

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).



Danita Hirsh, Assistant Secretary  
SOCWA and the Board of Directors thereof

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

September 26, 2023  
2:00 p.m.

PHYSICAL MEETING LOCATION:  
South Orange County Wastewater Authority  
34156 Del Obispo Street  
Dana Point, CA 92629

THE BOARD OF DIRECTORS MEETING ROOM IS WHEELCHAIR ACCESSIBLE. 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 SUCH 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. MEMBERS OF THE PUBLIC HAVE THE OPTION TO PARTICIPATE IN AND MAY JOIN THE MEETING REMOTELY VIA VIDEO CONFERENCE FOR VISUAL INFORMATION ONLY (USE ZOOM LINK BELOW) AND BY TELECONFERENCE 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. FOR PARTIES PARTICIPATING REMOTELY, PUBLIC COMMENTS WILL BE TAKEN DURING THE MEETING FOR ORAL COMMUNICATION IN ADDITION TO PUBLIC COMMENTS RECEIVED BY PARTIES PARTICIPATING IN PERSON. COMMENTS MAY BE SUBMITTED PRIOR TO THE MEETING VIA EMAIL TO ASSISTANT SECRETARY DANITA HIRSH AT [DHIRSH@SOCWA.COM](mailto:DHIRSH@SOCWA.COM) WITH THE SUBJECT LINE "REQUEST TO PROVIDE PUBLIC COMMENT." IN THE EMAIL, PLEASE INCLUDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER YOU WILL BE CALLING FROM SO THAT THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. THOSE MAKING PUBLIC COMMENT REQUESTS REMOTELY VIA TELEPHONE IN REAL-TIME WILL BE ASKED TO PROVIDE YOUR NAME, THE ITEM YOU WISH TO SPEAK ABOUT, AND THE TELEPHONE NUMBER THAT YOU ARE CALLING FROM SO THE COORDINATOR CAN UN-MUTE YOUR LINE WHEN YOU ARE CALLED UPON TO SPEAK. ONCE THE MEETING HAS COMMENCED, THE CHAIR WILL INVITE YOU TO SPEAK AND ASK THE COORDINATOR TO UN-MUTE YOUR LINE AT THE APPROPRIATE TIME.

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 FOR PUBLIC INSPECTION IN THE AUTHORITY ADMINISTRATIVE OFFICE LOCATED AT 34156 DEL OBISPO STREET, DANA POINT, CA ("AUTHORITY OFFICE") OR BY PHONE REQUEST MADE TO THE AUTHORITY OFFICE AT 949-234-5452. 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 AVAILABLE IN THE RECEPTION AREA OF THE AUTHORITY OFFICE AT THE SAME TIME AS THEY ARE DISTRIBUTED TO THE BOARD OF DIRECTORS AND SENT TO ANY REMOTE PARTICIPANTS REQUESTING EMAIL DELIVERY OR POSTED ON SOCWA'S WEBSITE. IF SUCH WRITINGS ARE DISTRIBUTED IMMEDIATELY PRIOR TO, OR DURING, THE MEETING, THEY WILL BE AVAILABLE IN THE MEETING ROOM OR IMMEDIATELY UPON VERBAL REQUEST TO BE DELIVERED VIA EMAIL TO REQUESTING PARTIES PARTICIPATING REMOTELY.

**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: 857 3263 1684  
Passcode: 486075

Dial by your location:  
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Find your local number: <https://socwa.zoom.us/j/85732631684>

South Orange County Wastewater Authority  
Board of Directors Meeting  
September 26, 2023

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.*

4. APPROVAL OF BOARD MEMBER REQUEST FOR REMOTE PARTICIPATION

ACTION Board Discussion/Direction and Action.

5. GENERAL MANAGER'S REPORT

- A. Amendment No. 4 – Agreement for Acquisition, Use, Operation Maintenance, and Expansion of Sewage Treatment Plant of City of San Juan Capistrano by South East Regional Reclamation Authority for and on behalf of Project Committee 2 ..... 1

ACTION PC 2 Board Discussion/Direction and Action.

- B. Approval of the Q2 through Q4 Project Committee 2 (PC 2) Operations and Maintenance Budget and Capital Expenditures Budget [Project Committee 2] ..... 4

ACTION Staff recommends that the PC2 Board approve the Q2 through Q4 Project Committee 2 Operations and Maintenance Budget (inclusive of Environmental Compliance, Safety, IT, UAL, and OPEB) as proposed and PC2 Capital Expenditures Budget (inclusive of large capital, non-capital/misc. engineering, and small capital).

- C. Authorization to Utilize Uneven Allocations for Q2 of the FY 2023-24 General Fund Budget ..... 5

ACTION Board Discussion/Direction and Action.

- D. Discussion on the SCWD/SMWD Proposal Framework ..... 7

ACTION Board Discussion/Direction and Action.

6. OTHER MATTERS

Determine the need to take action on the following item(s) introduced by the Acting General Manager/Director of Operations, which arose after the posted Agenda. [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  
OCTOBER 5, 2023

# Agenda Item

## 5.A.

**Board of Directors Special Meeting**

**Meeting Date:** September 26, 2023

**TO:** Board of Directors

**FROM:** Jim Burror, Acting General Manager/Director of Operations

**SUBJECT:** Amendment No. 4 – Acquisition for Use, Operation, Maintenance, and Expansion of Sewage Treatment Plant of City of San Juan Capistrano by South East Regional Reclamation Authority For and On Behalf of Project Committee No. 2 [Project Committee No. 2]

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### Summary/Discussion

The Project Committee No. 2 (PC2) agreement was extended until September 30, 2023, under Amendment No. 3 in April 2023. This item is to consider extending the PC2 agreement until the end of FY2023-24 to coincide with the approval of the PC2 Budget for FY 2023-24.

### Fiscal Impact

None

**Recommended Action:** PC2 Board Discussion/Direction and Action.

Attachment: Draft Amendment No. 4 to Agreement for Acquisition, Use, Operation, Maintenance, and Expansion of Sewage Treatment Plant of City of San Juan Capistrano by South East Regional Reclamation Authority For and On Behalf of Project Committee No. 2

**AGREEMENT FOR ACQUISITION, USE, OPERATION, MAINTENANCE AND  
EXPANSION OF SEWAGE TREATMENT PLANT OF CITY OF SAN JUAN  
CAPISTRANO BY SOUTH EAST REGIONAL RECLAMATION AUTHORITY FOR  
AND ON BEHALF OF PROJECT COMMITTEE NO. 2**

## RECITALS

- ## AMENDED AGREEMENT

1. The term of the PC 2 Agreement is hereby extended to [REDACTED]

2. All other provisions of the PC 2 Agreement shall remain unchanged.
3. Any Party may execute this Amendment No. 4 using an “electronic signature,” as that term is defined in California Civil Code Section 1633.2, or a “digital signature,” as defined by California Government Code Section 16.5. An electronic or digital signature shall have full legal effect and enforceability. This Amendment No. 4 may be signed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.
4. The undersigned representative of each entity certifies that they are fully authorized to enter into this Amendment No. 4 and to legally bind such entity to this document.

IN WITNESS HEREOF, the Parties have executed this Amendment No. 4 as of the Effective Date.

Executed by:

**SOUTH COAST WATER DISTRICT**

\_\_\_\_\_  
Rick Shintaku, General Manager

**MOULTON-NIGUEL WATER DISTRICT**

\_\_\_\_\_  
Joone Lopez, General Manager

**SANTA MARGARITA WATER DISTRICT**

\_\_\_\_\_  
Dan Ferons, General Manager

**SOUTH ORANGE COUNTY WASTEWATER AUTHORITY**

\_\_\_\_\_  
Jim Burror, Acting General Manager

# Agenda Item

## 5.B.

**Board of Directors Special Meeting**

**Meeting Date:** September 26, 2023

**TO:** Board of Directors

**FROM:** Jim Burror, Acting General Manager/Director of Operations

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

**SUBJECT:** Approval of the Q2 through Q4 Project Committee 2 (PC2) Operations and Maintenance Budget and Capital Expenditures Budget [Project Committee 2]

### Summary/Discussion

The Project Committee 2 (PC2) approved the FY2023-24 Q1 budget at the June 1, 2023, Board meeting and requested the Q2 through Q4 budget be considered at the August 3, 2023, Board meeting. The budgets that remain to be approved are presented in the following tables:

#### Operations and Maintenance Q2 through Q4 Budget

Agency	Q2 Budget	Q3 Budget	Q4 Budget	Q2 thru Q4 Total	Total PC2 Budget
MNWD	\$327,926	\$327,926	\$327,926	\$983,778	\$1,311,704
SMWD	\$1,085,761	\$1,085,761	\$1,085,761	\$3,257,284	\$4,343,045
SCWD	\$364,887	\$364,887	\$364,887	\$1,094,662	\$1,459,549
Total	\$1,778,575	\$1,778,575	\$1,778,575	\$5,335,724	\$7,114,298

#### PC 2 Capital Expenditures Budget Q2 through Q4 Budget

Agency	Q2 Budget	Q3 Budget	Q4 Budget	Q2 thru Q4 Total	Total PC2 Budget
MNWD	\$86,538	\$124,376	\$103,845	\$314,759	\$985,550
SMWD	\$180,289	\$282,451	\$216,347	\$679,087	\$2,326,566
SCWD	\$108,173	\$143,173	\$129,808	\$381,154	\$1,087,884
Total	\$375,000	\$550,000	\$450,000	\$1,375,000	\$4,400,000

This vote requires a 2/3rds majority vote.

Approval of the Project Committee PC2 Operations and Maintenance Budget and PC2 Capital Expenditures Budget authorizes the Acting General Manager to expend up to and not more than the total budget funds per the purchasing and/or emergency services policy; funding in excess of the authorized Budget requires additional Board action; the Board approves the allocation of expenses with approval of the Budget.

**Recommended Action:** Staff recommends that the PC2 Board approve the Q2 through Q4 Project Committee 2 Operations and Maintenance Budget (inclusive of Environmental Compliance, Safety, IT, UAL, and OPEB) as proposed and PC2 Capital Expenditures Budget (inclusive of large capital, non-capital/misc. engineering, and small capital).

# Agenda Item

## 5.C.

**Board of Directors Special Meeting**

**Meeting Date:** September 26, 2023

**TO:** Board of Directors

**FROM:** Jim Burror, Acting General Manager/Director of Operations

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

**SUBJECT:** Approval of the FY 2023-24 General Fund Budget Q2 through Q4 Uneven Allocations

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### Summary/Discussion

The Board of Directors requested that the approved General Fund Budget allocations be reviewed at the August 2023 meeting. This is because the Q2 through Q4 General Fund Budget allocations were approved on an equal allocation basis and not using the traditional unequal (participation) basis. Traditionally, the Board has adopted the General Fund Budget allocations based on the number of Project Committees the member participates in, excluding PC21 (ETM) and PC23 (NCI). The following are the General Fund uneven allocations presented on Page 11 of the Budget Book:

Member Agency	GF Allocation %
City of Laguna Beach	13.8%
City of San Clemente	6.9%
El Toro Water District	10.3%
Emerald Bay Services District	13.8%
Moulton Niguel Water District	20.7%
Santa Margarita Water District	13.8%
South Coast Water District	20.7%

The even allocation approved for Q2 through Q4 is 1/7th (14.28572%) per member agency.

An action to modify the FY2023-24 General Fund Q2 through Q4 allocations to the uneven allocations requires a unanimous vote by SOCWA member agencies.

### Fiscal Impact

The uneven participation method, as presented on Page 11 of the Budget Book, results in the following General Fund Budget allocation by member agency for FY2023-24:

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Member Agency	GF Allocation \$
City of Laguna Beach	\$59,605
City of San Clemente	\$29,802
El Toro Water District	\$44,703
Emerald Bay Services District	\$59,605
Moulton Niguel Water District	\$89,407
Santa Margarita Water District	\$59,605
South Coast Water District	\$89,407
Total	\$424,032

The approved uneven participation for Q1 and even participation for Q2 through Q4 results in the following allocations by member agency for FY2023-24:

Member Agency	Q1 GF Allocation %	Q1 Budget	Q2-Q4 GF Allocation %	Q2-Q4 Budget	Total FY23-24 GF Proposed Budget	Delta from Proposed Budget
City of Laguna Beach	13.80%	\$14,629.10	14.28572%	\$45,432.02	\$60,061.12	\$456.12
City of San Clemente	6.90%	\$7,314.55	14.28572%	\$45,432.02	\$52,746.57	\$22,944.57
El Toro Water District	10.30%	\$10,918.82	14.28572%	\$45,432.02	\$56,350.84	\$11,647.84
Emerald Bay Services District	13.80%	\$14,629.10	14.28572%	\$45,432.02	\$60,061.12	\$456.12
Moulton Niguel Water District	20.70%	\$21,943.66	14.28572%	\$45,432.02	\$67,375.67	(\$22,031.33)
Santa Margarita Water District	13.80%	\$14,629.10	14.28572%	\$45,432.02	\$60,061.12	\$456.12
South Coast Water District	20.70%	\$21,943.66	14.28572%	\$45,432.02	\$67,375.67	(\$22,031.33)
Total	100.00%	\$106,008.00	100.0000%	\$318,024.00	\$424,032.00	\$0.00

This table also includes a comparison of the approved action to the initially proposed General Fund Budget allocations using the unequal allocations for Q1 through Q4 in the last column.

**Recommended Action:** Board Discussion/Direction and Action.



**Board of Directors**

Kay Havens  
*President*

Jose F. Vergara  
*Vice President*

Kathryn Freshley  
*Director*

Mike Gaskins  
*Director*

Mark L. Monin  
*Director*

**General Manager**

Dennis P. Cafferty

**Agenda Item 5.D.**

# El Toro Water District

*"A District of Distinction"*

Serving the Public - Respecting the Environment

September 14, 2023

South Orange County Wastewater Authority  
PC-17 Member Agencies

Re: Regional Treatment Plant Operations

The El Toro Water District appreciates the efforts of all the SOCWA member agencies to collaboratively address the issues and challenges surrounding the different options for the future of SOCWA and more particularly the operation of the three wastewater treatment plants. The District further appreciates the recent efforts of Santa Margarita Water District and the South Coast Water District to work together to find common ground that might facilitate a mutually beneficial path forward.

Moulton Niguel Water District's stated goal to assume operation of the Regional Treatment Plant (RTP) is well known to the member agencies of SOCWA and specifically the PC-17 agencies. The cost savings to which Moulton Niguel has expressed a willingness to commit are substantial. The District also recognizes and supports Moulton's intent to pursue Direct Potable Reuse opportunities at the RTP.

At the September 7 SOCWA Board meeting there seemed to be a consensus of the PC-17 member agencies to consider the transfer of the operation of the RTP to MNWD in early 2024. The District recognizes that there will be significant work required to document the terms and conditions associated with Moulton's proposal to assume operations of the RTP. Details of the operation, pricing structure, and other contractual provisions with the current PC-17 agencies are only a few of the issues that will need to be negotiated. The District supports the initiation of the discussion of terms and conditions that would be mutually acceptable to the participating agencies. This discussion is likely to take some time and the District feels it would be in the best interest of all the PC-17 agencies to define the terms that will allow each agency to benefit from the projected financial opportunities as soon as reasonably practicable.

The El Toro Water District continues to support Moulton's proposal to operate the RTP and welcomes the collaborative effort of all the PC-17 members to begin the discussion of the terms and concepts that are uniquely important to each individual agency.

Sincerely,

EL TORO WATER DISTRICT

Kay Havens  
President