

**AGREEMENT  
BETWEEN THE ORANGE COUNTY SANITATION DISTRICT AND THE  
ORANGE COUNTY WATER DISTRICT**

THIS AGREEMENT (“Agreement”), is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between the:

ORANGE COUNTY SANITATION DISTRICT, a  
County Sanitation District, hereinafter referred to as  
“OCSD”;

AND

Orange County Water District, hereinafter referred to  
as “OCWD.”

OCSD and OCWD are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as “Parties.”

**RECITALS**

**WHEREAS**, OCSD owns, operates and maintains an Interplant Digester Gas Pipeline (IDGP) within the Santa Ana River Right-of-Way between Plant 1 and Plant 2; and

**WHEREAS**, the IDGP (shown as 18” HPDG) was installed in 1993 to connect the Plant 1 and Plant 2 (see Exhibit B) power generation plants with the dual purpose of providing gas transmission and gas storage. The IDGP is approximately 20,160 linear feet in length and the original steel pipeline ranges from 12 to 18 inches in diameter. In 2013, the interplant gas line was permitted for an operator ID with Pipeline and Hazardous Materials Safety Administration (PHMSA) as per 49 CFR 192 which requires Operator Qualified (OQ) staff to conduct or oversee all work such as operating, inspection, or construction.

**WHEREAS**, within the same vicinity as the IDGP, OCWD is (1) constructing a new weir box at Plant 2 that is located within 10 feet of the IDGP (Exhibit A-1 OCWD GWRS Contract 1 Work); (2) constructing a new 60 inch steel pipeline from the new OCWD Pump Station at Plant 2 to connect to OCSD’s existing 66-inch interplant effluent pipeline (Exhibit A-2 OCWD GWRS Contract 1 Work); (3) constructing a new 84-inch steel pipeline that feeds the new OCWD Pump Station at Plant 2 (Exhibit A-3 OCWD GWRS Contract 1 Work); (4) constructing a new 66 inch steel pipeline that will connect to OCSD’s existing 66-inch interplant effluent pipeline south of Garfield Avenue and OCSD’s Effluent Junction Box (Exhibit A-4 OCWD GWRS Contract 1 Work); (5) rehabilitating approximately 15,700 linear feet of OCSD’s existing 66-inch diameter interplant effluent pipeline that is leased to OCWD (Exhibit B OCWD Groundwater Replenishment System (GWRS) Final Expansion Contract 2 Work); and collectively, these projects shall be referred hereinafter as the “OCWD Projects” and are further described and depicted in Exhibits A-1, A-2, A-3, A-4 and B which are attached hereto and incorporated herein by reference; and

**WHEREAS**, the OCSD IDGP and the OCWD Projects are in the same vicinity, it is advantageous to both Parties for OCSD to coordinate Department of Transportation (DOT) OQ inspections services for OCWD Projects with OCSD's current gas line consultant or other OCSD approved consultant with the correct qualifications; and

**WHEREAS**, OCWD agrees to administer and manage a construction contract for the construction of the OCWD Projects; and

**WHEREAS**, OCSD agrees to administer and manage a contract for the inspection of the IDGP during OCWD Projects; and

**WHEREAS**, the cost reimbursement allocation for IDGP inspection during OCWD Projects shall be as set forth herein below; and

**WHEREAS**, the Parties agree to enter into an Agreement for the work associated with the IDGP inspection in a manner and subject to the terms and conditions set forth below;

**NOW, THEREFORE**, in consideration of the mutual promises set forth herein, the Parties hereto agree as follows:

Section 1: Recitals. The Recitals above are deemed true and correct, are hereby incorporated in this Section as though fully set forth herein, and each Party to this Agreement acknowledges and agrees that they are bound by the same.

Section 2: Elements of Agreement. OCSD and OCWD will work cooperatively together so the IDGP inspection can occur in a manner that minimizes the costs and impacts to the public. The specific terms and conditions governing the elements of this Agreement are set forth hereinafter.

Section 3: OCSD's Specific Obligations.

- A. OCSD will provide OQ inspections, records, reports any time the IDGP is exposed or at risk.
- B. OCSD will respond to OCWD's request for an inspection of the IDGP within two (2) working days. OCSD, its agents and contractor shall provide DOT Operator Qualified Inspector to perform condition assessment and monitor OCSD's IDGP when OCWD Projects contractors are working near the IDGP.
- C. In the case that OCSD's contractor is unavailable to provide inspection services, OCSD will allow OCWD to procure and provide their own, of similar qualifications. This is in the interest of not-delaying the contractor that is constructing the OCWD Projects.

Section 4: OCWD's Specific Obligations.

- A. OCWD will coordinate and notify OCSD about the OCWD Projects work near the IDGP.
- B. OCWD agrees to reimburse OCSD for the cost of having a DOT Operator Qualified Inspector onsite when the OCWD Projects contractors work near or expose the IDGP.
- C. OCWD will provide a minimum of 10 working days notice for OCSD to secure the service of a DOT Operator Qualified Inspector.
- D. OCWD will reimburse OCSD for any associated Idle or Standby time for the Construction Inspector, that shall be billed at the standard hourly rate.
- E. OCWD will notify OCSD of work near the IDGP and provide inspection reports to OCSD if OCWD contracts directly with an approved DOT Operator Qualified Inspector.

Section 5: Reimbursement and Total Costs.

OCWD will reimburse OCSD hereunder for the IDGP DOT Operator Qualified inspection services during OCWD Projects, which shall not exceed Seventy Five Thousand dollars (\$75,000) unless otherwise approved by OCWD by amendment of this Agreement.

Section 6: Timing of Reimbursement.

For each progress payment made by OCSD to its DOT Operator Qualified Inspector consultant or contractor, OCSD shall submit an invoice to the OCWD, accompanied by all supporting documentation. OCWD will review the progress payment request and provide OCSD with any comments within ten (10) working days. After the invoice is approved by the OCWD, OCWD shall pay OCSD within forty-five (45) days of OCWD's receipt of invoices and supporting documentation

Section 7: Indemnification.

- A. OCSD will indemnify, defend and hold OCWD, its officers, agents, employees, and consultants harmless from any and all actions, suits, claims, liability or expense for death, injury, loss, or damage to persons or property which may arise or is claimed to have arisen during the IDGP inspection services, as a result of any work or action performed by or on behalf of OCSD, its officers, agents, employees or consultants, save and except in those instances where such expense, liability or claim is solely caused by any act, omission, or negligence of OCWD, its officers, agents, employees or consultants.



Fountain Valley, CA 92708  
Attention: Sandy Scott-Roberts, GWRS Program Manager

Section 11: Jurisdiction. In the event of a dispute regarding performance or interpretation of this Agreement, the venue for any action to enforce or interpret this Agreement will lie in the Superior Court of California for Orange County.

Section 12: No Third Party Beneficiaries. This Agreement is entered into by and for OCWD and OCSD, and nothing herein is intended to establish rights or interests in individuals or entities not a party hereto.

Section 13: Force Majeure. Except for the payment of money, neither Party will be liable for any delays or other non-performance resulting from circumstances or causes beyond its reasonable control, including without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, acts of third parties, or any law, order, or requirement of any governmental agency or authority.

Section 14: Governing Law. This Agreement will be governed by the laws of the State of California.

Section 15: Entire Agreement. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all previous negotiations and agreements between the Parties pertaining to the subject matter hereof.

Section 16 Waiver. A waiver of a breach of the covenants, conditions, or obligations under this Agreement by either Party will not be construed as a waiver of any succeeding breach of the same or other covenants, conditions, or obligations of this Agreement.

Section 17: Modification. Alteration, change, or modification of this Agreement will be in the form of a written amendment, which will be signed by both Parties.

Section 18: Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will continue in full force and effect.

Section 19: Agreement Execution and Authorization. Each of the undersigned represents and warrants that they are duly authorized to execute and deliver this Agreement and that such execution is binding upon the entity on whose behalf they are executing this Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have caused this Agreement to be signed by the duly authorized representatives.

**ORANGE COUNTY SANITATION DISTRICT**

By: \_\_\_\_\_  
David John Shawver  
Board Chairman

Attest: \_\_\_\_\_  
Kelly A. Lore  
Clerk of the Board

Approved as to form: \_\_\_\_\_  
Bradley R. Hogin  
General Counsel

**ORANGE COUNTY WATER DISTRICT**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print Name and Title of Officer