.94	68.84	\$9,349.60	\$11,932.27	
50.0	55.25	70.52	\$9,576.67	\$12,223.47	
50.5	56.62	72.29	\$9,814.13	\$12,530.27	
51.0	58.01	74.04	\$10,055.07	\$12,833.60	
51.5	59.46	75.88	\$10,306.40	\$13,152.53	
52.0	60.93	77.75	\$10,561.20	\$13,476.67	
52.5	62.43	79.68	\$10,821.20	\$13,811.20	
53.0	63.96	81.63	\$11,086.40	\$14,149.20	
53.5	65.58	83.68	\$11,367.20	\$14,504.53	
54.0	67.16	85.72	\$11,641.07	\$14,858.13	
54.5	68.83	87.84	\$11,930.53	\$15,225.60	
55.0	70.52	90.00	\$12,223.47	\$15,600.00	

EXHIBIT "D"
SOCWA

SOCWA EMPLOYEE ASSOCIATION
SEA REPRESENTED CLASSIFICATIONS

Operator III
Operator II
Operator I
Operator in Training

Maintenance Mechanic III / Supervisor
Maintenance Mechanic III
Truck Driver / Maintenance Mechanic II
Maintenance Mechanic II
Maintenance Mechanic I

O&M Inventory/Purchasing Specialist

Sr. Electrician / SCADA Technician
Maintenance Mechanic III w/Co-Gen.
Electrical / Instrumentation Technician
Electrician

Laboratory Technician III
Laboratory Technician II
Laboratory Technician I
Laboratory Aide/Sampler

SIDE LETTER OF AGREEMENT NO. 1

TO MEMORANDUM OF UNDERSTANDING

BETWEEN

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

AND

SOCWA EMPLOYEES ASSOCIATION

REGARDING CONSTRUCTIVE RECEIPT AND 4/10


SCHEDULE

The South Orange County Wastewater Authority (“SOCWA”) and the SOCWA Employees Association (“SEA”) have met and hereby agree to the following, contingent on approval of the 2017 – 2020 Memorandum of Understanding (“MOU”) between the SOCWA and the SEA as follows:

1. **Constructive Receipt Reopener** – Either party may request to reopen the MOU during its term to address any Internal Revenue Service constructive receipt issues related to vacation and/or sick leave cash out. The party requesting to reopen must send a written request to the other party. The parties agree to begin the meet and confer process regarding the constructive receipt issue no later than 14 calendar days from the date of the written request.
2. **4/10 Meetings** – The parties agree to hold two meetings over the term of the MOU to discuss issues related to the possible implementation of a 4/10 schedule for some bargaining unit employees. The first meeting will be held within two months of ratification of the MOU. The meetings will be attended by the General Manager, or designee, and the SOCWA negotiations team and a sub-committee of up to four SEA representatives in addition to their OCEA representative. The parties may mutually agree to extend the number of meetings.

By: 
SOUTH ORANGE COUNTY WASTEWATER
AUTHORITY
By: Dan Ferons, Chairperson, Board of Directors

Dated: Sept. 7, 2017

By: 
SOCWA EMPLOYEES ASSOCIATION
By: Mike Harper, President

Dated: 8.31.17

By: 
ORANGE COUNTY EMPLOYEES
ASSOCIATION
By: Aaron Peardon, Senior Labor
Relations Representative

Dated: 9/22/17

SIDE LETTER OF AGREEMENT NO. 2
TO THE 2017-2020 MEMORANDUM OF UNDERSTANDING
BETWEEN
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY
AND
SOCWA EMPLOYEES ASSOCIATION
REGARDING POST RETIREMENT HEALTHCARE

Subject to the South Orange County Wastewater Authority Board's approval, the South Orange County Wastewater Authority ("SOCWA") and the SOCWA Employees Association ("SEA") have met and hereby agree to the following modification to the terms and conditions set forth in the 2017 – 2020 Memorandum of Understanding (hereinafter referred to as "MOU") between the SOCWA and the SEA as follows:

1. **Section III (D)(3)** of the MOU shall now read:

3. Employees of the Agency shall be eligible for a monthly health insurance allowance from the Agency equal to an amount that is 98% of the average of all health plans CalPERS makes available to the Agency, excluding the PERS Care Plan, at the appropriate tier-level of coverage selected by the employee (employee, employee + 1, or employee + family) (~~single, double and family~~). The percentage in the preceding sentence will decrease to 95% effective January 1, 2018. The Health Allowance shall be made available through the Agency's Cafeteria Plan in order to preserve it as a nontaxable benefit and a portion of the Health Allowance will be designated as the PEMHCA Minimum contribution set forth in paragraph #2 above and paid directly to CalPERS. If an employee enrolls in a CalPERS health plan with a monthly premium that exceeds the Health Allowance, the excess cost will be the employee's responsibility. Contributions to be paid for by the employee will be calculated on an annual basis and withheld in equal amounts over the amount of pay periods in the year. Unequal remainder amounts will be included in the final paycheck for the calendar year. Eligibility for health coverage and the Health Allowance will begin the first of the month following thirty (30) days of employment.

2. **Section III(E)** of the MOU shall now read:

RETIREE HEALTH INSURANCE

1. Pursuant to PEMHCA and relevant CalPERS regulations, a retired employee will qualify for retiree medical benefits if his or her retirement from the Agency is effective within 120 days of his or her separation from employment with the Agency and the retired employee receives a retirement allowance from CalPERS resulting from his or her service with the Agency. Retired employees who satisfy the preceding requirements ("Eligible Retirees") are eligible to continue health coverage with CalPERS for themselves and their eligible dependents. All allowances described in this section shall only be available to Eligible Retirees enrolling in a CalPERS health plan.
2. The retiree health benefits provided by the Agency vary depending upon an Eligible Retiree's date of employment with the Agency. The Agency provides retiree health benefits as follows:
 - a) Employees hired before July 1, 2017. Eligible Retirees hired before July 1, 2017 will receive a monthly amount from the Agency not to exceed the Health Allowance made available by the Agency to active employees ("Tier I

Allowance"). The Tier I Allowance will be paid as follows:

- an amount equal to the PEMHCA Minimum will be paid directly to CalPERS by the Agency; and
- a reimbursement by the Agency will be paid to the retiree for the monthly health insurance premiums actually paid by the retiree, in an amount not to exceed the difference between the Tier I Allowance and the PEMHCA Minimum.

If an Eligible Retiree subject to this Section E.2 a enrolls in a CalPERS health plan with a monthly premium that exceeds the Tier I Allowance, the excess cost will be the Eligible Retiree's responsibility. Conversely, if any Eligible Retirees enrolls in a CalPERS health plan with a monthly premium that is less than the Tier I Allowance, the remainder shall be forfeited.

Eligible Retirees shall be subject to any changes to the health insurance coverage provided by the Agency to the same extent as active employees of the Agency.

b) Employees hired on or after July 1, 2017.

- Eligible Retirees hired on or after July 1, 2017 will receive a monthly amount from the Agency equal to the PEMHCA Minimum, which the Agency will pay directly to CalPERS ("Tier II Allowance"). If an Eligible Retiree subject to this Section E.2.b enrolls in a CalPERS health plan with a monthly premium that exceeds the ~~PEMHCA Minimum~~ Tier II Allowance, the excess cost will be the Eligible Retiree's responsibility.
- In addition, during employment with the Agency, employees hired on or after July 1, 2017 shall receive an Agency contribution equal to \$200 per month to an individual account under a retiree health savings plan. This amount may be subject to change at the Agency's discretion but will not be reduced below \$200 during the term of this MOU. The retiree health savings plan is to be used exclusively to reimburse qualifying medical expenses during retirement. The retiree health savings plan will be administered by a third party administrator selected by the Agency.


3. The purpose of this side letter is to respond to SEA's request for clarification on retiree health care.
4. Except as herein modified, the MOU shall remain in full force and effect for the remainder of its term.

By: 
SOUTH ORANGE COUNTY WASTEWATER
AUTHORITY
By: Dan Ferons, Chairperson, Board of Directors

Dated: Aug. 30, 2017

By: 
SOCWA EMPLOYEES ASSOCIATION
By: Mike Harper, President

Dated: 8.28.17

By: 
ORANGE COUNTY EMPLOYEES
ASSOCIATION
By: Aaron Peardon, Senior Labor
Relations Representative

Dated: 8/28/17