

I hereby certify that the following Agenda was posted at least 24 hours prior to the time of the Board Meeting so noticed below, at the usual agenda posting location of the South Orange County Wastewater Authority [SOCWA] and at [www.socwa.com](http://www.socwa.com).



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

*Revised*  
**Special Meeting of The  
South Orange County Wastewater Authority  
Board of Directors**

December 8, 2022  
8:30 a.m.

**PHYSICAL MEETING LOCATION:**  
34156 Del Obispo Street  
Dana Point, CA 92629

IN ACCORDANCE WITH AB361, MEMBERS OF THE PUBLIC ARE INVITED TO PARTICIPATE AND MAY JOIN THE MEETING VIA ONLINE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE PHONE NUMBER FOR AUDIO PARTICIPATION (USE PHONE NUMBERS BELOW). THIS IS A PHONE CALL MEETING AND NOT A WEB-CAST MEETING SO PLEASE REFER TO AGENDA MATERIALS AS POSTED ON THE WEBSITE AT [WWW.SOCWA.COM](http://WWW.SOCWA.COM). ON YOUR REQUEST, EVERY EFFORT WILL BE MADE TO ACCOMMODATE PARTICIPATION.

PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMENTS. COMMENTS MAY ALSO BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY DANITA HIRSH AT [DHIRSH@SOCWA.COM](mailto:DHIRSH@SOCWA.COM).

IF YOU REQUIRE ANY SPECIAL DISABILITY RELATED ACCOMMODATIONS, PLEASE CONTACT THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY SECRETARY'S OFFICE AT (949) 234-5452 AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING TO REQUEST DISABILITY RELATED ACCOMMODATIONS. THIS AGENDA CAN BE OBTAINED IN ALTERNATE FORMAT UPON REQUEST TO THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY'S SECRETARY AT LEAST TWENTY-FOUR (24) HOURS PRIOR TO THE SCHEDULED MEETING.

AGENDA ATTACHMENTS AND OTHER WRITINGS THAT ARE DISCLOSABLE PUBLIC RECORDS DISTRIBUTED TO ALL, OR A MAJORITY OF, THE MEMBERS OF THE SOUTH ORANGE COUNTY WASTEWATER AUTHORITY BOARD OF DIRECTORS IN CONNECTION WITH A MATTER SUBJECT FOR DISCUSSION OR CONSIDERATION AT AN OPEN MEETING OF THE BOARD OF DIRECTORS ARE AVAILABLE BY PHONE REQUEST MADE TO THE AUTHORITY ADMINISTRATIVE OFFICE AT 949-234-5452. THE AUTHORITY ADMINISTRATIVE OFFICES ARE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE"), BUT ARE NOT OPEN TO THE PUBLIC DURING THE PERIOD OF STAY AT HOME ORDERS. IF SUCH WRITINGS ARE DISTRIBUTED TO MEMBERS OF THE BOARD OF DIRECTORS LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE MEETING, THEY WILL BE SENT TO PARTICIPANTS REQUESTING VIA EMAIL DELIVERY. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IMMEDIATELY ON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES.

**THE PUBLIC MAY PARTICIPATE REMOTELY BY VIRTUAL MEANS. FOR AUDIO  
OF MEETING USE THE CALL IN PHONE NUMBERS BELOW AND FOR VIDEO  
USE THE ZOOM LINK BELOW.**

Join Zoom Meeting  
<https://socwa.zoom.us/>

Meeting ID: 894 6734 7082  
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South Orange County Wastewater Authority  
Board of Directors Meeting  
December 8, 2022

Agenda

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ORAL COMMUNICATIONS

*Members of the public may address the board regarding an item on the agenda or may reserve this opportunity during the meeting at the time the item is discussed by the board. There will be a three-minute limit for public comments.*

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4. BOARD ITEMS: .....1

1. AB361 – Allowing Virtual Meetings – Findings and Approval to continue Virtual meetings

ACTION      The staff recommends that the Board of Directors approve the following findings and actions:

- A. The Board hereby FINDS AND DECLARES that it has considered the circumstances of the proclaimed state of emergency declared by the Governor on March 4, 2020 relating to the Covid-19 pandemic;
- B. Based on the information provided in this staff report and pursuant to the information and discussion presented in the December 8, 2022 Board meeting, the Board hereby FINDS AND DECLARES that as a result of the Covid-19 pandemic, meeting in person presents imminent risks to the health or safety of attendees, and that state and/or local officials continue to impose or recommend measures to promote social distancing;
- C. The Board hereby makes these findings and approves for the upcoming 30-day period, **December 8, 2022 to January 7, 2023**, regular and special meetings of the Board and its Standing Committees and Project Committees may continue to be virtual meetings held in accordance with AB 361's Public Notice and Public Participation requirements.
- D. The Board hereby delegates authority to its Standing Committees to make the necessary findings to continue holding virtual meetings in accordance with AB 361 if necessary.
- E. Staff is hereby directed to notice the upcoming Board and committee meetings as virtual meetings if the proclaimed state of emergency remains, unless staff makes special arrangements to hold the Board or committee meetings at a location that will allow for social distancing in which case the meeting may be held in person, and to place AB 361 findings on the agenda for consideration at the next occurring meeting(s) so that, at that point in time, a determination can be made regarding whether as a result of the emergency, meeting in person would continue to present imminent risks to the health or safety of attendees.



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2. PC 2: Update on J.B. Latham Operations

ACTION Information, Discussion, and Possible Action by the Board to  
Provide Direction to Staff as Appropriate or Necessary.

3. Update on Irvine Ranch Water District (IRWD) transfer of Capacities to El Toro  
Water District (ETWD) [PC 8, PC 2-SO (12), PC 21, and PC 24]

ACTION Information, Discussion, and Possible Action by the Board to  
Provide Direction to Staff as Appropriate or Necessary.

5. CONSENT CALENDAR

A. Minutes of Board of Directors .....21  
1. Board of Directors Meeting of October 6, 2022  
2. Board of Directors Meeting Closed Session of October 25, 2022

ACTION The Board will be requested to approve subject Minutes.

B. Minutes of Project Committee 2.....30  
• Project Committee 2 Meeting of October 25, 2022

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

C. Minutes of Engineering Committee .....35  
1. Engineering Committee Meeting of August 11, 2022  
2. Engineering Committee Meeting of September 8, 2022  
3. Engineering Committee Meeting of October 13, 2022

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

D. Minutes of Project Committee 15.....50  
• Project Committee 15 Meeting of November 3, 2022

ACTION The Project Committee 15 will be requested to approve subject  
Minutes; and the Board of Directors will be requested to receive and  
file subject Minutes.

E. Minutes of Finance Committee .....64  
• Finance Committee Meeting of October 18, 2022

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

F. Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended  
June 30, 2022, and 2021 .....67

ACTION The Finance Committee recommends that the Board of  
Directors to receive and file the Annual Comprehensive  
Financial Report (ACFR) including the Independent Auditors  
Report for fiscal Years ended June 30, 2022, and 2021.

G. Final Use Audit, FY 2021-22 Budget vs. Actual .....68

ACTION The Finance Committee recommends that the Board of Directors  
approve the FY 2021-22 Use Audit.

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H. Fiscal Year 2021-22 Updated Supplemental Financial Report.....	69
ACTION      Staff recommends that the Board of Directors receive and file the Supplemental Financial Statements for Fiscal Year ended June 30, 2022.	
I. Financial Reports for the Month of October 2022 .....	86
ACTION      The Finance Committee recommends that the Board of Directors to ratify the October 2022 disbursements for the period from October 1, 2022, through October 31, 2022, totaling \$2,836,868, and to receive and file the October 2022 Financial Reports as submitted.	
J. Operations Report ( <i>October 2022</i> ) .....	104
1. Monthly Operational Report	
2. SOCWA Ocean Outfall Discharges by Agency	
3. Beach Ocean Monitoring Report	
4. Recycled Water Report	
5. Pretreatment Report ( <i>October, and November 2022</i> )	
ACTION      The Board will be requested to receive and file subject reports as submitted.	
K. Capital Improvement Program Status Report ( <i>November 2022</i> ) .....	146
ACTION      Information item; receive and file.	
L. Capital Improvement Construction Projects Progress and Change Order Report ( <i>November</i> ) [Project Committees 2, 15, & 17] .....	150
ACTION      Staff recommends that the Board of Directors receive and file the Report as an information item.	
6. <u>GENERAL MANAGER'S REPORTS</u>	
A. Contract Extension Award to Athens Services for Grit Hauling and Disposal Services [Project Committees 2, 15, and 17] .....	160
ACTION      Staff recommends the award of a 1-year contract extension to Athens Services for Grit Hauling and Disposal Services at the rates, plus taxes and surcharges specified in the staff report for single bin deliveries that are determined when services are rendered.	

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- B. Contract Extension Award to Integrated Municipal Systems, LLC for Scrubber Maintenance Services [Project Committees 2, 15, and 17] ..... 164

ACTION      Staff recommends the award of a 1-year contract extension to Integrated Municipal Systems, LLC. for scrubber maintenance services at the rates, plus applicable taxes specified in the staff report.

- C. State Lands Commission ACOO & SJC00 [Project Committees 5, and 24] ..... 168

ACTION

1. Staff recommends that the Board of Directors to direct staff to include in budgets for the FY23/24-FY25/26 funding to comply with the SLC lease condition for implementation and maintenance recommendations as described in the 2022 Final Ocean Outfall External Inspection and Condition Survey of the SJCOO/ACOO; and
2. Authorize the General Manager to complete lease negotiations and execute the SLC leases for ACOO & SJCOO.

- D. Santa Margarita Water District (SMWD) / Moulton Niguel Water District (MNWD) Status Update on Facility Operations Proposals ..... 242

ACTION      Board Discussion/Direction and Action.

- E. General Counsel's Update (verbal reports) ..... 243

- Joint Powers Agreement (JPA) Revision Process (Attachments)
- Update on open items

ACTION      Board Discussion/Direction and Action.

- F. General Manager's Status Report ..... 286

ACTION      Board Discussion/Direction and Action.

- G. Upcoming Meetings Schedule: .....

- December 8, 2022 – Board of Directors Special Meeting
- December 9, 2022 – Board of Directors Special Meeting – *Closed Session*
- December 15, 2022 – Engineering Committee Meeting – *Canceled*
- December 20, 2022 – Finance Committee Meeting
- December 20 or 27, 2022 – PC 2 Committee Meeting - *Tentative*
- January 5, 2023 – Board of Directors Regular Meeting – *Canceled*
- January 12, 2023 – Engineering Committee Meeting
- January 17, 2023 – Finance Committee Meeting – *Canceled*
- Board of Directors Comments to Meeting Schedule for 2023 Calendar Year (see pg. 318)

ACTION      Information Item.

South Orange County Wastewater Authority  
Board of Directors Meeting  
December 8, 2022

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7. CLOSED SESSION

- Closed Session Pursuant to Government Code § 54957.6 Conference with Labor Negotiators:

SOCWA Designated Representative: Betty Burnett, General Manager  
Brad Neufeld, Labor Counsel

Employee Organization: SOCWA Employee's Association

- Report out of Closed Session

8. OTHER MATTERS

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

ADJOURNMENT

THE NEXT SOCWA BOARD MEETING  
FEBRUARY 2, 2023

# Agenda Item

# 4

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**SUBJECT:** AB 361 – Allowing for Virtual Meetings - Findings and Approval to Continue Virtual Meetings

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## BACKGROUND

On March 4, 2020, the Governor declared a state of emergency arising from the Covid-19 pandemic. Pursuant to Government Code 54953(e)(1), if a state of emergency exists, and state or local officials have imposed or recommended measures to promote social distancing, or if a majority of the SOCWA Board of Directors (“Board”) determines that meeting in person would present imminent risks to the health and safety of attendees, then the Board can utilize telephonic or virtual meetings without compliance with the telephonic agenda provisions of the Brown Act found in Government Code 54953(b)(3). Consistent with findings made and the action taken at the November 3, 2022 Board Meeting, the Board held its November Board, committee, and PC meetings virtually under AB 361. The Board’s 30-day findings expired on December 3, 2022.

California continues to be in a proclaimed state of emergency. The Omicron variant is highly transmissible and has been identified in Orange County. The current County of Orange Health Officer’s Orders and Strong Recommendations revised September 23, 2022 (attached to this staff report) contain “strong recommendations” promoting social distancing for vulnerable populations, which include individuals over 65 years old and those with underlying health conditions. In light of the ongoing state of emergency and these local recommendations, the Board may conduct today’s meeting virtually pursuant to Government Code 54953(e)(1)(A). In order to continue holding virtual board, regular and special, committee, and PC meetings over the next 30 days, the Board must make the required findings set forth below, and must continue making these findings every 30 days thereafter. The Board may also delegate this authority to its Standing Committees to allow them to make the necessary findings at a duly noticed public meeting.

## DISCUSSION

AB 361 amends the Brown Act and allows for public organizations to use virtual meetings through January 1, 2024 if any of the following circumstances are met:

- (A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
- (B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
- (C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would

present imminent risks to the health or safety of attendees.

In accordance with AB 361, when a governing board wants to continue holding virtual meetings because a state of emergency continues, the board must make findings every 30 days that 1) the board has reconsidered the circumstances of the state of emergency and 2) the state of emergency continues to directly impact the ability of the members to meet safely in person or state or local officials continue to impose or recommend measures to promote social distancing.

The County of Orange Health Officer's Orders and Strong Recommendations, revised September 23, 2022 (attached), contain a "strong recommendation" that vulnerable populations, including older persons and individuals with underlying health conditions, take preventive measures for Covid-19 including social distancing and mask-wearing when around people from different households. The Covid-19 data and information regarding positive cases, deaths and hospitalizations are available at this website: <https://occovid19.ochealthinfo.com/coronavirus-in-oc>. Board members are encouraged to review the local data in making determinations to support the recommended findings. As of November 23, 2022, the OC Health Care Agency reported 1,959 positive weekly cases, 10 weekly deaths, 203 current hospitalizations, and 32 current cases in ICU.

**THEREFORE, IN LIGHT OF THE ABOVE, STAFF RECOMMENDS THAT THE BOARD APPROVE THE FOLLOWING FINDINGS AND ACTIONS:**

- A. The Board hereby FINDS AND DECLARES that it has considered the circumstances of the proclaimed state of emergency declared by the Governor on March 4, 2020 relating to the Covid-19 pandemic;
- B. Based on the information provided in this staff report and pursuant to the information and discussion presented in the December 8, 2022 Board meeting, the Board hereby FINDS AND DECLARES that as a result of the Covid-19 pandemic, meeting in person presents imminent risks to the health or safety of attendees, and that state and/or local officials continue to impose or recommend measures to promote social distancing;
- C. The Board hereby makes these findings and approves for the upcoming 30-day period, **December 8, 2022 to January 7, 2023**, regular and special meetings of the Board and its Standing Committees and Project Committees may continue to be virtual meetings held in accordance with AB 361's Public Notice and Public Participation requirements.
- D. The Board hereby delegates authority to its Standing Committees to make the necessary findings to continue holding virtual meetings in accordance with AB 361 if necessary.
- E. Staff is hereby directed to notice the upcoming Board and committee meetings as virtual meetings if the proclaimed state of emergency remains, unless staff makes special arrangements to hold the Board or committee meetings at a location that will allow for social distancing in which case the meeting may be held in person, and to place AB 361 findings on the agenda for consideration at the next occurring meeting(s) so that, at that point in time, a determination can be made regarding whether as a result of the emergency, meeting in person would continue to present imminent risks to the health or safety of attendees.

[.https://www.ocgov.com\)](https://www.ocgov.com)[Home \(/\)](#) / **OC Health Officer's Orders & Recommendations**

# OC Health Officer's Orders & Recommendations

For the PDF English version, click [here \(/sites/virus/files/2022-09/9.16.22\\_Health\\_Officer\\_Orders\\_and\\_Recommendations\\_Final\\_Version\\_2.pdf\)](/sites/virus/files/2022-09/9.16.22_Health_Officer_Orders_and_Recommendations_Final_Version_2.pdf).

For translation, please click on the black "Translate" button on the top right to translate the same order displayed below.



**REGINA CHINSIO-KWONG, DO**  
COUNTY HEALTH OFFICER/  
CHIEF MEDICAL OFFICER

**MATTHEW ZAHN, MD**  
DEPUTY COUNTY HEALTH OFFICER, PUBLIC  
HEALTH SERVICES/  
MEDICAL DIRECTOR CDCD

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**COUNTY OF ORANGE HEALTH OFFICER'S  
ORDERS AND STRONG RECOMMENDATIONS**  
(Revised September 23, 2022)

In light of recent updated COVID-19 State Public Health Officer Orders on masking guidance, vaccine requirements and testing recommendations, the following Orders and Strong Recommendations shall revise and replace the prior Orders and Strong Recommendations of the County Health Officer that were issued on September 16, 2022. The Orders and Strong Recommendations issued on September 16, 2022, are no longer in effect as of September 23, 2022.

Pursuant to California Health and Safety Code sections 101030, 101040, 101470, 120175, and 120130, the County Health Officer for County of Orange orders and strongly recommends the following:

## **ORDERS**

Effective immediately, and continuing until further notice, the following shall be in effect in unincorporated and incorporated territories of Orange County, California:

### **I. Self-Isolation of Persons with COVID-19 Order**

*NOTE: This Self-Isolation Order DOES NOT in any way restrict access by first responders to an isolation site during an emergency.*

#### **1. Persons who are symptom-free but test positive for COVID-19.**

If you do not have any COVID-19 symptoms (as defined below in this Order) but test positive for COVID-19, you shall immediately isolate yourself in your home or another suitable place for at least 5 days from the date you test positive and may end your self-isolation after day 5:

- If you continue not having any COVID-19 symptoms and a diagnostic specimen collected on day 5 or later tests negative.
  - While an antigen test, nucleic acid amplification test (NAAT), or LAMP test are acceptable, use of an antigen test is recommended. Use of Over-the-Counter tests are also acceptable to end isolation.

#### **Exceptions.**

- If you are unable or choose not to test on day 5 or after, or if you test positive after day 5, you shall continue your self-isolation through day 10 from the date of your initial positive test and may end your self-isolation after 10 days from the date of your initial positive test.
- If you develop COVID-19 symptoms during the time of your self-isolation, you shall isolate yourself for at least 10 days from the date of symptom(s) onset. You may end your self-



isolation sooner if a diagnostic specimen collected on day 5 (or later) from the date of symptom(s) onset tests negative.

All persons who test positive for COVID-19 should continue to wear a well-fitting mask at all times around other people through day 10.

## 2. Persons who have COVID-19 symptoms.

If you have COVID-19 symptoms, you shall immediately isolate yourself in your home or another suitable place for 10 days from the date of your symptom(s) onset and may end your self-isolation sooner under any of the following conditions:

- If a diagnostic specimen collected as early as the date of your symptom(s) onset tests negative.
  - While an antigen test, nucleic acid amplification test (NAAT), or LAMP test are acceptable, use of an antigen test is recommended. Use of Over-the-Counter tests are also acceptable to end isolation.
    - Note: A negative PCR or antigen test collected on day 1-2 of symptom onset should be repeated in 1-2 days to confirm negative status. While isolation may end after the first negative test, it is strongly recommended to end isolation upon negative results from the repeat test.
- If you obtain an alternative diagnosis from a healthcare provider.

### Exception:

If you have COVID-19 symptoms and test positive for COVID-19, you shall isolate yourself for at least 10 days from the date of symptom(s) onset. You may end your self-isolation sooner if a diagnostic specimen collected on day 5 (or later) from the date of symptom(s) onset tests negative.

You are not required to self-isolate for more than 10 days from the date of your COVID-19 symptom(s) onset regardless of whether your symptoms are present on Day 11.

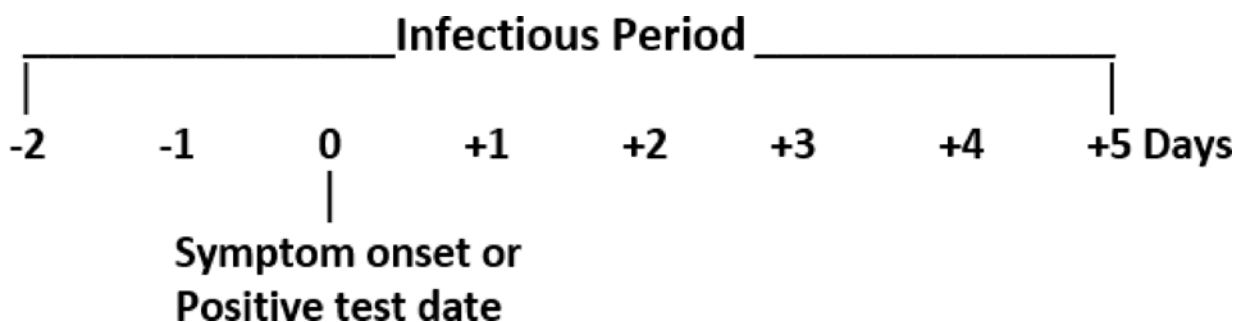
All persons who have COVID-19 symptoms should continue to wear a well-fitting mask at all times around other people through at least Day 10.

### 3. Additional Considerations for Self-Isolation.

- A person who is self-isolated may not leave his or her place of isolation except to receive necessary medical care.
- If a more specific and individualized isolation order is issued by the County Health Officer for any county resident, the resident shall follow the specific order instead of the order herein.
- People who are severely ill with COVID-19 might need to stay in self-isolation longer than 5 days and up to 20 days after symptoms first appeared. People with weakened immune systems should talk to their healthcare provider for more information.
- Rebound: Regardless of whether an individual has been treated with an antiviral agent, risk of transmission during COVID-rebound can be managed by following CDC's guidance on isolation (<https://www.cdc.gov/coronavirus/2019-ncov/your-health/quarantine-isolation.html> (<https://www.cdc.gov/coronavirus/2019-ncov/your-health/quarantine-isolation.html>)). An individual with rebound may end re-isolation after 5 full days of isolation with resolution of their fever for 24 hours without the use of fever-reducing medication and if symptoms are improving. The individual should wear a mask for a total of 10 days after rebound symptoms started.
  - More information can be found at <https://www.cdph.ca.gov/Programs/OPA/Pages/CAHAN/CAHAN-Paxlovid-Recurrence-06-07-22.aspx> (<https://www.cdph.ca.gov/Programs/OPA/Pages/CAHAN/CAHAN-Paxlovid-Recurrence-06-07-22.aspx>).

#### **Timing for "Day 0" - As noted in CDPH Isolation and Quarantine Q&A**

(<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Isolation-Quarantine-QA.aspx>), the 5-day clock for isolation period starts on the date of symptom onset or (day 0) for people who test positive after symptoms develop, or initial test positive date (day 0) for those who remain asymptomatic. If an asymptomatic person develops symptoms, and test positive, date of symptom onset is day 0.



**NOTE:** In workplaces, employers and employees are subject to the Isolation and quarantine requirements as stated in the CalOSHA COVID-19 Emergency Temporary Standards (ETS) as modified by the Governor's Executive Order N-5-22 or in some workplaces the Cal/OSHA Aerosol transmissible Diseases (ATD) Standard.

Information about CalOSHA COVID-19 Emergency Temporary Standards (ETS) can be found at <https://www.dir.ca.gov/dosh/coronavirus> (<https://www.dir.ca.gov/dosh/coronavirus>).

**Definition.**

Whenever the term "symptom" or "*COVID-19 symptom*" is used, it shall mean COVID-19 symptom. People with COVID-19 have had a wide range of symptoms reported – ranging from mild symptoms to severe illness. Symptoms may appear 2-14 days after exposure to the virus. Anyone can have mild to severe symptoms. People with these symptoms may have COVID-19:

- Fever or chills
- Cough
- Shortness of breath or difficulty breathing
- Fatigue
- Muscle or body aches
- Headache
- New loss of taste or smell
- Sore throat
- Congestion or runny nose
- Nausea or vomiting
- Diarrhea
- The list above does not include all possible symptoms.

**II. Face-Coverings/Masks:**

To help prevent the spread of droplets containing COVID-19, all County residents and visitors are required to wear face coverings in accordance with the Guidance for the Use of Face Coverings issued by CDPH, dated September 20, 2022. The Guidance is attached herein as Attachment "A" and can be found at:

**A:** <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx>).

NOTE: For Correctional Facilities and Detention centers, when utilizing COVID-19 Community levels to determine masking requirements, an outbreak in these settings is defined as three suspected, probable, or confirmed COVID-19 cases within a 14-day period among residents and/or staff.

No person shall be prevented from wearing a mask as a condition of participation in an activity or entry into a business.

Exemptions to masks requirements.

The following individuals are exempt from this mask order:

- Persons younger than two years old.
- Persons with a medical condition, mental health condition, or disability that prevents wearing a mask. This includes persons with a medical condition for whom wearing a mask could obstruct breathing or who are unconscious, incapacitated, or otherwise unable to remove a mask without assistance.
- Persons who are hearing impaired, or communicating with a person who is hearing impaired, where the ability to see the mouth is essential for communication.
- Persons for whom wearing a mask would create a risk to the person related to their work, as determined by local, state, or federal regulators or workplace safety guidelines.
- Additional exceptions to masking requirements in high-risk settings can be found at <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Face-Coverings-QA.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Face-Coverings-QA.aspx>).

In workplaces, employers and employees are subject to either the Cal/OSHA COVID-19 Emergency Temporary Standards (ETS) or the Cal/OSHA Aerosol Transmissible Diseases (ATD) Standard and should consult those regulations for additional applicable requirements.

### **III. COVID-19 Vaccine Requirement Order**

- Health Care Workers COVID-19 Vaccine Requirement Order:

To help prevent transmission of COVID-19, all workers who provide services or work in facilities described below shall comply with the COVID-19 vaccination and booster dose requirements as set forth in the September 13, 2022, State Health Officer Order. A copy of the State Health Officer Order is attached herein as Attachment "**B**" and can be found at the following link:

**B:** <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Health-Care-Worker-Vaccine-Requirement.aspx>  
(<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Health-Care-Worker-Vaccine-Requirement.aspx>)

Facilities covered by this order include:

- General Acute Care Hospitals
- Skilled Nursing Facilities (including Subacute Facilities)
- Intermediate Care Facilities
- Acute Psychiatric Hospitals
- Adult Day Health Care Centers
- Program of All-Inclusive Care for the Elderly (PACE) and PACE Centers
- Ambulatory Surgery Centers
- Chemical Dependency Recovery Hospitals
- Clinics & Doctor Offices (including behavioral health, surgical)
- Congregate Living Health Facilities
- Dialysis Centers
- Hospice Facilities
- Pediatric Day Health and Respite Care Facilities
- Residential Substance Use Treatment and Mental Health Treatment Facilities

The word, "worker," as used in this Order shall have the same meaning as defined in the State Health Officer's Order, dated September 13, 2022.

- **Local Correctional Facilities and Detention Centers Health Care Worker Vaccination Requirement.**

To prevent the further spread of COVID-19 in local correctional facilities and detention centers, all individuals identified in the State Health Officer Order, effective September 13, 2022, shall comply with the State Health Officer's Order with regards to obtaining COVID-19 vaccination and booster doses. A copy of the State Health Officer Order is attached herein as Attachment "C" and can be found at the following link:

**C:** <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Health-Care-Worker-Vaccine-Requirement.aspx>  
(<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Correctional-Facilities-and-Detention-Centers-Health-Care-Worker-Vaccination-Order.aspx>)

- **Adult Care Facilities and Direct Care Worker Vaccination Requirements.**

To help prevent transmission of COVID-19, all individuals specified below shall comply with the COVID-19 vaccination and booster dose requirements as set forth in the September 13, 2022, State Health Officer Order. A copy of the State Health Officer Order is attached herein as Attachment "D" and can be found at the following link:

**D:** <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Adult-Care-Facilities-and-Direct-Care-Worker-Vaccine-Requirement.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Order-of-the-State-Public-Health-Officer-Adult-Care-Facilities-and-Direct-Care-Worker-Vaccine-Requirement.aspx>)

Individuals covered by this order include:

- All workers who provide services or work in Adult and Senior Care Facilities licensed by the California Department of Social Services;
- All in-home direct care services workers, including registered home care aides and certified home health aides, except for those workers who only provide services to a recipient with whom they live or who are a family member of the recipient for whom they provide services;
- All waiver personal care services (WPCS) providers, as defined by the California Department of Health Care Services, and in-home supportive services (IHSS) providers, as defined by the California Department of Social Services, except for those workers who only



provide services to a recipient with whom they live or who are a family member of the recipient for whom they provide services;

- All hospice workers who are providing services in the home or in a licensed facility; and
- All regional center employees, as well as service provider workers, who provide services to a consumer through the network of Regional Centers serving individuals with developmental and intellectual disabilities, except for those workers who only provide services to a recipient with whom they live or who are a family member of the recipient for whom they provide services.

#### **IV. Seasonal Flu Vaccination Order:**

##### **Seasonal Flu Vaccination for Certain County Residents.**

All individuals who reside or work in Orange County and fall under one of the following categories, shall obtain the seasonal flu vaccination unless a medical or religious exemption applies: (i) current providers for congregate settings; (ii) current health care providers; and (iii) current emergency responders. However, nothing herein shall be construed as an obligation, on the part of employers, public or private, to require employees obtain the seasonal flu vaccination as a term or condition of employment.

- *Emergency responder* shall mean military or national guard; law enforcement officers; correctional institution personnel; fire fighters; emergency medical services personnel; physicians; nurses; public health personnel; emergency medical technicians; paramedics; emergency management personnel; 911 operators; child welfare workers and service providers; public works personnel; and persons with skills or training in operating specialized equipment or other skills needed to provide aid in a declared emergency; as well as individuals who work for such facilities employing these individuals and whose work is necessary to maintain the operation of the facility.
- *Health care provider* shall mean physicians; psychiatrists; nurses; nurse practitioners; nurse assistants; medical technicians; any other person who is employed to provide diagnostic services, preventive services, treatment services or other services that are integrated with and necessary to the provision of patient care and, if not provided, would adversely impact patient care; and employees who directly assist or are supervised by a direct provider of diagnostic, preventive, treatment, or other patient care services; and employees who do not provide direct health care services to a patient but are otherwise integrated into and necessary to the provision those services – for example, a laboratory technician who processes medical test results to aid in the diagnosis and treatment of a health condition. A person is not a health care provider merely

because his or her employer provides health care services or because he or she provides a service that affects the provision of health care services. For example, IT professionals, building maintenance staff, human resources personnel, cooks, food services workers, records managers, consultants, and billers are not health care providers, even if they work at a hospital of a similar health care facility.

## **STRONG RECOMMENDATIONS**

Effective immediately, and continuing until further notice, the following shall be in effect in unincorporated and incorporated territories in Orange County, California:

### **1. Self-quarantine of Persons Exposed to COVID-19**

- If you are known to be exposed to COVID-19 (regardless of vaccination status, prior disease, or occupation), it is strongly recommended to follow CDPH Quarantine guidance found at <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Guidance-on-Isolation-and-Quarantine-for-COVID-19-Contact-Tracing.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Guidance-on-Isolation-and-Quarantine-for-COVID-19-Contact-Tracing.aspx>).
- **K-12 Schools and Child Care**
  - Schools/school districts are advised to follow CDPH COVID-19 Public Health Guidance for K-12 Schools in California, 2022-2023 School Year found at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/K-12-Guidance-2022-23-School-Year.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/K-12-Guidance-2022-23-School-Year.aspx>).
  - Child care providers and programs are advised to follow CDPH Guidance for Child Care Providers and Programs found at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Child-Care-Guidance.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Child-Care-Guidance.aspx>).
- **Workplaces**
  - In workplaces, employers and employees are subject to the Quarantine requirement as stated in the Cal/OSHA COVID-19 Emergency Temporary Standards (ETS) as modified by the Governor's Executive Order N-5-22 or in some workplaces the Cal/OSHA Aerosol Transmissible Diseases (ATD) Standard.

*Exposed to COVID-19 or exposure to COVID-19* means sharing the same indoor space (e.g. home, clinic waiting room, airplane, etc.) for a cumulative total of 15 minutes or more over a 24-hour period (for example, three individual 5- minute exposures for a total of 15 minutes) during an infected person's (laboratory-confirmed or a clinical diagnosis) infectious period.

2. **For Vulnerable Populations.** In general, the older a person is, the more health conditions a person has, and the more severe the conditions, the more important it is to take preventive measures for COVID-19 such as getting vaccinated, including boosters, social distancing and wearing a mask when around people who don't live in the same household, and practicing hand hygiene. For more information see <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/people-with-medical-conditions.html> (<https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/people-with-medical-conditions.html>).
3. **COVID-19 Vaccination for County Residents.** All Orange County residents should receive COVID-19 vaccination in accordance with the Federal Food and Drug Administration (FDA) and CDC guidance. Minors, who are eligible to receive COVID-19 vaccination in accordance with the applicable CDC guidelines, should be vaccinated in the presence of their parent or legal guardian.  
  
CDC Guidance can be found at: <https://www.cdc.gov/coronavirus/2019-ncov/vaccines/stay-up-to-date.html> (<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/stay-up-to-date.html>) and <https://www.cdc.gov/coronavirus/2019-ncov/vaccines/recommendations/specific-groups.html> (<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/recommendations/specific-groups.html>)
4. **Seasonal Flu Vaccination for County Residents.** All County residents who are six months of age or older should obtain the seasonal flu vaccination unless a medical or religious exemption applies.
5. **COVID-19 Vaccination and Testing for Emergency Medical Technicians, Paramedics and Home Healthcare Providers.** To help prevent transmission of COVID-19, it is strongly recommended that all Emergency Medical Technicians, Paramedics, and Home Healthcare Providers (including In Home Supportive Services Program workers) remain up-to-date as defined by CDC with COVID-19 vaccination. CDC Guidance can be found at: <https://www.cdc.gov/coronavirus/2019-ncov/vaccines/recommendations/specific-groups.html> (<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/recommendations/specific-groups.html>)

## **GENERAL PROVISIONS**

1. The Orders and Strong Recommendations, above, shall not supersede any conflicting or more restrictive orders issued by the State of California or federal government. If any portion of this document or the application thereof to any person or circumstance is held to be invalid, the

remainder of the document, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of the orders and strong recommendations are severable.

2. The Orders contained in this document may be enforced by the Orange County Sheriff or Chiefs of Police pursuant to California Health and Safety Code section 101029, and California Government Code sections 26602 and 41601. A violation of a health order is subject to fine, imprisonment, or both (California Health and Safety Code section 120295).

### **REASONS FOR THE ORDERS AND STRONG RECOMMENDATIONS**

1. On February 26, 2020, the County of Orange Health Officer declared a Local Health Emergency based on an imminent and proximate threat to public health from the introduction of COVID-19 in Orange County.
2. On February 26, 2020, the Chairwoman of the Board of Supervisors, acting as the Chair of Emergency Management Council, proclaimed a Local Emergency in that the imminent and proximate threat to public health from the introduction of COVID-19 created conditions of extreme peril to the safety of persons and property within the territorial limits of Orange County.
3. On March 2, 2020, the Orange County Board of Supervisors adopted Resolutions No. 20-011 and No. 20-012 ratifying the Local Health Emergency and Local Emergency, referenced above.
4. On March 4, 2020, the Governor of the State of California declared a State of Emergency to exist in California as a result of the threat of COVID-19.
5. As of September 23, 2022, the County has reported a total of 664,185 recorded confirmed COVID-19 cases and 7,432 of COVID-19 related deaths.
6. Safe and effective authorized COVID-19 vaccines are recommended by the CDC. According to CDC, anyone infected with COVID-19 can spread it, even if they do NOT have symptoms. The novel coronavirus is spread in 3 ways: 1) Breathing in air when close to an infected person who is exhaling small droplets and particles that contain the virus. 2) Having these small droplets and particles that contain virus land on the eyes, nose, or mouth, especially through splashes and sprays like a cough or sneeze. 3) Touching eyes, nose, or mouth with hands that have the virus on them.

See <https://www.cdc.gov/coronavirus/2019-ncov/vaccines/stay-up-to-date.html>

(<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/stay-up-to-date.html>)

and <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/how-covid-spreads.html>

(<https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/how-covid-spreads.html>).

7. The CDPH issued a revised Guidance for the Use of Face Coverings, effective April 20, 2022, available at: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx> (<https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/guidance-for-face-coverings.aspx>)
8. According to the CDC and CDPH, older adults, individuals with medical conditions, and pregnant and recently pregnant persons are at higher risk of severe illness when they contract COVID-19. See <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/index.html> (<https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/index.html>)
9. The Orders and the Strong Recommendations contained in this document are based on the following facts, in addition to the facts stated under the foregoing paragraphs: (i) Safe and effective FDA authorized COVID-19 vaccines have been widely available, but certain populations have been slow to getting vaccinated or boosted (ii) the current consensus among public health officials for slowing down the transmission of and avoiding contracting COVID-19 is for at-risk persons to complete a COVID-19 vaccination series and receive a booster if eligible, wear well-fitted mask in indoor settings when around others outside of their household, practice distancing, frequently wash hands with soap (iii) some individuals who contract COVID-19 have no symptoms or have only mild symptoms and so are unaware that they carry the virus and are transmitting it to others; (iv) current evidence shows that the novel coronavirus can survive on surfaces and can be indirectly transmitted between individuals; (v) older adults and individuals with medical conditions are at higher risk of severe illness; (vi) sustained COVID-19 community transmission continues to occur; (vii) the age, condition, and health of a portion of Orange County's residents place them at risk for serious health complications, including hospitalization and death, from COVID-19; (viii) younger and otherwise healthy people are also at risk for serious negative health outcomes and for transmitting the novel coronavirus to others.
10. The orders and strong recommendations contained in this document are necessary and less restrictive preventive measures to control and reduce the spread of COVID-19 in Orange County, help preserve critical and limited healthcare capacity in Orange County and save the lives of Orange County residents.
11. The California Health and Safety Code section 120175 requires the County of Orange Health Officer knowing or having reason to believe that any case of a communicable disease exists or has recently existed within the County to take measures as may be necessary to prevent the spread of the disease or occurrence of additional cases.
12. The California Health and Safety Code sections 101030 and 101470 require the county health officer to enforce and observe in the unincorporated territory of the county and within the city

boundaries located with a county all of the following: (a) Orders and ordinances of the board of supervisors, pertaining to the public health and sanitary matters; (b) Orders, including quarantine and other regulations, prescribed by the department; and (c) Statutes relating to public health.

13. The California Health and Safety Code section 101040 authorizes the County of Orange Health Officer to take any preventive measure that may be necessary to protect and preserve the public health from any public health hazard during any "state of war emergency," "state of emergency," or "local emergency," as defined by Section 8558 of the Government Code, within his or her jurisdiction. "Preventive measure" means abatement, correction, removal, or any other protective step that may be taken against any public health hazard that is caused by a disaster and affects the public health.
14. The California Health and Safety Code section 120130 (d) authorizes the County of Orange Health Officer to require strict or modified isolation, or quarantine, for any case of contagious, infectious, or communicable disease, when such action is necessary for the protection of the public health.

#### **IT IS SO ORDERED:**

Date: September 23, 2022



Regina Chinsio-Kwong, DD  
County Health Officer  
County of Orange

## **Additional Resources**



**COVID-19 in California**  
(<https://covid19.ca.gov/>)



**Centers for Disease Control and Prevention**  
(<https://www.cdc.gov/coronavirus/2019-nCoV/index.html>)



**World Health Organization**  
(<https://www.who.int/>)



(/)

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

**Board of Directors**

**October 6, 2022**

**DRAFT**

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Board of Directors was held in-person and via teleconference on September 1, 2022, at 8:30 a.m. at the Dana Hills Tennis Center located at 24911 Calle De Tennis, Dana Point, California. The following members of the Board of Directors were present for the Meeting:

MIKE DUNBAR	Emerald Bay Service District	Director [in-person]
KATHRYN FRESHLEY	El Toro Water District	Director [in-person]
MATT COLLINGS	Moulton Niguel Water District	Director [in-person]
STEPHEN DOPUDJA	Trabuco Canyon Water District	Director [in-person]
DOUG REINHART	Irvine Ranch Water District	Director [in-person] arrived @ 8:37 a.m.
TONI ISEMAN	City of Laguna Beach	Director [Zoom]
DAN FERONS	Santa Margarita Water District	Director [in-person] arrived @ 8:45 a.m.
SCOTT GOLDMAN	South Coast Water District	Director [in-person]
DAVE REBENDS DORF	City of San Clemente	Director [In-person]
*DAVID SHISSLER	City of Laguna Beach	Alternate Director [in-person]

\*Due to technological connectivity issues on Director Iseman's end, Director Shissler filled in intermittently throughout the meeting when needed.

**Staff Present:**

BETTY BURNETT	General Manager
JIM BURROR	Director of Operations
AMBER BAYLOR	Director of Environmental Compliance
DAVID BARANOWSKI	Director of Engineering
MARY CAREY	Finance Controller
RONI YOUNG	Associate Engineer
KONSTANTIN SHILKOV	Senior Accountant
NADYN KIM	Accounting
ANNA SUTHERLAND	Accounts Payable
DINA ASH	HR Administrator
JEANETTE COTINOLA	Procurement/Contracts Manager
SEAN PEACHER	Environmental Compliance Safety Risk Manager
MIKE MATSON	Support Services Manager
DANITA HIRSH	Executive Assistant

**Also Present:**

GREG MOSER	Procopio Law	ALI BOEHM	Stanford University
BRAD NEUFELD	Varner & Brandt LLP	HANNA BROIDA	City of Laguna Beach
DENNIS CAFFERTY	El Toro Water District	CLAIRE COLLINS	Hanson Bridgett LLP
MIKE GASKINS	El Toro Water District	DAVE LARSEN	Moulton Niguel Water District
RICK SHINTAKU	South Coast Water District	DREW ATWATER	Moulton Niguel Water District
DON FROELICH	Moulton Niguel Water District	JESUS GARIBAY	Moulton Niguel Water District
PAM ARENDS-KING	South Coast Water District	GRANT SHARP	OC Public Works
DICK FIORE	Moulton Niguel Water District	DON BUNTS	Santa Margarita Water District
JOONE LOPEZ	Moulton Niguel Water District	JENNA VOSS	County of Orange
ERICA CASTILLO	Santa Margarita Water District	MARC SERNA	South Coast Water District
DON FROELICH	Moulton Niguel Water District	KEVIN BURTON	Irvine Ranch Water District
SHERRY WANNIGER	Moulton Niguel Water District	OSMAN MUFTI	Sloan Sakai Yeung & Wong LLP
ROD WOODS	Moulton Niguel Water District	MARK MCAVOY	City of Laguna Beach
BILL MOOREHEAD	Moulton Niguel Water District	FERNANDO PALUDI	Trabuco Canyon Water District
DIANE RIFKIN	Moulton Niguel Water District		

1. Call to Order

Chairman Collings called the meeting to order at 8:31 a.m.

2. Pledge of Allegiance – Director Mike Dunbar

3. Oral Communications

None.

4. AB 361 – ALLOWING FOR VIRTUAL MEETINGS – Findings and Approval to continue Virtual Meetings

ACTION TAKEN

Motion was made by Director Goldman and seconded by Director Dunbar to approve the findings and actions:

- A. The Board hereby FINDS AND DECLARES that it has considered the circumstances of the proclaimed state of emergency declared by the Governor on March 4, 2020 relating to the Covid-19 pandemic;
- B. Based on the information provided in this staff report and pursuant to the information and discussion presented in the October 6, 2022 Board meeting, the Board hereby FINDS AND DECLARES that as a result of the Covid-19 pandemic, meeting in person presents imminent risks to the health or safety of attendees, and that state and/or local officials continue to impose or recommend measures to promote social distancing;
- C. The Board hereby makes these findings and approves for the upcoming 30-day period, **October 6, 2022 to November 5, 2022**, regular and special meetings of the SOCWA Board and its Standing Committees and Project Committees may continue to be virtual meetings held in accordance with AB 361's Public Notice and Public Participation requirements.
- D. The Board of Directors hereby delegates authority to the Standing Committees of SOCWA to make the necessary findings to continue holding virtual meetings in accordance with AB 361 if necessary.
- E. Staff is hereby directed to notice the upcoming board and committee meetings as virtual meetings if the proclaimed state of emergency remains, unless staff makes special arrangements to hold the Board or Committee Meetings at a location that will allow for social distancing in which case the meeting may be held in person, and to place AB 361 findings on the agenda for consideration at the next occurring meeting(s) so that, at that point in time, a determination can be made regarding whether as a result of the emergency, meeting in person would continue to present imminent risks to the health or safety of attendees.

Motion carried:	Aye 8, Nay 0, Abstained 0, Absent 1
	Director Dunbar Aye
	Director Freshley Aye
	Director Dopudja Aye
	Director Collings Aye
	Director Reinhart Aye
	Director Iseman Aye
	Director Ferons Absent
	Director Goldman Aye
	Director Rebensdorf Aye

5. SANTA MARGARITA WATER DISTRICT (SMWD) – ALTERNATIVE WASTEWATER DELIVERY (Verbal Update)

Director Ferons updated the Board of Directors on the status of Santa Margarita Water Districts proposal for alternative wastewater delivery and future plans to operate the JB Latham Plant. He requested monthly PC 2 meetings to further the discussion of operating the JB Latham Plant. An open discussion ensued.

This was an information item; no action was taken.

6. RANCH WATER DISTRICT (IRWD) – NOTICE OF INTENT TO ASSIGN IT'S SOCWA RIGHTS TO EL TORO WATER DISTRICT

Director Reinhart stated no report was needed since this is an informational item. He noted the agreement was made between El Toro Water District (ETWD) and Irvine Ranch Water District (IRWD) wanted to make the SOCWA Board aware of it. He also informed the Board that at the end of the month, ETWD and IRWD Boards will be approving the agreement, and IRWD will be submitting their 120-day notice. An open discussion ensued.

This was an information item; no action was taken.

7. CONSENT CALENDAR

ACTION TAKEN

Motion was made by Director Goldman and seconded by Director Freshley to approve the Consent Calendar as submitted.

(7.A. thru 7.H.)

- A. Minutes of Special Board of Directors September 1, 2022
- B. Minutes of Finance Committee August 16, 2022
- C. Financial Reports for the Month of June 2022 (Preliminary – Close of Fiscal Year), and July 2022
- D. Preliminary Draft Use Audit, O&M only, FY 2021-22 Budget vs. Actual including UAL and OPEB Expense Distribution by Member Agencies
- E. Operations Report (August 2022)
- F. Rockwell TechConnect Support Agreement Annual Renewal (via OneSource Distributors, Inc.) for \$56,891.52
- G. Capital Improvement Program Status Report (September 2022)
- H. Capital Improvement Construction Projects Progress and Change Order I (September)

Motion carried:	Aye 8, Nay 0, Abstained 0, Absent 1
	Director Dunbar Aye
	Director Freshley Aye
	Director Dopudja Aye
	Director Collings Aye
	Director Reinhart Aye
	Director Iseman Aye
	Director Ferons Absent
	Director Goldman Aye
	Director Rebensdorf Aye

8. ENGINEERING MATTERS

A. JB Latham Treatment Plant Package B Liquids Contingency Increase [Project Committee No. 2]

ACTION TAKEN

Motion was made by Director Ferons and seconded by Director Goldman to approve the addition of \$250,000 of contingency to the JB Latham Package B Liquids Improvements (3220-000).

Motion carried:	Aye 3, Nay 0, Abstained 0, Absent 0
	Director Collings Aye
	Director Ferons Aye
	Director Goldman Aye

9. GENERAL MANAGER'S REPORTS

A. Small Capital Automatic Self-Cleaning Strainer Model A for \$52,779.00 (plus tax, shipping, and fees) [Project Committee No. 15]

ACTION TAKEN

Motion was made by Director Goldman and seconded by Director Dunbar to authorize the General Manager to purchase a Model A Kinney Automatic Self-Cleaning Strainer at CTP at the cost of \$52,779.00, plus shipping costs, fees, and additional tax that are determined at the time the units are shipped.

Motion carried:	Aye 3, Nay 0, Abstained 1, Absent 0
	Director Dunbar Aye
	Director Collings Abstain
	Director Iseman Aye
	Director Goldman Aye

B. Temporary Staffing Services

ACTION TAKEN

Motion was made by Director Ferons and seconded by Director Dunbar to authorize the General Manager to continue to use AppleOne Employment Services and execute the agreement not to exceed \$30,000 for 2022/2023.

Motion carried:	Aye 9, Nay 0, Abstained 0, Absent 0
	Director Dunbar Aye
	Director Freshley Aye
	Director Dopudja Aye
	Director Collings Aye
	Director Reinhart Aye
	Director Iseman Aye
	Director Ferons Aye
	Director Goldman Aye
	Director Rebensdorf Aye

C. New 5-Year Lease to Replace Two Xerox C60 MFP's with Two New Xerox 9070 MFP's

ACTION TAKEN

Motion was made by Director Reinhart and seconded by Director Dunbar to approve the proposed 5-year contract with MRC/Xerox for two new Xerox 9070 MFPs.

Motion carried:	Aye 9, Nay 0, Abstained 0, Absent 0
	Director Dunbar Aye
	Director Freshley Aye
	Director Dopudja Aye
	Director Collings Aye
	Director Reinhart Aye
	Director Iseman Aye
	Director Ferons Aye
	Director Goldman Aye
	Director Rebensdorf Aye

D. Stanford Wastewater Based Epidemiology SCAN Program Engagement (Special Guest, Alexandria Boehm of Stanford University) [Project Committee Nos. 2, 15, & 17]

Due to time constraints, Ms. Boehm was unable to participate in the meeting. Ms. Baylor updated the Board on the Stanford Wastewater Based Epidemiology SCAN Program. An open discussion ensued.

ACTION TAKEN

Motion was made by Director Freshley and seconded by Director Goldman to support Member Agencies for expanding the previous CTP sampling, to the RTP, and the JBL facility and to partner on this effort for a regional sampling strategy for trends in coronavirus, influenza, and emerging communicable diseases in step with guidance from the CDC.

Motion carried:	Aye 6, Nay 0, Abstained 0, Absent 0
PC 15, 17	Director Dunbar Aye
PC 17	Director Freshley Aye
PC 2, 15, 17	Director Collings Aye
PC 15, 17	Director Shissler Aye
PC 2	Director Ferons Aye
PC 2, 15, 17	Director Goldman Aye

E. Asset Management Plans for San Juan Creek Ocean Outfall (SJCOO and Aliso Creek Ocean Outfall (ACOO) Permit Compliance

Ms. Baylor gave an update on the Permit Compliance for San Juan Creek and Aliso Creek Ocean Outfalls. She thanked member agency staff for their collaborative efforts in providing the draft packet. Ms. Baylor stated the item will be going back to the Engineering Committee for final review and comments before submitting to the San Diego Regional Control Board which is due by October 28, 2022. An open discussion ensued.

This was an information item; no action was taken.

F. New Electric Truck Purchase 2022

Mr. Burror reported SOCWA is replacing one of the oldest pickup trucks that is well beyond the end of its use of life. He stated there is \$75,000 in the budget for the replacement and based on the direction of some regulations within the state of California staff recommends the purchase of an all-electric vehicle. He noted that after doing some research on potential options, staff felt the best value was an F150 White Chrome Ford. Mr. Burror stated the plan is to go directly to a fleet manager and place an order for the vehicle versus shopping around since there aren't many vehicles available right now. He directed the Board to the allocation sheet page 247 of the agenda packet. An open discussion ensued.

There was consensus of the Board of Directors directing staff to do more research on comparable gas fueled trucks and bring back information for consideration at the November Board meeting.

No action was taken.

G. Update MNWD Request to Operate the AWT at the Regional Treatment Plant (RTP) [Project Committee 17]

Director Collings updated the Board on Moulton Niguel Water District plans to operate the AWT at the Regional Treatment Plant (RTP) by early November 2022. An open discussion ensued.

This was an information item; no action was taken.

H. Cost of Service Restructure Opportunities for SOCWA

There was consensus of the Board of Directors directing staff to bring this item to the Finance Committee for feedback and direction then bring back to the Board for consideration.

I. South Coast Water District (SCWD) Desalination – Project Support Request

ACTION TAKEN

Motion was made by Director Dunbar and seconded by Director Rebensdorf to direct staff to prepare correspondence and participate in support of the South Coast Water District desalination project.

Motion carried:	Aye 7, Nay 0, Abstained 2, Absent 0
	Director Dunbar Aye
	Director Freshley Abstain
	Director Dopudja Aye
	Director Collings Abstain
	Director Reinhart Aye
	Director Iseman Aye
	Director Ferons Aye
	Director Goldman Aye
	Director Rebensdorf Aye

J. Upcoming Meetings Schedule

The upcoming meeting schedule was reported as noted below:

- October 2022 – PC-15 Committee Meeting – Actual Date to Be Determined to discuss CTP Capital Funding Options
- October 6, 2022 – Board of Directors Meeting
- October 13, 2022 – Engineering Committee Regular Meeting
- October 2022 – PC-2 Committee Meeting (*Tentative*)
- October 18, 2022 – Finance Committee Special Meeting

This was an information item; no action was taken.

The Board convened to Closed Session at 10:40 a.m.

The Board reconvened to Open Session at 12:15 p.m.

10. CLOSED SESSION

A Closed Session conference was held with legal counsel for Public Performance Evaluation of the General Manager pursuant to Government Code Section § 54957.

Counsel stated that there were no reportable actions.

11. OTHER MATTERS

None.

ADJOURNMENT

There being no further business, Director Collings adjourned the meeting at 12:15 p.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 Board of Directors on October 6, 2022 and approved by the Board of Directors of the South Orange County Wastewater Authority.

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

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

**Board of Directors**

**October 25, 2022**

**DRAFT**

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Board of Directors was held on October 25, 2022, at 8:00 a.m. at the Moulton Niguel Water District located at 26161 Gordon Road, Laguna Hills, California. The following members of the Board of Directors were present:

MIKE DUNBAR	Emerald Bay Service District	Director
KATHRYN FRESHLEY	El Toro Water District	Director
MATT COLLINGS	Moulton Niguel Water District	Director
STEPHEN DOPUDJA	Trabuco Canyon Water District	Director
DOUG REINHART	Irvine Ranch Water District	Director
DAVID SHISSLER	City of Laguna Beach	Alternate Director
DAN FERONS	Santa Margarita Water District	Director
SCOTT GOLDMAN	South Coast Water District	Director
DAVE REBENDORF (via teleconference)	City of San Clemente	Director

**Staff Present:**

DANITA HIRSH	Executive Assistant
MATT CLARKE	IT Administrator

**Also Present:**

BRAD NEUFELD	Varner & Brandt LLP
JEFF BILLS	Consultant

**1. CALL TO ORDER**

Chairman Collings called the meeting to order at 8:00 a.m.

**2. ORAL COMMUNICATIONS**

Director Dunbar requested to hold a Special Meeting of PC 17 to discuss potential agreement between Moulton Niguel Water District (MNWD) and the members of PC 17 for the proposed operation of the Advanced Water Treatment (AWT) facilities by MNWD. He stated that he believes that an agreement is necessary and wants the members of PC 17 to discuss the issue.

The Board convened to Closed Session at 8:03 a.m.

The Board reconvened to Open Session at 10:49 a.m.

**3. CLOSED SESSION**

- A Closed Session was held pursuant to government code section § 54957 to discuss Public employee discipline/dismissal/release.

Counsel stated there were no reportable actions.

**ADJOURNMENT**

There being no further business, Director Collings adjourned the meeting at 10:40 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 Board of Directors on October 25, 2022 and approved by the Board of Directors of the South Orange County Wastewater Authority.

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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  
Meeting**

**October 25, 2022**

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Project Committee 2 was held on October 25, 2022, at 9:00 a.m. via teleconference at 34156 Del Obispo Street, Dana Point, California. The following members of the Project Committee No. 2 were present:

MATT COLLINGS	Moulton Niguel Water District	Director
SCOTT GOLDMAN	South Coast Water District	Director
DAN FERONS	Santa Margarita Water District	Director [exited @ 10:08]

DON BUNTS	Santa Margarita Water District	Alternate Director
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*\*Director Bunts joined the meeting representing Santa Margarita Water District as Director Ferons exited the meeting.*

**Staff Participation:**

BETTY BURNETT	General Manager
JIM BURROR	Director of Operations
DAVID BARANOWSKI	Director of Engineering
AMBER BAYLOR	Director of Environmental Compliance
RONI YOUNG GRANT	Associate Engineer
JEANETTE COTINOLA	Procurement/Contracts Administrator
DINA ASH	HR Administrator
MATT CLARKE	IT Administrator
MARY CAREY	Controller
KONSTANTIN SHILKOV	Senior Accountant
ANNA SUTHERLAND	Account Payables
DANITA HIRSH	Executive Assistant

**Also Participating:**

RICK SHINTAKU	South Coast Water District
DAVE REBENDORF	City of San Clemente
DON BUNTS	Santa Margarita Water District
ROD WOODS	Moulton Niguel Water District
DOUG REINHART	Irvine Ranch Water District
OSMAN MUFTI	Sloan Sakai Yeung & Wong LLP
SHERRY WANNINGER	Moulton Niguel Water District
DREW ATWATER	Moulton Niguel Water District
FRANK URY	Santa Margarita Water District
BILL MOORHEAD	Moulton Niguel Water District
KEVIN DAY	City of Laguna Beach
SAUNDRA JACOBS	Santa Margarita Water District
KATHRYN FRESHLEY	El Toro Water District
MIKE GASKINS	El Toro Water District
PAMELA ARENDS-KING	South Coast Water District
STEPHEN DOPUDJA	Trabuco Canyon Water District

1. Call Meeting to Order

Chairman Collings called the meeting to order at 9:01 a.m.

2. Public Comments

None.

3. Future Plans for Managing Wastewater Treatment at JB Latham

Chair Collings opened the discussion for Item 3 to address future plans for managing wastewater treatment at the JB Latham Plant (JBL). Chair Collings inquired of the participants as to their future use plans for those sending flow to JBL and intentions for flow management and recycled water opportunities? And we would like to future be recycling water at the LATHAM plant, or beneficial use either as groundwater recharge or in the irrigation system serving the city of San Juan.

Director Ferons responded as to the desire of Santa Margarita Water District (SMWD) to recycle at JBL and utilize the water either for groundwater recharge or in the irrigation system to serve the City of San Juan Capistrano (CSJC). The concepts in discussion for SMWD include:

1. For future expansion of SMWD system, in the next four to five years SMWD would like to have a project for JBL recycled water, and that effort would include the flows from CSJC and flows still coming to JBL from the Mission Bay Hill area.
2. Oso is under construction right now. Flow there have about 1.8 million gallons per day based on the gravity flow going by Oso. The proposal includes a lift station near Oso Parkway to collect flows that are traditionally going to JBL and to pump those back up to the Oso Creek plant so we can produce about 3 million gallons a day there. Then the average flow to JBL will go down so that SMWD can recycle at Oso Plant.
3. SMWD expects JBL to still have 3 mgd which it would like to recycle.
4. SMWD also currently has flow going to the Los Alisos plant and it is going to be under construction so in discussion with MNWD is to send those flows to the 3A Plant, and in exchange, SMWD would have the opportunity to utilize the MNWD flows going to JBL, which they estimate to be 680,000 gallons a day in addition to the 3mgd.
5. SMWD noted that for reuse for groundwater recharge it is not anticipated that any added treatment above recycled water standards would be needed due to the travel times for recharged water. Treatment planned would be filtration and disinfection. Future reuse treatment standards for constituents such as PFAS could change that.

Director Collings noted that Moulton Niguel Water District (MNWD) would be looking at opportunity for 1 mgd of recycled water from a JBL facility. They could utilize that to backfill the dedication of water currently utilized for recycled water at the Regional Treatment Plant (RTP) to potable reuse.

Director Goldman commented that for South Coast Water District (SCWD) the focus currently is on the desalination effort. SCWD would be interested in concepts for groundwater recharge but considering shorter opportunities for travel times (for infiltrated recycled water to the groundwater systems) direct potable reuse or augmentation of water to the desalination facility would be an option. SCWD flows to JBL are in a range of 1 to 1.5 mgd. 4 to 5 mgd of wastewater at JBL would fit in well with reuse options at the desalination project.

Director Collings inquired as to the possible timelines for these project ideas with Director Ferons noting SMWD is looking at a 2-year planning effort and possible project in 3 to 5 years. Director Goldman noted desalination was in the 3-to-5-year horizon for SCWD, but planning could advance on other concepts. For MNWD Director Collings indicated that in a 3-year window they hope to see Direct Potable Reuse (DPR) regulations and to begin a pilot project at RTP. That makes the opportunity to gain recycled water from JBL of interest to MNWD although he noted that he does not anticipate a swap of capacity rather a paper swap of flows.

It was noted that SCWD does have the ability to move recycled water from the Coastal Treatment Plant (CTP) to the Harbor and State Park (JBL adjacent areas) and SCWD does remove salts at the CTP facility. Director Collings noted that there is an opportunity to maximize the use of flows from the CTP facility as a supplement to either the MNWD or SMWD systems.

Director Ferons noted that there is not a mechanism presently to move water back up the San Juan Basin and SMWD is looking at the concept of utilizing space in the Chiquita Land Outfall which has an unused amount of its 42 mgd capacity. The opportunity would include lining the land outfall and inserting pipes within it.

No direction was given, or action taken.

#### 4. Salt Contribution Impacts to Wastewater Treatment at JB Latham

Director Ferons noted an interest in gaining a better understanding of non-stormwater diverted flows as to the impact to JBL water quality and salt contributions. He noted SMWD is considering a brine line from the Lake Mission Viejo Facility to reduce salt inputs. He is interested in understanding the cost impacts of added salts and noted this came to light in the discussion of the harbor project groundwater dewatering requests which would add high salt in to JBL for a timeframe of that project. He questioned whether SOCWA/SCWD should be recovering costs for that. He noted that with City of San Clemente (CSC) there is a project to reduce salinity in recycled water to meet the TDS standards for the Basin.

Director Collings said MNWD is also considering salinity management options for the RTP facility to improve recycled water. He noted there is some opportunity with agencies with stormwater/non-stormwater responsibilities (Municipal Separate Storm Systems or MS4) to capture water and treat it.

Director Ferons noted it is a good discussion that must include MS4 contribution to cost as an element.

Ms. Burnett asked staff to comment on diversion contributions to salts in the wastewater system. SOCWA staff confirmed that volume of diversions is very low in contrast to wastewater flow (between .5 and 3%) and that salt contribution comes principally from the higher TDS water delivered in the potable water delivery system. SOCWA staff noted that current diversion permitting does include a cost contribution above 10,000 gpd. As to the difference in salt contribution between Plant 1 and Plant 2 at JBL, the differential is about 1000 TDS higher salts delivered on the Plant 1 side (from SCWD flows) in contrast to what is delivered on the Plant 2 side. Director Ferons noted that his interest is in the overall cost allocation for contributed elements of flow.

Director Goldman noted that the Harbor developer request is to discharge .5 to 1 mgd of dewatering flow to JBL. He looks forward to the results of the salinity study.

Participants noted that the Harbor development had an approximate 3-year groundwater dewatering schedule and that is somewhat undefined due to the ongoing development timeline and approach. It was noted that the Harbor developer was not proposing pretreatment prior to dewatering discharge to the sewer, but the developer can also consider an alternative option of a separate NPDES permit obtainable from the San Diego Regional Water Quality Control Board.

Director Collings noted there are installed sensors, approximately 50 in the Aliso Watershed put in place to study opportunity to divert flows to the sewer system.

Ms. Burnett noted that the September 19, 2022, letter sent to the Harbor developer would be helpful to see some of the detail regarding the application to discharge to SOCWA.

Ms. Baylor provided comment that dry weather diversions have been shown to improve ocean water quality as a structural solution.

No direction was given, or action taken.

5. Santa Margarita Water District Update on Proposal to Operate JB Latham

SMWD is developing a PC 2 operations proposal utilizing the SOCWA budgets and flow information. The approach is the working group list of topics that should be addressed in a proposal. It is anticipated that a draft will be delivered in November. The next PC 2 meeting could be set for late November early December. The information would be delivered in draft to the PC. Also, SMWD counsel is drafting agreements.

It was noted that the attorneys are not in agreement. SOCWA Counsel offered to convene a meeting of PC 2 counsels to help to define the areas of differences of opinion. SCWD indicated it is waiting on a formal opinion from its counsel.

Director Goldman noted that SCWD favors the SOCWA model and continuing work on adjustments to the JPA, however, it would not be opposed to SMWD operating the JBL facility. SCWD is unclear as to the process for ongoing consideration, but noted its concerns include retaining control of the water sent to JBL and input to capital costs. He noted a need to extend the PC 2 agreement and questioned what voting would be needed to make changes.

This was an information item; no action was taken.

6. Potential South Coast Water District (SCWD) Proposal to Operate JB Latham Treatment Plant (JBL)

Director Goldman noted that it only makes sense for SCWD to consider a proposal to operate JBL if it would also operate CTP. He noted there have not been discussions at PC 15 to change CTP operations away from SOCWA. He noted there is an impact to all SOCWA agencies and questions include whether decisions need to be made by the whole of the SOCWA Board as the issues are interconnected. Director Ferons questioned why it would not be efficient to operate one plant? Director Goldman indicated that SCWD sees there would not be efficiency without operating two plants due to loss of resource sharing. Operating multiple plants is like the existing SOCWA model. Director Ferons noted that resource sharing could happen through shared services agreements. SCWD's Alternate Committee Member Rick Shintaku noted that it is important that proposals provide a comparison to the existing SOCWA model.

\*Director Ferons exited the meeting at 10:08 a.m. Director Bunts (Alternate Director) attended in his stead.

7. PC 2 Agreement Proposed Extension Options

Director Goldman stated in light of the different attorney opinions, and the soon approaching agreement expiration, he proposed extending the existing agreement for one year while the PC 2 members continued to work through the details of either continuing with SOCWA as it currently exists or developing some other approach to the details of the agreements. An open discussion ensued.

Director Collings stated the direction given to him by the Moulton Niguel Water District Board of Directors is there is more than sufficient time to identify and develop a go forward path and are not interested in entertaining an agreement extension. Director Bunts concurred with Director Collings' statement on behalf of the Santa Margarita Water District Board of Directors. An open discussion ensued.

There was concurrence of the PC 2 members to discuss the need for setting up a meeting with SOCWA's General Counsel for the purpose of discussing legal opinion differences regarding amendments to the agreements.

Adjournment

There being no further business, Chairman Collings adjourned the meeting at 10:10 a.m. stating the next PC 2 Committee Meeting is November 22, 2022, at 9:00 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 of October 25, 2022, and approved by the Project Committee No. 2, and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

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

**August 11, 2022**

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee Meeting was held on August 11, 2022, at 8:30 a.m. via teleconferencing from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Engineering Committee were present via Zoom Meeting:

DAVID SHISSLER	City of Laguna Beach
DAVE REBENDORF	City of San Clemente [arrived @ 8:40 a.m.]
KEVIN BURTON	Irvine Ranch Water District
MIKE DUNBAR	Emerald Bay Service District [arrived @ 8:36 a.m.]
HANNAH FORD	El Toro Water District
ROD WOODS	Moulton Niguel Water District
DON BUNTS	Santa Margarita Water District
MARC SERNA	South Coast Water District
LORRIE LAUSTEN	Trabuco Canyon Water District

**Staff Present:**

BETTY BURNETT	General Manager
DAVID BARANOWSKI	Director of Engineering
JIM BURROR	Director of Operations
AMBER BAYLOR	Director of Environmental Compliance
RONI YOUNG	Associate Engineer
MARY CAREY	Finance Controller
JEANETTE COTINOLA	Procurement / Contracts Manager
DINA ASH	HR Administrator
KONSTANTIN SHILKOV	Senior Accountant
NADYN KIM	Accountant
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

**Also Present:**

ADRIANA OCHOA	Procopio Law
TARYN KJOLSING	South Coast Water District
CHRIS NEWTON	South Coast Water District
HANNAH BROIDA	City of Laguna Beach
SHERRY WANNINGER	Moulton Niguel Water District
MATT COLLINGS	Moulton Niguel Water District
DAVE LARSEN	Moulton Niguel Water District

**1. Call Meeting to Order**

Mr. David Baranowski, Director of Engineering, called the meeting to order at 8:32 a.m.

**2. Public Comments**

None.

3. Approval of Minutes

Mr. Rod Woods, Moulton Niguel Water District stated corrections to the face of the agenda for the April 14, 2022, and May 11, 2022 Minutes. He also noted that Mr. Dave Larsen attended the May 11, and June 9, 2022 meetings and requested he be noted in attendance.

Due to the variance in attendance for each meeting, each set of Minutes are voted on individually.

a. Engineering Committee Meeting of April 14, 2022

ACTION

Motion was made by Mr. Bunts and seconded by Mr. Shissler to approve the Minutes as submitted.

Motion carried:	Aye 5, Nay 0, Abstained 2, Absent 2
Director Shissler	Aye
Director Rebensdorf	Absent
Director Dunbar	Absent
Director Ford	Aye
Director Burton	Abstain
Director Woods	Aye
Director Serna	Aye
Director Bunts	Aye
Director Lausten	Abstain

b. Engineering Committee Meeting of May 11, 2022

ACTION

Motion was made by Mr. Bunts and seconded by Mr. Woods to approve the Minutes as corrected.

Motion carried:	Aye 6, Nay 0, Abstained 2, Absent 1
Director Shissler	Abstain
Director Rebensdorf	Absent
Director Dunbar	Aye
Director Ford	Aye
Director Burton	Aye
Director Woods	Aye
Director Serna	Aye
Director Bunts	Aye
Director Lausten	Abstain

c. Engineering Committee Meeting of June 9, 2022

ACTION

Motion was made by Mr. Woods and seconded by Mr. Bunts to approve the Minutes as corrected.



(continuation of agenda item 3.c.)

Motion carried:	Aye 6, Nay 0, Abstained 3, Absent 0
	Director Shissler Abstain
	Director Rebensdorf Abstain
	Director Dunbar Aye
	Director Ford Aye
	Director Burton Abstain
	Director Woods Aye
	Director Serna Aye
	Director Bunts Aye
	Director Lausten Aye

4. Operations Report

Mr. Burror, Director of Operations gave an update on the break-in at the J.B. Latham Treatment Plant. He noted the offender was apprehended and would be prosecuted for the damages he caused. Mr. Burror also reported there continues to be extended lead times on small capital items due to delays with shipping computer chips. An open discussion ensued.

This was an information item; no action was taken.

5. One (1) Year Contract extension Award to Miles Chemical for Ferric Chloride  
[Project Committees No. 15 and 17]

Mr. Burror modified the motion to be approved by the full Board of Directors instead of only PC 15 and PC 17 Board members.

ACTION

Motion was made by Mr. Dunbar and seconded by Mr. Shissler to recommend that the Board of Directors authorize the General Manager to provide a 1-year contract extension to Miles Chemical, Inc. for ferric chloride at a rate of \$975.00 per dry ton for full loads (40,000+ dry tons), \$1095.00 per dry ton for loads of 20,000 to <40,000 dry tons and \$1,216.00 per dry ton for loads of 10,000 to <20,000 dry tons.

Motion carried:	Aye 9, Nay 0, Abstained 0, Absent 0
	Director Shissler Aye
	Director Rebensdorf Aye
	Director Dunbar Aye
	Director Ford Aye
	Director Burton Aye
	Director Woods Aye
	Director Serna Aye
	Director Bunts Aye
	Director Lausten Aye

6. Use Audit Flow and Solids Methodology – Annual Update FY 2021-22

Ms. Amber Baylor, Director of Environmental Compliance reported that the Use Audit flow allocation methodology has relied on historical practice for allocation of costs. The intent of this agenda item is to review the methodology per Project Committee (PC) and provide comments, and approval for use in the annual Use Audit for FY 2021-22. She noted that any additional changes from the Engineering Committee would be incorporated to the FY 2021-22 Use Audit prior to taking to the Board in September for consideration of approval. An open discussion ensued.

There was consensus of the Engineering Committee to review the content data of the Use Audit Flows and Solids Methodology and submit comments if any to Ms. Baylor in time for Board discussion and consideration at the upcoming September Board.

7. Capital improvement Construction Projects Progress and Change Order Report (August) [Project Committee 2, 15, and 17]

Mr. Baranowski introduced changes to the progress report layout. An open discussion ensued.

ACTION TAKEN by PC 2

Motion was made by Mr. Woods and seconded by Mr. Bunts to approve Olsson Construction Change Orders No. 58 thru 60 for a total of \$49,080.37 with no additional days, and a revised contract value of 18,217,037.97 for the J.B. Latham Package B Project.

Motion carried:	Aye 3, Nay 0, Abstained 0, Absent 0
	Director Woods Aye
	Director Serna Aye
	Director Bunts Aye

ACTION TAKEN by PC 17

Motion was made by Mr. Woods and seconded by Mr. Dunbar to recommend that the PC 17 Board of Directors approve JR Filanc Change Orders No. 1 thru 3 for a total of \$65,337.02 with no additional days, and a revised contract value of 1,812,531.02 for the RTP Aeration Diffuser Project.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 0
	Director Shissler Aye
	Director Dunbar Aye
	Director Ford Aye
	Director Woods Aye
	Director Serna Aye

8. Coastal Treatment Plant Consequence of Failure Analysis Final Report [Project Committee 15]

Mr. Baranowski gave a PowerPoint presentation providing a summary and findings on the Coastal Treatment Plant Consequence of Failure Analysis (CoFA) for the Coast Treatment Plant. An open discussion ensued.

This was an information item; no action was taken.

9. NPDES Asset Management Plans Update

Ms. Baylor updated the Committee on the NPDES Asset Management Plan (AMP) for the San Juan Creek Ocean Outfall and the Aliso Creek Ocean Outfall requested by the San Diego Regional Water Quality Control Board. She commented on the preliminary timeline for completion and stated that she would be reaching out to the Member Agency's requesting information and assistance for preparation of the AMP. An open discussion ensued.

There was consensus of the Engineering Committee to allow more time to review the content data of the NPDES Asset Management data and bring back to the Engineering Committee in September for discussion and consideration.

Adjournment

There being no further business, Mr. Baranowski adjourned the meeting at 9:50 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 Engineering Committee of August 11, 2022 and approved by the Engineering Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

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

**September 8, 2022**

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee Meeting was held on September 8, 2022, at 8:30 a.m. via teleconferencing from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Engineering Committee were present via Zoom Meeting:

KEVIN BURTON	Irvine Ranch Water District
HANNAH FORD	El Toro Water District
ROD WOODS	Moulton Niguel Water District
DON BUNTS	Santa Margarita Water District
MARC SERNA	South Coast Water District
LORRIE LAUSTEN	Trabuco Canyon Water District

**Absent:**

DAVID SHISSLER	City of Laguna Beach
DAVE REBENDSOLF	City of San Clemente
MIKE DUNBAR	Emerald Bay Service District

**Staff Present:**

BETTY BURNETT	General Manager
DAVID BARANOWSKI	Director of Engineering
JIM BURROR	Director of Operations
AMBER BAYLOR	Director of Environmental Compliance
RONI YOUNG	Associate Engineer
MARY CAREY	Finance Controller
JEANETTE COTINOLA	Procurement / Contracts Manager
DINA ASH	HR Administrator
KONSTANTIN SHILKOV	Senior Accountant
NADYN KIM	Accountant
ANNA SUTHERLAND	Accounts Payable
SEAN PEACHER	Safety Risk Manager
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

**Also Present:**

ADRIANA OCHOA	Procopio Law
TARYN KJOLSING	South Coast Water District
SHERRY WANNINGER	Moulton Niguel Water District
DAVE LARSEN	Moulton Niguel Water District

**1. Call Meeting to Order**

Mr. David Baranowski, Director of Engineering, called the meeting to order at 8:32 a.m.

**2. Public Comments**

None.

3. Operations Report

Mr. Burror, Director of Operations, gave an update on power outages in the area. He reported that staff has been busy with power outage items due to SOCWA's enrollment in the Emergency Load Reduction Program. Mr. Burror stated Edison and the State requested that CTP and RTP run generators at the plants to reduce the load on the system as much as possible. He also noted there was a substantial power outage at RTP where Edison had to replace the feeder lines to the plant. Mr. Burror also reported staff was doing a lot of construction support for the Package B Project. He stated the Primary and Secondary Basins and systems are back online at JBL. An open discussion ensued.

This was an information item; no action was taken.

4. JB Latham Mass Balance Salt Loading Model Evaluation

Ms. Amber Baylor, Director of Environmental Compliance, provided the staff report for this agenda item during the meeting. Ms. Baylor reported this item is specifically related to the salt loading at the JB Latham facility and builds on the work that was accomplished through the technical memorandum from Carollo. Ms. Baylor concluded her update by stating she would distribute the Salt Study by Carollo to the Committee for review and comments. (*Memorandum and Carollo JB Latham Salt Study are attached herein.*) An open discussion ensued.

There was no action taken on this item.

5. NPDES Permit Asset Management Plan Update

Ms. Baylor updated the Engineering Committee on the NPDES Permit Asset Management Plan reporting she had distributed the Excel templates for the Draft Asset Management Plan to the member agencies via email with embedded links to the documents because of their size. She noted she had received feedback from Hannah Ford from El Toro Water District (ETWD), as well as comments from the City of San Clemente. Ms. Baylor stated there was a lot of information to go through and felt the version is a good structure and would meet permit requirements for the AMP process. (*SJCOO & ACOO Final AMP's attached herein.*) An open discussion ensued.

This was an information item; no action was taken.

6. Use Audit Flows and Solids Methodology Update

Ms. Baylor updated the Committee stating the agenda item went to the Board as an information item for Board discussion but no changes were made to the flows and solids. An open discussion ensued.

Ms. Burnett commented that numbers for the flows and solids have been forwarded to Finance in preparation of the final Use Audit report.

This was an information item; no action was taken.

7. Capital Improvement Program (CIP) Year-End Summary

Mr. Baranowski gave a PowerPoint presentation summarizing the Capital Improvement Program Year-End Budget for Fiscal Year 2021-22. (*Presentation is attached herein.*) An open discussion ensued.

This was an information item; no action was taken.

8. Capital Improvement Construction Projects Progress and Change Order Report (September) [Project Committee Nos. 2, 15 & 17]

ACTION TAKEN

Motion was made by Mr. Woods and seconded by Ms. Ford to approve recommend that the PC 17 Board of Directors approve Change Order 4 to JR Filanc for \$0.00, including 234 additional day(s) for a total of \$0.00 and a revised contract value of \$1,1812,531.02 for the RTP Aeration Diffuser Project.

Motion carried:	Aye 3, Nay 0, Abstained 0, Absent 2
	Director Shissler Absent
	Director Dunbar Absent
	Director Ford Aye
	Director Woods Aye
	Director Serna Aye

9. JB Latham Treatment Plant Package B Project Update [Project Committee 2]

Ms. Roni Young, Associate Engineer, gave a presentation on the status of the JB Latham Package B Project construction update. (*Presentation is attached herein.*) An open discussion ensued.

This was an information item; no action was taken.

10. JB Latham Package B Liquids Contingency and Project Update [Project Committee 2]

Mr. Baranowski gave a presentation on the JB Latham Package B Project liquids contingency increase. (*Presentation is attached herein.*) An open discussion ensued.

ACTION TAKEN

Motion was made by Mr. Woods and seconded by Mr. Serna to recommend to the PC 2 Board of Directors to approve the addition of \$250,000 of contingency to the J.B. Latham Package B Liquids Improvements (3220-000).

Motion carried:	Aye 3, Nay 0, Abstained 0, Absent 0
	Director Woods Aye
	Director Bunts Aye
	Director Serna Aye

Adjournment

There being no further business, Mr. Baranowski adjourned the meeting at 9:32 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 Engineering Committee of September 8, 2022 and approved by the Engineering Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

## NOTE

Items provided by staff and reviewed at the September 8, 2022 Engineering Committee will be attached to the record with approval of these Minutes and are available from the Clerk of the Board upon request.



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

**October 13, 2022**

The Regular Meeting of the South Orange County Wastewater Authority (SOCWA) Engineering Committee Meeting was held on October 13, 2022, at 8:30 a.m. via teleconferencing from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Engineering Committee were present via Zoom Meeting:

DAVID SHISSLER	City of Laguna Beach
DAVE REBENDSOLF	City of San Clemente
MIKE DUNBAR	Emerald Bay Service District
KEVIN BURTON	Irvine Ranch Water District
HANNAH FORD	El Toro Water District
DAVE LARSEN	Moulton Niguel Water District
DON BUNTS	Santa Margarita Water District
LORRIE LAUSTEN	Trabuco Canyon Water District

**Absent:**

MARC SERNA	South Coast Water District
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**Staff Present:**

DAVID BARANOWSKI	Director of Engineering
JIM BURROR	Director of Operations
RONI YOUNG	Associate Engineer
MARY CAREY	Finance Controller
DINA ASH	HR Administrator
KONSTANTIN SHILKOV	Senior Accountant
NADYN KIM	Accountant
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

**Also Present:**

KEVIN DAVIS	Procopio Law
SHERRY WANNINGER	Moulton Niguel Water District
JESUS GARIBAY	Moulton Niguel Water District
CHRIS NEWTON	South Coast Water District

**1. Call Meeting to Order**

Mr. David Baranowski, Director of Engineering, called the meeting to order at 8:31 a.m.

**2. Public Comments**

None.

**3. Approval of Minutes**

a. Engineering Committee Meeting of August 11, 2022

Mr. Bunts noted a correction to the Minutes for agenda item 5 to add another “0” to reflect the “per dry ton for full loads (40,000+ dry tons).

ACTION TAKEN

Motion was made by Mr. Bunts and seconded by Mr. Dunbar to approve subject Minutes as corrected.

Motion carried:	Aye 8, Nay 0, Abstained 0, Absent 1
Director Shissler	Aye
Director Rebensdorf	Aye
Director Dunbar	Aye
Director Ford	Aye
Director Burton	Aye
Director Larsen	Aye
Director Serna	Absent
Director Bunts	Aye
Director Lausten	Aye

4. Operations Report

Mr. Burror, Director of Operations, noted there were currently no specific items to report.

This was an information item; no action was taken.

5. JB Latham Salt Loading Model [Project Committee 2]

On behalf of Ms. Baylor, Director of Environmental Compliance, Mr. Baranowski updated the Committee on the status of the JB Latham Salt Loading Model study by Carollo Engineers. He stated Ms. Baylor requested the following report be read to the Committee:

Ms. Baylor “wanted to thank Carollo Engineers who put together the model and the report in a quick turnaround to be able to respond to all these items that we had gotten. She also wants to thank SOCWA maintenance and lab staff who constructed the batch reactor over the last two weeks to help with this modeling work. First, she wants to speak to the modeling results, and then summarize the batch reactor results. Note that the requests for salt loadings were broken down by scenario and then partitioned into Plant 1 and Plant 2 and then also combined into single effluent and its effects on the TDS loading. In response to Don’s comment from the September meeting, we pushed for full treatment of the Lake Mission Viejo facility to the permitted value of 300,000 gallons per day, represented in scenario one. I would direct the Engineering Committee members to scenario five, page nine of the report, which combines all requests received to date for the maximum allowable limit for NPDES compliance at the JB Latham facility. Model results indicate that addition of the Harbor Project could push the TDS for Plant 2 to almost 4,000 parts per million TDS, which could result in a loss of BOD removal effectiveness, thus potentially violating the permit conditions for removal across the facility. The Harbor Project to Plant 2 is buffered by the dilution effect from Plant 1 for combined outfall compliance. The report also concludes water quality summaries would be beneficial to speciate TDS for treatment plant effectiveness. Please note, that SOCWA has requested more information from the Harbor Project to aid in further evaluation to ensure the compliance with the NPDES permit. Next, SOCWA lab staff completed the Sequencing Batch Reactor experiment mirroring the Alipour protocol referenced in the Carollo report for TDS ranging from 1,420 milligrams per liter (the control where no salt is added) all the way up to 22,800 milligrams per liter (the highest concentration of 15 grams per liter.) At one gram per liter of NaCl added, the reactor TDS was 2,840 milligrams per liter and cBOD exceeded monthly average permit limits. At two milligrams per liter of salt added, the reactor TDS was

4,180 milligrams per liter with monthly average cBOD and TSS exceedances. When three milligrams per liter of salt was added, the TDS was 5,310 milligrams per liter with weekly cBOD exceedances, TSS monthly exceedances, and violation of cBOD removal. SOCWA staff can distribute summary tables for the Batch Reactor Experiment if the PC 2 Engineering Committee members would like to have them for reference." An open discussion ensued.

There was no action taken on this item.

6. Asset Management Plans for San Juan Creek Ocean Outfall (SJCOO) and Aliso Creek Ocean Outfall (ACOO) Permit Compliance

On behalf of Ms. Baylor, Mr. Baranowski reported Ms. Baylor provided links to the latest versions of AMP template, noting it's a live document that will allow you to input your comments directly or you may download the document and send a copy to Ms. Baylor. All comments, verbal or written, must be sent by October 24. The deadline for getting all comments to the Regional Board is October 28, 2022.

There was no action taken on this item.

7. Capital Improvement Construction Projects Progress and Change Order Report (October) [Project Committees 2, 15, & 17]

ACTION TAKEN

Motion was made by Mr. Bunts and seconded by Mr. Larsen to approve Olsson Construction Change Orders 61 and 62, including 0 additional days for a total amount of \$156,706.17, and a revised contract value of \$18,373,744.14 for the J.B. Latham Package B Project.

Motion carried:	Aye 2, Nay 0, Abstained 0, Absent 1
	Director Larsen                      Aye
	Director Serna                      Absent
	Director Bunts                      Aye

8. JB Latham Treatment Plant Electrical System Upgrades Bidding and Engineering Services during Construction [Project Committee 12]

Staff pulled this agenda item and will bring back to the Engineering Committee for consideration at a future meeting.

9. Coastal Treatment Plant (CTP) Export Sludge Force Main Replacement Project Update [Project Committee 15]

Mr. Baranowski gave a presentation on the Export Force Main pressure changes over time. (*Presentation attached herein.*) An open discussion ensued.

This was an information item; no action was taken.

10. Regional Treatment Plant (RTP) AWT No. 2 Upgrades Update [Project Committee 17]

Mr. Baranowski updated the Committee on the status of the AWT No. 2 Upgrades project. An open discussion ensued.

This was an information item; no action was taken.

Adjournment

There being no further business, Mr. Baranowski adjourned the meeting at 9:31 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 Engineering Committee of October 13, 2022, and approved by the Engineering Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

#### NOTE

Items provided by staff and reviewed at the October 13, 2022 Engineering Committee will be attached to the record with approval of these Minutes and are available from the Clerk of the Board upon request.

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

**DRAFT**

**PC 15 Committee Meeting**

**November 3, 2022**

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Project Committee 15 was held on November 3, 2022 at 10:30 a.m. (or immediately following the Board of Directors Meeting) in person and via teleconference from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Project Committee 15 Committee were present:

DAVID SHISSLER	City of Laguna Beach	Alternate Director
MIKE DUNBAR	Emerald Bay Service District	Director
MATT COLLINGS	Moulton Niguel Water District	Director
SCOTT GOLDMAN	South Coast Water District	Director [exited @ 11:30 a.m.]

**Staff Participation:**

BETTY BURNETT	Director of Operations
JIM BURROR	Director of Operations
DAVID BARANOWSKI	Senior Engineer
DINA ASH	HR Administrator
MATT CLARKE	IT Administrator
DANITA HIRSH	Executive Assistant

**Also Participating:**

ADRIANA OCHOA	Procopio Law
DAVE JONES	Hazen & Sawyer
LISA HULETTE	Hazen & Sawyer
RICK SHINTAKU	South Coast Water District
ROGER BUTOW	Clean Water Now (CWN)
ROD WOODS	Moulton Niguel Water District

**1. Call Meeting to Order**

Chairman Dunbar called the meeting to order at 11:10 a.m.

**2. Public Comments**

None.

**3. Funding Opportunities for the Coastal Treatment Plant**

A presentation was given by Dave Jones and Lisa Hulette of Hazen and Sawyer on the funding services and opportunities for the Coastal Treatment Plant (attached herein). An open discussion ensued.

This was an information item; no action was taken.

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///

4. Proposal for Environmental Services for Mitigation Activities Related to the Export Sludge Force Main Replacement Project

ACTION TAKEN

Motion was made by Director Goldman and seconded by Director Dunbar to approve the award of \$39,250 to Dudek for environmental services for mitigation activities related to the Export Sludge Force Main Replacement Project.

Motion carried:	Aye 3, Nay 0, Abstained 1, Absent 0
	Director Shissler                      Absent
	Director Dunbar                      Aye
	Director Collings                      Abstain
	Director Goldman                      Aye

5. Community Outreach Plan for the Export Sludge Force Main Replacement Mitigation

This item was pulled from the agenda by staff to be brought back for consideration in December.

No action was taken.

Adjournment

There being no further business, Chairman Dunbar adjourned the meeting at 12:00 p.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. 15 of November 3, 2022 and approved by the Project Committee No. 15 and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

## Funding Services & Opportunities Overview

South Orange County Wastewater Authority

November 3, 2022

**Lisa Hulette**

Senior Associate – West Region Funding Support Lead

[lhulette@hazenandsawyer.com](mailto:lhulette@hazenandsawyer.com)



# Agenda

- Introduction and purpose of meeting
- Historic Funding Opportunities
- Bipartisan Infrastructure Law (BIL) Breakdown
- Introduction to funding alternatives evaluation
- Overview of funding programs to consider
- Discussion and next steps

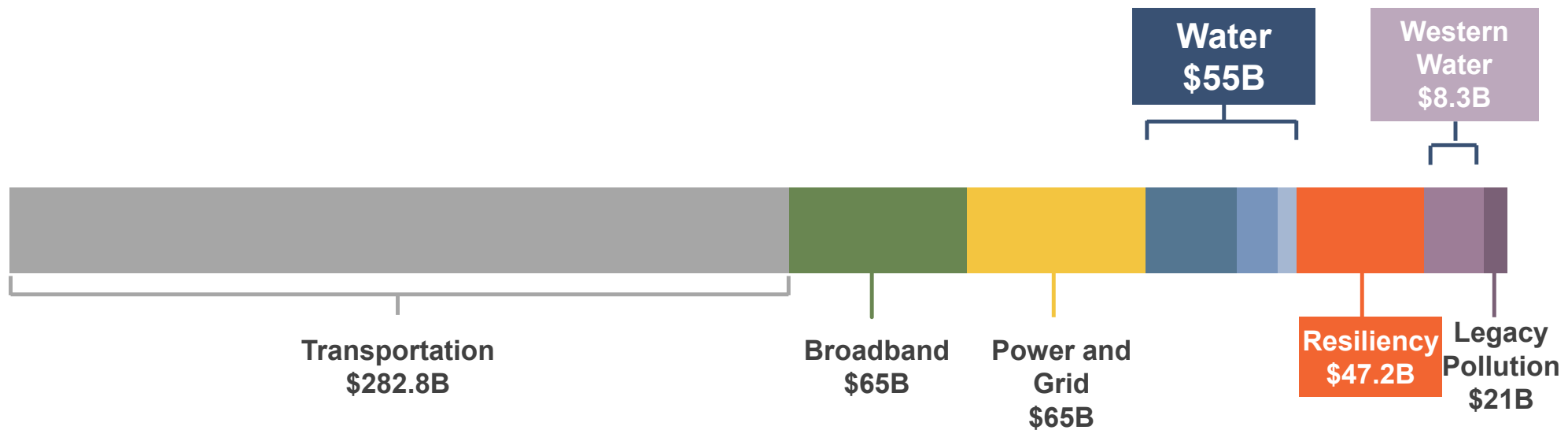


# Funding Opportunities at Historic Levels

- historically low/declining borrowing rates
- \$350 billion American Rescue Plan Act (ARPA)
- \$1.2 trillion Bipartisan Infrastructure Law (BIL)



# What is in the BIL?



# Identifying and Evaluating Funding Alternatives

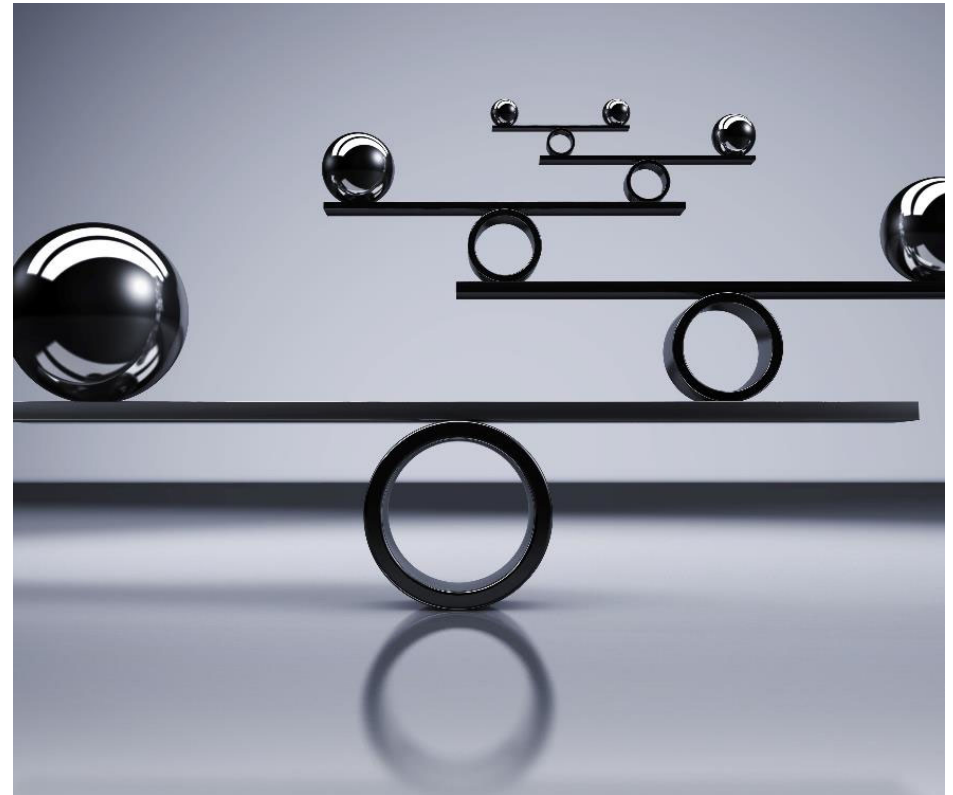
1. Identify applicable funding alternatives
2. Evaluate each applicable alternative, as informed by project-specific constraints
3. Compare proportional total cost, cashflow, risks and benefits
4. Provide preliminary recommendations on alternatives that appear most viable/attractive
5. Develop implementation plan



## Funding Strategy Building Blocks

The cornerstone of this funding strategy involves an evaluation of

- ✓ total cost
- ✓ annual cost
- ...weighed against
- ✓ risks
- ✓ benefits



## Identifying the True Cost of the Project



**Loan Amount**

**Interest Rate**

**Term**

**Fees**

**Federal  
Conditions**



## Example Risks and Benefits

- **Risk** of not securing funding from a program
- **Risk** of increased costs due to schedule impacts and/or additional requirements
- **Risk** of legal barriers that preclude successful funding procurement
- **Risk** of cost escalation
- **Benefit** of lower interest rates (*this could change if the Federal Reserve increases rates*)
- **Benefit** of longer/deferred payback period
- **Benefit** of lower total cost

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## Current Federal Funding Alternatives













Program	Funding Type	Purpose	Funding Amount	Cost Share Requirement
<b>US EPA WIFIA</b>	Loan	Long-term, low-cost supplemental loans for regionally and nationally significant projects	Up to 49% of Project Cost	Per loan terms & interest rate
<b>Bureau of Reclamation</b> – WaterSmart Environmental Resource	Grant	Water conservation and efficiency projects that result in quantifiable and sustained water savings and benefit ecological values, including infrastructure improvement to mitigate drought impacts	Up to \$3M	50% cost share from a non-federal source
<b>Bureau of Reclamation</b> – Drought Response	Grant	Funding for on-the- ground projects and modeling tools that will increase water reliability and improve water management.	Up to \$2M	50% cost share from a non-federal source
<b>FEMA</b> – Building Resilient Infrastructure & Communities	Grant	Annual grant program that provides federal funds to implement natural hazard risk reduction activities. The FY2023 BRIC program has a clear focus on infrastructure, climate resilience and promoting equity	Up to \$50M	Non-federal cost share of 25% for DAC, otherwise 75%
<b>HUD</b> – Community Development Block Grants/Loans	Grants and Loans to Grant Recipients	Buy, construct, or fix public facilities. Funds activities that meet community development needs and low-cost loans for economic development, housing, public facilities, infrastructure projects, and other physical development projects	Depends on Project/Section 108 provides loans to CDBG grant recipients	70% of funds must be spent on low-income populations



## Current California Funding Alternatives

PROGRAM	Funding Type	Purpose	Funding Availability	Cost Share	Timeline
State Water Resources Control Board (SWRCB) <i>Drinking Water and Clean Water State Revolving Fund ( DWSRF and CWSRF )</i>	Loan	DWSRF: Drinking water infrastructure projects including treatment systems, distribution systems, interconnections, consolidations, pipeline extensions, water sources, water meters, lead service line inventory/replacement and emerging contaminants. CWSRF: POTW's, wastewater treatment, local sewers, sewer interceptors, water reclamation	\$62,000,000 Base Program, \$158,733,000 in General Supplemental funding for SFY 2022-23, \$66,649,000 in Emerging Contaminants funding for SFY 2022-23, \$250,107,000 in Lead Service Line Replacement (LSLR) Funding for SFY 2022-23	Dependent on project type	Applications accepted now
DWR - 2022 Urban Community Drought Relief Program	Grant	Funding to address drought impacts through implementation of projects with multiple benefits.	There is currently \$300 million available for FY 22/23. Minimum award is \$3 million. DWR will determine maximum award on a project by project basis.	Non-federal cost share of 25%	Applications accepted now - January 2023
DWR Sustainable Groundwater (SGM) Grant Program's SGMA Implementation Round 2	Grant	Funding to Groundwater Service Areas (GSA) or for construction projects and management actions required for the implementation of the GSP.	There is currently \$200 million available. Project size is from \$1 million up to \$20 million.	N/A	Applications accepted now - December 2022

## Example Summary of Preliminary Alternatives Analysis

Alt 1: Bond	Alt 2: Bond + WIFIA	Alt 3: WIFIA + SRF	Alt 4: Bond + Grant
 Total Cost  Cashflow  Benefit/ Risk	 Total Cost  Cashflow  Benefit/ Risk	 Total Cost  Cashflow  Benefit/ Risk	 Total Cost  Cashflow  Benefit/ Risk
<ul style="list-style-type: none"> <li>Lack of <b>cross-cutters</b> helps total cost</li> <li>High annual cashflow, short repayment period, and high debt service per account</li> <li>Low overall risks to schedule, ease/guarantee of funding may overshadow cashflow drawbacks</li> </ul>	<ul style="list-style-type: none"> <li>Highest total cost due to <b>cross-cutters</b></li> <li>Cost of federal req's contaminate entire project</li> <li>High annual cashflow, and high debt service per account</li> <li>Risk of no WIFIA funding under legal framework, and of increased costs due to delays</li> </ul>	<ul style="list-style-type: none"> <li>Low interest offsets costs of federal requirements; added overall "cost" of managing both WIFIA and SRF</li> <li>Most favorable annual cashflow and debt service per account</li> <li>Legal framework risks</li> <li>SRF highly competitive program, and indeterminate amount</li> </ul>	<ul style="list-style-type: none"> <li>Lowest total cost due to direct savings from grant, lack of federal requirements</li> <li>(slightly less) favorable annual cashflow and debt service per account</li> <li>Risk to schedule and added complexity with the Water Authority as applicant lead</li> </ul>



# Hazen



## Open Discussion

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

**October 18, 2022**

The Special Meeting of the South Orange County Wastewater Authority (SOCWA) Finance Committee Meeting was held on October 18, 2022 at 10:30 a.m. via teleconference from the Administrative Offices located at 34156 Del Obispo Street, Dana Point, California. The following members of the Finance Committee were present via Zoom Meeting:

DENNIS CAFFERTY	El Toro Water District	Alternate Director
MATT COLLINGS	Moulton Niguel Water District	Director
DAVE SHISSLER	City of Laguna Beach	Alternate Director
DAN FERONS	Santa Margarita Water District	Director
PAMELA ARENDS-KING	South Coast Water District	Alternate Director

**Staff Participation:**

BETTY BURNETT	General Manager
MARY CAREY	Finance Controller
AMBER BAYLOR	Director of Environmental Compliance
JIM BURROR	Director of Operations
DAVID BARANOWSKI	Director of Engineering
KONSTANTIN SHILKOV	Senior Accountant
NAYDN KIM	Accountant
ANNA SUTHERLAND	Accounts Payable
DINA ASH	HR Administrator
MATT CLARKE	IT Administrator
RONI YOUNG-GRANT	Associate Engineer
DANITA HIRSH	Executive Assistant

**Also Participating:**

KEVIN DAVIS	Procopio Law
KATHRYN FRESHLEY	El Toro Water District
MATT COLLINGS	Moulton Niguel Water District
SHERRY WANNINGER	Moulton Niguel Water District
ERICA CASTILLO	Santa Margarita Water District
SAUNDRA JACOBS	Santa Margarita Water District
FERNANDO PALUDI	Trabuco Canyon Water District
ROD WOODS	Moulton Niguel Water District

**1. Call Meeting to Order**

Chairman Ferons called the meeting to order at 10:30 a.m.

**2. Public Comments**

None.

3. Approval of Minutes

- Finance Committee Meeting of September 20, 2022

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to approve subject Minutes as submitted.

Motion carried:	Aye 4, Nay 0, Abstained 1, Absent 0
Director Ferons	Aye
Director Shissler	Abstain
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

4. Financial Reports for the Month of August 2022

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Cafferty to recommend that the Board of Directors ratify the August 2022 disbursements for the period from August 1, 2022, through August 31, 2022, totaling \$2,570,010, and to receive and file the August 2022 Financial Reports as submitted

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 0
Director Ferons	Aye
Director Shissler	Aye
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

5. Financial Reports for the Month of September 2022

ACTION TAKEN

Motion was made by Director Collings and seconded by Director Arends-King to recommend that the Board of Directors ratify the September 2022 disbursements for the period from September 1, 2022, through September 30, 2022, totaling \$3,488,811, and to receive and file the September 2022 Financial Reports and the Fiscal Year 2022-23 Q1 Cash Roll Forward as submitted.

Motion carried:	Aye 5, Nay 0, Abstained 0, Absent 0
Director Ferons	Aye
Director Shissler	Aye
Director Cafferty	Aye
Director Collings	Aye
Director Arends-King	Aye

6. PC 10 San Clemente Land Outfall

Ms. Carey gave a PowerPoint presentation on PC 10 San Clemente Land Outfall Capital Assets (presentation page 56 – 58 of the agenda packet.) An open discussion ensued.

There was consensus of the Finance Committee directing staff to:

- Reach out to City of San Clemente to verify interest in receiving the quitclaim title to the assets.
- Bring back as PC 10 action to the full Board for discussion and consideration.

7. Preliminary Draft Use Audit, FY 2021-22 Budget vs. Actual

Ms. Carey gave a PowerPoint presentation on Preliminary Draft Use Audit and FY 2021-22 Budget vs. Actual (presentation page 59 – 64 of the agenda packet.) An open discussion ensued.

The Finance Committee provided comments/direction to staff in preparation of final documents.

8. Net Pension & Net OPEB Liability

Ms. Carey gave a PowerPoint presentation on the Net Pension & Net OPEB Liability (presentation page 65 – 68.) An open discussion ensued.

This was an information item; no action was taken.

9. Fiscal Year 2021-22 Supplemental Financial Statements

Ms. Carey gave a PowerPoint presentation on the Fiscal Year 2021 – 22 Supplemental Financial Statements (presentation page 69 – 71.) An open discussion ensued.

The Finance Committee provided comments/direction to staff to bring back for consideration at the next Finance Committee meeting.

Adjournment

There being no further business, Chairman Ferons adjourned the meeting at 12:25 p.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 Finance Committee of October 18, 2022 and approved by the Finance Committee and received and filed by the Board of Directors of the South Orange County Wastewater Authority.

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

# Agenda Item

## 5.F.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Annual Comprehensive Financial Report (ACFR) for Fiscal Years ended June 30, 2022, and 2021

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### Summary/Discussion

SOCWA is submitting the Annual Comprehensive Financial Report (ACFR) for the fiscal years ended June 30, 2022 and 2021.

The Authority's first, second, and third ACFR for fiscal years ended June 30, 2021, 2020, and 2019 received The Government Finance Officers Association of the United States and Canada (GFOA) Award; a Certificate of Achievement for Excellence in Financial Reporting (attached).

GFOA's comments and suggestion for improvement of both ACFRs were minimal; GFOA's recommendations were acknowledged and are incorporated in the current year ACFR.

The ACFR includes the following documents (but not limited to) for your review:

- Independent Audit Report; an unmodified ("clean") opinion of the financials
- Management's Discussion and Analysis

The ACFR is presented to inform the readers about SOCWA, its services, service area and operations; and it provides a context to properly understand the financial statements and independent audit.

**Recommended Action:** The Finance Committee recommends that the Board of Directors to receive and file the Annual Comprehensive Financial Report (ACFR) including the Independent Auditors Report for Fiscal Years ended June 30, 2022, and 2021.

# Agenda Item

## 5.G.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Final Use Audit, FY 2021-22 Budget vs. Actual

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### Summary/Discussion

#### FY 2021-22 Use Audit

The O&M usage variance was discussed during the Finance Committee Meeting held on September 20, 2022.

The Preliminary Use Audit Book, which now includes the Capital Projects and the Cash Roll Forward, was presented during the October 18, 2022 Finance Committee Meeting.

**Recommended Action:** The Finance Committee recommends that the Board of Directors approve the FY 2021-22 Use Audit.



# Agenda Item

## 5.H.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Fiscal Year 2021-22 Updated Supplemental Financial Statements

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### Summary/Discussion

South Orange County Wastewater Authority (SOCWA) Audited Financial Statements are at the Consolidated/Authority Level; the attached Balance Sheet/Statement of Net Position and the Income Statement/Statement of Revenues, Expenses, and Changes in Net Position distributes the Audited Financial Statements by Project Committee and Member Agency as directed by SOCWA's Board of Directors.

At the Finance Committee meeting on November 30, 2022, staff indicated the Supplemental Financial Statements would be reviewed with the Finance Officers of the Member Agencies and presented at the December 8, 2022 Board of Directors meeting. Staff has reviewed the Financial Statements with the Finance Officers and will provide an update to the Board.

The Updated Supplemental Financial Statements include the GASB 87 Lease Accounting and the PC 10, San Clemente Land Outfall.

The reports included are as follows:

- a. Management Discussion and Analysis of Supplemental Financial Statements
- b. Balance Sheet/Statement of Net Position as of June 30, 2022
- c. Income Statement/Statement of Revenues, Expenses and Changes in Net Position for the Fiscal Year Ended June 30, 2022

**Recommended Action:** Staff recommends that the Board of Directors receive and file the Supplemental Financial Statements for Fiscal Year ended June 30, 2022.



South Orange County Wastewater Authority

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Supplemental Financial Statements by Project Committee and Member Agency  
For Fiscal Year Ended June 30, 2022

South Orange County Wastewater Authority (SOCWA or Authority) Board Approved Audited Financial Statements are at the Consolidated/Authority Level; the attached Balance Sheet/Statement of Net Position and the Income Statement/Statement of Revenues, Expenses, and Changes in Net Position distributes the Audited Financial Statements by Project Committee and Member Agency as directed by SOCWA's Board of Directors.

**Key/Significant** Board Approved Methodologies and other guidelines used to prepare the Statements are as set forth below:

### I. Balance Sheet/Statement of Net Position:

Cash and Investments by Member Agency include the following items as of June 30, 2022:

Cash and Investments by Member Agency FY 2021-22										
	Cash Roll Forward Balances									
Member Agency	Large Capital <sup>1</sup>	Small Capital <sup>2</sup>	Non-Capital <sup>3</sup>	Non-Capital Misc. <sup>4</sup>	O&M Use Audit	Compensated Absences <sup>5</sup>	Other Cash <sup>6</sup>	Total	Agency %	
City of Laguna Beach	\$810,220	\$155,816	\$2,082	\$5,270	\$185,013	\$88,802	\$3,483	\$1,250,683	78.7%	
City of San Clemente	9,551	(12,500)		7,479	54,408	6,738	43	65,719		
City of San Juan Capistrano	453,437	(13,514)	(2,868)	6,922	(90,315)	84,324	3,024	441,010		
Emerald Bay Service District	59,909	12,173	81	367	29,001	4,191	230	105,953		
El Toro Water District	508,660	(2,273)	5,130	7,917	88,740	24,026	3,750	635,951		
Irvine Ranch Water District	246,192	(11,853)		7,092	67,195	5,699	1,240	315,566		
Moulton Niguel Water District	3,067,141	48,355	36,099	29,812	99,386	321,204	23,023	3,625,021		
South Coast Water District	899,765	127,100	(1,013)	12,963	92,894	174,109	4,978	1,310,797		
Santa Margarita Water District	490,784	(66,822)	(1,613)	21,400	(54,062)	105,595	2,868	498,149		
Trabuco Canyon Water District					1,534	512	2	2,048		
Total	\$6,545,659	\$236,482	\$37,899	\$99,223	\$473,794	\$815,201	\$42,640	\$8,250,896		
Cash for Accounts Payable, Payroll Accrual, Prepaid Expense & oth AR									2,234,386	21.3%
Total Cash									\$10,485,283	100.0%

<sup>1</sup>Large Capital cash balance was \$6,545,659 before the Use Audit; a refund of \$122,690 will be paid with the Use Audit Settlement.

<sup>2</sup>Small Capital cash balance was \$236,482; the total amount will be refunded in the Use Audit Settlement.

<sup>3</sup>Non-Capital cash balance was \$37,899; the total amount will be refunded in the Use Audit Settlement.

<sup>4</sup>Non-Capital Miscellaneous cash balance was \$99,223; \$9,223 will be refunded in the Use Audit Settlement and \$90,00 will carry over to fiscal year 2022-23 for the Outfalls Port Cleaning.

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34156 Del Obispo Street · Dana Point, CA 92629 · Phone: (949) 234-5400 · Fax: (949) 489-0130 · Website: [www.socwa.com](http://www.socwa.com)

A public agency created by: CITY OF LAGUNA BEACH • CITY OF SAN CLEMENTE • CITY OF SAN JUAN CAPISTRANO • EL TORO WATER DISTRICT • EMERALD BAY SERVICE DISTRICT  
IRVINE RANCH WATER DISTRICT • MOULTON NIGUEL WATER DISTRICT • SANTA MARGARITA WATER DISTRICT • SOUTH COAST WATER DISTRICT • TRABUCO CANYON WATER DISTRICT



South Orange County Wastewater Authority

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<sup>5</sup>Compensated Absences are employees earned paid time off (PTO) but not yet taken.

<sup>6</sup>Additional Cash, \$42,640, is primarily Interest Income on capital cash balances in LAIF.

The Authority has identified 79% of its Cash by Member Agency. The remaining cash, \$2.2 million, is primarily accounts payable obligations. Accounts payable is only recorded by project committee due to their short term nature and the corresponding debit is recorded to O&M expenses and Capital expenditures which is maintained by project committee and Member Agency.

#### **Receivables:**

All Member Agencies invoices were paid except for an open item with the City of San Clemente, \$11,249, which has been paid as of this writing. Other receivables, \$45,023, are \$23 thousand related to the cost-sharing agreement for the wall separating JB Latham and the Condominiums, \$17 thousand refund due from AT&T for unused circuits, Pre-Treatment billings to commercial businesses, \$3 thousand, and \$1,700 due from Laguna Beach.

#### **Due from Member Agencies:**

Fiscal Year 2021-22 unsettled Use Audit, expenditures greater than amounts invoiced to the Member Agencies. Project Committee and Member Agency distribution are from the Use Audits.

#### **LAIF Interest Receivable:**

Distributed by Project Committee and Member Agency based on FY 2021-22 Large Capital Cash Balance per agreement with the Finance Officers.

#### **Capital Assets:**

Capital Assets are owned by SOCWA; therefore, they are only tracked by Project Committee.

#### **GASB 68 Pension and GASB 75 OPEB (retiree health) related deferred outflows of resources:**

Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.



South Orange County Wastewater Authority

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**Due to Member Agencies:**

Fiscal year 2021-22 unsettled Use Audits, expenditures less than amounts invoiced to the Member Agencies. Project Committee and Member Agency distribution are from the Use Audits.

**Compensated Absences-Current and Long Term:**

Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.

**GASB 75 Net OPEB (retiree health) Liability:**

Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.

**GASB 68 Net Pension Liability:**

Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.

**GASB 68 Pension and GASB 75 OPEB (retiree health) related deferred inflow of resources:**

Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.



South Orange County Wastewater Authority

## II. Income Statement/Statement of Revenues, Expenses and Changes in Net Position:

**Operating Revenues** are from FY 2021-22 Use Audit and are equal to actual FY 2021-22 total O&M expenses.

Actual Spending and Actual Usage							
O&M			Small Capital <sup>2</sup>	Large Capital <sup>3</sup>	Non-Capital <sup>4</sup>	Non-Capital Misc. <sup>5</sup>	Total
FY 2021-22 Budget <sup>1</sup>	FY 2021-22 Actual	(Over)/Under Budget	(Over)/Under Budget	(Over)/Under Budget	(Over)/Under Budget	(Over)/Under Budget	USE Audit Results
<b>SOCWA by Member Agency</b>							
City of Laguna Beach	\$2,364,580	\$2,179,567	\$185,013	\$155,816	\$21,250	\$2,082	\$364,479
City of San Clemente	236,448	182,040	54,408	(12,500)	(338)	-	41,570
City of San Juan Capistrano	2,048,256	2,138,571	(90,315)	(13,514)	21,174	(2,868)	(83,587)
El Toro Water District	972,988	884,248	88,740	(2,273)	1,916	5,130	94,096
Emerald Bay Service District	183,452	154,451	29,001	12,173	1,621	81	42,894
Irvine Ranch Water District	233,568	166,373	67,195	(11,853)	-	-	55,342
Moulton Niguel Water District	9,511,328	9,411,942	99,386	48,355	60,403	36,099	247,344
Santa Margarita Water District	2,975,156	3,029,218	(54,062)	(66,822)	19,342	(1,613)	(101,699)
South Coast Water District	4,220,728	4,127,834	92,894	127,100	(2,680)	(1,013)	218,113
Trabuco Canyon Water District	24,068	22,534	1,534	-	-	-	1,534
<b>Total Member Agency</b>	<b>\$22,770,572</b>	<b>\$22,296,778</b>	<b>\$473,794</b>	<b>\$236,482</b>	<b>\$122,690</b>	<b>\$37,899</b>	<b>\$880,087</b>

### South Orange County Wastewater Authority Statement of Revenues, Expenses and Changes in Net Position For the year ended June 30, 2022

	SOCWA Actual 6/30/2022	PC23 Actual 6/30/2022	PC10 Actual 6/30/2022	Consolidated Actual 6/30/2022
<b>OPERATING REVENUES</b>				
O & M Member Agency Assessments				
City of Laguna Beach	\$2,179,567	\$953,651		\$3,133,218
City of San Clemente	182,040			182,040
City of San Juan Capistrano	2,138,571			2,138,571
El Toro Water District	884,248			884,248
Emerald Bay Service District	154,451			154,451
Irvine Ranch Water District	166,373			166,373
Moulton Niguel Water District	9,411,942			9,411,942
Santa Margarita Water District	3,029,218			3,029,218
South Coast Water District	4,127,834			4,127,834
Trabuco Canyon Water District	22,534			22,534
<b>Total O &amp; M Member Agency Assessments</b>	<b>\$22,296,778</b>	<b>\$953,651</b>		<b>\$23,250,429</b>

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A public agency created by: CITY OF LAGUNA BEACH • CITY OF SAN CLEMENTE • CITY OF SAN JUAN CAPISTRANO • EL TORO WATER DISTRICT • EMERALD BAY SERVICE DISTRICT  
IRVINE RANCH WATER DISTRICT • MOULTON NIGUEL WATER DISTRICT • SANTA MARGARITA WATER DISTRICT • SOUTH COAST WATER DISTRICT • TRABUCO CANYON WATER DISTRICT



South Orange County Wastewater Authority

## Operating Expenses:

**Unfunded Pension Liability (UAL) and Other Post-Employment Benefits (OPEB)** annual expense is distributed by project committee and Member Agency using the Board Approved Actuarial Methodology.

**O&M Direct expenses** are from FY 2021-22 Use Audit, O&M and Environmental Compliance, Safety actual expenses are distributed by Project Committee and Member Agency based on actual where worked labor costs and actual flows, solids, AWT, etc. distribution.

**Admin, General Fund and Engineering** are from FY 2021-22 Use Audit distribution by Project Committee and Member Agency.

## Unallocated portion of pension and OPEB expense (amounts not included in O&M expenses):

Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.

## Other Expenses:

**Non-Capital Engineering** is from the Cash Roll Forward by Project Committee and Member Agency. These are engineering assessments, studies, reports, etc. that will not become a Capital Project.

**Additional Cash Payment** to Member Agencies were the payments to Member Agencies for Cash from Other Sources as of June 30, 2021.

	CLB	CSC	CSJC	ETWD	EBSD	IRWD	MNWD	SMWD	SCWD	TCWD	Total
	Additional Cash										
PC 2 - Jay B. Latham Plant			\$15,880				\$11,803	\$10,625	\$13,731		\$52,039
PC 5 - San Juan Creek Ocean Outfall		53	36				50	135	40		314
PC 8 - Pretreatment Program	-	-	-	-	-	-	-	-	-	-	-
PC 12 SO- Water Reclamation Permits			-				-	-	-	-	-
PC 15 - Coastal Treatment Plant/AWT	6,569	-	-	-	519	-	5,058	-	5,160	-	17,306
PC 17 - Joint Regional Wastewater Reclamation	4,701			8,480	247		62,041		3,754		79,224
PC 21 Effluent Transmission Main				4,186		4,186	1,104				9,475
PC 23 North Coast Interceptor	5,300										5,300
PC 24 - Aliso Creek Ocean Outfall	364			540	26	522	1,452		408		3,312
<b>Total</b>	<b>\$16,934</b>	<b>\$53</b>	<b>\$15,915</b>	<b>\$13,206</b>	<b>\$792</b>	<b>\$4,708</b>	<b>\$81,508</b>	<b>\$10,760</b>	<b>\$23,093</b>	<b>-</b>	<b>\$166,969</b>
	10.1%	0.0%	9.5%	7.9%	0.5%	2.8%	48.8%	6.4%	13.8%	0.0%	100.0%

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South Orange County Wastewater Authority

**Depreciation and Amortization** are only tracked by Project Committee because SOCWA owns the Capital Assets.

**Capital Contributions:**

Large Capital, Small Capital and Non-Capital Engineering quarterly invoices to Member Agencies by Project Committee and Member Agencies Net of Use Audit Adjustment for Closed Capital Projects.

**Non-Operating Revenues (Expenses):**

**Grant Revenue:**

The Cash received for the Grant Revenue was included in Large Capital Cash Roll Forward by project committee, capital project and member agency for Co-Gen Projects.

**Interest Income:**

Distributed by Project Committee and Member Agency based on FY 2021-22 Large Capital Cash Balance per agreement with the Finance Officers.

**Recycling Income** was distributed by member agency based on capital ownership percentages.



**South Orange County Wastewater Authority**  
**Statements of Net Position by Project Committee and Member Agency**  
**As of June 30, 2022**

General Agency 01	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC 23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %s
<b>ASSETS</b>															
<b>Current Assets</b>															
<b>Cash and Investments by Member Agency:<sup>1</sup></b>															
City of Laguna Beach	\$ -	\$ -	\$ -	\$ -	(\$990)	\$ -	\$939,619	\$260,823	\$ -	(\$7,720)	\$58,952	\$1,250,683	\$ -	\$ -	\$1,250,683
City of San Clemente				60,171	5,549							65,719			65,719
City of San Juan Capistrano		375,477		40,306	23,310	1,916						441,010			441,010
Emerald Bay Service District					1,840		73,982	25,991		(474)	4,615	105,953			105,953
El Toro Water District					(166)			322,598			88,371	635,951			635,951
Irvine Ranch Water District					5,033	269		226,213			83,939	315,566			315,566
Moulton Niguel Water District		350,581	16,739	54,957	12,903	7,274	638,340	2,235,597	76,251		232,379	3,625,021			3,625,021
South Coast Water District		363,610		28,526	1,026	2,633	796,174	53,278			65,550	1,310,797			1,310,797
Santa Margarita Water District		324,444	3,285	158,191	4,770	7,459						498,149			498,149
Trabuco Canyon Water District						2,048						2,048			2,048
Total Cash and Investments by Member Agency		1,414,112	20,025	342,150	53,275	21,978	2,448,114	2,898,287	527,344	(8,194)	533,805	8,250,896			8,250,896
Cash for Accounts Payable, Payroll Accrual & Prepaid Expense	109,340	1,120,499		80,468	(560)	13,938	364,919	445,835	11,594		88,353	2,234,386			2,234,386
Total Cash and Investments <sup>5</sup>	109,340	2,534,611	20,025	422,619	52,714	35,916	2,813,034	3,344,122	538,939	(8,194)	622,157	10,485,283			10,485,283
<b>Receivables:<sup>2</sup></b>															
City of San Clemente				11,049	200							11,249			11,249
Other	18,839	23,147			2,837							44,823			44,823
Total Accounts Receivable	18,839	23,147		11,049	3,037	-						56,072			56,072
<b>Due from Member Agencies<sup>3</sup></b>															
City of Laguna Beach					1,675		1,053		7,721	8,273	18,722				18,722
City of San Clemente				12,838							12,838				12,838
City of San Juan Capistrano		156,646		8,558							165,204				165,204
Emerald Bay Service District							84		474	587	1,144				1,144
El Toro Water District					714					12,259	12,973				12,973
Irvine Ranch Water District										11,853	11,853				11,853
Moulton Niguel Water District		28,463		11,980			814	149,227		32,979	223,464				223,464
South Coast Water District		2,689		9,632	2,080		18,999	84,151		9,258	126,809				126,809
Santa Margarita Water District		233,490		34,233							267,724				267,724
Trabuco Canyon Water District						-					-				-
Total Due from Member Agencies		421,288		77,242	4,469	-	20,950	233,378	-	8,195	75,210	840,732			840,732
<b>LAIF Interest Receivable<sup>4</sup></b>															
City of Laguna Beach							1,900	431		65	2,396				2,396
City of San Clemente				28							28				28
City of San Juan Capistrano		1,322		19							1,341				1,341
Emerald Bay Service District							150	23		5	177				177
El Toro Water District								773		97	1,504				1,504
Irvine Ranch Water District										94	728				728
Moulton Niguel Water District		947		26			1,464	6,159	213	261	9,071				9,071
South Coast Water District		800		21			1,422	344		73	2,661				2,661
Santa Margarita Water District		1,376		75							1,451				1,451
Trabuco Canyon Water District															
Total LAIF Interest Receivable		4,446	-	170	-	-	4,936	7,730	1,482	-	595	19,358			19,358
<b>Total Receivables, net</b>	<b>18,839</b>	<b>448,881</b>	<b>-</b>	<b>88,460</b>	<b>7,506</b>	<b>-</b>	<b>25,886</b>	<b>241,108</b>	<b>1,482</b>	<b>8,195</b>	<b>75,805.18</b>	<b>916,162</b>			<b>916,162</b>

<sup>\*PC 23 Assets are owned by SOCWA ; recordkeeping is done by the City of Laguna Beach, any differences between SOCWA's books and the City of Laguna Beach are added to SOCWA's annual financial statements.</sup>

<sup>\*PC 10 Assets are owned by SOCWA ; recordkeeping is done by the City of San Clemente, any differences between SOCWA's books and the City of San Clemente are added to SOCWA's annual financial statements.</sup>

<sup>1</sup>Cash includes capital balances from the cash roll forward, O&M Use Audit, compensated absences and additional cash from other sources.

<sup>2</sup>Refund due from AT&T for unused circuits, \$17 thousand; Costs sharing for PC 2, wall between plant and condos, and Pre-Treatment billings to commercial businesses, \$23 thousand.

<sup>3</sup>Use Audit costs greater than amount invoiced.

<sup>4</sup>Distributed by Project Committee and Member Agency based on Large Capital Cash Balance as of 6/30/2022.

<sup>5</sup>PC 3 Cash for GASB 68 Pension and GASB 75 OPEB (retiree health) distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology jointly recommended by SOCWA and Actuaries.



**South Orange County Wastewater Authority**  
**Statements of Net Position by Project Committee and Member Agency**  
**As of June 30, 2022**

	General Agency 01	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC 23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %s
Prepaid items	-	96,022		8,230	5,196	3,176	60,214	109,875	40		8,042	290,794			290,794	
<b>Total Current Assets</b>	<b>128,179</b>	<b>3,079,514</b>	<b>20,025</b>	<b>519,309</b>	<b>65,416</b>	<b>39,092</b>	<b>2,899,134</b>	<b>3,695,104</b>	<b>540,460</b>	<b>1</b>	<b>706,005</b>	<b>11,692,239</b>			<b>11,692,239</b>	
<b>Noncurrent Assets</b>																
Land		653,224					7,160,000	6,589,000				14,402,224			14,402,224	
Capital Assets Not Depreciated		10,555,028		15,500			2,598,679	1,844,488	427,286		64,923	15,505,903	314,051		15,819,954	
Capital assets and lease assets, depreciable, net <sup>0</sup>	280,262	40,041,147		2,208,594			40,377,850	37,735,988	1,878,356	3,249,705	75,210	125,847,111	3,730,505	1,620,994	131,198,610	
<b>Total Noncurrent Assets</b>	<b>280,262</b>	<b>51,249,399</b>		<b>2,224,094</b>			<b>50,136,529</b>	<b>46,169,476</b>	<b>2,305,642</b>	<b>3,249,705</b>	<b>140,132</b>	<b>155,755,238</b>	<b>4,044,556</b>	<b>1,620,994</b>	<b>161,420,788</b>	
<b>Total ASSETS</b>	<b>408,441</b>	<b>54,328,912</b>	<b>20,025</b>	<b>2,743,403</b>	<b>65,416</b>	<b>39,092</b>	<b>53,035,663</b>	<b>49,864,580</b>	<b>2,846,101</b>	<b>3,249,706</b>	<b>846,137</b>	<b>167,447,477</b>	<b>4,044,556</b>	<b>1,620,994</b>	<b>173,113,027</b>	
<b>Deferred Outflows of Resources</b>																
<b>Pensions related deferred outflows of resources<sup>8</sup></b>																
City of Laguna Beach					5,503		246,277	66,209			9,079	327,068			327,068	10.72%
City of San Clemente				12,628	8,595							21,222			21,222	0.70%
City of San Juan Capistrano		297,183		11,308	7,696	472						316,658			316,658	10.38%
Emerald Bay Service District					578		10,763	2,577			402	14,320			14,320	0.47%
El Toro Water District					4,385	325		84,128			16,286	105,123			105,123	3.45%
Irvine Ranch Water District					8,542	527					13,929	22,999			22,999	0.75%
Moulton Niguel Water District		170,793	238,509	9,265	17,224	3,108	27,089	861,368			21,799	1,349,155			1,349,155	44.24%
South Coast Water District		235,232		8,585	13,209	698	267,557	46,769			4,664	576,713			576,713	18.91%
Santa Margarita Water District		225,771	46,834	23,675	16,834	2,781						315,896			315,896	10.36%
Trabuco Canyon Water District						585						585			585	0.02%
<b>Total Pensions related deferred outflows of resources</b>		<b>928,978</b>	<b>285,343</b>	<b>65,460</b>	<b>82,565</b>	<b>8,496</b>	<b>551,686</b>	<b>1,061,051</b>			<b>66,159</b>	<b>3,049,739</b>			<b>3,049,739</b>	<b>100.00%</b>
<b>OPEB related deferred outflows of resources:<sup>8</sup></b>																
City of Laguna Beach					1,558		69,732	18,747			2,571	92,608			92,608	10.72%
City of San Clemente				3,575	2,434							6,009			6,009	0.70%
City of San Juan Capistrano		84,146		3,202	2,179	134						89,660			89,660	10.38%
Emerald Bay Service District					164		3,048	730			114	4,055			4,055	0.47%
El Toro Water District					1,241	92		23,820			4,611	29,765			29,765	3.45%
Irvine Ranch Water District					2,419	149					3,944	6,512			6,512	0.75%
Moulton Niguel Water District		48,359	67,533	2,623	4,877	880	7,670	243,892			6,172	382,007			382,007	44.24%
South Coast Water District		66,605		2,431	3,740	198	75,757	13,242			1,321	163,294			163,294	18.91%
Santa Margarita Water District		63,926	13,261	6,703	4,767	787						89,444			89,444	10.36%
Trabuco Canyon Water District						166						166			166	0.02%
<b>Total OPEB related deferred outflows of resources</b>		<b>263,036</b>	<b>80,794</b>	<b>18,535</b>	<b>23,378</b>	<b>2,406</b>	<b>156,207</b>	<b>300,431</b>			<b>18,733</b>	<b>863,519</b>			<b>863,519</b>	<b>100.00%</b>
<b>Total deferred outflows of resources</b>		<b>1,192,014</b>	<b>366,137</b>	<b>83,995</b>	<b>105,943</b>	<b>10,902</b>	<b>707,894</b>	<b>1,361,482</b>			<b>84,892</b>	<b>3,913,258</b>			<b>3,913,258</b>	

<sup>8</sup>Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology.

(cont'd next page)

**South Orange County Wastewater Authority**  
**Statements of Net Position by Project Committee and Member Agency**  
**As of June 30, 2022**

	General Agency 01	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC 23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %/s
<b>LIABILITIES</b>																
<b>Current Liabilities</b>																
Accounts Payable	52,306	1,186,044		97,421	2,275	15,680	419,796	551,651	28,481		98,317	2,451,972				2,451,972
<b>Due to Member Agencies<sup>7</sup></b>																
City of Laguna Beach							246,751	98,728			37,723	383,202				383,202
City of San Clemente				51,882	2,526							54,408				54,408
City of San Juan Capistrano		23,336		34,780	21,982	1,519						81,617				81,617
Emerald Bay Service District					1,522		21,770	17,637			3,109	44,039				44,039
El Toro Water District						21		40,796	9,342		56,911	107,070				107,070
Irvine Ranch Water District					2,959	36			10,677		53,523	67,195				67,195
Moulton Niguel Water District		16,847	16,739	47,221	9,281	4,176	153,224	71,700	3,871		147,748	470,808				470,808
South Coast Water District		40,745		22,304		1,962	228,926	9,194			41,791	344,922				344,922
Santa Margarita Water District		21,699	3,285	136,088	393	4,559						166,025				166,025
Trabuco Canyon Water District						1,534						1,534				1,534
Total Due to Member Agencies	102,627	20,025	292,276	38,664	13,808	650,671	238,054	23,890	-	340,804	1,720,819					1,720,819
Accrued payroll and related liabilities	56,633	76,301		1,715	3,352	656	42,308	61,795			2,262	245,023				245,023
<b>Compensated Absences -due within one year<sup>8</sup></b>																
City of Laguna Beach					165		16,714	4,065			555	21,499				21,499 10.89%
City of San Clemente				901	730							1,631				1,631 0.83%
City of San Juan Capistrano		19,398		601	321	96						20,415				20,415 10.34%
Emerald Bay Service District					77		730	169			39	1,015				1,015 0.51%
El Toro Water District					132	60		4,802			823	5,817				5,817 2.95%
Irvine Ranch Water District					501	83					795	1,380				1,380 0.70%
Moulton Niguel Water District		13,330		841	876	749	948	58,809			2,213	77,765				77,765 39.40%
South Coast Water District		16,247		676	751	162	20,745	2,951			621	42,153				42,153 21.36%
Santa Margarita Water District		21,404		2,402	1,058	701						25,565				25,565 12.95%
Trabuco Canyon Water District						124						124				124 0.06%
Total Compensated Absences-due within one year	70,379		5,420	4,612	1,975	39,137	70,796				5,046	197,365				197,365 100.00%
<b>Lease Liability - due within one year</b>																
Lease Liability - Short Term <sup>9</sup>	53,887											53,887				53,887
<b>Total Current Liabilities</b>	162,827	1,435,352	20,025	396,833	48,902	32,118	1,151,913	922,296	52,371	-	446,430	4,669,066				4,669,066

<sup>7</sup>Use Audit costs less than amount invoiced.

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**South Orange County Wastewater Authority**  
**Statements of Net Position by Project Committee and Member Agency**  
**As of June 30, 2022**

General Agency	JB Latham Treatment Plant	3A AWT Plant	San Juan Creek Ocean Outfall	Pre Treatment Program	Wastewater Discharge Permitting	Coastal Treatment Plant	Joint Regional Treatment Plant	Effluent Transmission Main	North Coast Interceptor	Aliso Creek Ocean Outfall	SOCWA before PC 10 & 23	*North Coast Interceptor	*San Clemente Land Outfall	SOCWA Consolidated	Board Approved Allocation %'s
01	PC 2	PC 3	PC 5	PC 8	PC 12 (2SO)	PC 15	PC 17	PC 21	PC 23	PC 24		PC 23	PC 10		
<b>Noncurrent Liabilities</b>															
<b>Compensated Absences -due in more than one year<sup>6</sup></b>															
City of Laguna Beach				518		52,323	12,724			1,738	67,302			67,302	10.89%
City of San Clemente			2,820	2,286							5,106			5,106	0.83%
City of San Juan Capistrano	60,723		1,880	1,005	300						63,909			63,909	10.34%
Emerald Bay Service District				240		2,284	529			123	3,177			3,177	0.51%
El Toro Water District				415	188		15,032			2,575	18,209			18,209	2.95%
Irvine Ranch Water District				1,570	260					2,489	4,319			4,319	0.70%
Moulton Niguel Water District	41,728		2,632	2,741	2,345	2,969	184,097			6,927	243,439			243,439	39.40%
South Coast Water District	50,861		2,116	2,350	507	64,940	9,237			1,945	131,957			131,957	21.36%
Santa Margarita Water District	67,004		7,520	3,311	2,194						80,030			80,030	12.95%
Trabuco Canyon Water District					388						388			388	0.06%
Total Compensated Absences -due in more than one year	220,317		16,968	14,437	6,182	122,516	221,620			15,796	617,836			617,836	100.00%
<b>Net other postemployment benefits obligation (OPEB)<sup>6</sup></b>															
City of Laguna Beach				8,929		399,617	107,433			14,732	530,711			530,711	10.72%
City of San Clemente			20,490	13,946							34,436			34,436	0.70%
City of San Juan Capistrano	482,219		18,348	12,487	767						513,820			513,820	10.38%
Emerald Bay Service District				939		17,465	4,181			652	23,237			23,237	0.47%
El Toro Water District				7,115	528		136,508			26,426	170,577			170,577	3.45%
Irvine Ranch Water District				13,861	856					22,602	37,318			37,318	0.75%
Moulton Niguel Water District	277,134	387,012	15,034	27,948	5,042	43,956	1,397,685			35,372	2,189,183			2,189,183	44.24%
South Coast Water District	381,694		13,930	21,434	1,132	434,147	75,888			7,569	935,794			935,794	18.91%
Santa Margarita Water District	366,343	75,995	38,416	27,316	4,513						512,582			512,582	10.36%
Trabuco Canyon Water District					948						948			948	0.02%
Total OPEB	1,507,391	463,007	106,218	133,973	13,786	895,184	1,721,696			107,352	4,948,607			4,948,607	100.00%
<b>Net Pension Liability<sup>6</sup></b>															
City of Laguna Beach				16,704		747,569	200,976			27,559	992,808			992,808	10.72%
City of San Clemente			38,331	26,089							64,420			64,420	0.70%
City of San Juan Capistrano	902,092		34,324	23,360	1,434						961,210			961,210	10.38%
Emerald Bay Service District				1,756		32,671	7,822			1,220	43,469			43,469	0.47%
El Toro Water District				13,309	987		255,368			49,435	319,100			319,100	3.45%
Irvine Ranch Water District				25,930	1,601					42,282	69,812			69,812	0.75%
Moulton Niguel Water District	518,438	723,988	28,125	52,282	9,433	82,229	2,614,665			66,171	4,095,331			4,095,331	44.24%
South Coast Water District	714,040		26,058	40,096	2,118	812,163	141,965			14,159	1,750,601			1,750,601	18.91%
Santa Margarita Water District	685,323	142,164	71,865	51,100	8,442						958,894			958,894	10.36%
Trabuco Canyon Water District					1,774						1,774			1,774	0.02%
Total Net Pension Liability	2,819,893	866,153	198,703	250,626	25,789	1,674,632	3,220,797			200,825	9,257,418			9,257,418	100.00%
<b>Lease Liability - due in more than one year</b>															
Lease Liability - Long Term <sup>9</sup>	229,570										229,570			229,570	
<b>Total Noncurrent Liabilities</b>															
	229,570	4,547,601	1,329,160	321,889	399,036	45,757	2,692,332	5,164,113		323,973	15,053,431			15,053,431	
<b>Total LIABILITIES</b>															
	392,397	5,982,952	1,349,184	718,722	447,938	77,875	3,844,245	6,086,409	52,371	-	770,403	19,722,497		19,722,497	

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**South Orange County Wastewater Authority**  
**Statements of Net Position by Project Committee and Member Agency**  
**As of June 30, 2022**

General Agency	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC 23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC 23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %'s
01															
<b>Deferred Inflows</b>															
<b>Pensions related deferred inflows of resources<sup>6</sup></b>															
City of Laguna Beach				15,829		708,426	190,453			26,116	940,824			940,824	10.72%
City of San Clemente			36,324	24,723							61,047			61,047	0.70%
City of San Juan Capistrano	854,858		32,527	22,137	1,359						910,881			910,881	10.38%
Emerald Bay Service District				1,664		30,961	7,413			1,156	41,193			41,193	0.47%
El Toro Water District				12,613	935		241,997			46,847	302,391			302,391	3.45%
Irvine Ranch Water District				24,572	1,517					40,068	66,157			66,157	0.75%
Moulton Niguel Water District	491,293	686,080	26,652	49,544	8,939	77,923	2,477,760			62,706	3,880,898			3,880,898	44.24%
South Coast Water District	676,653		24,694	37,997	2,007	769,638	134,532			13,418	1,658,939			1,658,939	18.91%
Santa Margarita Water District	649,439	134,721	68,102	48,425	8,000						908,686			908,686	10.36%
Trabuco Canyon Water District					1,681						1,681			1,681	0.02%
<b>Total Pensions related deferred inflows of resources</b>	<b>2,672,243</b>	<b>820,801</b>	<b>188,299</b>	<b>237,503</b>	<b>24,439</b>	<b>1,586,948</b>	<b>3,052,155</b>			<b>190,310</b>	<b>8,772,697</b>			<b>8,772,697</b>	<b>100.00%</b>
<b>OPEB related deferred inflows of resources<sup>6</sup></b>															
City of Laguna Beach				1,733		77,564	20,852			2,859	103,009			103,009	10.72%
City of San Clemente			3,977	2,707							6,684			6,684	0.70%
City of San Juan Capistrano	93,597		3,561	2,424	149						99,731			99,731	10.38%
Emerald Bay Service District				182		3,390	812			127	4,510			4,510	0.47%
El Toro Water District				1,381	102		26,496			5,129	33,108			33,108	3.45%
Irvine Ranch Water District				2,690	166					4,387	7,243			7,243	0.75%
Moulton Niguel Water District	53,791	75,118	2,918	5,425	979	8,532	271,286			6,866	424,913			424,913	44.24%
South Coast Water District	74,086		2,704	4,160	220	84,266	14,730			1,469	181,634			181,634	18.91%
Santa Margarita Water District	71,106	14,750	7,456	5,302	876						99,491			99,491	10.36%
Trabuco Canyon Water District					184						184			184	0.02%
Total OPEB related deferred inflows of resources	292,579	89,868	20,617	26,004	2,676	173,752	334,175			20,837	960,508			960,508	100.00%
<b>Total Deferred Inflows</b>	<b>2,964,822</b>	<b>910,669</b>	<b>208,915</b>	<b>263,507</b>	<b>27,115</b>	<b>1,760,700</b>	<b>3,386,331</b>			<b>211,146</b>	<b>9,733,205</b>			<b>9,733,205</b>	
<b>NET POSITION</b>															
Invested in Capital Assets	280,262	51,249,399		2,224,094		50,136,529	46,169,476	2,305,642	3,249,705	140,132	155,755,238	4,044,556	1,620,994	161,420,788	
Unrestricted (deficit)	(264,218)	(4,676,247)	(1,873,692)	(324,334)	(540,085)	(54,996)	(1,997,918)	(4,416,153)	488,089	1	(190,653)	(13,850,205)		(13,850,205)	
<b>Total NET POSITION<sup>8</sup></b>	<b>\$16,044</b>	<b>\$46,573,152</b>	<b>(\$1,873,692)</b>	<b>\$1,899,760</b>	<b>(\$540,085)</b>	<b>(\$54,996)</b>	<b>\$48,138,611</b>	<b>\$41,753,323</b>	<b>\$2,793,730</b>	<b>\$3,249,706</b>	<b>(\$50,521)</b>	<b>\$141,905,032</b>	<b>\$4,044,556</b>	<b>\$1,620,994</b>	<b>\$147,570,583</b>

<sup>8</sup>Total Net Position by PC has negative balances in some PCs due to Pension and OPEB liabilities and no Investments in Capital Assets to offset it.

<sup>9</sup>The Authority implemented GASB 87, Right to Use Assets:

- Office Space, JBL, and Engineering Trailers
- Printers and Copiers, 2 Xerox large copiers at JBL office building, 1 Xerox at JBL Engineering Trailer

**South Orange County Wastewater Authority**  
**Statements of Revenues, Expenses and Changes in Net Position by Project Committee and Member Agency**  
**For the year ended June 30, 2022**

General Agency	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %'s
01	PC 2	PC 3	PC 5	PC 8	PC 12 (2SO)	PC 15	PC 17	PC 21	PC23	PC 24					
<b>OPERATING REVENUES</b>															
<b>O &amp; M Member Agency Assessments<sup>1</sup></b>															
City of Laguna Beach				\$ 12,691		\$ 1,484,159	\$ 601,744		\$ 7,721	\$ 73,253	\$ 2,179,567	\$ 953,651		\$ 3,133,218	
City of San Clemente			132,806	49,234							182,040			182,040	
City of San Juan Capistrano	2,034,533		80,404	12,646	10,989						2,138,571			2,138,571	
Emerald Bay Service District				4,438		104,708	37,683		474	7,147	154,451			154,451	
El Toro Water District				9,714	175		762,055	218		112,085	884,248			884,248	
Irvine Ranch Water District				34,649	284			271		131,169	166,373			166,373	
Moulton Niguel Water District	1,458,924	128,245	107,387	46,751	30,420	228,960	7,131,066	93		280,096	9,411,942			9,411,942	
South Coast Water District	1,691,705		103,928	42,708	12,750	1,716,943	481,163			78,637	4,127,834			4,127,834	
Santa Margarita Water District	2,603,744	25,183	307,800	61,947	30,545						3,029,218			3,029,218	
Trabuco Canyon Water District					22,534						22,534			22,534	
Total	7,788,906	153,427	732,324	274,778	107,696	3,534,771	9,013,711	582	8,195	682,388	22,296,778	953,651		23,250,429	
<b>OPERATING EXPENSES</b>															
<b>O&amp;M Direct Expenses:</b>															
City of Laguna Beach				8,536		1,185,562	496,545		6,772	59,966	1,757,380	382,108		2,139,488	
City of San Clemente			97,738	34,601							132,339			132,339	
City of San Juan Capistrano	1,643,566		65,159	7,459	9,412						1,725,595			1,725,595	
Emerald Bay Service District				2,532		60,688	22,269		291	4,252	90,032			90,032	
El Toro Water District				6,327			616,522	188		88,870	711,907			711,907	
Irvine Ranch Water District				20,879				188		85,914	106,980			106,980	
Moulton Niguel Water District	1,217,649		91,210	33,392	25,607	190,959	5,939,024	83		239,038	7,736,962			7,736,962	
South Coast Water District	1,379,738		87,543	31,386	10,908	1,386,664	401,976			67,108	3,365,323			3,365,323	
Santa Margarita Water District	2,192,654		260,635	46,722	25,659						2,525,670			2,525,670	
Trabuco Canyon Water District					9,517						9,517			9,517	
Total	6,433,607		602,285	191,833	81,103	2,823,872	7,476,335	458	7,063	545,148	18,161,705	382,108		18,543,813	
<b>Admin, General Fund &amp; Engineering after capital</b>															
City of Laguna Beach				1,196		166,175	69,599		949	8,405	246,325			246,325	
City of San Clemente			28,278	10,011							38,290			38,290	
City of San Juan Capistrano	231,173		9,165	1,049	1,324						242,710			242,710	
Emerald Bay Service District				1,595		38,233	14,029		183	2,679	56,719			56,719	
El Toro Water District				1,029			100,299	31		14,458	115,817			115,817	
Irvine Ranch Water District				9,178				83		37,766	47,026			47,026	
Moulton Niguel Water District	149,440		11,194	4,098	3,143	23,436	728,888	10		29,337	949,546			949,546	
South Coast Water District	185,485		11,769	4,219	1,466	186,416	54,040			9,022	452,416			452,416	
Santa Margarita Water District	289,694		34,435	6,173	3,390						333,693			333,693	
Trabuco Canyon Water District					12,702						12,702			12,702	
Total	855,792		94,841	38,549	22,025	414,260	966,854	123	1,132	101,666	2,495,244			2,495,244	
<b>UAL &amp; OPEB</b>															
City of Laguna Beach				2,959		132,422	35,600			4,882	175,863			175,863	10.72%
City of San Clemente			6,790	4,621							11,411			11,411	0.70%
City of San Juan Capistrano	159,794		6,080	4,138	254						170,266			170,266	10.38%
Emerald Bay Service District				311		5,787	1,386			216	7,700			7,700	0.47%
El Toro Water District				2,358	175		45,235			8,757	56,524			56,524	3.45%
Irvine Ranch Water District				4,593	284					7,490	12,366			12,366	0.75%
Moulton Niguel Water District	91,834	128,245	4,982	9,261	1,671	14,566	463,153			11,721	725,434			725,434	44.24%
South Coast Water District	126,483		4,616	7,103	375	143,864	25,147			2,508	310,096			310,096	18.91%
Santa Margarita Water District	121,396	25,183	12,730	9,052	1,495						169,855			169,855	10.36%
Trabuco Canyon Water District					314						314			314	0.02%
Total	499,507	153,427	35,198	44,395	4,568	296,639	570,522			35,573	1,639,829			1,639,829	
<b>Total O&amp;M Operating Expenses (Use Audit)</b>															
	7,788,906	153,427	732,324	274,778	107,696	3,534,771	9,013,711	582	8,195	682,388	22,296,778	953,651		22,678,886	

\*PC 23 Assets are owned by SOCWA ; recordkeeping is done by the City of Laguna Beach, any differences between SOCWA's books and the City of Laguna Beach are added to SOCWA's annual financials.

\*PC 10 Assets are owned by SOCWA ; recordkeeping is done by the City of San Clemente, any differences between SOCWA's books and the City of San Clemente are added to SOCWA's annual financials.

<sup>1</sup>Quarterly O&M Billings to Member Agencies Net of Use Audit true up to Actual.

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**South Orange County Wastewater Authority**  
**Statements of Revenues, Expenses and Changes in Net Position by Project Committee and Member Agency**  
**For the year ended June 30, 2022**

	General Agency	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %'s
<b>O&amp;M Operating Income</b>	01															
City of Laguna Beach													571,543			571,543
City of San Clemente																
City of San Juan Capistrano																
Emerald Bay Service District																
El Toro Water District																
Irvine Ranch Water District																
Moulton Niguel Water District																
South Coast Water District																
Santa Margarita Water District																
Trabuco Canyon Water District																
<b>Total O&amp;M Operating Income</b>													<b>571,543</b>			<b>571,543</b>
<b>Unallocated portion of Pension and OPEB expense<sup>2</sup></b>																
City of Laguna Beach					3,170		141,885	38,144			5,231	188,430			188,430	10.72%
City of San Clemente				7,275	4,952							12,227			12,227	0.70%
City of San Juan Capistrano		171,213		6,514	4,434	272						182,433			182,433	10.38%
Emerald Bay Service District					333		6,201	1,485			232	8,250			8,250	0.47%
El Toro Water District					2,526	187		48,468			9,383	60,564			60,564	3.45%
Irvine Ranch Water District					4,921	304					8,025	13,250			13,250	0.75%
Moulton Niguel Water District		98,397	137,409	5,338	9,923	1,790	15,607	496,250			12,559	777,273			777,273	44.24%
South Coast Water District		135,521		4,946	7,610	402	154,145	26,944			2,687	332,255			332,255	18.91%
Santa Margarita Water District		130,071	26,982	13,640	9,699	1,602						181,993			181,993	10.36%
Trabuco Canyon Water District						337						337			337	0.02%
Total GASB 68 unallocated expense by PC and Member Agency		535,202	164,391	37,713	47,568	4,895	317,837	611,291			38,116	1,757,012			1,757,012	100.00%

<sup>2</sup>Distributed by Project Committee and Member Agency using Board Approved Actuarial Methodology; these are Actuarially determined expenses not included in O&M.

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**South Orange County Wastewater Authority**  
**Statements of Revenues, Expenses and Changes in Net Position by Project Committee and Member Agency**  
**For the year ended June 30, 2022**

General Agency	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %'s
01															
<b>Other Expenses</b>															
<b>Non-Capital Engineering</b>															
City of Laguna Beach						29,983	709				30,692			30,692	
City of San Clemente															
City of San Juan Capistrano	2,069										2,069			2,069	
Emerald Bay Service District						2,361	37				2,398			2,398	
El Toro Water District							1,276				1,276			1,276	
Irvine Ranch Water District											-				
Moulton Niguel Water District	1,545					23,136	4,185				28,866			28,866	
South Coast Water District	1,874					23,609	566				26,048			26,048	
Santa Margarita Water District	1,257										1,258			1,258	
Trabuco Canyon Water District											-				
Total Non-Capital Engineering	6,745					79,089	6,773				92,608			92,608	
<b>Additional Cash Payments to Member Agencies</b>															
City of Laguna Beach						6,569	4,701		5,300	364	16,934			16,934	
City of San Clemente			53								53			53	
City of San Juan Capistrano	15,880		36								15,915			15,915	
Emerald Bay Service District						519	247			26	792			792	
El Toro Water District							8,480	4,186		540	13,206			13,206	
Irvine Ranch Water District								4,186		522	4,708			4,708	
Moulton Niguel Water District	11,803		50			5,058	62,041	1,104		1,452	81,508			81,508	
South Coast Water District	13,731		40			5,160	3,754			408	23,093			23,093	
Santa Margarita Water District	10,625		135								10,760			10,760	
Trabuco Canyon Water District															
Total	52,039		314			17,306	79,224	9,475	5,300	3,312	166,969			166,969	
<b>Operating Leases - GASB 87</b>															
Lease assets expense reduction <sup>7</sup>															
Other Expenses	1,200	3,461	613								5,274			5,274	
Total Other Expenses	(67,116)	62,245	927			96,394	85,997	9,475	5,300	3,312	196,535			196,535	
Depreciation and Amortization <sup>7</sup>	88,487	2,840,962	87,463			2,237,771	2,795,371	241,732	259,142		8,550,928	116,279	44,404	8,711,611	
Operating (Loss)	(21,371)	(3,438,409)	(164,391)	(126,103)	(47,568)	(4,895)	(2,652,002)	(3,492,659)	(251,208)	(264,442)	(41,427)	(10,504,475)	455,265	(44,404)	(10,093,614)
<b>NON-OPERATING REVENUES (EXPENSES):</b>															
<b>Interest Income<sup>3</sup></b>															
City of Laguna Beach						3,961	898			137	4,996			4,996	
City of San Clemente			59								59			59	
City of San Juan Capistrano	2,757		39								2,796			2,796	
Emerald Bay Service District						312	47			10	369			369	
El Toro Water District							1,612	1,322		202	3,137			3,137	
Irvine Ranch Water District								1,322		196	1,518			1,518	
Moulton Niguel Water District	1,976		55			3,052	12,841	444		544	18,913			18,913	
South Coast Water District	1,668		44			2,966	717			153	5,548			5,548	
Santa Margarita Water District	2,869		157								3,026			3,026	
Total Interest Income	9,270		354			10,291	16,116	3,089		1,241	40,362			40,362	
<b>LAIF FV Adjustment</b>															
City of Laguna Beach						(11,629)	(2,637)			(401)	(14,668)			(14,668)	
City of San Clemente			(173)								(173)			(173)	
City of San Juan Capistrano	(8,093)		(115)								(8,209)			(8,209)	
Emerald Bay Service District						(917)	(139)			(28)	(1,085)			(1,085)	
El Toro Water District							(4,732)	(3,883)		(594)	(9,208)			(9,208)	
Irvine Ranch Water District								(3,883)		(574)	(4,457)			(4,457)	
Moulton Niguel Water District	(5,800)		(161)			(8,961)	(37,701)	(1,304)		(1,598)	(55,526)			(55,526)	
South Coast Water District	(4,897)		(130)			(8,707)	(2,106)			(449)	(16,289)			(16,289)	
Santa Margarita Water District	(8,424)		(461)								(8,885)			(8,885)	
Total LAIF FV Adjustment	(27,215)		(1,040)			(30,215)	(47,315)	(9,069)		(3,645)	(118,499)			(118,499)	

(cont'd next page)

**South Orange County Wastewater Authority**  
**Statements of Revenues, Expenses and Changes in Net Position by Project Committee and Member Agency**  
**For the year ended June 30, 2022**

	General Agency	JB Latham Treatment Plant	3A AWT Plant	San Juan Creek Ocean Outfall	Pre Treatment Program	Wastewater Discharge Permitting	Coastal Treatment Plant	Joint Regional Treatment Plant	Effluent Transmission Main	North Coast Interceptor	Aliso Creek Ocean Outfall	SOCWA before PC 10 & 23	*North Coast Interceptor	*San Clemente Land Outfall	SOCWA Consolidated	Board Approved Allocation %'s
	01	PC 2	PC 3	PC 5	PC 8	PC 12 (2SO)	PC 15	PC 17	PC 21	PC 23	PC 24		PC 23	PC 10		
<b>Interest Expense-lease assets<sup>7</sup></b>																
City of Laguna Beach																
City of San Clemente																
City of San Juan Capistrano																
Emerald Bay Service District																
El Toro Water District																
Irvine Ranch Water District																
Moulton Niguel Water District																
South Coast Water District																
Santa Margarita Water District																
<b>Total Interest Expense</b>																
<b>Gain on Sale of Fixed Assets</b>																
City of Laguna Beach																
City of San Juan Capistrano																
Emerald Bay Service District																
El Toro Water District																
Moulton Niguel Water District																
South Coast Water District																
Santa Margarita Water District																
<b>Total Gain on Sale of Fixed Assets</b>																
<b>Other Revenues</b>																
<b>Grant Revenue<sup>4</sup></b>																
City of Laguna Beach																
City of San Juan Capistrano																
Emerald Bay Service District																
El Toro Water District																
Moulton Niguel Water District																
South Coast Water District																
Santa Margarita Water District																
<b>Total Grant Revenue</b>																
<b>Recycling Income<sup>6</sup></b>																
City of Laguna Beach																
City of San Juan Capistrano																
Emerald Bay Service District																
El Toro Water District																
Moulton Niguel Water District																
South Coast Water District																
Santa Margarita Water District																
<b>Total Recycling Income</b>																
PC 23 Admin Charge - CLB																
<b>Total Other Revenues (Expenses)</b>																
<b>Total Non-Operating Revenue</b>																

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**South Orange County Wastewater Authority**  
**Statements of Revenues, Expenses and Changes in Net Position by Project Committee and Member Agency**  
**For the year ended June 30, 2022**

General Agency	JB Latham Treatment Plant PC 2	3A AWT Plant PC 3	San Juan Creek Ocean Outfall PC 5	Pre Treatment Program PC 8	Wastewater Discharge Permitting PC 12 (2SO)	Coastal Treatment Plant PC 15	Joint Regional Treatment Plant PC 17	Effluent Transmission Main PC 21	North Coast Interceptor PC23	Aliso Creek Ocean Outfall PC 24	SOCWA before PC 10 & 23	*North Coast Interceptor PC23	*San Clemente Land Outfall PC 10	SOCWA Consolidated	Board Approved Allocation %'s
01															
<b>CAPITAL CONTRIBUTIONS FROM MEMBER AGENCIES<sup>3</sup></b>															
Member Agency Assessments:															
City of Laguna Beach						2,529,794	26,719			13,223	2,569,736			2,569,736	
City of San Clemente			20,318								20,318			20,318	
City of San Juan Capistrano	1,849,384		13,544								1,862,928			1,862,928	
Emerald Bay Service District						199,196	1,410			939	201,544			201,544	
El Toro Water District							48,496			19,595	68,091			68,091	
Irvine Ranch Water District										18,945	18,945			18,945	
Moulton Niguel Water District	1,355,556		18,960			1,952,764	2,398,979			52,709	5,778,969			5,778,969	
South Coast Water District	1,442,576		15,243			2,032,700	21,338			14,798	3,526,656			3,526,656	
Santa Margarita Water District	1,452,591		54,176								1,506,767			1,506,767	
Total	6,100,106		122,242			6,714,455	2,496,942	-		120,210	15,553,954			15,553,954	
Change in Net Position	(24,484)	2,643,752	(164,391)	(4,547)	(47,568)	(4,895)	4,042,530	(634,487)	(257,188)	(258,992)	76,379	5,366,109	455,265	(44,404)	5,776,969

<sup>3</sup>Distributed by Project Committee and Member Agency based on Large Capital Cash Balance as of 6/30/2022.

<sup>4</sup>Grant Revenue from Southern California Edison and SDG&E for Co-Gen Projects; energy generation; distributed by project committee and member agency in cash roll forward.

<sup>5</sup> Distributed by Member Agency using capital common ownership percentages.

<sup>6</sup>Large Capital, Non-Capital and Small Capital quarterly billings Net of Use Audit and Large Capital Refunds.

<sup>7</sup>Lease Interest Expense based on PC 02 Common Capital Ownership Member Agency Percentages.

**Right to Use Assets:**

- Office Space, JBL, and Engineering Trailer
- Printers and Copiers, 2 Xerox large copiers at JBL office building, 1 Xerox at JBL Engineering Trailer

# Agenda Item

# 5.I.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Mary Carey, Finance Controller

**SUBJECT:** Financial Reports for the Month of October 2022

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## Summary/Discussion

The following selected financial reports are routinely provided monthly to the Finance Committee for recommendation to the Board of Directors to ratify Cash Disbursements and receive and file the remaining documents.

The reports included are as follows:

- a. Summary of Disbursements for October 2022 (Exhibit A)
- b. Schedule of Funds Available for Reinvestment (Exhibit B)
  - Local Agency Investment Fund (LAIF)
- c. Schedule of Cash and Investments (Exhibit C)
- d. Capital Schedule (Exhibit D)
  - Capital Projects – Graph (Exhibit D-1)
- e. Budget vs. Actual Expenses:
  - Operations and Environmental Summary (Exhibit E-1)
  - Operations and Environmental by PC (E-1.2)
  - Residual Engineering, after transfer to Capital (Exhibit E-2)
  - Administration (Exhibit E-3)
  - Information Technology (IT) (Exhibit E-4)

## Fiscal impact

October 2022 cash disbursements were: \$ 2,836,868

- Monthly disbursements are summarized in the attached Exhibit A.
- The attached Exhibits B, C, D and E are informational reports only.

**Recommended Action:** The Finance Committee recommends that the Board of Directors to ratify the October 2022 disbursements for the period from October 1, 2022, through October 31, 2022, totaling \$2,836,868, and to receive and file the October 2022 Financial Reports as submitted.

**Exhibit A**

**South Orange County Wastewater Authority  
Summary of Disbursements for October 2022  
Staff Recommendation of Fiscal Matters**

	<b>Actual</b>
General Fund	\$ (340,005)
PC 2 - Jay B. Latham Plant	(1,253,306)
PC 5 - San Juan Creek Ocean Outfall	(55,773)
PC 8 - Pretreatment Program	(16,912)
PC 12 SO - Water Reclamation Permits	(1,807)
PC 15 - Coastal Treatment Plant/AWT	(294,509)
PC 17 - Joint Regional Wastewater Reclamation	(831,497)
PC 21 - Effluent Transmission Main	(1,075)
PC 23 - North Coast Interceptor	-
PC 24 - Aliso Creek Ocean Outfall	(41,984)
<b>Total</b>	<b><u>\$ (2,836,868)</u></b>

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY  
SCHEDULE OF FUNDS AVAILABLE FOR REINVESTMENT  
as of October 30, 2022**

CASH IN BANK: (BEGINNING BAL.)	\$ 1,309,157
L.A.I.F. FUNDS: (BEGINNING BAL.)	6,070,692
DEPOSITS, TRANSFERS & ADJUSTMENTS:	402,101
FUND REQUIREMENTS:	
BILLS FOR CONSIDERATION <sup>1</sup>	<u>(2,836,868)</u>
<b>TOTAL CASH IN BANK</b>	<b><u>\$ 4,945,082</u></b>

<sup>1</sup> GL postings.

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

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

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

**Betty Burnett**  
**General Manager**

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



## PMIA/LAIF Performance Report as of 11/16/22



### PMIA Average Monthly Effective Yields<sup>(1)</sup>

October	1.772
September	1.513
August	1.276

### Quarterly Performance Quarter Ended 09/30/22

LAIF Apportionment Rate <sup>(2)</sup> :	1.35
LAIF Earnings Ratio <sup>(2)</sup> :	0.00003699565555327
LAIF Fair Value Factor <sup>(1)</sup> :	0.980760962
PMIA Daily <sup>(1)</sup> :	1.63%
PMIA Quarter to Date <sup>(1)</sup> :	1.29%
PMIA Average Life <sup>(1)</sup> :	304

### Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 10/31/22 \$215.3 billion

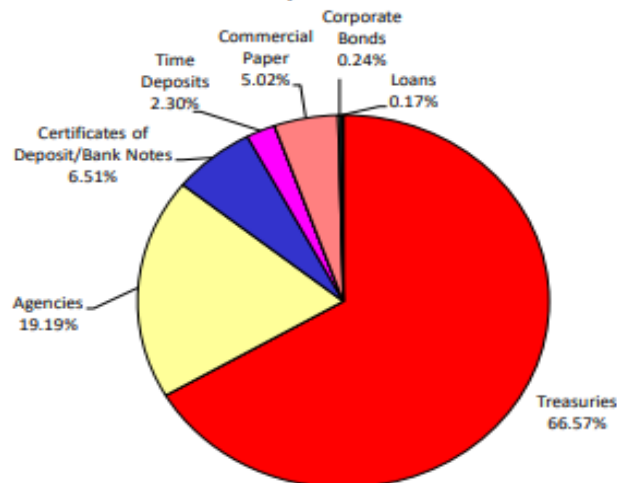


Chart does not include \$3,715,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller

**Exhibit C**

**South Orange County Wastewater Authority  
Schedule of Cash and Investments  
as of October 31, 2022**

MVA	\$ 306,033	(A)
A/P Checking	1,418,565	(B)
Payroll Checking	114,811	(C)
State LAIF	3,105,673	(D)
<b>Total Cash in Bank<sup>1</sup></b>	<b>\$ 4,945,082</b>	
Petty Cash	1,600	(E)
<b>Total Operating Cash</b>	<b>\$ 4,946,682</b>	
OPEB Trust	5,658,865	(F)
<b>Total Cash and Investments</b>	<b>\$ 10,605,547</b>	

<sup>1</sup>Bank balance at the end of a month may differ from an accounting closing balance as there may be in-transit items that haven't cleared the bank.

Notes:

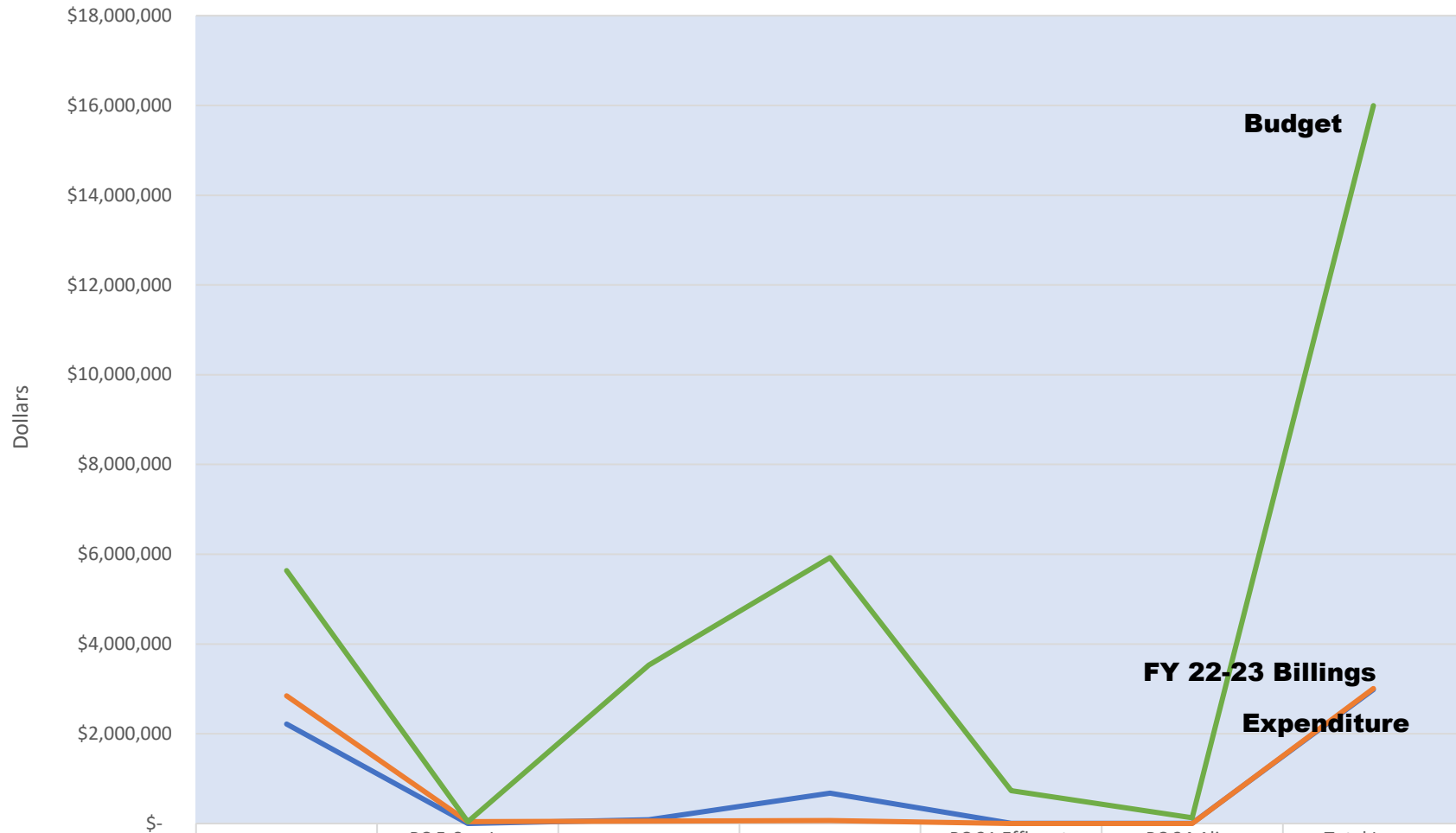
- (A) Interest bearing account; all cash receipts are deposited in this account and later moved to the LAIF account.
- (B) Accounts Payable Checks are drawn against this account; money is transferred to this account, as needed, from the LAIF account.
- (C) Payroll including payroll taxes and related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

**South Orange County Wastewater Authority  
Capital Projects Summaries  
For the Period Ended October 31, 2022  
(in dollars)**

<b>FY 2022-23 Budget vs. Actual Spending</b>								
<b>Description</b>	<b>Capital Budget</b>	<b>Fiscal Year Spending</b>	<b>(Over)/ Under Budget</b>	<b>% Expended</b>	<b>Member Agency Billed</b>	<b>Member Agency Collections</b>	<b>Open Receivables</b>	<b>% Expended vs. Billed</b>
PC 2-JB Latham	\$ 5,638,569	\$ 2,218,285	\$ 3,420,284	39.3%	\$ 2,845,405	\$ 1,680,405	\$ 1,165,000	78.0%
PC 5-San Juan Creek Outfall	39,064	-	39,064	-	39,064	6,492	32,572	-
PC 15-Coastal	3,529,980	85,114	3,444,866	2.4%	56,250	17,925	38,325	151.3%
PC 17-Regional	5,928,616	675,351	5,253,265	11.4%	67,155	28,048	39,107	1005.7%
PC 21 Effluent Transmission	732,810	2,027	730,783	0.3%	-	-	-	-
PC 24 Aliso Creek Outfall	127,065	3,428	123,637	0.0%	-	-	-	-
<b>Total Large Capital</b>	<b>\$ 15,996,104</b>	<b>\$ 2,984,205</b>	<b>\$ 13,011,899</b>	<b>18.7%</b>	<b>\$ 3,007,874</b>	<b>\$ 1,732,870</b>	<b>\$ 1,275,004</b>	<b>99.2%</b>
Non-Capital Engineering	217,326	14,582	202,744	6.7%	75,000	17,760	57,240	19.4%
Non-Capital Misc Engineering	17,500	11,009	6,491	62.9%	-	-	-	-
Small Internal Capital	2,061,000	452,574	1,608,426	22.0%	1,030,500	453,238	577,262	43.9%
<b>Total Capital</b>	<b>\$ 18,291,930</b>	<b>\$ 3,462,370</b>	<b>\$ 14,829,560</b>	<b>18.9%</b>	<b>\$ 4,113,374</b>	<b>\$ 2,203,868</b>	<b>\$ 1,909,506</b>	<b>84.2%</b>

## Large Capital Projects Fiscal Year '22-23 Budget vs. Year-to-Date Expenditures & Billings as of 10/31/2022

Exhibit D-1



	PC 2-JB Latham	PC 5-San Juan Creek Outfall	PC 15-Coastal	PC 17-Regional	PC 21 Effluent Transmission	PC 24 Aliso Creek Outfall	Total Large Capital
Spent - YTD 10/31/22	\$2,218,285	-	\$85,114	\$675,351	\$2,027.20	3,428.34	\$2,984,205
FY 22-23 Billings	\$2,845,405	39,064.00	\$56,250	\$67,155	-	-	\$3,007,874
Capital Budget 22-23	\$5,638,569	39,064.00	\$3,529,980	\$5,928,616	\$732,810	\$127,065	\$15,996,104



**South Orange County Wastewater Authority**  
**O & M & Environmental Safety Costs Summary<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
<b>Salary and Fringe</b>					
**5000-**-**_**	Regular Salaries-O&M	4,931,084	1,534,564	3,396,520	31.1%
**5001-**-**_**	Overtime Salaries-O&M	73,524	46,181	27,343	62.8%
**5306-**-**_**	Scheduled Holiday Work	86,468	14,879	71,589	17.2%
**5315-**-**_**	Comp Time - O&M	16,920	5,111	11,809	30.2%
**5401-**-**_**	Fringe Benefits IN to PC's & Depts.	2,572,272	800,501	1,771,771	31.1%
**5700-**-**_**	Standby Pay	70,000	22,620	47,380	32.3%
	Total Payroll Costs	7,750,268	2,423,856	5,326,412	31.3%
<b>Other Expenses</b>					
**5002-**-**_**	Electricity	1,253,828	420,163	833,665	33.5%
**5003-**-**_**	Natural Gas	268,200	151,451	116,749	56.5%
**5004-**-**_**	Potable & Reclaimed Water	87,008	25,686	61,322	29.5%
**5005-**-**_**	Co-generation Power Credit	(1,050,004)	(517,389)	(532,615)	49.3%
**5006-**-**_**	Chlorine/Sodium Hypochlorite	554,000	271,876	282,124	49.1%
**5007-**-**_**	Polymer Products	789,548	387,376	402,172	49.1%
**5008-**-**_**	Ferric Chloride	688,256	351,391	336,865	51.1%
**5009-**-**_**	Odor Control Chemicals	117,572	44,118	73,454	37.5%
**5010-**-**_**	Other Chemicals - Misc.	2,004	-	2,004	-
**5011-**-**_**	Laboratory Services	65,724	15,700	50,024	23.9%
**5012-**-**_**	Grit Hauling	124,472	37,586	86,886	30.2%
**5013-**-**_**	Landscaping	219,008	63,096	155,912	28.8%
**5014-**-**_**	Engineering - Misc.	-	-	-	-
**5015-**-**_**	Management Support Services	501,512	10,958	490,554	2.2%
**5017-**-**_**	Legal Fees	23,688	10,638	13,050	44.9%
**5018-**-**_**	Public Notices/ Public Relations	3,732	-	3,732	-
**5019-**-**_**	Contract Services Misc.	320,996	93,326	227,670	29.1%
**5021-**-**_**	Small Vehicle Expense	23,104	13,000	10,104	56.3%
**5022-**-**_**	Miscellaneous Expense	15,988	1,728	14,260	10.8%
**5023-**-**_**	Office Supplies - All	46,008	9,428	36,580	20.5%
**5024-**-**_**	Petroleum Products	34,000	13,609	20,391	40.0%
**5025-**-**_**	Uniforms	71,004	30,649	40,355	43.2%
**5026-**-**_**	Small Vehicle Fuel	22,764	5,022	17,742	22.1%
**5027-**-**_**	Insurance - Property/Liability	491,248	384,563	106,685	78.3%
**5028-**-**_**	Small Tools & Supplies	80,600	22,470	58,130	27.9%
**5030-**-**_**	Trash Disposal	8,500	2,642	5,858	31.1%
**5031-**-**_**	Safety Program & Supplies	112,712	43,091	69,621	38.2%
**5032-**-**_**	Equipment Rental	7,004	6,235	769	89.0%
**5033-**-**_**	Recruitment	2,316	1,344	972	58.0%
**5034-**-**_**	Travel Expense/Tech. Conferences	73,736	8,201	65,535	11.1%
**5035-**-**_**	Training Expense	73,052	9,723	63,329	13.3%
**5036-**-**_**	Laboratory Supplies	121,144	40,340	80,804	33.3%
**5037-**-**_**	Office Equipment	25,992	3,025	22,967	11.6%
**5038-**-**_**	Permits	593,908	24,108	569,800	4.1%
**5039-**-**_**	Membership Dues/Fees	25,120	3,733	21,387	14.9%
**5044-**-**_**	Offshore Monitoring	80,000	45,130	34,870	56.4%
**5045-**-**_**	Offshore Biochemistry - 20B	30,004	-	30,004	-
**5046-**-**_**	Effluent Chemistry	44,992	25,647	19,345	57.0%
**5047-**-**_**	Access Road Expenses	45,000	-	45,000	-
**5048-**-**_**	Storm Damage	21,000	-	21,000	-
**5049-**-**_**	Biosolids Disposal	1,568,996	613,382	955,614	39.1%
**5050-**-**_**	Contract Services Generators - 29A	28,008	4,051	23,957	14.5%
**5052-**-**_**	Janitorial Services	101,004	25,563	75,441	25.3%

**South Orange County Wastewater Authority**  
**O & M & Environmental Safety Costs Summary<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
**5053-**-**-**	Contract Serv - Digester Cleaning - 29E	60,000	33,195	26,805	55.3%
**5054-**-**-**	Diesel Truck Maint	41,996	16,057	25,939	38.2%
**5055-**-**-**	Diesel Truck Fuel	11,496	8,348	3,148	72.6%
**5056-**-**-**	Maintenance Equip. & Facilities (Solids)	361,000	147,186	213,814	40.8%
**5057-**-**-**	Maintenance Equip. & Facilities (Liquids)	589,996	182,124	407,872	30.9%
**5058-**-**-**	Maintenance Equip. & Facilities (Common)	90,008	35,176	54,832	39.1%
**5059-**-**-**	Maintenance Equip. & Facilities (Co-Gen)	715,996	339,797	376,199	47.5%
**5060-**-**-**	Maintenance Equip. & Facilities (AWT)	88,000	32,399	55,601	36.8%
**5061-**-**-**	Mileage	3,652	593	3,059	16.2%
**5068-**-**-**	MNWD Potable Water Supplies & Svcs.	44,000	11,297	32,703	25.7%
**5076-**-**-**	SCADA Infrastructure	92,128	-	92,128	-
**5077-**-**-**	IT Direct	45,004	41,822	3,182	92.9%
**5105-**-**-**	Co-Generation Power Credit - Offset	1,050,000	517,389	532,611	49.3%
**5303-**-**-**	Group Insurance Waiver	18,000	6,120	11,880	34.0%
**5305-**-**-**	Medicare Tax Payments for Employees	2,388	658	1,730	27.5%
**5309-**-**-**	Operating Leases	28,004	7,673	20,331	27.4%
**5705-**-**-**	Monthly Car Allowance	35,400	10,618	24,782	30.0%
**5799-**-**-**	Zephyr Wall Costs Share-O&M	(14,000)	(14,000)	-	100.0%
**6500-**-**-**	IT Allocations in to PC's & Depts.	609,236	199,978	409,258	32.8%
	Total Other Expenses	11,589,052	4,279,088	7,309,964	36.9%
<b>Total O&amp;M Expenses</b>		<b>19,339,320</b>	<b>6,702,945</b>	<b>12,636,375</b>	<b>34.7%</b>

<sup>1</sup> This report intends to monitor the Annual Budget % Expended at the Project Committee and Functional Department levels.

The financial information contained in this report, in some cases, is based on the full accrual basis of accounting, whereby expenses are recognized in the period in which the liability is incurred, i.e., payroll and fringe benefits.

There are instances where we will include the total expense for the entire accounting fiscal year if the information is available, i.e., property and liability insurance premiums.

The audited financial statements for the fiscal year recognize all expenses on the full accrual basis of accounting.

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

FY 2022-23 Budget	Actual	(Over)/Under Budget	% Expended
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**02 - Jay B. Latham Plant**

## Salary and Fringe

02-5000-**-**-**	Regular Salaries-O&M	1,699,352	551,980	1,147,372	32.5%
02-5001-**-**-**	Overtime Salaries-O&M	27,144	16,376	10,768	60.3%
02-5306-**-**-**	Scheduled Holiday Work	37,836	7,682	30,154	20.3%
02-5315-**-**-**	Comp Time - O&M	8,056	2,442	5,614	30.3%
02-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	886,460	287,939	598,521	32.5%
02-5700-**-**-**	Standby Pay	26,000	9,588	16,413	36.9%
	<b>Total Payroll Costs</b>	<b>2,684,848</b>	<b>876,007</b>	<b>1,808,841</b>	<b>32.6%</b>

## Other Expenses

02-5002-**-**-**	Electricity	534,828	192,275	342,553	36.0%
02-5003-**-**-**	Natural Gas	165,128	74,052	91,076	44.8%
02-5004-**-**-**	Potable & Reclaimed Water	26,004	8,391	17,613	32.3%
02-5006-**-**-**	Chlorine/Sodium Hypochlorite	9,000	7,032	1,968	78.1%
02-5007-**-**-**	Polymer Products	319,544	168,757	150,787	52.8%
02-5008-**-**-**	Ferric Chloride	255,252	108,675	146,577	42.6%
02-5009-**-**-**	Odor Control Chemicals	23,568	13,969	9,599	59.3%
02-5010-**-**-**	Other Chemicals - Misc.	1,000	-	1,000	-
02-5011-**-**-**	Laboratory Services	19,712	6,168	13,544	31.3%
02-5012-**-**-**	Grit Hauling	59,468	20,981	38,487	35.3%
02-5013-**-**-**	Landscaping	77,004	21,508	55,496	27.9%
02-5015-**-**-**	Management Support Services	30,008	6,484	23,524	21.6%
02-5017-**-**-**	Legal Fees	4,996	1,705	3,291	34.1%
02-5019-**-**-**	Contract Services Misc.	82,000	29,995	52,005	36.6%
02-5021-**-**-**	Small Vehicle Expense	11,000	6,889	4,111	62.6%
02-5022-**-**-**	Miscellaneous Expense	8,000	514	7,486	6.4%
02-5023-**-**-**	Office Supplies - All	29,000	4,245	24,755	14.6%
02-5024-**-**-**	Petroleum Products	11,000	5,097	5,903	46.3%
02-5025-**-**-**	Uniforms	34,008	13,588	20,420	40.0%
02-5026-**-**-**	Small Vehicle Fuel	10,004	1,900	8,104	19.0%
02-5027-**-**-**	Insurance - Property/Liability	167,039	134,582	32,457	80.6%
02-5028-**-**-**	Small Tools & Supplies	38,000	7,473	30,527	19.7%
02-5030-**-**-**	Trash Disposal	3,000	405	2,595	13.5%
02-5031-**-**-**	Safety Program & Supplies	39,248	15,905	23,343	40.5%
02-5032-**-**-**	Equipment Rental	3,000	-	3,000	-
02-5033-**-**-**	Recruitment	1,000	733	267	73.3%
02-5034-**-**-**	Travel Expense/Tech. Conferences	20,596	2,926	17,670	14.2%
02-5035-**-**-**	Training Expense	25,352	3,421	21,931	13.5%
02-5036-**-**-**	Laboratory Supplies	21,000	5,872	15,128	28.0%
02-5037-**-**-**	Office Equipment	13,000	370	12,630	2.8%
02-5038-**-**-**	Permits	26,500	19,800	6,700	74.7%
02-5039-**-**-**	Membership Dues/Fees	5,808	709	5,099	12.2%
02-5049-**-**-**	Biosolids Disposal	687,000	210,532	476,468	30.6%
02-5050-**-**-**	Contract Services Generators - 29A	10,004	-	10,004	-
02-5052-**-**-**	Janitorial Services	47,000	13,753	33,247	29.3%
02-5053-**-**-**	Contract Serv - Digester Cleaning - 29E	60,000	33,195	26,805	55.3%
02-5054-**-**-**	Diesel Truck Maint	21,996	7,694	14,302	35.0%
02-5055-**-**-**	Diesel Truck Fuel	2,996	3,274	(278)	109.3%
02-5056-**-**-**	Maintenance Equip. & Facilities (Solids)	150,000	115,169	34,831	76.8%
02-5057-**-**-**	Maintenance Equip. & Facilities (Liquids)	230,000	89,556	140,444	38.9%
02-5058-**-**-**	Maintenance Equip. & Facilities (Common)	29,000	20,975	8,025	72.3%

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
02-5059-**-**-**	Maintenance Equip. & Facilities (Co-Gen)	277,000	66,302	210,698	23.9%
02-5061-**-**-**	Mileage	2,148	247	1,901	11.5%
02-5076-**-**-**	SCADA Infrastructure	27,832	-	27,832	-
02-5077-**-**-**	IT Direct	15,004	13,941	1,063	92.9%
02-5303-**-**-**	Group Insurance Waiver	7,204	2,506	4,698	34.8%
02-5309-**-**-**	Operating Leases	22,000	7,673	14,327	34.9%
02-5705-**-**-**	Monthly Car Allowance	22,800	6,402	16,398	28.1%
02-5799-**-**-**	Zephyr Wall Costs Share-O&M	(14,000)	(14,000)	-	100.0%
02-6500-**-**-**	IT Allocations in to PC's & Depts.	211,980	69,581	142,399	32.8%
	Total Other Expenses	3,884,031	1,531,221	2,352,810	39.4%
	Total Expenses	6,568,879	2,407,227	4,161,652	36.6%
<b>05 - San Juan Creek Ocean Outfall</b>					
Salary and Fringe					
05-5000-**-**-**	Regular Salaries-O&M	108,564	42,381	66,183	39.0%
05-5001-**-**-**	Overtime Salaries-O&M	72	115	(43)	159.9%
05-5306-**-**-**	Scheduled Holiday Work	440	44	396	9.9%
05-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	56,628	22,108	34,520	39.0%
	Total Payroll Costs	165,704	64,648	101,056	39.0%
Other Expenses					
05-5015-**-**-**	Management Support Services	125,004	2,232	122,772	1.8%
05-5017-**-**-**	Legal Fees	2,008	671	1,337	33.4%
05-5026-**-**-**	Small Vehicle Fuel	500	-	500	-
05-5027-**-**-**	Insurance - Property/Liability	18,420	14,203	4,217	77.1%
05-5031-**-**-**	Safety Supplies	1,004	-	1,004	-
05-5034-**-**-**	Travel Expense/Tech. Conferences	5,592	1,313	4,279	23.5%
05-5035-**-**-**	Training Expense	2,500	-	2,500	-
05-5036-**-**-**	Laboratory Supplies	35,000	6,317	28,683	18.0%
05-5038-**-**-**	Permits	275,000	-	275,000	-
05-5039-**-**-**	Membership Dues/Fees	2,000	-	2,000	-
05-5044-**-**-**	Offshore Monitoring	40,000	24,325	15,675	60.8%
05-5045-**-**-**	Offshore Biochemistry - 20B	15,004	-	15,004	-
05-5046-**-**-**	Effluent Chemistry	22,496	20,931	1,565	93.0%
05-5058-**-**-**	Maintenance Equip. & Facilities (Common)	1,004	-	1,004	-
05-6500-**-**-**	IT Allocations in to PC's & Depts.	13,148	4,316	8,832	32.8%
	Total Other Expenses	558,680	74,308	484,372	13.3%
	Total Expenses	724,384	138,955	585,429	19.2%

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		FY 2022-23 Budget	Actual	(Over)/Under Budget	% Expended
<b>08 - Pre Treatment</b>					
Salary and Fringe					
08-5000-**-**-**	Regular Salaries-O&M	116,396	36,731	79,665	31.6%
08-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	60,716	19,160	41,556	31.6%
	Total Payroll Costs	177,112	55,891	121,221	31.6%
Other Expenses					
08-5011-**-**-**	Laboratory Services	3,004	1,440	1,564	47.9%
08-5015-**-**-**	Management Support Services	20,004	-	20,004	-
08-5017-**-**-**	Legal Fees	2,672	-	2,672	-
08-5018-**-**-**	Public Notices/ Public Relations	3,732	-	3,732	-
08-5021-**-**-**	Small Vehicle Expense - 31A	1,100	-	1,100	-
08-5022-**-**-**	Miscellaneous Expense	1,984	-	1,984	-
08-5026-**-**-**	Small Vehicle Fuel - 37A	1,256	-	1,256	-
08-5027-**-**-**	Insurance - Property/Liability	6,141	4,735	1,406	77.1%
08-5028-**-**-**	Small Tools & Supplies	3,600	-	3,600	-
08-5034-**-**-**	Travel Expense/Tech. Conferences	3,496	-	3,496	-
08-5035-**-**-**	Training Expense	2,000	-	2,000	-
08-5038-**-**-**	Permits and Fines	504	-	504	-
08-5039-**-**-**	Membership Dues/Fees	796	110	686	13.8%
08-6500-**-**-**	IT Allocations in to PC's & Depts.	14,092	4,626	9,466	32.8%
	Total Other Expenses	64,381	10,911	53,470	16.9%
	Total Expenses	241,493	66,802	174,691	27.7%
<b>12 - Water Reclamation Permits</b>					
Salary and Fringe					
12-5000-**-**-**	Regular Salaries-O&M	88,952	5,547	83,405	6.2%
12-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	46,400	2,894	43,506	6.2%
	Total Payroll Costs	135,352	8,441	126,911	6.2%
Other Expenses					
12-5014-**-**-**	Engineering - Misc.	-	-	-	-
12-5015-**-**-**	Management Support Services	164,996	-	164,996	-
12-5017-**-**-**	Legal Fees	2,000	-	2,000	-
12-5027-**-**-**	Insurance - Property/Liability	8,884	6,850	2,034	77.1%
12-5034-**-**-**	Travel Expense/Tech. Conferences	4,796	606	4,190	12.6%
12-5038-**-**-**	Permits	22,508	-	22,508	-
12-5039-**-**-**	Membership Dues/Fees	68	-	68	-
12-6500-**-**-**	IT Allocations in to PC's & Depts.	10,764	3,533	7,231	32.8%
	Total Other Expenses	214,016	10,990	203,026	5.1%
	Total Expenses	349,368	19,431	329,937	5.6%

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

FY 2022-23 Budget	Actual	(Over)/Under Budget	% Expended
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**15 - Coastal Treatment Plant**

## Salary and Fringe

15-5000-**-**	Regular Salaries-O&M	954,888	298,948	655,940	31.3%
15-5001-**-**	Overtime Salaries-O&M	11,216	7,117	4,099	63.5%
15-5306-**-**	Scheduled Holiday Work	15,672	1,456	14,216	9.3%
15-5315-**-**	Comp Time - O&M	1,996	1,926	70	96.5%
15-5401-**-**	Fringe Benefits IN to PC's & Depts.	498,120	155,945	342,175	31.3%
15-5700-**-**	Standby Pay	17,000	3,478	13,523	20.5%
	<b>Total Payroll Costs</b>	<b>1,498,892</b>	<b>468,870</b>	<b>1,030,022</b>	<b>31.3%</b>

## Other Expenses

15-5002-**-**	Electricity	235,000	109,008	125,992	46.4%
15-5003-**-**	Natural Gas	3,000	194	2,806	6.5%
15-5004-**-**	Potable & Reclaimed Water	25,004	7,338	17,666	29.3%
15-5006-**-**	Chlorine/Sodium Hypochlorite	90,000	47,722	42,278	53.0%
15-5007-**-**	Polymer Products	1,000	-	1,000	-
15-5008-**-**	Ferric Chloride	70,000	44,449	25,551	63.5%
15-5009-**-**	Odor Control Chemicals	52,004	13,707	38,297	26.4%
15-5011-**-**	Laboratory Services	20,000	3,644	16,356	18.2%
15-5012-**-**	Grit Hauling	21,004	5,695	15,309	27.1%
15-5013-**-**	Landscaping	57,000	19,527	37,473	34.3%
15-5015-**-**	Management Support Services	11,500	4	11,496	0.0%
15-5017-**-**	Legal Fees	5,000	621	4,379	12.4%
15-5019-**-**	Contract Services Misc.	110,000	29,401	80,599	26.7%
15-5021-**-**	Small Vehicle Expense - 31A	4,004	385	3,619	9.6%
15-5022-**-**	Miscellaneous Expense	1,000	-	1,000	-
15-5023-**-**	Office Supplies - All	4,004	1,707	2,297	42.6%
15-5024-**-**	Petroleum Products	3,000	4,110	(1,110)	137.0%
15-5025-**-**	Uniforms	9,000	3,629	5,371	40.3%
15-5026-**-**	Small Vehicle Fuel	2,000	1,037	963	51.9%
15-5027-**-**	Insurance - Property/Liability	72,916	56,222	16,694	77.1%
15-5028-**-**	Small Tools & Supplies	9,000	4,344	4,656	48.3%
15-5030-**-**	Trash Disposal	2,996	1,277	1,719	42.6%
15-5031-**-**	Safety Supplies	32,804	11,786	21,018	35.9%
15-5032-**-**	Equipment Rental	1,000	-	1,000	-
15-5033-**-**	Recruitment	312	64	248	20.5%
15-5034-**-**	Travel Expense/Tech. Conferences	13,072	545	12,527	4.2%
15-5035-**-**	Training Expense	17,148	2,596	14,552	15.1%
15-5036-**-**	Laboratory Supplies	14,000	10,642	3,358	76.0%
15-5037-**-**	Office Equipment	2,996	2,655	341	88.6%
15-5038-**-**	Permits	6,996	2,109	4,888	30.1%
15-5039-**-**	Membership Dues/Fees	4,800	937	3,863	19.5%
15-5047-**-**	Access Road Expenses	45,000	-	45,000	-
15-5048-**-**	Storm Damage	21,000	-	21,000	-
15-5050-**-**	Contract Services Generators	5,000	4,051	949	81.0%
15-5052-**-**	Janitorial Services	12,004	3,732	8,272	31.1%
15-5054-**-**	Diesel Truck Maint - 31B	1,000	-	1,000	-
15-5055-**-**	Diesel Truck Fuel - 37B	500	-	500	-
15-5057-**-**	Maintenance Equip. & Facilities (Liquids)	144,996	31,989	113,007	22.1%
15-5058-**-**	Maintenance Equip. & Facilities (Common)	23,000	2,672	20,328	11.6%
15-5060-**-**	Maintenance Equip. & Facilities (AWT)	38,000	20,309	17,691	53.4%
15-5061-**-**	Mileage	500	187	313	37.3%

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
15-5076-**-**-**	SCADA Infrastructure	32,296	-	32,296	-
15-5077-**-**-**	IT Direct	15,000	13,941	1,059	92.9%
15-5303-**-**-**	Group Insurance Waiver	3,600	1,205	2,395	33.5%
15-5305-**-**-**	Medicare Tax Payments for Employees	2,240	658	1,582	29.4%
15-5705-**-**-**	Monthly Car Allowance	4,200	1,405	2,795	33.5%
15-6500-**-**-**	IT Allocations in to PC's & Depts.	118,660	38,949	79,711	32.8%
	Total Other Expenses	1,368,556	504,451	864,105	36.9%
	Total Expenses	2,867,448	973,321	1,894,127	33.9%
<b>17 - Joint Regional Wastewater Reclamation and Sludge Handling</b>					
Salary and Fringe					
17-5000-**-**-**	Regular Salaries-O&M	1,844,716	563,505	1,281,211	30.5%
17-5001-**-**-**	Overtime Salaries-O&M	34,472	22,509	11,963	65.3%
17-5306-**-**-**	Scheduled Holiday Work	32,244	5,697	26,547	17.7%
17-5315-**-**-**	Comp Time - O&M	6,868	743	6,125	10.8%
17-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	962,288	293,951	668,337	30.5%
17-5700-**-**-**	Standby Pay	27,000	9,555	17,445	35.4%
	Total Payroll Costs	2,907,588	895,960	2,011,628	30.8%
Other Expenses					
17-5002-**-**-**	Electricity	484,000	118,879	365,121	24.6%
17-5003-**-**-**	Natural Gas	100,072	77,204	22,868	77.1%
17-5004-**-**-**	Potable & Reclaimed Water	36,000	9,957	26,043	27.7%
17-5005-**-**-**	Co-generation Power Credit	(1,050,004)	(517,389)	(532,615)	49.3%
17-5006-**-**-**	Chlorine/Sodium Hypochlorite	455,000	217,122	237,878	47.7%
17-5007-**-**-**	Polymer Products	469,004	218,619	250,386	46.6%
17-5008-**-**-**	Ferric Chloride	363,004	198,267	164,737	54.6%
17-5009-**-**-**	Odor Control Chemicals	42,000	16,442	25,558	39.1%
17-5010-**-**-**	Other Chemicals - Misc.	1,004	-	1,004	-
17-5011-**-**-**	Laboratory Services	23,008	4,449	18,559	19.3%
17-5012-**-**-**	Grit Hauling - 21A	44,000	10,910	33,090	24.8%
17-5013-**-**-**	Landscaping	85,004	22,061	62,943	26.0%
17-5015-**-**-**	Management Support Services	24,996	4	24,992	0.0%
17-5017-**-**-**	Legal Fees	5,004	6,971	(1,967)	139.3%
17-5019-**-**-**	Contract Services Misc.	110,000	33,930	76,070	30.8%
17-5021-**-**-**	Small Vehicle Expense	7,000	5,726	1,274	81.8%
17-5022-**-**-**	Miscellaneous Expense	5,004	1,214	3,790	24.3%
17-5023-**-**-**	Office Supplies - All	13,004	3,475	9,529	26.7%
17-5024-**-**-**	Petroleum Products	20,000	4,402	15,598	22.0%
17-5025-**-**-**	Uniforms	27,996	13,431	14,565	48.0%
17-5026-**-**-**	Small Vehicle Fuel	9,004	2,085	6,919	23.2%
17-5027-**-**-**	Insurance - Property/Liability	199,964	154,182	45,782	77.1%
17-5028-**-**-**	Small Tools & Supplies	30,000	10,654	19,346	35.5%
17-5030-**-**-**	Trash Disposal	2,504	960	1,544	38.4%
17-5031-**-**-**	Safety Supplies	38,652	15,400	23,252	39.8%
17-5032-**-**-**	Equipment Rental	3,004	6,235	(3,231)	207.6%
17-5033-**-**-**	Recruitment	1,004	547	457	54.5%
17-5034-**-**-**	Travel Expense/Tech. Conferences	20,592	1,040	19,552	5.0%
17-5035-**-**-**	Training Expense	25,148	3,706	21,442	14.7%
17-5036-**-**-**	Laboratory Supplies	25,144	12,958	12,186	51.5%
17-5037-**-**-**	Office Equipment	9,996	-	9,996	-

**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
17-5038-**-**-**	Permits	15,000	2,199	12,801	14.7%
17-5039-**-**-**	Membership Dues/Fees	5,804	1,976	3,828	34.1%
17-5049-**-**-**	Biosolids Disposal	881,996	402,850	479,146	45.7%
17-5050-**-**-**	Contract Services Generators - 29A	13,004	-	13,004	-
17-5052-**-**-**	Janitorial Services	42,000	8,078	33,922	19.2%
17-5054-**-**-**	Diesel Truck Maint	19,000	8,363	10,637	44.0%
17-5055-**-**-**	Diesel Truck Fuel	8,000	5,074	2,926	63.4%
17-5056-**-**-**	Maintenance Equip. & Facilities (Solids)	211,000	32,018	178,982	15.2%
17-5057-**-**-**	Maintenance Equip. & Facilities (Liquids)	215,000	60,579	154,421	28.2%
17-5058-**-**-**	Maintenance Equip. & Facilities (Common)	36,000	10,135	25,865	28.2%
17-5059-**-**-**	Maintenance Equip. & Facilities (Co-Gen)	438,996	273,494	165,502	62.3%
17-5060-**-**-**	Maintenance Equip. & Facilities (AWT)	50,000	12,090	37,910	24.2%
17-5061-**-**-**	Mileage	1,004	159	845	15.9%
17-5068-**-**-**	MNWD Potable Water Supplies & Svcs.	44,000	11,297	32,703	25.7%
17-5076-**-**-**	SCADA Infrastructure	32,000	-	32,000	-
17-5077-**-**-**	IT Direct	15,000	13,941	1,059	92.9%
17-5105-**-**-**	Co-Generation Power Credit - Offset	1,050,000	517,389	532,611	49.3%
17-5303-**-**-**	Group Insurance Waiver	7,196	2,409	4,787	33.5%
17-5305-**-**-**	Medicare Tax Payments for Employees	148	-	148	-
17-5309-**-**-**	Operating Leases	6,004	-	6,004	-
17-5705-**-**-**	Monthly Car Allowance	8,400	2,811	5,589	33.5%
17-6500-**-**-**	IT Allocations in to PC's & Depts.	226,420	74,321	152,099	32.8%
	Total Other Expenses	4,956,080	2,092,625	2,863,455	42.2%
	Total Expenses	7,863,668	2,988,585	4,875,083	38.0%
<b>21 - Effluent Transmission Main</b>					
	Salary and Fringe				
21-5000-**-**-**	Regular Salaries-O&M	1,156	-	1,156	-
21-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	600	-	600	-
	Total Payroll Costs	1,756	-	1,756	0.0%
	Other Expenses				
21-5019-**-**-**	Contract Services Misc.	18,996	-	18,996	-
21-5027-**-**-**	Insurance - Property/Liability	-	-	-	-
	Total Other Expenses	18,996	-	18,996	0.0%
	Total Expenses	20,752	-	20,752	0.0%
<b>24 - Aliso Creek Ocean Outfall</b>					
	Salary and Fringe				
24-5000-**-**-**	Regular Salaries-O&M	117,060	35,472	81,588	30.3%
24-5001-**-**-**	Overtime Salaries-O&M	620	65	555	10.4%
24-5306-**-**-**	Scheduled Holiday Work	276	-	276	-
24-5401-**-**-**	Fringe Benefits IN to PC's & Depts.	61,060	18,504	42,556	30.3%
	Total Payroll Costs	179,016	54,041	124,975	30.2%
	Other Expenses				
24-5015-**-**-**	Management Support Services	125,004	2,233	122,771	1.8%
24-5017-**-**-**	Legal Fees	2,008	671	1,337	33.4%
24-5027-**-**-**	Insurance - Property/Liability	17,884	13,789	4,095	77.1%



**South Orange County Wastewater Authority**  
**O&M Budget vs. Actual Comparison by PC<sup>1</sup>**  
For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
24-5031-**-**-**	Safety Supplies	1,004	-	1,004	-
24-5034-**-**-**	Travel Expense/Tech. Conferences	5,592	1,771	3,821	31.7%
24-5035-**-**-**	Training Expense	904	-	904	-
24-5036-**-**-**	Laboratory Supplies	26,000	4,553	21,447	17.5%
24-5038-**-**-**	Permits	247,400	-	247,400	-
24-5039-**-**-**	Membership Dues/Fees	5,844	-	5,844	-
24-5044-**-**-**	Offshore Monitoring	40,000	20,805	19,195	52.0%
24-5045-**-**-**	Offshore Biochemistry - 20B	15,000	-	15,000	-
24-5046-**-**-**	Effluent Chemistry	22,496	4,715	17,781	21.0%
24-5058-**-**-**	Maintenance Equip. & Facilities (Common) 41-C	1,004	1,394	(390)	138.8%
24-6500-**-**-**	IT Allocations in to PC's & Depts.	14,172	4,652	9,520	32.8%
	Total Other Expenses	524,312	54,583	469,729	10.4%
	Total Expenses	703,328	108,624	594,704	15.4%
<b>Total O&amp;M Expenses</b>		<b>19,339,320</b>	<b>6,702,945</b>	<b>12,636,375</b>	<b>34.7%</b>

<sup>1</sup> This report intends to monitor the Annual Budget % Expended at the Project Committee and Functional Department levels.

The financial information contained in this report, in some cases, is based on the full accrual basis of accounting, whereby expenses are recognized in the period in which the liability is incurred, i.e., payroll and fringe benefits.

There are instances where we will include the total expense for the entire accounting fiscal year if the information is available, i.e., property and liability insurance premiums.

The audited financial statements for the fiscal year recognize all expenses on the full accrual basis of accounting.

**Exhibit E-2**

**South Orange County Wastewater Authority  
Budget vs. Actual Comparison - Engineering**

For the Period Ended October 31, 2022  
(in dollars)

		<b>FY 2022-23 Budget</b>	<b>Actual</b>	<b>(Over)/Under Budget</b>	<b>% Expended</b>
Salary and Fringe					
01-5000-03-00-00	Regular Salaries-O&M	161,205	44,927	116,278	27.9%
01-5401-03-00-00	Fringe Benefits IN to PC's & Depts.	84,092	23,436	60,656	27.9%
	Total Payroll Costs	245,297	68,362	176,935	27.9%
Other Expenses					
01-5022-03-00-00	Miscellaneous Expense	3,184	484	2,700	15.2%
01-5023-03-00-00	Office Supplies - All	208	27	181	12.9%
01-5031-03-00-00	Safety Supplies	306	-	306	-
01-5034-03-00-00	Travel Expense/Tech. Conferences	6,439	-	6,439	-
01-5035-03-00-00	Training Expense	2,244	-	2,244	-
01-5037-03-00-00	Office Equipment	408	-	408	-
01-5039-03-00-00	Membership Dues/Fees	1,377	134	1,243	9.8%
01-5061-03-00-00	Mileage	510	23	487	4.6%
01-5309-03-00-00	Operating Leases	9,300	3,302	5,998	35.5%
01-5705-03-00-00	Monthly Car Allowance	4,200	905	3,295	21.5%
01-5802-03-00-00	Shipping/Freight	312	-	312	-
01-6500-03-00-00	IT Allocations in to PC's & Depts.	52,639	17,278	35,360	32.8%
	Total Other Expenses	81,127	22,154	58,972	27.3%
<b>Total Engineering Expenses</b>		<b>326,424</b>	<b>90,517</b>	<b>235,907</b>	<b>27.7%</b>

**South Orange County Wastewater Authority**  
**Budget vs. Actual Comparison- Administration**

For the Period Ended October 31, 2022

(in dollars)

		FY 2022-23 Budget	Actual	(Over)/Under Budget	% Expended
Salary and Fringe					
01-6000-04-00-00	Regular Salaries-Admin or IT	974,150	304,864	669,286	31.3%
01-6001-04-00-00	Overtime Salaries-Admin or IT	10,000	10,075	(75)	100.7%
01-6315-04-00-00	Comp Time - Admin	5,000	1,179	3,821	23.6%
01-6401-04-00-00	Fringe Benefits IN to ADMIN or IT	508,162	159,031	349,131	31.3%
	Total Payroll Costs	1,497,312	475,149	1,022,163	31.7%
Other Expenses					
01-6018-04-00-00	Public Notices/ Public Relations	3,270	-	3,270	-
01-6101-04-00-00	HR Recruitment & Employee Relations	29,190	1,003	28,187	3.4%
01-6102-04-00-00	Subscriptions	2,533	974	1,559	38.4%
01-6103-04-00-00	Contract Labor/Temp Labor	30,000	5,059	24,941	16.9%
01-6200-04-00-00	Management Support Services	50,000	34,163	15,837	68.3%
01-6201-04-00-00	Audit	46,000	4,100	41,900	8.9%
01-6202-04-00-00	Legal	200,000	65,282	134,718	32.6%
01-6204-04-00-00	Postage	1,500	380	1,120	25.3%
01-6223-04-00-00	Office Supplies - Admin	4,294	1,127	3,167	26.3%
01-6224-04-00-00	Office Equipment	6,000	761	5,239	12.7%
01-6234-04-00-00	Memberships & Trainings	95,912	78,042	17,870	81.4%
01-6239-04-00-00	Travel & Conference	25,000	2,528	22,472	10.1%
01-6241-04-00-00	Education Reimbursement	4,500	-	4,500	-
01-6310-04-00-00	Miscellaneous	20,000	7,885	12,115	39.4%
01-6311-04-00-00	Mileage	569	29	540	5.1%
01-6317-04-00-00	Contract Services Misc	5,573	1,800	3,773	32.3%
01-6500-04-00-00	IT Allocations in to PC's & Depts.	117,968	38,722	79,246	32.8%
01-6601-04-00-00	Shipping/Freight	4,382	33	4,349	0.01
01-6705-04-00-00	Monthly Car Allowance	12,000	4,015	7,985	33.5%
	Total Other Expenses	658,691	245,904	412,787	37.3%
<b>Total Admin Expenses</b>		<b>2,156,003</b>	<b>721,053</b>	<b>1,434,950</b>	<b>33.4%</b>

# Agenda Item

## 5.J.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors  
**FROM:** Betty Burnett, General Manager  
**STAFF CONTACT:** Jim Burror, Director of Operations  
**SUBJECT:** October 2022 Operations Report

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### Summary/Discussion

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

1. Monthly Operational Report

An eight (8) page overview and comparison of owner use of facilities, including influent and recycled water production. The pages include ongoing calculations used by SOCWA for billing the agencies. Other items include important statistics for regulatory compliance, visits by the public to the treatment works, and other vendor interactions. The information is broken down by facility and by member agency.

2. SOCWA Ocean Outfall Discharges by Agency

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

3. Beach Ocean Monitoring Report

4. Recycled Water Report

5. Pretreatment Report (November & December)

### Fiscal impact

No change.

**Recommended Action:** Receive and file the Operational Reports.

# Monthly Operational Report

# SOCWA Operational Report October, 2022

## Excursion, Complaint, and Violation Events

Events	CTP	RTP	JBL	Totals
Odor	0	0	0	0
Noise	1(1)	0	0	1
Spills	0	0	0	0
Violations	0	0	0	0
Others	0	0	0	0

(1) The noise complaint at CTP was associated with SCWD operation of the recycled water reservoir maintaining compliance with the Regional Board.

## Plant Wastewater Billing Characteristics

Key Parameters	CTP	RTP	JBL TP1	JBL TP2	Totals
Influent (mgd) (1)	2.48	7.43	5.74	0.94	16.59
Effluent (mgd)	2.27	2.08	5.74	2.28	12.38
Peak Flow (mgd)	5.30	17.88	11.42	6.72	41.32
Influent BOD (mg/l)	247	310	312	385	
Influent TSS (mg/l)	315	311	450	365	
Effluent BOD (mg/l)	2.5	4.8	7.1	6.5	
Effluent TSS (mg/l)	2.9	6.1	7.8	7.8	
Effluent Turbidity (NTU)	1.4	3.7	3.3	3.2	

(1) CTP Influent value does not include AWT backwash in this table.

## Recycled Water (AWT) Operations

Key Parameters	CTP	RTP	JBL	Totals
Average Flow (mgd)	0.64	5.34		5.99
Days of Operation (days)	27	31		
Total Flow (million gallons)	20.0	165.6		185.5
Plant Irrigation (million gallons)	0.01	0.11	0.17	
AWT Time Online (%)	92.0	99.0		

### Wastewater Unit Definitions

mgd = million gallons per day

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

NTU = Nephelometric Turbidity Units

# SOCWA Operational Report October, 2022 (cont'd)

## Biosolids Management

Biosolids Management Site	CTP	RTP	JBL	Totals
Synagro Compost (tons)		759.7	0.0	759.7
Nursery Products (tons)		0.0	0.0	0.0
Prima Deshecha (tons)		0.0	75.9	75.9
Other:Liberty Farms (tons)		479.2	604.3	1,083.6
Total Processed (tons)		1,238.9	680.2	1,919.2

## Summary of Maintenance Activities

Task Type	CTP	RTP	JBL	Totals
Preventative Maintenance	150	335	283	768
Corrective Maintenance	36	71	79	186

## Site Visitors

Visitor Types	CTP	RTP	JBL	Totals
Regulatory	0	0	0	0
Member Agency	0	25	4	29
Residents	0	0	0	0
Others	5	9	11	25
Tours #/Visitors	0	0	0	0

## Grit Disposal Management

Grit & Screenings	CTP	RTP	JBL	Totals
Simi Valley Landfill (tons)	6.0	NA	NA	6.0

## Chemical and Energy Utilization

Chemical/Utility	CTP	RTP	JBL	Totals
Ferric Chloride (tons)	NA	NA	NA	0.0
Utility Power Purchase (kWh)	188,456	4,060	488,455	676,911
Cogen Power (kWh)		611,090	160,001	771,091
Natural Gas (Dth)	3	NA	NA	3
Digester Gas to Engine (scfm)		8,655,423	1,638,277	10,293,700
Digester Gas to Boiler (scfm)		0		0
Digester Gas to Flares (scfm)		178,361	2,668,714	2,847,075
Digester Gas Power Savings		\$79,516		

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

### Wastewater Unit Definitions

kWh = kilowatt hours

Dth = Dekatherms

scfm = standard cubic feet per minute

# SOCWA Operational Report October, 2022 (cont'd)

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

Agency	CTP (mgd)	CTP (%)	RTP (mgd)	JBL (mgd)	JBL (%)	Total (mgd)
CLB	1.339	52.97%				1.34
EBSD	0.052	2.06%				0.05
SCWD	1.137	44.96%		1.585	23.72%	2.72
MNWD	0.000	0.00%	7.43	1.400	20.95%	8.83
CSJC				2.087	31.23%	2.09
SMWD				1.610	24.09%	1.61
Total	2.528	100.00%	7.43	6.681	100.00%	16.63

## Total Agency Outfall Flows by Outfall System-Billing Flows

Agency	SJCOO (mgd)	SJCOO (%)	SJCOO Meter (mgd)	ACOO (mgd)	ACOO (%)	Total (mgd)	Notes
CLB				1.34	18.36%	1.34	
EBSD				0.05	0.72%	0.05	
SCWD	1.76	17.82%		0.75	10.31%	2.51	Includes Desalters
MNWD	1.63	16.52%		2.08	28.56%	3.72	
ETWD				2.08	28.55%	2.08	Direct Outfall Only
CSJC	2.46	24.92%				2.46	Incudes Desalter
SMWD	1.61	16.31%				1.61	Includes Chiquita
CSC	2.42	24.43%				2.42	Direct Outfall Only
IRWD				0.98	13.50%	0.98	Direct Outfall Only
Total	9.89	100.00%	17.07	7.29	100.00%	17.18	



# SOCWA Operational Report October, 2022 (cont'd)

## FY Flow/Solids Summary-Billing

### Project Committee No. 2 Liquids (JBL)

Agency	Own (mgd)	Own (%)	Budget (mgd)	Budget (%)	Month (mgd)(1)	Month (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CSJC	4.00	30.77%	2.210	26.25%	2.087	31.23%	2.11	28.65%
MNWD	3.00	23.08%	1.400	16.63%	1.400	20.95%	1.40	19.01%
SCWD	3.75	28.85%	1.610	19.12%	1.585	23.72%	1.61	21.91%
SMWD	2.25	17.31%	3.200	38.00%	1.610	24.09%	2.24	30.43%
Total	13.00	100.00%	8.420	100.00%	6.681	100.00%	7.37	100.00%

### Project Committee No. 2 Solids (JBL)

Agency	Own (lbs/d)	Own (%)	Budget (lbs/d)	Budget (%)	Month (lbs/d)	Month (%)	36 Month Rol. Avg. (lbs/d) (2)	36 Month Rol. Avg. (%)
CSJC	11,572	30.00%	5,884	22.54%	6,335	29.30%	6,381	23.18%
MNWD	8,340	21.62%	6,169	23.63%	4,278	19.79%	6,336	23.02%
SCWD	7,715	20.00%	5,584	21.39%	6,089	28.16%	6,031	21.91%
SMWD	10,946	28.38%	8,473	32.45%	4,919	22.75%	8,775	31.88%
Total	38,573	100.00%	26,110	100.00%	21,622	100.00%	27,523	100.00%

### Project Committee No. 5 - San Juan Creek Ocean Outfall (SJCOO)

Agency	Own (%)	Budget (mgd)	Budget (%)	Month (mgd)	Month (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CSC	16.63%	13.300	16.63%	2.415	24.43%	1.843	18.03%
CSJC	11.08%	8.860	11.08%	2.464	24.92%	2.475	24.22%
MNWD(3)	15.51%	12.410	15.51%	1.634	16.52%	1.868	18.28%
SCWD	12.46%	9.970	12.46%	1.762	17.82%	1.784	17.46%
SMWD	44.32%	35.460	44.33%	1.613	16.31%	2.251	22.02%
Total	100.00%	80.000	100.00%	9.888	100.00%	10.221	100.00%

(1) Influent billing meter summary:

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

(2) The 36-month average is the average of the past 36 months. The Use Audit is based on the last 3 Fiscal Years versus the average of the past 36 months.

(3) All monthly flow data for 3A is reported as part of MNWD's flow to the ocean outfall.

# SOCWA Operational Report October, 2022 (cont'd)

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

### Project Committee No. 15 (CTP)

Agency	Own (mgd)	Own (%)	Budget (mgd)	Budget (%)	Month (mgd)	Month (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CLB	2.54	37.91%	1.496	55.22%	1.339	52.97%	1.438	52.14%
EBSD	0.20	2.99%	0.060	2.21%	0.052	2.06%	0.064	2.34%
SCWD	2.00	29.85%	1.153	42.56%	1.137	44.96%	1.256	45.52%
MNWD	1.96	29.25%	0.000	0.00%	0.000	0.00%	0.000	0.00%
Total	6.70	100.00%	2.709	100.00%	2.528	100.00%	2.759	100.00%

### Project Committee No. 17 Liquids (RTP)

Agency	Budget Liquids (mgd)	Budget Liquids (%)	Month Plant Influent (mgd)	Month Centrate (mgd)	Month Total (mgd)(1)	Month Total (%)	FY Avg to Date (mgd)	FY Avg to Date (%)
CLB	0.00716	0.0942%	0.0000	0.0125	0.0125	0.1662%	0.0131	0.1832%
EBSD	0.00001	0.0001%	0.0000	0.0005	0.0005	0.0065%	0.0006	0.0082%
SCWD	0.00427	0.0562%	0.0000	0.0106	0.0106	0.1411%	0.0115	0.1601%
ETWD	0.01562	0.2055%	0.0000	0.0136	0.0136	0.1807%	0.0152	0.2117%
MNWD	7.57236	99.6439%	7.4252	0.0674	7.4925	99.5055%	7.1283	99.4368%
Total	7.59942	100.0000%	7.4252	0.1046	7.5297	100.0000%	7.1686	100.0000%

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

# SOCWA Operational Report October, 2022 (cont'd)

## FY Flow/Solids Summary (cont'd)

### Project Committee No. 17 Solids (RTP)

Agency	Own (lbs/d)	Own (%)	Budget (lbs/d)	Budget (%)	Total Month (lbs)	Total Month (%)	FY Avg Total to Date (lbs)	FY Avg Total to Date (%)
CLB	5,605	11.22%	4,406	11.89%	143,301	11.97%	137,938	12.35%
EBSD	295	0.59%	177	0.48%	5,585	0.47%	6,161	0.55%
SCWD	4,480	8.96%	3,392	9.16%	121,638	10.16%	120,419	10.78%
ETWD	10,200	20.41%	5,305	14.32%	155,793	13.01%	159,208	14.26%
MNWD	29,395	58.82%	23,769	64.16%	771,245	64.40%	693,125	62.06%
Total	49,975	100.00%	37,049	100.00%	1,197,562	100.00%	1,116,851	100.00%

### Project Committee No. 24 (ACOO)

Agency	Own (%)	Budget (mgd)	Budget (%)	Month Outfall Flow (mgd)	Month Outfall Flow (%)	FY Avg Outfall Flow (mgd)	FY Avg Outfall Flow (%)
CLB	11.00%	5.500	11.00%	1.339	18.36%	1.438	25.20%
EBSD	0.78%	0.390	0.78%	0.052	0.72%	0.064	1.13%
ETWD	16.30%	8.151	16.30%	2.082	28.55%	1.575	27.59%
IRWD	15.76%	7.880	15.76%	0.985	13.50%	1.089	19.09%
MNWD	43.85%	21.924	43.85%	2.084	28.56%	1.120	19.62%
SCWD	12.31%	6.155	12.31%	0.752	10.31%	0.421	7.38%
Total	100.00%	50.000	100.00%	7.295	100.00%	5.707	100.00%

## SOCWA Operational Report October, 2022 (cont'd)

### *Select Critical Equipment Repairs*

#### JBL - PC2

Raised the header for Blower #5 that vibrated loose.  
Replaced failed heat loop pump and sent out the failed pump for repair.  
Prepared Raw Sewage Pumps #4 and #5 for removal and overhaul.  
Replaced several corroded pipe sections on the Plant potable water line.  
Repaired a damaged Plant potable water line water hammer thrust block strapping.  
Removed and relocated the 4-in decant pump discharge line on the mixed liquor channel for concrete channel work under Package B repairs.  
Removed and relocated the potable water line on the mixed liquor channel for concrete work under Package B repairs.  
Installed redirected DAFT#1 stairs.  
Measured the 9-side primary weirs elevations to assess uneven flows in the Primary basins.

#### CTP - PC15

Replaced failed TDS meter at AWT.  
Replaced corroded and failed AWT Blowoff valve piping.  
Troubleshooted the failed ACOO Sample Station pumping systems and pumped rainwater out of the manhole.  
Replaced the corroded and failing DPS drain line.  
Troubleshooted the EQ basin automated valve that would not open.  
Cleaned the DPS Wetwell that had a lot of debris and rags.

#### RTP - PC17

Replaced failed pillow block bearing on Elevating Conveyor #2.  
Replaced WAS #2 failed flow meter.  
Rerouted failed grit drain piping.  
Replaced WAS #2 failed flow meter.  
Troubleshooted failed DAF Pressurization Pumps hour meters.  
Troubleshooted RAS Collectors that stopped working.

#### Support Services - ALL PC'S

Troubleshooted the heat loop pump at JBL.  
Troubleshooted Bar Screen #1, which was not working in Auto at JBL.  
Troubleshooted frozen OIT for the sludge conveyor at JBL.  
Troubleshooted the Centrifuge #1 failed flow meter at JBL.  
Repaired failed Chiller alarm on the gas skid at JBL.  
Prepared Raw Sewage Pump #5 for motor overhaul at JBL.  
Troubleshooted the Polymer Mix Tank #2 level sensor probes, which failed at JBL.  
Troubleshooted failing 9-side Primary Sludge Pump #1 that lost power at JBL.

## SOCWA Operational Report October, 2022 (cont'd)

### *Select Critical Equipment Repairs (cont'd)*

#### Support Services - ALL PC'S (cont'd)

Removed failed Building #40 Supply Fan #4 that failed and needs to be replaced at JBL.  
Troubleshoot the Plant Sump Pump float switch that stopped working in Auto at JBL.  
Repaired failed generator charger at JBL.  
Replaced failed lighting system in Building #41 at CTP with LED lights.  
Troubleshoot several SCADA screens at CTP.  
Replaced failed TDS meter in Headworks at CTP.  
Replaced failed RAS Room Fan controller at CTP.  
Troubleshoot the effluent AWT turbidity meter at CTP.  
Troubleshoot the failing West Primary #1 Valve #1 that was not operating correctly at CTP.  
Troubleshoot the DAF #2 Recirculation Pump Motor that was tripping on overload on startups at CTP.  
Replaced failing conduit for AHU for the new air handler unit at RTP.  
Replaced failing mudwell sensor and display at RTP.  
Replaced failing lighting in Blower MCC Room at RTP with LED.  
Troubleshoot the SET Pump High-Pressure Switches at RTP.  
Repaired the Steuler condensate pump on the Cogen at RTP.  
Troubleshoot the Grit Pumps #5 and #6 at RTP.  
Troubleshoot the YMCA Pump system at RTP.

Items with a (\*) have been identified as preventable repairs.

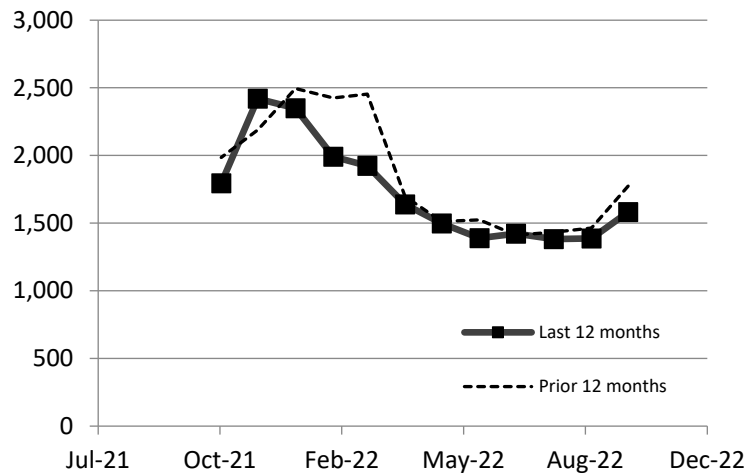
# SOCWA Ocean Outfall Discharges by Agency

## SOCWA Operational Report October, 2022 (cont'd)

Agency	SJCOO (mgd)	SJCOO (%)	ACOO (mgd)	ACOO (%)	Total (mgd)
CLB			1.34	18.36%	1.34
EBSD			0.05	0.72%	0.05
SCWD	1.76	17.82%	0.75	10.31%	2.51
MNWD	1.63	16.52%	2.08	28.56%	3.72
ETWD			2.08	28.55%	2.08
CSJC	2.46	24.92%			2.46
SMWD	1.61	16.31%			1.61
CSC	2.42	24.43%			2.42
IRWD			0.98	13.50%	0.98
Total	9.89	100.00%	7.29	100.00%	17.18
or Acre-Feet per year equivalent					19,245

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

Oct-22	1,582
Sep-22	1,386
Aug-22	1,382
Jul-22	1,422
Jun-22	1,389
May-22	1,498
Apr-22	1,638
Mar-22	1,924
Feb-22	1,991
Jan-22	2,349
Dec-21	2,420
Nov-21	1,795
Total	20,777



# Beach / Ocean Monitoring Report



## ALISO CREEK OCEAN OUTFALL MONITORING REPORT

October 2022

DATE	IRWD LOS ALISOS WRP				EL TORO WRP				SOCWA REGIONAL PLANT				SOCWA COASTAL PLANT				IRWD IDP	IRWD SGU	SCWD ACWRF	ACOO	Rain
	FLOW	TSS	cBOD	SS	FLOW	TSS	cBOD	SS	FLOW	TSS	cBOD	SS	FLOW	TSS	cBOD	SS	FLOW	FLOW	FLOW	FLOW	Fall
	MGD	mg/L	mg/L	ml/L	MGD	mg/L	mg/L	ml/L	MGD	mg/L	mg/L	ml/L	MGD	mg/L	mg/L	ml/L	MGD	MGD	MGD	MGD	inches
10/01/22	No Flow				1.311	13.0	5.7	0.1	0.380	3.4	7.0		2.290	2.5	2.0		0.398	0.422	NO FLOW	4.801	0.00
10/02/22	No Flow				2.282	12.4		0.1	0.56	4.7	4.0	0.1	2.308	2.8	3.0	0.1	0.399	0.403	NO FLOW	5.952	0.00
10/03/22	No Flow				2.152	14.2		0.2	3.010	6.2	4.0	<0.1	2.303	1.9	1.0	0.1	0.398	0.406	NO FLOW	8.269	0.00
10/04/22	No Flow				1.095	14.7	2.6	<0.1	1.620	6.2	3.0	<0.1	1.940	3.1	2.0	0.4	0.398	0.375	NO FLOW	5.428	0.00
10/05/22	No Flow				1.190	15.7	3.2	0.1	2.390	6.2	3.0	0.1	2.257	2.2	2.0	<0.1	0.398	0.353	NO FLOW	6.588	0.00
10/06/22	No Flow				1.972	12.7	3.2	0.1	2.160	3.2	4.0	<0.1	2.151	3.5	3.0	<0.1	0.398	0.391	NO FLOW	7.072	0.00
10/07/22	No Flow				1.429	12.7	3.6	0.1	0.950	5.0	4.0	<0.1	1.939	3.7	3.0	<0.1	0.399	0.395	NO FLOW	5.112	0.00
10/08/22	No Flow				1.348	11.7	4.8	0.1	2.290	5.5	7.0		1.582	3.0	6.0		0.389	0.372	NO FLOW	5.981	0.00
10/09/22	No Flow				2.495	13.0		0.1	3.240	5.0	6.0	<0.1	2.083	1.8	3.0	<0.1	0.388	0.353	NO FLOW	8.559	0.00
10/10/22	No Flow				2.483	13.2		0.1	2.930	6.9	6.0	<0.1	2.298	0.7	2.0	<0.1	0.389	0.353	NO FLOW	8.453	0.00
10/11/22	No Flow				1.334	9.4	3.8	0.1	2.410	7.0	5.0	<0.1	2.418	6.1	2.0	<0.1	0.375	0.352	NO FLOW	6.889	0.04
10/12/22	No Flow				1.719	16.5	4.2	<0.1	1.710	5.0	2.0	<0.1	2.192	5.2	5.0	<0.1	0.649	0.393	NO FLOW	6.663	0.01
10/13/22	No Flow				3.613	15.5	4.5	<0.1	3.380	4.4	4.0	<0.1	1.937	2.8	5.0	<0.1	0.788	0.393	NO FLOW	10.111	0.00
10/14/22	No Flow				2.597	36.5	15.7	0.1	1.750	8.6	5.0	0.1	2.259	4.0	5.0	<0.1	0.788	0.381	NO FLOW	7.775	0.00
10/15/22	No Flow				2.742	17.8	8.1	<0.1	3.460	7.1	18.0		2.261	2.9	2.0		0.788	0.418	NO FLOW	9.669	0.20
10/16/22	No Flow				3.151	22.0		<0.1	4.410	8.0	6.0	<0.1	2.383	5.2	4.0	<0.1	0.788	0.401	NO FLOW	11.133	0.00
10/17/22	No Flow				3.092	17.0		<0.1	3.050	6.8	5.0	0.1	2.518	0.7	2.0	0.1	0.788	0.375	NO FLOW	9.823	0.00
10/18/22	No Flow				2.925	14.0	7.2	<0.1	2.630	9.0	4.0	<0.1	2.605	3.4	2.0	<0.1	0.788	0.360	NO FLOW	9.308	0.00
10/19/22	No Flow				2.757	12.8	7.3	<0.1	2.870	6.8	4.0	0.5	2.509	2.6	2.0	0.1	0.724	0.373	0.126	9.359	0.00
10/20/22	No Flow				1.945	16.3	8.2	<0.1	2.990	4.8	4.0	0.1	2.494	2.6	1.0	<0.1	0.788	0.361	0.134	8.712	0.00
10/21/22	No Flow				1.346	10.3	5.2	<0.1	0.770	6.2	7.0	0.1	2.132	2.4	2.0	<0.1	0.788	0.354	0.143	5.533	0.00
10/22/22	No Flow				1.860	7.0	4.4	<0.1	0.630	5.7	4.0		1.458	2.8	1.0		0.788	0.390	0.125	5.251	0.00
10/23/22	No Flow				2.892	7.5		<0.1	2.300	6.6	5.0	<0.1	2.058	1.8	4.0	<0.1	0.788	0.385	0.127	8.550	0.00
10/24/22	No Flow				1.892	8.0		<0.1	3.220	5.7	3.0	<0.1	2.073	0.7	1.0	0.1	0.789	0.363	0.129	8.466	0.00
10/25/22	No Flow				1.561	12.6	5.3	<0.1	1.040	7.5	2.0	0.1	2.221	2.7	<2.0	<0.1	0.525	0.347	0.075	5.769	0.00
10/26/22	No Flow				1.812	6.7	4.1	<0.1	1.070	5.7	3.0	0.1	1.863	4.4	2.0	<0.1	0.390	0.369	0.108	5.612	0.00
10/27/22	No Flow				2.182	7.4	5.4	<0.1	0.720	6.3	3.0	<0.1	2.192	2.8	3.0	<0.1	0.389	0.372	0.144	5.999	0.00
10/28/22	No Flow				1.094	11.2	5.0	<0.1	0.630	5.8	2.0	0.1	1.671	3.2	<2.0	<0.1	0.636	0.382	0.145	4.558	0.00
10/29/22	No Flow				1.827	11.3	5.9	<0.1	0.960	6.2	8.0		1.936	3.9	2.0		0.788	0.426	0.131	6.068	0.00
10/30/22	No Flow				2.619	11.7		<0.1	2.040	6.2	4.0	<0.1	2.005	2.8	2.0	<0.1	0.788	0.420	0.117	7.989	0.00
10/31/22	No Flow				1.839	20.0		<0.1	3.020	5.9	4.0	0.1	2.119	1.0	1.0	0.2	0.788	0.419	0.137	8.322	0.00
AVG	No Flow				2.082	13.7	5.6	<0.1	2.084	6.1	4.8	<0.1	2.144	2.9	2.5	<0.1	0.602	0.382	0.126	7.348	
TOTAL	No Flow				64.56				64.59				66.46				18.68	11.86	1.641	227.77	0.25

Unified Beach Monitoring

#1

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1 2022  
 SAMPLE SOURCE: Surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: High Tide 0748

Weather: Overcast

COMMENTS:

STA#	DATE	TIME	Total Coliform CFU/100ml	Fecal Coliform CFU/100ml	Entero- coccus CFU/100ml	Material of Sewage		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			SM9222B	SM9222D	EPA 1600	Onshore	Offshore							
S3	10/06/22	0845	30	<10	10	None	None	None	None	Green	63	Clear		
S4	10/06/22	1115	<10	<10	<2	None	None	None	None	Green		Clear		
S5	10/06/22	1055	<10	10	<2	None	None	None	None	Green		Clear		
S6	10/06/22	1035	<10	<10	2	None	None	None	None	Green		Clear		
WEST	10/06/22	1030	<10	<10	<2	None	None	None	None	Green		Clear		
S7	10/06/22	1020	<10	<10	<2	None	None	None	None	Green		Clear		
S8	10/06/22	1010	<10	<10	<2	None	None	None	None	Green		Clear		
S9	10/06/22	0955	<10	<10	10	None	None	None	None	Green		Clear		
ACM1	10/06/22	0950	<10	<10	<2	None	None	None	None	Green		Clear		
S10	10/06/22	0930	<10	<10	4	None	None	None	None	Green		Clear		
S11	10/06/22	0920	<10	<10	4	None	None	None	None	Green		Clear		
S12	10/06/22	0910	<10	<10	2	None	None	None	None	Green		Clear		

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

Unified Beach Monitoring

#2

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: High Tide 1045

Weather: Overcast/Rain

COMMENTS: Duplicate at S4

STA#	DATE	TIME	Total	Fecal	Entero-	Material of Sewage				Water	H2O	Water	Water	
			Coliform	Coliform	coccus	Origin		Oil &	Odor					
			CFU/100ml	CFU/100ml	CFU/100ml	Onshore	Offshore	Grease						
			SM9222B	SM9222D	EPA 1600					Color	Temp(F)	Condition	Outlet	Birds
S3	10/12/22	0723	<10	<10	<2	None	None	None	None	Green	68	Clear		
S4	10/12/22	0910	<10	10	<2	None	None	None	None	Green		Clear		
S5	10/12/22	0904	<10	<10	2	None	None	None	None	Green		Clear		
S6	10/12/22	0846	<10	<10	4	None	None	None	None	Green		Clear		
WEST	10/12/22	0844	<10	<10	4	None	None	None	None	Blue		Clear		
S7	10/12/22	0839	<10	<10	2	None	None	None	None	Blue		Clear		
S8	10/12/22	0824	<10	<10	6	None	None	None	None	Green		Clear		
S9	10/12/22	0822	<10	<10	<2	None	None	None	None	Blue		Clear		
ACM1	10/12/22	0800	<10	<10	<2	None	None	None	None	Blue		Clear		
S10	10/12/22	0756	<10	<10	<2	None	None	None	None	Blue		Clear		
S11	10/12/22	0752	<10	<10	<2	None	None	None	None	Green		Clear		
S12	10/12/22	0745	<10	<10	2	None	None	None	None	Green		Clear		

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

## South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: High Tide 0721

Weather: Clear

COMMENTS: Duplicate at S-5

STA#	DATE	TIME	Total Coliform CFU/100ml	Fecal Coliform CFU/100ml	Entero- coccus CFU/100ml	Material of Sewage Origin		Oil & Grease	Odor	Water Color	H2O Temp(F)	Water Condition	Water Outlet	Birds
			SM9222B	SM9222D	EPA 1600	Onshore	Offshore							
S3	10/19/22	0747	20	10	<2	None	None	None	None	Green	68	Slightly Turbid		
S4	10/19/22	0955	<10	<10	<2	None	None	None	None	Green		Slightly Turbid		
S5	10/19/22	0948	15	<10	2	None	None	None	None	Green		Slightly Turbid		
S6	10/19/22	0930	<10	<10	10	None	None	None	None	Green		Slightly Turbid		
WEST	10/19/22	0926	<10	<10	2	None	None	None	None	Green		Slightly Turbid		
S7	10/19/22	0920	<10	<10	<2	None	None	None	None	Green		Slightly Turbid		
S8	10/19/22	0904	30	10	<2	None	None	None	None	Green		Slightly Turbid		
S9	10/19/22	0859	<10	<10	<2	None	None	None	None	Green		Slightly Turbid		
ACM1	10/19/22	0834	110	<10	2	None	None	None	None	Green		Slightly Turbid		
S10	10/19/22	0828	<10	<10	<2	None	None	None	None	Green		Slightly Turbid		
S11	10/19/22	0822	80	<10	50	None	None	None	None	Green		Slightly Turbid		
S12	10/19/22	0813	20	10	2	None	None	None	None	Brown		Slightly Turbid		

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

Unified Beach Monitoring

#4

South Orange County Wastewater Authority-Aliso Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: High Tide 0947

Weather: Clear

COMMENTS: Duplicate at S-5

0.0

			Total	Fecal	Entero-									
			Coliform	Coliform	coccus	Material of Sewage								
			CFU/100ml	CFU/100ml	CFU/100ml	Origin		Oil &		Water	H2O	Water	Water	
STA#	DATE	TIME	SM9222B	SM9222D	EPA 1600	Onshore	Offshore	Grease	Odor	Color	Temp(F)	Condition	Outlet	Birds
S3	10/26/22	0750	10	<10	<2	None	None	None	None	Green	64	Slightly Turbid		
S4	10/26/22	0945	<10	10	<2	None	None	None	None	Green		Slightly Turbid		
S5	10/26/22	1003	20	<10	<2	None	None	None	None	Green		Slightly Turbid		
S6	10/26/22	0933	30	<10	<2	None	None	None	None	Green		Slightly Turbid		
WEST	10/26/22	0926	20	<10	<2	None	None	None	None	Green		Slightly Turbid		
S7	10/26/22	0917	30	<10	2	None	None	None	None	Green		Slightly Turbid		
S8	10/26/22	0903	80	50	4	None	None	None	None	Green		Slightly Turbid		
S9	10/26/22	0859	<10	20	2	None	None	None	None	Green		Slightly Turbid		
ACM1	10/26/22	0836	<10	<10	<2	None	None	None	None	Green		Slightly Turbid		
S10	10/26/22	0830	10	<10	<2	None	None	None	None	Green		Slightly Turbid		
S11	10/26/22	0824	10	<10	<2	None	None	None	None	Green		Slightly Turbid		
S12	10/26/22	0817	10	<10	4	None	None	None	None	Green		Slightly Turbid		

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

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



## **Aliso Creek Ocean Outfall**

### **Unified Beach Water Quality Monitoring Stations**

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

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

## MONITORING REPORT

## Off Shore Stations

South Orange County Wastewater Authority

DISCHARGE: Aliso Creek Ocean Outfall

REPORT FOR: October 2022

REPORT FREQUENCY: Monthly

REPORT DUE: December 1, 2022

SAMPLE SOURCE: Receiving water, nearshore and offshore

SAMPLING FREQUENCY: Monthly

EXACT SAMPLE POINTS: As specified in permit

TYPE OF SAMPLE: Grab

SAMPLES COLLECTED BY: Seaventures/SOCWA staff

SAMPLES ANALYZED BY: SOCWA Lab

Comments: High Tide 0505 Resample started at 1156(CDOM error)

Sta No.	Sample Depth	Sample Date	Total Coliform CFU/100ml SM9222B	Fecal Coliform CFU/100ml SM9222D	Enterococcus CFU/100ml EPA 1600	Sample Time	Oil & Grease	Sewage Debris	0 - None 1 - Mild 2 - Moderate 3 - Severe
A-1	Surface	10/13/22	<2	<2	<2	1232	0	0	
A-1	Mid depth	10/13/22	10	<10	<10				
A-2	Surface	10/13/22	<2	<2	<2	1215	0	0	
A-2	Mid depth	10/13/22	<10	<10	<10				
A-3	Surface	10/13/22	<2	<2	<2	1221	0	0	
A-3	Mid depth	10/13/22	<10	<10	<10				
A-4	Surface	10/13/22	<2	<2	<2	1237	0	0	
A-4	Mid depth	10/13/22	<10	<10	<10				
A-5	Surface	10/13/22	<2	<2	<2	1228	0	0	
A-5	Mid depth	10/13/22	<10	<10	<10				
B-1	Surface	10/13/22	<2	<2	<2	1156	0	0	
B-1	Mid depth	10/13/22	<10	<10	<10				
B-2	Surface	10/13/22	2	<2	<2	1247	0	0	
B-2	Mid depth	10/13/22	<10	<10	<10				
N1	Surface	10/13/22	<2	<2	<2	1317	0	0	
N2	Surface	10/13/22	<2	<2	<2	1314	0	0	
N3	Surface	10/13/22	<2	<2	<2	1312	0	0	
N4	Surface	10/13/22	<2	<2	<2	1308	0	0	
N5	Surface	10/13/22	<2	<2	<2	1305	0	0	
N6	Surface	10/13/22	<2	<2	2	1302	0	0	
N7	Surface	10/13/22	<2	<2	<2	1258	0	0	

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



**Compliance Summary Report  
Aliso Creek Ocean Outfall 2022**

ACOO Permit Order No. R9-2022-0006							
Agency - Facility	Violation Date	Constituent	Effluent Limit Violation	Units	Permit Limit	Reported Value	Potential Fine
IRWD - Los Alisos	5/4/2022	cBOD	Deficient Monitoring	mgl	Daily Monitoring	Not Reported	\$3000
IRWD - Los Alisos	5/4/2022	Total Suspended Solids	Deficient Monitoring	mgl	Daily Monitoring	Not Reported	\$3000
ETWD - WRP	5/18/2022	Settleable Solids	Category 1 Pollutant	m/L	3.00	7.00	\$3,000
SCWD - ACWHP	5/31/2022	Total Suspended Solids	Deficient Monitoring	mgl	Daily Monitoring	Not Reported	\$3000
SCWD - ACWHP	5/31/2022	pH	Deficient Monitoring	SU	Daily Monitoring	Not Reported	\$3000
ETWD - WRP	8/5/2022	cBOD	Deficient Monitoring	mgl	Daily Monitoring	Not Reported	\$3000
IRWD - SGU & IDP Brine	10/31/2022	Oil and Grease	Deficient Monitoring	mgl	Monthly Monitoring	Not Reported	\$3000
IRWD - SGU & IDP Brine	10/21/2022	pH	Deficient Monitoring	mgl	Daily Monitoring	Not Reported	\$3000



**SOCWA and MEMBER AGENCY FACILITIES  
ACOO Spill / Overflow Report Log - 2022  
Order No. R9-2022-0006 ~ NPDES Permit No. CA0107611**

Reporting Agency	Responsible Agency	Estimated Volume (Gallons)	Type of Discharge	Location/Comments	Receiving Waters	Date Reported To State	Date Resolved
No spills during this monitoring period.							

# SAN JUAN CREEK OCEAN OUTFALL MONITORING REPORT

October 2022

DATE	J.B. LATHAM FACILITY				SAN CLEMENTE WRP				SMWD CHIQUITA WRP				3-A PLANT				CSJC Desalter	SCWD Desalter	SJCOO	Rain Fall
	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	TSS mg/L	cBOD mg/L	SS ml/L	FLOW MGD	FLOW MGD	FLOW MGD	inches
10/01/22	5.330	7.7	16.1		2.113		9.0		0.000				2.011				0.390	0.178	10.220	0.00
10/02/22	5.480	8.4	9.2	0.1	1.406				0.000				1.989				0.390	0.183	10.580	0.00
10/03/22	5.500	11.0	6.8	<0.1	2.057	5.4	6.0	<0.1	0.000				0.178	6.6	4.4	<0.1	0.390	0.180	10.920	0.00
10/04/22	5.330	5.9	5.2	<0.1	2.362	6.2	10.0	<0.1	0.000				0.066	7.8	5.0	<0.1	0.390	0.182	9.540	0.00
10/05/22	5.270	4.3	6.0	<0.1	2.032	11.8	9.0	<0.1	0.024	2.5	1.6	<0.1	0.076	6.6	4.8	ND	0.390	0.178	8.600	0.00
10/06/22	5.250	6.6	7.0	<0.1	2.195	13.0	10.0	<0.1	0.000				0.082	8.2	7.4	<0.1	0.390	0.178	8.720	0.00
10/07/22	5.880	7.2	8.3	<0.1	2.654	11.6	8.0	<0.1	0.000				0.071	7.2	6.5	<0.1	0.390	0.179	9.070	0.00
10/08/22	5.760	7.0	6.6		2.550		8.0		0.000				0.106				0.270	0.183	9.000	0.00
10/09/22	5.580	7.9	8.9	<0.1	1.777				0.000				0.062				0.390	0.179	8.650	0.00
10/10/22	5.740	6.8	7.0	<0.1	2.439	5.4	8.0	<0.1	0.000				0.077	7.2	5.7	<0.1	0.390	0.179	9.060	0.00
10/11/22	5.610	7.7	5.9	<0.1	2.779	4.9	9.0	<0.1	0.000				0.866	6.8	5.9	<0.1	0.400	0.183	9.090	0.04
10/12/22	5.380	6.7	5.4	<0.1	2.569	4.2	6.0	<0.1	0.007	1.9	2.4	0.3	0.088	6.6	6.2	<0.1	0.400	0.178	9.520	0.01
10/13/22	5.360	7.2	6.2	<0.1	2.242	3.8		<0.1	0.000				0.068	6.8	6.2	ND	0.390	0.179	9.020	0.00
10/14/22	6.490	6.2	7.8	<0.1	2.433	6.1	6.0	<0.1	0.000				0.056	4.8	4.5	<0.1	0.320	0.183	9.910	0.00
10/15/22	6.640	6.0	7.3		2.510		9.0		0.000				0.087				0.390	0.169	9.690	0.20
10/16/22	6.880	7.0	7.8	<0.1	2.425				0.000				0.066				0.390	0.165	10.270	0.00
10/17/22	6.850	8.5	7.6	0.1	2.733	5.4	7.0	<0.1	0.000				0.060	8.4	5.8	<0.1	0.370	0.165	10.370	0.00
10/18/22	6.910	10.6	7.0	<0.1	3.096	4.4	8.0	<0.1	0.000				0.041	6.4	6.0	<0.1	0.320	0.178	10.560	0.00
10/19/22	6.720	9.8	6.0	0.1	3.052	4.9	7.0	<0.1	0.004	3.0	1.5	<0.1	0.049	7.2	6.4	<0.1	0.380	0.176	10.630	0.00
10/20/22	6.770	7.1	5.0	0.1	2.621	4.4	6.0	<0.1	0.000				0.054	6.2	5.8	<0.1	0.380	0.180	10.230	0.00
10/21/22	6.710	8.4	5.3	<0.1	2.322	6.2	6.0	<0.1	0.000				0.090	6.4	5.8	<0.1	0.380	0.183	9.650	0.00
10/22/22	7.640	9.1	8.0		2.092		8.0		0.000				0.075				0.380	0.179	9.760	0.00
10/23/22	6.740	10.6	9.6	<0.1	2.279				0.000				0.091				0.380	0.180	9.980	0.00
10/24/22	7.070	9.7	5.7	<0.1	2.520	5.5	8.0	<0.1	0.000				0.076	6.2	4.2	ND	0.380	0.179	10.550	0.00
10/25/22	7.000	9.9	3.7	<0.1	2.731	4.9	9.0	<0.1	0.000				0.104	6.8	6.2	<0.1	0.380	0.180	10.520	0.00
10/26/22	6.820	6.8	4.3	0.1	2.630	5.1	9.0	<0.1	0.072	2.3	1.2	<0.1	0.072	7.0	5.0	<0.1	0.380	0.170	10.240	0.00
10/27/22	6.820	4.9	3.3	<0.1	2.234	4.9	8.0	<0.1	0.000				0.115	4.2	4.0	<0.1	0.340	0.153	9.960	0.00
10/28/22	6.700	5.7	3.8	<0.1	2.441	5.9	6.0	<0.1	0.000				0.088	6.2	5.4	<0.1	0.390	0.178	10.030	0.00
10/29/22	6.640	7.9	9.5		2.428		8.0		0.000				0.124				0.390	0.179	10.000	0.00
10/30/22	6.740	7.0	5.4	<0.1	2.303				0.000				0.139				0.390	0.185	9.960	0.00
10/31/22	7.100	11.8	7.1	0.1	2.849	5.4	9.0	<0.1	0.000				0.113	8.8	6.4	<0.1	0.390	0.175	10.530	0.00
AVG	6.281	7.8	6.9	<0.1	2.415	6.2	7.9	<0.1	0.003	2.4	1.7	<0.2	0.234	6.8	5.6	<0.1	0.377	0.177	9.833	
TOTAL	194.710				74.874				0.107				7.240				11.700	5.496	304.830	0.25

Unified Beach Monitoring

#1

South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: High Tide 0720

Weather: Overcast

COMMENTS:

STATION #	DATE	TIME	Total Coliform CFU/100ml	Fecal Coliform CFU/100ml	Entero- coccus CFU/100ml	Material of Sewage Origin		Oil & Grease		Water Color		H2O Temp(F)	Water Condition	Water Outlet	Birds
			SM9222B	SM9222D	EPA 1600	Onshore	Offshore	Grease	Odor	Color	Temp(F)	Condition	Condition	Outlet	
S0	10/05/22	947	<20	20	2	None	None	None	None	Green	71	Clear			
S1	10/05/22	958	<20	<20	<2	None	None	None	None	Green		Clear			
S2	10/05/22	931	<200	20	4	None	None	None	None	Green		Clear			
DSB5	10/05/22	920	200	<20	6	None	None	None	None	Green		Clear			
S3	10/05/22	1000	<20	<20	<2	None	None	None	None	Green		Clear			
DSB4	10/05/22	1002	20	<20	2	None	None	None	None	Green		Clear			
S5	10/05/22	1014	<20	<20	4	None	None	None	None	Green		Clear			
DSB1	10/05/22	1017	<20	<20	2	None	None	None	None	Green		Clear			
SJC1	10/05/22	944	<100	<100	30	None	None	None	None	Green		Clear			

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

## South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: High Tide 1019

Weather: Overcast

COMMENTS: Suplicate at S-5

STATION #	DATE	TIME	Total Coliform CFU/100ml	Fecal Coliform CFU/100ml	Entero- coccus CFU/100ml	Material of Sewage Origin		Oil & Grease		Water Color		H2O Temp(F)	Water Condition	Water Outlet	Birds
			SM9222B	SM9222D	EPA 1600	Onshore	Offshore	Grease	Odor	Color	Temp(F)	Condition	Condition	Outlet	
S0	10/11/22	0945	<20	<20	<2	None	None	None	None	Green			Slightly Turbid		
S1	10/11/22	0950	<20	<20	4	None	None	None	None	Green			Slightly Turbid		
S2	10/11/22	0923	<20	<20	8	None	None	None	None	Green			Slightly Turbid		
DSB5	10/11/22	0917	<20	<20	2	None	None	None	None	Green			Slightly Turbid		
S3	10/11/22	1000	<200	<20	6	None	None	None	None	Green			Slightly Turbid		
DSB4	10/11/22	1006	<20	<20	6	None	None	None	None	Green			Slightly Turbid		
S5	10/11/22	1019	20	<20	46	None	None	None	None	Green	71		Slightly Turbid		
DSB1	10/11/22	1010	100	80	<2	None	None	None	None	Green			Slightly Turbid		
SJC1	10/11/22	0928	100	<100	10	None	None	None	None	Green			Slightly Turbid		

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

## South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

Tidal Condition: Low Tide 1141

Weather: Clear

COMMENTS: Duplicate at S-5

STATION #	DATE	TIME	Total Coliform CFU/100ml	Fecal Coliform CFU/100ml	Entero- coccus CFU/100ml	Material of Sewage Origin		Oil & Grease		Water Color		H2O Temp(F)	Water Condition	Water Outlet	Birds
			SM9222B	SM9222D	EPA 1600	Onshore	Offshore	Grease	Odor	Color	Temp(F)	Condition	Condition	Outlet	
S0	10/18/22	0923	<20	<20	<2	None	None	None	None	Green			Slightly Turbid		
S1	10/18/22	0928	<20	<20	<2	None	None	None	None	Green			Slightly Turbid		
S2	10/18/22	0858	60	<20	10	None	None	None	None	Green			Slightly Turbid		
DSB5	10/18/22	0851	200	360	40	None	None	None	None	Green			Slightly Turbid		
S3	10/18/22	0938	<20	<20	<2	None	None	None	None	Green			Slightly Turbid		
DSB4	10/18/22	0942	<20	20	4	None	None	None	None	Green			Slightly Turbid		
S5	10/18/22	0946	20	<20	4	None	None	None	None	Green	65		Slightly Turbid		
DSB1	10/18/22	0950	40	<20	20	None	None	None	None	Green			Slightly Turbid		
SJC1	10/18/22	0902	500	200	10	None	None	None	None	Green			Slightly Turbid		

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

Unified Beach Monitoring

#4

South Orange County Wastewater Authority-San Juan Creek Ocean Outfall

REPORT FOR: October 2022  
 REPORT DUE: December 1, 2022  
 SAMPLE SOURCE: Receiving water surf zone  
 TYPE OF SAMPLE: Grab

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

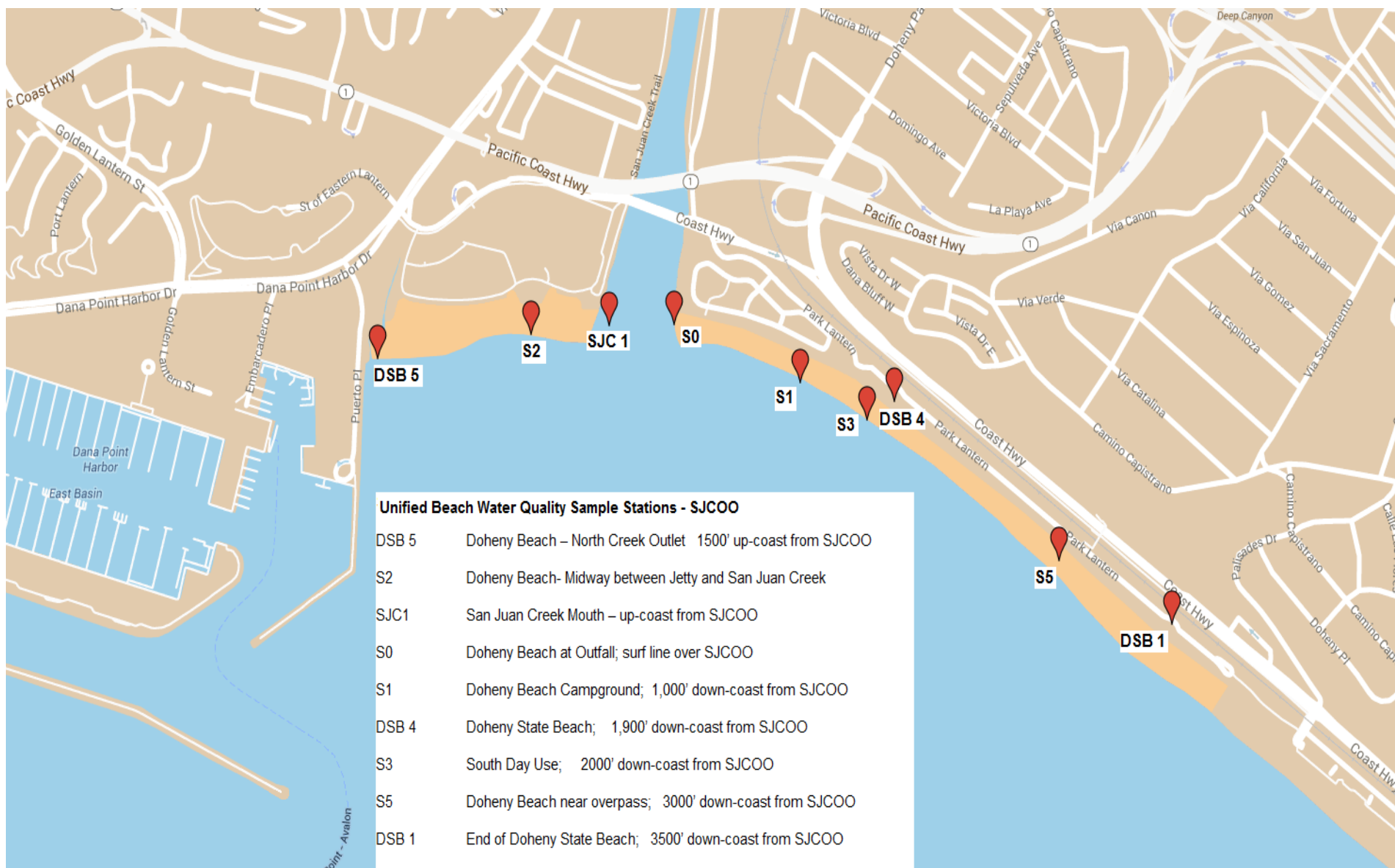
Tidal Condition: High Tide 0918

Weather: Clear

COMMENTS: Duplicate at S-5

STATION #	DATE	TIME	Total Coliform CFU/100ml	Fecal Coliform CFU/100ml	Entero- coccus CFU/100ml	Material of Sewage Origin		Oil & Grease		Water H2O		Water Condition		Water Outlet	Birds
			SM9222B	SM9222D	EPA 1600	Onshore	Offshore	Grease	Odor	Color	Temp(F)	Condition			
S0	10/25/22	0833	<20	<20	2	None	None	None	None	Green		Slightly Turbid			
S1	10/25/22	0837	60	160	20	None	None	None	None	Green		Slightly Turbid			
S2	10/25/22	0900	<20	20	20	None	None	None	None	Green		Slightly Turbid			
DSB5	10/25/22	0852	<20	20	22	None	None	None	None	Green		Slightly Turbid			
S3	10/25/22	0921	200	<20	740	None	None	None	None	Green		Slightly Turbid			
DSB4	10/25/22	0925	20	20	10	None	None	None	None	Green		Slightly Turbid			
S5	10/25/22	0930	20	<20	<2	None	None	None	None	Green		Slightly Turbid			
DSB1	10/25/22	0934	40	<20	10	None	None	None	None	Green		Slightly Turbid			
SJC1	10/25/22	0905	200	100	40	None	None	None	None	Green		Slightly Turbid			

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





## **San Juan Creek Ocean Outfall**

### **Unified Beach Water Quality Monitoring Stations**

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

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

## MONITORING REPORT

Offshore

South Orange County Wastewater Authority

DISCHARGE: San Juan Creek Ocean Outfall

REPORT FOR: October 2022

REPORT FREQUENCY: Monthly

REPORT DUE: December 1, 2022

SAMPLE SOURCE: Receiving water, nearshore and offshore

SAMPLING FREQUENCY: Monthly

EXACT SAMPLE POINTS: As specified in permit

TYPE OF SAMPLE: Grab

SAMPLES COLLECTED BY: Seaventures/SOCWA staff

SAMPLES ANALYZED BY: SOCWA Lab

Comments: Low Tide 0505

Station No.	Sample Depth	Sample Date	Total Coliform CFU/100ml SM9222B	Fecal Coliform CFU/100ml SM9222D	Enterococcus CFU/100ml EPA 1600	Sample Time	Oil & Grease	Sewage Debris	0 - None 1 - Mild 2 - Moderate 3 - Severe
A-1	Surface	10/14/22	<2	<2	<2	0852	0	0	
A-1	Mid depth	10/14/22	<10	<10	<10				
A-2	Surface	10/14/22	<2	<2	<2	0908	0	0	
A-2	Mid depth	10/14/22	<10	<10	<10				
A-3	Surface	10/14/22	2	<2	<2	0910	0	0	
A-3	Mid depth	10/14/22	<10	<10	<10				
A-4	Surface	10/14/22	4	4	2	0923	0	0	
A-4	Mid depth	10/14/22	20	<10	10				
A-5	Surface	10/14/22	<2	<2	<2	0913	0	0	
A-5	Mid depth	10/14/22	160	90	10				
B-1	Surface	10/14/22	8	<2	<2	0840	0	0	
B-1	Mid depth	10/14/22	<10	<10	<10				
B-2	Surface	10/14/22	<2	<2	<2	0931	0	0	
B-2	Mid depth	10/14/22	<10	<10	<10				
N1	Surface	10/14/22	2	<2	<2	0813	0	0	
N2	Surface	10/14/22	<2	<2	<2	0809	0	0	
N3	Surface	10/14/22	2	<2	<2	0803	0	0	
N4	Surface	10/14/22	2	<2	<2	0755	0	0	
N5	Surface	10/14/22	6	<2	<2	0749	0	0	
N6	Surface	10/14/22	8	2	<2	0744	0	0	

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

**Compliance Summary Report  
San Juan Creek Ocean Outfall 2022**

SJCOO Permit Order No. R9-2012-0012 & R9-2022-0005							
Agency	Violation Date	Constituent	Effluent Limit Violation	Units	Permit Limit	Reported Value	Potential Fine
SMWD/CSJC	03/09/2022	Oil and Grease	Weekly Average	mg/L	25.00	57.00	\$3,000
SMWD/CSJC	03/09/2022	Oil and Grease	Monthly Average	mg/L	40.00	57.00	\$3,000
CSC	03/18/2022	pH	Daily	SU	Daily	Not Reported	\$3,000
CSC	03/18/2022	Settleable Solids	Daily	ml/L	Daily	Not Reported	\$3,000
MNWD	3/30/2022	Settleable Solids	Daily	ml/L	3.00	3.60	\$3,000
MNWD	4/8/2022	Settleable Solids	Daily	ml/L	3.00	5.00	\$3,000
SCWD - GWRF	5/31/2022	Total Suspended Solids	Deficient Monitoring	mgl	Daily	Monthly	\$3,000
SCWD - GWRF	5/31/2022	pH	Deficient Monitoring	SU	Daily	Monthly	\$3,000



**SOCWA and MEMBER AGENCY FACILITIES**  
**SJCOO Spill / Overflow Report Log - 2022**  
**Order No. R9-2022-0005 ~ NPDES Permit No. CA0107417**

Reporting Agency	Responsible Agency	Estimated Volume (Gallons)	Type of Discharge	Location/Comments	Receiving Waters	Date Reported To State	Date Resolved
No spills during this monitoring period.							

### Waste Discharge Requirement Order 97 - 52

Agency - Facility	Violation Date	Constituent	Effluent Limit Violation	Units	Permit Limit	Reported Value	Remarks
SOCWA - RTP	1/2/2022	TDS	12-Month	mg/L	1000	1208	
SOCWA - RTP	1/2/2022	TDS	Daily Maximum	mg/L	1100	1310	
SOCWA - RTP	1/2/2022	Manganese	12-Month	mg/L	0.05	0.130	
TCWD - RRWRP	1/4/2022	TDS	12 month	mg/L	1000	1031	
TCWD - RRWRP	1/31/2022	Nitrate	Quarterly	mg/L	45	19.60	
SOCWA - RTP	2/1/2022	TDS	12-Month	mg/L	1000	1214	
SOCWA - RTP	2/1/2022	TDS	Daily Maximum	mg/L	1100	1200	
SOCWA - RTP	2/1/2022	Manganese	12-Month	mg/L	0.05	0.101	
SOCWA - RTP	2/1/2022	Iron	12-Month	mg/L	0.3	0.308	
SOCWA - CTP	2/1/2022	TDS	Daily Maximum	mg/L	1100	1320	
TCWD - RRWRP	2/1/2022	TDS	12 month	mg/L	1000	1035	
SOCWA - RTP	3/1/2022	TDS	12-Month	mg/L	1000	1218	
SOCWA - RTP	3/1/2022	TDS	Daily Maximum	mg/L	1100	1200	
SOCWA - RTP	3/1/2022	Manganese	12-Month	mg/L	0.05	0.101	
SOCWA - RTP	3/1/2022	Iron	12-Month	mg/L	0.3	0.309	
SOCWA - CTP	3/2/2022	TDS	Daily Maximum	mg/L	1100	1340	
SOCWA - CTP	3/3/2022	Manganese	12-Month	mg/L	0.05	0.808	
TCWD - RRWRP	3/1/2022	TDS	12 month	mg/L	1000	1054	
MNWD - 3A	3/16/2022	TDS	12-Month	mg/L	1000	1136	
MNWD - 3A	3/16/2022	TDS	Daily Maximum	mg/L	1100	1220	
SOCWA - RTP	4/7/2022	TDS	12-Month	mg/L	1000	1226	
SOCWA - RTP	4/7/2022	TDS	Daily Maximum	mg/L	1100	1260	
SOCWA - RTP	4/7/2022	Manganese	12-Month	mg/L	0.05	0.102	
SOCWA - RTP	4/7/2022	Iron	12-Month	mg/L	0.3	0.306	
SOCWA - CTP	4/7/2022	Manganese	12-Month	mg/L	0.05	0.114	
TCWD - RRWRP	4/5/2022	TDS	hach	mg/L	1000	1052	
SOCWA - RTP	5/5/2022	TDS	12-Month	mg/L	1000	1230	
SOCWA - RTP	5/5/2022	TDS	Daily Maximum	mg/L	1100	1310	
SOCWA - RTP	5/5/2022	Manganese	12-Month	mg/L	0.05	0.102	
SOCWA - CTP	5/5/2022	Manganese	12-Month	mg/L	0.05	0.121	
TCWD - RRWRP	5/3/2022	TDS	12 month	mg/L	1000	1054	
MNWD - 3A	5/9/2022	TDS	12-Month	mg/L	1000	1147	
MNWD - 3A	5/9/2022	TDS	Daily Maximum	mg/L	1100	1190	
MNWD - 3A	5/9/2022	Manganese	12-Month	mg/L	0.05	0.07	
SOCWA - RTP	6/2/2022	TDS	12-Month	mg/L	1000	1235	
SOCWA - RTP	6/2/2022	TDS	Daily Maximum	mg/L	1100	1270	
SOCWA - RTP	6/2/2022	Manganese	12-Month	mg/L	0.05	0.120	
SOCWA - CTP	6/2/2022	Manganese	12-Month	mg/L	0.05	0.120	
TCWD - RRWRP	6/7/2022	TDS	12 month	mg/L	1000	1070	
SOCWA - RTP	7/14/2022	TDS	12-Month	mg/L	1000	1245	
SOCWA - RTP	7/14/2022	TDS	Daily Maximum	mg/L	1100	1260	
SOCWA - RTP	7/14/2022	Manganese	12-Month	mg/L	0.05	0.099	
SOCWA - CTP	7/14/2022	Manganese	12-Month	mg/L	0.05	0.116	
MNWD - 3A	7/5/2022	TDS	12-Month	mg/L	1000	1141	
MNWD - 3A	7/5/2022	Manganese	12-Month	mg/L	0.05	0.07	
TCWD - RRWRP	7/7/2022	TDS	12 month	mg/L	1000	1070	
SOCWA - RTP	8/4/2022	TDS	12-Month	mg/L	1000	1252	
SOCWA - RTP	8/4/2022	TDS	Daily Maximum	mg/L	1100	1290	
SOCWA - RTP	8/4/2022	Manganese	12-Month	mg/L	0.05	0.101	
SOCWA - CTP	8/4/2022	Manganese	12-Month	mg/L	0.05	0.113	
MNWD - 3A	8/15/2022	TDS	12-Month	mg/L	1000	1154	
MNWD - 3A	8/15/2022	TDS	Daily Maximum	mg/L	1100	1290	
MNWD - 3A	8/15/2022	Manganese	12-Month	mg/L	0.05	0.07	
TCWD - RRWRP	9/6/2022	TDS	12 month	mg/L	1000	1075	
SOCWA - RTP	9/1/2022	TDS	12-Month	mg/L	1000	1259	
SOCWA - RTP	9/1/2022	TDS	Daily Maximum	mg/L	1100	1250	
SOCWA - RTP	9/1/2022	Manganese	12-Month	mg/L	0.05	0.104	

Waste Discharge Requirement Order 97 - 52							
Agency - Facility	Violation Date	Constituent	Effluent Limit Violation	Units	Permit Limit	Reported Value	Remarks
SOCWA - CTP	9/1/2022	Manganese	12-Month	mg/L	0.05	0.118	
MNWD - 3A	9/19/2022	TDS	12-Month	mg/L	1000	1146	
MNWD - 3A	9/19/2022	TDS	Daily Maximum	mg/L	1100	1100	
MNWD - 3A	9/19/2022	Manganese	12-Month	mg/L	0.05	0.08	
TCWD - RRWRP	10/5/2022	TDS	12 month	mg/L	1000	1076	
SOCWA - RTP	10/6/2022	TDS	12-Month	mg/L	1000	1262	
SOCWA - RTP	10/6/2022	TDS	Daily Maximum	mg/L	1100	1290	
SOCWA - RTP	10/6/2022	Manganese	12-Month	mg/L	0.05	0.103	
SOCWA - CTP	10/6/2022	Manganese	12-Month	mg/L	0.05	0.122	
MNWD - 3A	10/4/2022	TDS	12-Month	mg/L	1000	1159	
MNWD - 3A	10/4/2022	TDS	Daily Maximum	mg/L	1100	1150	
MNWD - 3A	10/4/2022	Manganese	12-Month	mg/L	0.05	0.08	

# Recycled Water Report

## SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

### QUARTERLY RECYCLED WATER MONITORING

Monitoring Period Ending: Oct 31, 2022

Constituent	Units	12-month Avg Maximum Permit Limit	TCWD 12-month Average	SMWD Oso 12-month Average	SMWD Chiquita 12-month Average	SMWD Nichols 12-month Average	MNWD-3A 12-month Average	MNWD-RTP 12-month Average	SCWD-CTP 12-month Average  ***
TDS	mg/L	1000	1,076	884	908	903	1,159	1,262	1,132
Chloride	mg/L	375	247	190	205	255	233	262	279
Sulfate	mg/L	400	386	260	241	232	358	371	331
Sodium	mg/L	None	69	160	163	193	-	175	180
Alkalinity	mg/L	None	-	-	-	-	-	280	218
Adjusted SAR	Ratio	None	5.09	4.65	5.09	5.61	4.27	4.55	4.60
Iron	mg/L	0.3	0.010	0.017	0.123	0.021	0.18	0.270	0.126
Manganese	mg/L	0.05	0.008	0.019	0.040	0.005	0.08	0.103	0.122
MBAS	mg/L	0.5	ND	0.28	<0.12	<0.22	<0.03	<0.03	<0.03
Boron	mg/L	0.75	0.335	0.320	0.373	0.403	0.36	0.255	0.31
Fluoride	mg/L	None	0.65	0.680	0.61	0.88	0.68	0.76	0.84
Total Organic Carbon	mg/L	None	4.9	12.7	12.5	8.8	1.1	10.4	7.8

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

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



SOCWA Service Area  
Recycled Water Production (ac-ft)  
2022

Agency	Facility or Region	Jan '22	Feb '22	Mar '22	Apr '22	May '22	Jun '22	Jul '22	Aug '22	Sep '22	Oct '22	Nov '22	Dec '22	Annual Totals
CSJC 1	3-A Plant/MNWD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.33	27.48	17.24			76.05
CSJC 2	Chiquita/SMWD	16.66	30.01	39.56	37.94	43.70	51.86	44.09	26.61	27.25	11.14			328.82
CSJC 3	Non-Domestic Wel	1.00	7.71	18.53	22.22	29.98	32.14	46.46	37.06	41.77	37.70			274.57
ETWD	Region 8	37.87	112.25	138.10	155.44	187.78	218.36	199.48	186.46	161.53	115.09			1512.36
IRWD														
4	IRWD - 8	44.49	101.76	129.52	100.54	145.88	186.35	174.65	182.20	195.55	135.00			1395.94
4	IRWD - 9	22.36	50.45	63.88	57.66	86.17	105.34	93.50	99.72	93.96	58.33			731.38
SCWD	SOCWA CTP	9.15	63.52	76.57	96.78	125.07	139.32	131.16	98.67	81.60	48.41			870.26
MNWD	JRP	299.83	439.71	484.91	529.66	565.11	576.37	596.19	603.53	535.37	508.18			5138.86
	3-A Plant	0.00	0.00	37.40	0.00	141.43	142.55	140.63	131.31	129.60	184.62			907.53
5	CTP	-17.36	4.33	4.62	4.33	-0.87	6.88	8.79	17.42	27.83	-12.86			43.10
SMWD	Oso Creek	140.68	93.64											234.32
	Chiquita	489.98	436.03	486.30	458.98	481.82	461.07	472.15	479.27	460.12	475.28			4700.98
	Nichols	1.52	1.61	2.16	1.64	1.60	1.77	1.99	2.13	1.88	1.98			18.29
TCWD	RRWRP	49.52	42.36	48.19	44.44	46.17	42.89	45.95	45.38	42.88	43.00			450.78
TOTALS		1095.70	1383.39	1529.74	1509.63	1853.83	1964.90	1955.04	1941.08	1826.82	1623.12			16683.25

- 1 Denotes transfer of recycled water from MNWD (3A Plant) for use in the CSJC service area. Not counted as additional production.
- 2 Denotes recycled water purchased from SMWD Chiquita-WRP used in the CSJC service area. Not counted as additional production.
- 3 Denotes nondomestic groundwater produced from wells used for landscape irrigation.
- 4 IRWD production is from recycled water production, nonpotable water wells, and surface water impoundments
- 5 Denotes transfer of recycled water from SCWD (SOCWA CTP) for use in the MNWD service area. Not counted as additional production.
- Note: All of ETWD reclaimed water produced and used in Region 8.
- NR = No Report

# Pretreatment Report

# Agenda Item

## 5.J.

**Legal Counsel Review:** No

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Katie Greenwood, Source Control Manager

**SUBJECT:** Monthly Pretreatment Report – November and December 2022  
San Juan Creek Ocean Outfall  
NPDES Permit #CA0107417 Order # R9-2022-0005  
Aliso Creek Ocean Outfall  
NPDES Permit #CA0107611 Order # R9-2022-0006

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### Summary of Program Activities

SOCWA Staff is starting to receive and review 2022 annual influent/effluent sampling result data for all nine treatment plants including SOCWA (JBL, CTP, RTP), SMWD (Chiquita, 3A, Oso), CSC, IRWD and ETWD. The data will be entered into the Water Information Management Solution (WIMS) database so it may be uploaded electronically to the State CA Integrated Water Quality System (CIWQS) database. Staff is also working on completing the narrative portion of the 2022 SOCWA Annual Pretreatment report. The final report is due to the RWQCB-SD by the due date of March 1, 2023.

### Permit Related Activities

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

CSC/SMWD – Prima Deshecha Landfill (PDL) – On February 14, 2022, SOCWA received a WD Permit Application submitted on behalf of Orange County Waste & Recycling (OCWR) for proposed discharge from a treatment system for landfill gas condensate stream produced at PDL. A final project treatment design was submitted to SOCWA on October 11, 2022. Staff presented a summary report to the SOCWA Engineering Committee during the November 10, 2022, meeting. At present, Staff is working to set up a meeting between the applicant, SMWD, CSC and SOCWA key Staff to further discuss pilot study results and regulatory concerns due to developing designation of PFAS as a hazardous substance.

SCWD – NSWD Permit No. SCWD-N4-010 for Three Arch Bay – Staff is working with SCWD and Three Arch Bay Staff to modify the existing NSWD Permit to add two new dry weather diversion connection points. SCWD is presently drafting an Amendment to the existing Agreement between SCWD and TAB.

SCWD - Burnham-Ward Properties LLC - The County of Orange - Dana Point Harbor Revitalization Project – On July 26, 2022, Staff received a SWD Permit Application to discharge water encountered during construction activities over a three-year period starting late October 2022. SOCWA provided a response letter to the application on September 19, 2022, stating concerns and a request for additional documentation and data.

IRWD – WD Permit No. IRWD-2-001-11-27 for Herbalife located at located at 20481 Crescent Bay Drive, Lake Forest, CA 92630 – Based on inspection findings on July 14, 2022, which showed scouring of the sewer collection system due to pH range non-compliance, the facility was required obtain a permit. A permit was issued on November 1, 2022 and required daily monitoring for pH and flow and monthly monitoring for BOD, COD, TSS, and TDS.

SMWD – WD Permit No. SMWD-2-001-12-22 for the Rancho Mission Viejo Riding Park site located at 30753 Avenida La Pata Avenue, San Juan Capistrano, CA 92675 – The Riding Park is seeking a renewal permit term from January 1, 2023, to March 31, 2024, since the timeline for the capital improvement project related to stormwater capture and treatment is being delayed until the Winter of 2023-2024. Staff provided a draft permit to SMWD Staff for review and signature on November 16, 2022 and is aiming to issue the permit in late December.

CLB – SWD Permit No. CLB-4-001-10-22 for the Chevron groundwater treatment site located at 611 South Pacific Coast Highway, Laguna Beach, CA 92651 – The permit expired on October 20, 2022, and a renewal permit was issued on November 4, 2022. Chevron and its consultants are working on obtaining documentation from State regulators verifying site clean-up and closure and releasing Chevron of its liabilities. Once documentation is provided, the WD Permit may be terminated.

### **Trainings and Committee Meetings Attended**

SOCWA Staff continue to attend monthly OC Strike Force Meetings to receive and share legal information related to environmental cases and incidents throughout the county.

Staff continue to attend CASA Regulatory Workgroup - Water Committee meetings and CWEA P3S training events as time allows.

On November 14, 2022, Staff attended the annual NACWA Pretreatment Committee meeting (virtual). The meeting focused on pretreatment related PFAS issues.

### **Inspections**

SMWD – On October 12, 2022, SOCWA and SMWD Staff jointly inspected Docent Brewery in CSJC. Inspection findings include non-compliance for pH neutralization and spill management. As of October 19<sup>th</sup>, SMWD collection crews are in the process of evaluating impact to sewerage facilities. A follow-up inspection was performed on November 15, 2022, and the site is presently in compliance with all SOCWA wastewater rules.

SMWD – On October 12, 2022, SOCWA and SMWD Staff jointly inspected Left Coast Brewery located in the Talega area of CSC. Inspection findings include the need for enhanced spill management and annual clean-out of the sewerage catchment. Staff reached out the site on November 14, 2022, and they are awaiting equipment. Staff expect to conduct a follow-up inspection before the end of November 2022.

CSC – On November 3, 2022, SOCWA inspected Reynard. The site recently finished renovating facilities. The inspection yielded no major findings. As of November 15<sup>th</sup>, sampling results are pending.

CSC – Staff is aiming to conduct an inspection at Delahunt Brewery on November 28, 2022.

SMWD - Staff is aiming to conduct an inspection at FreshRealm in late November or early December 2022.

## Enforcement

SOCWA – On October 31, 2022, Staff issued a Notice of Non-Compliance (NON) to SMWD's Groundwater Replenishment Plant for failing to analyze the sewer discharge in September 2022 for TDS and TSS. Staff expects the October SMR (due November 20, 2022) to include the additional analysis.

On November 8, 2022, Applied Medical Staff notified SOCWA of an exceedance for zinc at Sampling Location 002 (Building R103) for sampling performed on November 1, 2022. Notification was provided within the required 24-hr timeframe from when the facility became aware of the violation. If there is discharge from Location 002 within 30-days, the facility is required to re-sample and provide results for Zinc within the same 30 days. SOCWA Staff expects to issue a Notice of Non-Compliance (NON) for the violation upon official submittal and review of the SMR report for November 2022, due December 20<sup>th</sup>.

## Summary of IWS Activities in SOCWA's Service Area - YTD through November 16, 2022

MA IUs	Events	Permits	NIWD	BMPs	FSEs	OSEs	DSEs	Closed	Enforcement	Total IUs
CLB (S)	10	3	2	5	8	110	15	0	0	128
CSC (S)	33	10	35	18	181	1265	37	0	2	1546
CSJC (S)	44	2	27	59	137	1674	28	5	1	1927
ETWD (M)	41	3	87	0	262	132	50	0	0	487
EBSD (U)	0	1	0	0	0	0	0	0	0	1
IRWD (S)	11	4	51	21	63	914	18	0	2	1071
MNWD (S)	212	5	120	38	640	2114	149	20	0	3066
SMWD (S)	140	6	19	20	212	815	51	12	2	1123
SCWD (S)	13	8	33	7	148	186	15	9	1	397
TCWD (S)	0	0	11	0	7	33	2	0	0	51
SOCWA (S)	0	8	1	0	0	0		0	3	9
Totals	504	50	386	168	1658	7243	365	46	10	9806

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

NIWD = Non-industrial Waste Discharger  
BMP = Best Management Practices  
FSE = Food Service Establishment

YTD = Year to Date  
OSE = Other Surveyed Establishment  
DSE = Dental Surveyed Establishment

# Agenda Item

## 5.K.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACTS:** David Baranowski, Director of Engineering

**SUBJECT:** Capital Improvement Program Status Report (*November*)

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

Below are updates from the month of November for the major construction projects currently underway at SOCWA facilities.

### **J.B. Latham Package B**

*Plant 1 Basin Repairs, DAF Rehabilitation, Energy Building seismic retrofit, and minor rehabilitation of Digester 4:*

Work continues at DAFT No. 1 including wiring the air compressor and installation of the access stair handrails. The DAFT will soon begin startup. The boiler system startup is scheduled to occur in early December. This is the last major piece of equipment that will be installed for this project. The work at Digester 2 continues. Demolition of the old lab building will begin in December.



*Boiler System Startup and Testing*



*DAFT 1 Access Stair with Handrails*

### **Environmental Mitigation for the Coastal Treatment Plant Sludge Force Main Replacement Project**

*Restoration and improvements around Aliso Creek as required by the construction permits for the replacement of the force main from the Coastal Treatment Plant to the Regional Treatment Plant:*

The area disturbed by construction has been reseeded with native species and is being monitored by a team of biologists. Weeds are being removed that could hinder native plant growth. Staff has begun working with an environmental consultant, Dudek, on the planning of the mitigation work that is required by project permits.

The rain event on November 8<sup>th</sup> resulted in mud flows that covered portions of the east access trail (shown below) and the paved west access road where the hillside was burned from the Coastal fire. Staff are assessing any damage to the road and the seed.



*Mud Covering the East Access Trail*

**SOCWA CIP Workplan**

Project Number	Project Name	FY 23 Budget	Status	FY 2022/2023				FY 2023/2024			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PC 2 - J.B. Latham Treatment Plant											
3220/3231/3287 /32211L/ 32212L	Facility Improvements B	\$ 1,674,581	In Construction	C	C						
3221 & 32228L & 3215 & 3252 &32231L	Electrical System Upgrades	\$ 1,233,042	In Design	D	D	D	D	B&A	C	C	C
3222 & 3234	Centrate Piping Reconstruction	\$ 312,074	In Design	D	D	D	B&A	C	C		
3285/32234L/ 32226L/3253	Gate and Piping Rehabilitations	\$ 871,872		P	P	D	D	B&A	C	C	
3216 & 32225S & 32232C & 32235S	Misc. Roofing Rehabilitations	\$ 997,000				D	D	C	C	C	C
PC 5 - San Juan Creek Ocean Outfall											
56221O	Outfall Port Cleaning	\$ -	Bidding	ENV	ENV						
36221O	Surge System Air Valve Replacement	\$ 39,064					C	C			
46211O	Land Outfall Facility Condition Assessment	\$ 52,326				CA	CA				
46221O	Marine Outfall Core Sample and Condition Assessment	\$ 90,000				CA	CA				
PC 15 - Coastal Treatment Plant											
3541-000	Export Sludge System Construction (2020)	\$ 438,870	Pipe Complete / Mitigation work ongoing	ENV	ENV	ENV	ENV	ENV	ENV	ENV	ENV
35228L	Aeration Blower System Upgrades	\$ 1,250,000	Diffusers purchased. In Design	D	D	B&A	C	C	C	C	
3544	Aeration System Upgrades	\$ 352,056				D	D	D	D	D	D
3525-000	Personnel Building Reconstruction	\$ 308,632	In Design	D	D	B&A	C	C	C		
35220L	Fiber Installation to Alicia Parkway	\$ -	Working with ISP	P	P	P					
3522AL	Drainage Pump Station	\$ 125,000				P	P	D	D	B&A	C
35229L /35238L	Odor Control Scrubber/Foul Air System Reconstruction	\$ 405,422				P	P	D	D	B&A	C
35238L	Influent Flow Meters	\$ 250,000			P	P	P				
35239L	West Secondary Scum Skimmers	\$ 300,000				P	D	B&A	C		



**SOCWA CIP Workplan**

Project Number	Project Name	FY 23 Budget	Status	FY 2022/2023				FY 2023/2024			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PC 17 - Regional Treatment Plant											
3753	Aeration Diffuser Upgrade (2020)	\$ -	Construction Complete	C	C						
3722AL/C/S	MCC A, C, G, H Replacement	\$ 1,261,580	Preliminary Design Underway	D	D	D	D	D	D	D	D
3758/3759	AWT No.2 Reconstruction (2020)	\$ 2,153,826	In Design	D	D	B&A	C	C	C	C	C
47224C	Consequence of Failure Analysis	\$ 75,000	Project Underway	P	P	P	P				
3742	Aeration System Upgrades	\$ 2,351,036				D	D	D	D	D	D
37230C	Admin. Bldg. Door and Window Repair	\$ 60,000					D	D	C	C	C
PC 21 - Effluent Transmission Main											
3107-000 (B/C/D) / 3108-000 (E)	Air Valve Replacement Construction (D) (2021)	\$ 576,736	In Design	D	D	D	D	B&A	C	C	
3101/31221B	Trail Bridge Crossing (D)	\$ 156,074	MND being prepared	D	D	D	D				
PC 24 - Aliso Creek Ocean Outfall											
3480	Internal Seal Replacement	\$ 60,100	In design	P	P	P	P	P	P	P	P
34231O	Metering and Sampling	\$ 66,964	Work Underway	P	P	C					
54221O	Outfall Port Cleaning	\$ -		ENV	ENV						

P	Planning
CA	Condition Assessment
ENV	Environmental/Permitting
D	Design
B&A	Bidding and Award
C	Construction
P	Procurement

# Agenda Item

## 5.L.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACTS:** David Baranowski, Director of Engineering

**SUBJECT:** Capital Improvement Construction Projects Progress and Change Order Report (*November*) [Project Committees 2, 15 & 17]

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### Overview

#### *Active Construction Project Updates:*

The attached CIP Report shows the financial status of the major construction projects as well any potential and Engineering Committee reviewed change orders. Please note that there are three new change orders for Olsson Construction for PC 2 J.B. Latham Package B project totaling \$114,500.10.

#### *Closed Project:*

For PC 17, the Regional Treatment Plant Aeration Diffuser Replacement Project has been removed from the CIP report. Construction is complete and the construction contract has been fully billed.

### Engineering Committee Actions Being Reported to the Project Committee 2 Board:

As authorized by the Project Committee 2 Board on March 10, 2022, the Engineering Committee authorized the General Manager to issue payments within contingency amounts for the following Package B Change Orders with Olsson Construction:

- Change Order 63 for \$14,797.83, including 0 additional day(s)
- Change Order 64 for \$66,992.33, including 0 additional day(s)
- Change Order 65 for \$32,709.94, including 0 additional day(s)

The total of the Change Orders is \$114,500.10, and the revised contract value is \$18,488,244.24.

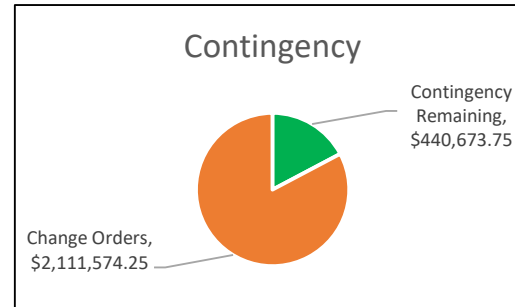
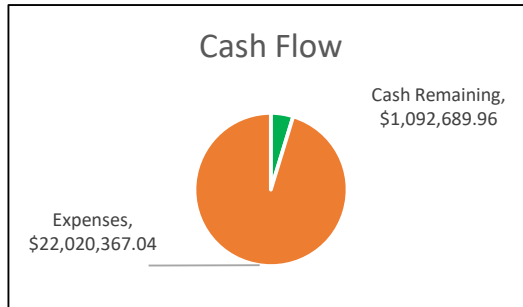
**Recommended Action:** Staff recommends that the Board of Directors receive and file the Report as an information item.

### Project Financial Status

Project Committee	2
Project Name	Package B
Project Description	Plant 1 basin repairs, DAF rehabilitation, Energy Building seismic retrofit and minor rehabilitation, Digester 4 rehabilitation

### Data Last Updated

October 31, 2022



### Cash Flow

Collected	\$ 23,113,057.00
Expenses	\$ 22,020,367.04

### Project Completion

Schedule	95%
Budget	92%

### Contracts

Company	PO No.	Original	Change Orders*	Amendments	Total	Invoiced
Olsson	13497	\$ 17,325,000.00	\$ 1,163,244.24		\$ 18,488,244.24	\$ 17,599,662.46
Butier	13647	\$ 895,727.00		\$ 1,005,251.00	\$ 1,900,978.00	\$ 1,685,469.50
Carollo	13616	\$ 846,528.00		\$ 616,037.00	\$ 1,462,565.00	\$ 1,239,428.36
TetraTech	13605	\$ 94,000.00		\$ -	\$ 94,000.00	\$ 93,884.70
Ninyo & Moore	14279	\$ 49,399.00		\$ 30,000.00	\$ 79,399.00	\$ 44,736.27
ADS Environmental	16452	\$ 107,200.00	\$ -		\$ 107,200.00	\$ 48,375.00
Hallsten	16578	\$ 251,422.00	\$ 16,715.25		\$ 268,137.25	\$ -
Dudek	17401	\$ 48,360.00		\$ -	\$ 48,360.00	\$ 28,830.00
		<b>\$ 19,617,636.00</b>	<b>\$ 1,179,959.49</b>	<b>\$ 1,651,288.00</b>	<b>\$ 22,448,883.49</b>	<b>\$ 20,740,386.29</b>

\*Values include change orders to be reviewed by Engineering Committee and deductive change orders

### Contingency

Area	Project Code	Amount **	Change Orders	Total Remaining	Percent Used
Liquids	3220-000	\$ 969,679.00	\$ 848,936.21	\$ 120,742.79	87.5%
Common	3231-000	\$ 38,120.00	\$ 3,305.76	\$ 34,814.24	8.7%
Solids	3287-000	\$ 1,544,449.00	\$ 1,259,332.28	\$ 285,116.72	81.5%
		<b>\$ 2,552,248.00</b>	<b>\$ 2,111,574.25</b>	<b>\$ 440,673.75</b>	<b>82.7%</b>

\*\* Amount reflects contingency for Construction Contracts only

**Summary of New Change Orders**

Change Order No	MNWD	SCWD	SMWD	\$ Amount
63	\$ 3,199.53	\$ 2,959.57	\$ 8,638.73	\$ 14,797.83
64	\$ 14,484.83	\$ 13,398.47	\$ 39,109.04	\$ 66,992.33
65	\$ 7,548.45	\$ 9,435.56	\$ 15,725.93	\$ 32,709.94
<b>Grand Total</b>	<b>\$ 25,232.81</b>	<b>\$ 25,793.59</b>	<b>\$ 63,473.70</b>	<b>\$ 114,500.10</b>

**Change Orders and Amendments**

Change Order No.	Vendor Name	Project ID	Description	Status Date	Days	Amount
<b>Within Contingency, reviewed by Engineering Committee</b>						<b>\$ 114,500.10</b>
63	Olsson	3287-000	Boiler Room Modifications	11/10/2022		\$ 14,797.83
64	Olsson	3287-000	DAFT 1 Repair	11/10/2022		\$ 66,992.33
65	Olsson	3220-000	Secondary Clarifier Telescoping Valve Modifications (Design Error)	11/10/2022		\$ 32,709.94
<b>Approved by Board of Directors</b>					<b>191</b>	<b>\$ 1,065,459.39</b>
1	Olsson	3287-000	Addition of Loop Piping to the Existing Hot Water Lines Adjacent to Digester 3	12/12/2019	0	\$ 4,725.00
2	Olsson	3287-000	Asbestos Gaskets in Boiler hazardous disposal	6/4/2020	0	\$ 6,343.10
3	Olsson	3287-000	Add Analog Infrastructure and Cabling	6/4/2020	11	\$ 37,969.60
4	Olsson	3287-000	Digester 4 Coating Additional Sealant	6/4/2020	3	\$ 24,001.54
5	Olsson	3220-000	Valve Handwheel Ergonomic extension	8/6/2020	28	\$ 16,370.30

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
6	Olsson	3287-000	Change to DeZurik Plug Valves to match existing	8/6/2020	90	\$ 41,993.87
7	Olsson	3287-000	Digester 4 Additional Concrete Repair	8/6/2020	3	\$ 7,412.74
8	Olsson	3287-000	Repair Existing Damaged Electrical Box	8/6/2020	0	\$ (1,829.00)
9	Olsson	3220-000	Change the Telescoping Valve Boxes and Piping from Carbon Steel to Stainless Steel	8/6/2020	0	\$ 18,677.63
10	Olsson	3287-000	Duct bank J Interferences	12/17/2020	18	\$ 73,639.42
11	Olsson	3220-000	Blasting of Existing Influent Pipe Spools	12/17/2020	5	\$ 20,868.52
12	Olsson	3220-000	Duct bank K Interferences	12/17/2020	0	\$ 15,567.08
13	Olsson	3287-000	Digester 3/4 PLC Relocation	12/17/2020	14	\$ 41,367.51
14	Olsson	3287-000	Digester 4 Additional Tank Repair	12/17/2020	18	\$ 33,642.75
15	Olsson	3220-000	Duct bank O Interferences	12/17/2020	0	\$ 1,686.88
16	Olsson	3287-000	Digester 3/4 Control Building Roof Replacement	2/4/2021	0	\$ 42,780.00
17	Olsson	3287-000	MCC-D1 Modifications due to Change in Motor Size	5/6/2021	0	\$ 34,392.02
18	Olsson	3287-000	Integrator Additional Site Visits	5/6/2021	0	\$ 7,571.97

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
19	Olsson	3287-000	Multi-zone air conditioning unit in the Cogen MCC Room and Office	6/3/2021	0	\$ 29,417.20
20	Olsson	3220-000	Overhead Walkway Removal at Plant 1 Secondary Basins 5 through 9	6/3/2021	0	\$ 62,113.50
21	Olsson	3287-000	Cogeneration PLC Modifications and Integration	6/3/2021	0	\$ 42,922.67
22	Olsson	3220-000	Plant 1 Secondary Basins UV Rated Wear Strips	9/2/2021	0	\$ 28,965.33
23	Olsson	3287-000	MCC-F1 Design Change	9/2/2021		\$ 481,290.42
24	Olsson	3287-000	DAF 2 Investigation Work and Inspection Blast	10/7/2021		\$ 67,838.71
25	Olsson	3287-000	New Fiber Conduit in West Blower Building	10/7/2021		\$ 4,957.71
26	Olsson	3220-000	Plant 1 Primary Basin Conduit Obstruction	10/7/2021		\$ 8,444.20
27	Olsson	3220-000	Plant 1 Influent Channel Additional Coating between Primary Basins 5 and 6	10/7/2021		\$ 15,469.98
28	Olsson	3287-000	MCC-F1 Lighting Changes	10/7/2021		\$ 7,843.04
29	Olsson	3287-000	Digester 3 Ground Rod	10/14/2021		\$ 7,269.16

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
30	Olsson	3220-000	New Fiber Conduits at East Electrical and Storm Water Buildings	10/14/2021		\$ 8,045.43
31	Olsson	3220-000	Plant 2 Primary Influent Channel Repair Credit	12/9/2021		\$ (15,903.00)
32	Olsson	3220-000	Plant 1 and 2 Telescoping Valve Pipe Supports	12/9/2021		\$ 6,132.27
33	Olsson	3287-000	4" Gas Line Routing Modifications	12/9/2021		\$ 18,146.07
34	Olsson	3287-000	Gas Mixer Conduit Conflict	12/9/2021		\$ 12,383.89
35	Olsson	3220-000	P1 Primary Tanks 5 and 6 Temporary Power	3/10/2022		\$ 7,256.05
36	Olsson	3220-000	P1 Primary Tanks Skimmers Starter Modification	3/10/2022		\$ 45,374.13
37	Olsson	3220-000	P1 Primary Tanks Hopper Wall Coating	3/10/2022		\$ 34,505.41
38	Olsson	3220-000	P1 Effluent Channel Conduit Conflict	3/10/2022		\$ 9,274.98
39	Olsson	3220-000	P1 Primary Tanks Torque Limit Switch	3/10/2022		\$ 7,149.86
40	Olsson	3287-000	Multi-zone air conditioning unit in the Cogen MCC Room and Office	3/10/2022		\$ (2,309.09)
41	Olsson	3287-000	DAFT 2 Repair	3/10/2022		\$ 59,403.53
42	Olsson	3287-000	Digesters 1 and 2 Heat Exchanger Layout Reconfiguration Electrical	6/2/2022	1	\$ 12,885.18

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
43	Olsson	3287-000	Digester 3 Heat Exchanger Hot Water Loop Tie-In	6/2/2022		\$ 2,774.58
44	Olsson	3220-000	Plant 1 Primary Basin 1 Shutdown Repair Work	6/2/2022		\$ 1,009.86
45	Olsson	3287-000	Replace Compressor Line and Valve at Digester 4	6/2/2022		\$ 10,762.85
46	Olsson	3220-000	Plant 2 Influent Gates Removal and Concrete Demo	6/2/2022		\$ 5,389.66
47	Olsson	3287-000	DAFT 2 Launder Support Detail	6/9/2022		\$ 45,682.30
48	Olsson	3220-000	Plant 1 Primary Basins 1, 2, 5 and 6 Coating Removal	6/9/2022		\$ 111,101.16
49	Olsson	3220-000	Plant 1 Primary Basins 1, 2, 5 and 6 Existing Equipment Removal and Reinstallation	6/9/2022		\$ 71,864.17
50	Olsson	3287-000	Digester Mixing Pumps Control Programming Change	8/4/2022		\$ 4,397.77
51	Olsson	3220-000	Plant 1 Primary Basins Skimmers I/O Connection and Programming Change	8/4/2022		\$ 14,237.83
52	Olsson	3287-000	Fiber Patch Cables to Connect the Centrifuge PLC to the Centrifuge Patch Panel	8/4/2022		\$ 3,755.90



<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
53	Olsson	3220-000	Plant 1 Primary Basins 3 and 4 Coating Removal	8/4/2022		\$ 43,222.24
54	Olsson	3220-000	Plant 1 Secondary Basins Concrete Structural and Basins 2 and 3 Drive Plate Rework	8/4/2022		\$ 20,860.16
55	Olsson	3220-000	Plant 2 Primary Basins Repair and Rehab of Head-Shaft Bearings	8/4/2022		\$ 4,618.44
56	Olsson	3231-000	Board SOCWA Front Office with Plywood to Cover Windows	8/4/2022		\$ 3,305.76
57	Olsson	3220-000	Seal the Openings at Plant 1 Primary Influent and Effluent Channels	8/4/2022		\$ 25,491.03
58	Olsson	3220-000	Plant 1 Primary Basins 3 and 4 Existing Equipment Removal and Reinstallation	9/1/2022		\$ 26,498.32
59	Olsson	3220-000	Plant 1 Secondary Basins Existing Embedded Metal Plates	9/1/2022		\$ 4,290.48
60	Olsson	3220-000	Plant 2 Primary Baffle Frame Replacement	9/1/2022		\$ 18,291.57

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
61	Olsson	3287-000	Digester hatch connection, temperature guage adjustment, and potholing	11/3/2022		\$ 9,971.62
62	Olsson	3220-000	Plant 1 Primary and Secondary Basins crack injection, concrete repair, channel cleaning, solids removal	11/3/2022		\$ 146,734.55
Duduct-Common	Olsson	3231-000	Energy Building Monorail System Descope (F1-F4)	8/4/2022		\$ (70,585.34)
Duduct-Liquids	Olsson	3220-000	Effluent Pump Station Descope (A1-A6)	8/4/2022		\$ (483,605.73)
Duduct-Solids	Olsson	3287-000	Energy Building Modifications Descope (G1-G2, & H1-H2)	8/4/2022		\$ (357,382.60)
HAL 01	Hallsten	3220-000	Cover Layout Modifications	8/4/2022		\$ 16,715.25
<b>Approved by Board of Directors (Amendments)</b>						<b>\$ 1,651,288.00</b>
1CM Common	Butier	3231-000	CM Change Order No. 1	7/13/2021		\$ 48,995.00
1CM Liquids	Butier	3220-000	CM Change Order No. 1	7/13/2021		\$ 294,125.00
1CM Solids	Butier	3287-000	CM Change Order No. 1	7/13/2021		\$ 269,595.00
1ESDC Common	Carollo	3231-000	ESDC Change Order No. 1	6/3/2021		\$ 18,210.00
1ESDC Liquids	Carollo	3220-000	ESDC Change Order No. 1	6/3/2021		\$ 109,256.00
1ESDC Solids	Carollo	3287-000	ESDC Change Order No. 1	6/3/2021		\$ 100,151.00
1G Common	Ninyo & Moore	3231-000	Geotechnical Services Change Order No. 1	2/3/2022		\$ 5,400.00

<u>Change Order No.</u>	<u>Vendor Name</u>	<u>Project ID</u>	<u>Description</u>	<u>Status Date</u>	<u>Days</u>	<u>Amount</u>
1G Liquids	Ninyo & Moore	3220-000	Geotechnical Services Change Order No. 1	2/3/2022		\$ 12,300.00
1G Solids	Ninyo & Moore	3287-000	Geotechnical Services Change Order No. 1	2/3/2022		\$ 12,300.00
2CM Liquids	Butier	3220-000	CM Change Order No 2	5/12/2022		\$ 196,268.00
2CM Solids	Butier	3287-000	CM Change Order No. 2	5/12/2022		\$ 196,268.00
2ESDC Common	Carollo	3231-000	ESDC Change Order No. 2	12/9/2021		\$ 11,075.00
2ESDC Liquids	Carollo	3220-000	ESDC Change Order No. 2	12/9/2021		\$ 196,440.00
2ESDC Solids	Carollo	3287-000	ESDC Change Order No. 2	12/9/2021		\$ 180,905.00
<b>Potential Change</b>						<b>\$ 158,226.27</b>
PCO 002	Olsson	3287-000	Digester 4 Rail Coating	(blank)		\$ (1,000.00)
PCO 004	Olsson	3287-000	Digester 4 Control Narrative	(blank)		\$ 5,000.00
PCO 005	Olsson	3287-000	TWAS Slab Modifications	(blank)		\$ 50,000.00
PCO 009	Olsson	3287-000	PLC East Headworks Integration	(blank)		\$ 10,000.00
PCO 039	Olsson	3220-000	Diversion Structure Gate Actuator Power Feed Replacement	8/13/2020		\$ 5,000.00
PCO 092	Olsson	3287-000	Hot Water System Expansion Tank	8/31/2021		\$ 5,000.00
PCO 094	Olsson	3287-000	Additional Red Coloring Agent to Concrete	9/1/2021		\$ 5,000.00
PCO 095	Olsson	3287-000	Foul Air Rerouting at DAFT 2	9/2/2021		\$ 5,000.00
PCO 098	Olsson	3220-000	Plant 1 Bypass pumping Change	10/12/2021		\$ 74,226.27
<b>Grand Total</b>					<b>191</b>	<b>\$ 2,989,473.76</b>

# Agenda Item

## 6.A.

**Budgeted:** Yes

**Budget amount:** \$124,472

**Line Item:** PC2, 15 & 17 Lines 5012

**Legal Counsel Review:** No

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Jim Burror, Director of Operations

**SUBJECT:** Contract Extension Award to Athens Services for Grit Hauling and Disposal Services [Project Committees Nos. 2, 15, and 17]

### Summary

The third year of the grit hauling and disposal services contract ends on January 1, 2023. There are up to 2 additional annual renewals available with the contract. This service is necessary to remove and dispose of the grit and screenings (trash and debris) collected by each Treatment Plant's influent screens that protect the downstream equipment within the Treatment Plants.

The SOCWA staff is requesting the Board approve a 1-year contract extension with Athens Services to continue grit hauling and disposal services. These services are for SOCWA and its member agencies that operate similar facilities. The proposed fees for the SOCWA facilities are shown below. These fees do not include taxes and surcharges for single bin deliveries that are determined when services are rendered.

Facility	Transportation Cost Per Trip (double bin)		
	Current Fees	Proposed Fees	% Increase
SOCWA Regional Treatment Plant	\$929.12	\$1,001.68	7.81%
SOCWA JBL Treatment Plant	\$953.31	\$1,027.76	7.81%
SOCWA Coastal Treatment Plant	\$875.72	\$944.11	7.81%
SMWD Chiquita WRF	\$875.72	\$944.11	7.81%
ETWD WWTP	\$839.48	\$905.04	7.81%
IRWD LAWTP	\$975.30	\$1,051.47	7.81%
CSC WRP	\$970.10	\$1,045.86	7.81%

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## Discussion/Analysis

The proposed increase from Athens Services for this 1-year extension is 7.81% over the current contract pricing. The primary drivers for the proposed increases are due to diesel fuel and driver labor cost increases. Staff budgeted for this service a line item increase to the costs of 3 % for this fiscal year; the increase came in at 7.81 %, and a budget line item increase will be evaluated later in the fiscal year.

## Prior Related Project Committee or Board Action(s)

None

## Fiscal Impact

The impact on each of the three Project Committees will be a 7.81% increase over last year's grit hauling expenses or \$5,499.72. The increase by PC and member agency is presented below:

Estimated Service Utilization Increase Costs by PC (a)

PC	Est. Trips per Year	Inc. Trip Cost	Total Est. Annual Inc.
2	34	\$74.45	\$2,531.37
15	19	\$68.39	\$1,299.40
17	23	\$72.56	\$1,668.95
Total	76		\$5,499.72

(a) Does not include tip fees charged by Waste Management at Simi Valley Landfill.

PC2 O&M Liquids Est. Annual Grit Hauling Allocation

Agency	Budget Allocation %(1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CSJC/SMWD	64.26%	\$20,828.25	\$1,626.66	\$22,454.91	7.81%
MNWD	16.64%	\$5,393.43	\$421.22	\$5,814.65	7.81%
SCWD	19.10%	\$6,190.78	\$483.49	\$6,674.27	7.81%
Total	100.00%	\$32,412.47	\$2,531.37	\$34,943.84	7.81%

(1) FY2022-23 Budget Book

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PC15 O&M Liquids Est. Annual Grit Hauling Allocation

Agency	Budget Allocation %(1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CLB	55.21%	\$9,186.22	\$717.40	\$9,903.62	7.81%
EBSD	2.21%	\$367.72	\$28.72	\$396.43	7.81%
MNWD	0.00%	\$0.00	\$0.00	\$0.00	NA
SCWD	42.58%	\$7,084.76	\$553.28	\$7,638.04	7.81%
Total	100.00%	\$16,638.69	\$1,299.40	\$17,938.09	7.81%

(1) FY2022-23 Budget Book

PC17 O&M Liquids Est. Annual Grit Hauling Allocation

Agency	Budget Allocation %(1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CLB	0.06%	\$12.82	\$1.00	\$13.82	7.81%
EBSD	0.01%	\$2.14	\$0.17	\$2.30	7.81%
ETWD	0.20%	\$42.74	\$3.34	\$46.08	7.81%
MNWD	99.68%	\$21,301.31	\$1,663.60	\$22,964.92	7.81%
SCWD	0.05%	\$10.68	\$0.83	\$11.52	7.81%
Total	100.00%	\$21,369.69	\$1,668.95	\$23,038.64	7.81%

(1) FY2022-23 Budget Book

SOCWA Agencies Estimated Annual Grit Hauling Totals For All PC's

Agency	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CLB	\$9,199.04	\$718.40	\$9,917.44	7.81%
CSJC/SMWD	\$20,828.25	\$1,626.66	\$22,454.91	7.81%
EBSD	\$369.85	\$28.88	\$398.74	7.81%
ETWD	\$42.74	\$3.34	\$46.08	7.81%
MNWD	\$26,694.75	\$2,084.83	\$28,779.57	7.81%
SCWD	\$13,286.22	\$1,037.61	\$14,323.83	7.81%
Total	\$70,420.85	\$5,499.72	\$75,920.57	7.81%

**Recommended Action:** Staff recommends the award of a 1-year contract extension to Athens Services for Grit Hauling and Disposal Services at the following rates, plus taxes and surcharges for single bin deliveries that are determined when services are rendered:

Facility	Transportation Cost Per Trip (double bin)
	Proposed Fees
SOCWA Regional Treatment Plant	\$1,001.68
SOCWA JBL Treatment Plant	\$1,027.76
SOCWA Coastal Treatment Plant	\$944.11
SMWD Chiquita WRF	\$944.11
ETWD WWTP	\$905.04
IRWD LAWRP	\$1,051.47
CSC WRP	\$1,045.86

# Agenda Item

## 6.B.

**Budgeted:** Yes

**Budget amount:** \$320,996

**Line Item:** PC2, 15 & 17 Lines 5019

**Legal Counsel Review:** No

**Meeting Date:** December 8, 2022

**TO:** Board of Directors

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Jim Burror, Director of Operations

**SUBJECT:** Contract Extension Award to Integrated Municipal Systems, LLC. for Scrubber Maintenance Services [Project Committees Nos. 2, 15, and 17]

### Summary

The third year of the foul air scrubber maintenance services contract with Integrated Municipal Systems, LLC. (IMS) ends on January 1, 2022. There are up to 2 additional annual renewals available with the contract. This service is necessary to maintain the foul air equipment in compliance with strict SCAQMD permits and remove calcium and sulfur deposits that build up in the foul air scrubbers from the chemical processes to remove foul odors.

The SOCWA staff is requesting the Board approve a 1-year contract extension with IMS to continue the foul air scrubber maintenance services. The proposed fees for the SOCWA facilities are shown in the Table below.

Unit / Services	Unit Cost	Material Costs	Mark Up %	Current Labor \$	Proposed Labor \$
LO/PRO® multi-stage Odor Control Systems					
Monthly Service (calibration and reporting)	Per Service	Direct Costs plus Mark Up	20%	\$598	\$622
Acid Wash (Calibration, Internal Inspection, and reporting)	Per Service	Direct Costs plus Mark Up	20%	\$3,450	\$3,588
Emergency Call for services on any unit	Per Hr	Direct Costs plus Mark Up	20%	\$85	\$85
Major Repairs (Non-Standard Services) on any unit	Per Hr	Direct Costs plus Mark Up	20%	\$85	\$85



## Discussion/Analysis

The proposed increase from IMS for this 1-year extension is an increase of 4% over the current contract pricing and utilization of services. The primary driver for the increase is inflation for the specific good and services associated with the service. The increase are not anticipated to be over budget for this line item in this fiscal year.

## Prior Related Project Committee or Board Action(s)

None

## Fiscal Impact

The impact on the three Project Committees will be an estimated 4% increase over last year's expenses for foul air scrubber maintenance services. The estimated increase by member agency is also 4%, as presented below:

### Estimated Service Utilization Increased Costs by PC

PC	Scrubbers	Monthly Service Events	Acid Washes	Annual Inc. for Monthly Services (a)	Est. Annual for Acid Washes (b)	Total Est. Annual Inc.
2	2	24	2	\$576.00	\$276.00	\$852.00
15	1	12	4	\$288.00	\$552.00	\$840.00
17	3	36	3	\$864.00	\$414.00	\$1,278.00
Total	6	72	9	\$1,728.00	\$1,242.00	\$2,970.00

(a) The increase cost in \$24 per scrubber per monthly service.

(b) The increase cost in \$138 per acid wash.

### PC2 O&M Common Liquids Est. Annual Allocation

Agency	Budget Allocation % (1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CSJC	30.77%	\$3,269.62	\$131.08	\$3,400.70	4%
MNWD	23.08%	\$2,452.48	\$98.32	\$2,550.80	4%
SCWD	28.84%	\$3,064.54	\$122.86	\$3,187.40	4%
SMWD	17.31%	\$1,839.36	\$73.74	\$1,913.10	4%
Total	100.00%	\$10,626.00	\$426.00	\$11,052.00	4%

(1) FY22-23 Budget Allocations

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PC2 O&M Common Solids Est. Annual Allocation

Agency	Budget Allocation % (1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CSJC	30.00%	\$3,187.80	\$127.80	\$3,315.60	4%
MNWD	21.62%	\$2,297.34	\$92.10	\$2,389.44	4%
SCWD	20.00%	\$2,125.20	\$85.20	\$2,210.40	4%
SMWD	28.38%	\$3,015.66	\$120.90	\$3,136.56	4%
Total	100.00%	\$10,626.00	\$426.00	\$11,052.00	4%

(1) FY22-23 Budget Allocations

PC15 O&M Common Liquids Est. Annual Allocation

Agency	Budget Allocation % (1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CLB	37.91%	\$7,952.00	\$318.44	\$8,270.45	4%
EBSD	2.99%	\$627.18	\$25.12	\$652.30	4%
MNWD	29.25%	\$6,135.48	\$245.70	\$6,381.18	4%
SCWD	29.85%	\$6,261.34	\$250.74	\$6,512.08	4%
Total	100.00%	\$20,976.00	\$840.00	\$21,816.00	4%

(1) FY22-23 Budget Allocations

PC17 O&M Common Liquids Est. Annual Allocation

Agency	Budget Allocation % (1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CLB	0.00%	\$0.00	\$0.00	\$0.00	0%
EBSD	0.00%	\$0.00	\$0.00	\$0.00	0%
ETWD	0.00%	\$0.00	\$0.00	\$0.00	0%
MNWD	100.00%	\$15,939.00	\$639.00	\$16,578.00	4%
SCWD	0.00%	\$0.00	\$0.00	\$0.00	0%
Total	100.00%	\$15,939.00	\$639.00	\$16,578.00	4%

(1) FY22-23 Budget Allocations

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PC17 O&M Common Solids Est. Annual Allocation

Agency	Budget Allocation % (1)	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	% Est. Annual Inc. by Agency
CLB	11.22%	\$1,788.36	\$71.70	\$1,860.05	4%
EBSD	0.59%	\$94.04	\$3.77	\$97.81	4%
ETWD	20.41%	\$3,253.15	\$130.42	\$3,383.57	4%
MNWD	58.82%	\$9,375.32	\$375.86	\$9,751.18	4%
SCWD	8.96%	\$1,428.13	\$57.25	\$1,485.39	4%
Total	100.00%	\$15,939.00	\$639.00	\$16,578.00	4%

(1) FY22-23 Budget Allocations

SOCWA Agencies Estimated Annual Totals For All PC's

Agency	FY21-22 Est. Expenses	Est. Annual Cost Increase	FY22-23 Est. Expenses	Est. Annual Inc. by Agency
CLB	\$9,740.36	\$390.14	\$10,130.50	4%
CSJC	\$6,457.42	\$258.88	\$6,716.30	4%
EBSD	\$721.22	\$28.89	\$750.11	4%
ETWD	\$3,253.15	\$130.42	\$3,383.57	4%
MNWD	\$36,199.62	\$1,450.98	\$37,650.60	4%
SCWD	\$12,879.21	\$516.05	\$13,395.26	4%
SMWD	\$4,855.02	\$194.64	\$5,049.66	4%
Total	\$74,106.00	\$2,970.00	\$77,076.00	4%

**Recommended Action:** Staff recommends the award of a 1-year contract extension to Integrated Municipal Systems, LLC. for scrubber maintenance services at the following rates, plus applicable taxes:

Unit / Services	Unit Cost	Material Costs	Mark Up %	Proposed Labor \$
Monthly Service (calibration and reporting)	Per Service	Direct Costs plus Mark Up	20%	\$622
Acid Wash (Calibration, Internal Inspection, and reporting)	Per Service	Direct Costs plus Mark Up	20%	\$3,588
Emergency Call for services on any unit	Per Hr	Direct Costs plus Mark Up	20%	\$85
Major Repairs (Non-Standard Services) on any unit	Per Hr	Direct Costs plus Mark Up	20%	\$85

# Agenda Item

## 6.C.

**Budgeted:** N/A

**Budget amount:** N/A

**Line Item:**

**Legal Counsel Review:** Yes

**Meeting Date:** December 8, 2022

**TO:** PC5 & PC24 Board Members

**FROM:** Betty Burnett, General Manager

**STAFF CONTACT:** Amber Baylor, Director of Environmental Compliance

**SUBJECT:** State Lands Commission ACOO & SJCOO Lease

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### Summary

The Aliso Creek Ocean Outfall (ACOO) and San Juan Creek Ocean Outfall (SJCOO) are located within the jurisdiction of the State Lands Commission (SLC). SOCWA owns and operates the two ocean outfalls through leases with the SLC. The ACOO lease expires September 30, 2024, and the SJCOO lease expires on January 14, 2026. The SLC indicated that updated leases would need to be renewed with the addition of brine to both outfalls. SOCWA brought updated requirements to the SOCWA Board through the application and inspections. The intent of this staff report is to provide updates to the ACOO and SJCOO inspections, SLC requirements, and the SLC public meeting to occur on December 9, 2022.

### Discussion/Analysis

SLC lease applications were submitted April 27, 2022. The lease applications were deemed complete by SLC on May 27, 2022. After further review of the applications SLC required updated inspections to be performed on both the Aliso and San Juan Creek Ocean Outfalls. At the June 3, 2022, Board of Directors meeting, SOCWA provided an update to the inspection requirements that were in discussion with SLC. At the September 1, 2022, SOCWA Board meeting, the outfall inspections were awarded to SGS with completion of the inspections November 14-18, 2022.

The draft reports from SGS were provided to SLC on November 23, 2022, after review and comment by SOCWA staff. The SGS draft reports recommended repair and maintenance of ACOO:

1. In areas along the length of the ACOO where ballast is absent, install ballast such that the original design cross sectional is maintained. Additional findings detailing the individual locations of missing ballast will be included as part of the final report.
2. Using mechanical means and methods, clean each of the ACOO diffuser ports of marine growth and remove any obstructions.

The SGS draft reports recommended repair and maintenance of SJCOO:

1. In areas along the length of the SJCOO where ballast is absent, install ballast such that the original design cross sectional is be maintained. Additional findings detailing the individual locations of missing ballast will be included as part of the final report.
2. Using mechanical means and methods, clean each of the SJCOO diffuser ports of marine growth and remove any obstructions.
3. Coordinate with NOAA to update their marine navigation charts to accurately show the location of the SJCOO outfall. The horizontal alignment of the SJCOO is shown incorrectly on the publicly available NOAA marine charts. Mariners rely on these charts when setting anchors, and without the SJCOO shown correctly, it is possible that a mariner might accidentally drop anchor and damage the outfall.

SGS will provide the final reports of their inspections which will provide more accurate details on the extent of the repairs and maintenance that need to occur at ACOO and SJCOO.

After review of the SGS reports, SLC required the additional requirement in the attached leases:

- Lessee shall implement the maintenance recommendations described in the 2022 Final Ocean Outfall External Inspection and Condition Survey of the SJCOO/ACOO within three years of the issuance date of this lease.

The SLC meeting will occur on December 9, 2022, with agenda items 52 & 53 as indicated below. The SLC meeting agenda can be found here:

[https://slcprdwordpressstorage.blob.core.windows.net/wordpressdata/2022/11/12-09-22\\_Agenda.htm](https://slcprdwordpressstorage.blob.core.windows.net/wordpressdata/2022/11/12-09-22_Agenda.htm)

### **Fiscal impact**

Minimal cost per outfall (<\$5,000) for consulting services for lease application renewal and SLC application. Costs to address maintenance activities not yet determined.

### **Recommended Action:**

1. Staff recommends that the Board of Directors to direct staff to include in budgets for the FY23/24-FY25/26 funding to comply with the SLC lease condition for implementation and maintenance recommendations as described in the 2022 Final Ocean Outfall External Inspection and Condition Survey of the SJCOO/ACOO; and
2. Authorize the General Manager to complete lease negotiations with SLC and execute the leases for ACOO & SJCOO.

Attachments:

- SLC ACOO Lease Application draft
- SLC SJCOO Lease Application draft
- SGS draft ACOO Inspection Report
- SGS draft SJCOO Inspection Report

RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:  
STATE OF CALIFORNIA  
California State Lands Commission  
Attn: Land Management Division  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202

**STATE OF CALIFORNIA  
OFFICIAL BUSINESS**

Document entitled to free recordation  
pursuant to Government Code Section  
27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.: 056-020-33  
County: Orange

A3635

**LEASE NO. 5139**

This Lease consists of this summary and the following attached and incorporated parts:

Section 1	Basic Provisions
Section 2	Special Provisions Amending or Supplementing Section 1 or 3
Section 3	General Provisions
Exhibit A	Land Description
Exhibit B	Site and Location Map

**SECTION 1: BASIC PROVISIONS**

**THE STATE OF CALIFORNIA**, hereinafter referred to as Lessor acting by and through the **CALIFORNIA STATE LANDS COMMISSION** (100 Howe Avenue, Suite 100-South, Sacramento, California 95825-8202), pursuant to Division 6 of the Public Resources Code and Title 2, Division 3 of the California Code of Regulations, and for consideration specified in this Lease, does hereby lease, demise, and let to the **South Orange County Wastewater Authority**, hereinafter referred to as Lessee, those certain lands described in Exhibit A hereinafter referred to as Lease Premises, subject to the reservations, terms, covenants, and conditions of this Lease.

**MAILING ADDRESS:**

34156 Del Obispo Street  
Dana Point, CA 92629

**LEASE TYPE:**

General Lease – Public Agency Use

**LAND TYPE:**

Sovereign

**LOCATION:**

Pacific Ocean, near South Laguna, Orange County, as described in Exhibit A attached and by this reference made a part hereof.

**LAND USE OR PURPOSE:**

Use and maintenance of an existing 48-inch diameter wastewater outfall pipeline and ballast rock.

**TERM:**

30 years; beginning October 1, 2024; ending September 30, 2054, unless sooner terminated as provided under this Lease.

**CONSIDERATION:**

Public use and benefit. Subject to modification by Lessor as specified in Paragraph 3(c) of Section 3 - General Provisions.

**AUTHORIZED IMPROVEMENTS:**

X **EXISTING:** One 48-inch diameter sewage wastewater outfall pipeline and ballast rock.

**LIABILITY INSURANCE:**

\$0

**SURETY BOND OR OTHER SECURITY:**

\$0

**SECTION 2: SPECIAL PROVISIONS****BEFORE THE EXECUTION OF THIS LEASE, ITS PROVISIONS ARE AMENDED, REVISED, OR SUPPLEMENTED AS FOLLOWS:**

1. All future repairs, structural modifications/additions, abandonment, or removal of the outfall pipeline and ballast rock within the Lease Premises shall require

prior review and approval of Lessor. But, in the event of an emergency requiring immediate action to protect public safety or environmental health, Lessee may perform the necessary work. Following the work, Lessee shall contact Lessor at the 24-hour emergency response number (562) 590-5201 and inform Lessor of the emergency and nature of the work and provide Lessor with any information reasonably requested by Lessor regarding such work.

2. Lessee shall comply with all existing and subsequently enacted laws or regulations promulgated by any Federal, State or local government having lawful authority and jurisdiction over the outfall pipeline and diffuser. Lessee shall maintain a current National Pollutant Discharge Elimination System (NPDES) permit during the term of the Lease.
3. No later than October 1, 2029, Lessee shall conduct an external inspection of the outfall pipeline and every five (5) years thereafter. Copies of such reports shall be provided to Commission staff for review. Additionally, Lessee shall conduct such inspection when warranted by extraordinary circumstances such as an accident, a significant storm event or seismic event. At no cost to Lessor, Lessee shall promptly submit to Lessor copies of the results of the external inspections including reports, analyses, and recommendations.
4. Lessee shall not add or allow the placement by any other party of any additional improvements on the Lease Premises without the prior express written consent of Lessor. Lessee shall remove or cause any such unauthorized improvement to be immediately removed in accordance with all appropriate legal and regulatory requirements.
5. Lessee acknowledges and agrees:
  - a. The site may be subject to hazards from natural geophysical phenomena including, but not limited to waves, storm waves, tsunamis, earthquakes, flooding and erosion.
  - b. To unconditionally waive any claim or damage or liability against the State, its agencies, officers, agents, and employees for injury or damage from such hazards.
  - c. To indemnify, hold harmless and, at the option of the Lessor, defend the State, its agencies, officers, agents, and employees, against and for any and all liability, claims, demands, damages, or injuries or costs of any kind and from any cause (including costs and fees incurred in the defense of such claims), expenses, and amounts paid in settlement arising from any alleged or actual injury, damage or claim due to site hazards or connected in any way with respect to this property or issuance of this Lease, any new lease, renewal, amendment, or assignment by Lessor.



6. Lessee acknowledges that the Lease Premises and adjacent upland are located in an area that may be subject to effects of climate change, including sea-level rise. To prepare for the potential effects of sea-level rise, including flood damage, erosion damage, tsunamis, and damage from waves and storm-created debris, the Lessee acknowledges and agrees to the following:
  - a. Hazards associated with sea-level rise may require additional maintenance or protection strategies regarding the improvements on the Lease Premises.
  - b. Consistent with Section 3, Paragraph 8, the Lessee assumes the risks associated with such potential hazards and agrees to be solely responsible for all damages, costs, and liabilities arising as a result of the impacts of such hazards on the Lease Premises. Any additional maintenance or protection strategies necessitated by such hazards may require additional approval by Lessor pursuant to Section 3, Paragraph 5(a) and (d) be subject to environmental review.
7. Lessee acknowledges approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies any future application, Lessee may be required to remove the authorized improvements and restore the premises to their original condition.
8. The right of occupation granted herein applies only to land actually underlying the pipelines or conduits, regardless of the Lease Premises described in Exhibit A and depicted in Exhibit B. Lessor hereby grants a license to access the Lease Premises as reasonably necessary for installation, inspection and maintenance of the pipelines or conduits.
9. Lessee shall implement the maintenance recommendations described in the 2022 Final Ocean Outfall External Inspection and Condition Survey of the Aliso Creek Ocean Outfall within three years of the issuance date of this lease.
10. Upon expiration or prior termination of the lease, the Lessee has no right to a new lease or to renewal of any previous lease.

## SECTION 3

### GENERAL PROVISIONS

#### 1. GENERAL

In the case of any conflict between these General Provisions and Special Provisions found in Section 2, the Special Provisions control.

#### 2. DEFINITIONS

For the purposes of this Lease, the following terms shall be defined as stated below:

**"Additions"** shall be defined as any use or Improvements other than those expressly authorized in this Lease.

**"Alterations"** shall be defined as any material change in the size, scope, density, type, nature, or intensity of Improvements on the Lease Premises from what is authorized in this Lease. Alterations shall also include any modifications, alterations, or renovations of the land or waterways on the Lease Premises other than those authorized by this Lease.

**"Breach"** shall be defined as a party's unjustified or unexcused nonperformance of a contractual duty the party is required to immediately perform.

**"Damages"** shall include all liabilities, demands, claims, actions or causes of action whether regulatory, legislative or judicial in nature; all assessments, levies, losses, fines, penalties, damages, costs and expenses, including, without limitation: (i) reasonable attorneys', accountants', investigators', and experts' fees and expenses sustained or incurred in connection with the defense or investigation of any such liability, and (ii) costs and expenses incurred to bring the Lease Premises into compliance with Environmental Laws, a court order, or applicable provisions of a Regulatory Agency. The term "Damages" also includes, expressly, those Damages that arise as a result of strict liability, whether arising under Environmental Laws or otherwise.

**"Default"** shall be defined as a material Breach of magnitude sufficient to justify termination of the Lease.

**"Environmental Law"** shall be defined as and include all federal, state, and local environmental, health, and safety laws, statutes, ordinances, regulations, rules, judgments, orders, and notice requirements, which were in effect as of the date of execution of this Lease or are subsequently enacted and lawfully applied hereto, which regulate or relate to (a) the protection or clean-up of the environment; (b) the use, treatment, storage, transportation, handling or disposal of hazardous, toxic or otherwise dangerous substances, wastes or materials; (c) the quality of the air and the discharge of airborne wastes, gases, particles, or other emissions; (d) the preservation or protection of waterways, groundwater, or drinking water; (e) the health and safety of persons or property; or (f) impose liability with respect to any of the foregoing, including without limitation, the California Environmental

Quality Act (CEQA) [PRC §§ 21000 et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) [42 USCS §§ 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 (RCRA) [42 USCS §§ 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act (FWPCA) [33 USCS §§ 1251 et seq.]; the Toxic Substances Control Act (TSCA) [15 USCS §§ 2601 et seq.]; the Hazardous Materials Transportation Act (HMTA) [49 USCS §§ 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USCS §§ 136 et seq.]; the Superfund Amendments and Reauthorization Act [42 USCS §§ 6901 et seq.]; the Clean Air Act [42 USCS §§ 7401 et seq.]; the Safe Drinking Water Act [42 USCS §§ 300f et seq.]; the Solid Waste Disposal Act [42 USCS §§ 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USCS §§ 1201 et seq.]; the Emergency Planning and Community Right to Know Act [42 USCS §§ 11001 et seq.]; the Occupational Safety and Health Act [29 USCS §§ 655 and 657]; the California Underground Storage of Hazardous Substances Act [H & S C §§ 25280 et seq.]; the California Hazardous Substances Account Act [H & S C §§ 25300 et seq.]; the California Hazardous Waste Control Act [H & S C §§ 25100 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [H & S C §§ 24249.5 et seq.]; the Porter-Cologne Water Quality Act [Water C §§ 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above.

**"Hazardous Material"** shall be defined as and include any substance which falls within the definition of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste, pollutant, or contaminant, under any Environmental Law.

**"Improvements"** shall be defined as any modification, alteration, addition, or removal of any material, and any other action which serves to change the condition of the Lease Premises from the natural state whether situated above, on, or under the Lease Premises.

Improvements include, but are not limited to buildings, structures, facilities, decks, docks, wharves, piers, walks, curbs, bridges, buoys, landscaping, roadways, shoreline protective structures of all types, foundations, pilings or similar support structures whether above or below the water line, fences, utilities, pipelines, and any other construction of any type situated on the Lease Premises.

**"Lease"** shall be defined as this lease contract together with all amendments and exhibits.

**"Lease Premises"** shall be defined as the area of land, together with any improvements located thereon, the use and occupancy of which is authorized by this Lease.

**"Lessor"** shall be defined as the state of California, acting by and through the California State Lands Commission, including the Commissioners, their alternates and designates, the Executive Officer, and the staff of the California State Lands Commission.

**"Regulatory Agency"** shall include any Federal, State, County, Municipal, or Local agency having jurisdiction over the Lease Premises.

**"Repairs"** shall be defined as all work of any kind made to maintain, change, restore, strengthen, replace, alter, or otherwise affect any Improvement on the Lease Premises.

**"Residence"** shall be defined as any Improvement, whether permanent, movable, or temporary, or a portion thereof, which is for the time being a home or place of lodging. A Residence includes any Improvement affixed to the land such as trailers or cabins, built on a raised foundation such as stilts or pilings, and floating residences such as boats, barges, arks, and houseboats, and any combination of such Improvements which provide residential accommodations to the Lessee or others. "Residence" shall not include transitory, intermittent, recreational use of facilities such as campgrounds.

**"Residential Use"** shall be defined as Improvements such as, but not limited to, sundecks, and sunrooms which are extensions of, or additions to, the upland property and are not water-dependent uses. Although the various uses or Improvements which may fall under this definition may vary by geographic area, lease type, or other factors, it is the intention of the parties to include in this definition all uses and Improvements which are not water-dependent but residential in nature, or those uses and Improvements which are not consistent with common law public trust principles and values.

### **3. CONSIDERATION**

#### **(a) Absolute Triple Net Lease**

This Lease is an absolute triple net lease, pursuant to which Lessor has no obligation with respect to the payment of taxes, insurance, the cost of maintenance, utilities and repairs or other costs or obligations associated with the Leased Premises, except as expressly stated herein.

#### **(b) Rent**

Lessee agrees to pay Lessor rent as stated in this Lease, in annual installments, for the use and occupancy of the Lease Premises. The first installment shall be due on or before the beginning date of this Lease and all subsequent installments shall be due on or before each anniversary of its beginning date during each year of the Lease term, or as otherwise provided in this Lease. Said sums shall be paid in lawful money of the United States of America. Lessee shall send said rent to the mailing address of Lessor. Timeliness of receipt of remittances sent by mail shall be governed by the postmark date as stated in Government Code Section 11002. Invoices for rent due may be provided by Lessor as a courtesy. Lessor's failure to, or delinquency in, providing invoices shall neither excuse Lessee from paying rent, nor extend the time for paying rent.

#### **(c) Modification**

Lessor may modify the method, amount, or rate of consideration effective on each fifth anniversary of the beginning date of this Lease. Should Lessor fail to exercise such right effective on any fifth anniversary it may do so effective on any one (1) of the next four (4) anniversaries following such fifth anniversary, without prejudice to its right to effect such modification on the next or any succeeding fifth anniversary of the beginning date. No

such modification shall become effective unless Lessee is given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the rent modification is considered, or thirty (30) days' notice prior to the effective date of the increase, whichever provides a greater notice period.

If the consideration for this Lease is based on a percentage of income, royalties, profits, or any similar business performance indicators, Lessee shall provide Lessor with financial statements and all other documents necessary to determine the relevant basis for income.

**(d) Penalty and Interest**

Any installments of rent accruing under this Lease not paid when due shall be subject to a delinquency charge equal to five percent (5%) of the principal sum due. Annual payments shall bear interest as specified in Public Resources Code Section 6224 and the Lessor's then existing administrative regulations governing penalty and interest.

**(e) Non-Monetary Consideration**

If the consideration to Lessor for this Lease is the public use, benefit, health, or safety, Lessor shall have the right to review such consideration at any time and set a monetary rental if the Lessor, at its sole discretion, determines that such action is in the best interest of the State. Lessee's assignment or transfer of this Lease pursuant to Section 3 Paragraph 11 below to any third party which results in royalties, profits, or any form of compensation, whether monetary or otherwise, shall give Lessor the right to reevaluate the requirements of this Lease as stated in Section 3 Paragraph 11. Lessee shall be given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the rent modification is considered, or thirty (30) days' notice prior to the effective date that this Lease is converted to a monetary rental, whichever provides more notice.

**(f) Place for Payment of Rent**

All rent that becomes due and payable under this Lease shall be paid to Lessor in person or by United States mail at the Sacramento Offices of the California State Lands Commission, currently at 100 Howe Avenue, Suite 100-South, Sacramento, CA 95825-8202, or at any other place or places that Lessor may designate by written notice to Lessee. Alternately, Lessee may contact Lessor's accounting department for Lessor's current practices for payment by credit card or electronic fund transfer.

**4. BOUNDARIES**

This Lease is not intended to establish the State's boundaries and is made without prejudice to either party regarding any boundary or title claims which may be asserted presently or in the future.

**5. LAND USE**

**(a) General**

(1) Lessee shall use the Lease Premises only for the purpose or purposes stated in this Lease and only for the operation and maintenance of the Improvements expressly authorized in this Lease. Lessee shall commence use of the Lease Premises within ninety (90) days of the beginning date of this Lease or within ninety (90) days of the date set for construction to commence as set forth in this Lease, whichever is later.

(2) All demolition, construction, remodeling, reconstruction, maintenance, repairs, removal, or remediation performed on the Lease Premises at any time by Lessee shall first be authorized by all appropriate Regulatory Agencies. Lessee is solely responsible for determining what approvals, authorizations, or certifications are required, and shall be solely responsible for all costs incurred thereby. In addition, Lessee shall obtain and comply with preventative or remedial measures required by any environmental reports, assessments, or inspections, including, but not limited to those required by the California Environmental Quality Act and/or the National Environmental Policy Act, or as otherwise required by law or reasonably requested by Lessor. Nothing in this Lease shall be interpreted as a pre-approval of any permit, certification, or any other precondition required for the use of the Lease Premises.

**(b) Continuous Use**

Lessee's use of the Lease Premises shall be continuous from commencement of the Lease until its expiration. Lessee's discontinuance of such use for a period of ninety (90) days shall be presumed to be an abandonment unless Lessee demonstrates to Lessor's satisfaction that Lessee's use of the Lease Premises is consistent with similarly situated properties. In the event of an abandonment, Lessor may elect to terminate the Lease as provided in Paragraph 12(a)(3). Abandonment of the Lease Premises shall not relieve Lessee of any obligations under this Lease.

**(c) Repairs and Maintenance**

(1) Lessor shall not be required to make any Repairs in, on, or about all or part of the Lease Premises. Lessee shall, at all times during the term of this Lease and without any cost or expense to Lessor, keep and maintain the Lease Premises, including all Improvements, in good order and repair and in a clean, safe, sanitary, and orderly condition.

(2) Lessee shall make, or cause to be made, any Repairs which may be required by any Regulatory Agency. Lessee shall observe and comply with, any law, statute, ordinance, plan, regulation, resolution, or policy applicable to the Lease Premises in making such Repairs. All work shall be performed with reasonable diligence, completed within a reasonable time, and performed at the sole cost and expense of Lessee.

(3) Lessee expressly accepts the Lease Premises "as is" and expressly acknowledges that:

- (i) Lessor has made no representations or warranties as to the suitability of the Lease Premises for any Improvements. Lessee shall conduct all tests necessary to determine the suitability of the Lease Premises for any proposed use or Improvements authorized; and
- (ii) Lessor has made no representations or warranties as to the quality or value of any Improvements found on the Lease Premises, or of their conformity to any applicable building codes, zoning ordinances, or other regulations. Lessee agrees to inspect any preexisting Improvements at its own cost to determine whether such Improvements are safe and suitable for the Lessee's intended use; and
- (iii) Lessee shall neither be entitled to any reduction in rent, nor any extension of the terms of this Lease because of damage to or destruction of any Improvements on the Lease Premises.
- (iv) Lessee and Lessor agree that any Improvements on the Lease Premises constitute the personal property of Lessee and that fixture law does not apply.

(4) In the event that the Lease Premises is partly, or in whole, comprised of tidal, submerged, or waterfront property, Lessee expressly accepts the hazards involved in using or improving such lands. Lessor is not responsible for, and Lessee shall not be reimbursed for nor receive any offset of rent for, any damages or reduced use of the Lease Premises caused by: local or invasive flora or fauna, flooding, erosion, sea level rise, storms, freezing, inclement weather of any kind, acts of god, maintenance or failure of protective structures, and any other such hazards.

**(d) Additions, Alterations, and Removal**

No Improvements other than those expressly authorized in this Lease shall be constructed by the Lessee on the Lease Premises without the prior written consent of Lessor. Any Additions or Alterations are expressly prohibited. Lessee is also prohibited from any Additions or Alterations which cause a material change to the environmental impact on or around the Lease Premises.

**(e) Enjoyment**

This Lease is non-exclusive, and is subject to the provisions of Section 3, Paragraph 6 below. Lessee shall have the right to exclude persons from the Lease Premises only when their presence or activity constitutes a material interference with Lessee's use and enjoyment of the Lease Premises.

**(f) Discrimination**

Lessee, in its use of the Lease Premises, shall not discriminate against any person or

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class of persons on any basis protected by federal, state, or local law, including: race, color, creed, religion, national origin, sex, sexual orientation, gender identity, age, marital/parental status, veteran status, or disability.

**(g) Residential Use**

Unless otherwise provided for in this Lease, no portion of the Lease Premises shall be used as a location for a Residence, for the purpose of mooring or maintaining a structure which is used as a Residence, or for Residential Uses.

**(h) Commercial Use**

Unless otherwise provided for in this Lease, the Lease Premises is to be used by Lessee and Lessee's invitees or guests only. Use of the Lease Premises for commercial purposes; conducting a business, whether for profit or otherwise; and any subleasing, rental, or any transaction whereby Lessee directly or indirectly receives compensation from a third party in exchange for use of the Lease Premises shall constitute an immediate Default of this lease with no cure period.

**6. RESERVATIONS, ENCUMBRANCES, AND RIGHTS-OF-WAY**

**(a) Reservations**

(1) Lessor expressly reserves all natural resources in or on the Lease Premises, including but not limited to timber, minerals, and geothermal resources as defined under Public Resources Code sections 6401, 6407, and 6903, respectively; the right to grant and transfer the same; as well as the right to grant leases in and over the Lease Premises which may be necessary or convenient for the extraction of such natural resources. Such leasing shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.

(2) Lessor expressly reserves a right to go on the Lease Premises and all Improvements for any purposes associated with this Lease or for carrying out any function required by law, or the rules, regulations, or management policies of the State Lands Commission. Lessor shall have a right of reasonable access to the Lease Premises across Lessee owned or occupied lands adjacent to the Lease Premises for any purpose associated with this Lease.

(3) Lessor expressly reserves to the public an easement for convenient access across the Lease Premises to other State-owned lands located near or adjacent to the Lease Premises and a right of reasonable passage across and along any right-of-way granted by this Lease; however, such easement or right-of-way shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.

(4) Lessor expressly reserves the right to lease, convey, or encumber the Lease

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Premises, in whole or in part, during the Lease term for any purpose not inconsistent or incompatible with the rights or privileges of Lessee under this Lease.

**(b) Encumbrances**

The Lease Premises may be subject to pre-existing contracts, leases, licenses, easements, encumbrances, and claims and is made without warranty by Lessor of title, condition, or fitness of the land for the stated or intended purpose.

**7. RULES, REGULATIONS, AND TAXES**

(a) Lessee shall comply with and be bound by all presently existing or subsequently enacted rules, regulations, statutes or ordinances of the State Lands Commission or any Regulatory Agency. Occupancy or use of the Lease Premises provides no exemption from applicable regulations including, but not limited to, federal, state, county and local regulations, regulations promoting public health, safety, or welfare, building codes, zoning ordinances, and sanitation regulations. Lessee expressly acknowledges that Regulatory Agencies have jurisdiction over the Lease Premises unless such laws are in direct conflict with state law or public trust principles.

(b) Lessee understands and agrees that a necessary condition for the granting and continued existence of this Lease is that Lessee obtains and maintains all permits or other entitlements. Lessee expressly acknowledges that issuance of this Lease does not substitute for, or provide preference in obtaining authorizations from other Regulatory Agencies.

**(c) Taxes**

(1) In addition to the rent due under this Lease, Lessee accepts responsibility for and shall pay any and all real and personal property taxes, including possessory interest taxes, assessments, special assessments, user fees, service charges, and other charges of any description levied, imposed on, assessed, or associated with the leasehold interest, Improvements on the Lease Premises, any business or activity occurring on the Lease Premises, the Lease Premises itself, or any portion thereof, levied by any governmental agency or entity. Such payment shall not reduce rent due Lessor under this Lease and Lessor shall have no liability for such payment.

(2) In the event that this Lease commences, terminates or expires during a tax year, Lessee shall pay the taxes for the period of such year during which this Lease was in effect.

(3) Any and all taxes and assessments and installments of taxes and assessments required to be paid by Lessee under this Lease shall be paid when due and the official

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and original receipt for the payment of such tax, assessment, or installment shall be delivered to Lessor upon request.

(4) Lessee shall indemnify and hold Lessor, the Lease Premises, and any Improvements now or hereafter located thereon, free and harmless from any liability, loss, or Damages resulting from any taxes, assessments, or other charges required by this Lease to be paid by Lessee and from all interest, penalties, and other sums imposed thereon and from any sales or other proceedings to enforce collection of any such taxes, assessments, or other charges.

## **8. INDEMNITY**

(a) Lessee's use of the Lease Premises and any Improvements thereon is at Lessee's sole and exclusive risk.

(b) In addition to any other obligation to indemnify Lessor as otherwise provided in this Lease, except to the extent caused by the sole negligence and/or willful misconduct of the Lessor, Lessee shall indemnify, hold harmless, and, at the option of Lessor, defend Lessor, its officers, agents, and employees from any and all Damages resulting from Lessee's occupation and use of the Lease Premises. Lessee shall reimburse Lessor in full for all reasonable costs and attorneys' fees, specifically including, without limitation, any Damages arising by reason of: (1) The issuance, enjoyment, interpretation, Breach, or Default of this Lease; (2) The challenge to or defense of any environmental review upon which the issuance of this Lease is based; (3) The death or injury of any person, or damage to or destruction of any property from any cause whatever in any way connected with the Lease Premises, or with any of the Improvements or personal property on the Lease Premises; (4) The condition of the Lease Premises, or Improvements on the Lease Premises; (5) An act or omission on the Lease Premises by Lessee or any person in, on, or about the Lease Premises; (6) Any work performed on the Lease Premises or material furnished to the Lease Premises; (7) Lessee's failure to comply with any material legal or other requirement validly imposed on Lessee or the Lease Premises by a Regulatory Agency.

(c) The reimbursement provisions of this Paragraph 8 shall not apply to any claims, litigation, or other actions which may be brought by either Lessee or Lessor against each other.

(d) Nothing in this paragraph shall be construed as requiring that Lessor defend itself against all or any aspect of any challenge to this Lease or any associated environmental review. However, Lessee may take whatever legal action is available to it to defend this Lease or any associated environmental review against any challenge by a third party, whether or not Lessor chooses to raise a defense against such a challenge.

(e) Lessee shall notify Lessor immediately in case of any accident, injury, or casualty on the Lease Premises.

## 9. **INSURANCE**

(a) Lessee shall obtain and maintain in full force and effect during the term of this Lease comprehensive general liability insurance and property damage insurance, with such coverage and limits as may be reasonably requested by Lessor from time to time, but in no event for less than the sum(s) specified against any and all claims or liability arising out of the ownership, use, occupancy, condition, or maintenance of the Lease Premises and all Improvements.

(b) The insurance policy shall identify the Lease by its assigned number. The specific Improvements shall also be generally identified, as well as their location on state owned property. The coverage provided shall be primary and non-contributing. Lessee shall keep such policy current. Lessor shall be named as a "certificate holder" and/or an "additional interest" on the policy. Lessee shall provide Lessor with a current certificate of insurance at all times. At Lessor's request, Lessee shall provide a full copy of the current insurance policy, along with any and all endorsements or other such documents affecting the coverage. Lessor will not be responsible for any premiums or other assessments on the policy.

(c) The insurance coverage specified in this Lease shall be in effect at all times during the Lease term and subsequently until Lessor has either accepted all of the Lease Premises as improved or restored by Lessee as provided elsewhere in this Lease. Lessee shall notify Lessor within five (5) business days if the insurance is canceled for any reason.

## 10. **SURETY BOND**

(a) When required by Section 1 of this Lease, Lessee shall provide a surety bond or other security device acceptable to Lessor, for the specified amount, and naming the State of California, California State Lands Commission as the assured, to guarantee to Lessor the faithful observance and performance by Lessee of all of the terms, covenants, and conditions of this Lease.

(b) Lessor may require an increase in the amount of the surety bond or other security device to cover any additionally authorized Improvements, any modification of consideration, or to provide for inflation or other increased need for security. The surety bond or other security device may be increased on each fifth anniversary of the beginning date of this Lease. Should Lessor fail to exercise such right effective on any fifth anniversary, it may do so effective on any one (1) of the next four (4) anniversaries following such fifth anniversary without prejudice to its right to effect such modification on the next or any succeeding fifth anniversary. No such modification shall become effective unless Lessee is given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the modification of the bond or security is considered, or thirty (30) days' notice prior to the

effective date of the increase, whichever provides more notice.

(c) The surety bond or other security device shall be maintained in full force and effect at all times during the Lease term and subsequently until Lessor has either accepted all of the Lease Premises as improved or restored by Lessee as provided elsewhere in this Lease. Lessee must first seek approval of Lessor before changing the type of security device used, or the bond holder.

## **11. ASSIGNMENT, ENCUMBRANCING OR SUBLETTING**

(a) Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease and shall not sublet the Lease Premises, in whole or in part, or allow any person other than the Lessee's employees, agents, servants and invitees to occupy or use all or any portion of the Lease Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

(1) Notwithstanding the foregoing prohibition against transfer and assignment, the Lease may be transferred by Lessee if the transfer is caused by the death of a spouse and the full interest of the deceased spouse is transferred to a surviving spouse; or the transfer is caused by the dissolution of the marriage of Lessee and the full interest of one of the spouses is transferred to the other spouse. In the event of such a transfer, Lessor shall be notified in writing within 30 days of the transfer.

(2) Notice to Lessor of Successor Trustee(s): In the event this Lease is held in trust, and the Lessee is a trustee thereof, the substitution or succession of a new trustee shall not be an assignment or transfer for the purposes of this Paragraph. Lessee (and by operation of law, any successor trustee) agrees to provide prompt notice to Lessor of any succession or substitution of trustee in accordance with Paragraph 16(c) of General Provisions, no later than sixty (60) days after the named trustee as appears on the face of this Lease becomes unable or ceases to serve as trustee for any reason.

(b) The following shall be deemed to be an assignment or transfer within the meaning of this Lease:

(1) If Lessee is a business entity, any dissolution, merger, consolidation or other reorganization of Lessee, or the sale or other transfer of substantially all the assets of Lessee. If Lessee is a publicly traded entity, transfers of interests in Lessee shall not constitute an assignment requiring the consent of Lessor.

(2) If Lessee is a partnership, a transfer of any interest of a general partner, a withdrawal of any general partner from the partnership, or the dissolution of the partnership.

(c) If this Lease is for sovereign lands appurtenant to adjoining littoral or riparian land, Lessee shall not transfer or assign its ownership interest or use rights in such adjoining lands

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separately from the leasehold rights granted herein without the prior written consent of Lessor.

(d) If Lessee desires to assign, sublet, encumber or otherwise transfer all or any portion of the Lease Premises, Lessee shall do all of the following:

(1) Give not less than 90 days' prior written notice to Lessor;

(2) Provide the name, complete business organization, operational structure, and formation documents of the proposed assignee, sublessee, secured third party, or other transferee; and the nature of the use of and interest in the Lease Premises proposed by the assignee, sublessee, secured third party or other transferee.

(3) Provide the terms and conditions of the proposed assignment, sublease, or encumbrance or other transfer;

(4) Provide audited financial statements for the two most recently completed fiscal years of the proposed assignee, sublessee, secured party or other transferee; and provide pro forma financial statements showing the projected income, expense and financial condition resulting from use of the Lease Premises; and

(5) Provide such additional or supplemental information as Lessor may reasonably request concerning the proposed assignee, sublessee, secured party or other transferee.

(6) Lessor will evaluate proposed assignees, sublessees, secured third parties and other transferees and grant approval or disapproval according to standards of commercial reasonableness considering the following factors within the context of the proposed use: the proposed party's financial strength and reliability, their business experience and expertise, their personal and business reputation, their managerial and operational skills, their proposed use and projected rental, as well as other relevant factors.

(e) Lessor shall have a reasonable period of time from the receipt of all documents and other information required under this provision to grant or deny its approval of the proposed party. Lessor may reevaluate the rent, insurance and/or bond provisions of this Lease, and may condition its approval of the proposed assignment, sublease, hypothecation, mortgage, or other transfer on the party's acceptance of the new terms. Lessee's rights stated in this paragraph shall apply regardless of whether the proposed transfer coincides with a regular rent review period as stated in Section 3 Paragraph 3(c) above.

(f) Lessee's mortgage or hypothecation of this Lease, if approved by Lessor, shall be

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subject to terms and conditions imposed by a separately negotiated encumbrancing agreement.

(g) Upon the express written assumption of all obligations and duties under this Lease by an assignee approved by Lessor, the Lessee may be released from all liability under this Lease arising after the effective date of assignment and not associated with Lessee's use, possession or occupation of or activities on the Lease Premises; except as to any hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance manufactured, generated, used, placed, disposed, stored or transported on the Lease Premises during Lessee's tenancy.

(h) If the Lessee files a petition or an order for relief is entered against Lessee, under Chapters 7, 9, 11 or 13 of the Bankruptcy Code (11 USC Sect. 101, et seq.) then the trustee or debtor-in-possession must elect to assume or reject this Lease within sixty (60) days after filing of the petition or appointment of the trustee, or the Lease shall be deemed to have been rejected, and Lessor shall be entitled to immediate possession of the Lease Premises. No assumption or assignment of this Lease shall be effective unless it is in writing and unless the trustee or debtor-in-possession has cured all Defaults under this Lease (monetary and non-monetary) or has provided Lessor with adequate assurances (1) that within ten (10) days from the date of such assumption or assignment, all monetary Defaults under this Lease will be cured; and (2) that within thirty (30) days from the date of such assumption, all non-monetary Defaults under this Lease will be cured; and (3) that all provisions of this Lease will be satisfactorily performed in the future.

(i) In the event of any transfer or assignment, under this Paragraph 11 or by any other means authorized by this Lease, the Lease terms shall be for the remaining years existing on the Lease prior to the transfer or assignment. A transfer or assignment shall not extend the term of this Lease.

## **12. DEFAULT AND REMEDIES**

### **(a) Default**

The occurrence of any one or more of the following events shall immediately and without further notice constitute a Default of this Lease:

(1) Lessee's failure to make any payment of rent, royalty, or other consideration as required under this Lease; or

(2) Lessee's failure to obtain or maintain liability insurance or a surety bond or other security device as required under this Lease; or

(3) Lessee's abandonment of the Lease Premises (including the covenant for continuous use as provided for in Paragraph 5(b)) during the Lease term; or

(4) Lessee's failure to obtain and maintain all necessary governmental permits or other entitlements; or

(5) The maintenance of the Lease Premises in violation of, or failure to comply with, any applicable provisions of any Regulatory Agency, Environmental Law, or maintenance of the Lease Premises in a condition constituting nuisance; or

(6) Lessee's Failure to commence to construct and to complete construction of the Improvements authorized by this Lease within the time limits specified in this Lease.

(7) Lessee is found to sublet or otherwise surrender daily management and control of the Lease Premises to a third party without the knowledge, expressed written consent or authorization of the Lessor.

(b) Lessee's failure to observe or perform any other term, covenant, or condition of this Lease when such failure shall continue for a period of thirty (30) days after Lessor's giving written notice shall constitute a Default of this lease. However, if the nature of Lessee's Default under this paragraph is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in Default if Lessee commences such cure within such thirty (30) day period and diligently proceeds with such cure to completion.

(c) Should Lessee Breach any term, covenant, or condition of this Lease under Paragraph 12(b) above three (3) times in any three hundred and sixty-five (365) day period, the third Breach will be a Default under this Lease and Lessor will be entitled to immediately terminate this Lease, and take other appropriate action. Lessor will provide written notice of each Breach as provided above, and provide written notice that future Breaches will constitute immediate Default with no cure period.

**(d) Remedies**

In the event of a Default by Lessee and Lessee's failure to cure such Default if such a cure period is applicable, Lessor may at any time and with or without notice do any one or more of the following in addition to any rights or remedies permitted by law:

(1) Re-enter the Lease Premises, remove all persons and property, and repossess and enjoy such premises; or

(2) Terminate this Lease and Lessee's right of possession of the Lease Premises by any lawful means. The termination shall not relieve Lessee of any obligation, monetary or otherwise, which has accrued prior to the date of termination. Such termination shall be effective upon Lessor's giving written notice and upon Lessee's receipt of such notice. Lessee shall immediately surrender possession of the Lease Premises to Lessor. Lessor shall be entitled to recover from Lessee all amounts to which Lessor is entitled pursuant to Section 1951.2 of the California Civil Code, or any other provision of law, including any necessary Repair, renovation, alteration, remediation, or removal of Improvements; or

(3) Maintain this Lease in full force and effect and recover any rent, royalty, or other consideration as it becomes due without terminating Lessee's right of possession regardless of whether Lessee shall have abandoned the Lease Premises, subject to the conditions imposed by Cal. Civil Code § 1951.2; or

(4) Exercise any other right or remedy which Lessor may have at law or equity.

**(e) Determination of Rental Value**

If rent under this Lease is calculated as a percentage of Lessee's income attributable to the Lease Premises and Lessee abandons the Lease Premises during some or all of the applicable period, then the reasonable rental value shall be the percentage of proceeds Lessor would have received had Lessee operated the Lease Premises in the usual and customary manner.

**(f) Waiver of Rights**

The failure or delay of either party to exercise any right or remedy shall not be construed as a waiver of such right or remedy or any Breach by the other party. Lessor's acceptance of any rent shall not be considered a waiver of any preexisting Breach by Lessee other than the failure to pay the particular rent accepted regardless of Lessor's knowledge of the preexisting Breach at the time rent is accepted.

**13. RESTORATION OF LEASE PREMISES AND ENVIRONMENTAL MATTERS**

**(a) Restoration of Lease Premises**

(1) Upon expiration or sooner termination of this Lease, Lessee must immediately surrender possession of the Lease Premises to Lessor. Prior to the time of surrender, Lessee must remove all or any Improvements together with the debris and all parts of any such Improvements at its sole expense and risk, regardless of whether Lessee



actually constructed or placed the Improvements on the Lease Premises; or Lessor, at its sole and absolute discretion, may itself remove or have removed all or any portion of such Improvements at Lessee's sole expense. Lessor may waive all or any part of this obligation in its sole discretion if doing so is in the best interests of the State.

(2) As a separate and related obligation, Lessee shall restore the Lease Premises as nearly as possible to the conditions existing prior to the installation or construction of any Improvements. For purposes of this Lease, restoration includes removal of any landscaping; removal of any Hazardous Materials; and to the extent possible, undoing any grading, fill, excavation, or similar alterations of the natural features of the Lease Premises. Lessor may waive all or any part of this obligation in its sole and absolute discretion.

(3) Unless otherwise provided for in this Lease, Lessee shall submit to Lessor no later than one (1) year prior to the expiration of this Lease either: (a) an application and minimum expense deposit for a new lease for the continued use of the Lease Premises, or (b) a plan for the restoration of the Lease Premises to be completed prior to the expiration of the lease term together with a timeline for obtaining all necessary permits and conducting the work prior to the expiration of this Lease.

(4) In removing any or all Improvements, or conducting any restoration work, Lessee shall be required to obtain any permits or other governmental approvals as may then be required by any Regulatory Agency, including, without limitation, any Environmental Law.

(5) Lessor may, upon written notice, in its sole and absolute discretion, accept title to any or all Improvements at the termination of this Lease. Lessor shall notify Lessee that Lessor intends to take title to any or all Improvements within six (6) months of Lessee submitting a plan for restoration under Paragraph 13(a)(3)(b) above. If Lessor elects to take title to any such Improvements, Lessee shall deliver to Lessor such documentation as may be necessary to convey title to such Improvements to Lessor free and clear of any liens, mortgages, loans, or any other encumbrances. Lessor shall not pay, and Lessee shall not be entitled to compensation for Lessor's taking title to such property.

#### **(b) Environmental Matters**

##### **(1) Lessee's Obligations:**

(i) Lessee will not use, occupy, or permit any portion of the Lease Premises to be used or occupied in violation of any Environmental Law. Lessee shall not manufacture or generate or store Hazardous Material on the Lease Premises unless

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specifically authorized under other terms of this Lease.

(ii) Lessee shall practice conservation of water, energy, and other natural resources.

(iii) Lessee shall notify Lessor and the appropriate governmental emergency response agency, or agencies immediately in the event of any release or threatened release of any Hazardous Material.

(2) Lessor may at any time during the Lease term require Lessee to conduct at its own expense and by a contractor approved by Lessor an independent environmental site assessment or inspection for the presence or suspected presence of Hazardous Material generated, used, placed, disposed, stored, or transported on the Lease Premises during the term of the Lease. Lessee shall provide the results of the assessment or inspection to Lessor and the appropriate governmental response agency or agencies and shall further be responsible for removing or taking other appropriate remedial action regarding such Hazardous Material in accordance with applicable Environmental Law.

(3) Environmental Indemnity.

Lessee shall indemnify, defend, and hold Lessor and Lessor's, officer, appointees, volunteers, employees, agents, successors and assigns free and harmless from and against all Damages that may at any time be imposed upon, incurred by, or asserted or awarded against Lessor in connection with or arising from any Breach of Lessee's obligations hereunder; or out of any violation by Lessee of any Environmental Law; or resulting in the imposition of any lien or claim for the recovery of any costs for environmental cleanup or other response costs relating to the release or threatened release of Hazardous Materials on the Lease Premises during the Lessee's tenancy. This obligation shall include any prior leases between Lessor and Lessee and will continue through any periods Lessee is in holdover, unlawful detainer, or any subsequent month-to-month tenancies created by operation of law. Lessee's obligations hereunder will survive the expiration or sooner termination of this Lease.

(4) Violation of this section shall constitute grounds for termination of the Lease. Lessor, shall notify Lessee when, in Lessor's opinion, Lessee has violated the provisions of this section. Lessee shall immediately discontinue the conduct and respond within five (5) business days. Lessee shall take all measures necessary to remedy the condition.

#### **14. QUITCLAIM**

Lessee shall, upon the early termination of this Lease and at Lessor's request, execute and

deliver to Lessor in a form provided by Lessor a good and sufficient release of all rights under this Lease. Should Lessee fail or refuse to deliver such a release, Lessor may record a written notice reciting such failure or refusal. This written notice shall, from the date of its recordation, be conclusive evidence against Lessee of the termination of this Lease and all other claimants.

## **15. HOLDING-OVER**

(a) This Lease shall terminate without further notice upon the expiration of the term of this Lease. Lessee shall have removed any Improvements and completed any restoration as required by Lessor prior to the expiration of this Lease, and shall surrender possession of the Lease Premises. Any failure by the Lessee to remove Improvements, restore the Lease Premises, and/or surrender possession of the Lease Premises at the expiration or sooner termination of this Lease shall not constitute a renewal or extension and shall not give Lessee any rights in or to the Lease Premises or any part thereof except as expressly provided in this Lease. Lessee shall be deemed in unlawful detainer of the Lease Premises and Lessor shall be entitled to all resulting legal remedies.

(b) Lessor may, in its sole discretion, choose to accept Rent for the Lease Premises instead of immediately taking legal action to recover possession of the Lease Premises. Any tenancy created by operation of law on Lessor's acceptance of rent shall be deemed a month-to-month tenancy regardless of what sum or sums Lessee delivers to Lessor. Except as set forth below, any subsequent tenancy created in this manner shall be on the same terms, covenants, and conditions set forth in this Lease insofar as such terms, covenants, and conditions can be applicable to a month-to-month tenancy

(c) In recognition of the increased accounting, land management, and supervisory staff time required for month-to-month tenancies, the rent for each month or any portion thereof during such holdover period may be an amount equal to one hundred fifty percent (150%) of one-twelfth (1/12) of the total compensation for the most recent year paid. In the event this Lease does not require monetary compensation, Lessor shall have the right to establish rent based on the fair market value of the Lease Premises. The month-to-month tenancy may be terminated by Lessee or Lessor upon thirty (30) calendar days' prior written notice to the other.

## **16. ADDITIONAL PROVISIONS**

### **(a) Waiver**

(1) No term, covenant, or condition of this Lease and no omission, neglect, Default or Breach of any such term, covenant or condition shall be deemed to have been waived by Lessor's acceptance of a late or nonconforming performance or otherwise, unless such a waiver is expressly acknowledged by Lessor in writing. No delay or omission of Lessor to exercise any right or power arising from any omission, neglect,

Default or Breach of term, covenant, or condition of this Lease shall be construed as a waiver or any acquiescence therein.

(2) Any such waiver shall not be deemed to be a waiver of any other term, covenant or condition; of any successive Breaches of the same term, covenant, or condition; or of any other Default or Breach of any term, covenant or condition of this Lease.

**(b) Time**

Time is of the essence for this Lease and each and all of its terms, covenants or conditions in which performance is a factor.

**(c) Notice**

All notices required to be given under this Lease shall be given in writing, sent by U.S. Mail with postage prepaid, to Lessor at the offices of the State Lands Commission and the Lessee at the address specified in this Lease. Lessee shall give Lessor notice of any change in its name or address.

**(d) Consent**

Where Lessor's consent is required under this Lease its consent for one transaction or event shall not be deemed to be a consent to any subsequent occurrence of the same or any other transaction or event.

**(e) Changes**

This Lease may be terminated and its term, covenants, and conditions amended, revised, or supplemented only by mutual written agreement of the parties.

**(f) Successors**

The terms, covenants, and conditions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, successors, and assigns of the respective parties.

**(g) Joint and Several Obligation**

If more than one Lessee is a party to this Lease, the obligations of the Lessees shall be joint and several.

**(h) Captions**

The section and paragraph captions used in this Lease are for the convenience of the parties. The captions are not controlling and shall have no effect upon the construction or interpretation of this Lease.

**(i) Severability**

If any term, covenant or condition of this Lease is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall remain valid and enforceable to the fullest extent permitted by law.

**(j) Representations**

Lessee agrees that no representations have been made by Lessor or by any person or agent acting for Lessor. Lessor and Lessee agree and acknowledge that this document contains the entire agreement of the parties, that there are no verbal agreements, representations, warranties or other understandings affecting this Lease, and Lessor and Lessee, as a material part of the consideration of this Lease, waive all claims against the other for rescission, damages, or otherwise by reason of any alleged covenant, agreement or understanding not contained in this Lease.

**(k) Gender and Plurality**

In this Lease, the masculine gender includes both the feminine and neuter, and the singular number includes the plural whenever the context so requires.

**(l) Survival of Certain Covenants**

All covenants pertaining to bond, insurance, indemnification, restoration obligations, Breach, Default, and remedies shall survive the expiration or earlier termination of this Lease until Lessee has fulfilled all obligations to restore the Lease Premises as required by this Lease.

**(m) Counterparts**

This agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

**(n) Delegation of Authority**

Lessor and Lessee acknowledge Lessor as defined herein includes the Commission Members, their alternates or designees, and the staff of the Commission. The ability of staff of the Commission to give consent, or take other discretionary actions described herein will be as described in the then-current delegation of authority to Commission staff. All other powers are reserved to the Commission.

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This Lease shall become effective only when approved by and executed on behalf of the State Lands Commission of the State of California and a duly executed copy has been delivered to Lessee. The submission of this Lease by Lessor, its agent, or representative for examination by Lessee does not constitute an option or offer to lease the Lease Premises upon the terms and conditions contained herein, or a reservation of the Lease Premises in favor of Lessee. Lessee's submission of an executed copy of this Lease to Lessor shall constitute an offer to Lessor to lease the Lease Premises on the terms and conditions set forth herein.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease as of the date hereafter affixed.

**LESSEE:**

**SOUTH ORANGE COUNTY WASTEWATER  
AUTHORITY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**LESSOR:**

**STATE OF CALIFORNIA  
STATE LANDS COMMISSION**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACH ACKNOWLEDGMENT**

Execution of this document was authorized  
by the California State Lands Commission  
on \_\_\_\_\_.

## EXHIBIT A

LEASE 5139

### LAND DESCRIPTION

A strip of tide and submerged land 20 feet in width, lying in the bed of the Pacific Ocean, adjacent to fractional Section 6, Township 8 South, Range 8 West, S.B.M., County of Orange, State of California, the centerline described as follows:

COMMENCING at the southerly terminus of a 2000 foot radius curve, being the centerline of the State Highway, described in deed recorded in Book 546, Page 82, Official Records of Orange County, said curve having a central angle of  $21^{\circ}32'30''$  and an arc distance of 751.95 feet; thence  $N 21^{\circ}02'43'' W$  617.55 feet to the centerline of an existing 48" sewer outfall and the TRUE POINT OF BEGINNING of said centerline; thence along the centerline of said sewer outfall  $S 19^{\circ}45'00'' W$  479.26 feet; thence  $S 51^{\circ}48'54'' W$  5,544 feet the end of the herein described centerline.

The Sidelines of said strip shall be prolonged or shortened so as to commence at the Ordinary High Water Mark of the Pacific Ocean, and terminate at a point perpendicular to the end of said strip.

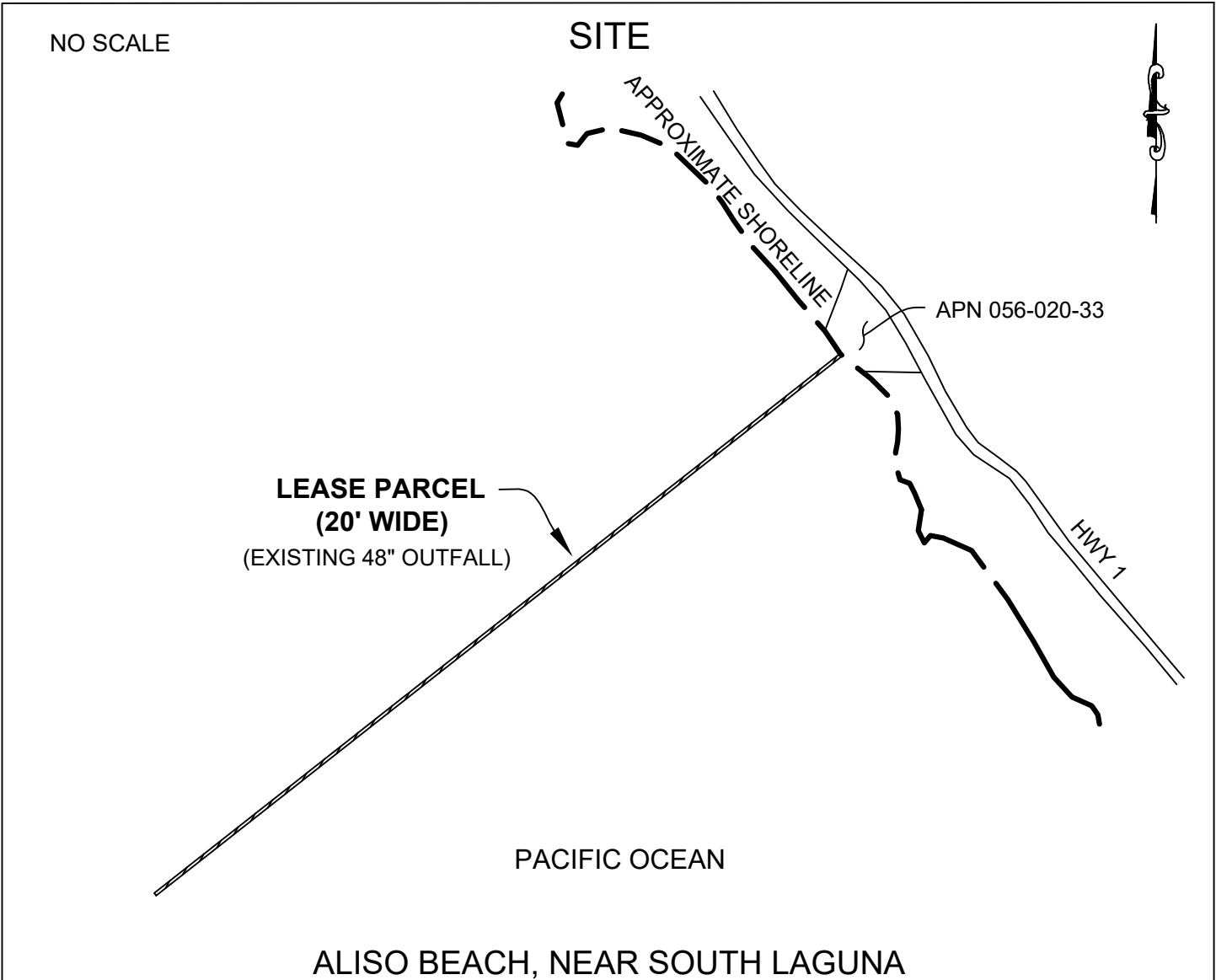
EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark of the Pacific Ocean.

The BASIS OF BEARINGS of this description is the California Coordinate System of 1927, Zone 6.

### END OF DESCRIPTION

Prepared 10/27/2022 by the California State Lands Commission Boundary Unit.





# ALISO BEACH, NEAR SOUTH LAGUNA



**EXHIBIT B**  
 LEASE 5139  
 SOUTH ORANGE COUNTY  
 WASTEWATER AUTHORITY  
 APN 056-020-33  
 GENERAL LEASE -  
 PUBLIC AGENCY USE  
 ORANGE COUNTY



DJF 10/27/2022

THIS EXHIBIT IS SOLELY FOR PURPOSES OF GENERALLY DEFINING THE LEASE PREMISES, IS BASED ON UNVERIFIED INFORMATION PROVIDED BY THE LESSEE OR OTHER PARTIES AND IS NOT INTENDED TO BE, NOR SHALL IT BE CONSTRUED AS, A WAIVER OR LIMITATION OF ANY STATE INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.



RECORDED AT THE REQUEST OF  
AND WHEN RECORDED MAIL TO:  
STATE OF CALIFORNIA  
California State Lands Commission  
Attn: Land Management Division  
100 Howe Avenue, Suite 100-South  
Sacramento, CA 95825-8202

**STATE OF CALIFORNIA  
OFFICIAL BUSINESS**

Document entitled to free recordation  
pursuant to Government Code Section  
27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.: 121-340-83  
County: Orange

A3631

**LEASE 5253**

This Lease consists of this summary and the following attached and incorporated parts:

Section 1	Basic Provisions
Section 2	Special Provisions Amending or Supplementing Section 1 or 3
Section 3	General Provisions
Exhibit A	Land Description
Exhibit B	Site and Location Map

**SECTION 1: BASIC PROVISIONS**

**THE STATE OF CALIFORNIA**, hereinafter referred to as Lessor acting by and through the **CALIFORNIA STATE LANDS COMMISSION** (100 Howe Avenue, Suite 100-South, Sacramento, California 95825-8202), pursuant to Division 6 of the Public Resources Code and Title 2, Division 3 of the California Code of Regulations, and for consideration specified in this Lease, does hereby lease, demise, and let to the **South Orange County Wastewater Authority**, hereinafter referred to as Lessee, those certain lands described in Exhibit A hereinafter referred to as Lease Premises, subject to the reservations, terms, covenants, and conditions of this Lease.

**MAILING ADDRESS:**

34156 Del Obispo Street  
Dana Point, CA 92629

**LEASE TYPE:**

General Lease – Public Agency Use

**LAND TYPE:**

Sovereign

**LOCATION:**

Pacific Ocean, near Doheny State Beach, Orange County, as described in Exhibit A attached and by this reference made a part hereof.

**LAND USE OR PURPOSE:**

Use and maintenance of an existing 57-inch diameter wastewater outfall pipeline and ballast rock.

**TERM:**

30 years; beginning December 9, 2022; ending December 8, 2052, unless sooner terminated as provided under this Lease.

**CONSIDERATION:**

Public use and benefit. Subject to modification by Lessor as specified in Paragraph 3(c) of Section 3 - General Provisions.

**AUTHORIZED IMPROVEMENTS:**

X **EXISTING:** One 57-inch diameter wastewater outfall pipeline and ballast rock.

**LIABILITY INSURANCE:**

\$0

**SURETY BOND OR OTHER SECURITY:**

\$0

**SECTION 2: SPECIAL PROVISIONS****BEFORE THE EXECUTION OF THIS LEASE, ITS PROVISIONS ARE AMENDED, REVISED, OR SUPPLEMENTED AS FOLLOWS:**

1. All future repairs, structural modifications/additions, abandonment, or removal of the outfall pipeline and ballast rock within the Lease Premises shall require prior review and approval of Lessor. But, in the event of an emergency

requiring immediate action to protect public safety or environmental health, Lessee may perform the necessary work. Following the work, Lessee shall contact Lessor at the 24-hour emergency response number (562) 590-5201 and inform Lessor of the emergency and nature of the work and provide Lessor with any information reasonably requested by Lessor regarding such work.

2. Lessee shall comply with all existing and subsequently enacted laws or regulations promulgated by any Federal, State, or local government having lawful authority and jurisdiction over the outfall pipeline and diffuser. Lessee shall maintain a current National Pollutant Discharge Elimination System (NPDES) permit during the term of the Lease.
3. No later than December 9, 2027, Lessee shall conduct an external inspection of the outfall pipeline and every five (5) years thereafter. Copies of such reports shall be provided to Commission staff for review. Additionally, Lessee shall conduct such inspection when warranted by extraordinary circumstances such as an accident, a significant storm event or seismic event. At no cost to Lessor, Lessee shall promptly submit to Lessor copies of the results of the external inspections including reports, analyses, and recommendations.
4. Lessee shall not add or allow the placement by any other party of any additional improvements on the Lease Premises without the prior express written consent of Lessor. Lessee shall remove or cause any such unauthorized improvement to be immediately removed in accordance with all appropriate legal and regulatory requirements.
5. Lessee acknowledges and agrees:
  - a. The site may be subject to hazards from natural geophysical phenomena including, but not limited to waves, storm waves, tsunamis, earthquakes, flooding, and erosion.
  - b. To unconditionally waive any claim or damage or liability against the State, its agencies, officers, agents, and employees for injury or damage from such hazards.
  - c. To indemnify, hold harmless and, at the option of the Lessor, defend the State, its agencies, officers, agents, and employees, against and for any and all liability, claims, demands, damages, or injuries or costs of any kind and from any cause (including costs and fees incurred in the defense of such claims), expenses, and amounts paid in settlement arising from any alleged or actual injury, damage or claim due to site hazards or connected in any way with respect to this property or issuance of this Lease, any new lease, renewal, amendment, or assignment by Lessor.

6. Lessee acknowledges that the Lease Premises and adjacent upland are located in an area that may be subject to effects of climate change, including sea-level rise. To prepare for the potential effects of sea-level rise, including flood damage, erosion damage, tsunamis, and damage from waves and storm-created debris, the Lessee acknowledges and agrees to the following:
  - a. Hazards associated with sea-level rise may require additional maintenance or protection strategies regarding the improvements on the Lease Premises.
  - b. Consistent with Section 3, Paragraph 8, the Lessee assumes the risks associated with such potential hazards and agrees to be solely responsible for all damages, costs, and liabilities arising as a result of the impacts of such hazards on the Lease Premises. Any additional maintenance or protection strategies necessitated by such hazards may require additional approval by Lessor pursuant to Section 3, Paragraph 5(a) and (d) and be subject to environmental review.
7. Lessee acknowledges approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies any future application, Lessee may be required to remove the authorized improvements and restore the premises to their original condition.
8. The right of occupation granted herein applies only to land actually underlying the pipelines or conduits, regardless of the Lease Premises described in Exhibit A and depicted in Exhibit B. Lessor hereby grants a license to access the Lease Premises as reasonably necessary for installation, inspection, and maintenance of the pipelines or conduits.
9. Lessee shall implement the maintenance recommendations described in the 2022 Final Ocean Outfall External Inspection and Condition Survey of the San Juan Creek Ocean Outfall within three years of the issuance date of this lease.
10. Upon expiration or prior termination of the lease, the Lessee has no right to a new lease or to renewal of any previous lease.

## SECTION 3

### GENERAL PROVISIONS

#### 1. GENERAL

In the case of any conflict between these General Provisions and Special Provisions found in Section 2, the Special Provisions control.

#### 2. DEFINITIONS

For the purposes of this Lease, the following terms shall be defined as stated below:

**"Additions"** shall be defined as any use or Improvements other than those expressly authorized in this Lease.

**"Alterations"** shall be defined as any material change in the size, scope, density, type, nature, or intensity of Improvements on the Lease Premises from what is authorized in this Lease. Alterations shall also include any modifications, alterations, or renovations of the land or waterways on the Lease Premises other than those authorized by this Lease.

**"Breach"** shall be defined as a party's unjustified or unexcused nonperformance of a contractual duty the party is required to immediately perform.

**"Damages"** shall include all liabilities, demands, claims, actions or causes of action whether regulatory, legislative or judicial in nature; all assessments, levies, losses, fines, penalties, damages, costs and expenses, including, without limitation: (i) reasonable attorneys', accountants', investigators', and experts' fees and expenses sustained or incurred in connection with the defense or investigation of any such liability, and (ii) costs and expenses incurred to bring the Lease Premises into compliance with Environmental Laws, a court order, or applicable provisions of a Regulatory Agency. The term "Damages" also includes, expressly, those Damages that arise as a result of strict liability, whether arising under Environmental Laws or otherwise.

**"Default"** shall be defined as a material Breach of magnitude sufficient to justify termination of the Lease.

**"Environmental Law"** shall be defined as and include all federal, state, and local environmental, health, and safety laws, statutes, ordinances, regulations, rules, judgments, orders, and notice requirements, which were in effect as of the date of execution of this Lease or are subsequently enacted and lawfully applied hereto, which regulate or relate to (a) the protection or clean-up of the environment; (b) the use, treatment, storage, transportation, handling or disposal of hazardous, toxic or otherwise dangerous substances, wastes or materials; (c) the quality of the air and the discharge of airborne wastes, gases, particles, or other emissions; (d) the preservation or protection of waterways, groundwater, or drinking water; (e) the health and safety of persons or property; or (f) impose liability with respect to any of the foregoing, including without limitation, the California Environmental

Quality Act (CEQA) [PRC §§ 21000 et seq.]; the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) [42 USCS §§ 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 (RCRA) [42 USCS §§ 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act (FWPCA) [33 USCS §§ 1251 et seq.]; the Toxic Substances Control Act (TSCA) [15 USCS §§ 2601 et seq.]; the Hazardous Materials Transportation Act (HMTA) [49 USCS §§ 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USCS §§ 136 et seq.]; the Superfund Amendments and Reauthorization Act [42 USCS §§ 6901 et seq.]; the Clean Air Act [42 USCS §§ 7401 et seq.]; the Safe Drinking Water Act [42 USCS §§ 300f et seq.]; the Solid Waste Disposal Act [42 USCS §§ 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USCS §§ 1201 et seq.]; the Emergency Planning and Community Right to Know Act [42 USCS §§ 11001 et seq.]; the Occupational Safety and Health Act [29 USCS §§ 655 and 657]; the California Underground Storage of Hazardous Substances Act [H & S C §§ 25280 et seq.]; the California Hazardous Substances Account Act [H & S C §§ 25300 et seq.]; the California Hazardous Waste Control Act [H & S C §§ 25100 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [H & S C §§ 24249.5 et seq.]; the Porter-Cologne Water Quality Act [Water C §§ 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above.

**"Hazardous Material"** shall be defined as and include any substance which falls within the definition of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste, pollutant, or contaminant, under any Environmental Law.

**"Improvements"** shall be defined as any modification, alteration, addition, or removal of any material, and any other action which serves to change the condition of the Lease Premises from the natural state whether situated above, on, or under the Lease Premises.

Improvements include, but are not limited to buildings, structures, facilities, decks, docks, wharves, piers, walks, curbs, bridges, buoys, landscaping, roadways, shoreline protective structures of all types, foundations, pilings or similar support structures whether above or below the water line, fences, utilities, pipelines, and any other construction of any type situated on the Lease Premises.

**"Lease"** shall be defined as this lease contract together with all amendments and exhibits.

**"Lease Premises"** shall be defined as the area of land, together with any improvements located thereon, the use and occupancy of which is authorized by this Lease.

**"Lessor"** shall be defined as the state of California, acting by and through the California State Lands Commission, including the Commissioners, their alternates and designates, the Executive Officer, and the staff of the California State Lands Commission.

**"Regulatory Agency"** shall include any Federal, State, County, Municipal, or Local agency having jurisdiction over the Lease Premises.

**"Repairs"** shall be defined as all work of any kind made to maintain, change, restore, strengthen, replace, alter, or otherwise affect any Improvement on the Lease Premises.

**"Residence"** shall be defined as any Improvement, whether permanent, movable, or temporary, or a portion thereof, which is for the time being a home or place of lodging. A Residence includes any Improvement affixed to the land such as trailers or cabins, built on a raised foundation such as stilts or pilings, and floating residences such as boats, barges, arks, and houseboats, and any combination of such Improvements which provide residential accommodations to the Lessee or others. "Residence" shall not include transitory, intermittent, recreational use of facilities such as campgrounds.

**"Residential Use"** shall be defined as Improvements such as, but not limited to, sundecks, and sunrooms which are extensions of, or additions to, the upland property and are not water-dependent uses. Although the various uses or Improvements which may fall under this definition may vary by geographic area, lease type, or other factors, it is the intention of the parties to include in this definition all uses and Improvements which are not water-dependent but residential in nature, or those uses and Improvements which are not consistent with common law public trust principles and values.

### **3. CONSIDERATION**

#### **(a) Absolute Triple Net Lease**

This Lease is an absolute triple net lease, pursuant to which Lessor has no obligation with respect to the payment of taxes, insurance, the cost of maintenance, utilities and repairs or other costs or obligations associated with the Leased Premises, except as expressly stated herein.

#### **(b) Rent**

Lessee agrees to pay Lessor rent as stated in this Lease, in annual installments, for the use and occupancy of the Lease Premises. The first installment shall be due on or before the beginning date of this Lease and all subsequent installments shall be due on or before each anniversary of its beginning date during each year of the Lease term, or as otherwise provided in this Lease. Said sums shall be paid in lawful money of the United States of America. Lessee shall send said rent to the mailing address of Lessor. Timeliness of receipt of remittances sent by mail shall be governed by the postmark date as stated in Government Code Section 11002. Invoices for rent due may be provided by Lessor as a courtesy. Lessor's failure to, or delinquency in, providing invoices shall neither excuse Lessee from paying rent, nor extend the time for paying rent.

#### **(c) Modification**

Lessor may modify the method, amount, or rate of consideration effective on each fifth anniversary of the beginning date of this Lease. Should Lessor fail to exercise such right effective on any fifth anniversary it may do so effective on any one (1) of the next four (4) anniversaries following such fifth anniversary, without prejudice to its right to effect such modification on the next or any succeeding fifth anniversary of the beginning date. No

such modification shall become effective unless Lessee is given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the rent modification is considered, or thirty (30) days' notice prior to the effective date of the increase, whichever provides a greater notice period.

If the consideration for this Lease is based on a percentage of income, royalties, profits, or any similar business performance indicators, Lessee shall provide Lessor with financial statements and all other documents necessary to determine the relevant basis for income.

**(d) Penalty and Interest**

Any installments of rent accruing under this Lease not paid when due shall be subject to a delinquency charge equal to five percent (5%) of the principal sum due. Annual payments shall bear interest as specified in Public Resources Code Section 6224 and the Lessor's then existing administrative regulations governing penalty and interest.

**(e) Non-Monetary Consideration**

If the consideration to Lessor for this Lease is the public use, benefit, health, or safety, Lessor shall have the right to review such consideration at any time and set a monetary rental if the Lessor, at its sole discretion, determines that such action is in the best interest of the State. Lessee's assignment or transfer of this Lease pursuant to Section 3 Paragraph 11 below to any third party which results in royalties, profits, or any form of compensation, whether monetary or otherwise, shall give Lessor the right to reevaluate the requirements of this Lease as stated in Section 3 Paragraph 11. Lessee shall be given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the rent modification is considered, or thirty (30) days' notice prior to the effective date that this Lease is converted to a monetary rental, whichever provides more notice.

**(f) Place for Payment of Rent**

All rent that becomes due and payable under this Lease shall be paid to Lessor in person or by United States mail at the Sacramento Offices of the California State Lands Commission, currently at 100 Howe Avenue, Suite 100-South, Sacramento, CA 95825-8202, or at any other place or places that Lessor may designate by written notice to Lessee. Alternately, Lessee may contact Lessor's accounting department for Lessor's current practices for payment by credit card or electronic fund transfer.

**4. BOUNDARIES**

This Lease is not intended to establish the State's boundaries and is made without prejudice to either party regarding any boundary or title claims which may be asserted presently or in the future.

**5. LAND USE**



**(a) General**

(1) Lessee shall use the Lease Premises only for the purpose or purposes stated in this Lease and only for the operation and maintenance of the Improvements expressly authorized in this Lease. Lessee shall commence use of the Lease Premises within ninety (90) days of the beginning date of this Lease or within ninety (90) days of the date set for construction to commence as set forth in this Lease, whichever is later.

(2) All demolition, construction, remodeling, reconstruction, maintenance, repairs, removal, or remediation performed on the Lease Premises at any time by Lessee shall first be authorized by all appropriate Regulatory Agencies. Lessee is solely responsible for determining what approvals, authorizations, or certifications are required, and shall be solely responsible for all costs incurred thereby. In addition, Lessee shall obtain and comply with preventative or remedial measures required by any environmental reports, assessments, or inspections, including, but not limited to those required by the California Environmental Quality Act and/or the National Environmental Policy Act, or as otherwise required by law or reasonably requested by Lessor. Nothing in this Lease shall be interpreted as a pre-approval of any permit, certification, or any other precondition required for the use of the Lease Premises.

**(b) Continuous Use**

Lessee's use of the Lease Premises shall be continuous from commencement of the Lease until its expiration. Lessee's discontinuance of such use for a period of ninety (90) days shall be presumed to be an abandonment unless Lessee demonstrates to Lessor's satisfaction that Lessee's use of the Lease Premises is consistent with similarly situated properties. In the event of an abandonment, Lessor may elect to terminate the Lease as provided in Paragraph 12(a)(3). Abandonment of the Lease Premises shall not relieve Lessee of any obligations under this Lease.

**(c) Repairs and Maintenance**

(1) Lessor shall not be required to make any Repairs in, on, or about all or part of the Lease Premises. Lessee shall, at all times during the term of this Lease and without any cost or expense to Lessor, keep and maintain the Lease Premises, including all Improvements, in good order and repair and in a clean, safe, sanitary, and orderly condition.

(2) Lessee shall make, or cause to be made, any Repairs which may be required by any Regulatory Agency. Lessee shall observe and comply with, any law, statute, ordinance, plan, regulation, resolution, or policy applicable to the Lease Premises in making such Repairs. All work shall be performed with reasonable diligence, completed within a reasonable time, and performed at the sole cost and expense of Lessee.

(3) Lessee expressly accepts the Lease Premises "as is" and expressly acknowledges that:

- (i) Lessor has made no representations or warranties as to the suitability of the Lease Premises for any Improvements. Lessee shall conduct all tests necessary to determine the suitability of the Lease Premises for any proposed use or Improvements authorized; and
- (ii) Lessor has made no representations or warranties as to the quality or value of any Improvements found on the Lease Premises, or of their conformity to any applicable building codes, zoning ordinances, or other regulations. Lessee agrees to inspect any preexisting Improvements at its own cost to determine whether such Improvements are safe and suitable for the Lessee's intended use; and
- (iii) Lessee shall neither be entitled to any reduction in rent, nor any extension of the terms of this Lease because of damage to or destruction of any Improvements on the Lease Premises.
- (iv) Lessee and Lessor agree that any Improvements on the Lease Premises constitute the personal property of Lessee and that fixture law does not apply.

(4) In the event that the Lease Premises is partly, or in whole, comprised of tidal, submerged, or waterfront property, Lessee expressly accepts the hazards involved in using or improving such lands. Lessor is not responsible for, and Lessee shall not be reimbursed for nor receive any offset of rent for, any damages or reduced use of the Lease Premises caused by: local or invasive flora or fauna, flooding, erosion, sea level rise, storms, freezing, inclement weather of any kind, acts of god, maintenance or failure of protective structures, and any other such hazards.

**(d) Additions, Alterations, and Removal**

No Improvements other than those expressly authorized in this Lease shall be constructed by the Lessee on the Lease Premises without the prior written consent of Lessor. Any Additions or Alterations are expressly prohibited. Lessee is also prohibited from any Additions or Alterations which cause a material change to the environmental impact on or around the Lease Premises.

**(e) Enjoyment**

This Lease is non-exclusive, and is subject to the provisions of Section 3, Paragraph 6 below. Lessee shall have the right to exclude persons from the Lease Premises only when their presence or activity constitutes a material interference with Lessee's use and enjoyment of the Lease Premises.

**(f) Discrimination**

Lessee, in its use of the Lease Premises, shall not discriminate against any person or

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class of persons on any basis protected by federal, state, or local law, including: race, color, creed, religion, national origin, sex, sexual orientation, gender identity, age, marital/parental status, veteran status, or disability.

**(g) Residential Use**

Unless otherwise provided for in this Lease, no portion of the Lease Premises shall be used as a location for a Residence, for the purpose of mooring or maintaining a structure which is used as a Residence, or for Residential Uses.

**(h) Commercial Use**

Unless otherwise provided for in this Lease, the Lease Premises is to be used by Lessee and Lessee's invitees or guests only. Use of the Lease Premises for commercial purposes; conducting a business, whether for profit or otherwise; and any subleasing, rental, or any transaction whereby Lessee directly or indirectly receives compensation from a third party in exchange for use of the Lease Premises shall constitute an immediate Default of this lease with no cure period.

**6. RESERVATIONS, ENCUMBRANCES, AND RIGHTS-OF-WAY**

**(a) Reservations**

(1) Lessor expressly reserves all natural resources in or on the Lease Premises, including but not limited to timber, minerals, and geothermal resources as defined under Public Resources Code sections 6401, 6407, and 6903, respectively; the right to grant and transfer the same; as well as the right to grant leases in and over the Lease Premises which may be necessary or convenient for the extraction of such natural resources. Such leasing shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.

(2) Lessor expressly reserves a right to go on the Lease Premises and all Improvements for any purposes associated with this Lease or for carrying out any function required by law, or the rules, regulations, or management policies of the State Lands Commission. Lessor shall have a right of reasonable access to the Lease Premises across Lessee owned or occupied lands adjacent to the Lease Premises for any purpose associated with this Lease.

(3) Lessor expressly reserves to the public an easement for convenient access across the Lease Premises to other State-owned lands located near or adjacent to the Lease Premises and a right of reasonable passage across and along any right-of-way granted by this Lease; however, such easement or right-of-way shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.

(4) Lessor expressly reserves the right to lease, convey, or encumber the Lease

Form51.16 (Rev. 10/14)

Premises, in whole or in part, during the Lease term for any purpose not inconsistent or incompatible with the rights or privileges of Lessee under this Lease.

**(b) Encumbrances**

The Lease Premises may be subject to pre-existing contracts, leases, licenses, easements, encumbrances, and claims and is made without warranty by Lessor of title, condition, or fitness of the land for the stated or intended purpose.

**7. RULES, REGULATIONS, AND TAXES**

(a) Lessee shall comply with and be bound by all presently existing or subsequently enacted rules, regulations, statutes or ordinances of the State Lands Commission or any Regulatory Agency. Occupancy or use of the Lease Premises provides no exemption from applicable regulations including, but not limited to, federal, state, county and local regulations, regulations promoting public health, safety, or welfare, building codes, zoning ordinances, and sanitation regulations. Lessee expressly acknowledges that Regulatory Agencies have jurisdiction over the Lease Premises unless such laws are in direct conflict with state law or public trust principles.

(b) Lessee understands and agrees that a necessary condition for the granting and continued existence of this Lease is that Lessee obtains and maintains all permits or other entitlements. Lessee expressly acknowledges that issuance of this Lease does not substitute for, or provide preference in obtaining authorizations from other Regulatory Agencies.

**(c) Taxes**

(1) In addition to the rent due under this Lease, Lessee accepts responsibility for and shall pay any and all real and personal property taxes, including possessory interest taxes, assessments, special assessments, user fees, service charges, and other charges of any description levied, imposed on, assessed, or associated with the leasehold interest, Improvements on the Lease Premises, any business or activity occurring on the Lease Premises, the Lease Premises itself, or any portion thereof, levied by any governmental agency or entity. Such payment shall not reduce rent due Lessor under this Lease and Lessor shall have no liability for such payment.

(2) In the event that this Lease commences, terminates or expires during a tax year, Lessee shall pay the taxes for the period of such year during which this Lease was in effect.

(3) Any and all taxes and assessments and installments of taxes and assessments required to be paid by Lessee under this Lease shall be paid when due and the official

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and original receipt for the payment of such tax, assessment, or installment shall be delivered to Lessor upon request.

(4) Lessee shall indemnify and hold Lessor, the Lease Premises, and any Improvements now or hereafter located thereon, free and harmless from any liability, loss, or Damages resulting from any taxes, assessments, or other charges required by this Lease to be paid by Lessee and from all interest, penalties, and other sums imposed thereon and from any sales or other proceedings to enforce collection of any such taxes, assessments, or other charges.

## **8. INDEMNITY**

(a) Lessee's use of the Lease Premises and any Improvements thereon is at Lessee's sole and exclusive risk.

(b) In addition to any other obligation to indemnify Lessor as otherwise provided in this Lease, except to the extent caused by the sole negligence and/or willful misconduct of the Lessor, Lessee shall indemnify, hold harmless, and, at the option of Lessor, defend Lessor, its officers, agents, and employees from any and all Damages resulting from Lessee's occupation and use of the Lease Premises. Lessee shall reimburse Lessor in full for all reasonable costs and attorneys' fees, specifically including, without limitation, any Damages arising by reason of: (1) The issuance, enjoyment, interpretation, Breach, or Default of this Lease; (2) The challenge to or defense of any environmental review upon which the issuance of this Lease is based; (3) The death or injury of any person, or damage to or destruction of any property from any cause whatever in any way connected with the Lease Premises, or with any of the Improvements or personal property on the Lease Premises; (4) The condition of the Lease Premises, or Improvements on the Lease Premises; (5) An act or omission on the Lease Premises by Lessee or any person in, on, or about the Lease Premises; (6) Any work performed on the Lease Premises or material furnished to the Lease Premises; (7) Lessee's failure to comply with any material legal or other requirement validly imposed on Lessee or the Lease Premises by a Regulatory Agency.

(c) The reimbursement provisions of this Paragraph 8 shall not apply to any claims, litigation, or other actions which may be brought by either Lessee or Lessor against each other.

(d) Nothing in this paragraph shall be construed as requiring that Lessor defend itself against all or any aspect of any challenge to this Lease or any associated environmental review. However, Lessee may take whatever legal action is available to it to defend this Lease or any associated environmental review against any challenge by a third party, whether or not Lessor chooses to raise a defense against such a challenge.

(e) Lessee shall notify Lessor immediately in case of any accident, injury, or casualty on the Lease Premises.

## 9. **INSURANCE**

(a) Lessee shall obtain and maintain in full force and effect during the term of this Lease comprehensive general liability insurance and property damage insurance, with such coverage and limits as may be reasonably requested by Lessor from time to time, but in no event for less than the sum(s) specified against any and all claims or liability arising out of the ownership, use, occupancy, condition, or maintenance of the Lease Premises and all Improvements.

(b) The insurance policy shall identify the Lease by its assigned number. The specific Improvements shall also be generally identified, as well as their location on state owned property. The coverage provided shall be primary and non-contributing. Lessee shall keep such policy current. Lessor shall be named as a "certificate holder" and/or an "additional interest" on the policy. Lessee shall provide Lessor with a current certificate of insurance at all times. At Lessor's request, Lessee shall provide a full copy of the current insurance policy, along with any and all endorsements or other such documents affecting the coverage. Lessor will not be responsible for any premiums or other assessments on the policy.

(c) The insurance coverage specified in this Lease shall be in effect at all times during the Lease term and subsequently until Lessor has either accepted all of the Lease Premises as improved or restored by Lessee as provided elsewhere in this Lease. Lessee shall notify Lessor within five (5) business days if the insurance is canceled for any reason.

## 10. **SURETY BOND**

(a) When required by Section 1 of this Lease, Lessee shall provide a surety bond or other security device acceptable to Lessor, for the specified amount, and naming the State of California, California State Lands Commission as the assured, to guarantee to Lessor the faithful observance and performance by Lessee of all of the terms, covenants, and conditions of this Lease.

(b) Lessor may require an increase in the amount of the surety bond or other security device to cover any additionally authorized Improvements, any modification of consideration, or to provide for inflation or other increased need for security. The surety bond or other security device may be increased on each fifth anniversary of the beginning date of this Lease. Should Lessor fail to exercise such right effective on any fifth anniversary, it may do so effective on any one (1) of the next four (4) anniversaries following such fifth anniversary without prejudice to its right to effect such modification on the next or any succeeding fifth anniversary. No such modification shall become effective unless Lessee is given at least thirty (30) days' notice prior to the date of the Commission meeting wherein the modification of the bond or security is considered, or thirty (30) days' notice prior to the

effective date of the increase, whichever provides more notice.

(c) The surety bond or other security device shall be maintained in full force and effect at all times during the Lease term and subsequently until Lessor has either accepted all of the Lease Premises as improved or restored by Lessee as provided elsewhere in this Lease. Lessee must first seek approval of Lessor before changing the type of security device used, or the bond holder.

## **11. ASSIGNMENT, ENCUMBRANCING OR SUBLETTING**

(a) Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease and shall not sublet the Lease Premises, in whole or in part, or allow any person other than the Lessee's employees, agents, servants and invitees to occupy or use all or any portion of the Lease Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

(1) Notwithstanding the foregoing prohibition against transfer and assignment, the Lease may be transferred by Lessee if the transfer is caused by the death of a spouse and the full interest of the deceased spouse is transferred to a surviving spouse; or the transfer is caused by the dissolution of the marriage of Lessee and the full interest of one of the spouses is transferred to the other spouse. In the event of such a transfer, Lessor shall be notified in writing within 30 days of the transfer.

(2) Notice to Lessor of Successor Trustee(s): In the event this Lease is held in trust, and the Lessee is a trustee thereof, the substitution or succession of a new trustee shall not be an assignment or transfer for the purposes of this Paragraph. Lessee (and by operation of law, any successor trustee) agrees to provide prompt notice to Lessor of any succession or substitution of trustee in accordance with Paragraph 16(c) of General Provisions, no later than sixty (60) days after the named trustee as appears on the face of this Lease becomes unable or ceases to serve as trustee for any reason.

(b) The following shall be deemed to be an assignment or transfer within the meaning of this Lease:

(1) If Lessee is a business entity, any dissolution, merger, consolidation or other reorganization of Lessee, or the sale or other transfer of substantially all the assets of Lessee. If Lessee is a publicly traded entity, transfers of interests in Lessee shall not constitute an assignment requiring the consent of Lessor.

(2) If Lessee is a partnership, a transfer of any interest of a general partner, a withdrawal of any general partner from the partnership, or the dissolution of the partnership.

(c) If this Lease is for sovereign lands appurtenant to adjoining littoral or riparian land, Lessee shall not transfer or assign its ownership interest or use rights in such adjoining lands

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separately from the leasehold rights granted herein without the prior written consent of Lessor.

(d) If Lessee desires to assign, sublet, encumber or otherwise transfer all or any portion of the Lease Premises, Lessee shall do all of the following:

(1) Give not less than 90 days' prior written notice to Lessor;

(2) Provide the name, complete business organization, operational structure, and formation documents of the proposed assignee, sublessee, secured third party, or other transferee; and the nature of the use of and interest in the Lease Premises proposed by the assignee, sublessee, secured third party or other transferee.

(3) Provide the terms and conditions of the proposed assignment, sublease, or encumbrance or other transfer;

(4) Provide audited financial statements for the two most recently completed fiscal years of the proposed assignee, sublessee, secured party or other transferee; and provide pro forma financial statements showing the projected income, expense and financial condition resulting from use of the Lease Premises; and

(5) Provide such additional or supplemental information as Lessor may reasonably request concerning the proposed assignee, sublessee, secured party or other transferee.

(6) Lessor will evaluate proposed assignees, sublessees, secured third parties and other transferees and grant approval or disapproval according to standards of commercial reasonableness considering the following factors within the context of the proposed use: the proposed party's financial strength and reliability, their business experience and expertise, their personal and business reputation, their managerial and operational skills, their proposed use and projected rental, as well as other relevant factors.

(e) Lessor shall have a reasonable period of time from the receipt of all documents and other information required under this provision to grant or deny its approval of the proposed party. Lessor may reevaluate the rent, insurance and/or bond provisions of this Lease, and may condition its approval of the proposed assignment, sublease, hypothecation, mortgage, or other transfer on the party's acceptance of the new terms. Lessee's rights stated in this paragraph shall apply regardless of whether the proposed transfer coincides with a regular rent review period as stated in Section 3 Paragraph 3(c) above.

(f) Lessee's mortgage or hypothecation of this Lease, if approved by Lessor, shall be

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subject to terms and conditions imposed by a separately negotiated encumbrancing agreement.

(g) Upon the express written assumption of all obligations and duties under this Lease by an assignee approved by Lessor, the Lessee may be released from all liability under this Lease arising after the effective date of assignment and not associated with Lessee's use, possession or occupation of or activities on the Lease Premises; except as to any hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance manufactured, generated, used, placed, disposed, stored or transported on the Lease Premises during Lessee's tenancy.

(h) If the Lessee files a petition or an order for relief is entered against Lessee, under Chapters 7, 9, 11 or 13 of the Bankruptcy Code (11 USC Sect. 101, et seq.) then the trustee or debtor-in-possession must elect to assume or reject this Lease within sixty (60) days after filing of the petition or appointment of the trustee, or the Lease shall be deemed to have been rejected, and Lessor shall be entitled to immediate possession of the Lease Premises. No assumption or assignment of this Lease shall be effective unless it is in writing and unless the trustee or debtor-in-possession has cured all Defaults under this Lease (monetary and non-monetary) or has provided Lessor with adequate assurances (1) that within ten (10) days from the date of such assumption or assignment, all monetary Defaults under this Lease will be cured; and (2) that within thirty (30) days from the date of such assumption, all non-monetary Defaults under this Lease will be cured; and (3) that all provisions of this Lease will be satisfactorily performed in the future.

(i) In the event of any transfer or assignment, under this Paragraph 11 or by any other means authorized by this Lease, the Lease terms shall be for the remaining years existing on the Lease prior to the transfer or assignment. A transfer or assignment shall not extend the term of this Lease.

## **12. DEFAULT AND REMEDIES**

### **(a) Default**

The occurrence of any one or more of the following events shall immediately and without further notice constitute a Default of this Lease:

(1) Lessee's failure to make any payment of rent, royalty, or other consideration as required under this Lease; or

(2) Lessee's failure to obtain or maintain liability insurance or a surety bond or other security device as required under this Lease; or

(3) Lessee's abandonment of the Lease Premises (including the covenant for continuous use as provided for in Paragraph 5(b)) during the Lease term; or

(4) Lessee's failure to obtain and maintain all necessary governmental permits or other entitlements; or

(5) The maintenance of the Lease Premises in violation of, or failure to comply with, any applicable provisions of any Regulatory Agency, Environmental Law, or maintenance of the Lease Premises in a condition constituting nuisance; or

(6) Lessee's Failure to commence to construct and to complete construction of the Improvements authorized by this Lease within the time limits specified in this Lease.

(7) Lessee is found to sublet or otherwise surrender daily management and control of the Lease Premises to a third party without the knowledge, expressed written consent or authorization of the Lessor.

(b) Lessee's failure to observe or perform any other term, covenant, or condition of this Lease when such failure shall continue for a period of thirty (30) days after Lessor's giving written notice shall constitute a Default of this lease. However, if the nature of Lessee's Default under this paragraph is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in Default if Lessee commences such cure within such thirty (30) day period and diligently proceeds with such cure to completion.

(c) Should Lessee Breach any term, covenant, or condition of this Lease under Paragraph 12(b) above three (3) times in any three hundred and sixty-five (365) day period, the third Breach will be a Default under this Lease and Lessor will be entitled to immediately terminate this Lease, and take other appropriate action. Lessor will provide written notice of each Breach as provided above, and provide written notice that future Breaches will constitute immediate Default with no cure period.

**(d) Remedies**

In the event of a Default by Lessee and Lessee's failure to cure such Default if such a cure period is applicable, Lessor may at any time and with or without notice do any one or more of the following in addition to any rights or remedies permitted by law:

(1) Re-enter the Lease Premises, remove all persons and property, and repossess and enjoy such premises; or

(2) Terminate this Lease and Lessee's right of possession of the Lease Premises by any lawful means. The termination shall not relieve Lessee of any obligation, monetary or otherwise, which has accrued prior to the date of termination. Such termination shall be effective upon Lessor's giving written notice and upon Lessee's receipt of such notice. Lessee shall immediately surrender possession of the Lease Premises to Lessor. Lessor shall be entitled to recover from Lessee all amounts to which Lessor is entitled pursuant to Section 1951.2 of the California Civil Code, or any other provision of law, including any necessary Repair, renovation, alteration, remediation, or removal of Improvements; or

(3) Maintain this Lease in full force and effect and recover any rent, royalty, or other consideration as it becomes due without terminating Lessee's right of possession regardless of whether Lessee shall have abandoned the Lease Premises, subject to the conditions imposed by Cal. Civil Code § 1951.2; or

(4) Exercise any other right or remedy which Lessor may have at law or equity.

**(e) Determination of Rental Value**

If rent under this Lease is calculated as a percentage of Lessee's income attributable to the Lease Premises and Lessee abandons the Lease Premises during some or all of the applicable period, then the reasonable rental value shall be the percentage of proceeds Lessor would have received had Lessee operated the Lease Premises in the usual and customary manner.

**(f) Waiver of Rights**

The failure or delay of either party to exercise any right or remedy shall not be construed as a waiver of such right or remedy or any Breach by the other party. Lessor's acceptance of any rent shall not be considered a waiver of any preexisting Breach by Lessee other than the failure to pay the particular rent accepted regardless of Lessor's knowledge of the preexisting Breach at the time rent is accepted.

**13. RESTORATION OF LEASE PREMISES AND ENVIRONMENTAL MATTERS**

**(a) Restoration of Lease Premises**

(1) Upon expiration or sooner termination of this Lease, Lessee must immediately surrender possession of the Lease Premises to Lessor. Prior to the time of surrender, Lessee must remove all or any Improvements together with the debris and all parts of any such Improvements at its sole expense and risk, regardless of whether Lessee

actually constructed or placed the Improvements on the Lease Premises; or Lessor, at its sole and absolute discretion, may itself remove or have removed all or any portion of such Improvements at Lessee's sole expense. Lessor may waive all or any part of this obligation in its sole discretion if doing so is in the best interests of the State.

(2) As a separate and related obligation, Lessee shall restore the Lease Premises as nearly as possible to the conditions existing prior to the installation or construction of any Improvements. For purposes of this Lease, restoration includes removal of any landscaping; removal of any Hazardous Materials; and to the extent possible, undoing any grading, fill, excavation, or similar alterations of the natural features of the Lease Premises. Lessor may waive all or any part of this obligation in its sole and absolute discretion.

(3) Unless otherwise provided for in this Lease, Lessee shall submit to Lessor no later than one (1) year prior to the expiration of this Lease either: (a) an application and minimum expense deposit for a new lease for the continued use of the Lease Premises, or (b) a plan for the restoration of the Lease Premises to be completed prior to the expiration of the lease term together with a timeline for obtaining all necessary permits and conducting the work prior to the expiration of this Lease.

(4) In removing any or all Improvements, or conducting any restoration work, Lessee shall be required to obtain any permits or other governmental approvals as may then be required by any Regulatory Agency, including, without limitation, any Environmental Law.

(5) Lessor may, upon written notice, in its sole and absolute discretion, accept title to any or all Improvements at the termination of this Lease. Lessor shall notify Lessee that Lessor intends to take title to any or all Improvements within six (6) months of Lessee submitting a plan for restoration under Paragraph 13(a)(3)(b) above. If Lessor elects to take title to any such Improvements, Lessee shall deliver to Lessor such documentation as may be necessary to convey title to such Improvements to Lessor free and clear of any liens, mortgages, loans, or any other encumbrances. Lessor shall not pay, and Lessee shall not be entitled to compensation for Lessor's taking title to such property.

#### **(b) Environmental Matters**

##### **(1) Lessee's Obligations:**

(i) Lessee will not use, occupy, or permit any portion of the Lease Premises to be used or occupied in violation of any Environmental Law. Lessee shall not manufacture or generate or store Hazardous Material on the Lease Premises unless

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specifically authorized under other terms of this Lease.

(ii) Lessee shall practice conservation of water, energy, and other natural resources.

(iii) Lessee shall notify Lessor and the appropriate governmental emergency response agency, or agencies immediately in the event of any release or threatened release of any Hazardous Material.

(2) Lessor may at any time during the Lease term require Lessee to conduct at its own expense and by a contractor approved by Lessor an independent environmental site assessment or inspection for the presence or suspected presence of Hazardous Material generated, used, placed, disposed, stored, or transported on the Lease Premises during the term of the Lease. Lessee shall provide the results of the assessment or inspection to Lessor and the appropriate governmental response agency or agencies and shall further be responsible for removing or taking other appropriate remedial action regarding such Hazardous Material in accordance with applicable Environmental Law.

(3) Environmental Indemnity.

Lessee shall indemnify, defend, and hold Lessor and Lessor's, officer, appointees, volunteers, employees, agents, successors and assigns free and harmless from and against all Damages that may at any time be imposed upon, incurred by, or asserted or awarded against Lessor in connection with or arising from any Breach of Lessee's obligations hereunder; or out of any violation by Lessee of any Environmental Law; or resulting in the imposition of any lien or claim for the recovery of any costs for environmental cleanup or other response costs relating to the release or threatened release of Hazardous Materials on the Lease Premises during the Lessee's tenancy. This obligation shall include any prior leases between Lessor and Lessee and will continue through any periods Lessee is in holdover, unlawful detainer, or any subsequent month-to-month tenancies created by operation of law. Lessee's obligations hereunder will survive the expiration or sooner termination of this Lease.

(4) Violation of this section shall constitute grounds for termination of the Lease. Lessor, shall notify Lessee when, in Lessor's opinion, Lessee has violated the provisions of this section. Lessee shall immediately discontinue the conduct and respond within five (5) business days. Lessee shall take all measures necessary to remedy the condition.

#### **14. QUITCLAIM**

Lessee shall, upon the early termination of this Lease and at Lessor's request, execute and

deliver to Lessor in a form provided by Lessor a good and sufficient release of all rights under this Lease. Should Lessee fail or refuse to deliver such a release, Lessor may record a written notice reciting such failure or refusal. This written notice shall, from the date of its recordation, be conclusive evidence against Lessee of the termination of this Lease and all other claimants.

## **15. HOLDING-OVER**

(a) This Lease shall terminate without further notice upon the expiration of the term of this Lease. Lessee shall have removed any Improvements and completed any restoration as required by Lessor prior to the expiration of this Lease, and shall surrender possession of the Lease Premises. Any failure by the Lessee to remove Improvements, restore the Lease Premises, and/or surrender possession of the Lease Premises at the expiration or sooner termination of this Lease shall not constitute a renewal or extension and shall not give Lessee any rights in or to the Lease Premises or any part thereof except as expressly provided in this Lease. Lessee shall be deemed in unlawful detainer of the Lease Premises and Lessor shall be entitled to all resulting legal remedies.

(b) Lessor may, in its sole discretion, choose to accept Rent for the Lease Premises instead of immediately taking legal action to recover possession of the Lease Premises. Any tenancy created by operation of law on Lessor's acceptance of rent shall be deemed a month-to-month tenancy regardless of what sum or sums Lessee delivers to Lessor. Except as set forth below, any subsequent tenancy created in this manner shall be on the same terms, covenants, and conditions set forth in this Lease insofar as such terms, covenants, and conditions can be applicable to a month-to-month tenancy

(c) In recognition of the increased accounting, land management, and supervisory staff time required for month-to-month tenancies, the rent for each month or any portion thereof during such holdover period may be an amount equal to one hundred fifty percent (150%) of one-twelfth (1/12) of the total compensation for the most recent year paid. In the event this Lease does not require monetary compensation, Lessor shall have the right to establish rent based on the fair market value of the Lease Premises. The month-to-month tenancy may be terminated by Lessee or Lessor upon thirty (30) calendar days' prior written notice to the other.

## **16. ADDITIONAL PROVISIONS**

### **(a) Waiver**

(1) No term, covenant, or condition of this Lease and no omission, neglect, Default or Breach of any such term, covenant or condition shall be deemed to have been waived by Lessor's acceptance of a late or nonconforming performance or otherwise, unless such a waiver is expressly acknowledged by Lessor in writing. No delay or omission of Lessor to exercise any right or power arising from any omission, neglect,

Default or Breach of term, covenant, or condition of this Lease shall be construed as a waiver or any acquiescence therein.

(2) Any such waiver shall not be deemed to be a waiver of any other term, covenant or condition; of any successive Breaches of the same term, covenant, or condition; or of any other Default or Breach of any term, covenant or condition of this Lease.

**(b) Time**

Time is of the essence for this Lease and each and all of its terms, covenants or conditions in which performance is a factor.

**(c) Notice**

All notices required to be given under this Lease shall be given in writing, sent by U.S. Mail with postage prepaid, to Lessor at the offices of the State Lands Commission and the Lessee at the address specified in this Lease. Lessee shall give Lessor notice of any change in its name or address.

**(d) Consent**

Where Lessor's consent is required under this Lease its consent for one transaction or event shall not be deemed to be a consent to any subsequent occurrence of the same or any other transaction or event.

**(e) Changes**

This Lease may be terminated and its term, covenants, and conditions amended, revised, or supplemented only by mutual written agreement of the parties.

**(f) Successors**

The terms, covenants, and conditions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, successors, and assigns of the respective parties.

**(g) Joint and Several Obligation**

If more than one Lessee is a party to this Lease, the obligations of the Lessees shall be joint and several.

**(h) Captions**

The section and paragraph captions used in this Lease are for the convenience of the parties. The captions are not controlling and shall have no effect upon the construction or interpretation of this Lease.

(i) **Severability**

If any term, covenant or condition of this Lease is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby, and each term and provision of this Lease shall remain valid and enforceable to the fullest extent permitted by law.

(j) **Representations**

Lessee agrees that no representations have been made by Lessor or by any person or agent acting for Lessor. Lessor and Lessee agree and acknowledge that this document contains the entire agreement of the parties, that there are no verbal agreements, representations, warranties or other understandings affecting this Lease, and Lessor and Lessee, as a material part of the consideration of this Lease, waive all claims against the other for rescission, damages, or otherwise by reason of any alleged covenant, agreement or understanding not contained in this Lease.

(k) **Gender and Plurality**

In this Lease, the masculine gender includes both the feminine and neuter, and the singular number includes the plural whenever the context so requires.

(l) **Survival of Certain Covenants**

All covenants pertaining to bond, insurance, indemnification, restoration obligations, Breach, Default, and remedies shall survive the expiration or earlier termination of this Lease until Lessee has fulfilled all obligations to restore the Lease Premises as required by this Lease.

(m) **Counterparts**

This agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

(n) **Delegation of Authority**

Lessor and Lessee acknowledge Lessor as defined herein includes the Commission Members, their alternates or designees, and the staff of the Commission. The ability of staff of the Commission to give consent, or take other discretionary actions described herein will be as described in the then-current delegation of authority to Commission staff. All other powers are reserved to the Commission.



LEASE 5253

This Lease shall become effective only when approved by and executed on behalf of the State Lands Commission of the State of California and a duly executed copy has been delivered to Lessee. The submission of this Lease by Lessor, its agent, or representative for examination by Lessee does not constitute an option or offer to lease the Lease Premises upon the terms and conditions contained herein, or a reservation of the Lease Premises in favor of Lessee. Lessee's submission of an executed copy of this Lease to Lessor shall constitute an offer to Lessor to lease the Lease Premises on the terms and conditions set forth herein.

**IN WITNESS WHEREOF**, the parties hereto have executed this Lease as of the date hereafter affixed.

**LESSEE:**

**SOUTH ORANGE COUNTY WASTEWATER  
AUTHORITY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**LESSOR:**

**STATE OF CALIFORNIA  
STATE LANDS COMMISSION**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACH ACKNOWLEDGMENT**

Execution of this document was authorized  
by the California State Lands Commission  
on \_\_\_\_\_.

## EXHIBIT A

LEASE 5253

### LAND DESCRIPTION

A strip of tide and submerged land, 20 feet wide, in the bed of the Gulf of Santa Catalina, Pacific Ocean adjacent to Doheny State Park, County of Orange, State of California, and lying 10 feet on each side of the following described centerline:

BEGINNING at a point having California Coordinate System, of 1927, Zone 6, coordinates of N = 474222.00 feet, E = 1563423.00 feet; thence South 22° 26' 49" West 10550.00 feet; thence North 67° 33' 11" West 1300.00 feet to the point of TERMINUS of said centerline.

The sidelines of said strip to be lengthened or shortened as to begin on the Mean High Tide Line of said Pacific Ocean and to terminate at a line perpendicular to the terminus of said centerline.

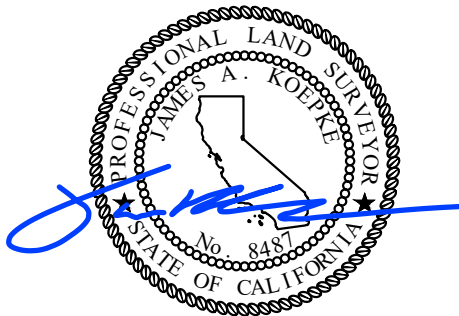
EXCEPTING THEREFROM any portion lying landward of the Mean High Tide Line of the Pacific Ocean.

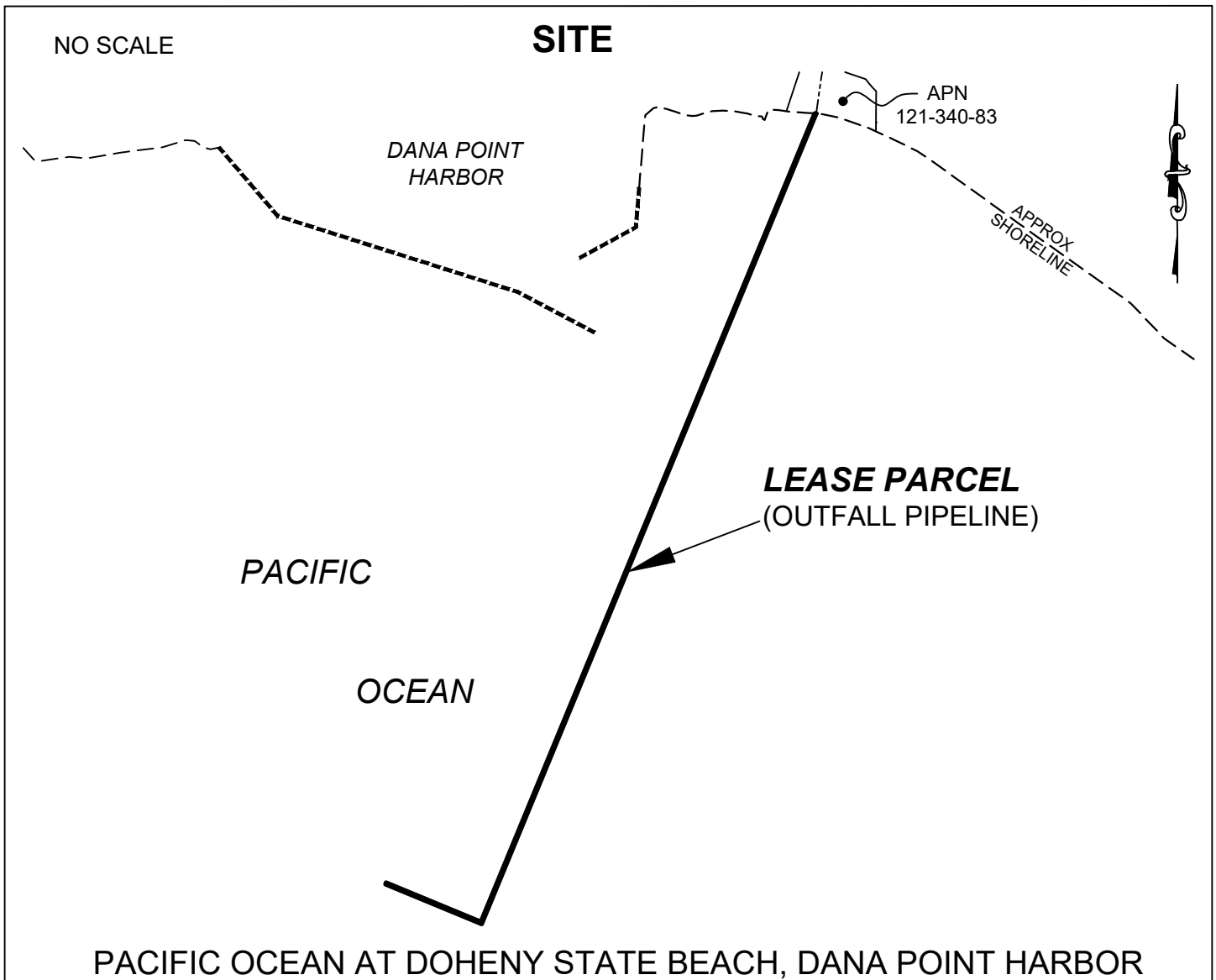
THE BASIC OF BEARINGS AND COORDINATES shown are based on California State Plane Coordinate System, of 1927, Zone 6 (1975 Datum).

### END OF DESCRIPTION

The above description is based on that original description prepared by California State Lands Commission Boundary Unit on December 6, 1976, as found in PRC 5253 (W 20824) file, Calendar Item C6.

Revised 05/11/2022 by the California State Lands Commission Boundary Unit.





PACIFIC OCEAN AT DOHENY STATE BEACH, DANA POINT HARBOR



**Exhibit B**  
LEASE 5253  
SOUTH ORANGE COUNTY  
WASTEWATER AUTHORITY  
GENERAL LEASE -  
PUBLIC AGENCY USE  
ORANGE COUNTY



TS 05/11/2022

THIS EXHIBIT IS SOLELY FOR PURPOSES OF GENERALLY DEFINING THE LEASE PREMISES, IS BASED ON UNVERIFIED INFORMATION PROVIDED BY THE LESSEE OR OTHER PARTIES AND IS NOT INTENDED TO BE, NOR SHALL IT BE CONSTRUED AS, A WAIVER OR LIMITATION OF ANY STATE INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.



# SUBSEA GLOBAL

## S O L U T I O N S

Client: South Orange County Wastewater Authority  
Date: November 23<sup>rd</sup>, 2022  
Attn: Amber Baylor  
Director of Environmental Compliance  
Subject: Ocean Outfall External Inspection and Condition Survey of the ACOO – Draft Report

Dear Amber,

On November 18<sup>th</sup>, Subsea Global Solutions (SGS) performed an underwater inspection of the Aliso Creek Ocean Outfall (ACOO) for the South Orange County Wastewater Authority (SCOWA). The following is an executive summary of the operations conducted. This document is intended to be considered as a draft report. A final accounting of our inspection activities will be submitted in accordance with the contract documents.

### Executive Summary

SGS conducted a detailed underwater inspection, focusing on the external condition of the ACOO. SGS utilized a remote operated vehicle (ROV), which was operated and piloted by our subcontractor, ProROV. The underwater inspection efforts were conducted over a single day on Friday November 18<sup>th</sup>, 2022.

The ROV utilized was a VideoRay Defender (VRD) manufactured by VideoRay LLC, Pottstown, Pennsylvania. The VRD vehicle was equipped with HD cameras, assorted lights, depth transducer, magnetic compass, GPS sensor and seven (7) thrusters for maximum maneuvering and thrust (4 vectored horizontal and 3 vertical). The VRD captured high-definition video and photos of the ACOO.

The horizontal and vertical alignment of the ACOO was documented during the inspection efforts. Underwater visibility varied throughout the water column but was generally good, ranging from between 5 ft and 10 ft. Maximum depth was less than 190 fsw.

### Inspection Procedure

The inspection of the ACOO began by observing the end structure of the diffuser section. The VRD then proceeded along the north side of the outfall, observing the general condition of the outfall, pipe joints, ballast rock and discharge ports. Upon reaching the end of the diffuser section the VRD continued towards the shore, observing the outfall until it was fully covered by ballast. The VRD then switched to the south side of the outfall proceed back out to the end structure.

The numbering of the joints starts from the first joint closest to the end structure. For consistency, the nomenclature utilized matched the previous reports so that year on year observations can be made.



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Long Beach, CA 90802

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Tel: +1-562-436-2701 (24 hr)

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## Inspection Findings

During the performance of our inspection efforts, no critical findings, including significant undermining or gross damage to the outfall were observed. The outfall appeared to be generally in good condition and functioning properly during our inspection efforts.

Heavy marine growth was observed covering the entire exposed external face of the ACOO. The outfall was consistently ballasted with rock at or above the springline<sup>1</sup> for much of the observed length. Early review of the ACOO inspection data reveals approximately 50 linear feet along the outfall where ballast was observed to be absent. The missing ballast in these isolated areas has left the outfall pipe exposed below and well below the springline. The as-built cross section of the ACOO at the diffusers is shown for reference in Figure 2.

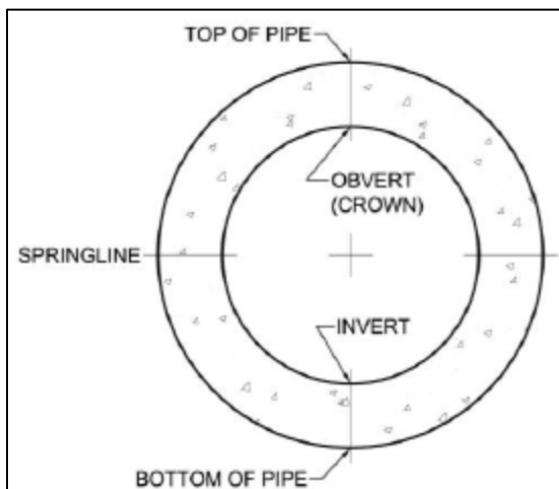


Figure 1: Springline

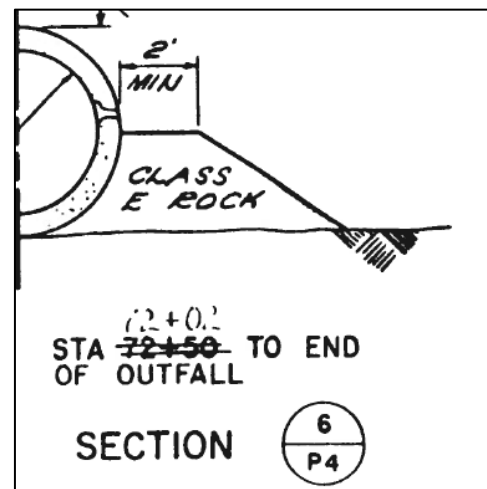


Figure 2: ACOO As-Built Cross Section at Diffusers

The ACOO diffuser ports were found to be in one of three following condition states:

1. Unobstructed and flowing freely
2. Obstructed and flowing
3. Obstructed and not flowing

## Maintenance Recommendations

SGS recommends that SOCWA implement the following repair and maintenance at the ACOO:

1. In areas along the length of the ACOO where ballast is absent, install ballast such that the original design cross sectional is maintained. Additional findings, detailing the individual locations of missing ballast will be included as part of the final report.
2. Using mechanical means and methods, clean each of the ACOO diffuser ports of marine growth and remove any obstructions.

<sup>1</sup> The springline is the horizontal line at the midpoint of the vertical axis of the pipe. This is shown for reference in Figure 1

Additional follow-on documentation will be submitted as part of the final report. Photo documentation is included below in the Photo Log. A photo location map, showing the location of each photo is also included as part of the Photo Log. If you have any questions, please do not hesitate to contact me directly.

Best Regards,



**Scott Nordholm, PE**  
Marine Construction Manager  
**SGS US West Coast, LLC**

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# SUBSEA GLOBAL

S O L U T I O N S

## Photo Log



Photo 1 – View at the ACOO end structure

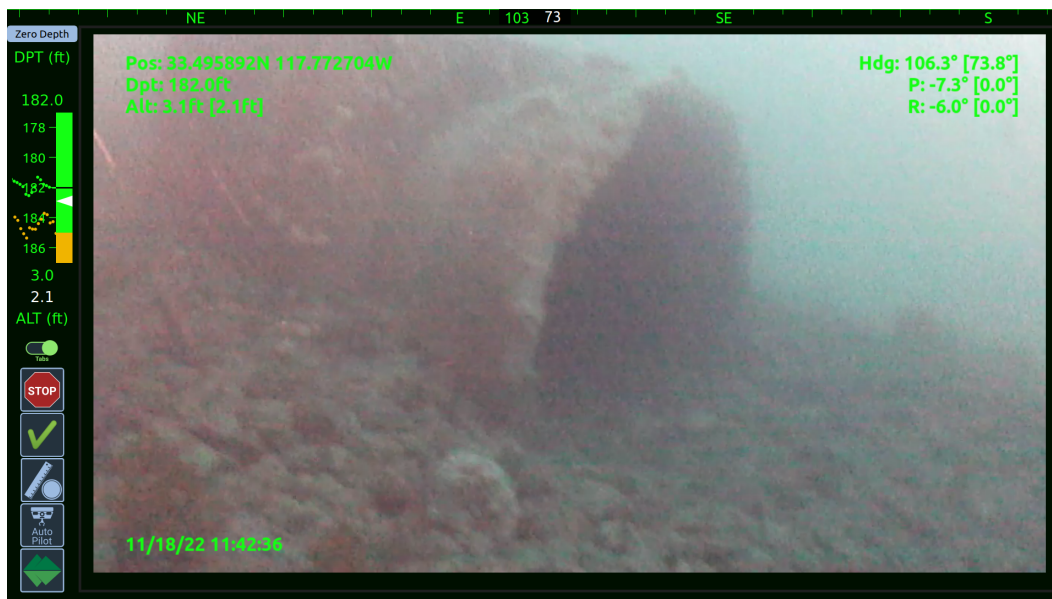


Photo 2 – View at the ACOO end structure





Photo 3 - View showing the typical external condition of the ACOO



Photo 4 – View showing the typical condition of a bell joint at the ACOO







Photo 5 – View of one of the ACOO diffuser ports, with effluent flowing



Photo 6 – View of an additional ACOO diffuser port, with effluent flowing



Photo 7 – View showing a section of the ACOO buried by sand

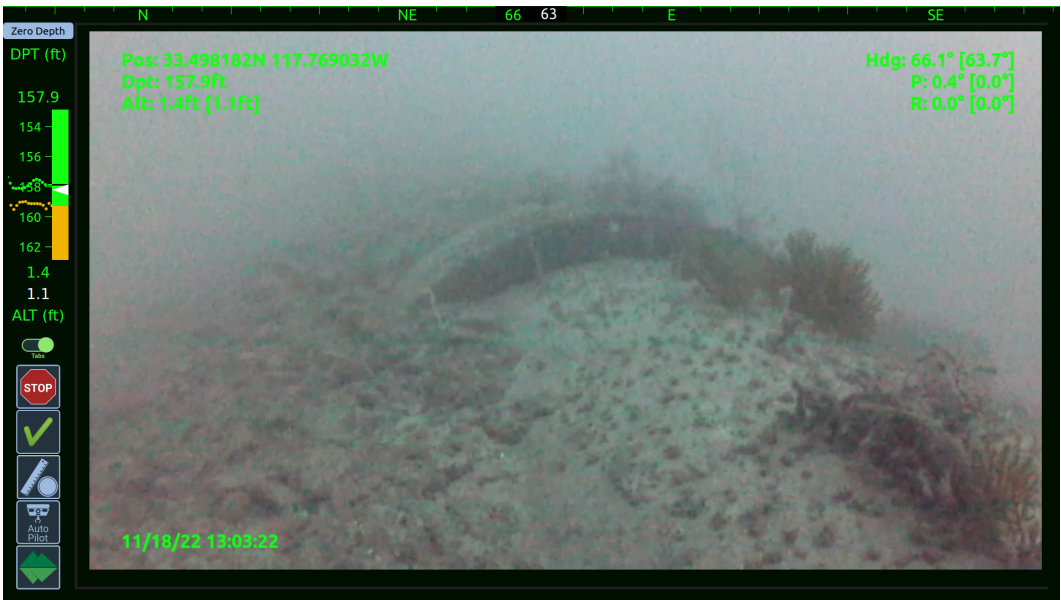


Photo 8 – Additional view showing a section of the ACOO buried by sand



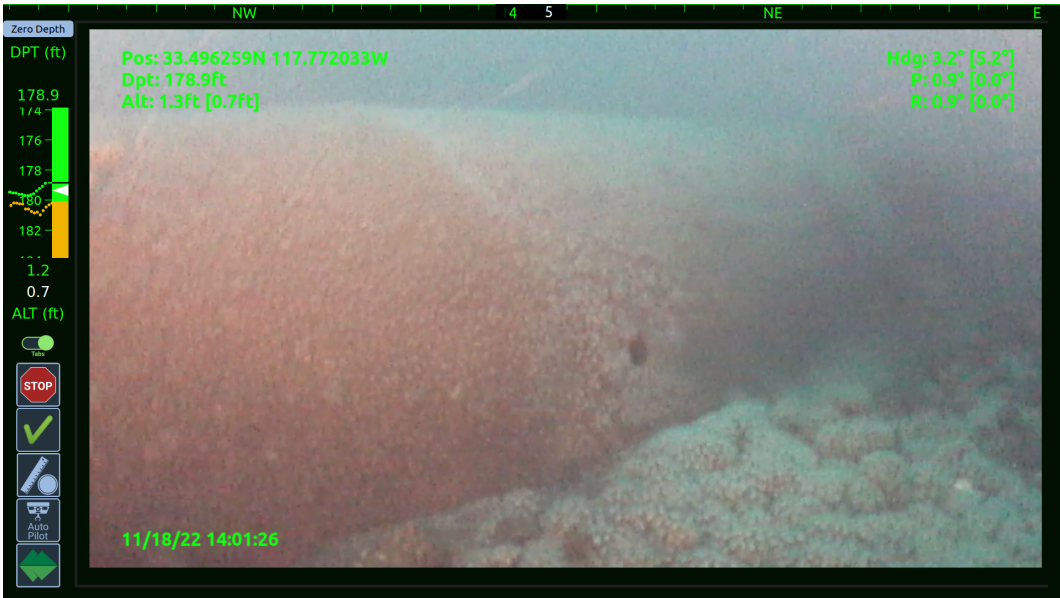


Photo 9 – View of an area along the ACOO that is missing ballast, well below the springline



Photo 10 – View of an area along the ACOO that is missing ballast, well below the springline





ACOO Photo Location Map





# SUBSEA GLOBAL

## S O L U T I O N S

Client: South Orange County Wastewater Authority  
Date: November 23<sup>rd</sup>, 2022  
Attn: Amber Baylor  
Director of Environmental Compliance  
Subject: Ocean Outfall External Inspection and Condition Survey of the SJCOO – Draft Report

Dear Amber,

On November 17<sup>th</sup> and 18<sup>th</sup>, Subsea Global Solutions (SGS) performed an underwater inspection of the San Juan Creek Ocean Outfall (SJCOO) for the South Orange County Wastewater Authority (SCOWA). The following is an executive summary of the operations conducted. This document is intended to be considered as a draft report. A final accounting of our inspection activities will be submitted in accordance with the contract documents.

### Executive Summary

SGS conducted a detailed underwater inspection, focusing on the external condition of the SJCOO. SGS utilized a remote operated vehicle (ROV), which was operated and piloted by our subcontractor, ProROV. The underwater inspection efforts were conducted over two days, starting on Thursday November 17<sup>th</sup> and finishing on Friday November 18<sup>th</sup>, 2022.

The ROV utilized was a VideoRay Defender (VRD) manufactured by VideoRay LLC, Pottstown, Pennsylvania. The VRD vehicle was equipped with HD cameras, assorted lights, depth transducer, magnetic compass, GPS sensor and seven (7) thrusters for maximum maneuvering and thrust (4 vectored horizontal and 3 vertical). The VRD captured high-definition video and photos of the SJCOO.

The horizontal and vertical alignment of the SJCOO was documented during the inspection efforts. Underwater visibility varied throughout the water column but was generally good, ranging from between 5 ft and 10 ft. Maximum depth was less than 100 fsw.

### Inspection Procedure

The inspection of the SJCOO began by observing the junction box of the diffuser section. The VRD then proceeded along the northwest side of the outfall, observing the general condition of the outfall, pipe joints, ballast rock and discharge ports. Upon reaching the elbow, the vehicle carefully looked at all sides of the structure, including the gate, then flew down the North side of the outfall to the end gate structure. The VRD then documented the condition of the diffuser section from the junction box to where it became buried into the beach.



The numbering of the joints starts from the first joint closest to the junction box. For consistency, the nomenclature utilized matched the previous reports so that year on year observations can be made.

### Inspection Findings

During the performance of our inspection efforts, no critical findings, including significant undermining or gross damage to the outfall were observed. The outfall appeared to be generally in good condition and functioning properly during our inspection efforts.

Heavy marine growth was observed covering the entire exposed external face of the SJCOO. The outfall was consistently ballasted with rock at or above the springline<sup>1</sup> for much of the observed length. Early review of the SJCOO inspection data reveals approximately 20 linear feet along the outfall where ballast was observed to be absent. The missing ballast in these isolated areas has left the outfall pipe exposed below and well below the springline. The as-built cross section of the SJCOO at the diffusers is shown for reference in Figure 1.

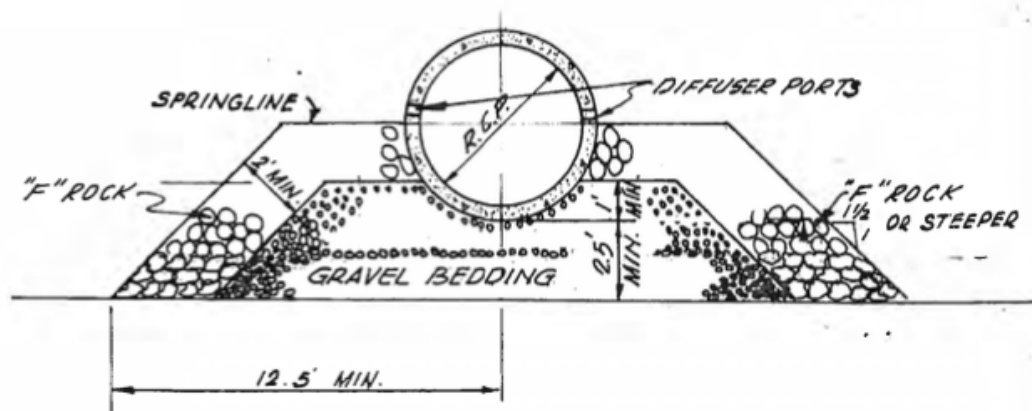


Figure 1: SJCOO As-Built Cross Section at Diffusers

Additionally, there were several areas where the ballast completely covered the top of the outfall. In these areas, the ballast had been covered by sand, and view of the outfall was obscured. Early review of the SJCOO inspection data reveals approximately 30 linear feet where ballast is covering the outfall. This condition did not appear to interfere with the discharge flow as effluent was seen seeping up through the ballast and sand.

The SJCOO diffuser ports were found to be in one of three following condition states:

1. Unobstructed and flowing freely
2. Obstructed and flowing
3. Obstructed and not flowing

<sup>1</sup> The springline is the horizontal line at the midpoint of the vertical axis of the pipe. This is shown for reference in Figure 1

**Maintenance Recommendations**

SGS recommends that SOCWA implement the following repair and maintenance at the SJCOO:

1. In areas along the length of the SJCOO where ballast is absent, install ballast such that the original design cross sectional is be maintained. Additional findings, detailing the individual locations of missing ballast will be included as part of the final report.
2. Using mechanical means and methods, clean each of the SJCOO diffuser ports of marine growth and remove any obstructions.
3. Coordinate with NOAA to update their marine navigation charts to accurately show the location of the SJCOO outfall. The horizontal alignment of the SJCOO is shown incorrectly on the publicly available NOAA marine charts. Mariners rely on these charts when setting anchors, and without the SJCOO shown correctly, it is possible that a mariner might accidentally drop anchor and damage the outfall.

Additional follow-on documentation will be submitted as part of the final report. Photo documentation is included below in the Photo Log. A photo location map, showing the location of each photo is also included as part of the Photo Log. If you have any questions, please do not hesitate to contact me directly.

Best Regards,



**Scott Nordholm, PE**  
Marine Construction Manager  
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# SUBSEA GLOBAL

S O L U T I O N S

## Photo Log



Photo 1 – View at the SJCOO junction



Photo 2 – View at the SJCOO junction





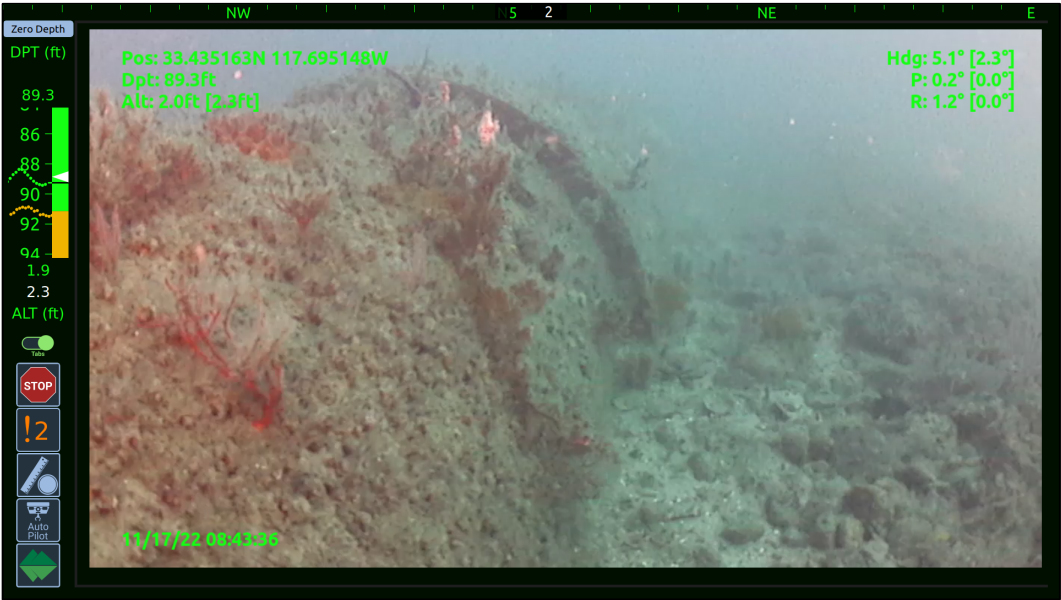


Photo 3 - View showing the typical external condition of the SJCOO



Photo 4 – View showing ballasting covering the top of the SJCOO





Photo 5 – View of one of the SJCOO diffuser port, with effluent flowing



Photo 6 – View of an additional SJCOO diffuser port, with effluent flowing



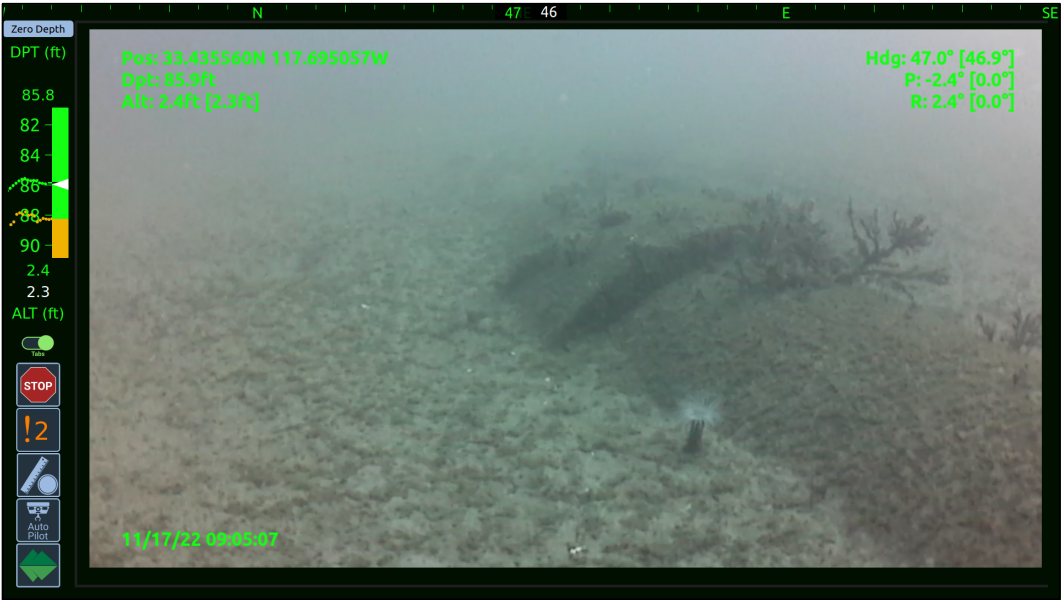


Photo 7 – View showing a section of the SJCOO buried by sand



Photo 8 – View of an SJCOO outfall manhole, slightly protruding from beneath the sand



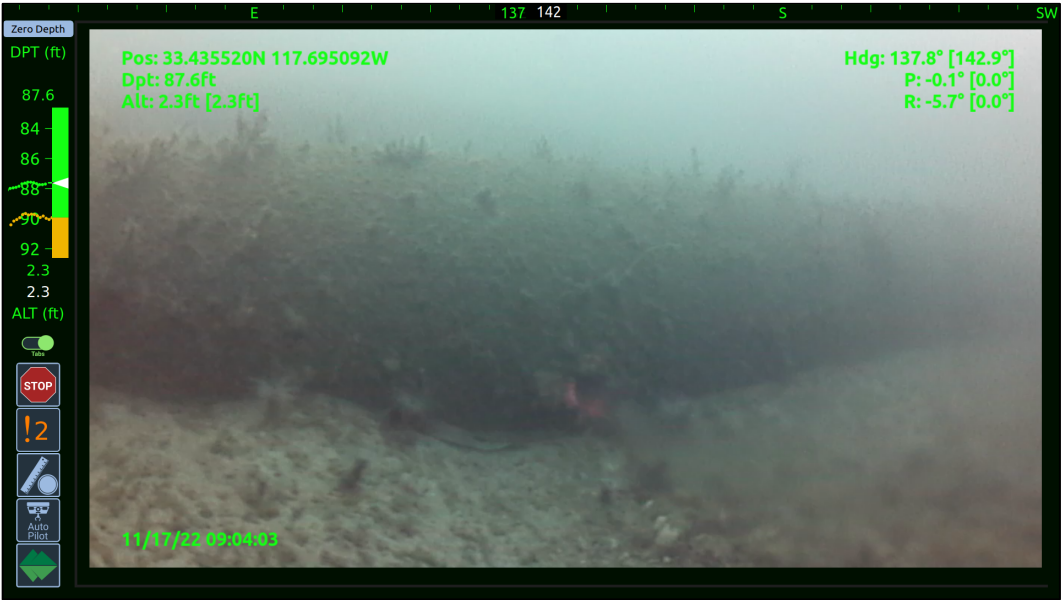
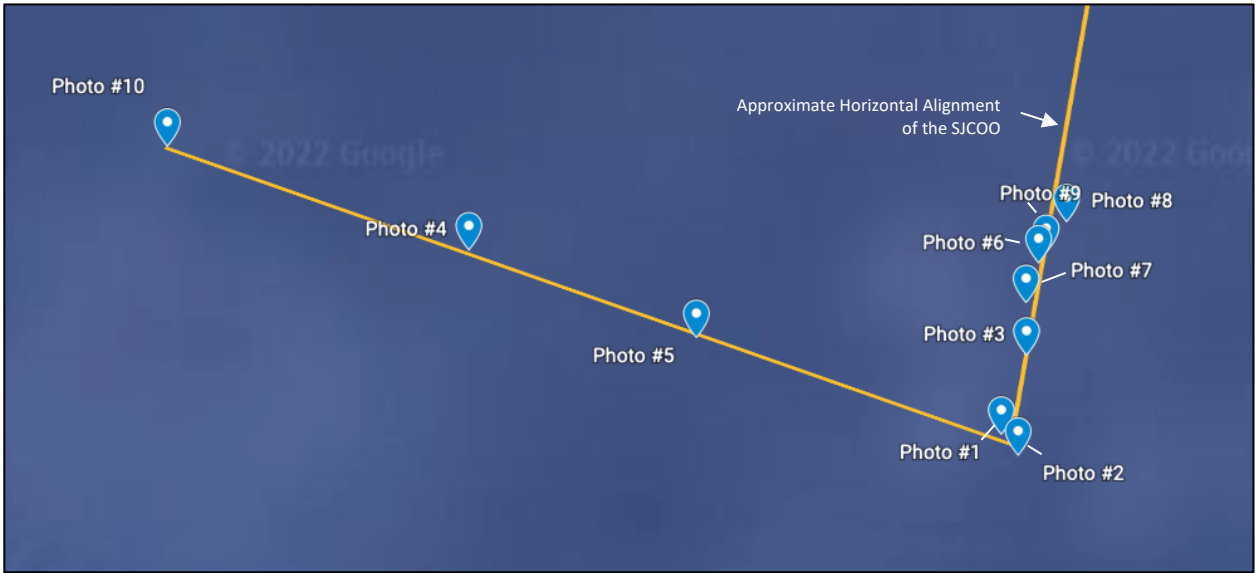


Photo 9 – View of an area along the SJCOO that is missing ballast below the springline



Photo 10 – View of the SJCOO end structure

SJCOO Photo Location Map



# Agenda Item

## 6.D.

<b>Board of Directors Meeting</b>
<b>Meeting Date:</b> December 8, 2022

**TO:** Board of Directors

**FROM:** Chair Collings and Director Feronis

**SUBJECT:** Santa Margarita Water District (SMWD) / Moulton Niguel Water District (MNWD) Status Update on Facility Operations Proposals

---

The Board of Directors has requested a standing agenda item to receive an update from JPA Members MNWD and SMWD.

**ACTION:** Board Discussion/Direction and Action.

## AGENDA ITEM 6.E.

### AMENDED AND RESTATED

JOINT EXERCISE OF POWERS AGREEMENT  
CREATING SOUTH ORANGE COUNTY  
WASTEWATER AUTHORITY  
Orange County, California  
(SOCWA)

### PROPOSED AMENDMENTS

~~AND TERMINATING ALISO WATER MANAGEMENT AGENCY~~February 1, SOUTH  
~~EAST REGIONAL RECLAMATION AUTHORITY, SOUTH ORANGE COUNTY~~  
~~RECLAMATION AUTHORITY~~2021

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**FIRST AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT**  
**CREATING SOUTH ORANGE COUNTY**  
**WASTEWATER AUTHORITY**  
**Orange County, California**  
**(SOCWA)**

**AND TERMINATING ALISO WATER MANAGEMENT AGENCY, SOUTH EAST**  
**REGIONAL RECLAMATION AUTHORITY, SOUTH ORANGE COUNTY**  
**RECLAMATION AUTHORITY**

THIS AGREEMENT is ~~THIS FIRST AMENDED AND RESTATED AGREEMENT (or Agreement)~~ amends the agreement initially made and entered into as of the 1<sup>st</sup> day of July, 2001, ~~to and shall~~ be effective on the ~~Effective Amendment~~ Date (as hereinafter defined) by and ~~between among~~ CITY OF LAGUNA BEACH (CLB), CITY OF SAN CLEMENTE (CSC), ~~CITY OF SAN JUAN CAPISTRANO / CAPISTRANO VALLEY WATER DISTRICT (SJC/CVWD),~~ EL TORO WATER DISTRICT (ETWD), EMERALD BAY SERVICES DISTRICT (EBSD), IRVINE RANCH WATER DISTRICT (IRWD), MOULTON NIGUEL WATER DISTRICT (MNWD), SANTA MARGARITA WATER DISTRICT (SMWD), SOUTH COAST WATER DISTRICT (SCWD), and TRABUCO CANYON WATER DISTRICT (TCWD),<sup>1</sup> which are water purveyors and/or wastewater service providers within the San Juan Creek and/or Aliso Creek watersheds and other watershed areas within the jurisdiction of the California Regional Water Quality Control Board, San Diego Region (~~“Region 9”~~) and (in some cases) Santa Ana Region (~~“Region 8”~~). The public entities listed above may be referred to in this Agreement collectively or in combination(s) as ~~the~~ “parties” or “Members Agencies” or individually as a “party” or a “Member Agency”. Capitalized terms not ~~otherwise immediately~~ defined shall have the definitions set forth in ~~Section Article~~ I.

**RECITALS**

- A. ~~CSC, MNWD, SCWD, SJC/CVWD and SMWD are Member Agencies of South East Regional Reclamation Authority (SERRA) formed under and pursuant to Government Code Section 6500 et seq. and that certain joint powers agreement dated March 9, 1970, entitled “Joint Exercise of Powers Agreement Creating South East Regional Reclamation Authority, Orange County, California (SERRA)” as thereafter amended from time to time (“SERRA Joint Powers Agreement”).~~
- B. ~~CLB, EBSD, ETWD, IRWD (as the consolidated successor to Los Alisos Water District), MNWD and SCWD are members of Aliso Water Management Agency (AWMA) formed under and pursuant to Government Code Section 6500 et seq. and that certain joint powers agreement dated March 1, 1972, entitled “Joint Exercise of Powers Agreement Creating Aliso Water Management Agency, Orange County, California (AWMA),” as thereafter amended from time to time (“AWMA Joint Powers Agreement”).~~
- C. ~~ETWD, IRWD (as the consolidated successor to IRWD and Los Alisos Water District), MNWD, SJC/CVWD, SCWD, SMWD and TCWD are members of South Orange County Reclamation~~

<sup>1</sup> The 2001 JPA Agreement also include the City of San Juan Capistrano/Capistrano Valley Water District (CSJC) as a party, but CSJC withdrew from SOCWA effective July 1, 2022.

~~Authority (SOCRA) formed under and pursuant to Government Code Section 6500 *et seq.* and that certain joint powers agreement dated November 29, 1994, entitled “Amended and Restated Joint Exercise of Powers Agreement Creating South Orange County Reclamation Authority,” as thereafter amended from time to time (“SOCRA Joint Powers Agreement”).~~

D. ~~CVWD is currently a subsidiary district of SJC, with the SJC City Council as its legislative body. Pursuant to Orange County Local Agency Formation Commission (LAFCO) Reorganization R096-15, SJC will formally merge with CVWD upon the completion of certain terms and conditions under LAFCO Resolution No. R096-15. This Agreement provides for the membership of SJC/CVWD in Authority as a single Member Agency and recognizes SJC as the successor SOCRA member to CVWD and to all of CVWD’s rights, obligations, agreements, liabilities, and all other duties previously held by CVWD in its capacity as a member of SOCRA. SJC hereby assumes all of CVWD’s rights, obligations, agreements, liabilities and all other duties previously held by CVWD in its capacity as a member of SOCRA.~~

E. ~~Effective December 31, 2000, IRWD is the successor in interest to Los Alisos Water District (LAWD), a former member of AWMA, and to IRWD and LAWD, former members of SOCRA, pursuant to both Orange County Local Agency Formation Commission Resolution DC-00-05 adopted on September 13, 2000, which approved the consolidation of LAWD and IRWD, and Orange County Board of Supervisors Resolution 00-399 adopted on October 24, 2000, which ordered the consolidation of LAWD with IRWD, leaving IRWD as the consolidated successor district. The boards of directors of AWMA and SOCRA have adopted, respectively, AWMA Resolution No. 2001-01 and SOCRA Resolution No. 2001-01 formally recognizing IRWD as the successor AWMA member to LAWD and as the successor SOCRA member to LAWD and IRWD, and to all of the rights, obligations, agreements, liabilities and all other duties previously held by LAWD in its capacity as a member of AWMA and by LAWD and IRWD in their capacities as members of SOCRA.~~

F. ~~AWMA, SERRA and SOCRA (collectively the “JPAs”) currently share in the administrative support costs necessary to administer the JPAs, including the services of the General Manager of the JPAs and the administrative support staff, as well as the joint use of administrative building facilities for the operation of the JPAs, pursuant to that certain agreement entitled “Agreement Among the South East Regional Reclamation Authority, Aliso Water Management Agency and South Orange County Reclamation Authority Establishing Procedures for Shared Staff Resources”, recently amended on November 2, 2000, to provide for the consolidation of administrative facilities operations at the SERRA treatment plant in the near future.~~

G. ~~In accordance with extensive reviews and reports initiated by the JPAs over the past five years, including a 1996 administrative and management review study by Griffith & Associates, and the 1999 report entitled “Evaluation of the Future Policy Direction for the AWMA/SERRA Organization” prepared by the JPAs’ General Manager in accordance with board direction, the boards of directors of the JPAs desire at this time to formally consolidate the JPAs into one joint powers authority in the interests of furthering a regional approach to wastewater treatment and reclamation, and additional operational and administrative efficiencies, subject to the unanimous approval by the respective Member Agencies of the termination of AWMA, SERRA and SOCRA~~

~~concurrently with the formation of a consolidated joint powers agency by execution of this Agreement.~~

A. SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA) was formed and exists pursuant to a Joint Powers Agency Agreement entered into July 1, 2001 (the “2001 JPA Agreement”), which agreement brought together former joint powers agencies known as South East Regional Reclamation Authority (SERRA) formed March 9, 1970, Aliso Water Management Agency (AWMA) formed March 1, 1972, and South Orange County Reclamation Authority (SOCRA) formed November 29, 1994. SOCWA’s formation terminated AWMA, SERRA, and SOCRA; however, the 2001 JPA Agreement provided that certain underlying agreements of AWMA, SERRA, and/or SOCRA for the construction, operation and maintenance of facilities (Project Committee Agreements) would not be terminated and would instead transfer automatically to SOCWA.

B. SOCWA was formed to consolidate AWMA, SERRA and SOCRA into one joint powers authority in the interests of furthering a regional approach, combining into one legal entity with ownership of various wastewater treatment and reclamation facilities and responsibility for operations, maintenance, administration and capital improvements for such facilities. Each participating Member Agency or party in SOCWA was recognized to hold allocated shares of capacity, with attendant rights and obligations under the Project Committee Agreements. Exhibit C attached hereto and incorporated herein is a list of the Project Committees within SOCWA, the Member Agencies or parties within each Project Committee, the owned capacities of each Member Agency or party for each Project Committee, and remaining terms from such agreements that the parties desire to keep in place. It is the intent of the parties that Exhibit C, and this Restatement, shall replace the Project Committee Agreements in full.

H.C. Each of the parties hereto has territory within or related to the San Juan Creek and/or Aliso Creek watershed areas or other watershed areas within the Orange County portion of State Water Quality Control Board Region 9 and/or Region 8 as set forth and depicted on Exhibit A to this Agreement including the designation thereon of the existing boundaries of the parties. There is a continued need for efficiencies in the coordinated regional planning of wastewater disposal. Each of the parties is affected by the laws and regulations applicable to wastewater treatment, reclamation and total water management, as well as of storage, use and reuse enforced by Federal regulatory authorities and the State of California and its agencies (Regulatory Authorities). SOCWA’s purpose is the exercise of the common powers of the parties as follows: wastewater conveyance, treatment, storage and disposal, sludge and solids handling and treatment, water reclamation, serving as primary holder of permits for wastewater treatment, outfalls and reclamation systems, including but not limited to National Pollutant Discharge Elimination System (NPDES) permits and Waste Discharge Requirements, and coordination and participation in regional partnerships for the management, production, transmission, storage and distribution of Nondomestic Water and a coordinated effort to facilitate and expedite, promoting new and increased use of Nondomestic Water, within the area set forth in Exhibit A. Additionally, the continued implementation of a primary user permit for use of Recycled Water and to process associated modifications to advocacy for regulatory standards, policies and permitting before Regulatory Authorities including for water quality objectives and, beneficial use designations for groundwaters and surface waters, as necessary, for

~~implementation of reclamation plans within certain of the area designated in Exhibit A and also within Region 9 can most efficiently be achieved through the continued cooperative action of the parties operating through a consolidated joint exercise of powers agency in lieu of all three JPAs, basin standards, ocean protection and discharge standards, treatment and laboratory standards, and pursuit of all industry related objectives for the benefit of the parties and within the jurisdictional boundaries of the Member Agencies as shown on Exhibit A.~~

~~L.D.~~ The parties have and possess one or more of the following powers:

- (1) the power and authorization to acquire and construct facilities for the collection, transmission, treatment and disposal of sewage and other waste products, including the reclamation of wastewater for the benefit of the lands and inhabitants within their respective boundaries;
- (2) the power and authorization to acquire and construct facilities for the production, treatment, transmission, storage and distribution of Nondomestic Water for the benefit of the lands and inhabitants within their respective boundaries; and
- (3) the power and authorization to acquire and construct facilities to supply the inhabitants and lands within their respective boundaries with potable and recycled water for irrigation, domestic and municipal purposes, inclusive of providing for the development and conservation of water supplies.

~~L.E.~~ The parties own and operate or have capacity rights in wastewater treatment and/or reclamation plants under the jurisdiction of Region 9, and/or utilize groundwaters or surface waters in accordance with basin plans approved by Region 9. Additionally, ETWD and IRWD each include within their respective boundaries watershed areas within the jurisdiction of Region 8. The parties previously undertook regional wastewater disposal and reclamation programs, as well as total water management plans within the areas designated in Exhibit A through cooperative action by operating through ~~the JPAs. The groundwaters SERRA, AWMA and SOCRA. The groundwater~~ and surface waters are used in accordance with certain water quality objectives and beneficial use designations set forth in basin plans approved by Region 9 or Region 8.

~~K.F.~~ The parties previously constructed, with the assistance of ~~State and federal and State~~ Clean Water Act grant funding, and now ~~operate and maintain participate as member agencies of SOCWA, which operates and maintains~~ certain wastewater treatment and reclamation plants ~~through the AWMA/SERRA organization~~. In addition to ongoing capital improvements for such plants and ~~other AWMA/SERRA-SOCWA~~ facilities, the parties are undertaking the planning and construction ~~, as well as operation and maintenance~~ of facilities for the production and utilization of Nondomestic Water from the wastewater treatment and reclamation plants and/or through other means with available groundwaters and/or surface waters, which include additional treatment, production, transmission, storage, pumping and distribution facilities. ~~The governing body of Region 9 previously supported and encouraged the establishment of SOCRA for the purposes of holding a single primary producer/user permit for the San Juan Creek and Aliso Creek watersheds, and other watershed areas within the Orange County portion of Region 9, amending the associated basin plans in conjunction with~~

implementation of recycled water plans for those areas ~~and coordinating and regulating the use of Nondomestic Water within such areas. SOCRA administered compliance with all regulations, orders and permits issued from time to time relative to Recycled Water previously performed by Region 9, and implemented amendments to basin plans under the jurisdiction of Region 9 in order to provide for uniform water quality objectives and Nondomestic Water use requirements.~~

G. SOCWA, as the successor in interest to SOCRA, continues management of a single/primary user permit for the use of recycled water across the San Juan Creek and Aliso Creek Watersheds, and within other watershed areas within the Orange County portion of Region 9. Such work includes amending the associated basin plans in conjunction with implementation of recycled water plans for those areas undertaken and proposed by SOCWA member agencies with SOCWA responsible for coordinating and regulating the use of Nondomestic Water within such areas. SOCWA administers compliance with all regulations, orders and permits issued from time to time relative to Recycled Water under permit from Region 9 in order to provide for uniform water quality objectives and Nondomestic Water use requirements. SOCWA participates in regulatory and legislative policy by monitoring trends, discussions, science and ideas to ensure that sound and reasoned decisions that impact SOCWA's work are vetted and informed.

L. Each of the parties is authorized to contract with each other for the joint exercise of any common power under the Joint Exercise of Powers Act. The parties desire to ~~form a single joint powers authority as a successor in interest to AWMA, SERRA and SOCRA for all purposes by execution of this Agreement~~continue their participation in SOCWA, subject to the terms and conditions set forth in this Agreement. ~~Generally, the terms and conditions include the continuation of all existing AWMA, SERRA and SOCRA project committees, and corresponding project agreements, including but not limited to the rights, duties and liabilities of the respective Member Agencies under all such project committees and agreements. Additionally, plans, benefits, permits, contracts, policies and all other rights and legal obligations of the JPAs will be assumed by the successor joint powers authority in the manner provided in this Agreement as a means to effecting the consolidation without adverse impacts to the continuous facilities operations of the JPAs, and the components of the Project Committee Agreements attached hereto as Exhibit C.~~

H. In consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

## **AGREEMENT**

### **I. DEFINITIONS**

1.1 Definitions. For the purpose of this Agreement, the following words shall have the following meanings:

(a) "Accounting, Administration and Administrative" means all functions for preparation of the budgets, annual independent financial statements auditing, preparation of supplemental financial statements, tracking and recording of liabilities and assets, accounts payable and receivables, contracts administration and procurement, human resources, clerk of the

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board, board secretary, executive administrative support, general manager and related services and legal expenditures, including for the Project(s) and the Project Committees that are board-determined to be shared on a percentage basis, as approved for one or more budget years

~~(a)~~(b) “Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, as now or hereinafter amended.

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~~(b)~~(c) “Agreement” means this amended and restated joint exercise of powers agreement.

(d) “Amendment Date” means the date on which this Agreement has been approved by all of the Member Agencies and becomes effective.

~~(e)~~(c) “~~Authority~~” or “SOCWA” means the SOUTH ORANGE COUNTY WASTEWATER AUTHORITY formed pursuant to this Agreement.

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~~(d)~~(f) “Board” or “Board of Directors” means the governing body of the Authority.

~~(e)~~(g) “Bond Law” means Article 2 of the Act (commencing with Section 6540 of the California Government Code), the Marks-Roos Local Bond Pooling Act of 1985, being Article 4 of the Act (commencing with Section 6584 of the California Government Code), the Mello-Roos Community Facilities Act of 1982 (commencing with Section 53311 of the California Government Code), as any of the aforementioned statutes are now or hereafter amended, or any other law presently or hereafter legally available for use by the Authority in the authorization and issuance of Bonds to finance or refinance the acquisition, construction, renovation, leasing, subleasing, maintenance or operation of Projects authorized hereunder.

~~(f)~~(h) “Bonds” means bonds, notes or other obligations of the Authority issued pursuant to the Bond Law or pursuant to any other provision of law which may be used by the Authority for the authorization and issuance of bonds, notes or other obligations.

~~(g) — “Effective Date” means July 1, 2001; provided, the Effective Date with respect to the termination of AWMA, SERRA and SOCRA as provided for in Section II may be a later date for certain limited purposes as may be required.~~

(i) “Capital Costs” means all expenses incurred for or related to Project(s) and facilities included within “Capital” in the General Budget, O&M Budget or any new Project budget adopted in each annual period. Budgeted Capital Costs may be incurred for administrative facilities, improvements to the facilities to repair, adjust, replace, rehabilitate, modernize, maintain facilities for wastewater treatment and reuse, sludge and solids handling and disposal, wastewater collection, transport, storage, conveyance and disposal, including but not limited to: (i) buildings and structures (as examples, basins, digesters, channels and grates) and appurtenances; (ii) fixtures (as examples hatches, valves, gates, equipment, trucks, vehicles, engines, motors, pipe & valve systems, pumps, machinery); and (iii) supporting systems (as examples computer hardware and software, telemetry, sampling, continuous monitoring,

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recording, reporting and assessment systems); and (iv) administrative facilities, where such improvements are approved by the Project(s) Committees or the Board as set forth in this Agreement. Capital Costs may include labor costs of engineers, operators, maintenance and electrical/SCADA, planning, inspection, permitting, and environmental professionals and other personnel in support of the work as well as related capital accounting and administrative costs.

(j) **“Common Costs”** means costs for services or facilities that are not dedicated to either solids or liquids collection, treatment or disposal. Common Costs may be applied to the General Budget when applicable to all agencies, or across a particular Project Committee when specific to a Project.

(k) **“Cost Accounting Standard” or “Federal Accounting Regulations”** shall mean the sharing of Administration or other budgeted costs based on the ratio of each Member Agency share of O&M Costs to the total of all Member Agencies’ O&M Costs, provided however, that the ratio may be adjusted in any annual period to remove any cost spikes or irregularities due to unforeseen or nonrecurring events such as short term spikes in chemical or utility costs, natural occurrences or strikes by way of example.

~~(h)(1)~~ **“Fiscal Year”** means July 1st to and including the following June 30<sup>th</sup>.

~~(i) “General Budget” means the approved budget applicable to the expenses of administration of the Authority.~~

**“General Budget”** shall include all of SOCWA’s Administration and general overhead costs, including, but not limited to, the cost of upkeep and maintenance of the SOCWA administration building, personnel costs, vehicle costs, costs of all of SOCWA’s supplies and equipment not directly related to operation and maintenance of facilities and which are board-determined to be shared on a percentage basis across all SOCWA Member Agencies, as approved for one or more budget years, including but not limited to costs of compliance with the Brown Act and other Open Meeting, ethics and transparency laws, memberships in organizations for the benefit of the JPA (i.e., SCAP, CASA, NACWA etc.), governmental affairs advocacy, and other filings and compliance for the JPA required under California, or Federal, or applicable local law; and litigation that involves or otherwise has the potential to materially affect all Member Agencies.

**“In Proportion to Use”** means that metered and/or estimated strength and flow of wastewater shall be determined based on evidence of wastewater flows to the SOCWA facilities. Where metered flows are available the metered flow data shall determine a Member Agency usage, where flows are estimated (without metering) other points of reference from upstream facilities or internal facility operations may be used to determine liquid flows. A balancing of available facts may impact the determination of estimated strength and flows based on upstream plant operations, diverted flows for purposes of upstream recycling, maintenance, evidence of septage, deposits (examples include girt, dirt and gravel) and other factors. Solids shall be determined based on estimated volumes of wastewater received from each member agency contributing flows. The Board shall also determine costs allocable for Common Costs. Common Costs shall be shared based upon the amount each Member Agency’s total contribution

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to SOCWA's operations and maintenance, capital and other expenses budgeted for a given year, bears to the total contributions by all Member Agencies, as set forth in the applicable budget.

(o) "Joint Facility" means a facility owned by the Authority but operated by a Member Agency, and/or a facility owned by a Member Agency but operated by the Authority. A list of Joint Facilities is set forth in Exhibit C.

(p) "Joint Use Area" means an area on Authority property used by a Member Agency with the Authority's permission for storage of equipment or other miscellaneous uses. A list of Joint Use Areas is set forth in Exhibit C.

(q) "Member Agency" or "Member" means each of the parties ~~which become a~~ that are signatory to this Agreement, ~~for the purposes of~~ accepting the rights and obligations of the Authority hereunder, including any public entity executing an addendum to this Agreement as a Member Agency as hereinafter provided.

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(r) "Nondomestic Water" means Recycled Water (as defined below), groundwater, surface water and any other nonpotable water produced and or utilized by the parties.

(s) "Operation and Maintenance" or "O&M Costs" means all expenses incurred for or related to Project(s) and facilities included within the "Operations & Maintenance" subclassification within the O&M Budget in each annual period. Budgeted O&M Costs may be incurred for upkeep, repair, preventative and corrective maintenance, capital improvements (including projects typically undertaken by Authority staff) to existing facilities to fix, adjust, replace, rehabilitate, modernize, maintain facilities for wastewater treatment including but not limited to (i) buildings and structures (as examples painting, electrical, lighting, signage, flooring, HVAC, plumbing, piping and, water and wastewater systems) and appurtenances, fixtures (as examples doors, windows, plumbing fixtures, shelving, storage systems) and supporting systems (as examples computer hardware and software, telemetry, sampling, continuous monitoring, recording, reporting and assessment systems), where such expenses and improvements are approved by the Project(s) Committees or the Board as set forth in this Agreement. O&M Costs also include labor costs of engineers, operators, maintenance, electrical and SCADA systems, environmental, laboratory and other supporting personnel to undertake work related to a project as well as related accounting, human resources, contracting, IT and related administrative costs.

(t) "Participating Director" means the director representing a Participating Member Agency entitled to vote on a matter based upon the Member Agency's capacity, contractual or other rights in a Project.

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(u) "Participating Member Agency or Agencies" means a Member Agency(ies) that has or will acquire capacity, contractual or other rights and assume obligations in connection with a particular Project.

(v) "Project" means the facilities owned, constructed or operated and maintained by the Authority pursuant to the project budget procedure on behalf of Participating Member Agencies, including all related land, rights, of way, and appurtenances, related permits,

licenses and/or other entitlements, also including contractual rights, or legal obligations undertaken with respect to regulatory programs, such as joint permitting and enforcement responsibilities. Costs (capital and non-capital) incurred by SOCWA for the purpose of maintaining existing function and capacity at a Project, or to ensure a Project complies with all state, federal, and local environmental, health and safety regulations, are not considered a “new” Project. They are instead the maintenance of an existing Project.

(x) “Project Committee” or “PC” means a group of Member Agencies that own capacity and/or hold attendant contractual rights with respect to one or more Project(s), or undertake shared regulatory obligations. Project Committees are committees created by the SOCWA Board of Directors. A list of SOCWA Projects, Project Committees, Capacity Rights and Capital Obligations by Member Agency based on liquids, solids and common area obligations is attached hereto and incorporated herein as Exhibit C, which includes terms from Project Committee Agreement (“PCA”) that the parties desire to keep in place. Exhibit C shall be amended from time to time upon the unanimous written consent of the Project Committee members to reflect changes in facilities, rights and obligations of the Participating Member Agencies.

(x) “Recycled Water” means secondary or higher treated effluent reclaimed under and pursuant to Title 22 requirements of the California Code of Regulations (or successor provisions) and used for irrigation and other purposes in the Aliso Creek, San Juan Creek watersheds or other watershed areas.

As used in this Agreement, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context otherwise indicates, words importing the singular shall include the plural and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons.

## **II. TERMINATION OF THE JPAs**

2.1 Rescission. Except as may be necessary to wind up the affairs of AWMA, SERRA and SOCRA in order to arrange for the orderly transition to the Authority of these JPAs’ rights, duties and liabilities as more specifically detailed in this Agreement, or to otherwise accomplish the implementation of current employee plans or benefits, or other programs;

(a) pursuant to Sections 33 and 34 of the AWMA Joint Powers Agreement, CLB, ETWD, EBSD, IRWD, MNWD and SCWD individually and collectively rescinded the AWMA Joint Powers Agreement and thereby terminated AWMA, such rescission and termination ~~to be~~ effective on July 1, 2021 (the “Effective Date”), subject to the above-referenced proviso as to winding up AWMA affairs and subject to all other terms and conditions set forth in this Agreement ~~and~~, provided further, that the project committee agreements of AWMA ~~shall were~~ not ~~be then~~ terminated ~~and shall be~~, but were transferred automatically to the Authority on the Effective Date;

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(b) pursuant to Sections 33 and 34 of the SERRA Joint Powers Agreement, CSC, SJC/CVWD, MNWD, SMWD and SCWD individually and collectively rescind~~ed~~ the SERRA Joint Powers Agreement and thereby terminate~~d~~ SERRA, such rescission and termination ~~to be was~~ effective on the Effective Date, subject to the above-referenced proviso as to winding up SERRA affairs and subject to all other terms and conditions set forth in this Agreement and provided further, that the project committee agreements of SERRA ~~shall were~~ not ~~be~~ terminated and ~~shall be were~~ transferred automatically to the Authority on the Effective Date; and

(c) pursuant to Sections 33 and 34 of the SOCRA Joint Powers Agreement, CVWD/SJC, ETWD, IRWD, MNWD, SMWD, SCWD and TCWD individually and collectively rescind~~ed~~ the SOCRA Joint Powers Agreement and thereby terminate~~d~~ SOCRA, such rescission and termination ~~to be was~~ effective on the Effective Date, subject to the above-referenced proviso as to winding up SOCRA affairs and subject to all other terms and conditions set forth in this Agreement and provided further, that the project committee agreements of SOCRA ~~shall were~~ not ~~be~~ terminated and ~~shall be were~~ transferred automatically to the Authority on the Effective Date; and provided further, that the agreements so transferred shall be deemed merged into this First Amended and Restated Agreement, with all surviving terms thereof as set forth herein and in Exhibit C, hereto.

### **III. PURPOSES AND POWERS OF THE AUTHORITY**

3.1 Agency Purposes and Powers Continuing. The Authority shall continue as to its purposes and powers as formed under the 2001 JPA Agreement, the same being effective the Effective Date, as of July 1, 2001, and as of that date, consolidating the former Aliso Water Management Agency (AWMA), South East Regional Reclamation Authority (SERRA) and South Orange County Reclamation Authority (SOCRA). The Authority continues as a public entity separate from the parties under this First Amendment and Restatement.

### **III. — PURPOSE AND POWERS OF CONSOLIDATED JPA**

~~3.1 — Agency Created. A public entity to be known as the “SOUTH ORANGE COUNTY WASTEWATER AUTHORITY” (the “Authority”) is hereby formed by the parties, such formation to be effective the Effective Date, and deemed to occur simultaneously with the termination of AWMA, SERRA and SOCRA. The Authority is formed by this Agreement pursuant to the provisions of the Act and the Bond Law. The Authority shall be a public entity separate from the parties.~~

#### **3.2 Purpose of the Agreement; Common Powers to be Exercised.**

Each party to the Agreement has the common power to do the following:

(a) Plan for, acquire, construct, maintain, repair, manage, operate and control facilities for the collection, transmission, treatment and disposal of wastewater, the reclamation and use of wastewater for any beneficial purposes, and the production, transmission, storage and distribution of ~~Non~~-domestic Water.

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(b) Plan for, acquire, construct, maintain, repair, manage and operate and control facilities to supply the inhabitants and lands within their respective boundaries with water for irrigation, domestic and municipal purposes, and in carrying out such purposes to provide for the development and conservation of water supplies.

(c) Develop planning objectives and facilities as necessary to recharge groundwaters and utilize live-stream discharge opportunities.

(d) ~~Implement waste discharge-Participate in the development of environmental policy, regulatory, legislative or nongovernmental organization initiatives that impact water reclamation, wastewater treatment and disposal, treatment operations or supporting services (as examples laboratory/ scientific analysis, quality control and reporting initiatives), implement waste discharge/NPDES requirements-and, environmental/regulatory requirements (as an example basin plan amendments), acquire National Pollutant Discharge Elimination System ("NPDES")~~ NPDES permits and primary producer/user permits for Recycled Water and provide for the development and conservation of potable water relating thereto.

(e) Establish a Nondomestic Water management program for the area within Authority and a mechanism to interface with Region 9 and Region 8.

3.3 Joint Exercise. The purpose of this Agreement is to jointly exercise the foregoing common powers in the manner set forth in this Agreement, and such other powers as may be authorized by law.

~~3.3.3~~ 3.3.4 Specific Powers. The Authority shall have the power in its own name to do any of the following, subject to the limitations otherwise herein set forth:

(a) To exercise jointly the common powers of the Members Agencies in studying and planning ways and means to provide a reasonable program for wastewater disposal and reclamation, as well as ~~a water-surface and groundwater management program~~ for the Aliso Creek and San Juan Creek watersheds and related areas;

(b) To exercise jointly the common powers of the Member Agencies in planning and implementing a reasonable program for management and use of Nondomestic Water, as practicable;

(c) To make and enter into contracts, including contracts for the construction of public works, in the same manner as a California water district, Section 34000 *et seq.* of the California Water Code;

(d) To contract for the services of professionals such as engineers, attorneys, planners, financial consultants, and separate and apart therefrom to employ such other persons, as it deems necessary;

(e) To acquire, construct, manage, maintain and operate any buildings, facilities, works, or improvements;

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- (f) To acquire, hold and dispose of real and other property;
- (g) To issue Bonds and otherwise to incur debts, liabilities or obligations, subject to applicable limitations;
- (h) To sue and be sued in its own name;
- (i) To apply for and hold permits, including NPDES permits and primary producer and/or user permits or other similar permits for production or use of Recycled Water and to provide for the implementation and enforcement of permit conditions;
- (j) To facilitate or undertake work designed to result in basin plan amendments in conjunction with formulating a regional reclamation plan and the use of Nondomestic Water;
- (k) To apply for appropriate grants or loans or other available financing programs under any federal, state or local programs for assistance in developing or accomplishing any of the programs or purposes specified in this Agreement; and
- (l) To exercise any and all other powers as may be provided in the Act or in the Bond Law.

(m) In an emergency, to repair or reconstruct or cause to be reconstructed such portions of any Project when repair or reconstruction is immediately required to permit the Project to continue to function as intended and to seek sources of state, local and/or federal funding to assist in emergency response and recovery, in addition to funding by Participating Member Agencies.

3.43.5 Restrictions on Exercise of Powers. The powers of the Authority as set forth hereinabove shall be exercised in the manner provided in the Act and in the Bond Law, and, except for those powers set forth in the Bond Law, shall be subject (in accordance with Section 6509 of the Act) to the restrictions upon the manner of exercising such powers that are imposed upon a California water district (see, Section 34000 *et seq.* of the California Water Code) in the exercise of similar powers, and to any restrictions set forth elsewhere in this Agreement.

3.53.6 Authority as Successor to JPAs AWMA, SERRA, SOCWA. ~~Except as more specifically set forth herein as to certain rights and obligations, as of the Effective Date The~~ Authority shall ~~be deemed continue as~~ the successor- in-interest to AWMA, SERRA and SOCRA for all purposes, ~~and shall assume having assumed~~ all assets, ~~rights,~~ obligations, agreements and liabilities of ~~the JPAs AWMA, including but not limited to:~~ SERRA and SOCRA.

3.7 Adoption of Rules, Regulations, Policies. The Authority shall continue with power and authority to adopt rules, regulations and policies consistent with its powers and purposes and as otherwise in furtherance of and consistent with the laws of the State of California and as may be required or advisable to carry out the business of the Authority. Project Committee Participating Member Agencies shall continue with power and authority to adopt rules, regulations and policies specific to their Projects.

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3.8 Personnel. The Authority shall continue with power and authority to employ personnel to carry out the effective functioning of the Authority. Authority employees shall report to the General Manager who in turn shall report to the Board of Directors of the Authority.

3.9 Project Committee Agreements. As of the Effective Date of the 2001 JPA Agreement, various existing PCAs as described therein at Section 3.8 of the 2001 JPA Agreement were incorporated within the 2001 JPA Agreement with the Authority as ~~the~~ successor-in-interest to carry out the Project Committee Agreements. As of the Amendment Date, any terms which the parties wish to preserve from the PCAs are captured in and wholly superseded by the terms of this Agreement, and as set forth in Exhibit C. The practice of establishing budgets of the Authority for the Projects and Project Committees shall continue and shall occur as set forth in Article VI of this Agreement.

~~(a) — project committees and project committee agreements; contracts; NPDES permits and Recycled Water primary user permits; interagency agreements with the Member Agencies as well as other public entities; operating and encroachment permits; licenses and leases; federal and/or state grant contracts or loans; policies, resolutions, rules and regulations, ordinances; and joint powers memberships/joint powers agreements, except for the joint powers agreements expressly terminated in Section II hereof;~~

~~(b) — the 1978 and 1979 AWMA Lease Revenue Bonds, and the 1998 AWMA Refunding Lease Revenue Bonds;~~

~~(c) — the AWMA and SERRA administrative, wastewater treatment and disposal, potable water, Recycled Water, Nondomestic Water and sewer facilities and capacities (as applicable) and associated lands and rights-of-way;~~

~~(d) — personal property, including vehicles, office furniture equipment and documents; and~~

~~(e) — capital, operating, reserve, investment, and all other funds and cash balances.~~

~~3.6 Adoption of Rules, Regulations, Policies. Except as otherwise specified in this Agreement, all the AWMA, SERRA and SOCRA resolutions, policies, ordinances and rules and regulations shall be deemed adopted by Authority and the Board of Directors as of the Effective Date; provided, where there is conflict or inconsistency between such documents necessitating a resolution between inconsistent or conflicting terms, the parties shall take appropriate action so as to retain as nearly as practicable the substance of the policies, rules, etc., effecting each JPA prior to the Effective Date, unless otherwise agreed by the parties.~~

~~3.7 Personnel. All employees of AWMA and SERRA shall become employees of Authority as of the Effective Date. The AWMA/SERRA/SOCRA General Manager shall be the General Manager of Authority upon the Effective Date.~~

~~The current Memorandum of Understanding effective through June 30, 2001, by and between AWMA/SERRA and the AWMA/SERRA Employees Association, as well as the~~

~~AWMA/SERRA Personnel Policy, shall each be deemed assumed and adopted, respectively, by Authority as of the Effective Date.~~

~~The foregoing terms are set forth to effectuate the orderly succession of Authority to the JPAs and are not for the benefit of, nor shall such terms be enforceable by, any third party not a party to this Agreement.~~

~~3.8 Project Committees: Agreements. Notwithstanding the foregoing succession in interest by Authority to the JPAs, and except as may be agreed upon by the parties after the Effective Date, the rights, duties, obligations and liabilities of the parties (including any acknowledged successors to such parties) under and pursuant to the JPAs' project committees and project agreements, and any other agreements and budgetary procedures arising out of or in connection with the project committee structure or the JPAs generally (except the joint powers agreements terminated under Section II hereof), including but not limited to capacity rights and liabilities, shall remain intact and unchanged by the consolidation of the JPAs, the formation of Authority and its' assumption of the aforesaid obligations, agreements, liabilities and assets, or the execution of this Agreement.~~

#### IV. ORGANIZATION

4.1 Membership. The Members of the Authority shall be each public entity which has executed or hereafter executes this Agreement, or any addendum, amendment or supplement thereto, and which has not, pursuant to the provisions hereof, withdrawn therefrom.

4.2 Names. The names and addresses of the Member Agencies at any time shall be shown on **Exhibit B**, attached hereto, as amended or supplemented from time to time.

4.3 Designation of Directors. ~~Within thirty (30) days after the execution of this Agreement, each Member Agency shall designate and appoint, by resolution of its governing body, Each of the Member Agencies has designated and appointed~~ one person to act as its director on the Board. ~~Each Member Agency shall also appoint one alternate director and may appoint a second alternate director, whose name(s) shall be~~ of the Authority. From time to time, ~~each Member Agency shall have the option to notify the Authority in writing of any change to its appointed Director. Each Member Agency may also in writing notify the Authority of the appointment of one or more alternate directors. The names of the Directors and any appointed alternates shall remain on file with the Authority and who.~~ Directors appointed as Alternates may assume all rights and duties of the absent director representing the appointing Member Agency. Each director and alternate(s) shall hold office from the first meeting of the Board after his appointment by the governing body which he represents until ~~his written notice of a successor is selected~~ director or alternate is provided to the Authority. Directors and alternates shall serve at the pleasure of the governing board of the appointing Member Agency and may be removed at any time, with or without cause, in the sole discretion of said Member Agency's governing board. A director or alternate may be (but is not required to be) a member of the governing board of the appointing Members. A director may receive such compensation from the Authority for his services as may from time to time be established by the Board, or, in the alternative at the election of any individual Member Agency, a director may be compensated

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directly by such Member Agency. A director may be reimbursed by the Authority for expenses incurred by such director in the conduct of the business of the Authority.

4.4 Principal Office. The principal office of the Authority shall be established by the Board. The Board is hereby granted full power and authority to change said principal office from one location to another in the County of Orange. Any change shall be noted by the Secretary of the Authority in appropriate documents of the Authority but shall not be considered an amendment to this Agreement.

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4.5 Board Meetings. The Board shall meet at the principal office of the Authority or at such other place as may be designated by the Board. The time and place of regular meetings of the Board shall be determined by resolution adopted by the Board, and a copy of such resolution shall be furnished to each party hereto. ~~Any meeting of a project committee shall be deemed to be a meeting of the Authority and all such meetings of the Authority shall be open to all directors on request.~~ Regular, adjourned and special meetings of the Authority, ~~including project committee meetings,~~ shall be called and held in the manner as provided in Chapter 9, Division 2, Title 5 of the Government Code of the State of California (commencing at Section 54950).

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4.6 Quorum. Two-thirds (2/3) of the Board of Directors shall constitute a quorum for the purposes of the transaction of business ~~relating to of the Authority.~~ A majority of the Participating Directors ~~acting on behalf of a project committee of a Project Committee,~~ but not less than two (2) ~~(subject to Section 8.1.1 hereof), 8.4)~~ shall constitute a quorum for the ~~purposes of the transaction of purpose of transacting the business of the Authority a Project Committee~~ on matters relating to ~~each a~~ Project in which ~~not less than all of the~~ Member Agencies are participating.

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4.7 Project Committee Meetings. Member Agencies' Board representatives shall meet to direct the work and act upon matters affecting the Project(s) in which they participate ("Project Committee Meetings"). Project Committees may meet to discuss budgeting, spending, and management for the Project and for other matters affecting the Project. Project Committee Meetings at which a majority of the representatives of the Project Committee participants are present shall be deemed to be a meeting of the Authority and all such meetings of the Authority shall be open to attendance by all directors, provided however that the business to be transacted shall be voted upon only by the Participating Member Agencies of the Project Committee. Regular, adjourned and special meetings of a Project Committee shall be called and held in compliance with the Ralph M. Brown Act (Government Codes §§ 54950 *et seq.*) and any State, federal or local orders related thereto.

~~4.7.8~~ Voting Powers and Limitations Thereon. ~~All of the powers and authority of the~~ Authority shall be exercised by the Board, subject, however, to the reserved rights of the Member Agencies of Project Committees as herein set forth. Unless otherwise provided herein or in Exhibit C, each director or Participating Director or alternate of a Member Agency participating at either an Authority Board Meeting or a Project Committee meeting shall be entitled to one vote, and a vote of the majority of the Board or Project Committee qualified to vote may adopt any motion, resolution, or order and take any other action which they deem appropriate to carry forward the objectives of the Authority or of a ~~project committee~~ Project Committee. For purposes of

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determining whether a majority or other required vote has been achieved, the number of eligible voters shall be used, regardless of the number of Member Agencies present at the meeting, unless otherwise provided herein.

4.84.9 Minutes. The Secretary of the Authority shall cause to be kept minutes of regular, adjourned regular and special meetings of the Board and ~~p~~Project ~~e~~Committees, and shall cause a copy of the minutes to be forwarded to each director and to each of the Member Agencies.

4.94.10 Rules. The Board may adopt, from time to time, such rules and regulations for the conduct of its affairs as may be required.

4.104.11 Vote or Assent of Members. The vote, assent, or approval of the Governing Board or Council of a Member Agencies in any matter requiring such vote, assent, or approval hereunder shall be evidenced by a certified copy of the resolution of the ~~governing board~~ Governing Board or Council of such Member filed with the Authority, or a certified copy of minutes evidencing such vote, assent or approval.

4.114.12 Officers. There shall be selected from the membership of the Board ~~a Chairman to include a Chair~~ and a Vice-Chairman. The Board shall appoint a Secretary, who may be a Director. The ~~Chairman, Vice-Chairman~~ and Secretary shall hold office for a period of one year commencing July 1<sup>st</sup> of each Fiscal Year or until their respective successors are duly qualified; ~~provided, however, the first Chairman, Vice Chairman and Secretary appointed shall hold office from the date of appointment to June 30<sup>th</sup> of the ensuing Fiscal Year.~~

The General Manager of the Authority shall serve as the Treasurer of the Authority, and shall direct the deposit and custody of all money of the Authority from whatever source in accordance with applicable policies approved by the Board. The General Manager of the Authority shall also be the Auditor of the Authority and shall draw all warrants and pay demands against the Authority ~~approved by seeking the approval by ratification of~~ the Board. The Treasurer/Auditor hereby designated may be changed by the consent of a majority of the directors. As provided in Section 6505.6 of the Act, the ~~Treasurer/~~ Treasurer/Auditor shall make arrangements with a certified public accountant or firm of certified public accountants for the annual audit of accounts and records of the Authority.

In the event of a present, immediate and existing emergency, the General Manager of the Authority shall be authorized to contract for repairs, improvement, replacements or rehabilitation of any existing Project facilities if, in the opinion of the General Manager, a delay in taking action would adversely affect core services or function of existing SOCWA facilities including, but are not limited to, the production, storage, and distribution of recycled water, treatment, storage, conveyance and/or disposal of wastewater, disposition and disposal of water through SOCWA's outfalls and/or proper transport and disposal of biosolids materials or other waste, other water or sewer service, threaten the health and safety of employees, the public and/or the environment, compromise the integrity or security of any Project, or likely result in fines, penalties, or sanctions against SOCWA or a member agency. The General Manager may take such actions as s/he deems necessary for the funding of emergency response, including applications or requests to state, local and federal resources. In the event the General Manager invokes her or his emergency authority, he or she must notify the Board as soon as possible and

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agendize the actions taken for discussion and ratification by the affected Project Committee or Committees, or the Board if all Member Agencies are affected, at the next duly noticed board and Project Committee meetings.

The Board shall have the power to appoint such additional officers as it deems necessary. Any officer, employee or agent of the Board may also be an officer, employee or agent of any of the Member Agencies. The appointment by the Board of such a person shall be evidence that the two positions are compatible. The public officer or officers or persons who have charge of, handle, or have any access to any property of the Authority shall ~~be bonded and the amount of their bond shall be designated and fixed in the applicable budget.~~file an official bond in an amount to be fixed by the Board on behalf of the Member Agencies; provided that the Authority may obtain a master bond or comparable insurance to protect the interests of the Authority.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activity of officers, agents, or employees of any of the Member Agencies when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Board shall be deemed, by reason of their employment by the Board, to be employed by any of the Member Agencies or, by reason of their employment by the Board, to be subject to any of the requirements of such Member Agencies.

## V. PLANNING

5.1 Planning Policy. In keeping with the purpose of this Agreement, the ~~responsible~~ Member Agencies hereby authorize and direct the Board ~~or Project Committees~~ and Authority to undertake, from time-to-time, studies and planning relative to the Aliso Creek and San Juan Creek watersheds and related areas as may be necessary to provide for the collection, treatment, reclamation and total disposal of ~~sewage-wastewater~~ of each of the Member Agencies, as well as for integrated water management plans for the areas within such watersheds and related areas. The specific objectives of the studies shall be to obtain and implement regional solutions to wastewater disposal and ~~water~~ reclamation ~~problems~~. To achieve this objective, the studies may include proposals for the construction of trunk and interceptor sewers, treatment plants, and outfalls for final disposal, as well as facilities for reclamation and water management within the watershed areas. Any such studies shall consider all phases of the maintenance and operation of regional facilities and the allocation to the benefitted Member Agencies of any maintenance and operating costs. In addition, ~~the study studies~~ may include the reclamation of ~~sewage-wastewater~~ for any and all uses including, but not limited to, water for domestic, agricultural and recreational uses. The study or studies shall also concentrate on the methods of financing any construction proposed and the allocation of construction costs among the benefitted members.

The Member Agencies hereby authorize and direct the Board ~~and the Authority~~ Project Committees to undertake, from time-to-time, studies and planning relative to the watersheds and related areas, as may be necessary, to provide for the production, transmission, storage and distribution of Nondomestic Water by Authority as well as an integrated plan for use

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of Nondomestic Water by Authority, including any necessary amendments to basin plans of Region 9 ~~and Region 8~~.

## VI. BUDGETS AND PAYMENTS

~~6.1 General Budget. Within sixty (60) days after the first meeting of the Board, a “General Budget” shall be adopted for the balance of the Fiscal Year and the ensuing Fiscal Year. The initial General Budget and each succeeding General Budget shall include the following: (a) the general administrative expenses of the Agency to be incurred during the period covered by the General Budget; and (b) the allocation among the Member Agencies of the amounts necessary to cover the General Budget expenditures. If the General Budget provides an allocation to the Member Agencies on some basis other than equal amounts, the General Budget must be approved by the unanimous consent of all of the Member Agencies. After the first full Fiscal Year, at or prior to each June meeting of the Board, a General Budget shall be adopted for the ensuing Fiscal Year.~~

~~6.2 Project Budgets. In addition to the General Budget, the Board may budget at any time for the study, implementation or construction of any specific Project proposed to be constructed by the Authority (“Project Budget”). Each Project Budget shall include at a minimum the following:~~

~~(a) the administrative expenses allocated to the project during planning and construction;~~

~~(b) the cost of studies and planning for the Project;~~

~~(c) the cost of the engineering and construction of the Project;~~

~~(d) the allocation among the Participating Member Agencies of the total Project costs;~~

~~(e) an estimate of annual maintenance and operating expenses; and~~

~~(f) a formula for allocating annual maintenance and operating expenses.~~

~~After the Board approves a Project Budget, it shall be submitted to each Member Agency which has expressed a desire to participate and is to be obligated for the payment of any amount thereunder. The Authority shall not incur any expense for the Project until the Project Budget has been approved by the governing body of each of the proposed Participating Member Agencies. In the event a Project Budget is not approved, the cost of preparing the budget shall be divided among the proposed Participating Member Agencies in accordance with the proposed allocation of the total Project costs.~~

6.1 General Budget. Annually, the Authority shall prepare and propose to the Authority Board a General Budget on or before June 1 of each fiscal year. The expenses to be included in the General Budget or percentage(s) thereof and the allocation among Member Agencies shall be determined in each annual period of budget preparation and included therein. The General Budget shall be approved by a unanimous vote of the Board; provided that until a

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new General Budget is approved, the Board shall be deemed to have extended, and the Authority shall continue to operate using, the General Budget as approved for the prior fiscal year as adjusted for inflation utilizing the most recently published Consumer Price Index for the Los Angeles-Long Beach-Anaheim Metropolitan Statistical Area, All Urban Consumers (Current Series)(the "CPI").

6.3.6.2 Operation and Maintenance Budgets. For each Project operated and maintained by the Authority, O&M Costs, including capital costs (large and small) that the Project Committee Members, in consultation with SOCWA staff, determine are reasonably necessary for ensuring the continued safe and effective operations of existing facilities, shall be made a part of and included within an operations and maintenance budget ("O&M Budget"). Prior to July 1 each fiscal year, an O&M Budget shall be prepared and approved ~~at or prior to each June meeting of by the applicable Project Committee(s) or~~ the Board for the ensuing Fiscal Year. Said budget shall include the following:

(a) the estimated expenses of operating the Project; ~~(capital and O&M);~~

~~(b)~~ the costs of Accounting and Administration of the Project(s) determined for each Project Committee and Participating Member Agency as a percentage share of the costs to the Authority of Administrative expenses (the method of apportionment to Project Committees and Member Agencies set forth in each annual budget shall be as determined by the Board in each annual period);

~~(b)(c)~~ the estimated expenses of maintaining the Project;

~~(c)(d)~~ an estimate of income from operations, if any; ~~and~~

~~(e)~~ an estimate of deposits to be made by the Member Agencies (including quarterly estimations) for O&M Costs, Common Costs, Capital Costs, Accounting and Administration, and other costs estimated to be paid; and

~~(d)(f)~~ the allocation of ~~operation and maintenance expenses costs~~ among the Participating Member Agencies in accordance with the formulas set forth in the approved O&M Budget for each Project Budget, and in accordance with the provisions of Exhibit C.

~~An O & M~~ The O&M budget (including the Administrative expenses portion thereof) shall be considered separately from the General Budget and may be approved independently by the Board or by the Participating Directors for each Project Committee listed in Exhibit C. An O&M Budget must be approved by two-thirds (2/3) of the SOCWA directors or by two-thirds (2/3) of the Participating Directors if the O&M budget affects less than the entire SOCWA membership. ~~Copies Member Agencies may request that copies~~ of each O&M Budget shall be mailed to each Participating Member Agency ~~within thirty (30) days of its adoption following its adoption.~~ In the event a Project's proposed O&M Budget (including the Administrative expenses portion thereof) is not approved, the Authority shall continue to operate using the O&M Budget from the previous fiscal year, adjusted annually for inflation per the CPI, until a new O&M Budget is approved.

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6.3 O&M Costs and Contributions. All O&M Costs shall be paid by each Member Agency using the Project(s) and facilities In Proportion to Use. The Administration portion of the O&M Budget shall be paid and apportioned in the method determined by the Board with the approval of the Budget in each annual period provided, however, should the Board fail to approve a methodology for the selection of Administrative expenses or proportionate share by Project Committee and/or Member Agency then the CAS (“Cost Accounting Standard”) or FAR (“Federal Accounting Regulations”) shall be utilized. The Administration Budget may be set out by separate detail within the annual budget in order to provide transparency to administrative costs.

6.4 O & M Costs/Capital Components. It is agreed as follows: (a) all operations and maintenance costs directly related to the use of the Project facilities, including necessary improvements, repairs, adjustments, replacements and incidental accounting and administrative costs in connection therewith, shall be paid by each Member Agency using the Project facilities in proportion to its use; and (b) the maintenance costs not directly related to use of the Project facilities, including necessary capital improvements, repairs, adjustments, replacements and extraordinary or standby maintenance, and incidental accounting and administrative costs in connection therewith, Capital Costs and Common Costs. Capital Costs and Common Costs shall be paid by the Participating Member Agencies in proportion to their respective percentage share of the ownership of capacity in said Project facilities. Any change of the foregoing may be made by the unanimous consent of all of the Participating Member Agencies, as set forth in Exhibit C.

6.5 Capital and Common Cost Allocation Changes. Any change in the manner of cost allocation for Capital and Common Costs among Member Agencies of a Project Committee may be made by the unanimous consent of all of the Participating Directors.

6.6 O&M Contributions. Each Member Agency shall pay its estimated portion of the O&M Budget for each Project Committee it participates in (as summarized in Exhibit C), and shall pay its actual portion of the costs as determined pursuant to this Agreement. Quarterly, the Authority shall bill the Member Agencies and the Member Agencies shall deposit with the Authority approximately one fourth of the annual operation and maintenance costs set forth in the O&M Budget for the preceding quarter as described herein, unless otherwise directed by the Board. At the end of each Fiscal Year, amounts invoiced shall be compared against actual total expenses incurred and total use by each Participating Agency during the preceding Fiscal Year. In the event that at the end of any fiscal year the amount paid by a Member Agency exceeds the amount of actual expenses allocable to the Member Agency, then the excess shall be credited to that Member Agency in the following Fiscal Year’s O&M Budget for that Project Committee. In case of an underpayment, the Member Agency shall be assessed the amount of underpayment in the first quarter of the following Fiscal Year. Amounts required to be paid by any Member Agency shall be due and payable forty-five (45) days after receipt of billing therefor from the Authority.

6.7 Actual O&M Contributions. The Member Agencies agree to contribute the actual annual O&M costs for the Project(s) wherein they are Member Agency participants as allocated by the annual O&M Budget for each Project Committee as summarized in Exhibit C.

6.8 Failure to Approve O&M Budget. Should two-thirds (2/3) of the Participating Member Agencies to a Project Committee fail to approve an annual O&M Budget, then the approved O&M Budget from the prior fiscal year shall be deemed to have been approved by the Project Committee for the following fiscal year unless and until a new O&M Budget is approved; provided however, where the Board determines that costs as described in this Article V are necessary or advisable to protect public health and safety or the environment consistent with requirements of applicable permits and/or industry standards for the safe and lawful operation of the Project(s), the Board may approve such actions as are necessary and the costs shall be for the account of the Participating Member Agencies of the Project(s). Such costs shall be deposited as required by the Authority and paid by the Participating Member Agencies of the Project Committee(s). The failure of any Member Agency to pay the Authority shall not relieve the other Member Agencies of their obligation to pay their proportionate shares towards the O&M Budgets.

~~1.1 Effect of Failure of Approval of Budget.~~ If, after one hundred twenty (120) days from the first submission of a General Budget or Project Budget, the budget fails to attain the required vote, the consenting Directors, in the case of the General Budget, or the Participating Directors, in the case of a Project Budget, may treat the refusal of the representative director to approve the respective budget as a request for a withdrawal from the Authority, in the case of failure to approve a General Budget; or as a request from withdrawal from the Project, but not from the Authority, in the case of failure to approve a Project Budget, by such Participating Director; the remaining Member Agencies may thereafter, upon giving the non-consenting Member Agency thirty (30) days prior written notice, proceed with the adoption of a revised General or Project Budget, and the non-consenting member shall not be obligated for future debts of the Authority or of the Project, as the case may be, nor shall it receive any benefits therefrom. The foregoing is subject to the provisions of Section 12.3 of this Agreement.

~~1.26.9 Expenditures Under Authorized Within Approved Budgets.~~ All expenditures within the designations and limitations of an approved General, ~~Project~~ or O&M Budget shall be made ~~on in accordance with this Agreement, and the policies established by the Board from time to time, or upon~~ the authorization of a majority of the directors for General Budget and Administrative expenditures, or of a majority of the ~~directors~~ Participating Directors of the Participating Member Agencies for ~~Project Budget or O & O&M Budget~~ expenditures. ~~No expenditures~~ Expenditures in excess of those budgeted in the General Budget or ~~in a Project Budget shall be made without the unanimous consent and approval of for Administration of the Authority shall be promptly reported to~~ the directors representing the Member Agencies affected by the budget under consideration. ~~No expenditures in excess of those budgeted in an O & M Budget shall be made without the consent and approval of two-thirds (2/3) of the directors representing the Member Agencies affected by the O & M Budget under consideration.~~

1.36.10 Payment of Amounts Due. Amounts required to be paid by any Member Agency or Participating Member Agency, shall be due and payable forty-five (45) days after receipt of billing therefor from the Authority. In the event of any dispute related thereto, the Member Agency or Participating Member Agency shall follow the "pay first, litigate later" doctrine.

1.46.11 Reimbursement of Funds. Grant funds or loan proceeds or other funding assistance received by the Authority from any federal, state, or local agency to pay for budgeted



expenditures for which the Authority has received all or a portion of said funds from the Member Agencies shall be proportionally paid to the respective Member Agencies to reimburse the members for the funds advanced to the Authority for the construction of the ~~Project~~ facilities for which such funding has been received.

6.12 Revenue from By-Products. Unless otherwise stated in Exhibit C, each Member Agency owns and is responsible for the obligations related to its own effluent, recycled water and residuals. Any revenue received from SOCWA's sale of by-products arising out of the operation of a Project shall be credited to each Member Agency in the same proportion as their share of total Project expenses (capacity and flow-based, if applicable) in the year in which the revenue is received. If a Member Agency wishes to sell reclaimed water produced at a SOCWA-owned facility, the Member Agency shall bear the costs pertaining to sale of reclaimed water.

6.13 Emergency Reserve Fund. The Authority shall establish an Emergency Reserve of not less than \$250,000, as determined by the Board from time to time. Initially, these funds shall be budgeted and collected from Member Agencies during the first fiscal year in which the Fund is established, and shall be allocated among the Member Agencies on the same basis as the average facilities operating and maintenance costs for the prior three years. The Emergency Reserve shall be available to be expended in the event of the General Manager's response to an emergency. If funds from the Emergency Reserve are used, the Project Committee(s) responsible for the Project(s) involved in the emergency expenditure shall be responsible for replenishing the Emergency Reserve within a period not exceeding twenty-four (24) months from the onset of the event resulting in the expenditure of the Emergency Reserve.

#### **IV.VII. BOND FINANCING**

~~2.4.7.1~~ Financing Method. The Board shall have the power and authority to issue Bonds on behalf of the Authority pursuant to the Act or the Bond Law, for the purposes now or hereinafter provided for in this Agreement and as specifically set forth in Section III. Any election or referendum provided for in the Act or Bond Law shall be held in the jurisdictional area(s) of the Member Agency(ies) on whose behalf a financing is undertaken by Authority, unless otherwise provided by the Act or Bond Law. The voters voting on the Bonds shall be the resident registered voters as defined by the California Elections Code, or as otherwise provided by the Act or Bond Law. Article III of this Agreement.

#### **IV.VIII. PROJECT CONSTRUCTION**

8.1 New Projects. As of the date of this Agreement, the Authority treatment plants, outfall facilities and services (pretreatment, diversions and recycled water production and permitting) are overseen by Project Committees which make decisions and allocate costs among participating Member Agencies in accordance with the terms of this Agreement. In order to undertake additional major reconstruction of facilities materially differing from the existing mode or method of wastewater treatment, and/or construct a new treatment plant, recycled water system, major pipeline or outfall system, wherein the Member Agencies of the existing PCs desire to reorganize, share capacity, and allocate costs in a manner differing from the existing PCs as to participation and capacity ownerships set forth in Exhibit C, the Member Agencies, or a subset thereof, may from time to time form new Project Committee(s) for such purposes under



this Article VIII, "Project Construction". For purposes of formation of a new Project Committee, such efforts shall be in accordance with this Article VIII and shall be referred to as a "Proposed Project" until the Proposed Project is approved.

~~3.1~~ Project Members~~Project Members. If it is determined that a proposed Project includes participation by less than all of the Member Agencies, the Participating Directors for each project shall constitute a subcommittee of the Board referred to as the "Project Committee". All actions by a project committee~~ All actions by a Project Committee shall be deemed actions of the Authority and shall be taken in the name of the Authority, provided, only the Participating Member Agencies shall have rights and obligations in said Project as herein provided. The project committees of AWMA, SERRA and SOCRA shall ~~retain their existing designations, or may be re-numbered, but shall in any case be deemed to be the project committees of the Authority automatically upon the Effective Date, subject to this Agreement, and as set forth in Exhibit C. All other AWMA, SERRA, and SOCRA project committees not identified in Exhibit C shall no longer exist.~~

8.3 Project Committee of One Member. In the event that only one Participating Member Agency desires to take action in the name of the Authority and fund and operate a Project, a project committee may be formed consisting of only one Member Agency; provided, however, that all other Member Agencies shall have a right to participate in any project, and further provided that in the event a project committee is formed consisting of only one Member Agency, the Board of Directors may, by majority vote of the directors, impose conditions upon the manner of taking action of such a project committee.

~~3.2.4~~ Acquisition and/or Construction of New Projects. No ~~project~~ Proposed Project shall be acquired or constructed by the Authority without the unanimous consent of every Member Agency or, if it is a ~~project of Proposed Project that will be funded by~~ less than all of the Member Agencies, unanimous consent of all of the Participating Member Agencies. Approval of a ~~project budget by all~~ Project Budget by the governing bodies of each of the Participating Member Agencies shall constitute consent for the acquisition and ~~construction of the Project. In the event any individual Participating Member Agency or combination of such agencies desire to modify, rehabilitate or otherwise improve the Project, and those Participating Member Agencies agree to pay all costs associated with the modifications, rehabilitations or other improvements, including but not limited to the costs of all necessary permits and regulatory approvals, as well as engineering and construction costs, such agency or agencies may proceed with the modifications or other improvements upon approval of a simple majority vote of all Participating Member Agencies. No Participating Member Agency shall unreasonably withhold or condition its approval of a Project modification, rehabilitation or improvement which is proposed to be wholly funded by other Participating Member Agencies./or construction of the Project. Expenditures of funds to keep an existing facility properly functioning shall not constitute a Proposed Project for purposes of this paragraph, but rather a capital component of the O&M Budget for that existing Project.~~

8.5 Proposed Project Budget. The Proposed Project Budget shall include, at a minimum, Administrative expenses, cost of studies and planning for the Proposed Project, costs of engineering and construction of the Proposed Project, allocation among the Participating Member Agencies of the total costs, an estimate of annual maintenance and operating expenses,

and a formula for allocating annual maintenance and operating expenses among Participating Member Agencies.

8.6 Project Committee. The Participating Agencies funding the Project may either create a new Project Committee for the Project via a Project Agreement, or add the Project to an existing Project Committee with the unanimous consent of the Participating Agencies of that Project Committee. Exhibit C hereto shall be amended accordingly as a ministerial matter by the Authority. The Authority will transmit the revision to all Member Agencies. After the Project has been constructed and accepted by the Authority, the Project shall be subject to the terms of this Agreement.

#### **IV.IX. MAINTENANCE AND OPERATION OF FACILITIES**

4.19.1 Maintenance and Operation of Facilities. The Board, or the project committee, as the case may be, Participating Directors of a Project shall determine, by a unanimous vote, whether or not the Authority shall maintain and/or operate Project facilities. If the Authority is to maintain and/or operate Project facilities, it shall do so in an efficient and economical manner, and in a manner not detrimental to the Participating Member Agencies. It is the intent of the parties that any Project may be maintained and operated in the name of the Authority although, as herein provided, a majority of the Participating Directors shall make all determinations of the Authority in connection therewith. If it is determined by the Participating Member Agencies that one or more of the Member Agencies shall maintain and/or operate Project facilities, the Participating Member Agencies shall, by written agreement, consent unanimously thereto with how a Project is maintained and operated. The Board, by a majority vote, shall determine whether or not the Authority shall maintain and/or operate any other facilities (i.e., non-Project facilities).

9.1 Joint Facilities. If it is determined by a unanimous vote of all the Participating Directors in a Project that one or more of the Member Agencies shall maintain and/or operate a Project facility, or that the Authority shall maintain and/or operate a Member Agency-owned facility co-located with a Project (in either scenario called a "Joint Facility"), then in lieu of a separate operating agreement, such operation and maintenance shall comply with the terms set forth in Exhibit D with respect to both the Owning Party and the Operating Party's obligations, duties and rights. Alternatively, SOCWA and the Participating Member Agencies of a Project may set forth different terms regarding the operation and maintenance of a project by separate written agreements. Exhibit D, Attachment 1 sets forth a complete list of current Joint Facilities and identifies both the Owning Party and the Operating Party. As new Joint Facilities are created or agreed to by and among SOCWA and/or Participating Member Agencies, Exhibit D, Attachment 1 shall be updated to identify said Facilities as Joint Facilities. The terms of Exhibit D (excluding Attachment 1) may be amended or updated from time to time upon a majority vote of the SOCWA Board.

9.2 Joint Use Areas. The Authority may grant to one or more Member Agencies the right to use portions of its Property for storage or other uses ("Joint Use Area"). In that event, the terms of such use shall comply with the terms set forth in Exhibit E with respect to both the Authority and the Member Agency's obligations, duties and rights, unless different terms are set forth in separate written agreements by and between the Authority and the Member Agency(ies).

Exhibit E, Attachment 1 sets forth a complete list of current Joint Use Areas and identifies the Member Agency user of the Joint Use Area. As new Joint Use Areas are created or agreed to by and among SOCWA and Member Agencies, Exhibit E, Attachment 1 shall be updated to identify said areas as Joint Use Areas.

#### **✓X. ACCOUNTING AND AUDITS**

**5.10.1** Accounting Procedures. Full books and accounts shall be maintained for the Authority in accordance with practices established by, or consistent with those utilized by, the Controller of the State of California for special districts, or for other public entities as specified by the Act. The Authority's Auditor and Treasurer shall comply strictly with requirements of the Act governing joint powers agencies relative to such matters.

**5.210.2** Audit. In accordance with Section 6505 of the Act, the records and accounts of the Authority shall be audited annually by an independent certified public accountant and copies of such other reports shall be filed with the State Controller, Orange County Auditor and each Member Agency within ~~six~~ (12) months of the end of the Fiscal Year under examination or such other period as may allowed or required by law. Copies shall also be provided to persons or entities so requesting as required by the Act.

#### **✓XI. PROPERTY RIGHTS**

**6.11.1** Project Facilities. All Project facilities constructed or acquired by the Authority shall be ~~held in the name of the Authority for the benefit of the membership of, and hereby are, owned by~~ the Authority in accordance with the terms of this Agreement. The cost and depreciation of all Project facilities so constructed or acquired shall be charged or accrue to the Participating Member Agencies in proportion to each Member's agreed percentage of capacity rights in such Project facility and shall not be charged or accrue to the account of the Authority unless agreed to in writing by all Participating Member Agencies; provided, however, that depreciation of all facilities acquired or constructed pursuant to funds obtained through the State or federal government through the Clean Water Grant Program or through other State or federal financing programs shall be charged or accrued to the account of the Authority if required by such programs. ~~Capacity rights in Project facilities shall be held for the benefit of the Participating Member Agencies in proportion to each such member's agreed percentage of~~ own capacity rights ~~in such to~~ Project facility facilities in the proportions or amounts set forth in Exhibit "C", unless otherwise agreed to in writing by said Participating Member Agencies. It is the intent of the foregoing provision that the Authority shall not acquire any unallocated capacity rights in any Project facility for disposal or use, except for the benefit of the Participating Member Agencies in proportion to their ~~original~~ percentage of capacity rights in said facility. Capacity rights may not be sold, leased or assigned ~~to parties or entities other than Member Agencies, or between and among Member Agencies~~ without the written consent of all Participating Member Agencies in a Project. However, capacity rights may be sold, leased, or assigned between and among Participating Member Agencies in a Project so long as all Participating Directors in a Project Committee unanimously consent to such sale, lease, or assignment by vote or written agreement.

6.211.2 Distribution of Assets and Obligations with Termination of Authority. To the extent that any funds (or property in lieu of funds) received from any Participating Member Agency are used for the acquisition or construction of Project facilities, the same shall be allocated annually on the books of the Authority ~~to the credit of said contributing member in accordance with the terms of this Agreement and Exhibit C.~~ Upon termination or dissolution of the Authority ~~herein created or the termination of a Project Committee,~~ the Project facilities, ~~existing obligations~~ and any funds in possession of the Authority at such time shall be distributed in kind or sold, and the proceeds thereof distributed: (1) If a Project facility, to the Participating Member Agencies at the time of termination ~~as in proportion to their ownership interests as they appear on the books in Exhibit C;~~ or (2) If an asset of the Authority, ~~entire Authority, consistent with the proportional obligations set forth in the applicable fiscal year's General Budget. In the alternative, the Participating Member Agencies of a Project Committee may through unanimous approval of their Governing Bodies agree upon a distribution of assets and obligations. The Authority shall not distribute assets unless and until the manner of transfer of liabilities and obligations has been determined by written agreement between Member Agencies. The Member Agencies may agree to arbitrate any disagreements pursuant to Section 13.5.~~

11.3 Liabilities Not Related to Authority's Public Retirement System.

6.3 — Liabilities Authority Liabilities. The parties to this Agreement do not intend hereby to be obligated either jointly or severally for the debts, liabilities or obligations of the Authority, except as may be specifically provided for in California Government Code Section 895.2, as amended or supplemented. ~~The parties further agree as follows: (i) pursuant to California Government Code Section 895.4, in the event the parties, under applicable law, are held liable for the acts or omissions of the Authority caused by a negligent or wrongful act or omission occurring in the performance of this Agreement; or (ii) in the case of any other liability incurred by the Authority during the course of its existence; then, with respect to (i) and (ii) the parties shall discharge any such liability from payments to be made to the Authority by each of the parties in proportion to each parties' contribution or approved participation in Project facilities of the Authority to which the liability is attributable, unless otherwise agreed; provided, the foregoing contribution from the Member Agencies shall be required only to the extent the Authority does not have insurance coverage for such liability. Each Member Agency shall indemnify, defend and hold harmless the other Member Agencies from any such liability in excess of its proportionate share. Except as provided herein, the debts, liabilities, and obligations of the Authority shall be the debts, liabilities or obligations of the Authority alone and not of the Member Agencies, and as required by Government Code Section 6508.1 and set forth in this Section 11.3. Except as provided herein, the debts, liabilities, and obligations of the Authority shall be the debts, liabilities or obligations of the Authority alone and not of the Member Agencies.~~

(b) Member Agency Liabilities under Government Code Section 895.2. The parties further agree as follows: (i) pursuant to California Government Code Section 895.4, in the event the parties, or any of them, are held liable for the acts or omissions of the Authority caused by a negligent or wrongful act or omission occurring in the performance of this Agreement; or (ii) in the case of any other liability incurred by the Authority during the course of its existence, other than the public pension liabilities addressed in subsection 11.4(c); then, with respect to (i) and (ii) the Member Agency(ies) shall discharge any such liability from payments to be made to the Authority by each of the Member Agencies in proportion to its ownership capacity interest in

Project facilities of the Authority, as set forth in Exhibit C, to which the liability is or is alleged to be attributable, unless otherwise agreed; subject to all of the following:

(i) Insurance Coverage. The foregoing contribution from the Member Agencies shall be required only to the extent the Authority is not fully insured for such liability (including satisfaction of any applicable deductible or self-insured retention).

(ii) Response to Claims; Member Agency Cooperation. Whether or not such insurance coverage is available, the Authority shall be responsible, in the first instance, for responding to any claims or actions brought against it, and/or against one or more of the Member Agencies, on behalf of itself, and the Member Agencies involved, which shall fully cooperate with the Authority in its defense of such claims or actions.

(iii) Indemnification of Non-Participating Member Agencies. Where such insurance coverage is not available, or it becomes reasonably foreseeable that the applicable limit of liability insurance coverage may be exceeded, the parties who participate in or contribute to the Project facilities of the Authority to which the liability is or is alleged to be attributable, shall, in addition to cooperating with the Authority in the defense of such claims or actions, indemnify, defend and hold harmless the remaining parties (i.e., those who do not participate in or contribute to the Project facilities of the Authority to which the asserted claims or actions are attributed) prior to the final disposition of any claim or action to which this subparagraph applies. The cooperation of the parties involved shall also include, upon the request of the Authority, providing financial support to the Authority during its defense of any claim or action under this subparagraph.

(iv) Authority and/or Member Agency Disputes. In no event shall this subparagraph be construed to apply to any dispute arising between or among the Authority and the Member Agencies arising out of this Agreement.

(v) Upon Final Disposition. Upon the final disposition of any claim or action to which this subparagraph applies, each Member Agency shall indemnify, defend and hold harmless the other Member Agencies from any such liability in excess of their proportionate ownership capacity, or proportional fault to the extent a court or other adjudicatory body determines percentages of fault.

(vi) Cost Allocation for Members Providing Indemnification Under (iii), above. For the parties providing indemnification to non-involved Member Agencies for the claim and resultant liability, expense, cost or obligation ("Cost"), the Cost shall be shared, as follows: (i) for claims costs arising from or related to use of the facility, Costs shall be shared based on percentages of annual use in the period or periods during which the claim arose or continued, and (ii) where claims arise that are unrelated to use of a Project the same shall be shared based on percentages of capacity ownership of the Project. To the extent claims arise from or relate to use within an identifiable area of treatment at a facility (such as liquids or solids or Common area) the shared percentage shall relate to the percentage use of liquids, solids or Common as determined in the period or periods during which the claim arose or continued by reference to the Use Audit or Audits for the fiscal years during which the claim arose and continued. To the extent claims arise from or relate to circumstances unrelated to use and are

allocable based on capacity ownership, the ownership of liquids, solid or common capacity shall, to the extent possible, be utilized to determine the appropriate allocation and payment of the indemnity obligation.

11.4 Liability for Public Retirement System Costs (increased PERS, Unfunded “UAL” liability and OPEB (retiree) costs). In the event of withdrawal of any Member Agency or Agencies from the Authority (“Member Withdrawal”), or the dissolution, cessation of operations, or termination of participation in a public retirement system of or by the Authority (“Authority Termination Event”), unless otherwise unanimously agreed, responsibility for any unfunded public retirement system liability incurred by the Authority shall be divided as follows:

(a) If there is a Member Withdrawal, the withdrawing agency or agencies shall assume responsibility for its share of any unfunded public retirement system liability on the effective date of the Member Withdrawal. The Authority shall continue to be responsible for the remaining share of unfunded public retirement system liability.

(b) If there is an Authority Termination Event, each member agency shall assume responsibility for its share of any unfunded public retirement system liability on the effective date of the Authority Termination Event.

(c) Each withdrawing or terminating Member Agency shall negotiate in good faith to enter into a contract with the board of the public retirement system to fund its share of unfunded public retirement system liability annual obligations by: (i) making annual contributions; or (ii) making a lump-sum payment; or (iii) providing for payment by any other actuarially sound payment method. Each Member Agency agrees to defend and indemnify the others, and Authority, against any claim that it has not timely met its legally required notice or funding obligations in the manner agreed upon herein, including the cost of any arbitration resulting from a dispute arising under Government Code §§ 6508.2 or 20575.

(d) Each Member Agency’s share shall be calculated by the Authority, and shall be allocated based upon the Board-approved Actuarial Methodology and Member Agencies Distribution Percentages as used in the most recently Board approved annual “Supplemental Financial Statements, Statements of Net Position, Net Pension Liability”.

11.5 Notice to Public Retirement System. Prior to filing any notice of termination to a public retirement system or a decision to dissolve the Authority or cease its operations, the Authority shall provide a copy of this agreement to the public retirement system or systems in which the Authority participates, as required by Government Code Section 6508.2. In addition, upon approval of this amendment, the Authority shall provide a copy to the public retirement system or systems in which the Authority participates, as required by Government Code section 6508.2

## ~~VH.XII.~~ **FORMATION, TERM, TERMINATION, WITHDRAWAL**

7.12.1 Term. The Authority shall continue until this Agreement is rescinded or terminated as herein provided.

7.2.12.2 Rescission or Termination. This Agreement may be rescinded and the Authority terminated by written consent of all Member Agencies.

7.3.12.1 Withdrawal. ~~A Any Member Agency may withdraw from the Authority effective on the last day of a specified Fiscal Year by giving each of the Member Agencies written notice one hundred and twenty (120) days prior to the end of a Fiscal Year which Fiscal Year shall be specified in said notice; provided, however, in the event the withdrawing Member Agency has any rights in any Project facility, or obligations to the Authority, said Member cannot sell, lease or transfer said rights or be relieved of its obligations, except its obligation to pay its share of operation and maintenance costs directly related to the use of the Project facilities, without the execution of a written agreement executed by it and all Member Agencies affected by such withdrawal. The Authority may not sell, lease, transfer or use any rights of a Member who has withdrawn without first obtaining the written consent of the withdrawn Member. Upon termination, a withdrawn member will be treated like all other Members in regard to the provisions of Section 11.2 hereof.~~ Member Agency may withdraw from a Project and participation in one or more Project Committees, and may withdraw from participation in the Authority, by giving not less than 120 days written notice to the Authority and to the Member Agencies participating in any Project Committee from which withdrawal is sought, as follows:

(a) The Member Agency complies with the provisions of Section 11.4, et seq. to ensure payment of all outstanding public retirement system liabilities attributable to its participation in Authority, including in the Project or Project Committees from which it is withdrawing, unless another Member Agency has agreed with the withdrawing Member Agency to assume all or a portion of such liabilities with the written consent of the remaining Member Agencies or with the written consent of the remaining Participating Member Agencies if withdrawing solely from a Project Committee, which written consent in either case shall not be unreasonably withheld; and

(b) The Member Agency remains liable for outstanding bonds, debts or obligations incurred for its benefit, and for any termination, closure, cleanup and/or remediation costs and any other uninsured liability arising from or accrued during the Member Agency's period of participation in the Authority, including the Project Committees from which it seeks to withdraw, unless another Member Agency has agreed with the withdrawing Member Agency to assume all or a portion of such liabilities with the written consent of the remaining Member Agencies or with the written consent of the remaining Participating Member Agencies if withdrawing solely from a Project Committee, which written consent in either case shall not be unreasonably withheld; and

(c) The Member Agency agrees to: (1) remain liable to pay for capital contributions reasonably necessary to maintain the functionality and safety of the facilities as contemplated by the applicable PCAs, as determined by the remaining Participating Agencies for the term of the Project Committee Agreement (as reflected in Exhibit C); or (2) the Member Agency agrees to a contract for services from the Authority and use of specified facilities on terms and conditions satisfactory to the affected Project Committees and to the Authority; or (3) the Member Agency agrees to transfer its rights to use facilities owned and operated by the Authority to another Member Agency which agrees to accept them, subject to any other terms and conditions required by the affected Project Committees and by the Authority [for example,

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pay for capital expenses per (1) above.] Notwithstanding the foregoing, a Member Agency wishing to withdraw from a Project Committee or the Authority may propose alternative terms and conditions for withdrawal via a withdrawal agreement. Any withdrawal agreement must be approved by all Participating Agencies in the affected Project Committees if withdrawing from a Project, or by the governing boards of all Member Agencies if withdrawing from the Authority, before withdrawal may be effective.

#### **VIII.XIII. GENERAL**

**8.413.1** Admission of New Member Agencies. It is recognized that public entities, other than the signatories to this Agreement, may wish to participate in the Authority. Additional public entities may become Member Agencies of the Authority upon such terms and conditions as provided by the Board and the unanimous consent of each existing Member Agency of the Authority, evidenced by the execution of a written addendum to this Agreement, signed by all of the Member Agencies, including the additional Member Agency.

**8.213.2** Insurance. The Member Agencies agree that the Authority shall obtain policies of general liability, workers' compensation and property insurance (as applicable) which shall remain in effect at all times the Authority remains in existence or is otherwise winding up its affairs pursuant to any termination thereof. The Authority shall name each of the Member Agencies and their officers, directors, employees and consultants as additional insureds under all such policies, including all excess policies.

**8.313.3** Amendments. This Agreement may be amended only by the unanimous vote of all Member Agencies, or as specifically provided herein, such as by action of a Project Committee with respect to that Project.

**8.413.4** Notice. Any notice or instrument required to be given or delivered shall be validly given and made by depositing the same in any United States Post office, first class postage prepaid, addressed to the addresses of the Member Agencies as shown on Exhibit B, and shall be deemed to have been received by the party to whom the same is addressed at the expiration of seventy-two (72) hours after deposit of the same in the United States Post Office for transmission.

**8.513.5** Non-Binding Arbitration. Any controversy or claim between any two or more parties to this Agreement, or between any such party or parties and the Authority, in respect to the Authority operations, or to any claims, disputes, demands, differences, controversies, or misunderstandings arising under, out of, or in relation to or in connection with this Agreement, or any breach thereof, shall be first submitted to ~~and determined by non-binding arbitration before suit may be brought, unless waived by the parties involved.~~ To the extent not inconsistent herewith, the rules of the American Arbitration Association shall apply. The party desiring to initiate arbitration shall give notice of its intention to arbitrate to every other party to this Agreement and the Authority. Such notice shall designate as "respondents" such other parties as the initiating party intends to ~~have bound by and any award made therein participate.~~ Any party not so designated but which desires to join in the arbitration may, within fifteen (15) days of service upon it of such notice, file a response indicating its intention to join ~~in and to be bound by the results of the arbitration,~~ and further designating any other parties it wishes to name



as a respondent. Within twenty (20) days of the service of the initial demand for arbitration, the American Arbitration Association, hereinafter referred to as "AAA" shall submit simultaneously to the initiating party and to all parties named as respondents or filing a response therein, an identical list of names of persons chosen from the AAA National Panel of Arbitrators which persons shall be, to the extent possible, persons first in the field of wastewater disposal and reclamation as well as public law. Each party to the dispute shall have fifteen (15) days from the mailing date in which to cross off any names to which it objects, number the remaining names indicating the order of its preference, and return the list to the AAA. If a party does not return the list within the time specified, all persons named therein shall be deemed acceptable. From among the persons who have been approved on both lists, in accordance with the designated order of mutual preference, the AAA shall invite the acceptance of an arbitrator to serve. If the parties fail to agree upon one of the persons named, or if an acceptable arbitrator is unable to act, or if for any other reason the appointment cannot be made from the submitted list, the AAA shall have the power to make the appointment of the arbitrator from other members of the panel without the submission of any additional list.

The arbitrator shall determine the rights of the parties in accordance with the law, ~~and the award shall be subject to review as to the arbitrator's application of the law by any court having jurisdiction thereof, whether or not any mistake of law shall appear upon the face of the award. As to all questions of facts, however, the determination provided the decision~~ of the arbitrator shall not be binding ~~upon all unless the parties and shall be final~~ have agreed otherwise. ~~Any party shall be entitled to written findings of fact and conclusions of law as to all issues determined by the award. Subject to the above limitations, the award shall be binding upon all parties to the arbitration and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.~~

~~The arbitrator may, in his discretion, as part of the arbitration award impose upon any one party or allocate among two or more of the parties, the liability for the arbitration fees and expenses. Such allocable fees may include the initial administration fees, fees for second and subsequent hearings, postponement fees, and overtime fees. Allocable expenses may include the expenses of producing witnesses, the cost of stenographic records, the cost of any transcripts, travel expenses of the arbitrator and tribunal administrator, the expenses of any witnesses, the costs of any proofs produced at the direct request of the arbitrator, and any other expenses relating directly to the arbitration. In the event of the failure of the arbitrator to provide for the allocation of such fees and expense, the arbitration fees shall be divided equally between the parties and the expenses shall be borne by the party incurring them.~~

8.613.6 Severance. If any section, subsection, sentence, or clause or phrase of this Agreement, or the application thereof, to any of the Member Agencies or any other person or circumstances is for any reason held invalid, the validity of the remainder of the Agreement, or the application of such provision to the other Member Agencies, or to any other persons or circumstances, shall not be affected thereby. Each of the Member Agencies hereby declares that it would have entered into this Agreement, and each section, subsection, sentence, clause or phrase thereto, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases, or the application thereof, to any Member Agency or any other person or circumstance be held invalid.

8.713.7 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals by their respective officers thereunto duly authorized the day and year first herein above written.

CITY OF LAGUNA BEACH

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

CITY OF SAN CLEMENTE

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

CITY OF SAN JUAN CAPISTRANO/  
CAPISTRANO VALLEY WATER DISTRICT

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

EL TORO WATER DISTRICT

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

EMERALD BAY SERVICES DISTRICT

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

~~[Additional Signatures Next Page]~~

| [Additional Signatures Next Page]

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IRVINE RANCH WATER DISTRICT

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

MOULTON NIGUEL WATER DISTRICT

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

SANTA MARGARITA WATER DISTRICT

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

SOUTH COAST WATER DISTRICT

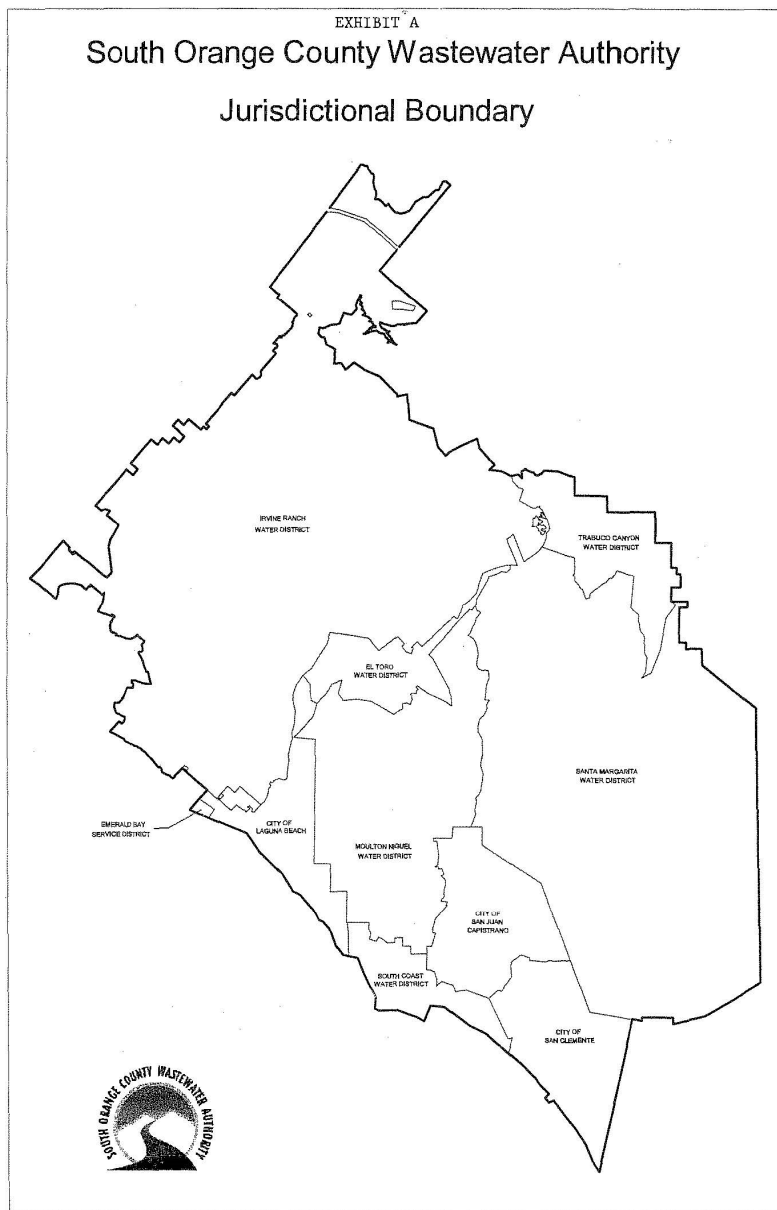
By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary

TRABUCO CANYON WATER DISTRICT

By: \_\_\_\_\_  
President

By: \_\_\_\_\_  
Secretary



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## EXHIBIT B

City of Laguna Beach	505 Forest Avenue Laguna Beach, CA 92651 Phone : 949-497-0704 Fax: 949-497-0791
City of San Clemente	910 Calle Negocio San Clemente, CA 92672 Phone: 949-498-2533 Ext. #120
City of San Juan Capistrano	32400 Paseo Adelanto San Juan Capistrano, CA 92675 Phone: 949-493-1171
El Toro Water District	P.O. Box 4000 Laguna Hills, CA 92653 Phone: 949-837-7050 Fax: 949-837-7092
Emerald Bay Service District	600 Emerald Bay Laguna Beach, CA 92651 Phone: 949-494-8571 Fax: 949-497-0982
Irvine Ranch Water District	P.O. Box 57000 Irvine, CA 92619-7000 Phone: 949-453-5300 Fax: 949-453-1228
Moulton Niguel Water District	27500 La Paz Road Laguna Niguel, CA 92656 Phone: 949-643-2006 Fax: 949-831-5651
Santa Margarita Water District	26111 Antonio Parkway Rancho Santa Margarita, CA 92688 Phone: 949-459-6400 Fax: 949-459-6463
South Coast Water District	P.O. Box 30205 Laguna Niguel, Ca 92607-0205 Phone: 949-499-4555 Fax: 949-499-4265
Trabuco Canyon Water District	32003 Dove Canyon Drive, 92679 P.O. Box 500 Trabuco Canyon, CA 92678

**Exhibit C**

[See Excel Spreadsheets]

Feb 1, 2021 markup  
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Exhibit D

Feb 1, 2021 markup  
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Exhibit E

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# Agenda Item

## 6.F.

**Board of Directors Meeting**

**Meeting Date:** December 8, 2022

**TO:** Board of Directors  
**FROM:** Betty Burnett, General Manager  
**SUBJECT:** General Manager's Status Report

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### ADMINISTRATION

#### San Clemente Land Outfall (PC 10)

From the limited available SOCWA records it appears that the San Clemente Land Outfall was constructed through SOCWA Project Committee 10. The City of San Clemente confirmed the construction was paid for through SOCWA, therefore, the asset was placed on SOCWA books with the 2021-22 Audit. SOCWA staff have not been able to locate a PC 10 Agreement and it does not appear that the previous Counsel, Pat Giannone, had one in her possession either. From old meeting minutes we have pieced together that there was some historical interest of both the prior Capo Sanitary District and SMWD in participating with San Clemente in PC 10, although neither SOCWA nor the City of San Clemente have any records to show that actually occurred. Director Rebensdorf has indicated an interest in SOCWA conveyance of the San Clemente Land Outfall to the City. SOCWA staff is seeking the concurrence of the Board to work with Counsel to prepare the documentation that would accomplish that transition and bring that item to the January 2023 Board meeting for the SOCWA Board to approve.

#### SOCWA Support Doheny Desal Project

South Coast Water District requested that SOCWA provide a letter of support to the State Lands Commission in consideration of the lease related to the Doheny Desalination Project. The General Manager confirmed with the Board Chair the consistency of this request with the SOCWA Board agreement to provide project support at the California Coastal Commission. The General Manager submitted the attached letter of support to the State Lands Commission on November 30, 2022. (Attachment)

#### Trabuco Canyon Water District Request to Withdraw from SOCWA

Trabuco Canyon Water District has been working to understand the process applicable to obtaining from the Regional Water Board a direct permit for the distribution of recycled water. Based on their findings, TCWD has prepared a requested agreement with SOCWA for coverage under the existing Recycled Water Order pending issuance of an individual agency permit for their service area. Additional services TCWD would be continuing with SOCWA would be joint services contracts for services and supplies, for example the biosolids disposal and chemical purchases contracts. TCWD has presented a proposed draft withdrawal and services agreement (attached hereto). SOCWA Counsel will be reviewing the draft and providing comments to TCWD counsel regarding this item before it is submitted to the SOCWA Board for further consideration. (Attachment)

### Auditor Services FY 2022-2023

Pun Group will be concluding its contracts with SOCWA to provide audit services with six years of service as of the fiscal year 2021-2022 Audit. SOCWA Staff prepared an RFP for audit services to begin with the upcoming 2022-2023 fiscal year and received two proposals. The proposals have been circulated to the member agency Finance Officers, and these will be brought to the December 20<sup>th</sup> Finance Committee meeting for consideration and recommendation at the January 2023 SOCWA Board meeting. SOCWA policy attached.

### MNWD Operations of Regional Treatment Plant AWT

MNWD staff and SOCWA staff concluded negotiations of an agreement to operate the AWT at the Regional Treatment Plant (PC 17) on November 3<sup>rd</sup>, 2022. A copy of the executed agreement is attached. Two items to note are that SOCWA staff will be providing a Bill of Sale document related to this agreement to transition AWT assets previously paid for and added to the facility through SOCWA back to MNWD. Further, the parties agreed to clarify the obligation to remove AWT #1, which has been out of service on the RTP site for decades. The new language allows for future use of the AWT #1 area for future improvements to MNWD AWT systems. It is anticipated that this additional language may pave the way to free up that area from old facilities until it can be put to future use by the MNWD for the stated purpose. Ongoing since November 3<sup>rd</sup>, 2022, SOCWA Operations and Lab staff are coordinating and preparing and circulating to the MNWD operating staff for review and input an Operational Guidance. The Operating Guidance is intended to be a living document covering ongoing use of the site, process flow and collaboration between the agencies. As an item of this report, Jim Burror, SOCWA Director of Operations, and Amber Baylor Director of Environmental Compliance may update the Board on coordinating work with MNWD in addition to the status reports below.

SOCWA Director of Operations, Jim Burror, provided the following update:

- SOCWA installed 200 feet of CAT5 cable to allow MNWD to communicate with the two (2) AWT PLCs.
  - SCADA and OIT screens and programs creation, updating, and testing.
  - Tracing wires and signals for the 5 PLCs to be worked on SOCWA installed 2 new PLC's to capture needed signals for operating RTP (multi-day efforts)
  - SOCWA made available several other plant signals needed to operate the AWT
  - SOCWA staff walked MNWD staff through the SCADA screens and 4 operating modes
  - SOCWA staff were made available to the MNWD Integrator hired to convert the existing Rockwell SCADA and PLC programs to MNWD's Ignition SCADA/PLC network
- SOCWA moved all AWT spare parts to sites near the AWT
- SOCWA ordered extra filter sand from MNWD to top off the cells
- SOCWA cleared out an adjacent building area for MNWD
- SOCWA removed other items stored in the area not used for the AWT
- SOCWA and MNWD met 2 to 4 times per week at the site to review operational procedures for about a month. This included transcribing minutes for both parties to review, update and retain for future reference. The two agencies senior staff attended many of the meetings to help ensure that resources were made available for the effort and to help ensure a smooth transition.

- SOCWA transferred all log books to MNWD staff
- SOCWA transferred all AWT-specific SOPs and EOPs to MNWD staff
- SOCWA transferred several years of data to MNWD staff for review. Additional data is available as needed.
- SOCWA and MNWD worked together to lay out a sampling and monitoring plan for Title 22 compliance monitoring and reporting (see Amber Baylor update below).
- The initial version of 32 Operational Guidelines were drafted and sent to MNWD staff for review. Staff is coordinating schedules to meet and update the documents. This is anticipated to be a living document updated by the staff from time to time.

Ms. Baylor, SOCWA's Director of Environmental Compliance provided the following update:

SOCWA Environmental Services has provided MNWD staff roles and responsibilities sheet that details the procedural aspects of the collection, analysis, notification, and reporting of results to produce recycled water under Master Recycled Water Permit Order No. 97-52. SOCWA staff met in person with MNWD staff on November 28, 2022, to review the procedures with MNWD staff so that there would not be any permit violations associated with the transition or ongoing operations in the shared goal of production of recycled water, important to the South County Region. Through this transition, SOCWA Laboratory staff responded to the immediate need of MNWD staff so that recycled water could still be produced despite after-hours work which provided a strong signal to MNWD staff that SOCWA Laboratory and Operations staff are committed to their successful operation of the AWT. SOCWA staff appreciated the acknowledgment by MNWD staff of the hard work and detailed processes to keep the AWT online over the fifteen years of SOCWA operation of the AWT.

SOCWA will continue to share knowledge and any resources that are needed for the continued successful operation.

#### Draft 2023 Annual Meeting Calendar

Attached is the draft proposed 2023 Annual Meeting Calendar for Board review. July and December meeting dates have been added back to the calendar as requested.

### **ENVIRONMENTAL COMPLIANCE**

#### Recycled Water Unauthorized Discharge and Notice of Violations

There is new staff at the San Diego Regional Water Quality Control Board (SDRWQCB) who are requested that SOCWA staff provide direct oversight and review for final submittal to the SDRWQCB of any unauthorized discharge under the authority of Master Recycle Water Order 97-52. South Coast Water District reported two spills from April 2022 through August 2022 for spills 1.32 million gallons and 54,000 gallons respectively. Moulton Niguel Water District reported 4.16-million-gallon unauthorized discharge in October 2022. Both agencies failed to report the unauthorized discharges within 24 hours to the SDRWQCB as required with one notice of violation issued to the SCWD and a pending notice of violation anticipated for the MNWD. SOCWA staff provided notification requirements to both agencies and will provide training in January for roles and responsibilities under the Recycled Water Permit for member agencies to avoid future violations.

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### Verily Wastewater SCAN Update

SOCWA staff completed the updated Material Transfer Agreement and Onboarding paperwork to start monitoring the Regional Treatment Plant, Coastal Treatment Plant, and JB Latham Treatment Plant for SARS-COV-2, Influenza A, Respiratory Syncytial Virus (RSV), and Monkeypox (MPX) in partnership with Stanford and contract company Verily. Verily announced that wastewater surveillance will also include Influenza B, Human Metapneumovirus (hMPV), and Norovirus at no additional cost to project participants.

### Prima Deshecha Landfill (PDL) Condensate Pretreatment Permit

Orange County Waste & Recycling (OCWR) Staff operating the PDL submitted a discharge request for consideration and acceptance of the treated condensate discharge into the San Juan trunkline system that would enter either the Chiquita Water Reclamation Plant (CWRP) or the City of San Clemente's Water Reclamation Plant (WRP).

Landfill gas condensate is presently stored in two holding tanks (9,100 and 10,300 gallons) on-site at PDL and periodically emptied by vacuum truck for offsite disposal to a centralized waste treatment (CWT) facility within the OC SAN service area. To relieve this procedure, OCWR is proposing to treat the waste stream and discharge up to 5,000 gpd of treated effluent to SOCWA sewer facilities by installation of a sewer conveyance pipeline. The proposed sewer connection point is located approximately 300 feet outside the southwestern portion of the landfill property and in the region of the intersection of Camino De Los Mares and Portico Del Norte in San Clemente.

PDL is regulated and permitted as a Class III non-hazardous landfill and the gas condensate produced at the landfill is not presently considered a hazardous waste. However, on September 6, 2022, EPA published its Notice of Proposed Rulemaking designating PFOS and PFOA as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)<sup>1</sup> with a final designation expected Summer 2023. Under the proposed CERCLA designation, the federal government has the statutory authority to investigate hazardous substances released into the environment. Additionally, the CERCLA designation has an enforcement mechanism for private parties to hold entities responsible for hazardous substance releases. While EPA is evaluating practical methods to analyze and treat PFAS in solid waste, landfills, wastewater/leachates, soils, and groundwater, this CERCLA designation now provides a direct link to investigations and private party lawsuits for allowances of hazardous substances into the sewer system.

Additionally, recycled water sources, especially for indirect and direct potable reuse (IPR/DPR), are subject to intensive state and federal requirements and regulations. Should landfill treatment methods fail, SOCWA may no longer be able to reuse and recycle its wastewater and may be limited in its ability to dispose of its biosolids.

SOCWA has concerns that once sewer connection is made, OCWR may submit another application for discharge of other landfill wastewater streams with potential for higher projected volumes upon landfill closure, not expected before 2050.

SOCWA staff brought these concerns to the attention of SOCWA Engineering Committee on November 11, 2022. Requested action by the Engineering Committee members, Santa Margarita Water District and City of San Clemente, are to meet with OCWR and their consultants to

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<sup>1</sup>Designation of Perfluorooctanoic Acid (PFOA) and Perfluorooctanesulfonic Acid (PFOS) as CERCLA Hazardous Substances, 87 Fed. Reg. 54415 (proposed Sept. 6, 2022) (to be codified at 40 C.F.R. pt. 302).

ascertain next steps under the SOCWA Pretreatment Program. The meeting is anticipated for January 2023. SOCWA staff will apprise the SOCWA Board of related actions from that meeting and will bring proposed actions to the Board's attention prior to any approval of pretreatment permit requests.

Plume Tracking

In March 2022, prior to the SOCWA NPDES permit issuances, the Southern California Coastal Water Research Project provided updates to their ROMS-BEC model which indicated that the technology was ready for use in management decision making. In preparation for the plume tracking requirements included in both NPDES permits, SOCWA wanted to better understand if the ROMS-BEC model was able to be replicated and thus ready for incorporation as an alternative technology for use in the plume tracking work plan. A draft review of the ROMS-BEC model is included below. It is concluded that this technology is not fit for regulatory decision making due to need to incorporate more sophisticated photosynthetic active radiation at ocean depth and the ability to resolve particle diffusion and settling velocities within the water column.



South Orange County Wastewater Authority

November 30, 2022

Donne Brownsey  
Chair  
California Coastal Commission  
455 Market Street, Suite 300  
San Francisco, CA 94105  
[Donne.Brownsey@coastal.ca.gov](mailto:Donne.Brownsey@coastal.ca.gov)

Dear Chair Brownsey:

On behalf of South Orange County Wastewater Authority, I am pleased to convey and share with your Commission our strong support for the Doheny Ocean Desalination Project.

This technologically unique and environmentally sensitive ocean water desalination project will enhance water reliability for South Coast Water District (SCWD) and the region. SCWD has worked collaboratively for more than eight years with stakeholders and officials with local cities, other special districts, nonprofit organizations, tribal nations, and others in Orange County and regionally in furtherance of this Project. SCWD has also worked diligently at the State and Federal levels to secure more than \$32 million in critical grant funding for the Project to date.

This Project will enable SCWD to further diversify its water supply portfolio and reduce its dependence on imported water from the severely stressed Colorado River and State Water Project, especially during times of historic drought conditions which will become more frequent as climate change evolves. The Project is particularly important to south Orange County, which is roughly 90% dependent on these imported water supplies.

In addition to the water supply benefits, we support this Project because it complies with the California Ocean Plan and protects the marine environment by implementing the preferred intake and discharge technologies, i.e., using a subsurface ocean water intake system to draw water passively through the ocean floor and return the post-desalination brine to the ocean via an existing outfall.

The serious implications of drought restrictions on our local communities, especially when combined with the region's overwhelming reliance on imported water, justifiably inspire SCWD and its neighboring districts to be innovative in their ongoing mission to achieve a diverse and reliable portfolio of water projects and management strategies. The Project has the potential to be a local and regional asset, reducing south Orange County's reliance on imported water and ensuring supply reliability in the event of a natural disaster or other major emergency.

It is a pleasure to convey our strong support of the California Coastal Commission's consideration and approval of the Doheny Ocean Desalination Project. Thank you for your consideration and for your ongoing commitment to and efforts on behalf of our residents, businesses, and the region's resources.

Sincerely,

Betty Burnett  
General Manager

## **Agreement for SOCWA Withdrawal and Concurrent Temporary Recycled Water Permit Services (TCWD-SOCWA )**

This Agreement for SOCWA Withdrawal and Concurrent Temporary Recycled Water Permit Services (“**Agreement**”) is dated \_\_\_\_\_, 2023 (“**Effective Date**”) and is between Trabuco Canyon Water District (“**TCWD**”), the South Orange County Wastewater Authority (“**SOCWA**”), and each of SOCWA’s other **Member Agencies** as that term is defined below.

A. Overview. The *Joint Exercise of Powers Agreement Creating South Orange County Wastewater Authority* (“**SOCWA**”) dated July 1, 2001 (the “**Joint Powers Agreement**”) created a joint powers agency made up of several wastewater service providers within the San Juan Creek and/or Aliso Creek watershed. The nine current members of SOCWA are the City of Laguna Beach, the City of San Clemente, El Toro Water District, Emerald Bay Services District, Irvine Ranch Water District, Moulton Niguel Water District, Santa Margarita Water District, South Coast Water District, and TCWD (collectively, the “**Member Agencies**”). SOCWA owns and operates wastewater treatment facilities, transmission mains, and outfalls on behalf of its Member Agencies, and facilitates a recycled water reuse permit compliance, monitoring, and reporting program.

B. TCWD Project Committee Participation. Where a SOCWA activity, project, or facility involves less than all of SOCWA’s Member Agencies, the affected Member Agencies form a “**Project Committee**” (or “**PC**”) that is responsible for overseeing that activity, project, or facility. TCWD is currently a member of PC 12 (formerly known as PC No. 2SO), which handles the activity of joint recycled water permit compliance, monitoring, and reporting for four of the Member Agencies: TCWD, Moulton Niguel Water District, Santa Margarita Water District, and South Coast Water District. The SOCWA recycled water permit, Order No. 97-52, covers TCWD’s Robinson Ranch Water Recycling Plant and related recycled water distribution and use system. TCWD’s recycled water program is the smallest of the members, representing approximately 6% of the total SOCWA-permitted service area recycled water by volume.

C. TCWD Intent to Obtain Independent Recycling Permit. TCWD intends to ultimately obtain and manage its own recycled water permit from state/regional regulators, instead of participating in the joint recycled water permitting services offered by SOCWA<sup>1</sup>. TCWD is advised that obtaining an independent permit may take up to 12-18 months.

D. TCWD Withdrawal from SOCWA. Upon obtaining an independent recycled water permit, TCWD will no longer benefit from any SOCWA activities, projects, or facilities. TCWD currently represents less than 1% of the total revenues and budget of SOCWA<sup>2</sup>. TCWD has determined that, because >99% of the budget of SOCWA is not related to TCWD’s operations, that it would be in the best interests of both SOCWA and TCWD for TCWD to withdraw as a member of SOCWA. After its withdrawal, TCWD will have continuing actuarial liability arising out of unfunded pension obligations (“**UAL**”) and other post-employment employment benefits (“**OPEB**”) obligations from its historic participation in PC 12; TCWD intends to continue to pay its

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<sup>1</sup> Three other SOCWA Member Agencies have independent recycled water permits: the City of San Clemente, El Toro Water District, and Irvine Ranch Water District. The latter two are former members of PC 12.

<sup>2</sup> TCWD represented only 0.25% of SOCWA’s budget in 2022-23 (\$61,528 out of \$23,670,816), and is projected to be only 0.18% of SOCWA’s budget in 2023-34 (\$44,780 out of \$24,641,183).



fair share of these obligations, which over a five-year period are estimated to be between \$353.00 and \$439.00 per year.

E. Interim Recycled Water Permitting Services. Given the uncertain time frame for TCWD to obtain an independent recycled water permit, and in order to facilitate the orderly transition from joint recycled water permitting under SOCWA to an independent recycled water permit, the parties intend for TCWD to immediately withdraw from SOCWA, and concurrently provide for SOCWA to continue to perform recycled water permit services for TCWD under a services contract instead of the JPA until TCWD's independent permit is issued. This will avoid the potential for TCWD to have obtained an independent permit while still being a SOCWA member.

F. Purposes. The Parties intend by this Agreement to provide for (i) TCWD's withdrawal as a member agency from SOCWA; (ii) TCWD's payment of all UAL/OPEB liabilities associated with TCWD's historic membership in SOCWA; and (iii) SOCWA's temporary continued provision of recycled water permitting services on a contract basis.

The Parties therefore agree as follows:

1. **JPA Withdrawal.**

1.1 As of the Effective Date, TCWD is no longer a member of SOCWA and therefore no longer a member of the SOCWA Board of Directors, Project Committee 12, or any other committee. The remaining Member Agencies consent to this withdrawal according to the terms and conditions of this Agreement.

1.2 The JPA is hereby amended to remove TCWD as a member of SOCWA or a party to the JPA.

1.3 TCWD shall pay to SOCWA all amounts incurred during its membership in SOCWA within 45 days after receipt of a closing invoice from SOCWA.

2. **Effective Date.** This Agreement will become effective on the last date this Agreement is executed by the SOCWA and the Member Agencies.

3. **Interim Recycled Water Permitting Services.**

3.1 Services. Concurrently with TCWD's withdrawal, SOCWA shall provide recycled water permit compliance, monitoring, and reporting services ("**Services**") to TCWD pursuant to this Agreement. SOCWA shall perform the Services to the same level, to the same extent, and using the same standard of care as those Services were provided to TCWD prior to TCWD's withdrawal, including services related to development and approval of a Salt and Nutrient Management Plan.

3.2 Duration. SOCWA shall provide the Services from the Effective Date until TCWD gives notice to SOCWA that TCWD has obtained a new water recycling permit from the State Water Resources Control Board or the Regional Water Quality Control Board.

3.3 Costs and Invoicing. SOCWA shall invoice TCWD, on a quarterly basis, for all of SOCWA's costs to provide the Services to TCWD. The costs must be allocated

proportionately to TCWD's burden on the recycled water permitting activities of SOCWA, and may include reasonable overhead and administrative costs.

4. **UAL/OPEB Liability.** UAL/OPEB Liability. TCWD shall pay to SOCWA the proportional amount of any UAL/OPEB public retirement system liability allocable to TCWD as of the Effective Date. Within 45 days after the Effective Date, TCWD shall pay to SOCWA the total amount of \$5,000 in full and final settlement of all outstanding UAL/OPEB liability to SOCWA, and upon receipt of that payment, TCWD will be deemed to have satisfied its UAL/OPEB obligations and SOCWA will be deemed to have released and discharged TCWD from any further liability for SOCWA's UAL/OPEB obligations. In the alternative, if TCWD receives written notice from SOCWA within 15 days after the Effective Date that SOCWA prefers to receive on-going quarterly payments in lieu of a lump-sum amount, then TCWD shall pay SOCWA on a quarterly basis in arrears for TCWD's proportional amount due. The quarterly payment option expires on midnight of the 15th day following the Effective Date.

5. **No JPA Costs.** After the Effective Date, TCWD will not have any responsibility to contribute toward any operational, maintenance, capital, or general fund costs incurred by SOCWA or its Member Agencies, except those costs directly arising out of or relating to the Services.

6. **SOCWA Bulk Purchases.** TCWD is currently a party to multiple contracts with SOCWA and other Member Agencies for bulk purchasing of services and supplies. SOCWA shall continue to allow for TCWD to participate in joint purchasing agreements offered to Member Agencies for chemicals, solids hauling, and other services that SOCWA negotiates with third party vendors.

7. **Liability; Indemnity.**

7.1 SOCWA shall indemnify, defend, and hold harmless TCWD from any claims, legal, regulatory, enforcement, or administrative actions ("**Claims**") arising out of or relating to the debts, liabilities, operations, obligations, or facilities owned or operated by SOCWA or any of its Project Committees that arise on or after the Effective Date. The parties do not intend to release TCWD from its proportional liability for any Claims relating to TCWD's participation in SOCWA or PC 12 prior to the Effective Date. TCWD will only be responsible for permit violations and fines that are directly attributable to TCWD's participation in PC 12.

7.2 SOCWA shall indemnify, defend, and hold harmless TCWD from any Claims arising out of or related to SOCWA's Services on or after the Effective Date.

8. **Effect on Prior Rights.** The terms of this Agreement govern the parties and supersede all contrary terms in prior agreements between the parties, including but not limited to the Joint Powers Agreement.

9. **Miscellaneous.**

9.1 *Integration, Amendment.* This Agreement represents the entire understanding of the parties as to TCWD's withdrawal from SOCWA and concurrent interim contracting for the Services. To the extent that it contradicts or varies from this Agreement, no prior oral or written understanding will be of any force or effect with respect to the matters covered by this Agreement. This Agreement cannot be modified except in a writing approved and executed by all applicable parties.

9.2 *Governing Law.* This Agreement is governed by the laws of the State of California and will be construed as if drafted by all parties.

9.3 *Third Parties.* This Agreement does not create any third-party beneficiary or any rights in any person or party other than the parties.

9.4 *Signing Authority.* Each Party represents and warrants that each person or persons executing this Agreement on its behalf is duly authorized to do so by the respective Party and that this Agreement binds the parties.

9.5 *Notices.* Any written notice required by this Agreement must be made by U.S. mail or by reliable overnight courier and delivered to the following address, together with a courtesy copy by email:

To TCWD: Trabuco Canyon Water District  
32003 Dove Canyon Dr.  
Trabuco Canyon, CA 92679  
Attn: General Manager  
cc: by email to fpaludi@tcwd.ca.gov

With a Courtesy Copy by email to:  
ccollins@hansonbridgett.com

To SOCWA and the other Member Agencies:

South Orange County Wastewater Authority  
34156 Del Obispo Street  
Dana Point CA 92629  
Attn: General Manager

Any party may, by written notice to the others, designate a different address or addressee, which will be substituted immediately for that specified above.

9.6 *Severability.* If any provision of this Agreement, for any reason, is held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provision of this Agreement, but this Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been set forth, and the remainder will be enforceable to the fullest extent permitted by law to effectuate the original intent of the Parties.

9.7 *Successors & Assigns.* The terms of this Agreement are binding upon and will inure to the benefit of and be enforceable by the respective successors and assigns of the parties.

9.8 *Counterparts.* This Agreement may be executed in counterparts, each of which is an original, but all of which together will constitute one and the same instrument.

*[Signatures appear on following pages.]*

The parties are signing this Agreement as of the Effective Date.

**TRABUCO CANYON WATER DISTRICT**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Fernando Paludi, General Manager

Approved as to Form:  
Hanson Bridgett, LLP

By: \_\_\_\_\_  
District Counsel

**SOUTH ORANGE COUNTY WASTEWATER  
AUTHORITY**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
Authority Counsel

**SOCWA MEMBER AGENCIES**

**City of Laguna Beach**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
City Attorney

*[Signatures continue.]*

**City of San Clemente**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
City Attorney

**El Toro Water District**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
District Counsel

**Emerald Bay Services District**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
District Counsel

**Moulton Niguel Water District**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
District Counsel

**Santa Margarita Water District**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:

By: \_\_\_\_\_  
District Counsel

*[Signatures continue.]*

**South Coast Water District**

Dated: \_\_\_\_\_ By: \_\_\_\_\_

Approved as to Form:


By: \_\_\_\_\_  
District Counsel

**Irvine Ranch Water District**

Dated: \_\_\_\_\_ By: \_\_\_\_\_


Approved as to Form:

By: \_\_\_\_\_  
District Counsel

 <small>South Orange County Watersheds Authority</small>	<b>POLICY NUMBER: Administration 1.725</b>
<b>Authority Policy</b>	<b>Title:</b> External Auditor Policy
May 3, 2018	Path: SOCWA Managed/SOCWA Policies/1.725 External Auditor Policy

# External Auditor Policy


May 3, 2018

 South Orange County Watershed Authority	<b>POLICY NUMBER: Administration 1.725</b>
<b>Authority Policy</b>	<b>Title: External Auditor Policy</b>
May 3, 2018	Path: SOCWA Managed/SOCWA Policies/1.725 External Auditor Policy

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 South Orange County Wastewater Authority	<b>POLICY NUMBER: Administration 1.725</b>
<b>Authority Policy</b>	<b>Title: External Auditor Policy</b>
May 3, 2018	Path: SOCWA Managed/SOCWA Policies/1.725 External Auditor Policy

### **Purpose of Policy**

The purpose of the External Auditor Policy is to set forth the procedures and guidelines for the selection of an external audit firm to provide audit services for the Authority annual independent audits.

### **General Policy**

It is the policy of the South Orange County Wastewater Authority ("Authority") to comply with all financial audit requirements and to present financial statements in accordance with generally accepted accounting principles. The Authority is committed to obtaining independent audits of its financial statements performed with the appropriate professional auditing standards. Audits play a vital role in the public sector by helping to preserve the integrity of public finance functions.

When hiring an external audit firm, it is the policy of the Authority to require in the contract that the auditor conform to the independence standard promulgated in the General Accounting Offices Government Auditing Standards even for audit engagements that are not otherwise subject to generally accepted government auditing standards.

The Authority will consider entering into multiyear agreements of up to five years in duration when obtaining the services of independent auditors with its competitively procured external audit firms. (Except as set forth in this Policy, the Authority will utilize its procurement of Professional Services Policy in selecting an external auditor.) Such agreements allow for greater continuity and help to minimize the potential for disruption in connections with an independent audit. Multiyear agreements can also help to reduce audit costs. However, contract duration may be set with potential for yearly, or multi-year renewed options based on qualifications, experience, and overall satisfaction with performance. Provided however, that Authority shall direct its counsel to make recommendations for revision to Audit service based on changes in law or recommended standards.


The Authority shall not employ a public accounting firm to provide audit services if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for the Authority for six (6) consecutive years. Government Code §12410.6.

The attached contract procurement procedures will apply to the selection of the Authority's independent auditors.

It is the Policy of the Authority that audit issued internal control deficiencies shall be corrected within six (6) months of the audit being received and filed by the Board of Directors and following consideration of appropriate actions and as directed by the Authority Board.

### **Policy Revisions**

This document may be revised upon approval by the Board. Revisions will be recommended whenever applicable Federal, State or Local Regulations change or otherwise as the need arises. The General Manager is authorized to implement any

 South Orange County Wastewater Authority	<b>POLICY NUMBER: Administration 1.725</b>
<b>Authority Policy</b>	<b>Title: External Auditor Policy</b>
May 3, 2018	Path: SOCWA Managed/SOCWA Policies/1.725 External Auditor Policy

procedure under this Policy so as to comply with law and the State Guidelines, with any change to this Policy necessitated thereby to be ratified by the Board on a timely basis.

#### **Policy Approval and Adoption**

This Policy has been reviewed by the SOCWA Board of Directors and adopted by Resolution No. 2018-02 on May 3, 2018.

## **Procedure for Procurement of External Auditors**

1. Prepare RFP-Criteria to be included
  - a. Experience of the firm, size, location, area of expertise and public agencies.
  - b. Transition expertise-transitioning from prior auditors.
  - c. Approach-Overall audit approach; Specific audit approach and Audit effort.
  - d. Technical experience in performing work of a closely similar nature.
  - e. Strength and stability of the firm.
  - f. Client references.
  - g. Knowledge of applicable laws.
  - h. Qualification of project staff, particularly key personnel and especially the Audit Manager.
  - i. Logic of project organization.
  - j. Adequacy of labor commitment.
  - k. Concurrence in the restrictions on changes in key personnel.
  - l. Ability to meet the project deadline.
2. Provide previous period audited financials to potential candidates.
3. Identify firms to receive the RFP.
  - a. Recommendations from water and sewer agency partners.
  - b. Recommendations from current/past auditing firms.
  - c. External market research of Accountancy firms to determine qualifications for an invitation to propose.
4. Publish RFP on Planet Bids, other electronic procurement site or via email.
5. Have a Fact-Finding Meeting with interested firms.
6. Send review team proposals with score sheet.
  - a. Consider criteria for scoring, including:
    - i. a-l listed in Item 1.
    - ii. Ability to comply with SOCWA schedule to completion of audit by close of December each year, weighted heavily.
    - iii. Ability to perform quality audit.
  - b. Schedule Review Team meeting.
    - i. Tally scores
    - ii. Hand out fee proposal
    - iii. Discussion and final scoring
7. Review references.
8. Verify insurance.
9. Set up interviews with highest ranked firms and Review Team.
10. Take recommendation to the board for consideration.

**COOPERATION AGREEMENT**  
**(Advanced Wastewater Treatment Facilities)**

THIS COOPERATION AGREEMENT (“**Agreement**”) is entered into as of November 1, 2022 (“**Effective Date**”) by and between South Orange County Wastewater Authority (“**SOCWA**”), a joint powers agency formed under and pursuant to California Government Code Section 6500 *et seq.*, on behalf of its Project Committee No. 17 and as successor in interest to Aliso Water Management Agency (“**AWMA**”), and Moulton Niguel Water District (“**MNWD**”). The parties to this Agreement are collectively referred to herein as the “**Parties**” or individually as a “**Party**.”

**RECITALS**

A. SOCWA is the successor in interest to AWMA pursuant to the Joint Exercise of Powers Agreement Creating South Orange County Wastewater Authority Orange County, California (SOCWA) and Terminating Aliso Water Management Agency, South East Regional Water Reclamation Authority, South Orange County Reclamation Authority, dated July 1, 2001 (the “**JPA**”). The terms “**Member Agencies**” and “**Participating Agencies**” as used in this Agreement shall have the same meaning as set forth in the JPA. AWMA previously formed Project Committee No. 17 in order to provide for the construction and operation of the Joint Regional Wastewater Reclamation and Sludge Solids Handling Facility (“**JRTP**”) in Laguna Niguel, California. SOCWA now owns and operates the JRTP.

B. On or about November 3, 1983, AWMA and the PC-17 Participating Agencies approved MNWD’s design, construction, operation and maintenance of the Advanced Wastewater Treatment Facilities (“**AWT Facilities**”) at the JRTP site pursuant to the Amendment No. 4 to Agreement for Construction, Use, Operation, Maintenance, Repair and Replacement of Joint Regional Wastewater Reclamation and Sludge Solids Handling Facility Owned by Project Committee No. 17, Aliso Water Management Agency.

C. On May 5, 1988 and July 25, 1994, AWMA approved MNWD’s expansions of the AWT Facilities pursuant to Amendment No. 5 and Amendment No. 6, respectively, of the Agreement for Construction, Use, Operation, Maintenance, Repair and Replacement of Joint Regional Wastewater Reclamation and Sludge Solids Handling Facility Owned by Project Committee No. 17, Aliso Water Management Agency. Amendment No. 6 granted permission to MNWD to operate and maintain the expanded AWT facility and requires that MNWD coordinate with SOCWA for “the operation, maintenance, repair and replacement of the AWT facility in such a manner as not to interfere with any present or future construction, operation, or maintenance of the JRTP. The Parties are entering into this Agreement to effectuate these amendments.

D. SOCWA, as successor to AWMA, is the current operator for the MNWD AWT Facilities constructed pursuant to Amendment No. 6 and which are more fully described and depicted in Exhibit A to this Agreement, which is incorporated herein by reference. SOCWA’s predecessor assumed operation and maintenance of the JRTP in 1992. The Parties desire to enter into this Agreement to provide for the coordination of the AWT Facilities and JRTP upon MNWD’s resumption of the operation and maintenance of the AWT Facilities as of the Effective Date pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, and for other good and valuable consideration including the mutual promises, obligations and covenants set forth herein, the receipt and adequacy of which are hereby acknowledged, the Parties agree to the following.

## AGREEMENT

Section 1.       Recitals. The recitals set forth above are hereby incorporated into this Agreement as though set forth in full in writing herein.

Section 2.       Operation and Maintenance of the AWT Facilities.

A.       MNWD agrees to operate and maintain the AWT Facilities in accordance with sound operating procedures written, developed and coordinated between the two agencies as may be updated from time to time, and shall comply with all Federal, State and local laws and regulations. The operation and maintenance of the AWT shall include compliance with all requirements of the State Water Resources Control Board and the California Regional Water Quality Control Board, San Diego Region (“RWQCB”) and the South Coast Air Quality Management District. MNWD’s approach to operation and maintenance of the entire AWT facilities will be consistent and similar to the approach for the existing AWT facilities that MNWD currently operates at the JRTP site, e.g. 3.0 MG reservoir and AWT pump station.

B.       MNWD shall coordinate with SOCWA, and exercise its best judgment and powers, for the operation and maintenance of the AWT Facilities in such a manner as to not interfere with any present or future construction, operation or maintenance of the JRTP.

C.       The Parties acknowledge and agree that MNWD’s operation of the AWT Facilities and its recycled water systems are critical during significant storm events in that they provide additional capacity that would otherwise be required in the outfall pipelines leaving the JRTP. MNWD shall coordinate and cooperate with SOCWA regarding the operation of its AWT Facilities to accommodate additional capacity during storm events. SOCWA shall have the right to enter the AWT Facilities during storm events to coordinate with MNWD. MNWD will continue to coordinate and cooperate with SOCWA in a manner similar to historic practices to address storm events and the operation of the AWT Facilities.

D.       MNWD shall be responsible for the planning, environmental review, design, bidding, construction management and supervision of all capital improvements and major maintenance to the AWT Facilities. MNWD shall, before entering any contract for any improvements, provide a reasonable opportunity to SOCWA to comment on plans for making the proposed improvements as respects operational and maintenance of the JRTP. Any such contract shall require the contractor to include SOCWA and its Member Agencies as additional insured as to any insurance required of the contractor by MNWD, and named to same extent as MNWD in such contractor agreements. In addition, MNWD agrees to coordinate any work of its contractors or subcontractors with the SOCWA General Manager during any construction at the AWT Facilities in such a manner as not to interfere with any present or future construction, operation or maintenance of the JRTP.

Section 3.       Expenses; Budgeting.

MNWD shall be solely responsible for all SOCWA-incurred expenses associated with the operation and maintenance of the AWT, including such things as, but not limited to, labor costs (i.e., salaries and benefits), building and equipment maintenance costs, utilities, chemicals, permit and permit amendment costs, monitoring, accounting and auditing costs, administration costs, regulatory response costs, legal services, overhead costs, insurance, and other costs as required to support operation and maintenance of the AWT Facilities in conformance with this Agreement.

Section 4.     Accounting and Audits. The Parties agree that the AWT Facilities, and AWT Facilities-related assets that are not constructed or owned by SOCWA as part of the JRTP, shall be identified as MNWD's capital assets on its annual audits. Any SOCWA-owned assets that are part of the AWT facilities shall be transferred to MNWD. A report of the audit shall be filed as a public record with MNWD, and upon completion a copy provided to SOCWA.

Section 5.     Permitting. MNWD shall be required to cooperate with SOCWA for the preparation and compliance of regulatory permits and reporting activities related to the AWT Facilities. MNWD shall work directly with SOCWA to obtain and maintain an industrial user permit. MNWD shall be responsible for all costs related to the issuance, amendment or renewal of any and all regulatory permit(s) required to operate and maintain the AWT Facilities.

Section 6.     Liability. The indemnity and liability provisions set forth in Amendments 4 and 6 of the PC-17 Agreements shall continue to control.

Section 7.     Insurance.

A.     Throughout the term of this Agreement, as part of the annual operations and maintenance budget, MNWD shall pay for and maintain in full force and effect insurance in connection with the AWTF and the services provided under this Agreement. This insurance shall include no less than general liability coverage in the amount of \$5,000,000 per occurrence for bodily injury, personal injury and property damage, and Workers' Compensation coverage with limits as required by the California Labor Code.

B.     MNWD shall obtain such property insurance as SOCWA and MNWD mutually deem to be necessary to safeguard the AWTF. Any property insurance obtained by MNWD for the AWTF shall name SOCWA and its Member Agencies, MNWD, as additional insured.

C.     General liability coverage maintained by MNWD shall name SOCWA and all SOCWA Member Agencies, excluding MNWD, as additional insureds. MNWD will provide SOCWA evidence of insurance coverage purchased and maintained throughout the term of the Agreement upon request.

D.     The insurance coverage pursuant to this Section 9 shall be primary insurance with respect to MNWD and its officials, employees and volunteers. Any insurance or self-insurance maintained by SOCWA, its officials, employees or volunteers shall be in excess of this insurance and shall not contribute with it; provided that MNWD shall be responsible for satisfaction of any deductible or self-insured retention due under SOCWA's coverage.

Section 8.     Notices. All notices, statements, demands, requests, consents, approvals, authorizations, agreements, appointments or designations hereunder shall be given in writing via email and addressed to:

To SOCWA:             South Orange County Wastewater Authority  
                              ATTN: Director of Operations  
                              jburror@socwa.com

To MNWD:             Moulton Niguel Water District  
                              ATTN: General Manager  
                              jlopez@mnwd.com

Section 9. Dispute Resolution.

A. The Parties agree that the maintenance of a cooperative and mutually beneficial relationship between them is an important aspect of this Agreement and the successful operation and maintenance of the AWT Facilities and JRTP. The Parties therefore intend to provide means for resolving any disputes, claims, or controversies that may arise during the course of this Agreement in an efficient manner to avoid resort to legal actions against one another, if feasible.

B. Therefore, except for any claim or action filed by a nonparty to this Agreement, any dispute, claim, or controversy arising with respect to the interpretation of this Agreement or the performance of any Party shall be first submitted to a three-step dispute resolution process that includes, in sequence: (1) an informal meet and confer process between representatives designated by all the Parties, (2) mediation, and (3) non-binding arbitration.

C. Except for any claim or action filed by a nonparty hereto, upon any dispute, claim, or controversy (“**Dispute**”) arising with respect to the interpretation of this Agreement, or the performance of any Party, which is not immediately resolved between the Parties, the Party asserting such Dispute may, within 30 days from the date the Dispute has arisen, serve written notice upon the others that a Dispute exists with respect to this Agreement, and each Party shall then within 14 days designate one or more representatives and shall establish a time and place at which to meet and confer in mutual good faith to resolve the Dispute. If, after a reasonable amount of time and effort have elapsed, a resolution of the Dispute has not been established to the mutual satisfaction of all Parties, any Party may then initiate a mediation process by serving a written notice of the election to mediate upon the other.

D. In the event the election to mediate a Dispute is invoked by any Party, a request for mediation shall be filed within 30 days in the Office of the American Arbitration Association (“**AAA**”) in or nearest to Orange County, California and the mediation shall be initiated and conducted in accordance with the Commercial Rules of mediation of the AAA, or by any other method mutually agreeable to the Parties. Any statements made during mediation shall remain confidential and may not be disclosed without consent of all participants.

E. In the event mediation does not resolve the Dispute, any Party may then elect arbitration by providing a written notice of such election to the other Parties. Such request must be mailed to the other Parties within 30 days following the conclusion of mediation. Upon serving written notice upon the other Parties, the request for arbitration shall be filed with the Judicial Arbitration and Mediation Services, Inc. (“**JAMS**”) and the arbitration shall be conducted in accordance with the JAMS Engineering and Construction Arbitration Rules & Procedures then in effect, unless all Parties mutually agree to an alternative method. Neither the Parties nor the arbitrator may disclose the contents or results of the arbitration, except as may be required by law, without the prior written consent of all Parties. The Parties may agree to be bound by the results of the arbitration and may agree that any award by or decision of an arbitrator shall be final.

F. Nothing in this procedure shall prohibit the Parties from seeking other remedies available to them at law.

G. During the course of any proceeding to resolve a Dispute, the Parties shall continue to perform any duties or obligations existing under the Agreement.

Section 10. Severability. If any one or more of the terms, provisions, promises, covenants or conditions hereof shall be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants

and conditions hereof shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

Section 11. Modifications. This Agreement contains all of the terms and conditions made between the Parties hereto with respect to the subject matter herein and shall not be altered except by an amendment in writing.

Section 12. Succession; Assignment. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties. This Agreement may not be assigned by any Party without the written consent of the other Party.

Section 13. Governing Law. This Agreement is to be governed by and construed in accordance with the laws of the State of California.

Section 14. Authority; Counterparts. Each Party represents and warrants that it has the full power and authority to execute this Agreement. This Agreement may be executed in counterparts and/or electronically (e.g., via DocuSign), each of which shall be deemed an original and all of which shall constitute one instrument. A faxed, .pdf, scanned or other electronic copy of the fully executed original version of this Agreement shall have the same legal effect as an executed original for all purposes.

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the Effective Date.

SOUTH ORANGE COUNTY WASTEWATER  
AUTHORITY (for Project Committee No. 17)

MOULTON NIGUEL WATER DISTRICT

By: B. Burnett  
Name: Betty Burnett  
Title: General Manager, SOWA  
11/7/22

By: Joone Kim Lopez  
Name: Joone Kim Lopez  
Title: General Manager  
Date: November 7, 2022



**EXHIBIT A**  
**Description of**  
**Advanced Wastewater Treatment Facilities**

The AWTF described in this Agreement specially includes the following facilities, which are also depicted on the aerial photograph(s) attached to this Exhibit A and specifically highlighted in purple:

- Applied Water Pump Station;
- Flocculation Tanks;
- Sand Media Filters and associated equipment;
- Chlorine Contact Tank;
- Electrical and Equipment Building (immediately adjacent to the Chlorine Contact Tank);
- Sodium Hypochlorite System;
- 3 MG below ground concrete reclaimed water storage reservoir (constructed pursuant to PC-17 Amendments No. 4 and 6, but operated by MNWD); and
- Reclaimed Water Pump Station (constructed pursuant to PC-17 Amendments No. 4 and 6, but operated by MNWD).
- MNWD will have an option to utilize the area occupied by AWT #1 for added treatment to improved recycled water quality and will coordinate with SOCWA pursuant to the existing PC-17 Agreements as amended.

## **BILL OF SALE**

This Bill of Sale is given this 8<sup>th</sup> day of November, 2022 by SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (the “**Seller**”), a California Joint Powers Authority with an address of 34156 Del Obispo Street Dana Point, California 92629, to MOULTON NIGUEL WATER DISTRICT (the “**Buyer**”), a California Water District with an address of 26161 Gordon Rd, Laguna Hills, CA 92653.

The Seller, for good and valuable consideration received from the Buyer, the receipt and sufficiency of which are hereby acknowledged, hereby remises, conveys and quitclaims to the Buyer the improvements, equipment, supplies, and other personal property set forth more specifically in **Exhibit A** hereto (hereinafter referred to as the “AWT Improvements”) of the Seller located on, and used in connection with, the Advanced Wastewater Treatment Facilities located at 29201 La Paz Rd, Laguna Niguel, California 92677, to have and to hold the AWT Improvements unto Buyer, its successors and assigns, forever. Nothing contained in this Bill of Sale shall be construed to include in the definition of AWT Improvements any facilities, real property, equipment or other personal property not identified in Exhibit A, for example, at the Joint Regional Treatment Plant site which is located at the same address.

Except as otherwise set forth herein, the AWT Improvements are being transferred by the Seller to the Buyer in its “AS IS” condition, without any representation or warranty of any kind or nature, express, implied, statutory or otherwise.

**IN WITNESS WHEREOF**, the Seller has hereunto executed this Bill of Sale as of the date first above written.

### **SELLER:**

#### **SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

By: \_\_\_\_\_  
Betty Burnett  
Title: General Manager

### **BUYER:**

#### **MOULTON NIGUEL WATER DISTRICT**

By: \_\_\_\_\_  
Matt Collings  
Title: Assistant General Manager

**South Orange County Wastewater Authority**  
**Asset Listing - RTP AWT**  
as of June 30, 2022

<b>Asset No.</b>	<b>Asset Name</b>	<b>Location</b>	<b>Depr. Basis</b>	<b>Disposal Price</b>	<b>Accum. Depr.</b>	<b>Book Value</b>
307	AWT Overflow pipe to clarifiers	RTP	\$28,909.87	\$0.00	\$23,765.18	\$5,144.69
313	AWT Video Graphics Recorder	RTP	\$6,246.29	\$0.00	\$6,246.29	\$0.00
315	AWT Chlorine Residual Analyzer	RTP	\$16,629.12	\$0.00	\$16,629.12	\$0.00
319	AWT Conduit Installation	RTP	\$14,360.00	\$0.00	\$14,360.00	\$0.00
323	AWT Mag Meter	RTP	\$5,888.52	\$0.00	\$5,888.52	\$0.00
334	10HP Submersible Pump (AWT)	RTP	\$26,547.77	\$0.00	\$26,547.77	\$0.00
336	Gas Meter (AWT)	RTP	\$9,395.00	\$0.00	\$9,395.00	\$0.00
351	Actuator Butterfly Valves (3) (AWT)	RTP	\$18,632.33	\$0.00	\$18,632.33	\$0.00
400	Chlorine Injector - AWT	RTP	\$12,495.00	\$0.00	\$12,495.00	\$0.00
401	Chlorine Injector - AWT - Spare	RTP	\$12,495.00	\$0.00	\$10,412.50	\$2,082.50
502	AWT Backwash Pipe Relocation AWT	RTP	\$45,105.78	\$0.00	\$20,776.90	\$24,328.88
566	Standby Hypochlorite Feed System (AWT) (2009)	RTP	\$0.00	\$0.00	\$0.00	\$0.00
569	Standby Hypochlorite Feed System (AWT) (2009)	RTP	\$633,720.42	\$0.00	\$192,756.62	\$440,963.80
1011	AWT No. Water Quality Instrumentation Replacement (2016) - A	RTP	\$188,982.91	\$0.00	\$24,202.48	\$164,780.43
1012	AWT No. Water Quality Instrumentation Replacement (2016) - A	RTP	\$16,135.89	\$0.00	\$3,966.73	\$12,169.16
1013	AWT No. Water Quality Instrumentation Replacement (2016) - A	RTP	\$16,135.89	\$0.00	\$3,966.73	\$12,169.16
1014	AWT No. Water Quality Instrumentation Replacement (2016) - A	RTP	\$17,453.65	\$0.00	\$4,290.68	\$13,162.97
1176	Spare AWT Bleach Pump	RTP	\$13,808.59	\$0.00	\$4,372.72	\$9,435.87
1252	AWT Backwash Pumps	RTP	\$8,385.77	\$0.00	\$1,956.69	\$6,429.08
1424	Overhaul AWT Valve Actuator Systems	RTP	\$76,658.75	\$0.00	\$6,388.23	\$70,270.52
1441	AWT 2 Cla-Val Replacement	RTP	\$56,271.32	\$0.00	\$937.86	\$55,333.46
			<b>\$1,224,257.87</b>		<b>\$407,987.35</b>	<b>\$816,270.52</b>

**South Orange County Wastewater Authority**  
**2023 Board Meeting Calendar**  
**DRAFT**







January							February							March							April						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
										1	2	3	4				1	2	3	4							1
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29	30	31																			30						

May							June							July							August						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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28	29	30	31											30	31												

September							October							November							December						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6	7				1	2	3	4						1	2
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17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
																					31						

**2023 Conference Dates:**

CASA Winter Conference	January 25-27, 2023	Palm Springs, CA
WaterReuse Symposium	March 5-8, 2023	Atlanta, GA
AWWA/WEF Utility Mgmt. Conf	March 28-31, 2023	Sacramento, CA
CWEA Annual Conference	April 18-21, 2023	San Diego, CA
ACWA Spring Conference	May 9-11, 2023	Monterey, CA
CASA Annual Conference	August 9-11, 2023	San Diego, CA
WaterReuse California	September 9-13, 2023	San Francisco, CA
WEFTEC Annual Conference	September 30-October 4, 2023	Chicago, IL
ACWA Fall Conference	November 28-30, 2023	Indian Wells, CA

	Board Meeting (8:30 a.m.) (1 <sup>st</sup> Thursday of the month)		Board Budget Workshop (8:30 a.m.) (5/18/2023)
	Finance Special Committee (10:30 a.m.) (3 <sup>rd</sup> Tuesday of the month) <small>(Monthly meetings as directed on February 20, 2020)</small>		Finance Special Committee (10:30 a.m.) <i>Special Budget Review Meetings:</i> (3/21/2023, 4/4/2023, & 4/18/2023)
	Executive Regular Committee (9:00 a.m.) 2 <sup>nd</sup> Tuesday in May & November (5/9/2023 & 11/7/2023)		Engineering Regular Committee (8:30 a.m.) (2 <sup>nd</sup> Thursday of the Month)

SOCWA Meetings resumed in-person as of November 3, 2022 at:  
34156 Del Obispo Street, Dana Point, California  
*(virtual Zoom link is available for all meetings until further notice)*  
**Red** numbered dates indicate SOCWA holidays and weekends

# Analysis of Limitations of SCCWRP Variant ROMS-BEC Model Source Code

9 November 2022

**Submitted by:**

Scott A. Jenkins, Ph.D. and Makrom Shatila, P.E.  
Michael Baker International  
9755 Clairmont Mesa Blvd  
San Diego, CA 92124



**Submitted to:**

Amber Baylor, M.S., M.P.A., BCES  
Director of Environmental Compliance  
South Orange County Wastewater Authority  
34156 Del Obispo St.  
Dana Point, CA 92629



## 1. Summary of Findings:

We find two (2) fatal flaws in the model code of the Southern California Coastal Water Research Project (SCCWRP) variant of their Regional Ocean Modeling System (ROMS) / Biogeochemical Elemental Cycling (BEC) model, which bias its results toward over stimulation of plankton growth rates and under-prediction of outfall dilution rates, both of which provoke algal blooms that produce hypoxia and acidification through the decay (RedOx) processes following bloom die off. These fatal flaws are:

- 1) The SCCWRP variant of ROMS/BEC omits back-scattering in the formulation of light attenuation throughout the water column. In coastal waters, back scattering by tiny suspended particulate (particle sizes in the range of  $0.1 \mu\text{m} \leq D \leq 1 \mu\text{m}$ ) accounts for 70% to 80% of total light attenuation, while absorption attenuates only the remaining 20% or 30% of the downwelling irradiance. Consequently, omission of back scattering in the formulation of available light leads to a deeper photic zone with higher light intensity at any given depth, both of which result in higher photosynthetic rates and growth rates than would otherwise be predicted if back-scattering had been included.
- 2) The schematization of the dilution of effluent discharges from ocean outfalls is corrupted in the SCCWRP variant of ROMS/BEC by muting most of the turbulent mixing generated

by the diffuser. The schematization is based on empirical measurements around a miniature diffuser in a laboratory flume where all turbulent mixing and viscous effects are smaller and weaker than otherwise occurs in the ocean with diffusers of real-world, prototypic scales. Because the SCCWRP variant of ROMS/BEC is a fixed grid hydrostatic model, the outfall schematization confines the mixing zone to a fixed mixing volume around the diffuser in order to represent the nearfield plume dilution. Consequently, the SCCWRP variant of ROMS/BEC is incapable of simulating what actually occurs in the real ocean where the mixing volume of the discharge plume varies continuously with the tides, winds and currents. Further aggravating these schematization flaws, the SCCWRP variant of ROMS/BEC imposes nonhydrostatic discretization in the nearfield of each outfall, creating embedded singularities in the ROMS/BEC grid in which there is no explicit eddy diffusivity parameterizations and no operative turbulence closure relations. Consequently, the modeled dilution of the outfall plume involves no turbulent mixing or eddy entrainment, and the calculated dilution results entirely from plume expansion driven by buoyancy convection. The necessary small-scale viscosity and diffusivity is purely the result of the diffusive discretization error. As a result of these fatal flaws arising from the schematization used for point source nutrient discharges from ocean outfalls, the SCCWRP variant of ROMS/BEC under predicts the dilution that occurs in the modeled outfall plume; which in turn, leads to higher undiluted nitrate and ammonia concentration in the plumes, thereby imparting a bias in favor of excessive plankton photosynthetic rates and growth rates stimulated by excessive nutrient concentrations of anthropogenic origins.

Because the SCCWRP variant of ROMS/BEC has flaws in its model codes that bias its results toward over stimulation of plankton growth rates and under-prediction of outfall dilution rates, it is not yet sufficiently well-developed to be used as a tool to guide regulatory or legislative policy formulation. It certainly should not be required to model of the ocean environment around each individual outfall as a condition for the reissuance of NPDES permits for those outfalls.

## 2. Introduction:

ROMS/BEC is a multi-disciplinary process-based modeling system consisting of an ocean circulation model, the *Regional Oceanic Modeling System* (ROMS), coupled to a geochemical model that provides nutrients to an ichthyoplankton growth model, the *Biogeochemical Elemental Cycling* (BEC) model. At the outset, it should be recognized that many different variants of ROMS/BEC models have been developed over the past 3 decades; the first being developed by the US Navy in the 1990's to predict optical properties (e.g., *diffuse attenuation coefficients* and *volume scattering functions*) of the coastal ocean water mass (cf. Hammond, et al, 1995). A particular ROMS/BEC variant is being promoted by the Southern California Coastal Waters Research Program (SCCWRP), for the expressed purpose of using it as a tool to guide regulatory or legislative policy formulation. The need for such a tool is based on the SCCWRP hypothesis that anthropogenic sources of nutrients (principally municipal ocean outfalls) are causing *ocean acidification and hypoxia* (OAH) in the Southern California Bight (SCB). This OAH hypothesis is based on the notion that over-nutrication of the coastal ocean by discharges from municipal

outfalls produce excessive growth rates in *plankton* populations, commonly referred to as *algal blooms*, which eventually die off. The decay of the overly-abundant dead plankton, through reduction/oxidation reactions, or RedOx, depletes oxygen while converting the organic carbon of the dead organisms back into dissolved CO<sub>2</sub> which forms carbonic acid H<sub>2</sub>CO<sub>3</sub> and disassociates into carbonate CO<sub>3</sub><sup>2-</sup> or bicarbonate HCO<sub>3</sub><sup>-</sup> ions and free hydrogen ions H<sup>+</sup>, the latter causing acidification.

In order for the SCCWRP hypothesis to be considered well proven and suitable to guide regulatory or legislative policy formulation, an extraordinary degree of ROMS/BEC validation must be made available with supporting peer-reviewed publications in scientific journals. In pursuit of that objective, SCCWRP has produced three (3) recent publications, which do not yet prove the SCCWRP hypothesis, but are beginning to provide transparency on the computational details of the specific variant of ROMS/BEC model that SCCWRP is promoting. These recent ROMS/BEC publications by SCCWRP scientists are:

- Kessouri et al., (2021a) which provides a general science communication manuscript describing effects of land- and atmospheric nutrients on SCB nearshore productivity and biogeochemistry, published in the *Proceedings of the National Academy of Science (PNAS)*.
- Kessouri et al., (2021b) which describes architecture and primitive algorithms of the SCCWRP variant of the ROMS/BEC and gives example simulations of coastal eutrophication in a portion of the SCB and is published in the *Journal of Advances in Modeling Earth Systems (JAMES)*
- Ho, et al., (2021) which compares some previously published laboratory data on diffuser dilution by Roberts et al., (1989) compares with dilution predictions by the SCCWRP variant of ROMS/BEC

The Kessouri et al., (2021a) publication in *PNAS* provides links to the source code of the SCCWRP variant of ROMS/BEC found in a folder entitled <10.5281/zenodo.3988618>. These source codes were later updated by SCCWRP in a zip folder entitled <code\_ap\_2020.zip>.

### 3. Code Review of the SCCWRP Variant of ROMS/BEC:

Michael Baker International was retained by South Orange County Wastewater Authority (SOCWA) to study the algorithms used in these codes, attempt to run the codes end to end and ultimately assess the efficacy of the SCCWRP variant of ROMS/BEC. The updated source codes provided by SCCWRP in the zip folder <code\_ap\_2020.zip> contained 231 .F codes written in Fortran 90 codes and 57 .h header codes written in C. The header files contained C declarations and macro definitions to be shared between a number of different source files. Several versions of main ROMS/BEC program were found within the zip folder <code\_ap\_2020.zip>, including, <roms>, <roms\_08> along with <Biology.F> and <ecosys\_bec\_LIANG.F>. These codes are written in "tunsten" Intel Fortran using MPI/Pro compiler. The results published Kessouri et al., (2021a & b) could not be reproduced because the codes must be run serially shuttling the output from one program to the next in a sequence that has not been revealed to this reviewer. However,

inspection of the architecture and algorithms of the ROMS/BEC ensemble of codes reveals that ROMS/BEC is a fixed-grid, split-explicit time-stepping oceanic model that solves the hydrostatic, free-surface equations of motion with Boussinesq approximations in a terrain-following-coordinate system, using a K-profile parameterization (KPP) for turbulence closure. Turbulent mixing is calculated by a numerical hyper-diffusion related to the horizontal advection with an effective diffusivity coefficient that decreases with the grid scale, as implemented previously by Uchiyama et al. (2014). However, the turbulent mixing algorithms are turned off within fixed mixing volumes prescribed around each outfall in order to represent the nearfield plume dilution; while the ocean optics physics in the SCCWRP variant of ROMS/BEC is extremely primitive, in spite of the fact the full set of algorithms detailing the propagation of downwelling irradiance through the ocean water column has been well known and widely used for more than 100 years, (cf. Mie, 1908). These features of the SCCWRP variant of the ROMS/BEC codes give rise to two fatal flaws which bias its results toward over stimulation of plankton growth rates and under-prediction of outfall dilution rates, both of which provoke algal blooms resulting in hypoxia and acidification through the decay processes following bloom die off. These fatal flaws are detailed in the following sub-sections.

### 3.1) Flaw #1 No Backscattering Physics in Formulations of Light Attenuation:

Photosynthesis, phytoplankton growth rates, and biomass are controlled by the availability of nutrients (principally nitrates and ammonia) and solar irradiance in a specific band of the visible light spectra, at wave lengths between  $\lambda = 400$  nm and  $\lambda = 700$  nm, referred to as photosynthetically available radiation, (PAR). Mie Theory (cf. Mie, 1908) teaches that downwelling solar irradiance,  $PAR_z$ , decays exponentially with depth,  $z$ , in the water column from a maximum level at the sea surface,  $PAR_0$ , according to:

$$PAR_z = PAR_0 \exp[-C_d z] \quad (1)$$

where  $C_d$  is the *diffuse attenuation coefficient*. The diffuse attenuation coefficient  $C_d$  is a complex function of both the size and concentration of suspended particulate in the water column (including both inorganic sediment particles and organic particulate such as plankton and detritus), as well as dissolved organic matter (DOM), in particular, colored dissolved organic matter (CDOM). Suspended particulate and DOM can cause abrupt, anisotropic changes to both downwelling and upwelling irradiance through the mechanics of scattering and absorption of the incident light. The more complete representation of the diffuse attenuation coefficient is given by Morel and Loisel (1998) as:

$$C_d = \frac{a}{\cos \Omega} \left[ 1 + \frac{b}{aB_0} \int_0^\theta \beta(N, k, \theta) d\theta \right]^{0.5} \quad (2)$$

$$\text{where: } B_0 = \int_0^\pi \beta(N_0, k_0, \theta) d\theta \text{ at } z = 0$$



Here,  $\Omega$  is the angle of down-welling light relative to the unit sea surface normal vector;  $a$  is the *absorption coefficient*;  $b$  is the *scattering coefficient*; and  $\beta(k, N, \theta)$  is the *volume scattering function* normalized to spherical suspended particulate with non-dimensional particle diameter,  $k = D / 2\lambda$ , where  $D$  is the physical particle diameter, and  $N = f(D, z)$  is the particle number concentration (numbers of scattering and absorbing particles per unit volume), which is a function of depth and particle diameter;  $\theta$  is the scattering (solid) angle in steradians; and  $B_0$  is the total volume scattering function at the sea surface, integrated over all possible scattering directions between fully back scattered ( $\theta = 0$ ) and fully forward scattered ( $\theta = \pi$ ).

In contrast to equations (1) & (2), the formulation of attenuation of PAR with depth in the code for the SCCWRP variant of ROMS/BEC contains no back-scattering coefficient and no back-scattering physics. Inspection of the PAR formulation in the ROMS/BEC codes (cf. the highlighted code lines in **APPENDIX A**) indicates that PAR attenuates with depth only by the effects of absorption by sea water and absorption by phytoplankton according to:

$$\text{PAR}_z = \text{PAR}_0 * \exp(-\text{abs}(z_r(i, j, k)) * (k_{\text{water}} + k_{\text{phyto}} * \text{Phyt}(k))) \quad (3)$$

where  $\text{Phyt}(k)$  is the instantaneous phytoplankton concentration;  $k_{\text{water}}$  is the absorption coefficient of pure seawater that is assumed to be a constant,  $k_{\text{water}} = 0.04$  per meter of depth;  $k_{\text{phyto}} * \text{Phyt}(k)$  is the absorption coefficient of phytoplankton taken as  $0.03[\text{Phyt}(k)]$  per meter of depth, and  $k_{\text{water}} + k_{\text{phyto}} * \text{Phyt}(k) = a$  is the total absorption coefficient. Therefore, the diffuse attenuation coefficient in the SCCWRP variant of ROMS/BEC has been greatly over-simplified with no terms to account for back scattering. The light limiting effects on photosynthesis and plankton growth rates in the SCCWRP variant of ROMS/BEC occur entirely through absorption in the PAR band by seawater and by the resident plankton population itself. This is a significant over-simplification because back scattering by tiny suspended particulate in coastal waters (particle sizes in the range of  $0.1 \mu\text{m} \leq D \leq 1 \mu\text{m}$ ) accounts for 70% to 80% of the total attenuation of PAR, while absorption attenuates only the remaining 20% to 30% of the downwelling irradiance in the PAR band (cf. Petzhold, 1972, Lee et al., 2004). Omission of back scattering in the formulation of available PAR leads to a deeper photic zone with higher PAR intensity at any given depth, both of which result in higher photosynthetic rates and growth rates than would otherwise be predicted if back-scattering had been included. Consequently, plankton photosynthetic rates and growth rates are over-stimulated by the presence of nutrients at depths where there would otherwise be insufficient PAR for any photosynthesis or growth to occur.

To correct the over-simplified ocean optics formulation in the SCCWRP variant of ROMS/BEC, the codes must be expanded to solve the full set of *Mie Scattering* algorithms to obtain solutions for the *scattering coefficient*,  $b$ , and the *volume scattering function*,  $\beta(k, N, \theta)$ . This will also require gathering additional data on suspended sediment (particle) concentrations and particle size distributions of the suspended sediment using a *laser particle sizer*. These data should be acquired for both the offshore ocean background levels and the river discharges. The most efficient scattering and absorbing particles at PAR wave lengths are in the size regime of clay and fine silt

particulate, for which the particle number concentration varies with particle diameter and depth according to a hyperbolic distribution (Bader, 1970; Kirk, 1983) given by:

$$N = f(D, z) = N_1(z) D^{-\gamma} \text{ where } 0.7 \leq \gamma \leq 6.0 \quad (4)$$

In this hyperbolic distribution,  $N_1(z)$  is the particle number concentration in the smallest size decade, which varies with depth, and typically represents particle sizes in the range of  $0.1 \mu\text{m} \leq D \leq 1 \mu\text{m}$ ; while  $\gamma$  is the slope of the particle size distribution on a logarithmic scale. These tiny particles become increasingly important the closer the modeling grids are extended towards the coastline, where coastal rivers and non-point-source runoff from beach and bluff erosion dump millions of tons of micron-size, fine-grained sediment as wash-load into the Southern California Bight each year (Inman and Jenkins, 1999; Jenkins and Inman, 2006). Not only does clay particulate in wash-load transport significant quantities of adsorbed nutrients into coastal waters, but these tiny particles have remarkably slow settling velocities, in spite of a tendency to flocculate in seawater (cf. Sverdrup, 1942; Mehta & Partheniades, 1975; Aijaz & Jenkins, 1993, 1994). For example, **Table 1** indicates that clay particles smaller than 2 microns settle less than a foot per day, while Figure 1 shows how fine-grained silts and clays discharged from rivers and streams during wet weather can spread across nearly the entire SCB as a result of these very slow settling rates. Due to a lower immersed weight, similar sized nano-plankton and detrital particulate settle even more slowly. In either case, the settling velocity of micron-size inorganic and organic particulate is smaller than the *gradient eddy diffusivity velocity* in the mixed layer of the coastal ocean, cf. Armi, (1979). Consequently, the most aggressive PAR scattering and absorbing particulate can remain indefinitely in suspension in coastal waters and will not simply settle out of suspension following major storm and flood events. Once introduced, the only mechanism that removes suspensions of micron-sized particulate from the near-shore waters is advection by coastal current systems.

**Table 1:** Settling velocity data of quartz sediment in ocean water, after Sverdrup et al., (1942)

	Particle Diameter	Size Parameter	Time to Fall 10cm				Settling Velocity
	( $\mu\text{m}$ )	$k_{530}$ ( $\mu\text{m}$ )	(days)	(hours)	(minutes)	(seconds)	(m/day)
clay	0.12	0.11	87	3	19		0.001
	0.25	0.23	21	18	50		0.004
	0.49	0.45	5	10	42		0.018
	0.98	0.91	1	8	41		0.074
	1.95	1.81		8	10		0.3
silt	3.9	3.9		2	2	32	1.2
	7.8	7.2			30	38	4.7
	15.6	14.5			7	40	18.8
	31.2	29			1	55	75.2
	62.5	58				29	301
very fine sand	125	116				8.3	1040
fine sand	250	232				2.7	



**Figure 1:** LANDSAT multi-spectral scanner image of suspended particulate across the Southern California Bight due to dispersion of river wash load particulate following a Pacific storm on 14 March 1975.

### 3.2) Flaw #2 Improper Schematization of Ocean Outfall Discharges:

The schematization of the dilution of effluent discharges from ocean outfalls is based on empirical measurements around a miniature diffuser in a laboratory flume where all turbulent mixing and viscous effects are smaller and weaker than otherwise occurs in the ocean near diffusers of real-world, prototypic scales. Furthermore, the SCCWRP variant of ROMS/BEC is a fixed grid hydrostatic model. Because vertical mixing of the buoyant effluent occurs on a scale smaller than the grid resolution of the SCCWRP variant of ROMS/BEC, it is ill-suited for the large local vertical velocities associated with the freshwater discharge from the bottom-mounted diffusers. Therefore, it was necessary in the SCCWRP variant of ROMS/BEC to specify the outcome of the nearfield initial mixing and dilution by specifying a fixed mixing volume to represent the nearfield plume dilution. Consequently, the SCCWRP variant of ROMS/BEC is incapable of simulating what actually occurs in nature where the mixing volume varies continuously with the tides, winds and currents. This bias cannot be corrected in a fixed-grid model even by using very fine grid scales. Furthermore, there is an obvious issue with whether the scale separation between the variable circulation in the farfield and the nearfield plume mixing volume that is parameterized by the laboratory miniature is actually valid. Even with very fine scale model resolution this assumption will fail, and the turbulence of the plume must be calculated explicitly as is typically done with EPA certified plume models such as Visual Plumes (UM3) or Plumes 20 UM3. As a work around for this intrinsic discontinuity, the fixed-grid hydrostatic architecture of the SCCWRP variant of ROMS/BEC imposes an embedded singularity around the outfall in which a nonhydrostatic

discretization is applied locally to the parameterized mixing volume (Ho et al., 2021). Consequently, no explicit eddy diffusivity parameterizations can be used, and as a result, the K-profile turbulence closure relations in ROM are turned off. Hence, the modeled dilution of the outfall plume involves no turbulent mixing or eddy entrainment, and the calculated dilution results entirely from plume expansion by driven by buoyancy convection. The necessary small-scale viscosity and diffusivity is purely the result of the diffusive discretization error. Hence, the schematization of the dilution of effluent discharges from ocean outfalls is corrupted in the SCCWRP variant of ROMS/BEC by muting most of the turbulent mixing generated by the diffuser. As a result, the SCCWRP variant of ROMS/BEC under predicts the dilution that occurs in the modeled outfall plume which in turn leads to higher undiluted nitrate and ammonia concentration in the plumes, thereby imparting a bias in favor of excessive plankton photosynthetic rates and growth rates stimulated by the exaggerated nutrient concentrations in both the nearfield and farfield of the outfall plumes.

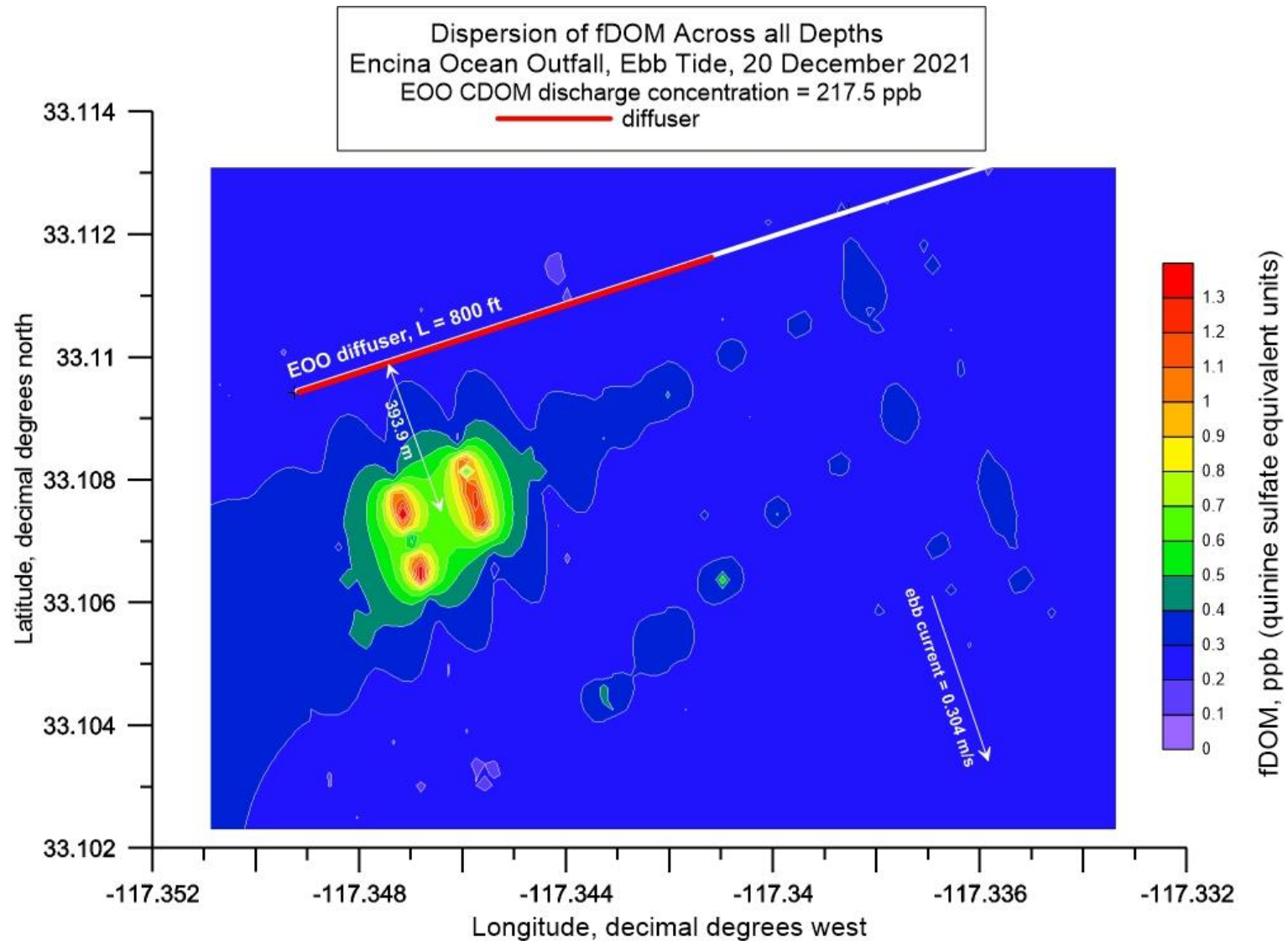
The embedded singularity imposed by the fixed mixing volume around the outfalls in the SCCWRP variant of ROMS/BEC can create numerical instabilities in the nutrient dispersion and plankton growth simulations. In order for the ROMS/BEC model to produce temporally stable solutions, the longest time step interval that can be used is limited by the *Courant-Friedricks-Lewy* (CFL) *Stability Criteria* (cf. Gallager et al., 1981) according to:

$$\Delta t \leq \frac{\Delta x}{\sqrt{2gh}} \quad (5)$$

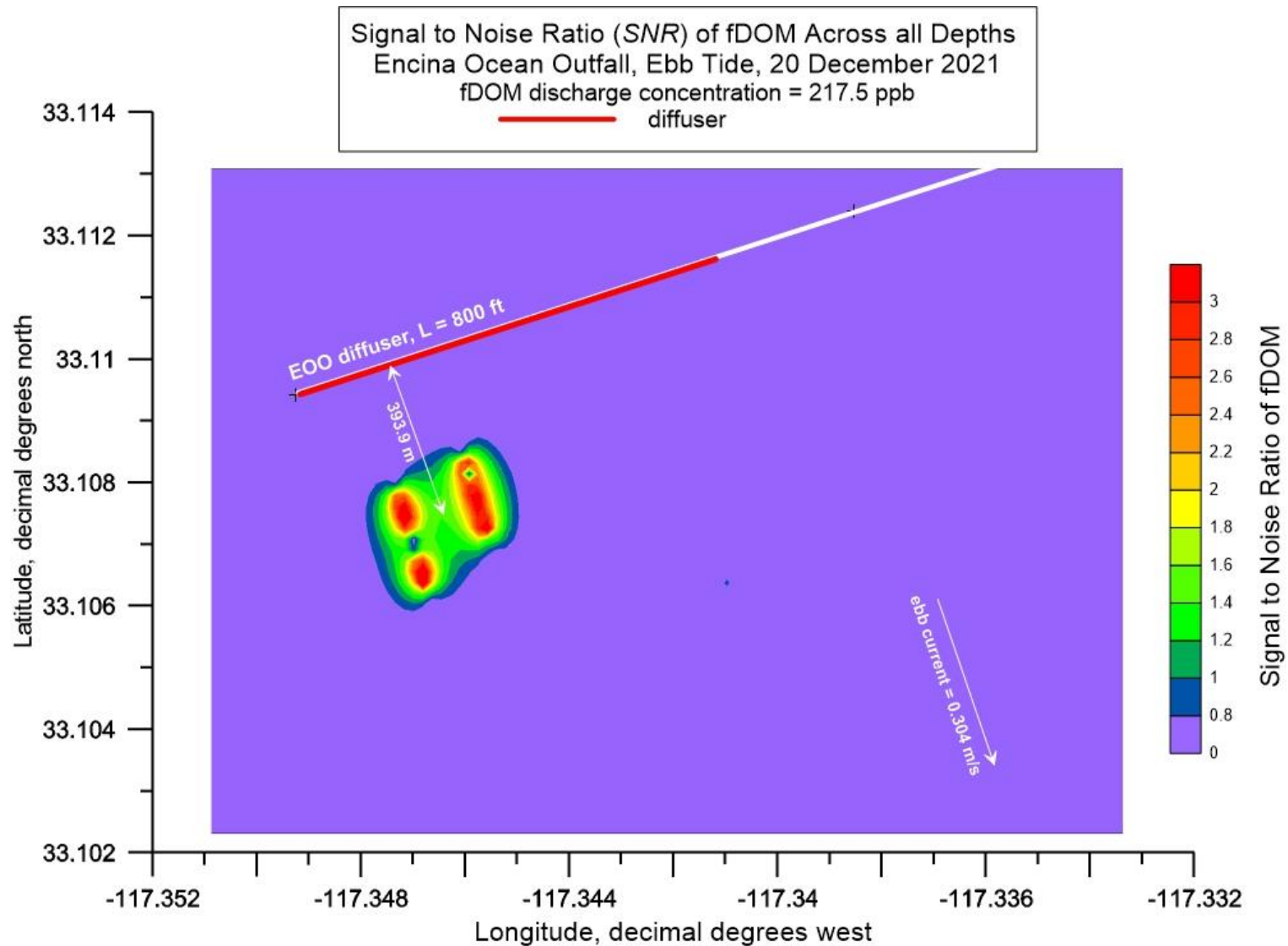
where  $\Delta x$  is the grid cell horizontal dimension,  $h$  is the depth of the seabed, and  $g$  is the acceleration of gravity. The original ROMS-tar codes authored by Deutsch and Frenzel (that operated on computational domains well seaward of the municipal outfalls, cf. Deutsch et al., 2021) incorporated a safeguard against development of CFL numerical instabilities, (cf. **APPENDIX B**). In order to compute vertical advective fluxes of nutrients occurring at significantly higher rates than horizontal fluxes (as would occur near municipal outfalls), the ROMS-tar algorithms were designed to be free of the CFL criterion by allowing integration bounds for semi-Lagrangian advective flux to use as many grid boxes in upstream direction as necessary. Those CFL safeguards were prescribed within the fixed grid, hydrostatic architecture of the ROMS-tar model domain. However, the SCCWRP variant of ROMS/BEC applies a nonhydrostatic discretization within its parameterized mixing volume surrounding the outfalls. In so doing, the CFL numerical instability safeguards do not function within those embedded singularities imposed by the fixed mixing volume around the outfalls. For a deep outfall like the Hyperion 5-Mile Outfall, (where the depth is on the order of  $h = 60$  m), the SCCWRP variant of ROMS/BEC running on a horizontal grid resolution of  $\Delta x = 300$  m would have to run at time steps no longer than  $\Delta t \leq 8.76$  sec to avoid CFL numerical instabilities. Instead, the SCCWRP variant of ROMS/BEC was run in the Santa Monica Bay/San Pedro Shelf simulations in Kessouri et al., (2021b) at time steps of  $\Delta t = 30$  sec. This excessive time step interval could explain the spurious results obtained in the third panel on the right-hand side of Figure 2 in Kessouri et al., (2021b), cf. in **APPENDIX C**.



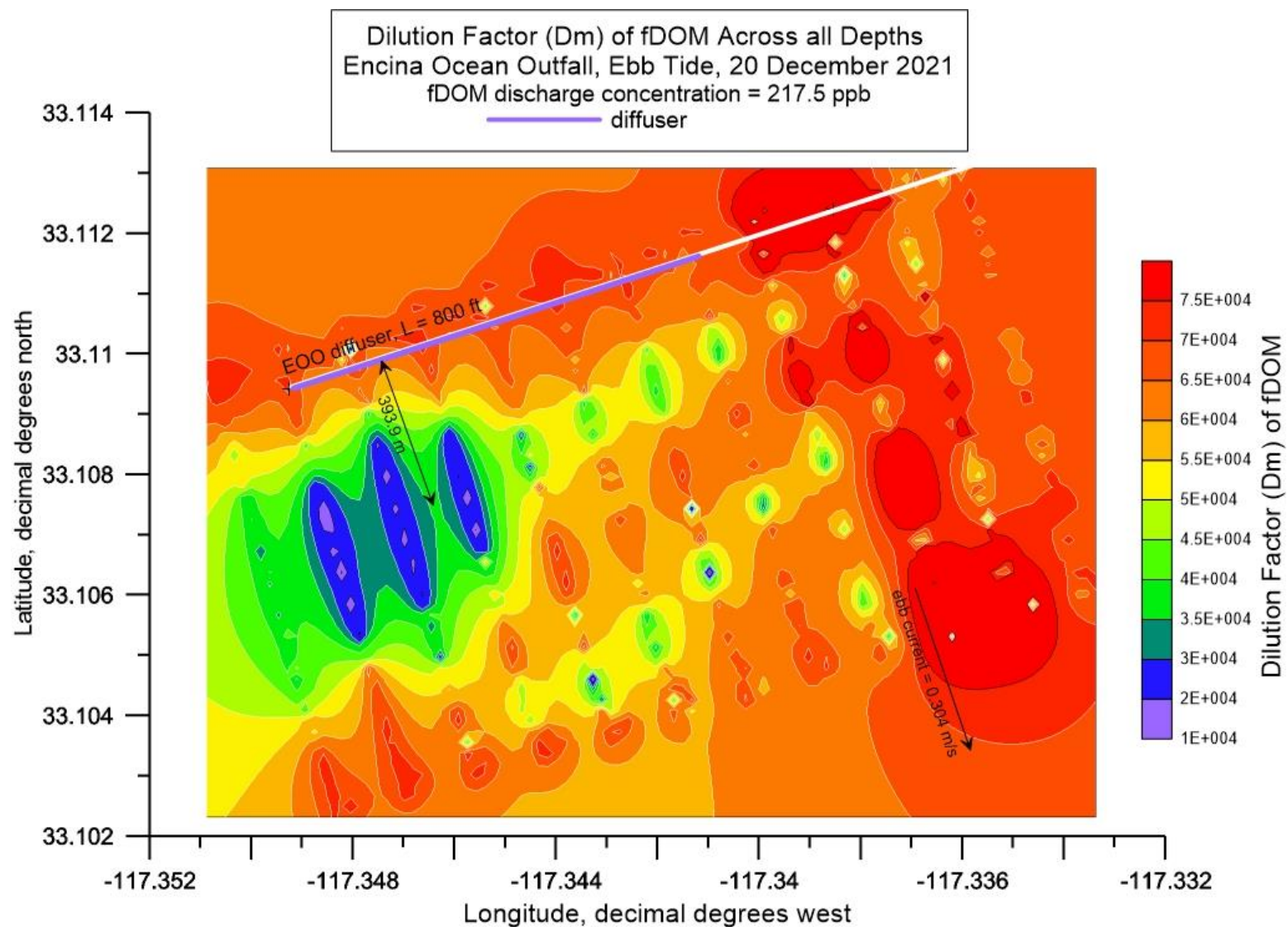
Evidence is emerging that nutrients discharged from ocean outfalls in the lower SCB dilute much faster in the nearfield of the outfalls than the SCCWRP variant of ROMS/BEC predicts. Recent plume tracking field studies using fDOM as a plume tracer (cf. Jenkins and Shatila, 2022) find that the dilution rates at the Encina Ocean Outfall (EOO) are extremely high even when discharging near maximum permitted discharge rates. Using an Iver3 autonomous underwater vehicle to collect 68,538 separate measurements of salinity and fDOM along a total distance surveyed of 21.2 km. The fDOM heat map generated from these 68,538 measurements of fDOM concentrations is plotted in **Figure 2**. Inspection of **Figure 2** reveals that variations in fDOM concentrations across all depths surveyed by the AUV range from  $fDOM_{(x)} = 0.2$  ppb to 1.3 ppb. These fDOM variations during ebb tide exhibit horizontal structures having high spatial coherence with the EOO diffuser, with a singular, large fDOM feature centered 393.9 m down-drift (south) of the EOO diffuser in which elevated fDOM are in the range of  $fDOM_{(x)} = 0.7$  ppb to 1.3 ppb, or 136% to 339% higher than the depth-averaged natural background fDOM concentration  $fDOM_{(\infty)} = 0.296$  ppb. The fDOM heat map in **Figure 2** is converted into a signal to noise ratio heat map in **Figure 3** to convert the fDOM concentrations in **Figure 2** into corresponding  $SNR_{fDOM}$  patterns. Inspection of **Figure 3** reveals that the signal to noise ratio of the suspected plume remnant ranges from  $SNR_{fDOM} \cong 1.1$  along its outer perimeter, to as high as  $SNR_{fDOM} = 3.39$  in its inner core 393.9 m downstream of the EOO diffuser. Therefore, the elevated fDOM concentrations found in this feature satisfy the lowest order significance threshold for detection, (i.e.,  $SNR_{fDOM} \geq 1$ ). To assess minimum dilution levels in the EOO plume remnant, the  $SNR_{fDOM}$  heat map in **Figure 3** was transposed into a dilution heat map in **Figure 4** on the basis that the initial fDOM concentration at the point of discharge is  $fDOM_{(x=0)} = 217.5$  ppb. Regions of high SNR in **Figure 3** will correspond to regions of low dilution values relative to the dilution elsewhere within the AUV survey area. **Figure 4** indicates that the dilution factor ( $D_{fDOM}$ ) for the fDOM features would be no less than as  $D_{fDOM} = 215:1$  in the inner core of the plume remnant, or a factor of 1.5 times greater than the assigned minimum initial dilution of  $D_m = 144:1$  established in the current NPDES permit (No. CA0107395; Order No. RS-2018-0059). The dilution along the outer perimeter of the plume remnant ranges from  $D_{fDOM} = 666:1$  to as much as 15,000:1. Elsewhere in the wake of the EOO diffuser dilution ranges from  $D_{fDOM} = 35,000:1$  to 75,000:1 so that any nutrients (nitrates or ammonia) in the EOO effluent would be below quantifiable detection limits for any plume remnants beyond 400 m from the outfall. These findings directly contradict the those of the simulations from SCCWRP variant of ROMS/BEC that were published in Kessouri et al., (2021b).



**Figure 2:** Full depth contour plot (aka, heat map) of AUV measurements of fDOM during surveys of the discharge plume from EEO during ebb tide on 20 December 2021. Average EEO discharge rate = 31.20 mgd during ebb tide; End-of-pipe discharge concentration of fDOM = 217.5 ppb (QSU); End of pipe salinity = 0.96 psu; Trapping level (pycnocline depth) = -13.1 ft MSL; Mean ebb tide current = 0.304 m/s (0.59 kts) toward the southeast.



**Figure 3:** Full depth contour plot (aka, heat map) of the Signal to Noise Ratio (SNR) of fDOM during AUV surveys of the discharge plume from EOO during ebb tide on 20 December 2021. Average EOO discharge rate = 31.20 mgd during ebb tide; End-of-pipe discharge concentration of fDOM = 217.5 ppb (QSU); End of pipe salinity = 0.96 psu; Trapping level (pycnocline depth) = -13.1 ft MSL; Mean ebb tide current = 0.304 m/s (0.59 kts) toward the southeast.



**Figure 4:** Full depth contour plot of the (aka, *heat map*) dilution factor ( $D_{fDOM}$ ) of fDOM during AUV surveys of the discharge plume from EOO during ebb tide on 20 December 2021. Average EOO discharge rate = 31.20 mgd during ebb tide; End-of-pipe discharge concentration of fDOM = 217.5 ppb (QSU); End of pipe salinity = 0.96 psu; Trapping level (pycnocline depth) = -13.1 ft MSL; Mean ebb tide current = 0.304 m/s (0.59 kts) toward the southeast.



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## APPENDIX A: Examples of Problematic ROMS/BEC Code

roms\_08

```
mod_string_utility.f90                                0000644 0001752 0001752
00000004137 12323346012 015364 0
ustar  frenzel          cdeutsch
! hf: downloaded Oct 28, 2013 from
! http://coding.derkeiler.com/Archive/Fortran/comp.lang.fortran/2005-03/0762.html
! Original source:
! Figure 3.5B, pg 80, "Upgrading to Fortran 90", by Cooper Redwine,
! 1995 Springer-Verlag, New York.
```

---

Page 104:

```
biology.F                                              0000644 0001752 0001752 00000037034
12161200113 012660 0                                ustar  frenzel
cdeutsch
#include "cppdefs.h"
#ifdef BIOLOGY

    subroutine biology_tile (istr,iend,jstr,jend)
!
! Compute biological forcing functions as defined by the Fasham et
! al. [JMR, 48, 591-639, 1990]. This routine was originated by John
! Moisan and adapted for 3D code by MANU Sept. 8 98. It computes
! r.h.s. terms associated with biological conversions. In this
! particular implementation we have: NO3, NH4, Detritus,
! PHYTOplankton and ZOOplanknton.
!
    implicit none
    integer istr,iend,jstr,jend
#include "param.h"
#include "grid.h"
#include "ocean3d.h"
#include "scalars.h"
    real solar, albedo, trans, PAR0_max, kwater, kphyto, alpha,
    & K_NO3, K_NH4, phi, mu_40, mu_43, gmax, K_Phyt,
    & beta, mu_30, mu_32, mu_50, mu_52, mu_53, pi,
    & deg2rad, ccf1, ccf2, ccf3, ccf4
    parameter (
    & solar = 1353., ! the solar max is from Brock, 1981
    & albedo = 0.04, ! albedo of the ocean surface.
    & trans = 0.8, ! fraction of total radiation
    &          ! transmitted through atmosphere
!

```

! **Potosynthetic Available Radiation (PAR)** at the sea surface (without  
! correction due to ellipticity of the Earth orbit, absorbtion by the  
! effect of solar altitude and atmospheric clouds, see below; 0.43  
! here is the estimated PAR fraction of the total solar radiation

!

& PAR0\_max = solar\*trans\*0.43\*(1.-albedo),

!

! Parameters as in Table 1; Fasham et al. [JMR, 48, 591-639, 1990]

!

& kwater = 0.04, ! light attenuation due to sea water [m-1]

& kphyto = 0.03, ! light attenuation by Phytoplankton

! [(m^2 mMol N)-1]

& alpha = 0.025, ! initial slope of the P-I curve

! [(W m-2)-1 d-1]

& K\_NO3 = 0.5, ! half-saturation for Phytoplankton NO3

! uptake [mMol N m-3]

& K\_NH4 = 0.5, ! half-saturation for Phytoplankton NH4

! uptake [mMol N m-3]

& phi = 1.5, ! Phytoplankton ammonium inhibition

! parameter [(mMol N)-1]

& mu\_40 = 0.018, ! Phyto loss to sink rate[d-1]

& mu\_43 = 0.072, ! Phyto mortality to Detritus rate d-1]

& gmax = 0.75, ! maximum Zooplankton growth rate [d-1]

& beta = 0.75, ! Zooplankton assimilation efficiency of

! Zooplankton [n.d.]

& K\_Phyt = 1.0, ! Zooplankton half-saturation conts. for

& ! ingestion [d-1]

& mu\_50 = 0.025, ! Zooplankton loss to sink [d-1]

& mu\_52 = 0.1, ! Zooplankton specific excretion rate [d-1]

& mu\_53 = 0.025, ! Zooplankton mortality to Detritus [d-1]

& mu\_30 = 0.02, ! Detrital loss to sink rate [d-1]

& mu\_32 = 0.03, ! Detrital breakdown to NH4 rate [d-1]

& ccf1 = 0.6071538329, ! Set OSW Papa CLOUD

& ccf2 = 1.187075734, ! correction coefficients

& ccf3 = 0.7726212144,

& ccf4 = -0.2782480419,

& pi = 3.14159265358979323846,

& deg2rad= 2.\*pi/360.)

---

page 108-110:

! Extract biological variables from tracer arrays; place them into  
! scratch variables; restrict their values to be positive definite.

```

!
do k=1,N
  NO3_bak(k) =max(t(i,j,k,nnew,iNO3_),0.) ! Nitrate
  NH4_bak(k) =max(t(i,j,k,nnew,iNH4_),0.) ! Ammonium
  Det_bak(k) =max(t(i,j,k,nnew,iDet_),0.) ! Detritus
  Phyt_bak(k)=max(t(i,j,k,nnew,iPhyt),0.) ! Phytoplankton
  Zoo_bak(k) =max(t(i,j,k,nnew,iZoo_),0.) ! Zooplankton

  NO3(k) = NO3_bak(k)
  NH4(k) = NH4_bak(k)
  Det(k) = Det_bak(k)
  Phyt(k) = Phyt_bak(k)
  Zoo(k) = Zoo_bak(k)
enddo

!
! Calculate aJ (here: cos_Znt -- cos of solar zenith angle)
!
cff=deg2rad*latr(i,j)
cos_Znt=cos_Thr*cos_dec*cos(cff)+sin_dec*sin(cff)
if (cos_Znt.gt.0.) then
  PAR0=PAR0_ell*cos_Znt*(1.-ccf1+ccf2*cos_Znt)
&   *(1.-cloud*( ccf3+ccf4*sqrt(1.-cos_Znt*cos_Znt)))
  do k=1,N
    ! From Eppley, d-1:
    Vp=0.851*1.066**t(i,j,k,nnew,itemp) ! Vp=2.9124317 at
    ! t=19.25 degrees
    PARz=PAR0*exp(-abs(z_r(i,j,k))*(kwater+kphyto*Phyt(k)))
    aJ(k)=Vp*alpha*PARz/sqrt(Vp*Vp+alpha*alpha*PARz*PARz)
  enddo
else
  do k=1,N
    aJ(k)=0. ! <-- during the night
  enddo
endif

DO ITER=1,3 !--> Start internal iterations to achieve
! nonlinear backward-implicit solution.
! NO3 uptake by Phyto [1-4]
!
do k=1,N
  cff=dt_bio*Phyt(k)*aJ(k)*exp(-phi*NH4(k))/(K_NO3+NO3(k))
  NO3(k)=NO3_bak(k)/(1.+cff)
  Phyt(k)=Phyt_bak(k)+cff*NO3(k)
enddo

!
! NH4 uptake by Phyto [2-4]
!
do k=1,N
  cff=dt_bio*Phyt(k)*aJ(k)/(K_NH4+NH4(k))

```

```
NH4(k)=NH4_bak(k)/(1.+cff)
Phyt(k)=Phyt(k)+cff*NH4(k)
enddo
```

## APPENDIX B: CFL Instability Safeguards in Original ROMS-tar Codes by Deutsch and Frenzel

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!

! After this moment reconstruction is considered complete. The next stage is to compute vertical advective fluxes FC. It is expected that sinking may occurs relatively fast, the algorithm is designed to be free of CFL criterion, which is achieved by allowing integration bounds for semi-Lagrangian advective flux to use as many grid boxes in upstream direction as necessary.

!

```

cff=dt*abs(Wsed(ised))      ! In the two code segments
do k=1,N                    ! WL is z-coordinate of the
do i=istr,iend              ! departure point for grid
  FC(i,k-1)=0.              ! box interface z_w with
  WL(i,k)=z_w(i,j,k-1)+cff  ! the same indices;
  WR(i,k)=Hz(i,j,k)*qc(i,k) ! FC is finite volume flux;
  ksource(i,k)=k            ! ksource(:,k) is index of
enddo                       ! vertical grid box which
enddo                       ! contains the departure
do k=1,N                    ! point (restricted by N);
do ks=k,N-1                 ! During the search: also
do i=istr,iend
  if (WL(i,k) .gt. z_w(i,j,ks)) then
    ksource(i,k)=ks+1
    FC(i,k-1)=FC(i,k-1)+WR(i,ks)
  endif
enddo                       ! add in content of whole
enddo                       ! grid boxes participating
enddo    !--> discard WR    ! in FC.

do k=1,N                    ! Finalize computation of
do i=istr,iend              ! flux: add fractional part
  ks=ksource(i,k)
  cu=min(1.,(WL(i,k)-z_w(i,j,ks-1))*Hz_inv(i,ks))
  FC(i,k-1)=FC(i,k-1) + Hz(i,j,ks)*cu*( qL(i,ks)
&      +cu*( 0.5*(qR(i,ks)-qL(i,ks))
&      -(1.5-cu)*(qR(i,ks)+qL(i,ks)-2.*qc(i,ks)) ))
enddo
enddo    !--> discard WL
do k=1,N,+1
do i=istr,iend
  qc(i,k)=qc(i,k) + (FC(i,k)-FC(i,k-1))*Hz_inv(i,k)
enddo
enddo    !--> discard everything, except qc,FC(:,0)

```

!

! Deposition and resuspension near the bottom: Update thickness of

## APPENDIX C: CFL Instabilities in Figure 2 of Kessouri et al., (2021b)

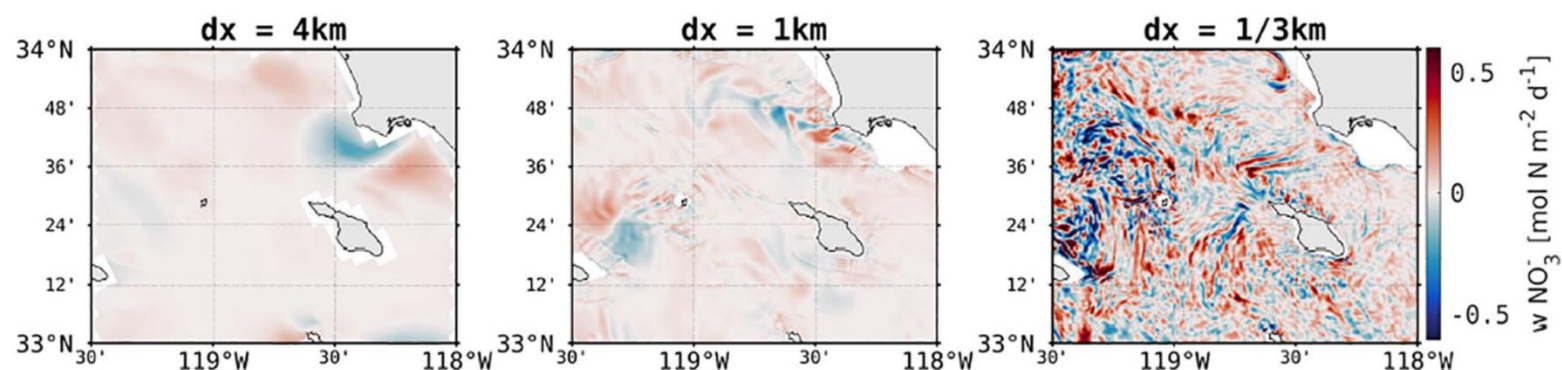


Figure 2. (Upper panel) Time series (1997–2001) of the vertical eddy flux of nitrate at 40-m depth calculated as follows  $\overline{wN} = \overline{wN} + \overline{w'N'}$ , where the overbar represents a monthly average, and the prime the deviation from this average, for region covering the entire Southern California Bight (31.4°–35.3°N and 116.5°–121.8°W). The minimum and maximum values (i.e., the envelope) of the flux are shown in blue for the 4-km solution, in red for the 1-km solution, and in green for the 1/3 km. (Lower panel) Snapshot of the vertical flux of nitrate in spring at 40-m off the coast of Palos Verdes that shows higher magnitudes and enhanced variability as resolution increases.