



## **ORANGE COUNTY SANITATION DISTRICT** **SPECIAL NOTICE REGARDING CORONAVIRUS (COVID-19)** **AND ATTENDANCE AT PUBLIC MEETINGS**

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 12, 2020 and March 18, 2020, Governor Newsom issued Executive Order N-25-20 and Executive Order N-29-20, which temporarily suspend portions of the Brown Act which addresses the conduct of public meetings.

The General Manager and the Chairman of the Board of Directors have determined that due to the size of the Orange County Sanitation District's Board of Directors (25), and the health and safety of the members, the Board of Directors will be participating in meetings of the Board telephonically and Internet accessibility.

### **PUBLIC PARTICIPATION**

Your participation is always welcome. The Administration Committee meeting live audio will be available to the public online at:

**<https://ocsd.legistar.com/Calendar.aspx>**

Or you may join the meeting via telephone by calling:

**(213) 279-1455**  
**Conference ID: 128-624-810#**

Or you may submit your comments and questions in writing for the Administration Committee's consideration in advance of the meeting only by sending them to [OCSDClerk@ocsd.com](mailto:OCSDClerk@ocsd.com) with the subject line "PUBLIC COMMENT ITEM # (insert the item number relevant to your comment)" or "PUBLIC COMMENT NON-AGENDA ITEM". Submit your written comments by 5:00 p.m. on Tuesday, June 9, 2020. All public comments will be provided to the Administration Committee and may be read into the record or compiled as part of the record.

Thank you.

**Serving:**

*Orange County Sanitation District*

10844 Ellis Avenue, Fountain Valley, CA 92708  
714.962.2411 • www.ocsd.com

Anaheim

Brea

Buena Park

Cypress

Fountain Valley

Fullerton

Garden Grove

Huntington Beach

Irvine

La Habra

La Palma

Los Alamitos

Newport Beach

Orange

Placentia

Santa Ana

Seal Beach

Stanton

Tustin

Villa Park

County of Orange

Costa Mesa  
Sanitary District

Midway City  
Sanitary District

Irvine Ranch  
Water District

Yorba Linda  
Water District

June 3, 2020

**NOTICE OF MEETING**

**ADMINISTRATION COMMITTEE  
ORANGE COUNTY SANITATION DISTRICT**

**Wednesday, June 10, 2020 – 5:00 P.M.**

**ACCESSIBILITY FOR THE GENERAL PUBLIC**

**Due to the spread of COVID-19, the Orange County Sanitation District will be holding all upcoming Board and Committee meetings by teleconferencing and Internet accessibility. Live audio of this meeting will be available to the public online at:**

**<https://ocsd.legistar.com/Calendar.aspx>**

**Or you may join the meeting via telephone by calling:**

**(213) 279-1455**

**Conference ID: 128-624-810#**

A regular meeting of the Administration Committee of the Orange County Sanitation District will be held in the manner indicated herein on  
Wednesday, June 10, 2020 at 5:00 p.m.



*Our Mission: To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.*

| <b>ADMINISTRATION COMMITTEE<br/>MEETING DATE</b> | <b>BOARD MEETING DATE</b> |
|--|---------------------------|
| 06/10/20   | 06/24/20                  |
| 07/08/20   | 07/22/20                  |
| <b>AUGUST DARK</b>                               | 08/26/20                  |
| 09/09/20   | 09/23/20                  |
| 10/14/20   | 10/28/20                  |
| <b>11/10/20 *</b>                                | <b>11/18/20 **</b>        |
| 12/09/20   | <b>12/16/20 **</b>        |
| <b>JANUARY DARK</b>                              | 01/27/21                  |
| 02/10/21   | 02/24/21                  |
| 03/10/21   | 03/24/21                  |
| 04/14/21   | 04/28/21                  |
| 05/12/21   | 05/26/21                  |

***\* Meeting will be held on the second Tuesday of the month***

***\*\* Meeting will be held on the third Wednesday of the month***

**ROLL CALL  
ADMINISTRATION COMMITTEE  
Finance, Information Technology, Environmental Services  
and Human Resources**

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**Meeting Date:** June 10, 2020

**Time:** 5:00 p.m.

**Adjourn:** \_\_\_\_\_

**COMMITTEE MEMBERS (13)**

|                                 |  |
|---------------------------------|--|
| Chad Wanke, Chair               |  |
| Richard Murphy, Vice-Chair      |  |
| Jim Ferryman                    |  |
| Cecilia Iglesias                |  |
| Peter Kim                       |  |
| Mark Murphy                     |  |
| Steve Nagel                     |  |
| Andrew Nguyen                   |  |
| Glenn Parker                    |  |
| Erik Peterson                   |  |
| Christina Shea                  |  |
| David Shawver (Board Chair)     |  |
| John Withers (Board Vice-Chair) |  |

**OTHERS**

|                             |  |
|-----------------------------|--|
| Brad Hogin, General Counsel |  |
|                             |  |

**STAFF**

|  |  |
|--|--|
| Jim Herberg, General Manager                   |  |
| Rob Thompson, Assistant General Manager        |  |
| Lorenzo Tyner, Assistant General Manager       |  |
| Celia Chandler, Director of Human Resources    |  |
| Kathy Millea, Director of Engineering          |  |
| Lan Wiborg, Director of Environmental Services |  |
| Kelly Lore, Clerk of the Board                 |  |

**ORANGE COUNTY SANITATION DISTRICT**  
**BOARD OF DIRECTORS**  
**Complete Roster**

Effective 02/19/2020

| <b>AGENCY/CITIES</b> | <b>ACTIVE DIRECTOR</b> | <b>ALTERNATE DIRECTOR</b> |
|----------------------|------------------------|---------------------------|
| Anaheim              | Lucille Kring          | Denise Barnes             |
| Brea                 | Glenn Parker           | Cecilia Hupp              |
| Buena Park           | Fred Smith             | Connor Traut              |
| Cypress              | Mariellen Yarc         | Stacy Berry               |
| Fountain Valley      | Steve Nagel            | Patrick Harper            |
| Fullerton            | Jesus J. Silva         | Jan Flory                 |
| Garden Grove         | Steve Jones            | John O'Neill              |
| Huntington Beach     | Erik Peterson          | Lyn Semeta                |
| Irvine               | Christina Shea         | Anthony Kuo               |
| La Habra             | Tim Shaw               | Rose Espinoza             |
| La Palma             | Peter Kim              | Nitesh Patel              |
| Los Alamitos         | Richard Murphy         | Dean Grose                |
| Newport Beach        | Brad Avery             | Joy Brenner               |
| Orange               | Mark Murphy            | Kim Nichols               |
| Placentia            | Chad Wanke             | Ward Smith                |
| Santa Ana            | Cecilia Iglesias       | David Penaloza            |
| Seal Beach           | Sandra Massa-Lavitt    | Schelly Sustarsic         |
| Stanton              | David Shawver          | Carol Warren              |
| Tustin               | Allan Bernstein        | Chuck Puckett             |
| Villa Park           | Robert Collacott       | Chad Zimmerman            |

**Sanitary/Water Districts**

|                               |                   |                  |
|-------------------------------|-------------------|------------------|
| Costa Mesa Sanitary District  | James M. Ferryman | Bob Ooten        |
| Midway City Sanitary District | Andrew Nguyen     | Margie L. Rice   |
| Irvine Ranch Water District   | John Withers      | Douglas Reinhart |
| Yorba Linda Water District    | Brooke Jones      | Phil Hawkins     |

**County Areas**

|                      |              |                  |
|----------------------|--------------|------------------|
| Board of Supervisors | Doug Chaffee | Donald P. Wagner |
|----------------------|--------------|------------------|



**Orange County Sanitation District  
ADMINISTRATION COMMITTEE  
Regular Meeting Agenda  
Wednesday, June 10, 2020 - 5:00 PM  
Board Room  
Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433**

**AGENDA POSTING:** In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted outside the main gate of the Sanitation District's Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, and on the Sanitation District's website at [www.ocsd.com](http://www.ocsd.com) not less than 72 hours prior to the meeting date and time above. All public records relating to each agenda item, including any public records distributed less than 72 hours prior to the meeting to all, or a majority of the Board of Directors, are available for public inspection in the office of the Clerk of the Board.

**AGENDA DESCRIPTION:** The agenda provides a brief general description of each item of business to be considered or discussed. The recommended action does not indicate what action will be taken. The Board of Directors may take any action which is deemed appropriate.

**MEETING AUDIO:** An audio recording of this meeting is available within 24 hours after adjournment of the meeting. Please contact the Clerk of the Board's office at (714) 593-7433 to request the audio file.

**NOTICE TO DIRECTORS:** To place items on the agenda for a Committee or Board Meeting, the item must be submitted in writing to the Clerk of the Board: Kelly A. Lore, MMC, (714) 593-7433 / [klore@ocsd.com](mailto:klore@ocsd.com) at least 14 days before the meeting.

**FOR ANY QUESTIONS ON THE AGENDA, BOARD MEMBERS MAY CONTACT STAFF AT:**

General Manager: Jim Herberg, [jherberg@ocsd.com](mailto:jherberg@ocsd.com) / (714) 593-7300  
Asst. General Manager: Lorenzo Tyner, [ltyners@ocsd.com](mailto:ltyners@ocsd.com) / (714) 593-7550  
Asst. General Manager: Rob Thompson, [rthompson@ocsd.com](mailto:rthompson@ocsd.com) / (714) 593-7310  
Director of Human Resources: Celia Chandler, [cchandler@ocsd.com](mailto:cchandler@ocsd.com) / (714) 593-7202  
Director of Engineering: Kathy Millea, [kmillea@ocsd.com](mailto:kmillea@ocsd.com) / (714) 593-7365  
Director of Environmental Services: Lan Wiborg, [lwiborg@ocsd.com](mailto:lwiborg@ocsd.com) / (714) 593-7450

**CALL TO ORDER****PLEDGE OF ALLEGIANCE****ROLL CALL & DECLARATION OF QUORUM:**

Clerk of the Board

**PUBLIC COMMENTS:**

*You may join the meeting via telephone by calling:*

(213) 279-1455  
Conference ID: 128-624-810#

*You may also submit your comments and questions in writing for the Committee's consideration by sending them to the Clerk of the Board at [OCSDClerk@ocsd.com](mailto:OCSDClerk@ocsd.com) with the subject line "PUBLIC COMMENT ITEM # (insert the item number relevant to your comment)" or "PUBLIC COMMENT NON-AGENDA ITEM". Submit your written comments by 5:00 p.m. on June 9, 2020. All public comments will be provided to the Committee and may be read into the record or compiled as part of the record.*

**REPORTS:**

*The Committee Chairperson and the General Manager may present verbal reports on miscellaneous matters of general interest to the Directors. These reports are for information only and require no action by the Directors.*

**CONSENT CALENDAR:**

*Consent Calendar Items are considered to be routine and will be enacted, by the Committee, after one motion, without discussion. Any items withdrawn from the Consent Calendar for separate discussion will be considered in the regular order of business.*

**1. APPROVAL OF MINUTES [2020-1019](#)****RECOMMENDATION:**

Approve Minutes of the Regular Meeting of the Administration Committee held May 13, 2020.

**Originator:** Kelly Lore

**Attachments:** [Agenda Report](#)  
[05-13-2020 Administration Committee Minutes](#)

**2. ENVIRONMENTAL REGULATORY REPORTS [2020-1006](#)**

**RECOMMENDATION:** Recommend to the Board of Directors to:

Receive and file environmental regulatory reports: Biosolids Management Compliance Report 2019; Annual Pretreatment Program Report Fiscal Year 2018-2019;

Semi-Annual Pretreatment Program Report Fiscal Year 2019-2020 (July-December); Annual Greenhouse Gas Emissions Report 2019; Annual Emission Report 2019; and Marine Monitoring Annual Report 2018/2019.

**Originator:** Lan Wiborg

**Attachments:** [Agenda Report](#)  
[2019 Biosolids Management Compliance Report](#)  
[2018-2019 Annual Pretreatment Program Report](#)  
[2019-2020 \(July-December\) Semi-Annual Pretreatment Program Report](#)  
[Annual Greenhouse Gas Emissions Report 2019](#)  
[Annual Emission Report 2019](#)  
[2018-19 Marine Monitoring Annual Report](#)

**3. COMPLETE FIELD INSTRUMENT CALIBRATION SOLUTION [2020-1048](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Professional Services Agreement to Beamex, Inc. to provide Instrumentation Data Management Services, Specification No. CS-2020-1102, for a total amount not to exceed \$257,714;
- B. Award a sole source purchase order for the purchase of instrumentation hardware in an amount not to exceed \$259,124; and
- C. Approve a contingency in the amount of \$77,525 (15%) for both procurements.

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[CS-2020-1102 DRAFT \(Software\) PSA](#)

**4. GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020-21 [2020-1061](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing the Annual Appropriations Limit for Fiscal Year 2020-21 for the District in accordance with the Provisions of Division 9 of Title 1 of the California Government Code".

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[FY 2020-21 Approp Limit Resolution](#)



**5. FY 2020-21 USE CHARGES FOR SANTA ANA WATERSHED PROJECT AUTHORITY [2020-1085](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing Use Charges for the 2020-21 Fiscal Year Pursuant to the Wastewater Treatment and Disposal Agreement with the Santa Ana Watershed Project Authority ("SAWPA")."

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[2020-21 SAWPA Resolution](#)

**6. TRIPLE QUADRUPOLE MASS SPECTROMETER (TQMS) [2020-1087](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a purchase order to VWR for a Triple Quadrupole Mass Spectrometer (TQMS) System in the amount of \$277,228.34 (including the TQMS system, freight, sales tax, and two (2) year extended warranty) in accordance with Ordinance No. OCSD-52, Section 2.03(B): Cooperative Procurement; (NASPO Value Point Master Agreement No. MA16000234-2 created by the State of Idaho which California (CA) agencies may utilize (CA Participating Addendum No. 7-16-99-26-01)).

**Originator:** Lan Wiborg

**Attachments:** [Agenda Report](#)

**NON-CONSENT:**

**7. 2020-21 PROPERTY - LIABILITY INSURANCE RENEWALS [2020-1091](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the Orange County Sanitation District FY 2020-21 Property-Liability Insurance Renewals for the not-to-exceed amounts specified below:

|  |                     |
|--|---------------------|
| Property and Boiler & Machinery - Not to Exceed        | \$ 1,167,866        |
| Excess General Liability Insurance - Not to Exceed     | \$ 584,718          |
| Excess Workers' Compensation Insurance - Not to Exceed | \$ 207,000          |
| Earthquake Insurance - Not to Exceed                   | \$ 93,079           |
| <b>TOTAL</b>   | <b>\$ 2,052,663</b> |

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[19-20 APIP SOC AmBest Ratings \(California\)](#)  
[Insurance Summary May 2020](#)

**8. PROPOSED FY 2020-21 AND FY 2021-22 BUDGET [2020-1068](#)**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the proposed Operating, Capital, Debt Service, and Self-Insurance Budgets for FY 2020-21 and FY 2021-22 as follows:

|  | <b>FY 2020-21</b>     |           | <b>FY 2021-22</b>  |
|--|-----------------------|-----------|--------------------|
| Net Operating                                | \$ 173,910,516        | \$        | 174,065,159        |
| Self-Insurance - Workers' Comp               | \$ 780,000            | \$        | 800,000            |
| Self-Insurance - Property & Gen. Liability   | \$ 1,630,000          | \$        | 1,680,000          |
| Net Capital Improvement Program              | \$ 147,562,000        | \$        | 240,846,000        |
| Debt/COP Service(1)                          | \$ 72,838,369         | \$        | 240,591,869        |
| Intra-District Joint Equity Purchase/Sale(2) | \$ 3,500,000          | \$        | 3,500,000          |
| <b>Total</b>                                 | <b>\$ 400,220,885</b> | <b>\$</b> | <b>661,483,028</b> |

- (1) Includes \$173,855,000 in maturing and callable debt
- (2) Cash to/from Revenue Area 14 (RA14) in exchange for capital assets to/from Consolidated Revenue Area 15 (RA15)

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[PowerPoint Presentation - Proposed Budget](#)  
[Executive Summary FY 2020-21 & 2021-22](#)  
[Proposed Budget Book FY 2020-21 & 2021-22](#)

**INFORMATION ITEMS:**

**9. FY 2020-21 USER FEE RATE ADJUSTMENT [2020-1093](#)**

RECOMMENDATION:

Information Item.

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[Cashflow Proposed Budget](#)  
[Cashflow Foregoing Rate Adjustment](#)

**10. INTERNAL REVENUE CODE SECTION 115 TRUST PENSION ACCOUNT**[2020-1096](#)**RECOMMENDATION:**

Information Item.

**Originator:** Lorenzo Tyner**Attachments:** [Agenda Report](#)**DEPARTMENT HEAD REPORTS:****CLOSED SESSION:**

None.

**OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA ITEMS, IF ANY:****BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:**

At this time Directors may request staff to place an item on a future agenda.

**ADJOURNMENT:**

The next Administration Committee meeting is scheduled for Wednesday, July 8, 2020 at 5:00 p.m.



# Orange County Sanitation District

## ADMINISTRATION COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

### Agenda Report

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**File #:** 2020-1019

**Agenda Date:** 6/10/2020

**Agenda Item No:** 1.

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**FROM:** James D. Herberg, General Manager  
Originator: Kelly A. Lore, Clerk of the Board

**SUBJECT:**

**APPROVAL OF MINUTES**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Approve Minutes of the Regular Meeting of the Administration Committee held May 13, 2020.

**BACKGROUND**

In accordance with the Board of Directors Rules of Procedure, an accurate record of each meeting will be provided to the Directors for subsequent approval at the following meeting.

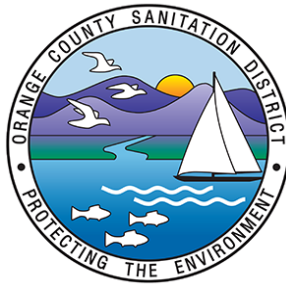
**RELEVANT STANDARDS**

- Resolution No. OCSD 19-19

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- 05-13-2020 Administration Committee Minutes



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## **CALL TO ORDER**

A regular meeting of the Administration Committee was called to order by Committee Chair Chad Wanke on Wednesday, May 13, 2020 at 5:03 p.m. in the Administration Building of the Orange County Sanitation District. Chair Wanke stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19). Chair Wanke led the Flag Salute.

The Clerk of the Board announced the teleconference meeting guidelines and stated that votes will be taken by roll call.

## **ROLL CALL AND DECLARATION OF QUORUM**

Roll call was taken and a quorum was declared present, as follows:

**PRESENT:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Erik Peterson, Christina Shea, David Shawver and John Withers

**ABSENT:** None

**STAFF PRESENT:** Jim Herberg, General Manager; Kelly Lore, Clerk of the Board; Al Garcia and Josh Martinez were present in the Boardroom; Rob Thompson, Assistant General Manager; Lorenzo Tyner, Assistant General Manager; Celia Chandler, Director of Human Resources; Kathy Millea, Director of Engineering; Lan Wiborg, Director of Environmental Services; Jennifer Cabral; Don Cutler; Jacob Dalgoff; John Frattali; Tina Knapp; Tom Meregillano; Wally Ritchie; and Eros Yong were in attendance telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel was present in the Board Room.

## **PUBLIC COMMENTS:**

None.

## **REPORTS:**

Chair Wanke did not provide a report.

General Manager Jim Herberg provided a brief COVID-19 update stating that all services are being maintained with no issues, with approximately half the employees telecommuting and the remaining half working onsite.

Mr. Herberg also announced that the OCSD Administrative Offices will be closed on May 25th in observance of the Memorial Day holiday.

**CONSENT CALENDAR:**

**1. APPROVAL OF MINUTES [2020-969](#)**

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Administration Committee Meeting held March 11, 2020.

**AYES:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Christina Shea, David Shawver and John Withers

**NOES:** None

**ABSENT:** Erik Peterson

**ABSTENTIONS:** None

**2. COSTA MESA SANITARY DISTRICT ALTERNATE DISTRICT ENGINEER LENDING AGREEMENT [2020-1016](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Approve an employee lending agreement between the Orange County Sanitation District and the Costa Mesa Sanitary District so the Orange County Sanitation District can provide Alternate District Engineer services, effective May 25, 2020 through May 24, 2021, with one 12-month extension as approved by the General Manager.

**AYES:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Christina Shea, David Shawver and John Withers

**NOES:** None

**ABSENT:** Erik Peterson

**ABSTENTIONS:** None

**3. ELECTRONIC RECORDING MEMORANDUM OF UNDERSTANDING COUNTY OF ORANGE CLERK-RECORDER'S OFFICE [2020-1043](#)**

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

- A. Approve the 2020 SECURE G2G Memorandum of Understanding with the counties of Los Angeles, Orange, Riverside, and San Bernardino, for the use of the SECURE Government to Government (G2G) Portal for a term of five (5) years; and
- B. Authorize the Clerk of the Board, or designee, to transmit/record any and all required Orange County Sanitation District real property documents in an electronic format.

**AYES:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Christina Shea, David Shawver and John Withers

**NOES:** None

**ABSENT:** Erik Peterson

**ABSTENTIONS:** None

**4. CONSOLIDATED FINANCIAL REPORT FOR THE THIRD QUARTER ENDED MARCH 31, 2020** [2020-974](#)

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Receive and file the Orange County Sanitation District Third Quarter Financial Report for the period ended March 31, 2020.

**AYES:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Christina Shea, David Shawver and John Withers

**NOES:** None

**ABSENT:** Erik Peterson

**ABSTENTIONS:** None

**5. APPROVE A CONTINGENCY INCREASE TO EXISTING SERVICE CONTRACT FOR HAZARDOUS WASTE DISPOSAL SERVICES** [2020-1052](#)

**Originator:** Celia Chandler

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Approve a contingency increase of \$35,000 (in addition to the original contingency of \$19,200 for a total contingency of \$54,200, in addition to the original contract amount of \$192,000) to the Service Contract with Clean Harbors Environmental Services, Inc., Specification No. S-2017-841, for hazardous waste services, for the remainder of the contract term ending June 30, 2020.

**AYES:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Christina Shea, David Shawver and John Withers

**NOES:** None

**ABSENT:** Erik Peterson

**ABSTENTIONS:** None

**6. GENERAL MANAGER APPROVED PURCHASES AND ADDITIONS TO THE PRE-APPROVED OEM SOLE SOURCE LIST** [2020-1051](#)

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

- A. Receive and file Orange County Sanitation District purchases made under the General Manager's authority for the period of January 1, 2020 to March 31, 2020; and
- B. Approve the following additions to the pre-approved OEM Sole Source List for the period of January 1, 2020 to March 31, 2020:
- EATON - Batteries and Replacement Services
  - BR FROST COMPANY - Jaw Clutch Assemblies
  - CLA-VAL - Valves, Repairs, Maintenance, and Start-up Services
  - FRANKLIN MILLER - Taskmaster Grinders
  - FLOWSERVE (incl. WORTHINGTON, INGERSOLL-DRESSER, DURCO, PLEUGER, BYRON JACKSON, AND PACIFIC) - Pumps and Parts
  - GROTH - Flame Arrestors and Parts
  - IOPREDICT - Test Validation for Lead Instrumentation, Instrumentation Technicians I & II
  - OCECO - Flame Arrestors and Parts
  - PCB PIEZOTRONICS - Vibration Sensors, Switches, and Instrumentation for Vibration Analysis
  - PENN PROCESS COMPRESSORS (PPC/PENN) - Pistons and Parts
  - PUTZMEISTER - Equipment, Parts, Maintenance, Repairs, and Training
  - VAUGHAN - Pump Maintenance and Repairs

**AYES:** Chad Wanke, Richard Murphy, James Ferryman, Cecilia Iglesias, Peter Kim, Mark Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Christina Shea, David Shawver and John Withers

**NOES:** None

**ABSENT:** Erik Peterson

**ABSTENTIONS:** None



**NON-CONSENT:**

None.

**INFORMATION ITEMS:**

*Director Peterson arrived at the meeting at 5:24 p.m.*

**7. SEISMIC EVALUATION OF STRUCTURES AT PLANT NOS. 1 AND 2, [2020-1060](#)  
PROJECT NO. PS15-06**

**Originator:** Kathy Millea

Director of Engineering Kathy Millea provided a PowerPoint presentation for this item that addressed resiliency at OCSD, the history of OCSD seismic evaluations, seismic risks and hazards, mitigation measures, and recommendations for long-term risk reduction.

ITEM RECEIVED AS AN:

Information Item.

**8. CAPITAL IMPROVEMENT PROGRAM PROPOSED BUDGET FOR [2020-1059](#)  
FY2020-21**

**Originator:** Kathy Millea

Ms Millea provided a PowerPoint presentation on this item that reviewed the FY 2019-2020 Capital Improvement Program and performance; completed planning studies; design and construction accomplishments; information as to the timing of when budget information, including CIP, is presented to the Board; CIP net 10-year and 20-year outlay; total CIP budget authority; new projects; top budget increases and decreases; project cancellations/closures; and projected FY 2020-2021 net CIP outlays by project phase.

ITEM RECEIVED AS AN:

Information Item.

**9. INTERIM FOOD WASTE RECEIVING FACILITY, PROJECT NO. [2020-1058](#)  
P2-124, AND PRICING POLICY DISCUSSION**

**Originator:** Lorenzo Tyner and Kathy Millea

Mr. Herberg provided a Power Point presentation that reviewed the objectives and history of the project, location, facility highlights, facility process and layout, project budget and schedule, the policy discussion had regarding tipping fee in 2019, tipping fee basis, an overview of cost recovery, comparable agencies, summary tipping fee for

preprocessed food waste for co-digestion, service area and solid waste haulers and potential food waste slurry providers, tipping fee deal points, next steps, and the outcome of tipping fee analysis.

ITEM RECEIVED AS AN:

Information Item.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

**OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA ITEMS, IF ANY:**

None.

**BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:**

Chair Wanke stated that he will be meeting with the General Manager and Assistant General Manager Tyner to talk about PARS. He also asked that the General Manager look into an alternative to the current method of Committee and Board Meeting teleconferencing.

**ADJOURNMENT:**

Chair Wanke declared the meeting adjourned at 6:15 p.m. to the Regular meeting to be held on Wednesday, June 10, 2020 at 5:00 p.m.

Submitted by:

---

Kelly A. Lore, MMC  
Clerk of the Board



# Orange County Sanitation District

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## ADMINISTRATION COMMITTEE

### Agenda Report

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**File #:** 2020-1006

**Agenda Date:** 6/10/2020

**Agenda Item No:** 2.

---

**FROM:** James D. Herberg, General Manager  
Originator: Lan C. Wiborg, Director of Environmental Services

**SUBJECT:**

**ENVIRONMENTAL REGULATORY REPORTS**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Receive and file environmental regulatory reports: Biosolids Management Compliance Report 2019; Annual Pretreatment Program Report Fiscal Year 2018-2019; Semi-Annual Pretreatment Program Report Fiscal Year 2019-2020 (July-December); Annual Greenhouse Gas Emissions Report 2019; Annual Emission Report 2019; and Marine Monitoring Annual Report 2018/2019.

**BACKGROUND**

The Orange County Sanitation District (Sanitation District) is subject to environmental regulatory oversight by the U.S. Environmental Protection Agency (EPA), Regional Water Quality Control Board (Santa Ana Region), California Air Resources Board, and South Coast Air Quality Management District (SCAQMD). These regulatory bodies require routine reporting, which is prepared by the Sanitation District's Environmental Services Department. These reports include:

1. Annual Biosolids Report (40 CFR Part 503) required by the Sanitation District's NPDES permit for ocean discharge. Due February 19<sup>th</sup> of every year.
2. Annual and Semi-Annual Pretreatment Program Reports required by the Sanitation District's NPDES permit. Due October 31<sup>st</sup> and March 31<sup>st</sup>, respectively, of every year.
3. Annual Mandatory Reporting of Greenhouse Gas Emissions required by CARB. This report uses an online portal for report preparation and submission. Due April 10<sup>th</sup> of every year.
4. Annual Emission Report required by SCAQMD. Due early-mid March of every year.
5. Annual Marine Monitoring Report required by the Sanitation District's NPDES ocean discharge permit. Due March 15<sup>th</sup> of every year.

**RELEVANT STANDARDS**

- Comply with environmental permit requirements

- Safe, beneficial reuse of biosolids
- Comply with transparency and communication requirements, including the Brown Act

## **ADDITIONAL INFORMATION**

Environmental regulatory reporting is required by local, state, and federal regulatory bodies to ensure protection of water, air, and land resources. Some of the routine reporting is completed using online reporting portals, which may perform calculations based on user input of operational data. The following key regulatory reports were filed recently.

The Biosolids Annual Report contains details about the management of the Sanitation District's biosolids, including volume, quality, and locations. In 2019, the Sanitation District produced approximately 632 tons of biosolids per day, including digester cleanings. The biosolids are anaerobically digested and dried to about 24-25% solids. The biosolids are managed via composting and land application. The Biosolids Annual Report was submitted electronically as required by EPA's Electronic Reporting Rule.

Under its National Pollutant Discharge Elimination System permit, the Sanitation District is required to establish and implement an approved pretreatment program to control the level of pollutants discharged into the sewer system. The Sanitation District is also required to submit Pretreatment Program Annual and Semi-Annual Reports detailing the status of the approved program. The reports identified herein contain information about all industrial dischargers permitted by both the Sanitation District and the Santa Ana Watershed Project Authority (SAWPA). The Annual and Semi-Annual reports were successfully completed and submitted prior to the October 31, 2019 and March 31, 2020 deadlines, respectively.

The SCAQMD's Annual Emissions Report (AER) represents a facility's annual inventory of criteria pollutants (VOC, NO<sub>x</sub>, SO<sub>x</sub>, CO, PM) and toxic air emissions. The emissions are calculated based on throughput volume and emissions measured at applicable process areas and emission units. The report assesses fees based on a facility's emissions of air contaminants for the reportable year, as specified in SCAQMD Rule 301. The AER reports for Plants Nos.1 and 2 are prepared and submitted using SCAQMD's web-based emission reporting tool. For calendar year 2019, Plant No. 1 emitted approximately 27.0 tons of criteria pollutants and the Sanitation District paid total fees in the amount of \$12,786.93. For the same reporting period, Plant No. 2 emitted approximately 27.4 tons of criteria pollutants and the Sanitation District paid total fees in the amount of \$12,511.17. The reports were completed and submitted prior to the March 17 deadline.

In accordance with the California Global Warming Solutions Act (Assembly Bill 32, 2006), the California Air Resources Board (CARB) requires all major sources that directly emit Greenhouse Gases (GHG) to report their GHG emissions resulting from their combustion of fuel and importation of electrical power for each calendar year. The GHG inventory report focuses primarily on the emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O). Similar to SCAQMD's AER reporting portal, the GHG report is electronically submitted via CARB's Cal e-GGRT reporting system. For calendar year 2019, Plant No. 1 reported roughly 23,359 metric tons of CO<sub>2</sub> emissions, while Plant No. 2 reported approximately 34,920 metric tons of CO<sub>2</sub> emissions. The reports were electronically submitted on April 10, 2020.

The Sanitation District has completed its annual report for the marine monitoring program as required by its National Pollutant Discharge Elimination System permit which evaluates and measures potential impacts to water quality, sediment chemistry, fish and invertebrate community, fish health, and sediment toxicity. The Sanitation District's ocean monitoring program has three required components: Core Monitoring, Regional Monitoring, and Strategic Process Studies, and this comprehensive program is implemented through rigorous monitoring of benthic sediments for chemical deposition, changes in biological communities, and the health of fish living near the Sanitation District's ocean outfall. Additionally, the program is tasked with profiling plume dynamics from the effluent discharge and with monitoring water chemistry, oxygen availability, and physical conditions throughout the water column to ensure regulatory compliance. This report summarizes data collected from July 2018 through June 2019 and was electronically submitted by the March 15, 2020 deadline.

As the Sanitation District continues to make advancements to the wastewater treatment processes, our marine monitoring program continues to show improvement of environmental health around the outfall and outer monitoring area. Water quality measurements demonstrate no negative environmental impacts from the Sanitation District's effluent and brine discharge. Sediment concentrations of metals and organic contaminants were well below the protective thresholds. Marine invertebrates and fish have shown comparable abundances near the outfall and non-outfall stations alike. Concentrations of trace metals and chlorinated pesticides in fish tissue (muscle and/or liver) were well below federal and state human consumption thresholds and comparable across outfall and non-outfall stations.

## **CEQA**

N/A

## **FINANCIAL CONSIDERATIONS**

N/A

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- 2019 Biosolids Management Compliance Report (*separate electronic file*)
- 2019-2019 Annual Pretreatment Program Report Fiscal Year (*separate electronic file*)
- 2019-2020 (July-December) Semi-Annual Pretreatment Program Report Fiscal Year
- Annual Greenhouse Gas Emissions Report 2019
- Annual Emission Report 2019
- 2018-19 Marine Monitoring Annual Report (*separate electronic file*)

***Orange County  
Sanitation District***

**Semi-Annual  
Pretreatment Program  
Report**

***Resource Protection Division***



**JULY - DECEMBER  
Fiscal Year 2019/2020**

Serving:

Anaheim

Brea

Buena Park

Cypress

Fountain Valley

Fullerton

Garden Grove

Huntington Beach

Irvine

La Habra

La Palma

Los Alamitos

Newport Beach

Orange

Placentia

Santa Ana

Seal Beach

Stanton

Tustin

Villa Park

County of Orange

Costa Mesa  
Sanitary District

Midway City  
Sanitary District

Irvine Ranch  
Water District

Yorba Linda  
Water District

## Orange County Sanitation District

10844 Ellis Avenue, Fountain Valley, CA 92708

714.962.2411 • www.ocsd.com

March 30, 2020

Hope A. Smythe, Executive Officer  
California Regional Water Quality Control Board  
Santa Ana Region  
3737 Main Street, Suite 500  
Riverside, CA 92501-3339

Subject: Pretreatment Program Semi-Annual Report  
July 1 through December 31, 2019

The Orange County Sanitation District (OCSD) is submitting this semi-annual report for enforcement activities conducted during the period of July 1 through December 31, 2019. These activities include inspection and sampling of permittees, enforcement actions OCSD has taken to remedy noncompliance, and information on the Santa Ana Watershed Project Authority pretreatment program under OCSD's jurisdiction.

Appendix 1 of this report, entitled Monitoring and Compliance Status Report, contains the number of industrial inspections and the number of OCSD and self-monitoring samples for each OCSD Class I permittee for the first and second quarters of Fiscal Year 2019/20.

If you or your staff have any questions, please contact me at (714) 593-7437 or Lori McKinley at (714) 593-7505.



Roya Sohanaki  
Engineering Manager, Resource Protection Division

RS:lam

H:\deptles\620\ISC\staff\mckinley\SAR\_Semi-Annual Report 2019-20\July-December 2019\20\_Cover Letter.doc

c: EPA Region 9, CWA Compliance Office  
SWRCB Pretreatment Program Manager  
Submitted electronically to [ciwqs.waterboards.ca.gov](mailto:ciwqs.waterboards.ca.gov),  
[R9pretreatment@epa.gov](mailto:R9pretreatment@epa.gov), and [NPDES\\_Wastewater@waterboards.ca.gov](mailto:NPDES_Wastewater@waterboards.ca.gov)



*Our Mission: To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.*

## CERTIFICATION STATEMENT

The following certification satisfies the reporting requirements under Section E, Order No. R8-2012-0035, for the Orange County Sanitation District's Pretreatment Requirements, NPDES Permit No. CA0110604, for the submittal of the attached Semi-Annual Report.

All reports shall be signed by either a principal executive officer or ranking elected or appointed official or a duly authorized representative of a principal executive officer or ranking elected or appointed official. A duly authorized representative of a principal executive officer or ranking elected or appointed official may sign the reports only if:

- a. The authorization is made in writing by a principal executive officer or ranking elected or appointed official;
- b. The authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of plant manager, superintendent, or position of equivalent responsibility. (A duly authorized representative may thus be either a named individual or any individual occupying a named position); and
- c. The written authorization is submitted to the Regional Board and EPA.

Each person signing a report required by this permit or other information requested by the Regional Board or EPA shall make the following certification:

*"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."*



Roya Sohanaki  
Engineering Manager, Resource Protection Division

03/30/2020

Date



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chapter 1

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**PERMITS AND CERTIFICATIONS**

## **1.0 PERMITS AND CERTIFICATION**

### **1.1 Introduction**

Orange County Sanitation District (OCSD) industrial wastewater discharge permits and certifications provide the means to limit the discharge of specific pollutants from industrial facilities and to establish a pollutant inventory from industrial dischargers. The following sections describe the types and quantities of OCSD permits issued and deactivated for the period July 1, 2019 through December 31, 2019.

There are seven permit & certification classifications for users that are administrated by OCSD's Pretreatment Program: Class I Permits, Class II Permits, Wastehauler Discharge Permits, Special Purpose Discharge Permits, Dry Weather Urban Runoff Discharge Permits, Fats/Oil/Grease (FOG) Permits, and Discharge Certifications.

### **1.2 Class I Permits**

During this reporting period, six (6) new permits were issued, and seven (7) permits were deactivated for those users who:

- a. are subject to Federal Categorical Pretreatment Standards; or
- b. average 25,000 gallons per day or more of regulated process wastewater; or
- c. have been determined by the General Manager to have a reasonable potential for adversely affecting OCSD's operation or for violating any pretreatment standard, local limit, or discharge requirement; or
- d. may cause, as determined by the General Manager, pass-through or interference with OCSD sewerage facilities.

### **1.3 Class II Permits**

During this reporting period, no new permits were issued, and no permits deactivated for those users who:

- a. have a charge for use greater than the ad valorem tax basic levy allocated to OCSD, and
- b. discharge waste other than sanitary, and
- c. are not otherwise required to obtain a Class I Permit.

### **1.4 Wastehauler Permits**

During this reporting period, four (4) new permits were issued for those users who are engaged in vehicular transport and disposal of acceptable domestic waste into OCSD's wastehauler station.

### **1.5 Special Purpose Discharge Permits**

During this reporting period, six (6) new permits were issued and eight (8) permits were deactivated for those users who discharge groundwater, subsurface drainage, unpolluted water, or other wastewater to OCSD's system. This permit is granted when no alternative method of disposal is reasonably available or to mitigate an environmental risk or a health hazard.

## **1.6 Urban Runoff Permits**

OCSD accepts the diversion of urban runoff to the sewer for treatment to remediate various public health and environmental problems which are infeasible to economically or practically control through traditional stormwater best management practices. Originally established to protect and improve the recreational waters along Orange County's coastal shoreline from bacterial pollution, the role of the Dry Weather Urban Runoff Program has expanded to include the mediation of selenium-laden waters reaching the Upper Newport Bay.

The Resource Protection Division administers the Urban Runoff Diversion Program through the issuance of a discharge permit for each of the diversion structures. The permit establishes discharge limits, constituent monitoring, and flow metering requirements, as well as provides guidelines that specifically prohibit storm runoff and authorizes discharge only during periods of dry weather. OCSD also conducts quarterly sampling and analysis of the urban runoff discharges to ensure discharge limit compliance with the various regulated constituents.

There are currently twenty-one (21) active Urban Runoff diversions under permit; three (3) owned and operated by the County of Orange, eleven (11) owned and operated by the City of Huntington Beach, three (3) owned and operated by the Irvine Ranch Water District, three (3) owned and operated by the City of Newport Beach, and one (1) owned and operated by PH Finance (present owner of the Pelican Hill Resort). There were no new diversions added to the Urban Runoff Diversion Program during this reporting period.

## **1.7 FOG (Fats, Oil, and Grease) Permits**

OCSD's Resource Protection Division facilitated the effort to develop a regional FOG Control Program to regulate the quantity and quality of FOG-laden wastewater that is discharged into the sewerage system from food service establishments (FSEs). OCSD currently manages the FOG control program for 38 FSEs that discharge directly into OCSD owned trunklines in the City of Orange.

During this reporting period, OCSD renewed eight (8) FOG permits to existing permittees, and one (1) FOG permittee was deactivated. No new FSEs were identified in OCSD's direct service area.

## **1.8 Discharge Certifications**

During this reporting period, no new Discharge Certifications were issued, and none were deactivated. One (1) new Zero Discharge Certification was issued, and one (1) deactivated for those industries that have operations subject to a federal category regulated by the EPA, but do not discharge industrial wastewater generated from these operations to the sewer.

## **1.9 Summary of Permits and Certifications in Effect**

A summary of permit and certification activity during the July 1 through December 31, 2019 period, is shown in Table 1.1.

**TABLE 1.1 – ACTIVE PERMITS AND CERTIFICATIONS July 1 - December 31, 2019**  
 Orange County Sanitation District, Resource Protection Division

| <b>Permit / Certification Type</b> | <b>New Issuance</b> | <b>Deactivated</b> | <b>Effective During Reporting Period</b> |
|------------------------------------|---------------------|--------------------|--|
| Class I (SIU)                      | 6                   | 7                  | 325                                      |
| <i>Class I Categorical (CIU)</i>   | 4                   | 5                  | 180                                      |
| <i>Class I Non-Categorical</i>     | 2                   | 2                  | 145                                      |
| Discharge Certification            | 0                   | 0                  | 2  |
| Zero Discharge Certification       | 1                   | 1                  | 22                                       |
| Class II                           | 0                   | 0                  | 21                                       |
| Wastehauler                        | 4                   | 0                  | 39                                       |
| Special Purpose                    | 6                   | 8                  | 54                                       |
| Urban Runoff                       | 0                   | 0                  | 21                                       |
| FOG                                | 0                   | 1                  | 38                                       |
| <b>TOTAL</b>                       | <b>23</b>           | <b>24</b>          | <b>522</b>                               |

**chapter 2**

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**ENFORCEMENT**



## **2.0 ENFORCEMENT**

### **2.1 Introduction**

The goal of the Orange County Sanitation District's (OCSD) industrial wastewater enforcement program is to bring its permitted industrial users into compliance with OCSD's *Wastewater Discharge Regulations* (Ordinance) terms, conditions, and limits, and to control and reduce industrial pollutants. In addition to assessing noncompliance fees, issuing Notices of Violation, and sending compliance letters, other types of enforcement actions are conducted for industrial violators when appropriate. These actions include compliance requirements, compliance inspections, compliance meetings, Probation Orders, Enforcement Compliance Schedule Agreements (ECSAs), Regulatory Compliance Schedule Agreements (RCSAs), Administrative Penalties, Permit Suspension, Permit Revocation, and Emergency Suspension Orders.

This report describes the enforcement actions that OCSD initiated or continued against noncompliant permittees for the semi-annual reporting period of July 1, 2019 through December 31, 2019.

Appendix 1 of this report, entitled Monitoring and Compliance Status Report, contains information regarding the number of industrial inspections and the number of OCSD and self-monitoring samples taken for each Class I permittee for the first and second quarters of Fiscal Year 2019/20. Each permittee's name, permit number, and address are given in the first three columns. Additional columns present the North American Industry Classification System (NAICS) code, applicable pretreatment regulation, the number of performed inspections, the number of completed samples, the pollutant(s) in discharge violations, and other applicable comments, including name changes and permit issuances/deactivations.

### **2.2 Compliance Inspections**

When a permittee is determined to be violating discharge limits, an engineer and an inspector conduct special inspections to identify and assess the noncompliance issues, require corrective actions, and monitor the progress of those permittees operating under the terms and conditions of ECSAs/RCSAs.

Thirty-seven (37) compliance inspections were conducted during the first and second quarters.

### **2.3 Compliance Meetings**

Compliance meetings are called because of a permittee's failure to achieve compliance with permit and/or Ordinance discharge, record-keeping, or other requirements. The meetings are held with OCSD staff to discuss issues and proposed solutions.

Fifteen (15) compliance meetings were conducted during the first and second quarters.

### **2.4 Compliance Requirement Letters**

Compliance requirement letters are issued to require a permittee to comply with a specific condition of the permit and/or Ordinance, or to notify the permittee of an enforcement in accordance with the Enforcement Response Plan, such as a compliance meeting.

Twenty-Six (26) compliance requirement letters were issued during the first and second quarters.

### **2.5 Order to Cease/Terminate Non-Compliance/Discharge**

Orders are issued where a permittee is continually non-compliant or has committed one or more significant violations of the permit and/or Ordinance. The Order requires a permittee to comply with a specific condition

of the permit and/or Ordinance and may notify the permittee of escalated enforcement in accordance with the Enforcement Response Plan, such as a compliance meeting.

Nine (9) orders to cease/terminate non-compliance/discharge were issued during the first and second quarters.

## **2.6 Notices of Violation**

A Notice of Violation (NOV) is a written notification from OCSD that references findings from recent sampling programs and indicates that specific violations of the permittees' discharge limits have occurred. The NOV is usually accompanied by non-compliance sampling and/or processing fees. The NOV instructs the permittee to take immediate action to correct the problem.

Sixty (60) Notices of Violation were issued in the first and second quarters.

## **2.7 Probation Orders**

Pursuant to Section 603.1 of OCSD's Ordinance, a Probation Order may be issued if a permittee has violated any terms, conditions, or limits of its discharge permit or OCSD's Ordinance, or has not paid all amounts owed to OCSD. The term of the Probation Order may not exceed 90 days and the permittee is required to comply with all directives, conditions, or requirements within the time specified.

One (1) Probation Order was issued in the first and second quarters.

## **2.8 Enforcement Compliance Schedule Agreement (ECSA)**

If a permittee is in noncompliance with the terms, conditions, or limits specified in the permit or the Ordinance and needs to construct and/or acquire and install equipment related to pretreatment, OCSD may require the permittee to enter into an ECSA. The ECSA contains terms and conditions by which the permittee must operate and specifies dates for construction and/or acquiring and installing the pretreatment equipment and achieving compliance.

One (1) ECSA was issued during the first and second quarters.

## **2.9 Regulatory Compliance Schedule Agreement (RCSA)**

Subsequent to the issuance of an Industrial Wastewater Discharge Permit to an industrial user, federal Categorical Pretreatment Standards may be adopted or revised by the EPA, or OCSD may enact revised discharge limits. If the General Manager determines that a permittee would not be in compliance with the newly adopted or revised limits, the permittee may be required to enter into a RCSA with OCSD. The terms and conditions of a RCSA require the permittee to achieve compliance with all new standards by a specific date. RCSAs have a maximum term of two-hundred seventy (270) days.

The issuance of a RCSA may contain terms and conditions including, but not limited to, requirements for installation of pretreatment equipment and facilities, submittal of drawings or reports, waste minimization practices, or other provisions to ensure compliance with OCSD's Ordinance. While the RCSA is in effect, any discharge by the permittee in violation of the RCSA will require payment of non-compliance sampling fees in accordance with Article 6 of OCSD's Ordinance.

There were no RCSAs issued during the first and second quarters.

## **2.10 Administrative Penalties**

Pursuant to the authority of California Government Code Section 54740.5, OCSD may issue an Administrative Complaint against the responsible officer or owner of any permittee that violates any permit condition or effluent limit.

Administrative penalties were issued in two (2) Administrative Compliant Settlement Agreements during the first and second quarters.

## **2.11 Permit Suspension**

OCSD staff may seek permit suspension if a permittee fails to comply with the terms and conditions of an ECSA, RCSA, or Probation Order; fails to provide reports; or violates any condition or limit of a discharge permit or Ordinance provision. When OCSD believes that grounds exist for permit suspension, the permittee is notified in writing of the reasons for permit suspension and the date of the permit suspension hearing.

At the hearing, OCSD staff and the permittee are provided the opportunity to present their evidence to the Hearing Officer. After the hearing, a written determination is made and upon order of suspension the permittee must cease discharge to the sewer for the duration of the suspension.

No permit suspensions were ordered during the first and second quarters.

## **2.12 Permit Revocation**

OCSD staff may seek permit revocation if a permittee fails to comply with the terms and conditions of an ECSA, RCSA, or Probation Order; fails to provide reports; or violates any condition or limit of a discharge permit or Ordinance provision. When OCSD believes that grounds exist for permit revocation, the permittee is notified in writing of the reasons for permit revocation and the date of the permit revocation hearing.

At the hearing, OCSD staff and the permittee are provided the opportunity to present their evidence to the Hearing Officer. After the hearing, a written determination is made and upon order of revocation the permittee must permanently terminate discharge to the sewer and the permit is no longer active.

No permit revocations were ordered during the first and second quarters.

## **2.13 Emergency Suspension Order**

Pursuant to Section 614 of OCSD's Ordinance, an Emergency Suspension Order may be ordered to stop an actual or impending discharge that presents or may present an imminent or substantial endangerment to the health and welfare of persons or to the environment; may cause interference to OCSD's sewerage facilities; or may cause OCSD to violate any state or federal law or regulation.

No Emergency Suspension Orders were issued during the first and second quarters.

## **2.14 Civil/Criminal Complaints**

When a permittee intentionally or negligently violates any provision of the Ordinance, permit conditions, or discharge limits, OCSD may petition to the Superior Court for the issuance of a preliminary or permanent restraining order. In addition, OCSD can petition the Court to impose, assess, and recover civil penalties for each day that violation occurs or seek criminal penalties for illegal disposal in accordance with OCSD's Ordinance.

No civil/criminal complaints were made during the first and second quarters.

## 2.15 Industries with Discharge Violations

The table below lists those facilities with discharge violations between July 1<sup>st</sup> – December 31<sup>st</sup>, 2019, and whether the violation(s) exceeded Federal Categorical Standard (FCS) Limits, OCS D Local Limits, or both.

| <b>TABLE 2.1 - INDUSTRIES WITH DISCHARGE VIOLATIONS July 1 - December 31, 2019</b> |                     |                           |            |                                    |                      |
|--|---------------------|---------------------------|------------|------------------------------------|----------------------|
| Orange County Sanitation District, Resource Protection Division                    |                     |                           |            |                                    |                      |
| Facility   | Permit No.          | Pollutant(s) in Violation | Date       | Exceeded Federal Categorical Limit | Exceeded Local Limit |
| Advance Tech Plating, Inc.   | 1-021389            | Zinc                      | 08/06/2019 | √                                  | √                    |
| Aluminum Precision Products, Inc. (Susan)  | 1-011100            | Zinc                      | 11/05/2019 |                                    | √                    |
| Anchen Pharmaceuticals, Inc. (Fairbanks)   | 1-541180            | pH                        | 11/08/2019 |                                    | √                    |
| Anchen Pharmaceuticals, Inc. (Goodyear)  | 1-600359            | Acetone                   | 12/23/2019 | √                                  |                      |
| Arconic Global Fastening Systems Inc.  | 1-021081            | Molybdenum                | 09/17/2019 |                                    | √                    |
|  |                     | Molybdenum                | 09/19/2019 |                                    | √                    |
| Bodycote Thermal Processing  | 1-031120            | Molybdenum                | 10/30/2019 |                                    | √                    |
| Brea Power II, LLC   | 1-521837            | pH                        | 07/31/2019 |                                    | √                    |
| Bristol Industries   | 1-021226            | Cadmium                   | 07/11/2019 | √                                  | √                    |
|  |                     | Nickel                    | 07/11/2019 | √                                  | √                    |
|  |                     | Silver                    | 07/11/2019 | √                                  | √                    |
|  |                     | Silver                    | 09/06/2019 |                                    | √                    |
|  |                     | CN                        | 10/29/2019 | √                                  |                      |
|  |                     | CN amen.                  | 10/29/2019 | √                                  |                      |
|  |                     | Cadmium                   | 11/14/2019 | √                                  |                      |
|  |                     | Cadmium                   | 11/20/2019 | √                                  |                      |
|  |                     | Cadmium                   | 11/27/2019 | √                                  |                      |
|  |                     | Cadmium                   | 12/04/2019 | √                                  |                      |
|  |                     | CN amen.                  | 12/04/2019 | √                                  |                      |
|  |                     | CN amen.                  | 12/12/2019 | √                                  |                      |
|  |                     | Cadmium                   | 12/27/2019 | √                                  |                      |
| CN   | 12/27/2019          | √                         |            |                                    |                      |
| Brothers International Desserts (North)  | 1-600583            | pH                        | 09/09/2019 |                                    | √                    |
| Coast to Coast Circuits, Inc.  | 1-111129            | pH                        | 10/02/2019 |                                    | √                    |
| Corru-Kraft Buena Park   | 2-032085 & 1-600806 | pH                        | 09/12/2019 |                                    | √                    |

| <b>TABLE 2.1 - INDUSTRIES WITH DISCHARGE VIOLATIONS July 1 - December 31, 2019</b> |            |                           |            |                                    |                      |
|--|------------|---------------------------|------------|------------------------------------|----------------------|
| Orange County Sanitation District, Resource Protection Division                    |            |                           |            |                                    |                      |
| Facility   | Permit No. | Pollutant(s) in Violation | Date       | Exceeded Federal Categorical Limit | Exceeded Local Limit |
| CP-Carrillo, Inc. (Armstrong)  | 1-600920   | pH                        | 10/25/2019 |                                    | √                    |
| Data Aire, Inc. #2   | 1-021379   | pH                        | 07/25/2019 |                                    | √                    |
|  |            | pH                        | 07/26/2019 |                                    | √                    |
| Dr. Smoothie Enterprises - DBA Bevolution Group                                    | 1-600131   | pH                        | 08/21/2019 |                                    | √                    |
| Electrolurgy, Inc.   | 1-071162   | Silver                    | 08/28/2019 | √                                  |                      |
| Gemini Industries, Inc.  | 1-071172   | Molybdenum                | 11/06/2019 |                                    | √                    |
| Hixson Metal Finishing   | 1-061115   | Cadmium                   | 11/19/2019 | √                                  | √                    |
| Linco Industries, Inc.   | 1-021253   | Zinc                      | 10/15/2019 |                                    | √                    |
| Meggitt, Inc.  | 1-600006   | Lead                      | 08/02/2019 | √                                  |                      |
| National Construction Rentals  | 1-600652   | pH                        | 11/04/2019 |                                    | √                    |
|  |            | pH                        | 11/05/2019 |                                    | √                    |
| Republic Waste Services  | 1-521827   | Chromium                  | 07/18/2019 |                                    | √                    |
|  |            | Copper                    | 07/18/2019 |                                    | √                    |
|  |            | Lead                      | 07/18/2019 |                                    | √                    |
|  |            | Nickel                    | 07/18/2019 |                                    | √                    |
|  |            | Zinc                      | 07/18/2019 |                                    | √                    |
|  |            | Copper                    | 11/07/2019 |                                    | √                    |
| Star Manufacturing LLC, dba Commercial Metal Forming                               | 1-600653   | O&G min.                  | 07/10/2019 |                                    | √                    |
| Stremicks Heritage Foods, LLC  | 1-021028   | pH                        | 11/20/2019 |                                    | √                    |
| Superior Plating   | 1-021090   | CN                        | 08/14/2019 | √                                  |                      |
| Superior Processing  | 1-021403   | Nickel                    | 07/30/2019 | √                                  | √                    |
|  |            | Nickel                    | 12/03/2019 | √                                  | √                    |
| Thompson Energy Resources, LLC   | 1-521773   | O&G min.                  | 08/28/2019 |                                    | √                    |
|  |            |                           | 11/13/2019 |                                    | √                    |

## 2.16 Enforcement – Summary by Permittee

This section summarizes various enforcement actions conducted for permittees in the first half of FY 2019/20. Potential enforcement actions include permit revocations, permit suspensions, compliance inspections, compliance meetings, probation orders, enforcement compliance schedule agreements (ECSA), orders to cease, among others.

### **A & R Powder Coating, Inc. (Permit No. 1-021088)**

A & R Powder Coating, Inc. (A & R) performs powder coating and painting. Cold rolled steel and aluminum parts are brought in by outside customers. The parts are processed through an iron phosphate conversion coating line and then heated briefly in an oven to dry off residual moisture prior to spray painting or powder coating per customer requirements. A & R employs a batch holding tank to store wastewater from the iron phosphate wash line. The batch is reportedly allowed to sit overnight and checked for zinc concentration with a Hach field test kit periodically, with the results entered onto a logbook. After testing and inspection, the tank is drained the next morning into a small three-stage clarifier. The holding tank is opaque and has a conical bottom for ease of inspection and solids removal, and a cartridge filter system is installed on the inlet plumbing line to remove solids during transfer of the rinse water from the wash line.

In June 2019, A & R Powder Coating (A & R) had a molybdenum violation.

#### **July 1 – December 31, 2019**

On **August 8, 2019**, OCSD issued a Notice of Violation for the previous month's molybdenum noncompliance. On **September 4, 2019**, OCSD conducted a Compliance Inspection and resampling. The iron phosphate solution used at A & R had previously been identified to be the source of violation as it contained sodium molybdate. During the inspection, A & R mentioned that in mid-August, shortly after receiving the Notice of Violation, A & R pumped out the tanks and clarifier and replaced the iron phosphate solution with a non-molybdate chemical to prevent future violations. The resampling results showed compliance.

A & R had no further violations during this reporting period. OCSD will continue to monitor A & R's discharge and compliance status on a quarterly basis.

### **Accurate Circuit Engineering (Permit No. 1-011138)**

Accurate Circuit Engineering (Accurate) is a printed circuit board (PCB) manufacturer with an in-house design and engineering team, as well as large scale manufacturing operations. Accurate manufactures various types of PCBs, including rigid single sided, rigid double-sided, and rigid multilayer. Wastewater is primarily generated by the photo developing operations, etching, scrubbing via hyoki, alkaline cleaning, Cobra bond micro-etch, black oxide line, electroless copper and electrolytic copper plating, screen wash booths, cross-sectional grinding and associated rinses. Pretreatment consists of continuous ion exchange and hydroxide precipitation.

In April 2019, Accurate had silver daily and monthly average discharge limit violations, as well as a copper monthly average discharge limit violation. In May 2019, OCSD issued a Notice of Violation for the silver daily limit violation. OCSD conducted a Compliance Inspection during which it was determined that the silver recovery unit was not operating properly and Accurate was not verifying silver compliance before discharging to the sewer. Accurate opted to wastehaul all developer wastewater to avoid future silver violations.

#### **July 1 – December 31, 2019**

On **July 1, 2019**, OCSD issued a Notice of Violation for the April 2019 copper and silver monthly limit violations. Accurate had no further violations during this reporting period. OCSD will continue to monitor Accurate's discharge and compliance status on a quarterly basis.

### **Active Plating, Inc. (Permit No. 1-011115)**

Active Plating, Inc. (Active Plating) is a job shop metal finishing facility. Active Plating performs zinc plating with clear and gold chromate conversion coating on steel, and chemfilm operations on aluminum parts. Parts are generally used in electronics or computer applications. Wastewater is segregated between hexavalent chrome bearing operations and other metal-bearing/alkaline wastestreams. Pretreatment consists of

chromium reduction, hydroxide precipitation, with settling and flocculation in two parallel clarification tanks. Active Plating has pH and ORP probes connected to an advanced programmable logic controller which automates the treatment system.

In April 2018, Active Plating had a zinc violation, and was issued a Notice of Violation. In May 2018, OCSD conducted a Compliance Inspection during which the pH and ORP probes were found not operating properly. OCSD also noted that Active Plating periodically takes one of the clarification tanks off-line for batch treatment or solids removal. When this occurs, floc carry-over into the sample point becomes an issue due to reduced treatment capacity. In June 2018, OCSD held a Compliance Meeting with Active Plating during which the company was required to come up with a long-term solution for implementing effective process controls and treatment when one clarification tank is offline. The company was also required to submit detailed pretreatment system drawings and an updated facility plot plan.

In October 2018, Active Plating had another zinc violation, and was issued another Notice of Violation. In December 2018, OCSD conducted a follow-up Compliance Inspection during which treatment concerns involving hydraulic capacity of the system were identified. Hence, OCSD issued a Compliance Requirements Letter to Active Plating to address the noted deficiency.

In January 2019, OCSD held a Compliance Meeting with Active Plating to discuss corrective actions. In April 2019, OCSD issued a Probation Order providing deadlines for corrective actions. In June 2019, OCSD issued another Compliance Requirement Letter extending Probation Order deadlines.

#### July 1 – December 31, 2019

On **September 4, 2019**, OCSD observed a flexible hose discharging city water into Active Plating's sample point while Active Plating was conducting self-monitoring. Thus, on **September 24, 2019**, OCSD issued an Order to Cease Noncompliant Discharges requiring the company to take immediate corrective actions to prevent dilution sources. Additionally, on **September 24, 2019**, OCSD issued a follow-up Compliance Requirements Letter to address Active Plating's failure to submit documents required in the Probation Order and attend a Compliance Meeting. On **October 29, 2019**, OCSD held the Compliance Meeting with Active Plating, during which OCSD informed Active Plating of its intention to issue an Administrative Complaint. Active Plating expressed interest in settling the matters with OCSD. An Administrative Complaint Settlement Agreement will be issued during the next reporting period.

#### **Advance Tech Plating, Inc. (Permit No. 1-021389)**

Advance Tech Plating, Inc. (ATP) is a job shop metal finishing facility. The facility performs anodizing and passivation on steel and aluminum parts and some copper/brass parts. Operations at ATP start with precleaning and etching, then deoxidizing with muriatic acid and anodizing with sulfuric acid, followed by chem filming and dye coloring per customer specification. To protect the dyed surface, the parts are dipped in a clear anoseal followed by final rinsing and drying. Majority of the wastewater is generated from the rinsing operations. ATP operates a continuous and a batch pretreatment system which consists of chrome reduction, pH adjustment, flocculation, metal precipitation and clarification. ATP utilizes a filter press for sludge dewatering.

In May 2019, ATP had pH violations and major zinc, copper, and nickel daily and monthly average discharge limit violations. OCSD issued ATP Notices of Violation along with an Order to Cease Noncompliant Discharges due to the severity of the violations. OCSD also conducted a Compliance Inspection during which ATP was directed to stop noncompliant discharges and determine the cause of the violations. ATP submitted a response letter indicating that a clogged discharge tube on the sodium hydroxide metering pump led to a low pH and, hence, incomplete treatment of metals. ATP's corrective actions included installation of a low pH alarm and a recirculation line, which would allow ATP to recirculate noncompliant wastewater back into the treatment tanks.

In June 2019, OCSD issued a Compliance Requirement Letter directing ATP to attend a Compliance Meeting to discuss the violations. During the Compliance Meeting, ATP was directed to take the following additional corrective measures: automating the low pH recirculation line with, having a qualified operator present during all discharge hours, maintaining the pretreatment tanks, good housekeeping, and performing a hydraulic evaluation of the pretreatment system.

July 1 – December 31, 2019

On **July 9, 2019**, OCSD issued a Compliance Requirements Letter requiring ATP to have a qualified operator present during all discharge hours, maintain the pretreatment tanks, have good housekeeping, and perform a hydraulic evaluation of the pretreatment system by the end of **August 2019**. On **August 6, 2019**, ATP had multiple major zinc violations. On **August 8** and **August 21, 2019**, Notices of Violation were issued to ATP to address the May 2019 monthly limit violations and the most recent zinc violations, respectively. On **September 9, 2019**, OCSD conducted a Compliance Inspection during which ATP attributed the violation to malfunctioning pH and ORP controllers. The malfunction was due to an issue with the grounding of the controller which was immediately fixed upon discovery. OCSD once more emphasized the importance of installation of pH alarm and automatic controller to prevent future violations and required ATP to record and maintain a batch treatment log on site. ATP also mentioned that due to lack of a qualified operator on the second shift, the facility plans to operate the continuous pretreatment system only during the first shift. During the second shift, all generated industrial wastewater is to be routed to the batch treatment tank. The operator then treats the batch the following day and will gradually bleed the partially treated wastewater to the continuous system.

The installation of a low/high pH alarm and automatic controller was completed and confirmed on **October 7, 2019**. At OCSD's direction, ATP conducted multi-day sampling starting **October 7, 2019** until **October 12, 2019** to verify compliance after the installation. The multi-day sampling results showed compliance. On **November 4, 2019**, OCSD issued a Notice of Violation for the August 2019 zinc monthly limit violation. Furthermore, OCSD increased the frequency of ATP's heavy metals self-monitoring requirements from monthly to weekly effective **December 1, 2019**.

OCSD will continue to monitor ATP's discharge and compliance status on a quarterly basis.

**Alliance Medical Products, Inc. (Permit No. 1-541182)**

Alliance Medical Products, Inc. (Alliance) is a manufacturer of medical surgical devices along with aqueous and injectable drugs which are produced under aseptic conditions. Medical devices include corneal storage media, ocular implants and other clinical products. Other manufactured items include medical delivery devices, sterile ointments and gels, as well as several clinical products that are considered combination products by the FDA. Wastewater is generated from the aseptic sterile filling process, cleaning of glassware in the labs, production of steam for the autoclaves, rinsing and cleaning of manufacturing equipment and tooling, and surplus injection water not utilized during a production run. The wastewater is discharged to the sewer without any form of pretreatment.

In June 2019, Alliance had a pH violation.

July 1 – December 31, 2019

On **July 9, 2019**, OCSD issued a Notice of Violation for the previous month's pH violation. On **August 2, 2019**, OCSD conducted a Compliance Inspection during which Alliance indicated that the source of the violation is the Clean in Place (CIP) process. The current process at Alliance uses a Jensen CIP system, which operates on a selector switch scheme. Alliance determined that an operator selected the wrong position on the drain switch and incorrectly diverted low pH rinse water to the drain. On **August 7, 2019**, Alliance submitted a corrective action letter, which included implementation of a new batch process where all CIP wastewater will be discharged to a waste drum. This wastewater will be analyzed for pH and will be discharged to the drain only if the wastewater is within an allowable pH range.



During the investigation of the probable source of the pH violation, OCSD instructed Alliance to prepare a plumbing plan of the facility to determine all the wastewater discharge points. As a result of this study, it was determined that Alliance's sample point is not representative of the discharge at the facility. OCSD will issue a Compliance Requirements Letter during the next reporting period to address the sample point issue.

#### **Aluminum Precision Products, Inc. - Susan (Permit No. 1-011100)**

Aluminum Precision Products, Inc. – Susan (Aluminum Precision) manufactures parts for the aerospace, automotive, commercial, military/defense, recreational, and transportation industries utilizing hot press forging techniques. Support services include assembly, CNC machining, engineering, mold making, painting, and plating. Some metal finishing and painting operations are performed offsite by outside vendors. The company performs cleaning/chemical etching on forged parts using acidic and caustic solutions, however, these finishing operations default to forming regulations. Wastewater is generated by multiple stage countercurrent rinses following the etching/deoxidation operations, the spray rinse following the dye penetrant testing/inspection, and the spent solutions from the vibratory deburring operations. Pretreatment at Aluminum Precision consists of a continuous hydroxide precipitation system.

July 1 – December 31, 2019

On **November 5, 2019**, Aluminum Precision had a zinc violation, for which a Notice of Violation was issued on **November 26, 2019**. On **December 17, 2019**, Aluminum Precision submitted a written description of the cause of the violation and the corrective actions taken by the company. Aluminum Precision attributed the violation to a faulty pH probe in the receiving/pH adjustment tank. The pH probe had since been replaced and an additional probe was installed in the discharge tank as well. Aluminum Precision also purchased two hand-held pH meters and stopped using pH strips for compliance confirmation in the receiving and discharge tanks. Additional corrective actions included setting an alarm in the discharge tank when the pH drops below 9.0 or raises above 10.0, and training operators to ensure they understand the changes made and the steps to follow when the pH alarms are triggered. Aluminum Precision also conducted multi-day sampling, the results of which all showed compliance.

Aluminum Precision had no further violations during this reporting period. OCSD will continue to monitor Aluminum Precision's discharge and compliance status on a quarterly basis.

#### **Anchen Pharmaceuticals, Inc. - Fairbanks (Permit No. 1-541180)**

Anchen Pharmaceuticals, Inc. - Fairbanks (Anchen Fairbanks) manufactures pharmaceutical tablets and capsules. The manufacturing process includes weighing, mixing, granulation, drying, blending, compression, coating, and encapsulation (for capsules). Wastewater is generated by the cleaning of the equipment used in the production operations. Anchen Fairbanks does not have a pretreatment system and relies solely on best management practices in handling solvents used at the facility. Out of the five volatile organic compounds regulated under the Pharmaceutical Manufacturing federal category, acetone is the main constituent of concern at Anchen Fairbanks. When acetone is used in a formulation, it is also used to clean out residues in the mixing/blending equipment.

July 1 – December 31, 2019

On **November 8, 2019**, Anchen Fairbanks had a pH violation. OCSD will issue a Notice of Violation for this noncompliance during the next reporting period.

### **Anchen Pharmaceuticals, Inc. - Goodyear (Permit No. 1-600359)**

Anchen Pharmaceuticals, Inc. - Goodyear (Anchen) manufactures pharmaceutical tablets and capsules. The manufacturing process includes weighing, mixing, granulation, drying, blending, compression, coating, and encapsulation (for capsules). Wastewater is generated by the cleaning of the equipment used in the production operations. Anchen does not have a pretreatment system and relies solely on best management practices in handling solvents used at the facility. Out of the five volatile organic compounds regulated under the Pharmaceutical Manufacturing federal category, acetone is the main constituent of concern at Anchen. When acetone is used in a formulation, it is also used to clean out residues in the mixing/blending equipment.

In January 2019, Anchen had acetone daily and monthly average discharge limit violations. In February 2019, a Notice of Violation was issued for the acetone daily limit violation. In March 2019, OCSD conducted a Compliance Inspection during which Anchen indicated that the company has not been able to determine the exact cause or source of the exceedance, although it can most likely be attributed to Anchen staff's failure to follow proper equipment cleaning procedures. In April 2019, OCSD issued a Notice of Violation for the January 2019 acetone monthly limit violation. OCSD also issued a Compliance Requirement Letter and held a Compliance Meeting with Anchen during which Anchen indicated that they have reminded their staff to follow proper waste handling procedures. Anchen also reminded their Technical Services and QC Laboratory group leaders that discharge of chemicals into any building's floor drains, sinks, and fume hood cup sinks is prohibited. OCSD advised Anchen that the company may be required to install pretreatment equipment if the facility continues to be noncompliant. In May 2019, Anchen notified OCSD via an email that the main product line at the Goodyear facility has been transferred to Anchen's Fairbanks facility. OCSD issued another Compliance Requirements Letter directing Anchen to increase the frequency of acetone self-monitoring from semi-annual to quarterly, effective June 2019. OCSD revised Anchen's permit to reflect this increased self-monitoring frequency for acetone.

July 1 – December 31, 2019

On **December 23, 2019**, Anchen Goodyear had another acetone violation.

OCSD will issue a Notice of Violation and pursue escalated enforcement action during the next reporting period.

### **Anchen Pharmaceuticals, Inc. - Jeronimo (Permit No. 1-541179)**

Anchen Pharmaceuticals, Inc. - Jeronimo (Anchen Jeronimo) manufactures pharmaceutical tablets and capsules. The manufacturing process includes weighing, mixing, granulation, drying, blending, compression, coating, and encapsulation (for capsules). Wastewater is generated by the cleaning of the equipment used in the production operations. Anchen Jeronimo does not have a pretreatment system and relies solely on best management practices in handling solvents used at the facility. Out of the five volatile organic compounds regulated under the Pharmaceutical Manufacturing federal category, acetone is the main constituent of concern at Anchen Jeronimo. When acetone is used in a formulation, it is also used to clean out residues in the mixing/blending equipment.

July 1 – December 31, 2019

In **August 2019**, Anchen Jeronimo had an acetone monthly average discharge limit violation, for which a Notice of Violation was issued on **November 7, 2019**. On **December 5, 2019**, Anchen Jeronimo submitted a corrective action report indicating that the company has not been able to determine the exact cause or source of the exceedance. Anchen Jeronimo also stated that the company has reduced the amount of Isopropyl Alcohol (IPA – which can lead to acetone generation) used in production, removed the laboratory fume hood cup sinks, and will conduct quarterly audits to ensure that there is no future acetone violation.

OCSD will pursue escalated enforcement action during the next reporting period as a result of the continued noncompliance.

### **Arconic Global Fasteners & Rings, Inc. (Permit No. 1-021081)**

Arconic Global Fasteners & Rings, Inc. (Arconic) manufactures aluminum, titanium, and steel fasteners. Wastewater-generating processes include cadmium, copper, silver, nickel and zinc plating, potassium permanganate treatment, cyanide stripping, glycol lubricant coating, acid stripping, chromate conversion coating, deburring, quenching, miscellaneous cleaning (mop water), acid/alkaline cleaning, and air scrubbing. Arconic's continuous pretreatment system consists of pH adjustment, cyanide destruction, chromium reduction, clarification, and sludge dewatering using a filter press. Separate, dedicated pretreatment systems are used including electrowinning (for silver plating) and oil/water separation.

In September 2017, Arconic had a cyanide (amenable) violation. In December 2017, OCSD conducted a compliance inspection and routine sampling during which the sampling method/location for cyanide sampling was discussed and the cyanide treatment system was found to be adequately working. The sampling results showed compliance. In February 2018, Arconic sent OCSD a letter contesting the cyanide violation. After a comprehensive review, OCSD concluded that the sample result was valid, and therefore the violation was upheld.

In February 2019, Arconic had cadmium and molybdenum violations. In June 2019, OCSD conducted a Compliance Inspection and resampling, during which Arconic identified a lubricant product in use at the facility as the likely source of the molybdenum violation. The resampling results showed compliance. However, routine sampling conducted later that month showed another molybdenum violation. Arconic also exceeded its cyanide (amenable) monthly average discharge limit in June 2019.

#### **July 1 – December 31, 2019**

On **August 12, 2019**, OCSD issued a Notice of Violation for the June 2019 molybdenum noncompliance. On **August 29, 2019**, OCSD conducted a Compliance Inspection during which Arconic detailed another operation that is a possible source of molybdenum, which was the cleaning of dip baskets with dry-film lubricant (containing molybdenum) in one of the rinses. Arconic has trained its staff to clean the baskets in the molten salt bath specifically designed for that purpose.

On **September 3, 2019**, OCSD issued a Notice of Violation for the June 2019 cyanide (amenable) monthly limit violation. On **September 18, 2019**, Arconic forwarded a corrective action report, which stated that the company had re-evaluated the cyanide treatment equipment and replaced the ORP and pH measurement equipment to improve performance.

Arconic performed voluntary self-monitoring for three days from **September 17-19, 2019**. The sampling showed molybdenum violations on the 17<sup>th</sup> and 19<sup>th</sup>, for which a Notice of Violation was issued on **October 3, 2019**. On **November 7, 2019**, OCSD issued a Compliance Requirements Letter requiring Arconic to attend a Compliance Meeting on **December 3, 2019**. During the meeting, Arconic detailed efforts taken to date intended to improve compliance including: employee training, replaced control and treatment equipment (ORP, pH and new microfiltration media), substitution of cooling tower additive to a non-molybdenum chemical, and the implementation of on-site laboratory molybdenum testing of the suspect solutions prior to discharge. On **December 12, 2019**, Arconic submitted a letter summarizing the afore-mentioned corrective actions. On **October 21, 2019** Arconic was published as significantly non-compliant for the 2018-2019 reporting period due to chronic and acute molybdenum discharge violations that occurred on **February 20, 2019** and **June 19, 2019**.

OCSD will also continue to monitor Arconic's discharge and compliance status in the upcoming year to determine if additional enforcement is necessary.

### **Aseptic Technology, LLC (Permit No. 1-501002)**

Aseptic Technology, LLC (Aseptic) is a beverage and dietary supplements manufacturer. Due to a delinquency in making timely payments for user charges, in January 2016, the OCSD Board of Directors approved a 12-month payment agreement with Aseptic in the amount of \$199,228.03. Aseptic made timely payments in accordance with the agreement and completed the 12-month schedule as of January 2017. However, Aseptic Technology failed to make payments against quarterly invoices after January 2017; thereby necessitating a second payment agreement request in July 2017 for delinquent amounts totaling \$451,161.54. The second payment agreement also required Aseptic to remit timely payments against new obligations occurring during the term of the agreement.

In January 2018, Aseptic requested a third payment agreement for delinquencies owed in the amount of \$252,315.72. This payment agreement request was authorized, and it required a letter of credit and a stipulation that current invoices were to be paid in a timely manner. As a result of the payment agreement, a typical two-year Class 1 permit was not issued to Aseptic, and the permit was renewed for only three months-at-a-time.

Due to Aseptic's repeated failure to make timely payments pursuant to the third payment agreement, OCSD did not renew the permit which was expiring end of March 2019. In April and May 2019, OCSD conducted Compliance Inspections during which OCSD noted that Aseptic continued to discharge industrial wastewater to the sewer. In April 2019, OCSD issued Aseptic an Order to Cease Discharge Without a Valid Permit. When a payment was finally received in May 2019, the then expired permit was renewed with a new expiration date set for the end of that month. This permit was not renewed again due to the facility's non-payment of user charges. In June 2019, OCSD issued another Order to Cease Discharge Without a Valid Permit and held a Compliance Meeting during which Aseptic agreed to settle the violations associated with discharging without a valid permit.

#### **July 1 – December 31, 2019**

On **July 11, 2019**, OCSD issued another Order to Cease Discharge Without a Valid Permit due to Aseptic's failure to make full payment of past due amounts. On **August 29, 2019**, OCSD issued a Settlement Agreement to Aseptic for a settlement of \$185,000.00 for discharging without a valid permit between April 1 and June 17, 2019. Aseptic has been making monthly payment towards these negotiated penalties, however, Aseptic has not paid the overdue user charges; hence, on **September 9, 2019**, OCSD issued another Order to Cease/Terminate Discharge Without a Valid Permit. Aseptic continued to discharge without a valid permit through the end of the reporting period, and therefore, OCSD will escalate enforcement during the next period.

### **Auto-Chlor System of Washington, Inc. (Permit No. 1-511384)**

Auto-Chlor System of Washington, Inc. manufactures soaps and detergents through chemical blending operations, and conducts packaging and distribution operations from bulk quantities to smaller containers. In addition, the company provides commercial dishwashing and laundering services. Auto-Chlor operates a batch pretreatment system.

In June 2019, OCSD conducted a Compliance Inspection and observed a hard-plumbed city water connection into Auto-Chlor's batch treatment tank. Auto-Chlor stated that city water was being added to the batch tank during treatment of wastewater generated onsite to make the water level high enough for treatment.

#### **July 1 – December 31, 2019**

On **September 24, 2019**, OCSD issued a Compliance Requirements Letter requiring Auto-Chlor to take corrective actions to change the treatment operations and procedures, and prevent any dilution sources from affecting the quality of industrial wastewater discharged into the sewer. Auto-Chlor was required to submit a corrective action report by **October 15, 2019**.

OCSD will follow up on Auto-Chlor's corrective action in the next reporting period.

### **B. Braun Medical, Inc. (West/Lake) (Permit No. 1-541183)**

B. Braun Medical, Inc. (West/Lake) (B. Braun West) manufactures pharmaceutical intravenous fluid and the packaging for the fluid. The manufacturing process includes mixing, filling, sterilization, and packaging of aqueous injectable and parenteral pharmaceutical products. The packages are sprayed and bath-sterilized before they are placed on pallets and collected for shipment. Waste from the sterilization process consists of condensate that accumulates on the packages during the cooling process, and the water drained weekly from the heat exchangers.

In October 2018, B. Braun West had a pH violation, and was issued a Notice of Violation. In December 2018, OCSD conducted a Compliance Inspection during which B. Braun West indicated that multiple sources could have contributed to the pH violation, including the shredding facility and the internal IV bag process. B. Braun West submitted a letter describing corrective actions, which included installation of a new pH adjustment system.

OCSD directed B. Braun West to complete installation of the pH adjustment system by end of January 2019, which B. Braun West failed to comply with. In April 2019, OCSD issued a Compliance Requirement Letter directing B. Braun to submit an interim compliance proposal by the end of the month and to install a temporary pH adjustment system by the end of May 2019, both of which B. Braun completed.

#### **July 1 – December 31, 2019**

OCSD directed B. Braun to submit the proposal for the permanent pretreatment system by the end of June 2019, and to complete installation by end of November 2019, both of which B. Braun completed. During previous compliance inspections at B. Braun, OCSD observed discharge of stormwater into the sewer system, which is prohibited by OCSD's Ordinance. On **July 24, 2019**, OCSD issued a Compliance Requirement Letter directing B. Braun West to propose a stormwater mitigation plan to prevent further discharge of stormwater to the sewer system. B. Braun was required to submit the proposal by **August 31, 2019** and install the proposed solution by **October 15, 2019**. B. Braun proposed to install a diverter valve that will be actuated prior to a rain event and will divert stormwater to an above ground holding tank. The contents of the tank will either be waste-hauled or discharged to the sewer system after receiving authorization from OCSD. B. Braun completed these requirements by the specified due dates. On **December 3, 2019**, OCSD conducted a follow-up Compliance Inspection and confirmed that the stormwater mitigation system and the new permanent pretreatment system were operational and appeared to be properly maintained.

OCSD will continue to monitor B. Braun West's discharge and compliance status on a quarterly basis.

### **Beo-Mag Plating (Permit No. 1- 511370)**

Beo-Mag Plating (Beo-Mag) performs surface finishing on customer supplied parts made from aluminum, mild steel, and die-cast zinc. Beo-mag is a metal finishing job shop specializing in decorative chrome and gold plating. The restoration of motorcycle and classic automobile parts accounts for approximately 80% of their business, and the remaining percentage consists of small volume commercial work such as bathroom fixtures and other assorted parts. The processing of a steel or die-cast zinc part includes polishing, electrocleaning, cyanide copper strike, acid copper plating, manual buffing, alkaline cleaning to remove the buffing residue, nickel plating, and finally chrome plating. The chrome plating of a typical aluminum part proceeds by polishing, alkaline cleaning, Alumina acid etch, deoxidation, zincate, copper plating, buffing, alkaline cleaning to remove the buffing residue, nickel plating, and finally chrome plating. All wet operations are conducted manually using typical rack and wire plating techniques. The effluent discharge at Beo-Mag is generated by aqueous fume scrubbing, various spent process solutions, and the associated rinse wastestreams.

In January 2019, Beo-Mag had cyanide (total) daily and monthly average discharge limit violations and was issued Notices of Violation accordingly. In March 2019, OCSD conducted a Compliance Inspection and noted that corrective actions had been implemented by the facility to address the cyanide issue.

#### July 1 – December 31, 2019

Beo-Mag submitted its permit renewal application on **November 6, 2019**, which was six days past the extended due date of **October 31, 2019**. Hence, on **November 18, 2019**, OCSD issued a letter informing Beo-Mag that a \$500 fee will be assessed for late submittal of the permit application, in accordance with OCSD's Ordinance No. 51.

Beo-Mag had no further discharge violations during this reporting period. OCSD will continue to monitor Beo-Mag's discharge and compliance status on a quarterly basis.

#### **Bodycote Thermal Processing (permit No. 1-031120)**

Bodycote Thermal Processing (Bodycote) performs oven and furnace operation, metal brazing, quenching, freezing, and metal heat treating. The parts are either placed in the ovens to be aged, or treated with sodium nitrate, glycol and hot/cold water. After these first main steps, parts are either placed in the freezer (for customer pickup), or straightened/molded in the shop area. Wastewater is generated from the treatment rinse tank line, or the quench tank overflow. Bodycote has large quench tanks or sumps where the parts are submerged to be quenched. Any overflow from these quench tanks is routed to the water/glycol separation tanks where glycol is separated from water to be recycled back into the tanks. After the separation process, wastewater is routed through a settling box to remove solids before being discharged to the sewer.

#### June 1 – December 31, 2019

On **October 30, 2019**, Bodycote had a molybdenum violation for which a Notice of Violation was issued on **November 22, 2019**. A Compliance Inspection was conducted on **December 10, 2019**. During the inspection, Bodycote indicated that no source for the violation was identified. Bodycote was directed to conduct informational sampling from their rinses and quench tanks to investigate the cause of violation. The results showed only low concentrations of molybdenum in the tanks. The cause of violation seems to be excessive solid settlement in the settling box which lead to carry over into the sample box. Bodycote had performed voluntary sampling in December 2019, and OCSD performed a resampling on December 19, 2019 with compliant results. In the next reporting period, OCSD will amend Bodycote's permit to add molybdenum self-monitoring requirements, and a requirement to clean out both settling and sample boxes on a weekly basis.

OCSD will continue to monitor Bodycote's discharge and compliance status on a quarterly basis.

#### **Brea Power II, LLC (Permit No. 1-521837)**

Brea Power II, LLC (Brea Power) produces electricity from landfill gas extracted from the adjacent landfill, firing the gas in boilers to produce steam for use in turbines and the production of electricity. Wastewater is generated from a combination of cooling tower blow down, boiler blow down, and landfill gas condensate (LFG). Pretreatment on site includes a caustic dosage to the LFG to raise the pH within the range of 6.0-12.0. Hydrogen Peroxide is also injected downstream at the oily water separator on-site to minimize sulfide generation. A chemical mix is also injected downstream of the sample point to control hydrogen sulfide generation in OCSD's sewer system.

July 1 – December 31, 2019

On **July 31, 2019**, Brea Power had a pH violation, for which a Notice of Violation was issued on **August 12, 2019**. On **August 27, 2019**, OCSD conducted a Compliance Inspection during which Brea Power indicated that the source of the pH violation was due to a pH electrode failure. On **August 28, 2019**, Brea Power submitted a corrective action report stating that the pH electrode had been replaced. The resampling result showed compliance.

OCSD will continue to monitor Brea Power's discharge and compliance status on a quarterly basis.

### **Bristol Industries (Permit No. 1-021226)**

Bristol Industries (Bristol) manufactures military specification fasteners, including nuts, bolts, washers, and rivets, as well as airplane window channels. Wastewater is generated from the metal finishing and aluminum forming operations, which include acid/alkaline cleaning, plating (silver, copper, nickel, chromium, and cadmium), anodizing, deburring, and associated rinses. Bristol operates a batch and a continuous pretreatment system. The continuous pretreatment system consists of an equalization tank, chrome reduction, cyanide destruction, hydroxide precipitation, pH adjustment, an effluent pH controller and recorder, final polishing filter, filter press, Lamella clarifier, and an electrowinning system. The batch treatment system is used to treat spent process solutions.

In 2017, Bristol completed construction of a new building to house new process and rinse tanks that would eventually replace all their aging tanks. Bristol also completed installation of a new state-of-the-art pretreatment system which was intended to replace their existing one. The new system consists of a continuous ion exchange (IX) system for heavy metals removal, and batch treatment for IX regeneration waste, chrome reduction, and cyanide destruction. The new IX system allows Bristol to recycle most of their rinses and thus save water.

In June and July 2017, Bristol had cyanide (amenable) violations. In August 2017, Bristol had a cadmium violation. Bristol submitted a root cause analysis and corrective action report for the cyanide violations. The report attributed the violations to inadequate retention time due to high production and high flow rate during those two days, aggravated by low oxidation reduction potential (ORP) in stage 1 and high ORP in stage 2, thus causing incomplete destruction of cyanide. Bristol's corrective actions consisted of adjusting the ORP and pH in both stage 1 and stage 2 during heavy production days to ensure complete treatment of cyanide. Bristol conducted multi-day sampling to confirm the efficiency of their modifications / corrective actions and the test results all showed compliance.

In September 2017, OCSD conducted a compliance inspection and resampling, during which Bristol indicated that the pretreatment system operators had been trained on the proper pH and ORP settings for treatment of the cyanide-bearing wastestreams. However, the resampling results detected a nickel violation. Bristol submitted another root cause analysis and corrective action report to address the August 2017 cadmium violation. During the investigation, Bristol staff discovered that the blade in the batch treatment tank was not connected to the mixer shaft, and therefore no mixing was occurring in the batch tank. The mixer blade detached due to loosened fasteners. Bristol immediately fixed the problem and conducted resampling for cadmium. The resampling results showed compliance.

In October 2017, OCSD conducted resampling for nickel and the results showed compliance. Bristol submitted a third root cause analysis and corrective action report to address the nickel violation. The report cited inadequate pH and ORP setpoints as the cause of the violation. Corrective actions consisted of increasing the pH, reducing the ORP, and conducting in-house testing of each treated batch for compliance before discharging the effluent to the sewer.

In April 2018, Bristol had another cyanide (amenable) violation. In June 2018, OCSD conducted another compliance inspection, during which Bristol submitted another root cause analysis and corrective action report to address the violation. The report identified the source of the cyanide amenable violation to several

operational issues and issues with ORP probes. Corrective actions consisted of weekly calibration of the ORP probes, maintenance of calibration record logs, updating of treatment unit operating instructions to include calibration frequency, additional operator training, and additional team leader verification for probe check and record-keeping.

In September 2018, Bristol had another cyanide violation. In October 2018, OCSD issued an Order to Cease Noncompliant Discharges and held a Compliance Meeting with Bristol, during which the company attributed the source of the cyanide violation to an overflow situation at the cyanide treatment unit. In November 2018, OCSD issued a Compliance Requirements Letter directing Bristol to submit a pretreatment system evaluation and proposal for improvements. Bristol's proposed improvements included installation of an equalization tank in the cyanide treatment unit to provide adequate treatment capacity.

In December 2018, Bristol had another cadmium daily discharge limit violation and a monthly cadmium mass limit violation, as well as another cyanide violation. Bristol submitted a root cause analysis and corrective action report to address the violations. The report identified the resin beds in the metal scavenger resin system for the cyanide treatment as the source of the cadmium violation. Bristol indicated that the resin beds were found to be fouling with a precipitant, which caused channeling in the resin beds allowing treated cyanide wastewater to travel through the beds with little to no contact with the resins for metal removal. Corrective actions consist of resin bed rotation and changes based on the analysis of effluent from cyanide and the metal scavenger system sample point.

In January 2019, Bristol had cadmium, cyanide (amenable and total), and silver daily and monthly average discharge limit violations. In February 2019, Bristol had further cadmium, silver, and pH violations. In March 2019, Bristol had further cadmium daily and monthly average discharge limit violations.

OCSD issued several Notices of Violation for the aforementioned violations between February and April 2019. In March 2019, OCSD also issued a Second Order to Cease Noncompliant Discharges in response to the recurring violations and repeated pretreatment system failure on site. In April 2019, OCSD held a second Compliance Meeting during which OCSD informed Bristol of the agency's determination that the recent compliance issues were caused by inadequate hydraulic capacity of Bristol's existing pretreatment system, lack of process control of the pretreatment equipment, disconnect between the upstream production processes and the pretreatment system processes, and the lack of a complete facility wastewater process review to correct the earlier violations. OCSD also informed Bristol of its intention to issue an Administrative Complaint and provided Bristol the option to enter into a Settlement Agreement and an Enforcement and Compliance Schedule Agreement with OCSD, in lieu of an Administrative Complaint, to settle the violations that occurred from June 2017 through March 2019.

In June 2019, Bristol had further cyanide (total), cadmium, silver, and pH violations. That month, OCSD issued a Notice of Violation for the March 2019 cadmium and silver monthly mass limit violations.

In general, OCSD has conducted multiple inspections at the facility during previous reporting periods and found that Bristol continues to experience pretreatment system failure and operational control issues onsite. Additionally, OCSD found that Bristol continued to make several process modifications onsite without prior notification to OCSD.

#### July 1 – December 31, 2019

On **July 1, 2019**, OCSD issued a Notice of Violation for the April 2019 silver monthly mass limit violation. On **July 11, 2019**, Bristol had further cadmium, nickel and silver violations. On **July 17, 2019**, OCSD issued a Third Order to Cease Noncompliant Discharges in response to the continued pretreatment system failure, operational issues, and recurring violations. On **August 12, 2019**, OCSD issued Notices of Violation for the June 2019 cyanide, cadmium, pH, and silver violations, as well as for the July 2019 cadmium, nickel and silver violations.

On **August 13, 2019**, OCSD held a third Compliance Meeting during which OCSD instructed Bristol to conduct a complete process study to evaluate the adequacy of the existing pretreatment system and then



develop a plan to ensure compliance with the permit limits. OCSD informed Bristol that the company has repeatedly approached corrective actions in a piece-meal fashion which has caused additional permit violations and equipment issues. OCSD reiterated that a comprehensive evaluation of the facility is required to prevent continued non-compliance.

The Settlement Agreement was issued on **May 29, 2019** and became effective on **August 8, 2019**. On **September 12, 2019**, OCSD issued the Enforcement and Compliance Schedule Agreement (ECSA) to Bristol. As required in the Settlement Agreement, Bristol continued to complete the ECSA requirements in a timely manner. Where more time was needed to complete further analysis, OCSD provided extensions to the schedule. However, during this ECSA period, Bristol continued to experience violations of mass emission rate limits. On **September 6, 2019**, Bristol had a silver mass violation. On **October 29, 2019**, Bristol had cyanide (amenable and total) mass limit violations. The Notices of Violation for these two mass violations will be issued in the next reporting period. On **November 14, 2019**, and **November 20, 2019**, Bristol had cadmium mass violations.

On **November 27, 2019**, Bristol had a cadmium violation.

On **November 30, 2019**, Bristol submitted their pretreatment system modification proposal. OCSD had concerns with the proposal pertaining to the volume of wastewater discharged to the cyanide system, segregation of the cyanide-related backwashes, and failure mode analysis of the new system.

On **December 4, 2019**, Bristol had another cadmium violation. On **December 12, 2019**, Bristol had further cadmium violation plus a cyanide (amenable) violation. On **December 27, 2019**, Bristol had a cyanide (total) violation.

On **December 30, 2019**, OCSD issued a Notice of Violation for the November 2019 cadmium mass violations. The Notices of Violation for the other exceedances will be issued in the next reporting period.

On **October 21, 2019** Bristol was published as significantly non-compliant for the 2018-2019 reporting period due to acute Cadmium discharge violations on **December 6, 2018**, **January 8, 2019**, **February 5, 2019**, and **March 26, 2019**, as well as an acute CN discharge violation on **August 3, 2018**.

OCSD will hold another Compliance Meeting with Bristol in the next reporting period to discuss OCSD's concerns with the company's pretreatment system modification proposal and their recent and ongoing violations.

### **Brothers International Desserts (North) (Permit No. 1-600583)**

Brothers International Desserts (Brothers North) is an ice-cream and frozen novelty manufacturer. Most of the wastewater is generated by the cleaning and sanitizing of equipment used for the manufacturing processes.

July 1 – December 31, 2019

On **September 9, 2019**, Brothers North had a pH violation, for which a Notice of Violation was issued on **October 14, 2019**. Prior to this violation, Brothers North had already informed OCSD of their intention to install a new pH adjustment system on-site due to another pH violation for their other clarifier (issued under separate Permit No. 1-600582 for Brothers North).

OCSD will conduct a follow-up Compliance Inspection during the next reporting period to determine Brothers North's progress and compliance status.

### **Brothers International Desserts (West) (Permit No. 1-600582)**

Brothers International Desserts (Brothers West) is an ice-cream and frozen novelty manufacturer. Most of the wastewater is generated by the cleaning and sanitizing of equipment used for the manufacturing processes.

In June 2019, Brothers had pH violations.

July 1 – December 31, 2019

On **July 10, 2019**, OCSD issued a Notice of Violation for the previous month's pH violations. On **August 5, 2019**, OCSD conducted a Compliance Inspection during which Brothers West indicated that the clarifier was not pumped out according to the company's agreed schedule, and the long retention and ensuing fermentation of accumulated solids in the clarifier caused the pH violations. OCSD reminded Brothers West that the company may be required to install pre-treatment equipment if their facility discharges continue to be non-compliant. On **August 13, 2019**, Brothers West submitted their corrective action to address the pH violation. Corrective actions included maintaining the clarifier frequently and the installation of a pH adjustment system on-site.

OCSD will conduct a follow-up Compliance Inspection during the next reporting period to determine Brothers West's progress and compliance status.

### **Cadillac Plating, Inc. (Permit No. 1-021062)**

Cadillac Plating, Inc. (Cadillac) is a job shop metal finishing facility. Wastewater-generating processes include alkaline and acid chloride zinc plating, bright tin plating, bright nickel plating, sulfuric anodizing, alkaline cleaning, acid activation, chromate conversion coating, chemfilm, and associated rinses. The facility engages in rack plating only. The facility operates a continuous hydroxide pretreatment system that consists of pH adjustment, chrome reduction, flocculent addition, clarification, and sludge dewatering with a filter press. Spent solutions are treated in a batch pretreatment system, with the effluent routed through the continuous pretreatment system for further treatment.

In January 2017, OCSD conducted a compliance inspection during which numerous pretreatment system deficiencies and violations were found. OCSD issued an Order to Cease Noncompliant Discharges to Cadillac followed by a compliance meeting and issuance of a Probation Order in February 2017. In March 2017, OCSD conducted a joint probation search with representatives from the Orange County District Attorney's office, Occupational Safety & Health Administration (OSHA), and Orange County Health Care Agency (OCHCA). As a result of numerous safety violations, OSHA issued an Order Prohibiting Use (OPU). Through 2017 and 2018, OCSD conducted inspections to confirm the completion of the requirements from the Probation Order. The continuous pretreatment system was found to be operating in a safe and controlled manner with no indication of overflow, short-circuiting, or slug loading. The batch treatment system was operational as well and appeared to be properly maintained. Log sheets for the batch treatment system were being kept on site and were up to date.

In October 2018, Cadillac had a zinc violation. In December 2018, OCSD conducted a Compliance Inspection during which multiple deficiencies were noted including missing or illegible process tank labels, a lack of pretreatment system vessel structural integrity that could lead to treatment bypass, and unidentified noncompliant wastewater. OCSD also noted that one of the pretreatment operators failed to obtain qualified treatment operator certification as required by the Probation Order. Additionally, Cadillac had failed to provide a wastewater characterization for the processing lines prior to using them.

In April 2019, OCSD issued a Compliance Requirements Letter to address the deficiencies noted during the last reporting period. Shortly thereafter, OCSD conducted a follow-up Compliance Inspection and observed further noncompliance issues including pH probes out of calibration; lack of an automated pH adjustment system and final pH chart recorder; prohibited use of flexible hosing; and process line modifications

implemented without written notification to OCSD. In mid-April 2019, OCSD issued an Order to Cease Noncompliant Discharges directing Cadillac to attend a Compliance Meeting later that month. In May 2019, OCSD issued a second Compliance Requirements Letter requiring Cadillac to correct the noncompliance issues and deficiencies by the end of the month, as discussed during the compliance meeting. In early June 2019, OCSD conducted another Compliance Inspection and found remaining deficiencies. During a follow-up inspection later that month, OCSD confirmed that Cadillac had finally completed all requirements. However, OCSD routine sampling in June 2019 detected a nickel violation.

#### July 1 – December 31, 2019

On **August 12, 2019**, a Notice of Violation was issued for the nickel exceedance that occurred the previous month. On **August 29, 2019**, OCSD conducted a Compliance Inspection during which multiple deficiencies were noted including an uncalibrated pH meter, unqualified operators operating the pretreatment system, process changes without written notification to OCSD, and a loss of process control due to pretreatment system capacity issues. As a result of these pretreatment deficiencies, on **September 24, 2019**, OCSD issued a letter directing Cadillac to attend a Compliance Meeting on **October 15, 2019**. On **October 18, 2019**, as a follow-up to the compliance meeting, OCSD issued a Compliance Requirements Letter requiring Cadillac to maintain a certified wastewater treatment operator at all times during wastewater discharge, conduct testing on all treated batches of wastewater and maintain a log of those batches, maintain the pH chart recorder, and record maintenance activities related to the excessive build-up of flocculant in pretreatment system lines. On **November 21, 2019**, OCSD conducted another Compliance Inspection during which OCSD confirmed completion of the compliance requirements.

OCSD will continue to monitor Cadillac's discharge and compliance status on a quarterly basis.

#### **Cargill, Inc. (Permit No.1-031060)**

Cargill, Inc. (Cargill) is a bulk loading station with facilities for storage and packaging of vegetable and animal oils. Wastewater is generated by steam cleaning of packaging equipment and washdown of loading, processing and packaging areas (with some boiler blowdown). Pretreatment at the facility consists of a skim basin followed by clarification for the removal of oil and fat.

#### July 1 – December 31, 2019

On **September 24, 2019**, OCSD issued an Order to Cease Noncompliant Discharges to Cargill for discharging wastewater which caused blockages downstream of the facility in the City of Fullerton. The Order required Cargill to attend a Compliance Meeting to resolve the matter on **October 24, 2019**. During the meeting the excessive discharge of oil and grease (total) (O&G-T) was discussed along with sewer discharge of surface runoff, which is also prohibited. On **October 31, 2019**, OCSD issued a Compliance Requirements Letter requiring Cargill to conduct monthly self-monitoring for total oil & grease, re-evaluate the pretreatment system at the facility, propose improvements to ensure adequate oil & grease removal, and develop a stormwater mitigation plan to divert stormwater from sewer discharge.

OCSD will follow up on Cargill's compliance progress and deliverables during the next reporting period.

#### **Catalina Cylinders (Permit No. 1-031021)**

Catalina Cylinders, a Div. of APP (Catalina Cylinders) manufactures high pressure gas cylinders from 6061 aluminum alloy material. The cylinders are produced in various sizes for the beverage, medical, and SCUBA diving industries. Wastewater is generated from the alkaline cleaning, hydrostatic pressure testing, and the iron phosphate conversion coating operations. Pretreatment at Catalina Cylinders is limited to a three-stage underground clarifier.

In January 2019 Catalina Cylinders had an oil & grease of mineral or petroleum origin mass violation, for which a Notice of Violation was issued in March 2019. In March 2019, OCSD conducted a Compliance Inspection during which OCSD explained to Catalina Cylinders that based on the manufacturing operations conducted onsite, the company's wastewater discharge is subject to the Aluminum Forming federal categorical pretreatment standards and, as a result, the oil & grease mass limits are production-based. OCSD explained further that to comply with the stringent production-based mass limits, the oil & grease concentration must be kept below approximately 15 mg/L during an average day's flow, which would likely require pretreatment beyond the clarifier they presently operate.

In April 2019, Catalina Cylinders had another oil & grease mass violation. In May 2019, OCSD issued a Notice of Violation and conducted another Compliance Inspection to reiterate concerns about Catalina Cylinders' noncompliance with the oil & grease mass emission limits.

#### July 1 – December 31, 2019

On **October 10, 2019**, OCSD issued a Compliance Summary Letter requiring Catalina Cylinders to conduct multi-day self-monitoring in October 2019. The multi-day self-monitoring was performed on **October 22-24, 2019** and the results showed in compliance with their oil & grease mass emission limits.

On **October 21, 2019** Catalina Cylinders was published as significantly non-compliant for the 2018-2019 reporting period due to acute oil & grease of mineral or petroleum origin discharge violations on **January 4, 2019** and **April 1, 2019**.

OCSD will continue to monitor Catalina Cylinders discharge and compliance status in the upcoming year to determine if additional enforcement is necessary.

#### **City of Huntington Beach Fire Department (Permit No. 1-111015)**

City of Huntington Beach Fire Department (HB Fire) operates three oil extraction wells. The extracted crude oil and groundwater mixture is routed to an oil/water separation tank. Crude oil is shipped offsite while the separated wastewater is routed through an aboveground clarifier prior to discharge to the sewer.

In April 2019, HB Fire had an oil & grease of mineral or petroleum origin violation and was issued a Notice of Violation. In May 2019, HB Fire reported that the violation was due to a build-up of oil and grease in the sample port and failure of the operator to flush the port prior to sampling. In June 2019, HB Fire informed OCSD through an email that they had installed a third stage for the clarifier and a separate sample box as a corrective measure.

#### July 1 – December 31, 2019

On **July 1, 2019**, OCSD conducted a Compliance Inspection to confirm completion of corrective actions as a result of the violation that occurred in the prior quarter. HB Fire had no further violations during this reporting period.

OCSD will continue to monitor HB Fire's discharge and compliance status on a quarterly basis.

#### **City of Newport Beach, General Services**

The City of Newport Beach operates a general services yard, which houses several areas for various municipal operations and vehicle maintenance. This yard also serves as a location where vacuum-truck vehicles can unload decant wastewater generated during the cleaning of both city sewer and stormwater piping.

During an inspection in February 2017, OCSD discovered that several areas within the yard which receive stormwater flow had a direct connection to OCSD's Sewer Trunkline. Therefore, OCSD issued a Compliance Requirements Letter directing the City of Newport Beach to divert stormwater away from OCSD's sewerage facilities. Following a series of correspondence and inspections, the City of Newport Beach plugged and rerouted several areas to prevent stormwater from entering the sewer system. Additionally, the City of Newport Beach installed a rainwater diversion valve to divert stormwater from the upper areas, and a Fresno Sluice Gate in the sewer/stormwater decanting area so it will remain closed during the winter months.

July 1 – December 31, 2019

On **November 27, 2019**, OCSD conducted a Compliance Inspection during a storm event and observed that the rainwater diversion switch that redirects stormwater from the upper yard was not set properly; it did not remain in the "ON" mode after the rain subsided which allowed for additional sheet flow to discharge to the sewer. In addition, OCSD observed City yard workers opening the sluice gate in the decanting area, allowing the collected stormwater and vacuum truck water to be released to the sewer during the storm event.

OCSD will issue a Compliance Requirements Letter during the next quarter to address the observed stormwater issues.

#### **Coast to Coast Circuits, Inc. (Permit No. 1-111129)**

Coast to Coast Circuits, Inc. (Coast) is a medium size facility that specializes in quick-turn and semi-production orders for aerospace, commercial, medical, military/defense, and telecommunication applications. The circuit manufacturing processes include cutting the copper clad or unclad materials, photoresist application, inner-layer circuit imaging, resist developing, ammonium etching, and alkaline resist stripping. For multilayer boards, this is followed by brown oxide or plasma surface preparation, lamination, drilling, and plasma or high-pressure de-smear.

The pretreatment system consists of a general heavy metals ion exchange system, a tin lead ion exchange system, an evaporator with pH adjustment, and a clarifier with pH adjustment. Dilute tin lead rinse waters are treated and recycled in the tin lead ion exchange system. All other dilute metal bearing rinse waters are treated and recycled in the general heavy metals ion exchange system. Concentrated acidic and alkaline waste waters are pH adjusted and sent to the evaporator. Condensate from the evaporator is recycled back to the general heavy metals ion exchange system and concentrated liquor from the evaporator is waste hauled. Nonmetal-bearing wastewaters are routed to the three stage above ground clarifier for pH adjustment and discharge to the sewer.

July 1 – December 31, 2019

On **October 2, 2019**, Coast had a pH violation, for which a Notice of Violation was issued on **October 21, 2019**. In a previous inspection, OCSD noted additional compliance issues including incomplete facility drawings, missing or illegible labels, failure to separate cyanide bearing waste streams from non-cyanide bearing waste streams, ineffective pH adjustment system, and the use of non-regulated waste streams as dilution flows. On **October 28, 2019**, OCSD issued a Compliance Requirements Letter requiring Coast to address the compliance deficiencies by **November 30, 2019**. On **November 12, 2019**, OCSD conducted a Compliance Inspection to verify the status of compliance requirements. Unaware of the letter, Coast requested and was granted an extension to complete the compliance requirements during the next quarter.

OCSD will continue to monitor Coast's discharge and compliance status on a quarterly basis.

### **Corru-Kraft Buena Park (Permit No. 1-600806)**

Corru-Kraft Buena Park (Corru-Kraft) manufactures corrugated sheets by combining paper using starch-based adhesive, steam, and hydraulic pressure. The starch adhesive is prepared onsite and pumped to the processing equipment. Wastewater is generated from the washing of the starch mixing tank and several corrugating equipment lines following production. Wastewater passes through a four-stage underground clarifier prior to discharge to the sewer system.

July 1 – December 31, 2019

On **September 12, 2019**, Corru-Kraft had a pH violation, for which a Notice of Violation was issued on **October 28, 2019**. On **November 14, 2019**, OCSD conducted a Compliance Inspection and resampling, during which OCSD identified that pH treatment may be required to ensure consistent compliance. It was determined that the wastewater enters the clarifier with a pH of approximately 11.5 at a high temperature, which creates a reaction resulting in solids formation in the first two stages of the clarifier, and a significant drop in pH by the final stage of the clarifier. As a corrective action measure, Corru-Kraft plans to determine if more frequent clarifier cleaning will maintain pH compliance or if a pretreatment system will be required. OCSD will continue its enforcement response during the next reporting period.

### **CP-Carrillo, Inc. (Armstrong) (Permit No. 1-600920)**

CP-Carrillo, Inc. (Armstrong) (CP Armstrong) manufactures aluminum pistons for the automotive industry, conducting mainly aluminum anodizing and graphite skirt coating. CP Armstrong anodizes the ring groove on aluminum pistons into aluminum oxide using an electrolysis process with sulfuric acid. Additionally, there is a post anodizing washing machine which washes out the residual acid left in the ring groove of the piston. There are two additional washing machines that activate the aluminum material through mechanical impingement and heat into a porous finish with an alkaline wash and soap. Currently, the wastewater generated on site is collected in a 500-gallon batch tank.

July 1 – December 31, 2019

On **October 25, 2019**, CP Armstrong had a pH violation, for which a Notice of Violation was issued on **December 10, 2019**. OCSD will conduct a Compliance Inspection during the next reporting period.

### **Darling International, Inc (Permit No. 1-511378)**

Darling International, Inc. (Darling) collects and treats waste from interceptors, clarifiers, and grease traps of food service establishments within the Southern California Region. Hauled waste is transported to the facility yard, unloaded to a large underground sump, then pumped to aboveground batch treatment tanks where it is treated with lime and polymer to enhance separation of solids and liquids. The sludge is dewatered and allowed to air dry in large rectangular vessels. The treated wastewater is collected and discharged to the sewer. The wastewater discharge permit authorizes Darling to discharge wastewater from the treatment of grease trap waste from restaurants, cafeterias, or other similar facilities, but not yellow grease or cooking oil. In addition, processing of grease from industrial kitchens, car washing facilities, metal recycling yards, or other sources of industrial or hazardous wastes is prohibited. Any generator sources outside of OCSD's service area must have a profile submitted in advance to OCSD for review and acceptance.

In August 2018, Darling had a pH violation. In November 2018, OCSD conducted a Compliance Inspection during which Darling stated that pH monitoring is achieved through the use of pH strips at various points in the process including the wastewater collection sump. However, no pH logs were kept. OCSD attributed the pH violation to the inconsistent and unreliable manual pH adjustment process and inadequate monitoring utilizing pH strips. In addition, some pH fluctuation is attributable to the organic nature of the waste. OCSD required installation of a pH meter and a pH recorder, as well as operator training.

In June 2019, Darling had another pH violation.

July 1 – December 31, 2019

On **July 9, 2019**, a Notice of Violation was issued for the previous month's pH noncompliance. On **July 18, 2019**, OCSD conducted a Compliance Inspection to follow up on the ongoing pH violations. As a result of the recurring noncompliance with pH limits due to the lack of an effective pH adjustment and control system at Darling's facility, OCSD issued a Compliance Requirements Letter on **August 12, 2019**, requiring the submittal of a waste management proposal by **September 15, 2019**, and after acceptance by OCSD, for Darling to complete installation of the proposed pretreatment system by **October 31, 2019**. On **September 13, 2019**, Darling submitted a proposal to install a pH adjustment system in an existing tank upstream of the clarifying tanks. On **October 2, 2019**, OCSD accepted the proposal with revisions, which included the installation of a pH adjustment system, pH monitoring system, and a rain diversion sensor to prevent the discharge of storm water into the sewer. Darling completed installation of the pH adjustment system on **October 30, 2019**.

OCSD will continue to monitor Darling's discharge and compliance status on a quarterly basis.

**Data Aire, Inc. #2 (Permit No. 1-021379)**

Data Aire, Inc. #2 (Data Aire) receives cold rolled steel and manufactures frames to house cooling equipment. Steel is sheared, bent, punched, welded, and assembled into frames. An iron phosphate conversion coating is applied to the frame prior to powdercoating and baking. Some parts may alternately undergo painting in a spray booth. The components for the cooling systems, which include electrical equipment and heat exchanging coils, are purchased from other companies and not manufactured on site. Approximately 300-400 parts are cleaned per day. The heat exchange coils are made of copper tubing and aluminum fins and undergo hydrostatic leak testing as part of the production process. Wastewater is generated from the rinsing of frames during the application of iron phosphate conversion coating. The wastewater is pH adjusted based on the iron phosphate conversion floating flow rate and then discharged through a clarifier to the sewer.

July 1 – December 31, 2019

On **July 25 and 26, 2019**, Data-Aire had pH violations for which a Notice of Violation was issued on **August 8, 2019**. On **September 9, 2019**, OCSD conducted a Compliance Inspection to investigate the violations. In previous inspections, OCSD noted that the treatment system lacked pH monitoring and only relied on a controller that doses caustic to the wastewater based on the flow of iron phosphate (ratio control). OCSD reminded Data Aire of its responsibility to maintain compliance at all times of wastewater discharge, indicating that pH must be monitored continuously. On **September 29, 2019**, Data Aire submitted a proposal to install a pH monitoring system with high and low alarms and digital data logging. OCSD accepted the proposal with an expected work completion date of **October 31, 2019**. On **November 18, 2019**, OCSD conducted a follow-up inspection and verified installation of the pH monitoring system.

OCSD will continue to monitor Data-Aire's discharge and compliance status on a quarterly basis.

**DCOR, LLC (Permit No. 1-111013)**

DCOR, LLC (DCOR) is a facility that receives and separates crude oil and water from offshore drilling platforms. Crude oil is stored and shipped to other facilities while the separated water is discharged to the sewer.

July 1 – December 31, 2019

On **November 6, 2019**, OCSD conducted a Compliance Inspection to determine if stormwater was being discharged to the sewer from the DCOR facility. During the inspection, the site contact stated that any ground

water (including stormwater) is collected, treated, and discharged to the sewer. OCSD informed DCOR that stormwater is prohibited from being discharged to the sewer in accordance with OCSD's Ordinance. On **December 30, 2019**, OCSD issued a Compliance Requirements Letter requiring DCOR to develop a proposal to cease the discharge of any stormwater, surface runoff, or subsurface drainage to the sewer, submit the proposal to OCSD and after acceptance, complete implementation of the accepted proposal by next quarter.

OCSD will evaluate DCOR's proposal and compliance status during the next reporting period.

#### **Dr. Smoothie Enterprises - DBA Bevolution Group (Permit No. 1-600131)**

Dr. Smoothie Enterprises – DBA Bevolution Group (Dr. Smoothie) processes, packages and distributes fruit beverage concentrates. The operations performed include mixing of concentrates manufactured offsite, packaging, and distribution.

In November 2018, Dr. Smoothie had a minor pH violation. In December 2018, OCSD conducted a Compliance Inspection and resampling during which OCSD indicated that pH treatment may be necessary to ensure consistent compliance, particularly since the pH levels of some of the fruit concentrate products they process are below the local limit of 6.0. The resampling result showed another pH violation.

In March 2019, OCSD held a Compliance Meeting with Dr. Smoothie during which the company reported that they have implemented manual pH adjustment on all wastestreams that are found to be acidic, with future plans to install a large (500 gallon) collection tank where the acidic wastestreams can be collected and treated with an automated pH adjust system.

July 1 – December 31, 2019

On **August 21, 2019**, Dr. Smoothie had another pH violation, for which a Notice of Violation was issued on **September 12, 2019**. On **October 7, 2019**, OCSD issued a Compliance Requirements Letter to Dr. Smoothie requiring them to attend a Compliance Meeting on **October 30, 2019**. During the meeting, Dr. Smoothie indicated that they are continuing manual pH adjustment. With the ongoing pH violations, Dr. Smoothie proposed installation of an automated pretreatment system similar to equipment utilized at another company facility.

OCSD will continue to monitor Dr. Smoothie's discharge and compliance status on a quarterly basis and conduct a Compliance Inspection in the upcoming quarter to verify progress of the pH adjustment system installation.

#### **Electrolurgy, Inc. (Permit No. 1-071162)**

Electrolurgy, Inc. (Electrolurgy) is a large job shop specializing in metal finishing services for aerospace, electronics, industrial, medical, and military/defense applications. The wet processing of a typical aluminum part begins with alkaline cleaning/etching followed by deoxidation and anodizing, or by activation (zincate, copper strike, or nickel strike) and the specified surface finish (electroless nickel, cadmium, or tin plate). The processing of a typical steel part proceeds by alkaline cleaning, hydrochloric activation/descale followed by the specified surface finish (bright nickel, cadmium, copper, electroless nickel). Stainless steel parts generally receive alkaline cleaning followed by passivation or electropolishing. The processing of a typical copper part begins with alkaline and ultrasonic cleaning followed by sulfuric activation, copper strike, and nickel plate. All wet operations are conducted manually using basket, barrel, rack, or wire process techniques. Wastewater is generated from the various spent process solutions and associated rinses.

July 1 – December 31, 2019

On **August 28, 2019**, Electrolurgy had a silver violation. This daily limit exceedance also resulted in a monthly average discharge limit violation for silver for the month of August 2019. On **October 9, 2019**, OCSD



conducted a Compliance Inspection during which OCSD informed Electrolurgy of the silver violation that was being processed by OCSD for issuance. On **October 14, 2019**, OCSD issued a Notice of Violation for the August 2019 silver daily limit violation. **October 17, 2019**, OCSD issued a Compliance Requirements Letter requiring Electrolurgy to implement corrective solutions to address the observed non-compliance issues at the facility by **November 30, 2019**. On **November 7, 2019**, OCSD issued a Notice of Violation for the August 2019 silver monthly limit violation. On **November 14, 2019**, OCSD received Electrolurgy' s response to the silver violation, which failed to identify the source of the non-compliance. On **December 2, 2019**, OCSD received Electrolurgy' s response to OCSD's October 2019 Compliance Requirements Letter, which also failed to satisfy OCSD's requirements.

OCSD will pursue escalated enforcement action during the next reporting period.

### **Gemini Industries, Inc. (Permit No. 1-071172)**

Gemini Industries, Inc. (Gemini) provides precious metals recovery and refining services for the petrochemical and petroleum refining industries. The facility is a large wet processing operation that specializes in the recovery of platinum, palladium, rhenium, germanium, and gold from spent chemical catalysts. Gemini's wet processes yield purified precious metals, refinable metal residue, and aluminum sulfate solution, sold as alum for municipal water and wastewater treatment.

The recovery of precious metals at Gemini begins with spent catalyst from various customers which arrive in 55-gallon steel drums or flow bins. The catalyst is fed to a sampling system to determine specific constituent concentrations as well as the potential precious metals yield. Processing the spent catalyst begins with sulfuric acid digestion, generating a hot slurry which is pumped to mixing and settling tanks. The liquid decant is filtered through various filtration devices while the solids are wasted, dewatered, and dried. Pure palladium or other precious metals are recovered from the solids while the liquid undergoes further precious metals recovery. Spent rhenium catalyst processing follows a similar procedure aimed at the recovery of rhenium as ammonium perrhenate salts. The effluent discharge at Gemini is generated by decant liquids from the final metal precipitation and recovery process.

July 1 – December 31, 2019

On **November 6, 2019**, Gemini had a Molybdenum violation, for which a Notice of Violation was issued on **December 12, 2019**. OCSD will conduct a Compliance Inspection during the next quarter.

### **Hanson-Loran (Permit No. 1-031107)**

Hanson-Loran manufactures water-based floor finishers and specialty cleaners for distribution and sales by various independent contractors. The processes include dry blending (from which there is no wastewater discharge) and wet blending. The dry blending process is located inside the building, where dry powders are blended to produce Hanson-Loran's industrial cleaners. Wet blending is accomplished in four mixing tanks at the rear of the building. Products include floor cleaners, waxes, strippers, cleaners, degreasers, sanitizers, disinfectants, and soaps. Hanson-Loran's treatment system consists of an underground three-stage clarifier with manual pH adjustment using pH strips and addition of granulated citric acid.

In October 2017, Hanson-Loran had pH violations. In November 2017, OCSD conducted a compliance inspection and resampling, during which OCSD noted that the treatment system lacked adequate control. Hence, OCSD advised Hanson-Loran to take corrective measures to prevent further pH noncompliance. Hanson-Loran installed an automated pH control system to prevent further pH violations. The resampling result showed compliance. In 2018, Hanson-Loran installed a second probe to verify the pH following adjustment in the clarifier.

In March 2019, Hanson-Loran had another pH violation. In April 2019, OCSD conducted a Compliance Inspection during which it was determined that the pH adjustment system's set points were not adequately

set; therefore, the system was over-dosing caustic to the clarifier. The pretreatment system operators were also manually adding citric acid to the final stage of the clarifier prior to the sample point in an attempt to reduce the pH. However, due to lack of proper mixing of the chemical, a layer of citric acid had developed at the bottom of the clarifier.

In April and May 2019, Hanson-Loran had additional pH violations. In June 2019, OCSD issued a letter requiring Hanson-Loran to attend a Compliance Meeting.

#### July 1 – December 31, 2019

On **July 3, 2019**, OCSD held a Compliance Meeting with Hanson-Loran during which the company reiterated that improper set points of the clarifier pH adjustment system led to operators manually adding citric acid to the final stage of the clarifier in order to reduce the pH. This caused a layer of citric acid to develop in the clarifier, which in turn caused the pH violation.

On **July 22, 2019**, OCSD issued a Compliance Requirements Letter requiring Hanson-Loran to propose and install an automatic batch pH adjustment system outside of the clarifier with an automatic chemical feed, a mixer, an automatic shutoff valve, and a 24-hour continuous pH chart recorder. Hanson Loran was also required to determine the dimensions and volume/capacity of the clarifier to ensure the sample point was adequately representative, and sampled wastewater was not retained past the sample date.

On **November 13, 2019**, OCSD conducted a Compliance Inspection to review the progress of the installation and to review a proposed amendment to the previously accepted plan. The plan included routing all wastewater to the first stage of the clarifier and then to the automatic pH adjustment batch tank to avoid re-plumbing costs and also reduce pump demand. OCSD accepted the amendment on **December 5, 2019**.

OCSD will verify the completed installation of the automatic batch pH adjustment system in the next reporting period and continue to monitor Hanson-Loran's discharge and compliance status on a quarterly basis.

#### **Harbor Truck Bodies, Inc. (Permit No. 1-021286)**

Harbor Truck Bodies, Inc. (Harbor Truck) manufactures utility bodies, platform beds, toolboxes, and rear step-bumpers. The effluent discharge at Harbor Truck is generated from the soap cleaning and phosphate washing processes as well as rinsing in the spray booth. Wash water is collected in a large trench and a sump system installed in the wash chamber floor. From the sump, the wash water is pumped by liquid level control to a three stage pretreatment system on the west side of the facility, where pH is adjusted in the first stage using caustic, followed by polymer/floc addition for solids precipitation in the second stage, and then overflow into a collection/solids settling tank. Wastewater is discharged by gravity out of the building to a three stage underground clarifier. Harbor Truck uses a filter press for dewatering of solids from the settling tank.

In April 2019, Harbor Truck had a zinc monthly average discharge limit violation. In June 2019, OCSD conducted a pre-permit inspection during which OCSD informed Harbor Truck of the zinc monthly limit violation. During the inspection, Harbor Truck stated that the root cause of the zinc exceedance was a lack of regular maintenance of the clarifier.

#### July 1 – December 31, 2019

On **July 1, 2019**, OCSD issued a Notice of Violation for the April 2019 zinc monthly limit violation. On **August 2, 2019**, Harbor Truck submitted a corrective action report indicating that the clarifier will be maintained on a quarterly basis. This corrective action was also added as a requirement on Harbor's permit as a special condition.

OCSD will continue to monitor Harbor Truck's discharge and compliance status on a quarterly basis.

### **Hi Tech Solder (Permit No. 1-521790)**

Hi Tech Solder is a specialty processing shop performing hot air solder leveling of printed circuit boards. Wastewater is generated from the pre-cleaning and micro-etching processes and their associated rinses. Hi Tech Solder utilizes a continuous hydroxide precipitation pretreatment system.

July 1 – December 31, 2019

In **October 2019**, Hi Tech Solder had a copper monthly average discharge limit violation. OCSD will issue a Notice of Violation for this limit exceedance during the next reporting period.

### **Hightower Plating & Manufacturing Co. (Permit No. 1-021185)**

Hightower Plating & Manufacturing Co. (Hightower) manufactures aerospace-quality washers by stamping steel, stainless steel, and aluminum coils. The parts are deburred and then processed through a variety of metal finishing steps depending on the material, to achieve the desired finish. Hightower's metal finishing operations include alkaline cleaning, acid activation, chromic and sulfuric anodizing, cadmium plating, acid zinc plating, nickel plating, caustic etching, deoxidation, chem film, dichromate sealing, and passivation.

Low concentration waste streams are treated using two ion exchange systems - one for cyanide bearing waste streams and one for non-cyanide bearing waste streams. The treated water is returned to the process tanks for reuse. The regenerant wastes from both ion exchange systems are processed through an evaporator. Concentrated wastes (including but not limited to chromic acid from the anodizing tanks) are hauled off-site. A small number of waste streams from the sulfuric anodize and chem film lines are sent to a chromium collection tank and then treated using the chromium reduction system.

In May 2019, Hightower had cadmium concentration and mass violations. In a response letter submitted in June 2019, Hightower stated that its investigation failed to identify a root cause, as no changes to its wastewater generating and treatment activities have occurred, and confirmation sampling conducted by Hightower in May and June 2019 showed compliance with the cadmium limits. Hightower had their split sample analyzed and it yielded a lower result but still in exceedance of the cadmium limit.

July 1 – December 31, 2019

On **July 11, 2019**, OCSD conducted a Compliance Inspection to investigate the cadmium violations that occurred in May 2019. Hightower has been in the process of transitioning from using cyanide destruct and chromium reductions systems to treating ion exchange regenerant with an evaporator. During this transition, some of the cadmium bearing regenerant may have been treated unsuccessfully using the cyanide destruct system.

In a follow-up letter submitted in July 2019, Hightower stated that the site would be sending cadmium ion exchange regenerant to the wastewater evaporator under normal conditions in an effort to eliminate the reoccurrence of a cadmium violation.

OCSD required Hightower to develop and submit updated site drawings and reminded Hightower that the permittee is required to provide advance written notification to OCSD of any changes to the manufacturing process or pretreatment system that affects the quantity or quality of the wastewater discharged to the sewer. Hightower submitted updated facility drawings on **October 1, 2019**.

OCSD will continue to monitor Hightower's discharge and compliance status during the next reporting period.

### **Hixson Metal Finishing (Permit No. 1-061115)**

Hixson Metal Finishing (Hixson) is a large metal finishing job shop. Various metallic parts from the aviation, automotive, and electronics industries are received for surface finishing through aluminum chemfilm and dyeing, cadmium, copper, and nickel electroplating, stainless-steel passivation, as well as a multitude of chemical precleaning and surface activation processes. Wastewater is generated from the rinses used in the various surface finish processes and fume hood wash water. Pretreatment consists of cyanide destruction and chrome reduction followed by heavy metals precipitation using caustic soda for pH adjustment, coagulant injection, polymer/flocculation and solids settling in a lamella clarifier, and removal to a sludge thickening tank. Overflow from the clarifier is discharged to the sample box. The sludge from the clarifier is dewatered with a filter press. Filtrate from the filter press is plumbed to the heavy metals precipitation module for further treatment.

In October, November, and December 2017, Hixson had cadmium and nickel violations. In December 2017, OCSD held a compliance meeting with Hixson during which OCSD pointed out that increasing levels of water usage, as well as wastewater generation and discharge, were noted at the facility. Hixson acknowledged the situation and stated they were working on a solution. In February 2018, OCSD issued an Order to Cease Noncompliant Discharges due to the numerous violations of cadmium, copper, chromium, and nickel detected during downstream monitoring of Hixson's discharge. In March 2018, OCSD held another compliance meeting with Hixson, where Hixson agreed to a Settlement Agreement to settle their continued noncompliance. OCSD conducted another compliance inspection during which pretreatment deficiencies were identified including lack of operating procedures and lack of pretreatment system control and maintenance. These deficiencies were addressed in a Settlement Agreement executed in September 2018 and effective in October 2018. In October 2018, Hixson had chromium and silver violations coinciding with a slug discharge from a broken flange gasket, for which a Notice of Violation was issued the same month. OCSD conducted a Compliance Inspection and resampling during which it was noted that the piping conduit between secondary containment and the pretreatment area contributing to the leak had been capped. The resampling results showed compliance.

In November 2018, as required in the Settlement Agreement, Hixson submitted a Waste Management Plan, an Industrial Waste Characterization, an Operation and Maintenance Manual, and a proposal to install an Ion Exchange System. In addition, installation of an ion exchange system was necessary as a result Hixson's limits changing from Pretreatment Standards of Existing Sources (PSES) designation to Pretreatment Standards of New Sources (PSNS).

In March 2019, Hixson's new permit limits under the Pretreatment Standards for New Sources (PSNS) became effective. In May and June 2019, Hixson had cadmium daily and monthly average discharge limit violations.

#### **July 1 – December 31, 2019**

On **July 8 and 22, 2019**, Notices of Violation were issued for the cadmium daily limit violations that occurred in May and June 2019, respectively. On **July 31, 2019**, OCSD conducted a Compliance Inspection and resampling during which Hixson mentioned that the company was still fine-tuning various components of a new closed-loop ion-exchange (IX) system. The Hixson representative believed that production employees were generating carry-over from cadmium process tanks to rinse tanks not piped through the IX system, and therefore discharging to the continuous treatment system. Hixson informed OCSD that they would alert and train production staff on proper BMP's as they pertain to cadmium plated parts, allowing for proper rinsing in the closed-loop IX system before moving to a different rinse tank. The resampling results showed compliance.

On **August 23, 2019**, OCSD issued a Notice of Violation for the June 2019 cadmium daily limit violation. On **August 30, 2019**, OCSD issued a Notice of Violation for the May 2019 cadmium monthly limit violation. Hixson noted that the company was unable to determine the source of the violation, and it was noted that most sampling results prior had been well below monthly average limits and daily average limits, as were the following samples.

On **November 19, 2019**, Hixson had another cadmium violation. On **November 26, 2019**, OCSD issued a Notice of Violation for the June 2019 cadmium monthly limit violation. On **December 30, 2019**, OCSD issued a Notice of Violation for the November 2019 cadmium violation.

OCSD will conduct a Compliance Inspection during the next quarter and will continue to monitor Hixson's discharge and compliance status on a quarterly basis.

### **Independent Forge Company (Permit No. 1-021401)**

Independent Forge Company (Independent Forge) forges parts for commercial aviation, military specific applications, and other market sectors including bicycles, archery, jet ski, and motorcycle parts. Wastewater is generated from the deburring, caustic etching, acid cleaning, and dye penetrant testing operations and associated rinses. Independent Forge uses a batch treatment system to treat the waste streams from the caustic etching and acid cleaning operations.

In February 2019, Independent Forge had zinc daily and monthly average discharge limit violations. Independent Forge claimed that the root cause of the violation was the filter press, citing the age of the mesh material on the plates caused a loss of removal efficiency. However, Independent Forge was unable to explain the increase of zinc from 12.4 mg/L to 36.6 mg/L between the two sample dates, despite Independent Forge's claim that it was the same batch of treated wastewater. In April 2019, OCSD conducted a Compliance Inspection during which several deficiencies were noted including the lack of a functioning pH meter in the batch treatment system, excessive accumulation of metal-bearing solids in the batch treatment tank, the use of the batch treatment tank as the final holding tank prior to discharge, and the lack of an effective batch treatment procedure.

In May 2019, Independent Forge had another zinc monthly average discharge limit violation. OCSD issued a Compliance Requirements Letter directing Independent Forge to attend a Compliance Meeting later that month to discuss multiple noncompliance issues. In June 2019, OCSD issued a Probation Order requiring Independent Forge to rectify the compliance issues noted above.

#### **July 1 – December 31, 2019**

On **August 15, 2019**, Independent Forge submitted a wastewater characterization and waste management plan; however, the waste management plan was incomplete and missing the proposal for batch treatment system modifications. After hiring a third-party consultant, Independent Forge re-submitted the waste management plan with a proposal for batch treatment system modifications. The proposal was not accepted since the planned modifications would not provide Independent Forge the means to maintain long term compliance. On **August 29, 2019**, OCSD issued a Notice of Violation for the May 2019 zinc monthly limit violation. In **September 2019**, Independent Forge indicated they would no longer renew their Class I Wastewater Discharge Permit, which was about to expire end of that month, as they intend to pursue a Zero Discharge Certification instead. On **September 18, 2019**, OCSD issued an Order to Cease Discharge, directing Independent Forge to cease all industrial wastewater discharge on **September 30, 2019**, as a result of permit expiration. On **October 23, 2019**, Independent Forge submitted their application for a Zero Discharge Certification. On **December 12, 2019**, OCSD conducted a Compliance Inspection and verified that all sewer connections had been sealed to prevent further industrial wastewater discharge.

On **October 21, 2019** Independent Forge was published as significantly non-compliant for the 2018-2019 reporting period due to acute zinc discharge violations on **February 7, 2019** and **February 27, 2019**.

OCSD will continue to monitor Independent Forge's discharge and compliance status during the next reporting period.

### **J&J Marine Acquisitions, LLC (Permit No. 1-551152)**

J&J Marine Acquisitions, LLC (J&J Marine) performs boat maintenance and repair work, including hull repairs and recoating, plus interior remodeling. Wastewater is generated from the boat washing and cleaning process. Pretreatment consists of bag filtration followed by electrocoagulation and final pH adjustment. J&J Marine also has the capability to collect, treat, store and reuse stormwater as industrial process water in the boat washing and cleaning process throughout the facility (rather than discharging to the Newport Beach Harbor).

In April 2019, J&J Marine had a copper violation. J&J Marine filed an appeal against the Notice of Violation based on the analytical result of their split sample, which yielded a significantly lower result than OCSD's, below the copper discharge limit.

#### **July 1 – December 31, 2019**

On **July 22, 2019**, OCSD conducted a compliance inspection during which J&J Marine reported that while cleaning one of the holding tanks for the treated effluent, a piece of copper scrap metal was found inside, which was most likely the cause of the April 2019 copper violation. OCSD intended to conduct resampling but no wastewater was available to collect a sample. During the inspection, J&J Marine noted that the company was discharging treated stormwater during storm events if the stormwater volume exceeded the facility's containment volume. OCSD reminded J&J Marine that discharge of stormwater to OCSD's sewerage facilities is prohibited.

On **July 23, 2019**, OCSD issued a letter to J&J Marine stating that the result of OCSD's split sample analysis confirmed exceedance of the copper discharge limit; therefore, J&J's appeal of the Notice of Violation was denied.

On **August 12, 2019**, OCSD issued a letter arranging a compliance meeting at the request of J&J Marine and their environmental consultant to discuss J&J Marine's permissible discharges as it pertains to sanitary and industrial wastewater. On **August 27, 2019**, OCSD held a Compliance Meeting with J&J Marine during which J&J Marine confirmed the practice of discharging treated stormwater and runoff to OCSD's sewer when the volume exceeds the facility's storage capacity. OCSD reiterated the prohibition on stormwater discharges to OCSD's sewerage facilities.

On **November 21, 2019**, OCSD issued a Compliance Requirements Letter directing J&J Marine to submit a proposal to mitigate the discharge of stormwater and runoff to the sewer. On **November 26, 2019**, J&J Marine submitted the required proposal.

OCSD will review J&J Marine's stormwater mitigation proposal during the next reporting period, and will continue to monitor J&J Marine's discharge and compliance status on a quarterly basis.

### **Kenlen Specialties, Inc. (Permit No. 1-021171)**

Kenlen Specialties, Inc. (Kenlen) is job shop powdercoater. The company works on aluminum and steel parts, which undergo a washing step prior to painting or powder coating. Washing is done through a three-stage conveyerized automated washing machine with iron phosphate solution to remove any oil or other contaminants on the parts, followed by a dragout rinse and final rinsing with deionized water. The rinsewater is discharged directly from the machine to the sewer through the above ground sample box.

On October 2, 2018, Kenlen had molybdenum and zinc violations, for which a Notice of Violation was issued on October 11, 2018. On October 30, 2018, OCSD conducted a Compliance Inspection during which it was determined that the iron phosphate solution used by Kenlen contained molybdenum and that the violations were a result of dragout entering the rinsewater. Kenlen stated they would instruct their employees to use the dragout to replenish the process bath instead of emptying collected dragout into the rinse tank. OCSD

directed Kenlen to not dispose of remaining molybdenum-based solution to the sewer without treatment. Kenlen is considering replacing their existing iron phosphate solution with a non-molybdate formulation.

July 1 – December 31, 2019

On **October 21, 2019** Kenlen was published as significantly non-compliant for the 2018-2019 reporting period due to an acute molybdenum discharge violation on **October 2, 2018**.

OCSD will continue to monitor Kenlen's discharge and compliance status on a quarterly basis.

### **Linco Industries**

Linco Industries, Inc. (Linco) is a small metal parts stripping and cleaning facility. Parts are mostly automotive and motorcycle wheel rims and other accessories. Paint and other non-metallic coatings are stripped in a high temperature (550°F) salt bath (blend of sodium hydroxide and sodium nitrate), or in cold (160°F) strip tanks (blend of ethanolamine, n-methylpyrrolidone and dibasic ester). Parts from the salt stripping process are rinsed in low volume overflow rinse, controlled and treated with a pH monitor and sulfuric acid solution to reduce the pH down to the 9.0 – 10.0 range, then pumped to an aboveground clarifier. Parts from the cold stripping process are rinsed by a manual high-pressure spray and wastewater from the wash pad area is collected and pumped into a tank for minimal solids settling and oil separation before pumping to the aboveground clarifier. The first stage of the clarifier is used for final pH adjustment with sulfuric acid and caustic. Water from the final stage of clarifier flows over a weir and into a drum where sampling is conducted. Absorbent pads are used in the drum to remove any excess oil.

In January 2019, Linco had an oil & grease violation. In March 2019, OCSD conducted a Compliance Inspection during which Linco attributed the cause of the violation to insufficient changing of the oil & grease absorbent pads that are placed on top of the tanks. OCSD directed Linco to maintain a log sheet to record the frequency of replacing the absorbent pads. Linco indicated the possibility of installing an oil skimmer in the future if necessary.

June 1 – December 31, 2019

On **October 15, 2019**, Linco had a zinc violation, for which a Notice of Violation was issued on **November 26, 2019**. On **November 19, 2019**, OCSD conducted a Compliance Inspection during which Linco attributed the violation to operator error. Linco explained that one of their operators opened a wrong valve by mistake, which allowed unfiltered wastewater to bypass part of treatment and be discharged directly to the sewer. Linco reported that the company had made modifications to the pretreatment system in response to previous oil and grease violations. These modifications included installation of two new tanks for pH adjustment and solid settling and an oil skimmer. OCSD directed Linco to disconnect the identified bypass piping immediately and reviewed the new arrangement. On **December 12, 2019**, Linco submitted a corrective action letter which indicated that the bypass had been removed.

OCSD will continue to monitor Linco's discharge and compliance status on a quarterly basis.

### **Logi Graphics, Inc. (Permit No. 1-031049)**

Logi Graphics, Inc. (Logi) produces circuit boards to customer specifications and specializes in prototype and small volume orders. The manufacturing typically begins with cutting the copper clad materials, drilling, photoresist application, inner-layer circuit imaging, resist developing, sulfuric peroxide etching, and alkaline resist stripping. This is followed by brown oxide surface preparation and lamination. The holes are de-smearred with sulfuric acid and made conductive through electroless copper plating. Outer-layer circuit development is conducted by either panel plate or pattern plate processes. Panel plate proceeds with copper plating followed by photoresist application, circuit imaging, resist developing, tin/lead (resist) plating, sulfuric

peroxide etching, and tin/lead stripping. Solder mask application and final surface finishing, such as hot air solder leveling and/or electrolytic nickel/gold plating, complete the wet processing.

In June 2019, Logi had a copper monthly average discharge limit violation.

July 1 – December 31, 2019

On **September 3, 2019**, OCSD issued a Notice of Violation for the June 2019 copper monthly limit violation. Logi was unable to identify a root cause for the violation and determined that it was not a recurring event as multiple samples in subsequent months showed copper concentrations below the monthly limit.

OCSD will continue to monitor Logi's discharge and compliance status during the next report period.

### **Maruchan, Inc. – Laguna Cyn (Permit No. 1-141015)**

Maruchan, Inc. – Laguna Cyn (Maruchan Laguna) manufactures dried Japanese ramen noodle food products and packages them into plastic wrapping or polystyrene foam cups. Wastewater is generated by the drained condensation of the dried steamed noodles, and the cleaning of the equipment used in the production operation. Cleaning occurs at least once a day and includes the food processing equipment as well as the surrounding areas. Wastewater is discharged through collection components along the production lines, which are also cleaned on a daily basis.

The pretreatment system at Maruchan Laguna consists of a clarifier, in the basement of a wastewater collection building located to the northwest of the manufacturing facility. The clarifier is equipped with a surface skimmer and collector to remove separated oil. A pH adjustment system continuously controls the acidity of wastewater discharge via an automated caustic chemical feed pump. A 10,000-gallon underground grease interceptor captures grease waste not removed in the clarification process, to prevent fats, oils, and grease buildup in the sanitary sewer system. The interceptor is regularly cleaned at least every two-weeks.

July 1 – December 31, 2019

On **July 24, 2019**, OCSD issued a Compliance Requirements Letter to Maruchan Laguna to address the compliance issues relating to stormwater management and pH adjustment system. The proposal for pH adjustment system was due by **September 15, 2019** and the installation for stormwater solution was due by **October 31, 2019**. Maruchan Laguna implemented both solutions on time and no other non-compliance issues have been observed at the facility.

OCSD will continue to monitor Maruchan Laguna's discharge and compliance status on a quarterly basis.

### **Meggitt, Inc. (Permit No. 1-600006)**

Meggitt, Inc. (Meggitt) produces sensing and monitoring systems that measure physical parameters in the extreme environments of aircraft, space vehicles, power generators, nuclear, oil and gas installations, and test laboratories. Processes used in manufacturing operations include, but are not limited to, machining, sawing, coating, sandblasting, welding, brazing, and metal finishing. Parts worked on are made of Inconel, stainless steel and tungsten. Wastewater-generating processes include electro-polishing, passivation, etching, filament cleaning, ceramic dicing, ceramic dimensional polishing, ceramic tumbling, nickel bath plating, parts washing, and emergency only discharge of non-contact cooling water from the annealing furnace operations. Wastewater generated from the ceramic dimensional polishing operation, as well as the spent silver nitrate solution from the ceramic tumbling are wastehauled offsite. Rinses from these and the other wastewater generating operations discharge to a three-stage polypropylene aboveground tank, in which sodium hydroxide is added in the first and third compartments for pH adjustment, as most of the wastestreams are acidic in nature. pH-adjusted effluent is collected in a 750-gallon holding tank to facilitate batch discharge sampling.



In March 2019, Meggitt had lead and silver monthly average discharge limit violations. In June 2019, Meggitt had another lead monthly average discharge limit violation. OCSD conducted a Compliance Inspection during which Meggitt specified that the only two possible sources for the exceedances are the rinse associated with the silver plating and ceramic dicing machine. OCSD directed Meggitt to implement an additional pre-cleaning step at the rinse associated with silver and the ceramic dicing machine. The permittee is currently in the process of buying a filtration system for the dicing machine to further reduce the lead concentration in the wastewater.

#### July 1 – December 31, 2019

On **August 2, 2019**, Meggitt had another lead violation, for which a Notice of Violation was issued on **August 20, 2019**. This daily limit exceedance also resulted in a monthly average discharge limit violation for lead for the month of August 2019. The cause of these violations is attributable to the dicing saw and lapping processes. On **August 30, 2019**, Meggitt submitted a corrective action report indicating that the filtration system for the dicing saw was already added. OCSD directed Meggitt to conduct pilot testing before discharging the waste stream directly to the sample point to ensure the filtration system will adequately remove lead from the waste stream. On **September 3, 2019**, OCSD issued a Notice of Violation for the June 2019 lead monthly limit violation. On **September 11, 2019**, Meggitt updated the corrective action report indicating that the company will add a mixed bed resin system in addition to the filtration system to further remove lead from the wastewater. During routine inspection visits, OCSD has confirmed that the pretreatment system is operational and stable. Meggitt had no further violations after the installation of the system. On **November 7, 2019**, OCSD issued a Notice of Violation for the August 2019 lead monthly limit violation.

OCSD will continue to monitor Meggitt's discharge and compliance status on a quarterly basis.

#### **National Construction Rentals (Permit No. 1-600652)**

National Construction Rentals (National) is a supplier of temporary fencing, barricades, portable toilets, restroom trailers, mobile storage containers, and temporary power poles. Wastewater is generated from the washing and cleaning of portable toilets and restroom trailers. The wastewater is routed to a three-stage underground clarifier before discharge to the sewer.

In February and March 2019, National had pH violations, and was issued Notices of Violation. In May 2019, OCSD issued a Compliance Requirement Letter directing National to attend a Compliance Meeting to discuss the non-compliant pH discharges, as well as National's failure to submit several proposals and deliverables between December 2018 and February 2019. In June 2019, OCSD held the Compliance Meeting with National during which the company indicated that the source of the pH violations was a chemical containing hydrochloric acid used in the portable toilet washing process. National had since discontinued the use of the chemical from the washing process. Following the Compliance Meeting, OCSD issued a second Compliance Requirements Letter directing National to install an automated pH adjustment system, propose a stormwater mitigation plan to prevent stormwater from entering the three-stage clarifier as prohibited by OCSD's Ordinance, and submit a Slug Discharge Control Plan.

#### July 1 – December 31, 2019

On **July 24, 2019**, OCSD issued another Compliance Letter for National's failure to submit information required in the previous Compliance Requirements Letter with the exception of the Slug Discharge Control Plan draft submittal.

On **September 18, 2019**, since no proposals or plans had still been received, OCSD issued an Order to Cease Non-Compliance. In this letter, National was directed to attend a Compliance Meeting.

On **October 2, 2019**, OCSD held the Compliance Meeting during which National stated there was a disconnect between staff and their two consultants as to who was responsible for various submittals. OCSD reiterated the need for a stormwater mitigation plan but understood that since National was no longer using acidic products to clean the portable toilets, only a pH monitoring system would be required, not an automatic pH adjustment system as previously required. During the Compliance Meeting, OCSD informed National of its intent to issue an Administrative Complaint but gave National the option to enter into a Settlement Agreement to settle the administrative fines related to the non-compliances. National agreed to settle the matter with OCSD.

On **November 4 and 5, 2019**, National had two additional pH violations, for which a Notice of Violation was issued on **November 14, 2019**. On **November 18, 2019**, an Order to Cease Non-Compliant Discharges was issued along with a requirement to attend another Compliance Meeting.

On **November 25, 2019**, OCSD held the Compliance Meeting with National to discuss the two most recent pH violations (one of which had a pH below the State hazardous limit of 2.0 S.U.). Although National had previously informed OCSD that they would no longer use chemicals that caused the pH to fall below 6.0, it was determined that an employee used one of these chemicals during toilet cleaning operations. National mentioned that the employee attempted to manually raise the pH by adding chemicals directly to the clarifier, however added a chemical called "pH Down" which caused the pH to fall below hazardous waste levels. OCSD explained that since National's cleaning operations are not adequately controlled to achieve compliance with discharge limits, an automatic pH adjustment system would be required. OCSD and National negotiated a revised settlement in the amount of **\$22,000.00**.

On **December 26, 2019**, OCSD issued a Compliance Requirements Letter directing National to install an automatic pH adjustment system.

OCSD will issue National a Settlement Agreement in the next reporting period for all related non-compliances and will continue to monitor National's discharge and compliance status on a quarterly basis.

### **Patio and Door Outlet, Inc. (Permit No. 1-521783)**

Patio and Door Outlet, Inc. (Patio) manufactures and sells high-end patio furniture. Aluminum tubing and sheeting are cut, bent, formed and welded in the manufacture of the framing for chairs and tables. After assembly, frames are washed, iron-phosphated, sealed, and powder-coated in various colors and textures. Patio also manufactures padding and furniture coverings from foam sheets and fabric covers. Wastewater from the iron-phosphate rinse is routed through a three-stage clarifier where it is pH adjusted prior to discharge to the sewer.

In February 2019, Patio had a molybdenum violation. In April 2019, OCSD conducted a Compliance Inspection during which Patio reported that their investigation found the iron-phosphate solution, which is used to prepare metal products for powder-coating, to contain molybdenum. Patio purchased a new non-molybdate metal preparation solution and waste-hauled the molybdenum-bearing wastewater prior to restarting the powder coating preparation system.

#### **July 1 – December 31, 2019**

On **October 21, 2019** Patio was published as significantly non-compliant for the 2018-2019 reporting period due to an acute molybdenum discharge violation on **February 21, 2019**.

Patio had no further violations during this reporting period. OCSD will continue to monitor Patio's discharge and compliance status during the next report period.

### **Pioneer Circuits, Inc. (Permit No. 1-011262)**

Pioneer Circuits, Inc. (Pioneer) is a manufacturer of multilayer rigid, rigid-flex, and flexible printed circuit boards and assemblies. The manufacturing of a multilayer board generally proceeds by cutting the copper clad materials, photoresist application, inner-layer circuit imaging, resist developing, cupric chloride etching, and alkaline resist stripping. This is followed by surface prep (Cobra Bond), lamination, and drilling. The holes are cleaned by either permanganate or plasma etching and made conductive through electroless copper plating. Outer-layer circuit development is conducted by pattern plate process steps including photoresist application, circuit imaging, resist developing, copper plating, tin/lead resist plating, ammonium etching, and solder stripping. Solder mask application and surface finishing such as hot air levelling or fuse-oil reflow complete Pioneers' wet process operations. Nickel/gold plating, if required, is outsourced.

The effluent discharge at Pioneer is generated by aqueous fume scrubbing, boiler blowdown, reverse osmosis brine, various spent process solutions, and the associated rinses.

In June 2019, Pioneer had a copper violation.

July 1 – December 31, 2019

On **July 9, 2019**, OCSD issued a Notice of Violation for the previous month's copper violation. On **July 31, 2019**, OCSD conducted a Compliance Inspection and resampling, during which Pioneer attributed the violation to operator error. Pioneer explained that on the day the violation occurred, a batch of Cobra Bond, which is typically treated on its own, was combined with additional wastestreams resulting in improper batch treatment. Pioneer stated that measures have been taken to ensure that all Cobra Bond batches are treated separately from all other wastestreams. The resampling results showed compliance.

OCSD will continue to monitor Pioneer's discharge and compliance status on a quarterly basis.

### **Primatex Industries, Inc. (Permit No. 1-031036)**

Primatex Industries, Inc. (Primatex) performs rotary screen printing of fabrics. Water-based inks are applied to fabric by means of perforated print design screens using one of two rotary printers. The facility also has two Sanforizing machines (a method of stretching, shrinking, and fixing the woven cloth in both length and width, before cutting to reduce the shrinkage which would otherwise occur after washing), two drying machines to dry printed cloth, a sanding machine, a crinkling machine, and two industrial washing and drying machines. Wastewater is generated by the washing of the printers and the washing of cloth in the industrial washing machines. Wastewater is collected in an outside sump from where it is pumped through a lint removal unit then to the inside of a rotating drum filter constructed of screen material. The lint is trapped on the inside, while wastewater passes through the screen and is discharged to a three-stage underground clarifier with sample box. A timed spray rinse above the drum cleans the outside of debris, which falls to a screen located directly below the drum.

On July 3, 2018, Primatex had a zinc violation, for which a Notice of Violation was issued on July 12, 2018. An appeal to the Notice of Violation was received by OCSD on July 27, 2018, but it was denied on August 9, 2018 since OCSD's archive sample test result was consistent with the original test result. On August 6, 2018, OCSD conducted resampling followed by a Compliance Inspection on August 14, 2018. During both the compliance inspection and resampling, OCSD reviewed all available material safety data sheets but could not identify the source of the zinc violation. It was later discovered that a discharge agent called Parolite (used in the production of bright prints on dark fabrics, the main ingredient being Zinc formaldehyde sulfoxylate), which had not been used in over two years, may have been added to the production process by mistake. The remaining Parolite was returned to Primatex's chemical supplier.

July 1 – December 31, 2019

On **October 21, 2019** Primatex was published as significantly non-compliant for the 2018-2019 reporting period due to an acute zinc discharge violation on **July 3, 2018**.

Primatex had no further violations during this reporting period. OCSD will continue to monitor Primatex's discharge and compliance status on a quarterly basis.

**Prudential Overall Supply (Permit No. 1-071235)**

Prudential Overall Supply (Prudential) is in the business of garment rental and cleaning and operates a number of facilities throughout the United States. The facility in Irvine is equipped with automated laundering machinery and specializes in cleaning and redistribution of uniforms, mats, napkins, and aprons at an average rate of 24,800 pounds of laundry per day. Prudential does not operate a pretreatment system, but instead utilizes a collection basin used for suspended solids separation and a multi-stage underground clarifier. Wastewater from the facility is discharged into the open-topped-below-grade basin from which it is pumped through a screen shaker to remove lint and larger solids. After passing through the shaker, wastewater is discharged back into the basin where it flows by gravity through a multi-stage underground clarifier before discharging to the sewer system. The sample point is the final stage of the clarifier.

July 1, 2019 – December 31, 2019

On **July 24, 2019**, OCSD issued a Compliance Requirements Letter to address Prudential's compliance issues pertaining to stormwater management and potential discharge of solids to the sewer from the shaker screen system by **October 15, 2019**. Prudential requested an extension of the due date to determine the most appropriate path forward.

OCSD will conduct a Compliance Inspection during the next reporting period to confirm installation of the proposed solution.

**Quality Aluminum Forge, LLC (Cypress South) (Permit No. 1-600272)**

Quality Aluminum Forge, LLC (Cypress South) (QAF-South) produces aluminum alloy aerospace forgings. The major manufacturing process equipment consists of forging units, ovens, a heat treat (quench) tank, and a surface preparation/etch line. The forging units are used to drop forge the aluminum parts. Various cycles of forging, heating, etching, and quenching are used to form the metal and obtain the desired metallurgical properties. The wastewater generated from the etch process consists primarily of the rinse waters. Wastewater is treated in a continuous treatment system with pH adjustment, solids settling, filter press, and a clarifier.

July 1 – December 31, 2019

On **August 26, 2019**, OCSD conducted a Compliance Inspection in conjunction with routine quarterly sampling. During the inspection, multiple compliance deficiencies were noted including incorrect tank labeling, the accumulation of excessive solids in the sample box, and slug loading of the continuous treatment system with concentrated wastewater. On **September 24, 2019**, OCSD issued a Compliance Requirements Letter directing QAF-South to correct the deficiencies by **October 31, 2019**. On **November 18, 2019**, OCSD conducted a follow-up Compliance Inspection to verify QAF-South's compliance status and progress. While the tanks had been labeled and the solids were removed from the sample box, the remaining requirements had not been completed.

OCSD will conduct additional inspections during the next reporting period to verify completion of the remaining requirements.

### **Reid Metal Finishing (Permit No. 1-511376)**

Reid Metal Finishing (Reid) is a metal finisher providing chromic anodizing, passivation, hard anodizing, sulfuric anodizing, chem film, and plating services of stainless steel, aluminum, copper, brass, bronze, and zinc die castings. Reid processes products for the aerospace, military, medical, and commercial industries. Wastewater is generated from the rinses used in the various surface finish processes and air scrubber wash water. Reid's pretreatment system consists of chrome reduction, cyanide destruction, hydroxide precipitation and sludge filtration.

In September 2019, Reid had a cadmium monthly average discharge limit violation.

#### **July 1 – December 31, 2019**

On **December 10, 2019**, OCSD issued a Notice of Violation for the September 2019 cadmium monthly limit violation. Reid could not determine the source of the violation, and it was noted that previous and post-violation sampling results had been well below monthly and daily limits.

OCSD will continue to monitor Reid's discharge and compliance status on a quarterly basis.

### **Republic Waste Services (Permit No. 1-521827)**

Republic Waste Services (Republic) washes the inside and outside of trash bins in a contained and partially covered area in the facility. Washwater is routed through a three-stage clarifier before discharge to the sewer. Clarifier maintenance includes regular skimming and annual pump out of the sludge buildup.

In October 2018, Republic had cadmium, copper, lead and zinc violations. In November 2018, OCSD conducted a Compliance Inspection and resampling during which Republic indicated that no operational changes had been made onsite and, therefore, they were not able to identify any internal source for the violations. The company indicated that the only possible source would be from illicit materials disposed of in trash bins prior to washout, such as sand blasting dust or batteries. Republic pumped out the clarifier as part of their corrective action. The resampling results showed compliance.

#### **July 1 – December 31, 2019**

On **July 18, 2019**, Republic had chromium, copper, lead, nickel and zinc violations again, for which a Notice of Violation was issued on **August 20, 2019**. On **August 28, 2019**, OCSD conducted a Compliance Inspection during which Republic attributed the violations to excessive solids buildup in the clarifier and carry over of the solids to the sample point. As a corrective action, Republic increased frequency of their clarifier pump-out from quarterly to monthly. OCSD increased frequency of Republic's heavy metals self-monitoring to monthly effective **December 1, 2019**.

On **October 21, 2019** Republic was published as significantly non-compliant for the 2018-2019 reporting period due to acute cadmium, copper, lead, and zinc discharge violations on **October 3, 2018**.

On **November 7, 2019**, Republic had another copper violation, for which a Notice of Violation was issued on **December 3, 2019**. On **December 16, 2019**, OCSD conducted a Compliance Inspection during which Republic attributed the violation to degradation of copper tubing attached to the heated pressure washer used in washing the trash bins. Republic had since replaced the deteriorated tubing. On **December 30, 2019**, OCSD issued an Order to Cease Non-Compliant Discharges and directed Republic to attend a Compliance Meeting scheduled for the following month to discuss Republic's recurring violations.

OCSD will continue to monitor Republic's discharge and compliance status on a quarterly basis.

### **Star Manufacturing LLC, dba Commercial Metal Forming (Permit No. 1-600653)**

Star Manufacturing LLC, dba Commercial Metal Forming (Star) is a metal forming shop that specializes in stamping and forming metal tank heads on mechanical and hydraulic presses for use in the manufacture of vessels. Star's ancillary operations include plasma cutting metal blanks, plasma and oxyacetylene trimming, metal heat treating, pressure washing finished tank heads, welding, steam cleaning, and part washing. Wastewater is generated from the steam cleaning and washing of production pieces, which are typically coated with lubricant. Wastewater is collected in an underground sump and then pumped to an equalization tank from which the wastewater is gravity-fed through bag filters before discharge to the sewer.

In February and March 2019, Star had oil & grease violations. In March 2019, OCSD conducted a Compliance Inspection to determine if Star had made any improvements to its existing treatment system. Star personnel stated that they were continuing to research various technologies to ensure long term compliance with their permit limits and requirements. Star was aware that the use of bag filters is inadequate as primary treatment to remove oil and grease. In April 2019, OCSD issued a Compliance Requirements Letter requiring the submittal of a waste management proposal by May 2019, and installation of the proposed pretreatment system by June 2019 after acceptance by OCSD. While Star met the deadline for submitting the proposal, they installed the system without prior acceptance from OCSD. Star installed a zeolite multimedia filter tank equipped with a control valve that accommodates a backwash cycle to remove accumulated contaminants from the zeolite. However, the effectiveness of the backwash cycle using untreated gravity-fed water is unclear.

#### **July 1 – December 31, 2019**

On **July 10, 2019**, OCSD conducted a Compliance Inspection and resampling during which OCSD noted that Star had not made any further improvements to the treatment system using the zeolite filter media and lacked understanding of an appropriate preventative maintenance schedule to maintain compliance. The resampling detected an oil & grease violation.

On **August 12, 2019**, OCSD issued a Notice of Violation for the oil & grease noncompliance detected in the previous month's resample. OCSD also issued a Compliance Requirements Letter directing Star to attend a Compliance Meeting to discuss implementation of corrective actions to develop and maintain an effective treatment system. The Compliance Meeting was held on **August 21, 2019**. On **September 24, 2019**, following the Compliance Meeting, OCSD issued another Compliance Requirements Letter requiring Star to complete the installation of the proposed treatment system by **October 30, 2019**. Star had since completed installation of the treatment system, improved the operation of the zeolite filter tanks, and added a treated wastewater holding tank.

On **October 21, 2019** Star was published as significantly non-compliant for the 2018-2019 reporting period due to chronic and acute oil & grease of mineral or petroleum discharge violations on **February 15, 2019** and **March 21, 2019**.

OCSD will continue to monitor Star's discharge and compliance status during the next reporting period.

### **Stremicks Heritage Foods, LLC**

Stremick's Heritage Foods, LLC (Stremick's) produces milk and water-based beverages and milk-based products. Products include homogenized whole milk, 2%, 1%, nonfat, cream, half-and-half, chocolate and other flavored drinks, almond milk, soy milk, rice milk, almond and coconut creamer, various flavors of nectar, and soft serve ice-cream mixes.

Inside the facility production areas, wastewater is generated from the washing of equipment and floors. Stremicks has removed three production lines to add four new production lines that utilize purified water from a reverse osmosis system that also contribute to the wastewater discharge. The wastewater passes through one or two four-stage underground clarifiers (depending on the location in the plant) prior to the sample point.

Additional wastewater is generated downstream of the clarifiers from washing the inside of tanker trucks after unloading bulk liquid ingredients and products. The wash pad is located outside in a bermed and roofed area. Other sources of wastewater that discharge through the sample point include boiler blowdown, cooling tower bleed-off, and water softener regeneration waste. The total flow from all industrial wastewater is captured by the open channel meter outside the facility gate.

July 1 – December 31, 2019

Due to a pH issue in OCSD's sewer system in the area of Stremick's facility, OCSD conducted 24-hour monitoring of Stremick's discharge from **November 18 to November 19, 2019**. The pH results indicated that the pH fell below 6.0 and above 12.0 on numerous occasions. On **November 20, 2019**, Stremick's had an additional pH violation, for which a Notice of Violation was issued on **December 30, 2019**.

OCSD will conduct a Compliance Inspection during the next quarter and continue to monitor Stremick's discharge and compliance status on a quarterly basis.

### **Superior Plating (1-021090)**

Superior Plating is a medium-sized plating shop serving both aerospace (95%) and commercial (5%) customers. Wastewater generating operations include acid activation, alkaline cleaning, alkaline tin plating, black chromate, bright dip, bright nickel plating, bright silver plating, bright tin plating, cadmium plating, chem film, clear chromate, copper plate, copper strike, electroless nickel plating, fuse oil, gold plating, hot D.I. rinsing, liquid water displacement, matte silver plating, nickel plating, nickel strike, nitric dip, olive drab, passivation, permanganate (descale), rinsing (countercurrent, running, & static), silver strike, tin / lead plating, yellow chromate, and zincate.

Superior operates a batch pretreatment system, which consists of pH adjustment, cyanide destruct, chemical precipitation, clarification, coagulation, filter press and final effluent filtration. The non-metal bearing wastestreams undergo pH adjustment only.

From January 2019 through February 2019, OCSD conducted covert downstream monitoring of Superior's discharge during which cadmium, copper, lead, nickel, zinc and pH violations were detected. In March 2019, OCSD issued an Order to Cease Noncompliant Discharges informing Superior of OCSD's intention to initiate administrative proceedings against Superior based on the discharge violations detected during the downstream monitoring. In April 2019, OCSD held a Compliance Meeting with Superior during which the company chose to enter into a Settlement Agreement with OCSD to settle the violations and avoid administrative proceedings. The Settlement Agreement was issued in May 2019 and included a negotiated \$50,000 administrative penalty.

July 1 – December 31, 2019

On **July 1, 2019**, OCSD issued a Probation Order requiring Superior to conduct a proper evaluation of its pretreatment system and to make any necessary improvements to achieve consistent compliance. The final compliance date for the Probation Order schedule was **September 15, 2019**. On **August 15, 2019**, OCSD conducted a Compliance Inspection and found that Superior, with the aid of their consultant, had made adequate progress in complying with their Probation Order requirements. The company also submitted all required self-monitoring & biweekly reports in a timely manner.

On **August 14, 2019**, Superior had a cyanide (total) violation, for which issued a Notice of Violation was issued on **September 12, 2019**. This daily limit exceedance also resulted in a monthly average discharge limit violation for cyanide (total) for the month of August 2019. On **September 23, 2019**, OCSD conducted another Compliance Inspection to verify compliance with Probation Order and inquire about the cause of the recent cyanide violation. Superior's efforts to improve compliance included: installation of new measurement equipment (ORP & pH measurement, new pumps & piping), training for treatment operators in the use of new

bench test kits for metals & improved control equipment, and an updated pretreatment system schematic and an updated Operations & Maintenance manual. On **October 3, 2019**, OCSD conducted a follow-up inspection and resampling and found that Superior's consultant had evaluated the cyanide destruct system and concluded that the control equipment (pH & ORP) was faulty and needed replacement. The pH and ORP controller had already been completed by the time of the inspection. The resampling results showed compliance.

On **November 7, 2019**, OCSD issued a Notice of Violation for the August 2019 cyanide (total) monthly limit violation. OCSD will continue to monitor Superior's discharge and compliance status during the next reporting period to determine if additional enforcement is necessary.

### **Superior Processing (1-021403)**

Superior Processing is a metal plating job shop specializing in electroless nickel/immersion gold, electrolytic nickel/gold, electrolytic and immersion silver, and immersion tin plating on customer supplied printed circuit boards. Wastewater is generated from these wet operations and the associated rinses. Wastewater is segregated into two wastestreams. The metal-bearing waste is routed to continuous ion exchange system and the cyanide-bearing waste is routed to the batch cyanide destruct system.

#### July 1 – December 31, 2019

On **July 30, 2019**, Superior Processing had a nickel concentration violation and a nickel mass violation, for which a Notice of Violation was issued on **August 21, 2019**. This daily limit exceedance also resulted in a monthly average discharge limit violation for nickel for the month of July 2019. On **October 3, 2019**, OCSD conducted a Compliance Inspection and resampling during which OCSD learned that the effluent from the cyanide destruct system is discharged directly to the sewer without going through the ion exchange system to remove any nickel that might be present in the cyanide-bearing wastestreams. OCSD believes that Superior Processing has not had nickel violations in the past because previous OCSD sampling had been conducted when there was no simultaneous discharge from the cyanide destruct system. Thus, OCSD suspects that the nickel violations came from the cyanide destruct system effluent, as there was simultaneous discharge from that system at the time of sampling. Hence, OCSD directed Superior Processing to plumb the cyanide treatment effluent to the ion exchange system for metals removal prior to discharge to the sewer. The resampling results showed compliance.

On **October 14, 2019**, OCSD issued a Notice of Violation for the July 2019 nickel monthly limit violation.

Though Superior Processing had already replumbed the cyanide treatment system effluent through the ion exchange system, on **December 3, 2019**, Superior Processing had another nickel concentration violation and another nickel mass violation. OCSD will issue a Notice of Violation and conduct a follow-up Compliance Inspection for these recent violations during the next reporting period.

### **Tayco Engineering, Inc. (Permit No. 1-031012)**

Tayco Engineering, Inc. (Tayco) manufactures temperature sensors, flexible heaters, flat cables, high temperature heaters, and pressure switches for use in aerospace, satellite, military, and other general aviation applications. Rinsewater generated from the scrubbing of nickel and copper alloys is recirculated for approximately one week before discharge to a collection tank, then pumped over to the pretreatment system. Tayco uses a batch treatment system (hydroxide precipitation) for the etcher and scrub sink rinsewaters, spent developer/stripper solutions and rinses, and etcher fume scrubber bleed off. Spent etching solution and resist stripper solids are wastehauled offsite.

In December 2018, Tayco had copper daily and monthly average discharge limit violations. In February 2019, OCSD conducted a Compliance Inspection during which Tayco attributed the violation to a wastewater treatment operator forgetting to check the wastewater for copper prior to batch discharge. Tayco's corrective



action included additional checks for copper prior to batch discharge and better recordkeeping through a more detailed batch discharge log.

July 1 – December 31, 2019

In **September 2019**, Tayco had another copper monthly average discharge limit violation. OCSD will issue a Notice of Violation for this monthly limit exceedance during the next reporting period.

### **Thompson Energy Resources, LLC (Permit No. 1-521773)**

Thompson Energy Resources, LLC (Thompson Energy) produces crude oil by separating ground water from the oil/groundwater mixture extracted from multiple wells onsite through heating and chemical treatment. Resultant water is discharged to the sewer system.

In July 2018, Thompson Energy had an oil & grease violation. In September 2018, OCSD conducted a Compliance Inspection and resampling during which Thompson Energy attributed the source of the violation to a bad batch of chemicals coupled with high temperature processing. In mid-September 2018, Thompson Energy submitted a corrective action report indicating that the company had replaced its chemical vendor and implemented new chemicals at the facility. The resampling results showed compliance.

In June 2019, Thompson Energy had another oil & grease of mineral or petroleum origin violation.

July 1 – December 31, 2019

On **July 9, 2019**, OCSD issued a Notice of Violation for the previous month's oil & grease violation. On **August 12, 2019**, OCSD conducted a Compliance Inspection, during which Thompson Energy indicated that the source of the violation was failure of LMI chemical pumps on site. During the site inspection, Thompson Energy provided a corrective action report indicating that the dosing pumps and associated piping have been replaced. On **August 28, 2019**, Thompson Energy had another oil & grease violation, for which a Notice of Violation was issued on **October 28, 2019**.

On **November 12, 2019**, OCSD conducted a Compliance Inspection and resampling during which OCSD determined that Thompson Energy's ongoing oil & grease violations are being caused by insufficient retention time due to one of the two clarification tanks being out of service, along with other multiple operational issues. During the next reporting period, OCSD will pursue escalated enforcement action as a result of the continued noncompliance.

### **TTM Technologies North America, LLC (Coronado) (Permit No. 1-521859)**

TTM Technologies North America, LLC (TTM Technologies) is a large scale, full-service printed circuit board shop. Wastewater is generated from the processing of copper laminates into printed circuit boards. Wet processes include copper plating, electroless copper plating, nickel/gold plating, solder mask, alkaline cleaning, acid cleaning, scrubbing, developing, resist stripping, tin stripping, etching, screen cleaning, oxide coating, and miscellaneous cleanup/mop water. Rinse schemes practiced at the facility include significant use of static rinses in addition to running rinses. TTM Technologies operates a continuous pretreatment system to treat low concentration wastestreams, consisting of pH adjustment and multiple ion exchange resin beds, with a large portion of the effluent reused onsite. Batch treatment is performed on spent solutions and ion exchange backflush and it consists of pH adjustment, flocculation, clarification followed by sludge dewatering with a filter press. Concentrated wastestreams (etchant, spent plating solutions) are wastehailed offsite.

In August and September 2018, TTM Technologies had copper violations. In October 2018, OCSD issued a Compliance Requirements Letter requiring TTM to implement corrective actions and attend a Compliance Meeting later that month. In the Compliance Meeting, TTM submitted information detailing their efforts to

review the pretreatment system and explained the improvements that had been implemented prior to the meeting. OCSD required TTM Technologies to submit an updated pretreatment system diagram and operations and maintenance manual (O&M) by December 2018, which was extended to the following quarter due to delays. In January 2019, TTM submitted its O&M Manual which contained the updated pretreatment system schematics. In June 2019, TTM had another copper violation.

July 1 – December 31, 2019

On **July 18, 2019**, OCSD conducted a Compliance Inspection to investigate the copper violation. During the inspection, TTM stated that their review of their ion exchange regeneration schedule indicated that the final ('scavenger') stage required more frequent regeneration, which by that time had already been implemented. On **July 22, 2019**, OCSD issued the Notice of Violation for the copper violation.

TTM had no further violations during this reporting period. OCSD will continue to monitor TTM's discharge and compliance status on a quarterly basis.

**Ultra-Pure Metal Finishing, Inc. (Permit No. 1-021703)**

Ultra-Pure Metal Finishing, Inc. (Ultra-Pure) is a metal finishing job shop. Customer-supplied parts made of aluminum and steel are received for anodizing or chemfilm application. Colored dyes are used on aluminum parts, while acid preclean and zinc plating are used on steel parts. Wastewater is generated from the rinse water tanks following the chemical process tanks. Pretreatment consists of hexavalent chrome reduction, hydroxide precipitation, coagulant addition, and polymer/flocculation for metals precipitation, and clarification. Solids from the clarifier are processed in a sludge thickening tank and filter press, with filtrate returning to the beginning of the pretreatment system.

In April 2019, Ultra-Pure had zinc daily and monthly average discharge limit violations. In May 2019, Ultra-Pure submitted a corrective action letter stating that the root cause of the violation was the processing of new parts that had trapped highly concentrated solutions. The high concentration drag-out was then carried to the rinses and caused the treatment system to be slug loaded. In June 2019, OCSD conducted a Compliance Inspection and noted additional pretreatment issues including slug loading of the continuous treatment system with concentrated floor waste and inadequate record keeping of daily maintenance.

July 1 – December 31, 2019

On **July 1, 2019**, OCSD issued a Notice of Violation for the April 2019 zinc monthly limit violation. On **July 25, 2019**, OCSD issued a Compliance Requirements Letter requiring Ultra-Pure to discontinue the practice of slug-loading the treatment system with concentrated floor waste, maintain a daily checklist of relevant pretreatment system parameters, and submit updated facility drawings to OCSD. On **September 12, 2019**, Ultra-Pure submitted the updated facility drawings. On **October 16, 2019**, OCSD conducted a Compliance Inspection during which OCSD verified completion of the compliance requirements.

OCSD will continue to monitor Ultra-Pure's discharge and compliance status on a quarterly basis.

**Vit-Best Nutrition, Inc. (Permit No. 1-600010)**

Vit-Best Nutrition, Inc. (Vit-Best) performs compounding of various vitamins and nutritional supplements from food grade components. The components for the vitamins are mixed in tanks and undergo further processing to create the final product. Wastewater discharge consists of unit washdowns and mop-water from general cleaning that occurs between product runs.

In June 2019, Vit-Best had a pH violation.

July 1 – December 31, 2019

On **July 9, 2019**, OCSD issued a Notice of Violation for the previous month's pH noncompliance. On **July 18, 2019**, OCSD conducted a Compliance Inspection during which Vit-Best indicated that the most likely source of low pH was due to production operations associated with citric acid. In a typical operation, citric acid powder is screened after blending through a shaker screen. On **July 23, 2019**, Vit-Best submitted their corrective action, which included vacuuming the shaker screen prior to washing operations. Vit-Best stated that this new procedure will further collect residual citric acid to prevent any future non-compliant discharge.

OCSD will continue to monitor Vit-Best's discharge and compliance status on a quarterly basis.

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**SANTA ANA WATERSHED PROJECT AUTHORITY (SAWPA)**

### **3.0**     Santa Ana Watershed Project Authority (SAWPA)

SAWPA was formed in 1968 to develop a long-range plan for managing, preserving, and protecting the quality of water supplies in the Santa Ana Basin. SAWPA is a Joint Powers Authority (JPA) consisting of five member agencies: Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), Orange County Water District (OCWD), San Bernardino Valley Municipal Water District (Valley District), and Western Municipal Water District (WMWD). SAWPA's program in water quality management is integrated with those of other local, state, and federal agencies.

The Inland Empire Brine Line (Brine Line) is a pipeline designed to carry saline wastewater from the Upper Basin to the Orange County Sanitation District (OCSD) for disposal, after treatment, into the Pacific Ocean. This wastewater consists of a mixture of desalter brine and saline wastewater from Industrial Users (IUs), but also some temporary domestic discharges. The wastewater is treated by OCSD to comply with environmental standards before discharge to the ocean outfall. The capacity of the Brine Line available to SAWPA is 30 MGD per day (MGD). The average daily discharge was 10.88 MGD for this reporting period.

### **3.1**     Brine Line System Pretreatment Program Overview

SAWPA has a wastewater discharge ordinance applicable to the Brine Line. It is essentially, with some appropriate modifications, substantially similar to OCSD's Wastewater Discharge Regulations Ordinance. In addition, a Memorandum of Understanding is in place to delineate pretreatment permitting, monitoring, enforcement, and reporting responsibilities between SAWPA and OCSD. SAWPA has entered into a Multijurisdictional Pretreatment Agreement (Agreement) with the City of Beaumont (Beaumont), Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), Jurupa Community Services District (JCSD), San Bernardino Municipal Water Department (SBMWD), San Bernardino Valley Municipal Water District (Valley District), Western Municipal Water District (WMWD), and Yucaipa Valley Water District (YVWD). This Agreement delineates the pretreatment responsibilities between SAWPA and the agencies to carry out and enforce a pretreatment program to control discharges from IUs located in their service areas.

SAWPA owns and operates the Brine Line above the Orange County line and has purchased 17 MGD of treatment and disposal capacity rights at OCSD's treatment facilities. As of December 31, 2019, there are forty-two (42) direct connections including twelve (12) emergency connections discharging to the Brine Line. Twenty (20) indirect discharge Permittees located within the SAWPA service area discharge to the four (4) Brine Line Collection Stations (Collection Stations). The Collection Stations are located in, and operated by, the following agencies: EMWD, IEUA, San Bernardino Municipal Water Department (SBMWD) on behalf of Valley District, and the City of Corona on behalf of WMWD.

SAWPA has the permitting responsibilities for all Liquid Waste Haulers (LWH) that use the Collection Stations. As of December 31, 2019, there are ten (10) LWH permitted by SAWPA to use the Collection Stations. The SAWPA LWH permits assign a primary collection station and alternate collection station should the primary collection station become unavailable due to repairs or closure.

During the reporting period (July 1, 2019 through December 31, 2019) SAWPA continued implementation of numerous program documents and worked to improve the operation and implementation of the Pretreatment Program. A multijurisdictional pretreatment agreement between SAWPA and the member/contract agencies defines the roles and responsibilities of SAWPA and the Agencies. SAWPA and the member and contract agencies use a procedures document for uniform and consistent implementation of the Pretreatment Program. Orange County Sanitation District (OCSD) has completed the process of updating and revising their Sewer User Ordinance, Ordinance OCSD-53. As Delegated Control Authority to OCSD SAWPA is required to update their Ordinance to include relevant OCSD revisions. SAWPA has developed draft Ordinance No. 9 which has been revised to incorporate the updates within the new OCSD Ordinance. SAWPA submitted the draft Ordinance to OCSD for their review and concurrence on October 17, 2019. It is anticipated SAWPA will receive comments from OCSD regarding the draft Ordinance in early 2020.

Reporting below is individually presented for each SAWPA Pretreatment Program member/contract agency.

### **3.2 SAWPA Pretreatment Program**

#### **3.2.1 The City of Beaumont (Beaumont)**

##### **Description of Beaumont**

Beaumont is the owner and operator of the City of Beaumont wastewater treatment plant and will be responsible for the implementation of certain pretreatment program activities for the industries connected to the Brine Line within its service area upon its connection to the Brine Line in 2020. Beaumont is being required by the Santa Ana Regional Water Quality Control Board to proactively manage salinity in the two underlying groundwater basins, the Beaumont and San Timoteo Groundwater Management Zones. As a result, Beaumont has elected to install Reverse Osmosis (RO) treatment of the tertiary treated wastewater treatment plant effluent. The RO concentrate will be discharged to the Brine Line. The Beaumont wastewater treatment plant discharges to Cooper's Creek, tributary to San Timoteo Creek, which is tributary to the Santa Ana River. By discharging the brine concentrate to the Brine Line, discharge of a minimum 685 tons of salt to the Santa Ana River are avoided, benefiting the downstream groundwater basins. The RO facility is expected to be completed, tested and on-line and connection to the Brine Line completed in mid-2020. Currently there are no permitted users within the Beaumont Service Area.

#### **3.2.2 Eastern Municipal Water District (EMWD)**

##### **Description of EMWD**

EMWD is a Municipal Water District responsible for the implementation of certain pretreatment activities for the indirect and direct industries that discharge to EMWD's Non-Reclaimable Waste Line, which discharges to the Brine Line at Reach V. In the face of declining groundwater levels and continuing droughts, EMWD was formed in 1950 to secure additional water for a lightly populated area of western Riverside County. EMWD joined the Metropolitan Water District of Southern California a year later to augment its local supplies with recently available imported water. EMWD also provides sewer service throughout its area. The EMWD headquarters are located in Perris, California and serves

the eastern portion of the watershed in Riverside County, as well as portions of the Santa Margarita Watershed, south of the Santa Ana River Watershed.

### **Enforcement Action**

- **Infineon Technologies Americas Corporation (Permit No. I1039-3)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to Infineon Technologies Americas Corporation (Infineon) on November 20, 2019 for a pollutant limitation violation. On November 11, 2019 EMWD received a low pH alarm at its Integrated Operations Center from an inline pH meter at the EMWD Collection Station. The pH was at 5.7 S.U. a violation of the Daily Minimum Discharge Limitation of 6.0 S.U. as stated in Permit No. I1039-3. The NOV/OCA required the permittee to submit a written report detailing the cause, and corrective taken to prevent the recurrence of the violation by no later than December 4, 2019. Infineon responded on November 27, 2019 and attributed the cause of the violation to a fouled pH sensor which caused the system to under correct for chemical addition. Immediately upon discovery of the pH violation Infineon cleaned and re-calibrated the pH meter. Infineon made a decision to clean the pH sensor twice a day to prevent any re-occurrence, and in addition the truckers who haul are now required to take the pH with a handheld pH meter for confirmation of the pH with the inline pH meter. Implementation of the corrective actions identified above, and follow-up sampling indicated compliance; subsequently, the enforcement action was closed. EMWD shall continue to conduct unannounced inspections and wastewater monitoring at Infineon to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

### **3.2.3 Inland Empire Utilities Agency (IEUA)**

#### **Description of IEUA**

IEUA is a Municipal Water District responsible for the implementation of certain pretreatment program activities for the direct and indirect industries located within IEUA's service area which discharge to the Brine Line at Reach 4A and 4D. IEUA, originally named the Chino Basin Municipal Water District (CBMWD), was formed in 1950 to supply supplemental water to the region. Since its formation, the Agency has expanded its areas of responsibility from a supplemental water supplier to a regional wastewater treatment agency with domestic and industrial disposal systems and energy recovery/production facilities. In addition, the Agency has become a recycled water purveyor, bio-solids/fertilizer treatment provider and continues as a leader in water supply salt management, for the purpose of protecting the region's vital groundwater supplies.

IEUA strives to enhance the quality of life in the Inland Empire by providing optimum water resources management for the area's customers while promoting conservation and environmental protection. IEUA covers 242-square miles, distributes imported water, provides industrial/municipal wastewater collection and treatment services, and other related utility services to more than 850,000 people. The Agency's service area includes the Cities of Chino, Chino Hills, Fontana, Montclair, Ontario and Upland, as well as the Cucamonga Valley Water District and the Monte Vista Water District.

## **Enforcement Action**

- **Eastside Water Treatment Facility (Permit No. I1024-2.1)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to Eastside Water Treatment Facility (Eastside) on June 26, 2019 for a pollutant limitation violation. On June 4, 2019, IEUA collected a wastewater sample from Monitoring Point 002. The pH field analysis indicated the pH was 5.3 SU which exceeded the Local Daily Minimum Discharge Limitation of 6.0 SU as stated by Permit. The NOV/OCA required Eastside to submit a written report detailing the cause of the violation and corrective actions on or before July 10, 2019. Furthermore, the permittee is required to test the pH of every wastewater load to ensure compliance prior to transporting them to the collection station. Eastside responded on July 9, 2019 and attributed the cause of the violation to low quality salt that was delivered to its facility and used in the ion exchange process. Eastside stated its employees will inspect all loads of salt to verify the quality prior to accepting them. Eastside also stated their hauler took a wastewater load prior to operating hours without confirming pH was between 6.0 S.U. and 12.0 S.U. Treatment Plant operators received training and reviewed SOP procedures to ensure pH is checked on each load prior to hauler leaving its facility. Eastside also notified their hauling company was also notified wastewater shall not be removed from the site until a City employee checks the pH. Implementation of the corrective actions identified above, and follow-up sampling indicated compliance; subsequently, the enforcement action was closed. IEUA shall continue to conduct unannounced inspections and wastewater monitoring at Eastside to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

- **OLS Energy – Chino (Permit No. D1059-3)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to OLS Energy – Chino (OLS) on October 2, 2019 for a pollutant limitation violation and hazardous waste discharge. On September 22, 2019, OLS discharged 59 gallons of low pH wastewater (1.5 SU) to the Brine Line. This low pH discharge is a prohibited waste as stated in SAWPA Ordinance No. 8 and IEUA Ordinance No. 106. Furthermore, OLS failed to immediately notify the Control Authorities as required by permit. The NOV/OCA required OLS to cease and desist discharging low pH wastewater, continue to implement the corrective actions stated in its written response submitted on September 23, 2019, and update its current SOP for its pH neutralization process. The response indicated the violation may have been caused by stratification in neutralization tank (D203). OLS stated it is implementing safeguards to prevent recurrence. The facility has two neutralization tanks, D203 and D204. Only D203 has a source of low pH wastewater. OLS will perform the mixing in Neutralization Tank D203 and then transfer it into tank D204 for additional mixing to ensure pH stability prior to discharging it to the Brine Line. On October 16, 2019, OLS submitted an updated SOP for neutralization process. On November 11, 2019, as required by permit, the Permittee reported to the EPA Regional Waste Management Division that it discharged 59 gallons of hazardous waste to the Brine Line. Implementation of the corrective actions identified above, and follow-up sampling indicated compliance; subsequently, the enforcement action was closed. IEUA shall continue to conduct unannounced inspections and wastewater monitoring at OLS to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.



### **3.2.4 Jurupa Community Services District (JCSD)**

#### **Description of JCSD**

JCSD is a public agency responsible for the implementation of certain pretreatment program activities for the direct industries connected to the Brine Line via JCSD's sewer collection system within its service area (Brine Line Reach IV-D). JCSD headquarters is located at 11201 Harrel Street in the City of Jurupa Valley. JCSD was formed in 1956 and provides water, sewer, park services, graffiti abatement, and street lighting. In 1988 the District formed the Community Facilities District No. 1 to provide for water, sewer, flood control and street infrastructure within the industrial portion of the Mira Loma area. The boundaries of CFD No. 1 expanded from 1,900 acres to 3,000 acres in 1992. In June 1989, JCSD contracted with WMWD for capacity in Reach IV-D of the Brine Line.

#### **Enforcement Action**

- **Del Real, LLC (Permit No. D1021-3)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to Del Real, LLC (Del Real) by JCSD on February 1, 2019 for pollutant limitation and temperature exceedance violations. On January 27, 2019 Del Real LLC submitted pH and temperature data records from the pH meter Monitoring Point 001, the permitted monitoring point, via email as requested by JCSD staff. The pH of the industrial effluent discharged exceeded the Local Daily Minimum Discharge Limitation of 6.0 S.U. as defined by Permit on January 3, 4, 5, 6, 8, 9, 11, 13, 20, 25, and 26, 2019. Additionally, the temperature data submitted with the pH data records indicated several temperatures as high as 186 degrees Fahrenheit, exceeding the limit of 140 degrees Fahrenheit as stated in SAWPA Ordinance 8 Article 2 Section 201.0J. The NOV/OCA required Del Real to submit a written report by February 18, 2019 stating the cause of the pH and temperature violations and planned corrective actions to ensure that future pH and temperature discharges will be within the Local Non-Domestic Wastewater Limitations Concentration Values. Permittee responded on February 18, 2019 and attributed the pH exceedances to erroneous readings of an unsecured probe in the Monitoring Point 001 Manhole. Del Real replaced the probe and secured it in place in Monitoring Point 001. Additional corrective actions taken by Del Real were to change the Dissolved Air Flotation (DAF) set point from 6.5 to 8 S.U., installation of a thermostatic mixing valve to maintain boiler blowdown temperatures within the compliance range, and a pH dosing connection from the current DAF Caustic tank to the DAF effluent sample box at the exit of the DAF to immediately correct pH. A compliance inspection on August 15, 2019 confirmed installation of AF-3 automated chemical control system which manages chemical dosing at pH tank and emergency caustic pump at the DAF sample box. Implementation of the corrective actions identified above, follow-up site visits, and pH compliance monitoring indicated compliance; subsequently, the enforcement action was closed. JCSD shall continue to conduct unannounced inspections and wastewater monitoring at Del Real to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

### **3.2.5 San Bernardino Municipal Water Department (SBMWD)**

#### **Description of SBMWD**

SBMWD is a Municipal Water Department and is responsible for administering certain pretreatment program activities for indirect industries associated with the SBMWD Brine Line Collection Station. SBMWD provides potable water and sewerage services for the City of San Bernardino, in addition to sewerage service for the cities of Loma Linda and Highland, as well as, some isolated county areas. These services are augmented by the operation of a brine waste collection station which provides an alternate disposal site for industries which generate high strength brine waste. The SBMWD, under contract with the San Bernardino Valley Municipal Water District, is responsible for administering the pretreatment program associated with the SBMWD Brine Line Collection Station.

#### **Enforcement Action**

There was no enforcement action during this reporting period.

### **3.2.6 San Bernardino Valley Municipal Water District (Valley District)**

#### **Description of Valley District**

Valley District is a Municipal Water District responsible for the implementation of certain pretreatment program activities for the direct industries connected to the Brine Line within its service area (Brine Line Reach IV-E). Valley District headquarters is located in the City of San Bernardino and serves most of the northern and eastern reaches of the watershed in San Bernardino County with a small portion of its service area in Riverside County. Valley District was formed in 1954 to plan long-range water supply for the San Bernardino Valley. It is the only State Water Contractor within SAWPA and imports water into its service area through participation in the California State Water Project while also managing groundwater storage within its boundaries. It was incorporated under the Municipal Water District Act of 1911 (California Water Code Section 7100 et seq., as amended). Its enabling act includes a broad range of powers to provide water, as well as wastewater, stormwater disposal, recreation, and fire protection services.

#### **Enforcement Action**

There was no enforcement action during this reporting period.

### **3.2.7 Santa Ana Watershed Project Authority (SAWPA)**

#### **Description of SAWPA**

SAWPA is a Joint Powers Authority, classified as a Special District under State of California law, responsible for the implementation of the pretreatment program for the industries connected to the Brine Line. SAWPA consists of five Member Agencies: Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), Orange County Water District (OCWD), San Bernardino Valley Municipal Water District (Valley District), and Western Municipal Water District (WMWD). SAWPA, through the MOU with OCSA, has the ultimate responsibility to ensure adequate implementation of Pretreatment Program responsibilities in the Upper Basin portion of the Brine Line. SAWPA issues permits to

Direct and Indirect Dischargers jointly with Member and Contract Agencies and solely issues permits to all Member and Contract Agency owned or affiliated Direct and Indirect Dischargers.

**Enforcement Action**

- **Del Real, LLC (Permit No. D1021-3)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to Del Real, LLC (Del Real) by SAWPA on July 14, 2016 for a bypass in the pretreatment wet well and for exceedance of their Brine Line purchased capacity. The NOV/OCA required Del Real to submit a corrective action plan regarding the bypass and to apply for additional Brine Line capacity. Del Real repaired and made improvements to the existing alarm system to the wet well, which was verified by SAWPA during inspection. Del Real also installed and repaired screens for the production room drains. Del Real submitted a request for additional Brine Line capacity and a Water Balance Report which detailed water consumption and wastewater discharged to the Brine Line. Del Real agreed to purchase an additional 163,000 gallons of Brine Line capacity and submitted the Water Balance Report. Implementation of the corrective actions identified above, and follow-up site visits indicated compliance; subsequently, the enforcement action was closed. JCSD shall continue to conduct unannounced inspections and wastewater monitoring at Del Real to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

- **Del Real, LLC (Permit No. D1021-3)**

A Notice of Violation and Order for Corrective Action and Notice of Significant Noncompliance (NOV/OCA) was issued to Del Real, LLC (Del Real) by SAWPA on May 15, 2019 for a pollutant limitation and failure to report said violation within 24 hours of becoming aware of the violation. Furthermore, Del Real failed to report said violation within 45 days of the required report due date placing the facility in Significant Noncompliance for the 2nd and 3rd quarters of the 2018-2019 fiscal year. On August 10, 2018 Del Real collected a wastewater sample from Monitoring Point 001. The field pH result obtained August 10, 2018 indicated a pH result of 5.4 S.U., a violation of the pH minimum discharge limitation of 6.0 S.U. as stated in the wastewater discharge permit. Furthermore, this violation was not communicated to JCSD until submittal of the Self-Monitoring Report in January 2019. The NOV/OCA required submittal of a written report detailing why the pH violation was not reported as required and what corrective action would be taken to ensure future violations of this nature do not occur again by May 29, 2019. The permittee responded requesting an extension of the deadline until June 3, 2019, which was granted. The permittee provided the report on June 3, 2019. The report identified the cause of the reporting violation as a failure of staff to properly identify the violation and therefore reporting was not made as required. The permittee will ensure proper personnel are present during laboratory field analyses and the contract laboratory will be directly notifying personnel should any further violations be identified so that notification can be made as required. Implementation of the corrective actions identified above, and follow-up sampling indicated compliance; subsequently, the enforcement action was closed. JCSD shall continue to conduct unannounced inspections and wastewater monitoring at Del Real to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

- **EMWD Perris and Menifee Desalination Facility (Permit No. D1061-3)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to the EMWD Perris and Menifee Desalination Facility by SAWPA on November 7, 2019 for discharging to the Brine Line without obtaining a Wastewater Discharge Permit. On October 2, 2019 EMWD Source Control staff notified SAWPA that a contractor operator for the Desalitech R.O. pilot project discharged 250 gallons of wastewater to the Brine Line without obtaining a Wastewater Discharge Permit for the discharge. The NOV/OCA required EMWD to submit a written report to SAWPA detailing how the violation shall be prevented in the future. The written report was due no later than November 21, 2019. An extension on the November 21, 2019 deadline was requested and granted to accommodate signing of the response by the Authorized Representative to November 22, 2019. The response to the NOV/OCA was received November 22, 2019. EMWD has developed a Standard Operating Procedure to prevent future non-compliant discharges to the brine line from contracted operators or EMWD employees. Implementation of the corrective actions identified above, and follow-up sampling indicated compliance; subsequently, the enforcement action was closed. SAWPA shall continue to conduct unannounced inspections and wastewater monitoring at the EMWD Perris and Menifee Desalination Facility to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

### **3.2.8 SAWPA Liquid Waste Hauler (LWH) Program**

SAWPA solely permits the Waste Haulers allowing for the Waste Haulers to have only one permit to provide service to the four Member Agencies' Collection Stations. This also facilitates utilization of the Generator's regular Waste Hauler if an Alternate Collection Station must be used.

#### **Enforcement Action**

- **Alpha Petroleum (Permit No. H1126-1)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to Alpha Petroleum by SAWPA on December 20, 2019 for discharging a wastewater load to the Brine Line without cleaning the waste hauler truck as required resulting in an unauthorized discharge to the IEUA Collection Station. On November 27, 2019 at 12:30 p.m., Alpha Petroleum discharged a wastewater load, which originated from Eastside Water Treatment Facility (EWTF), to the IEUA Collection Station. After the wastewater was offloaded to the IEUA Collection Station the tanker hose was disconnected by the driver and an IEUA inspector witnessed the discharge of grease leaking out of the tankers discharge pipe and onto the ground. When the IEUA inspector questioned the driver concerning the grease discharging from the tanker, the driver stated a load of wastewater containing grease was transported and offloaded at a different site, but the tanker was not cleaned prior to loading wastewater from the EWTF. Alpha Petroleum failed to follow the actions submitted in their Liquid Waste Hauler Cleaning and Maintenance Plan a violation of Wastewater Discharge Permit No. H1126-1. The NOV/OCA required the permittee to submit a written report detailing the cause and corrective actions taken to prevent recurrence of the violations by no later than 1/6/2020. SAWPA and IEUA shall continue to

conduct unannounced inspections and wastewater monitoring at the IEUA Collection Station of Alpha Petroleum to ensure consistent compliance with permit requirements and SAWPA Ordinance No. 8.

### **3.2.9 Western Municipal Water District (WMWD)**

#### **Description of WMWD**

WMWD is a Municipal Water District responsible for the implementation of certain pretreatment program activities for the direct and indirect industries connected to the Brine Line within its service area. WMWD was formed in 1954 under the Municipal Water District Act of 1911 for the purpose of bringing supplemental water from the Metropolitan Water District of Southern California to a growing western Riverside County. Western's service area covers 527 square miles, serving a population of approximately 900,000 people. The District serves 10 wholesale customers with imported water via the Colorado River and the State Water Project. WMWD also supplies imported water and groundwater directly to approximately 25,000 residential, commercial and agricultural customers in the areas of El Sobrante, Eagle Valley, Temescal Creek, Woodcrest, Orangecrest, Mission Grove, Lake Mathews, March Air Reserve Base, Rainbow Canyon and portions of the cities of Riverside and Murrieta. The Murrieta division provides water and wastewater services in a 6.5-square mile portion of Murrieta and relies on both groundwater and imported sources. WMWD headquarters is located in Riverside, California and serves the western Riverside County portion of the watershed, as well as portions of the Santa Margarita Watershed, south of the Santa Ana River Watershed.

#### **Enforcement Action**

- **Decra Roofing Systems (Permit No. I1020-3)**

A Notice of Violation and Order for Corrective Action (NOV/OCA) was issued to Decra Roofing Systems (Decra) by WMWD on August 8, 2019 for pollutant discharge limitation violation. On July 23, 2019 Decra collected a wastewater sample from Monitoring Point 001. The field analysis results reported by Decra on July 24, 2019 indicated a Dissolved Sulfide concentration of 1.1 mg/L, which exceeded the Daily Maximum Discharge Limitation of 0.5 mg/L as stated in Permit No. I1020-3. The NOV/OCA required Decra to investigate the cause of the violation and submit a report with corrective actions by August 16, 2019. Additionally, Decra was required to resample for dissolved sulfides weekly for three consecutive weeks and submit the first result by August 23, 2019. The remaining results must be submitted within 10 days of receiving them. Decra submitted the Corrective Actions Report on August 19, 2019. An informal notice was provided for the late report and it was immediately provided. The first resample was submitted and indicated a non-detect for dissolved sulfides (<0.01mg/L). The contracted lab could not provide accurate results for the remaining two samples due to a lab error. Decra rescheduled the sampling and it was completed on September 19, 2019 and September 26, 2019. The results for both samples indicated non-detect for the dissolved sulfides (<0.01mg/L). Implementation of the corrective actions identified above, and follow-up sampling indicated compliance; subsequently, the enforcement action was closed. WMWD shall continue to conduct unannounced inspections and wastewater monitoring at Decra to ensure consistent compliance with permit requirements and SAWPA

Ordinance No. 8.

### **3.2.10 Yucaipa Valley Water District (YVWD)**

#### **Description of YVWD**

YVWD is a Water District responsible for the implementation of certain pretreatment program activities for the industries connected to the Brine Line within its service area. YVWD was formed on September 14, 1971, when the Secretary of State of the State of California certified and declared formation of the District. The District operates under the County Water District Law, being Division 12 of the State of California Water Code. Although the immediate function of the District at the time was to provide water service, the YVWD currently provides a variety of services to residential, commercial and industrial customers. The YVWD provides sewer collection and sewer treatment services. Sewer treatment takes place at the highly advanced Wochholz Regional Water Recycling Facility that provides advanced treatment, including the capability to demineralize the recycled water. In 2012, the YVWD completed an extension of the Inland Empire Brine Line operated by the Santa Ana Watershed Project Authority. The brine disposal facility is critical to ensure the YVWD meets the stringent water quality objectives set by the Regional Water Quality Control Board for the Yucaipa Management Zone, Beaumont Management Zone and the San Timoteo Management Zone.

Although YVWD currently has no permitted industries discharging to the Brine Line they have participated in Brine Line activities, including training conducted by SAWPA personnel, since 2013. They conduct the industrial user survey upstream of the Henry Wochholz Regional Water Recycling Facility that began discharge to the Brine Line in July of 2016, in accordance with SAWPA policies and procedures. The Henry Wochholz Regional Water Recycling Facility service area includes three industrial permittees:

#### **Enforcement Action**

There was no enforcement action during this reporting period.

### **3.3 Permittees in Significant Noncompliance (SNC)**

At the end of each quarter, EPA requires the evaluation of each IU's compliance status using a six-month period. Each IU is evaluated for SNC four times during the year, and the total evaluation period covers 15 months (beginning with the last quarter of the previous pretreatment year through the end of the current year).

As of December 31, 2019, of the active seventy-two (72) Permittees, there were no permittees classified as SNC. An industry was determined to be in SNC if it incurred a violation that met one or more of the criteria listed below as provided in 40 CFR, Part 403.

- Chronic violations of wastewater discharge limits are defined as those in which 66% or more of all measurements for the same pollutant taken during a consecutive six-month period exceed (by any magnitude) a numeric pretreatment standard or requirement including instantaneous limits as defined by 40 CFR 403.3(l).

- Technical review criteria (TRC) violation are defined as those in which 33% or more of all measurements taken for the same pollutant during a consecutive six-month period equal or exceeds the product of the numeric pretreatment standard or requirement including instantaneous limits, as defined by 40 CFR 403.3(l) multiplied by the applicable TRC (TRC=1.4 for BOD, TSS, fats, oil and grease, and 1.2 for all other pollutants except pH).
- Any other violation of a pretreatment standard or requirement (daily maximum or long term average, instantaneous limit or narrative standard) that has caused, alone or in combination with other discharges, interference or pass through (including endangering the health of POTW or SAWPA personnel or the general public).
- Any discharge of a pollutant that has caused imminent endangerment to human health, welfare, or the environment; or has resulted in POTW's or SAWPA's exercise of emergency authority to halt or prevent such a discharger.
- Failure to meet within 90 days after the scheduled date, a compliance schedule milestone contained in a local control mechanism or enforcement order, for starting construction, completing construction, or for attaining final compliance.
- Failure to provide, within 45 days of the due date, any required reports such a baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports, and reports with compliance schedules.
- Failure to pay, within 30 days, all applicable user application, permit and enforcement penalty fees.
- Failure to accurately report noncompliance.
- Any other violation or group of violations, which may include a violation of Best Management Practices, which the POTW or SAWPA believes will adversely affect the operation or implementation of the SAWPA's pretreatment program, or the Brine Line or tributaries thereto.

A summary of Permittees in SNC is presented in Table 3.1.

| <b>TABLE 3.1 Summary of SAWPA and Member/Contract Agency Permittees in Significant Noncompliance (SNC), July 1 – December 31, 2019</b> |                   |   |
|--|-------------------|---|
| <b><i>EMWD, IEUA, JCSD, SBMWD, Valley District, SAWPA, &amp; WMWD Permittees</i></b>   |                   |   |
| <b>Company Name</b>  | <b>Permit No.</b> | <b>Reporting or Discharge Violation</b> |
| None   |                   |   |

### **3.4 Future Projects that will Affect Quantity of Discharge to the Brine Line System**

**California Institution for Women (CIW)** which is primarily domestic (reclaimable) wastewater will be diverted to the Pine Avenue Sewer, away from the Brine Line. Diversion of the CIW wastewater to the Pine Avenue Sewer away from the Brine Line is anticipated

for Fiscal Year 2020/2021.

**City of Beaumont** is actively exploring alternatives and developing plans to upgrade the City's existing wastewater treatment plant. These plans include a salinity management strategy to comply with basin plan objectives set by the Regional Water Quality Control Board for the Beaumont and San Timoteo Groundwater Management Zones. These proposed improvements are contingent on the ability to tie the discharge from the proposed treatment plant upgrade to the Brine Line for brine conveyance. The City of Beaumont is not within the Brine Line Service Area, so therefore requires authorization from OCSD General Manager prior to discharge. The City of Beaumont submitted an official request to discharge to the Brine Line in late 2016. SAWPA requested additional information before submitting to OCSD a request for authorization for the discharge from the City of Beaumont to the Brine Line from OCSD in early 2017. Following resolution of requirements given to SAWPA and the City of Beaumont by OCSD authorization for connection to the Brine Line is anticipated for early January 2020.

**Rialto Bioenergy** is a food waste-to-energy facility in Rialto, California, which has submitted a wastewater discharge permit application to SAWPA and Valley District. The facility is expected to come online and begin discharge to the Brine Line in mid-2020 following issuance of a wastewater discharge permit.

### 3.5 SAWPA Special Projects

SAWPA conducted the following Special Project efforts during the reporting period:

1. Right of way (ROW) maintenance including road grading and vegetation removal for Reach 4A Lower and Reach 4B Lower.
2. Pipeline cleaning, pipeline inspection, and scale assessment for Reach 4A Lower and Reach 4B Lower.
3. Repaired corrosion on Maintenance Access Structure (MAS) 4A-0010.
4. Siphon cleaning on Reach 4A Upper (Pine Avenue Siphon).

| Activity        | Reach 4A Lower | Reach 4B Lower | Corona Lateral | Reach 4A Upper |
|-----------------|----------------|----------------|----------------|----------------|
| ROW Maintenance | 1.5 miles      | 3 miles        | 0.3 miles      | -              |
| Line Inspection | -              | 1,400 ft       | 1,250 ft       | -              |
| Line Cleaning   | -              | 1,400 ft       | 1,250 ft       | -              |
| MAS Inspected   | 19             | 15             | 3              | -              |
| Siphon Cleaned  | -              | -              | -              | 1              |

### 3.6 Brine Wastewater Effluent Characteristics at OCSD's SARI Metering Station (SMS)

A flow meter installed at the Orange County line measures SAWPA's discharge (SMS). For the one billing days during the six-month period from July 1, 2019 through December 31, 2019, a total of 1,990.79 MG was discharged into the Brine Line. The SAWPA effluent represents a mixture of domestic and industrial wastewater, industrial brine, and brine from brackish groundwater treated by the desalters. The SMS is sampled by SAWPA weekly for BOD, TSS, and hardness.



Tables 3.2 and 3.3 show the mass of pollutants as they were measured at SMS. The data is based on average daily flow. The quarterly average numbers for mg/L and lbs/day are flow-weighted values.

**TABLE 3.2 – SAWPA DAILY AVERAGE CONCENTRATION (mg/L) AND MASS (lbs/day) MEASURED FROM WEEKLY SAMPLING AT OCSD’S SARI METERING STATION, July – September 2019**  
SAWPA/Orange County Sanitation District

|  | <u>July 19</u>     |                      | <u>August 19</u>   |                      | <u>September 19</u> |                      | <u>Quarterly Average</u> |                      |
|--|--------------------|----------------------|--------------------|----------------------|---------------------|----------------------|--------------------------|----------------------|
| Average Daily Flow in MGD  | 10.6457            |                      | 10.2861            |                      | 11.0311             |                      | 10.6543                  |                      |
| <b><u>Pollutant</u></b>  | <b><u>mg/L</u></b> | <b><u>lb/day</u></b> | <b><u>mg/L</u></b> | <b><u>lb/day</u></b> | <b><u>mg/L</u></b>  | <b><u>lb/day</u></b> | <b><u>mg/L</u></b>       | <b><u>lb/day</u></b> |
| Arsenic  | 0.0056             | 0.4972               | ND                 | ****                 | ND                  | ****                 | 0.0014                   | 0.1244               |
| Cadmium  | ND                 | ****                 | ND                 | ****                 | ND                  | ****                 | ND                       | ****                 |
| Chromium   | ND                 | ****                 | ND                 | ****                 | ND                  | ****                 | ND                       | ****                 |
| Copper   | 0.0117             | 1.0343               | ND                 | ****                 | ND                  | ****                 | 0.0029                   | 0.2588               |
| Lead   | ND                 | ****                 | ND                 | ****                 | ND                  | ****                 | ND                       | ****                 |
| Mercury  | ND                 | ****                 | ND                 | ****                 | ND                  | ****                 | ND                       | ****                 |
| Nickel   | ND                 | ****                 | ND                 | ****                 | ND                  | ****                 | ND                       | ****                 |
| Silver   | 0.0105             | 0.9322               | 0.0090             | 0.7721               | 0.0087              | 0.7973               | 0.0093                   | 0.8219               |
| Zinc   | 0.0364             | 3.2318               | 0.0382             | 3.2770               | 0.0530              | 4.8760               | 0.0433                   | 3.8475               |
| <b>Total Metals</b>  | <b>0.0642</b>      | <b>5.6956</b>        | <b>0.0472</b>      | <b>4.0491</b>        | <b>0.0617</b>       | <b>5.6733</b>        | <b>0.0569</b>            | <b>5.0526</b>        |
| BOD  | 39.4063            | 3,498.6904           | 18.2375            | 1,564.5266           | 24.9040             | 2,291.1618           | 27.1035                  | 2,408.3379           |
| TSS  | 83.5000            | 7,413.5613           | 58.2500            | 4,997.0485           | 79.1600             | 7,282.7003           | 74.5088                  | 6,620.6299           |
| ND = Not Detected<br>****= Lbs/Day not calculated due to concentration less than detection limits (typical). |                    |                      |                    |                      |                     |                      |                          |                      |

**TABLE 3.3 – SAWPA DAILY AVERAGE CONCENTRATION (mg/L) AND MASS (lbs/day)  
MEASURED FROM WEEKLY SAMPLING AT OCSD'S SARI METERING STATION,  
October – December 2019  
SAWPA/Orange County Sanitation District**

|                              | <u>October 19</u> |               | <u>November 19</u> |               | <u>December 19</u> |               | <u>Quarterly Average</u> |               |
|------------------------------|-------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------------|---------------|
| Average Daily Flow<br>in MGD | 11.5526           |               | 11.3947            |               | 10.2591            |               | 11.0688                  |               |
| <u>Pollutant</u>             | <u>mg/L</u>       | <u>lb/day</u> | <u>mg/L</u>        | <u>lb/day</u> | <u>mg/L</u>        | <u>lb/day</u> | <u>mg/L</u>              | <u>lb/day</u> |
| Arsenic                      | ND                | ****          | ND                 | ****          | ND                 | ****          | ND                       | ****          |
| Cadmium                      | ND                | ****          | ND                 | ****          | ND                 | ****          | ND                       | ****          |
| Chromium                     | ND                | ****          | 0.0070             | 0.6652        | 0.0150             | 1.2834        | 0.0064                   | 0.5885        |
| Copper                       | 0.0156            | 1.5030        | 0.0133             | 1.2608        | 0.0166             | 1.4203        | 0.0150                   | 1.3824        |
| Lead                         | ND                | ****          | ND                 | ****          | ND                 | ****          | ND                       | ****          |
| Mercury                      | ND                | ****          | ND                 | ****          | ND                 | ****          | ND                       | ****          |
| Nickel                       | ND                | ****          | ND                 | ****          | ND                 | ****          | ND                       | ****          |
| Silver                       | 0.0100            | 0.9635        | 0.0103             | 0.9820        | 0.0155             | 1.3262        | 0.0115                   | 1.0616        |
| Zinc                         | 0.0235            | 2.2674        | 0.0368             | 3.4972        | 0.0481             | 4.1155        | 0.0347                   | 3.1987        |
| <b>Total Metals</b>          | <b>0.0491</b>     | <b>4.7339</b> | <b>0.0674</b>      | <b>6.4051</b> | <b>0.0952</b>      | <b>8.1454</b> | <b>0.0675</b>            | <b>6.2312</b> |
| BOD                          | 32.3280           | 3,114.7629    | 28.8360            | 2,740.3279    | 37.3286            | 3,193.8760    | 32.0578                  | 2,959.3786    |
| TSS                          | 67.0800           | 6,463.0751    | 81.7600            | 7,769.7742    | 104.0000           | 8,898.3610    | 80.8906                  | 7,467.3213    |

ND = Not Detected

\*\*\*\* = Lbs/Day not calculated due to concentration less than detection limits (typical).

**ORANGE COUNTY SANITATION DISTRICT**

**RESOURCE PROTECTION DIVISION  
MONITORING AND COMPLIANCE  
STATUS REPORT**

**APPENDIX 1**

**1st and 2nd Quarters  
FISCAL YEAR 2019/2020**

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                                   | Permit No. | Physical Address                                | NAICS Code | Regulation                      | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment |
|---|------------|---|------------|---------------------------------|--------------------|----------------|-------------|-------------------------------------|---------|
| 3M ESPE Dental Products                         | Z-371301   | 2111 Mcgaw Ave.<br>Irvine, CA 92614             | 339114     | 471.14(a)                       | 1                  | -              | -           |                                     |         |
| 9W Halo Western opCo, L.P.                      | 1-600378   | 1575 N. Case St.<br>Orange, CA 92867            | 812332     | 403.5(d)                        | 2                  | 10             | 2           |                                     |         |
| A & G Electropolish                             | 1-531422   | 18330 Ward St.<br>Fountain Valley, CA 92708     | 332813     | 433.17(a)                       | 2                  | 8              | 3           |                                     |         |
| A & K Deburring and Tumbling, Inc.              | 1-511362   | 2008 S. Yale St. Unit H<br>Santa Ana, CA 92704  | 332812     | 403.5(d)                        | 2                  | 12             | 2           |                                     |         |
| A & R Powder Coating, Inc.                      | 1-021088   | 1198 N. Grove St.<br>Unit B Anaheim, CA 92806   | 332812     | 433.17(a)                       | 3                  | 12             | 3           |                                     |         |
| Access Business Group, LLC                      | 1-531435   | 5600 Beach Blvd.<br>Buena Park, CA 90621        | 325412     | 439.47                          | 2                  | 6              | 4           |                                     |         |
| Accurate Circuit Engineering                    | 1-011138   | 3019 Kilson Drive<br>Santa Ana, CA 92707        | 334412     | 433.17(a)                       | 2                  | 15             | 3           |                                     |         |
| Active Plating, Inc.                            | 1-011115   | 1411 E. Pomona St.<br>Santa Ana, CA 92705       | 332813     | 433.17(a)                       | 2                  | 17             | 29          |                                     |         |
| ADS Gold, Inc.                                  | Z-321851   | 3843 E. Eagle Drive<br>Anaheim, CA 92807        | 331410     | 433.17(a)                       | -                  | -              | -           |                                     |         |
| Advance Tech Plating, Inc.                      | 1-021389   | 1061 N. Grove St.<br>Anaheim, CA 92806          | 332813     | 433.17(a)                       | 3                  | 27             | 6           | Zinc                                |         |
| Advanced Plating Technology                     | Z-371321   | 1765 N. Batavia St.<br>Orange, CA 92865         | 332813     | 433.17(a)                       | 1                  | -              | -           |                                     |         |
| Air Industries Company, A PCC Company (Chapman) | 1-031013   | 7100 Chapman Ave.<br>Garden Grove, CA 92841     | 332722     | 403.5(d)                        | 2                  | -              | -           |                                     |         |
| Air Industries Company, A PCC Company (Knott)   | 1-531404   | 12570 Knott St.<br>Garden Grove, CA 92841-3932  | 332722     | 433.15(a), 471.64(a), 471.65(a) | 2                  | 21             | 29          |                                     |         |
| Alex C. Fergusson                               | 1-031186   | 8371 Monroe Ave.<br>Stanton, CA 90680           | 325611     | 417.166, 417.176, 417.36        | 2                  | 12             | 2           |                                     |         |
| Alexander Oil Company                           | 1-581185   | 19065 Stewart St.<br>Huntington Beach, CA 92648 | 211111     | 403.5(d)                        | 2                  | 10             | 2           |                                     |         |
| All Metals Processing of O.C., Inc.             | 1-031110   | 8401 Standustrial St.<br>Stanton, CA 90680      | 332813     | 433.17(a)                       | 2                  | 13             | 9           |                                     |         |
| Alliance Medical Products, Inc.                 | 1-541182   | 9342 Jeronimo Road<br>Irvine, CA 92618          | 325412     | 439.47                          | 2                  | 12             | 5           |                                     |         |

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                               | Permit No. | Physical Address                               | NAICS Code | Regulation  | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment  |
|---|------------|--|------------|---|--------------------|----------------|-------------|-------------------------------------|--|
| Allied Electronics Services, Inc.           | 1-011073   | 1342 E. Borchard Santa Ana, CA 92705           | 334412     | 433.17(a)   | 2                  | 13             | 3           |                                     |  |
| Alloy Die Casting Co.                       | 1-531437   | 6550 Caballero Blvd. Buena Park, CA 90620      | 331523     | 464.15(a), 464.15(b), 464.15(c), 464.15(h), 464.45(a), 464.45(b), 464.45(d) | 2                  | 18             | 1           |                                     |  |
| Alloy Tech Electropolishing, Inc.           | 1-011036   | 2220 S. Huron Drive Santa Ana, CA 92704        | 332812     | 433.17(a)   | 2                  | 9              | 3           |                                     |  |
| Alsco, Inc.                                 | 1-021656   | 1755 S. Anaheim Blvd. Anaheim, CA 92802        | 812331     | 403.5(d)  | 2                  | 13             | 8           |                                     |  |
| Aluminum Forge - Div. of Alum. Precision    | 1-071035   | 502 E. Alton Ave. Santa Ana, CA 92707          | 332112     | 467.46  | 2                  | 14             | 11          |                                     |  |
| Aluminum Precision Products, Inc. (Central) | 1-011038   | 3132 W. Central Santa Ana, CA 92704            | 332112     | 467.45  | 2                  | 10             | 5           |                                     |  |
| Aluminum Precision Products, Inc. (Susan)   | 1-011100   | 2621 S. Susan St. Santa Ana, CA 92704          | 332112     | 467.45, 467.46  | 2                  | 10             | 8           | Zinc                                |  |
| Aluminum Precision Products, Inc. (Warner)  | 1-511387   | 3323 W. Warner Ave. Santa Ana, CA 92704        | 332112     | 467.46  | 2                  | 8              | 5           |                                     |  |
| American Circuit Technology, Inc.           | 1-021249   | 5330 E. Hunter Ave. Anaheim, CA 92807          | 334412     | 433.17(a)   | 2                  | 15             | 1           |                                     |  |
| Amerimax Building Products, Inc.            | 1-021102   | 1411 N. Daly St. Anaheim, CA 92806             | 332812     | 465.35  | 2                  | 12             | 4           |                                     |  |
| Ameripecc, Inc.                             | 1-031057   | 6965 Aragon Circle Buena Park, CA 90620        | 312111     | 403.5(d)  | 2                  | 10             | 6           |                                     |  |
| Ametek Aerospace, Inc.                      | Z-361006   | 17032 Armstrong Ave. Irvine, CA 92614          | 334511     | 433.17(a)   | -                  | -              | -           |                                     | Zero Discharge Certification Deactivated on 12/31/2019 |
| Anaheim Extrusion Co., Inc.                 | 1-021168   | 1330 & 1340 N. Kraemer Blvd. Anaheim, CA 92806 | 331318     | 467.35(c)   | 2                  | 17             | 4           |                                     |  |
| Anchen Pharmaceuticals, Inc. (Fairbanks)    | 1-541180   | 72 Fairbanks Irvine, CA 92618                  | 325412     | 439.47  | 2                  | 13             | 15          | pH                                  |  |
| Anchen Pharmaceuticals, Inc. (Goodyear)     | 1-600359   | 5 Goodyear Irvine, CA 92618                    | 325412     | 439.47  | 2                  | 11             | 15          | acetone                             |  |
| Anchen Pharmaceuticals, Inc. (Jeronimo)     | 1-541179   | 9601 Jeronimo Road Irvine, CA 92618            | 325412     | 439.47  | 2                  | 11             | 15          |                                     |  |

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                          | Permit No. | Physical Address                                    | NAICS Code | Regulation  | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment |
|--|------------|---|------------|---|--------------------|----------------|-------------|-------------------------------------|---------|
| Andres Technical Plating               | 1-521798   | 1055 Ortega Way<br>Unit C Placentia, CA 92870       | 332813     | 433.17(a)   | 2                  | 9              | 10          |                                     |         |
| AnoChem Coatings                       | 1-600295   | 1102 East<br>Washington Ave.<br>Santa Ana, CA 92701 | 332813     | 433.17(a)   | 2                  | 15             | 5           |                                     |         |
| Anodyne, Inc.                          | 1-511389   | 2230 S. Susan St.<br>Santa Ana, CA 92704            | 332813     | 433.17(a)   | 2                  | 11             | 14          |                                     |         |
| Anomil Ent. Dba Danco Metal Surfacing  | 1-011155   | 401 Rowland Santa Ana, CA 92707                     | 332813     | 433.17(a)   | 2                  | 13             | 9           |                                     |         |
| APCT Orange County                     | 1-600503   | 1900 Petra Ln. Unit C Placentia, CA 92870           | 334412     | 433.17(a)   | 2                  | 18             | 34          |                                     |         |
| Arconic Global Fasteners & Rings, Inc. | 1-021081   | 800 S. State College Blvd. Fullerton, CA 92831-5334 | 332722     | 433.15(a), 433.17(a), 467.46, 471.65(i), 471.65(j), 471.65(m), 471.65(n), 471.65(o), 471.65(p), 471.65(q), 471.65(r), 471.65(s), 471.65(w), 471.65(x) | 4                  | 29             | 20          | Molybdenum                          |         |
| ARO Service                            | 1-021192   | 1186 N. Grove St.<br>Anaheim, CA 92806              | 336411     | 433.17(a)   | 2                  | 9              | 3           |                                     |         |
| Arrowhead Products Corporation         | 1-031137   | 4411 Katella Ave. Los Alamitos, CA 90720            | 336413     | 433.17(a)   | 2                  | 13             | 10          |                                     |         |
| Aseptic Technology LLC                 | 1-600716   | 4940 E. Landon Drive<br>Anaheim, CA 92807           | 31193      | 403.5(d)  | 2                  | 5              | 5           |                                     |         |
| Astech Engineered Products, Inc.       | 1-571295   | 3030 Red Hill Ave.<br>Santa Ana, CA 92705           | 336412     | 433.17(a)   | 2                  | 13             | 9           |                                     |         |
| Astech Engineered Products, Inc. # 2   | Z-371320   | 3030 Red Hill Ave.<br>Santa Ana, CA 92705           | 336412     | -   | 1                  | -              | -           |                                     |         |
| Auto-Chlor System of Washington, Inc.  | 1-511384   | 530 Goetz Ave. Santa Ana, CA 92707                  | 325611     | 417.166   | 2                  | 11             | 5           |                                     |         |
| Aviation Equipment Processing          | 1-071037   | 1571 MacArthur Blvd.<br>Costa Mesa, CA 92626        | 336413     | 433.17(a)   | 2                  | 11             | 2           |                                     |         |
| Avid Bioservices, Inc.                 | 1-571332   | 14191 Myford Road<br>Tustin, CA 92780               | 325414     | 439.17, 439.27  | 1                  | 2              | 2           |                                     |         |
| B&B Enameling, Inc.                    | Z-331432   | 17591 Sampson Ln.<br>Huntington Beach, CA 92647     | 332812     | 433.17(a)   | -                  | -              | -           |                                     |         |
| B. Braun Medical, Inc. (East/Main)     | 1-071054   | 2525 McGaw Ave.<br>Irvine, CA 92614                 | 325412     | 439.47, 463.26, 463.36  | 2                  | 12             | 5           |                                     |         |

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                        | Permit No. | Physical Address                                  | NAICS Code | Regulation                     | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment |
|--------------------------------------|------------|---|------------|--------------------------------|--------------------|----------------|-------------|-------------------------------------|---------|
| B. Braun Medical, Inc. (North/Alton) | 1-600382   | 2206 Alton Parkway<br>Irvine, CA 92614            | 325412     | 439.47                         | 2                  | 8              | 5           |                                     |         |
| B. Braun Medical, Inc. (West/Lake)   | 1-541183   | 2525 Mcgaw Ave.<br>Irvine, CA 92614               | 325412     | 439.47, 463.16, 463.26, 463.36 | 2                  | 11             | 5           |                                     |         |
| Basic Electronics, Inc.              | 1-031094   | 11371 Monarch St.<br>Garden Grove, CA 92841       | 334412     | 433.17(a)                      | 2                  | 11             | 2           |                                     |         |
| Bazz Houston Co.                     | 1-031010   | 12700 Western Ave.<br>Garden Grove, CA 92841      | 33211      | 403.5(d)                       | 2                  | 13             | 6           |                                     |         |
| Beckman Coulter, Inc.                | 1-521824   | 200 S. Kraemer Blvd.<br>Brea, CA 92821            | 334516     | 433.17(a)                      | 2                  | 9              | 3           |                                     |         |
| Beo-Mag Plating                      | 1-511370   | 3313 W. Harvard St.<br>Santa Ana, CA 92704        | 332813     | 433.17(a)                      | 2                  | 8              | 12          |                                     |         |
| Bimbo Bakeries Usa, Inc.             | 1-521838   | 500 S. Placentia Ave.<br>Placentia, CA 92870      | 311812     | 403.5(d)                       | 2                  | 11             | 2           |                                     |         |
| Black Oxide Industries, Inc.         | 1-021213   | 1735 N.<br>Orangethorpe Park<br>Anaheim, CA 92801 | 332812     | 433.17(a)                      | 2                  | 9              | 3           |                                     |         |
| Blue Lake Energy                     | 1-521785   | 5837 Casson Drive<br>Yorba Linda, CA 92886        | 211111     | 403.5(d)                       | 2                  | 9              | 2           |                                     |         |
| Bodycote Thermal Processing          | 1-031120   | 7474 Garden Grove Blvd.<br>Westminster, CA 92683  | 332811     | 403.5(d)                       | 3                  | 34             | 2           | Molybdenum                          |         |
| Boeing Company (Graham)              | 1-111018   | 15400 Graham St.<br>Huntington Beach, CA 92649    | 33641      | 433.17(a)                      | 2                  | 17             | 3           |                                     |         |
| Brasstech, Inc                       | 1-600316   | 1301 E. Wilshire Ave.<br>Santa Ana, CA 92705      | 332813     | 433.17(a)                      | 2                  | 9              | 4           |                                     |         |
| Brea Power II, LLC                   | 1-521837   | 1935 Valencia Ave.<br>Brea, CA 92823              | 221112     | 403.5(d)                       | 3                  | 13             | 1           | pH                                  |         |
| Bridge Energy, LLC                   | 1-600398   | 2744 Valencia Ave.<br>Brea, CA 92821              | 211111     | 403.5(d)                       | 2                  | 11             | 3           |                                     |         |
| Bridgemark Corporation               | 1-521844   | 2930 E. Frontera St.<br>Unit A Anaheim, CA 92806  | 211111     | 403.5(d)                       | 1                  | 1              | 2           |                                     |         |
| Brindle/Thomas - Bradley             | 1-531428   | 221 1st St.<br>Huntington Beach, CA 92648         | 211111     | 403.5(d)                       | 2                  | 14             | 2           |                                     |         |

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                                | Permit No. | Physical Address                                     | NAICS Code | Regulation   | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation      | Comment  |
|--|------------|--|------------|--|--------------------|----------------|-------------|--|--|
| Brindle/Thomas - Brooks & Kohlbush           | 1-531429   | 18462 Edwards St.<br>Huntington Beach,<br>CA 92648   | 211111     | 403.5(d)   | 2                  | 17             | 2           |  |  |
| Brindle/Thomas - Catalina & Copeland         | 1-531430   | 18851 Stewart Ln.<br>Huntington Beach,<br>CA 92648   | 211111     | 403.5(d)   | 2                  | 13             | 2           |  |  |
| Brindle/Thomas-Dabney & Patton               | 1-531427   | 19192 Stewart Ln.<br>Huntington Beach,<br>CA 92648   | 211111     | 403.5(d)   | 2                  | 14             | 2           |  |  |
| Bristol Industries                           | 1-021226   | 630 E. Lambert Road<br>Brea, CA 92821                | 332722     | 433.17(a), 467.36(c),<br>471.35(dd), 471.35(ee),<br>471.35(ff), 471.35(i), 471.35(r),<br>471.35(s), 471.35(t), 471.35(u),<br>471.35(v) | 4                  | 62             | 54          | Cadmium, CN, CN<br>amen., Nickel, Silver |  |
| Broncs, Inc., dba WesCoast<br>Textiles, Inc. | 1-600519   | 12641 Industry St.<br>Garden Grove, CA<br>92841      | 313310     | 403.5(d)   | 2                  | 7              | -           |  | Class 1 Permit<br>Deactivated on<br>12/16/2019 |
| Brothers International<br>Desserts (North)   | 1-600583   | 1682 Kettering St.<br>Irvine, CA 92614-<br>5614      | 311520     | 403.5(d)   | 3                  | 10             | 2           | pH                                       |  |
| Brothers International<br>Desserts (West)    | 1-600582   | 1682 Kettering St.<br>Irvine, CA 92614-<br>5614      | 311520     | 403.5(d)   | 2                  | 10             | 2           |  |  |
| Burlington Engineering, Inc.                 | 1-521770   | 220 W. Grove Ave.<br>Orange, CA 92865                | 332811     | 433.17(a)  | 2                  | 7              | 2           |  |  |
| Cadillac Plating, Inc.                       | 1-021062   | 1147 W. Struck Ave.<br>Orange, CA 92867              | 332813     | 433.17(a)  | 4                  | 27             | 25          |  |  |
| Cal-Aurum Industries, Inc.                   | 1-111089   | 15632 Container Ln.<br>Huntington Beach,<br>CA 92649 | 332813     | 433.17(a)  | 2                  | 15             | 15          |  |  |
| California Faucets                           | Z-331431   | 5271 Argosy<br>Huntington Beach,<br>CA 92649         | 332812     | 433.17(a)  | 1                  | -              | -           |  |  |
| California Gasket and Rubber<br>Corporation  | 1-521832   | 533 W. Collins Ave.<br>Orange, CA 92867              | 339991     | 428.66(a)  | 2                  | 5              | 2           |  |  |
| Cargill, Inc.                                | 1-031060   | 600 N. Gilbert St.<br>Fullerton, CA 92833            | 311225     | 403.5(d)   | 3                  | 12             | 6           |  |  |
| Catalina Cylinders, A Div. of<br>APP         | 1-031021   | 7300 Anaconda Ave.<br>Garden Grove, CA<br>92841      | 331318     | 467.46   | 2                  | 9              | 5           |  |  |



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|---|------------|--|------------|------------|--------------------|----------------|-------------|-------------------------------------|--|
| CD Video, Inc.  | 1-511076   | 12650 Westminster Ave. Garden Grove, CA 92706-2139 | 334613     | 433.17(a)  | 2                  | 10             | 3           |                                     |  |
| Central Powder Coating                                  | 1-021189   | 593 Explorer St. Brea, CA 92821                    | 332812     | 433.17(a)  | 2                  | 14             | 3           |                                     |  |
| Ceradyne, Inc., a 3M Company                            | 1-600691   | 17466 Daimler St. Irvine, CA 92614                 | 339114     | 403.5(d)   | 2                  | 9              | 2           |                                     |  |
| Chromadora, Inc.  | 1-511414   | 2515 S. Birch St. Santa Ana, CA 92707              | 332813     | 433.17(a)  | 2                  | 9              | 8           |                                     |  |
| Circuit Technology, Inc.                                | 1-521821   | 1911 N. Main St. Orange, CA 92865                  | 334112     | 433.17(a)  | 2                  | 12             | 3           |                                     |  |
| Cirtech, Inc.   | 1-600689   | 250 E. Emerson Ave. Orange, CA 92865               | 334112     | 433.17(a)  | 1                  | 6              | 14          |                                     |  |
| City of Anaheim - Public Utilities Dept                 | 1-021073   | 6751 E. Walnut Canyon Road Anaheim, CA 92807       | 221310     | 403.5(d)   | 2                  | -              | -           |                                     |  |
| City Of Anaheim - Public Utilities Dept.                | 1-521862   | 1144 N. Kraemer Blvd. Anaheim, CA 92806            | 221112     | 403.5(d)   | 2                  | -              | -           |                                     |  |
| City of Anaheim Public Utilities (Water Services WRDF)  | 1-521843   | 210 S. Anaheim Blvd. Anaheim, CA 92805             | 221320     | 403.5(d)   | 2                  | 7              | -           |                                     |  |
| City of Anaheim, Canyon Power Plant                     | 1-600296   | 3071 E. Miraloma Ave. Anaheim, CA 92806            | 221112     | 403.5(d)   | 2                  | 11             | 1           |                                     |  |
| City of Huntington Beach Fire Department                | 1-111015   | 19081 Huntington St. Huntington Beach, CA 92648    | 211111     | 403.5(d)   | 2                  | 8              | 2           |                                     |  |
| City of Newport Beach (West Coast Hwy - Oil Extraction) | 1-600584   | 5810 West Coast Hwy. Newport Beach, CA 92660       | 211111     | 403.5(d)   | 2                  | -              | -           |                                     | Previously listed as City of Newport Beach |
| City of Tustin - Maintenance Yard                       | 1-071058   | 1472 Service Road Tustin, CA 92780-1200            | 921190     | 403.5(d)   | 2                  | 11             | 3           |                                     |  |
| City of Tustin Water Service (17Th St.)                 | 1-071013   | 18602 E. 17th St. Tustin, CA 92705                 | 221310     | 403.5(d)   | 2                  | 7              | 1           |                                     |  |
| City of Tustin, Water Service (Main St)                 | 1-071268   | 235 E. Main St. Tustin, CA 92780                   | 221310     | 403.5(d)   | 1                  | -              | -           |                                     |  |
| CJ Foods Manufacturing Corp.                            | 1-521849   | 500 State College Blvd. Fullerton, CA 92831        | 311824     | 403.5(d)   | 2                  | 10             | 6           |                                     |  |

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|---|------------|--|------------|-------------------|--------------------|----------------|-------------|-------------------------------------|---|
| CLA-VAL Co. Div. of Griswold Ind.   | Z-361103   | 1701 Placentia Ave.<br>Costa Mesa, CA<br>92627                         | 332911     | 433.15(a)         | 1                  | -              | -           |                                     |   |
| Coast to Coast Circuits, Inc.   | 1-111129   | 5332 Commercial St.<br>Huntington Beach,<br>CA 92649                   | 334412     | 433.17(a)         | 3                  | 21             | 9           | pH                                  |   |
| Coastline High Performance Coatings, LTD                                    | 1-600812   | 7181 Orangewood Ave.<br>Garden Grove, CA 92841                         | 332812     | 433.17(a)         | 1                  | 4              | -           |                                     | New Class 1 Permit Issued on 07/01/2019 |
| Coastline Metal Finishing Corp., A Division of Valence Surface Technologies | 1-600708   | 7061 Patterson Drive<br>Garden Grove, CA 92841                         | 332813     | 433.17(a)         | 2                  | 11             | 8           |                                     |   |
| Coca-Cola Company -Anaheim Water Plant                                      | 1-021392   | 2121 E. Winston Road<br>Anaheim, CA 92806                              | 312112     | 403.5(d)          | 1                  | 6              | 1           |                                     |   |
| Columbine Associates  | 1-521784   | 4660 San Antonio Road<br>Direction E. on B St<br>Yorba Linda, CA 92886 | 211111     | 403.5(d)          | 2                  | 9              | 2           |                                     |   |
| Continuous Coating Corporation  | 1-021290   | 520 W. Grove Ave.<br>Orange, CA 92865                                  | 332812     | 433.17(a), 465.15 | 2                  | 15             | 9           |                                     |   |
| Cooper and Brain, Inc.  | 1-031070   | 1390 Site Drive Brea,<br>CA 92821                                      | 211111     | 403.5(d)          | 2                  | 7              | 2           |                                     |   |
| Corru-Kraft Buena Park  | 1-600806   | 6200 Caballero Blvd.<br>Buena Park, CA 90620                           | 322211     | 403.5(d)          | 3                  | 11             | 6           | pH                                  |   |
| CP-Carrillo, Inc. (Armstrong)   | 1-600920   | 17401 Armstrong Ave.<br>Irvine, CA 92614                               | 336310     | 433.17(a)         | 1                  | 7              | -           | pH                                  | New Class 1 Permit Issued on 10/01/2019 |
| CP-Carrillo, Inc. (McGaw)   | 1-571316   | 1902 McGaw Ave.<br>Irvine, CA 92614                                    | 336310     | 403.5(d)          | 2                  | 9              | 3           |                                     | Previously listed as CP-Carrillo, Inc.  |
| CPPG, Inc.  | Z-321813   | 3911 E. Miraloma Ave.<br>Anaheim, CA 92806                             | 332813     | 433.17(a)         | -                  | -              | -           |                                     |   |
| Crest Coating, Inc.   | 1-021289   | 1361 S. Allec St.<br>Anaheim, CA 92805                                 | 332812     | 433.17(a)         | 2                  | 13             | 3           |                                     |   |
| CRH California Water, Inc.  | 1-011051   | 502 S. Lyon St. Santa Ana,<br>CA 92701                                 | 561990     | 403.5(d)          | 1                  | 1              | 2           |                                     |   |
| Custom Enamellers, Inc.   | 1-021297   | 18340 Mount Baldy Circle<br>Fountain Valley, CA 92708                  | 332812     | 433.17(a)         | 2                  | 13             | 3           |                                     |   |

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|---|------------|--|------------|------------|--------------------|----------------|-------------|-------------------------------------|---------|
| Cytec Engineered Materials, Inc.                  | Z-600005   | 1440 N. Kraemer Blvd. Anaheim, CA 92806        | 325520     | 433.17(a)  | 1                  | -              | -           |                                     |         |
| D.F. Stauffer Biscuit Co., Inc.                   | 1-600414   | 4041 W. Garry Ave. Santa Ana, CA 92704         | 311821     | 403.5(d)   | 2                  | 8              | 2           |                                     |         |
| Dae Shin USA, Inc.                                | 1-031102   | 610 N. Gilbert St. Fullerton, CA 92833         | 313310     | 403.5(d)   | 2                  | 11             | 6           |                                     |         |
| DAH Oil, LLC                                      | 1-581173   | 18962 Stewart Ln. Huntington Beach, CA 92648   | 211111     | 403.5(d)   | 1                  | 9              | 2           |                                     |         |
| Darling International, Inc.                       | 1-511378   | 2624 Hickory St. Santa Ana, CA 92707           | 562219     | 403.5(d)   | 3                  | 13             | 6           |                                     |         |
| Data Aire, Inc. #2                                | 1-021379   | 230 W. Blueridge Ave. Orange, CA 92865         | 332322     | 433.17(a)  | 3                  | 11             | 3           | pH                                  |         |
| Data Electronic Services, Inc.                    | 1-011142   | 410 Nantucket Place Santa Ana, CA 92703        | 334412     | 433.17(a)  | 2                  | 9              | 3           |                                     |         |
| Data Solder, Inc.                                 | 1-521761   | 2915 Kilson Drive Santa Ana, CA 92707          | 334412     | 433.17(a)  | 2                  | 9              | 3           |                                     |         |
| Dayton Flavors, LLC                               | 1-600038   | 580 S. Melrose Placentia, CA 92870             | 311930     | 403.5(d)   | 2                  | 6              | 2           |                                     |         |
| DCOR, LLC   | 1-111013   | 4541 Heil Ave. Huntington Beach, CA 92649      | 211111     | 403.5(d)   | 2                  | 15             | 4           |                                     |         |
| Diamond Environmental Services, LP                | 1-600244   | 1801 Via Burton Unit B Fullerton, CA 92832     | 532490     | 403.5(d)   | 2                  | 10             | 2           |                                     |         |
| Dr. Smoothie Enterprises - DBA Bevolution Group   | 1-600131   | 1730 Raymer Ave. Fullerton, CA 92833           | 311930     | 403.5(d)   | 3                  | 15             | -           | pH                                  |         |
| DRS Network & Imaging Systems, LLC                | 1-531405   | 10600 Valley View St. Cypress, CA 90630        | 334413     | 469.18(a)  | 2                  | 8              | 5           |                                     |         |
| DS Services of America                            | 1-021393   | 1522 N. Newhope St. Santa Ana, CA 92703        | 312112     | 403.5(d)   | 2                  | 10             | 2           |                                     |         |
| Ducommun Aerostructures, Inc.                     | 1-021105   | 1885 N. Batavia St. Orange, CA 92865           | 336413     | 433.17(a)  | 2                  | 15             | 13          |                                     |         |
| Dunham Metal Processing                           | 1-021325   | 936 N. Parker St. Orange, CA 92867             | 332813     | 433.17(a)  | 2                  | 13             | 3           |                                     |         |
| E&B Natural Resources-Angus Petroleum Corporation | 1-600254   | 1901 California St. Huntington Beach, CA 92648 | 211111     | 403.5(d)   | 2                  | 10             | 4           |                                     |         |

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| Earth Friendly Products                | 1-600739   | 11150 Hope St.<br>Cypress, CA 90630                      | 325611     | 417.166, 417.86                                       | 1                  | 7              | 4           |                                     | New Class 1 Permit Issued on 07/01/2019 |
| EFT Fast Quality Service, Inc.         | 1-011064   | 2328 S. Susan St.<br>Santa Ana, CA 92704                 | 334112     | 433.17(a)   | 2                  | 9              | 2           |                                     |   |
| Electro Metal Finishing Corporation    | 1-021158   | 1194 N. Grove St.<br>Anaheim, CA 92806                   | 332812     | 433.17(a)   | 2                  | 9              | 3           |                                     |   |
| Electrolurgy, Inc.                     | 1-071162   | 1121 Duryea Ave.<br>Irvine, CA 92614                     | 332813     | 433.17(a)   | 3                  | 12             | 30          | Silver                              |   |
| Electron Plating Inc.                  | 1-021336   | 13932 Enterprise Drive<br>Garden Grove, CA 92843         | 332813     | 433.17(a)   | 2                  | 13             | 9           |                                     |   |
| Electronic Precision Specialties, Inc. | 1-021337   | 537 Mercury Ln.<br>Brea, CA 92821                        | 332813     | 433.17(a)   | 2                  | 12             | 9           |                                     |   |
| Electrorack Products Co., Inc.         | Z-321092   | 1443 S. Sunkist St.<br>Anaheim, CA 92806                 | 332999     | 433.17(a)   | 1                  | -              | -           |                                     |   |
| Embee Processing (Anodize)             | 1-600456   | 2148 S. Hathaway St.<br>Santa Ana, CA 92705              | 332813     | 413.14(c), 413.54(c), 413.64(c), 433.17(a)            | 2                  | 15             | 7           |                                     |   |
| Embee Processing (Plate)               | 1-600457   | 2144 S. Hathaway St.<br>Santa Ana, CA 92705              | 332813     | 413.14(c), 413.54(c), 413.64(c), 413.74(c), 433.17(a) | 2                  | 15             | 7           |                                     |   |
| Excello Circuits Manufacturing Corp.   | 1-521855   | 1924 Nancita Circle<br>Placentia, CA 92870               | 334412     | 433.17(a)   | 2                  | 13             | 27          |                                     |   |
| Expo Dyeing and Finishing, Inc.        | 1-031322   | 1365 Knollwood Circle<br>Anaheim, CA 92801               | 313310     | 403.5(d)  | 2                  | 11             | 6           |                                     |   |
| Fabrica International, Inc.            | 1-011278   | 3201 S. Susan St.<br>Santa Ana, CA 92704                 | 314110     | 428.46  | 2                  | 8              | 6           |                                     |   |
| Fabrication Concepts Corporation       | 1-011068   | 1800 E. Saint Andrew Place<br>Santa Ana, CA 92705        | 332114     | 433.17(a)   | 2                  | 16             | 4           |                                     |   |
| Fineline Circuits & Technology, Inc.   | 1-021121   | 594 Apollo St. Brea,<br>CA 92821-3134                    | 334412     | 433.17(a)   | 2                  | 13             | 3           |                                     |   |
| FMH Aerospace Corp.                    | 1-600585   | 17072 Daimler St.<br>Irvine, CA 92614                    | 332912     | 433.17(a)   | 2                  | 15             | 26          |                                     |   |
| Fullerton Custom Works, Inc.           | Z-331424   | 1165 E. Elm Ave.<br>Fullerton, CA 92831                  | 332813     | 433.17(a)   | 2                  | -              | -           |                                     |   |
| Gaffoglio Family Metalcrafters         | 1-600443   | 11161 Slater Ave.<br>Fountain Valley, CA 92708           | 336111     | 426.66  | 2                  | 8              | 1           |                                     |   |
| Gallade Chemical, Inc.                 | 1-011257   | 1230 E. Saint Gertrude Place<br>Santa Ana, CA 92707-3030 | 422690     | 403.5(d)  | 2                  | 1              | 2           |                                     |   |

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| Gemini Industries, Inc.               | 1-071172   | 2311 Pullman St.<br>Santa Ana, CA 92705          | 331492     | 415.24, 421.265(a)  | 2                  | 18             | 9           | Molybdenum                          |         |
| General Container Corporation         | 1-031042   | 5450 Dodds Ave.<br>Buena Park, CA 90621          | 322211     | 403.5(d)  | 2                  | 6              | 2           |                                     |         |
| GKN Aerospace Transparency Systems    | 1-531401   | 12122 Western Ave.<br>Garden Grove, CA 92841     | 336413     | 403.5(d)  | 1                  | 7              | 2           |                                     |         |
| Gomtech Electronics, Inc.             | 1-021352   | 990 N. Enterprise St.<br>Unit M Orange, CA 92867 | 334412     | 433.17(a)   | 2                  | 10             | 3           |                                     |         |
| Goodwin Company                       | 1-031043   | 12361 Monarch St.<br>Garden Grove, CA 92841      | 325611     | 403.5(d)  | 2                  | 12             | 8           |                                     |         |
| Graphic Packaging International, Inc. | 1-571314   | 1600 Barranca Parkway Irvine, CA 92606           | 322212     | 403.5(d)  | 2                  | 9              | 2           |                                     |         |
| Hanson-Loran Co., Inc.                | 1-031107   | 6700 Caballero Blvd.<br>Buena Park, CA 90620     | 325612     | 417.166, 417.176  | 2                  | 13             | 2           |                                     |         |
| Harbor Truck Bodies, Inc.             | 1-021286   | 255 Voyager Ave.<br>Brea, CA 92821               | 336370     | 433.17(a)   | 2                  | 2              | 9           |                                     |         |
| Harry's Dye & Wash, Inc.              | 1-521746   | 1015 E. Orangethorpe Ave.<br>Anaheim, CA 92801   | 313310     | 403.5(d)  | 2                  | 9              | 6           |                                     |         |
| Hartwell Corporation                  | 1-021381   | 900 Richfield Road<br>Placentia, CA 92870        | 332999     | 403.5(d)  | 2                  | 3              | 4           |                                     |         |
| Hellman Properties, LLC               | 1-600273   | 1650 Adolfo Lopez Drive Seal Beach, CA 90740     | 211111     | 403.5(d)  | 2                  | 11             | 4           |                                     |         |
| Hi Tech Solder                        | 1-521790   | 700 Monroe Way<br>Placentia, CA 92870            | 334412     | 433.17(a)   | 2                  | 11             | 3           |                                     |         |
| Hightower Plating & Manufacturing Co. | 1-021185   | 2090 N. Glassell<br>Orange, CA 92865-3911        | 332813     | 433.17(a)   | 2                  | 17             | 9           |                                     |         |
| Hixson Metal Finishing                | 1-061115   | 829 Production Place<br>Newport Beach, CA 92663  | 332813     | 413.14(c), 413.14(g), 413.24(c), 413.24(g), 413.44(c), 413.44(g), 413.54(c), 413.54(g), 413.64(c), 413.64(g), 433.17(a) | 3                  | 18             | 33          | Cadmium                             |         |

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| House Foods America Corporation (East)             | 1-600906   | 7351 Orangewood Ave. Garden Grove, CA 92841   | 311991     | 403.5(d)   | -                  | -              | -           |                                     | New Class 1 Permit Issued on 11/01/2019              |
| House Foods America Corporation (West)             | 1-031072   | 7351 Orangewood Ave. Garden Grove, CA 92841   | 311224     | 403.5(d)   | 2                  | 7              | 6           |                                     | Previously listed as House Foods America Corporation |
| Hyatt Die Casting & Engineering Corp.              | Z-331236   | 4656 Lincoln Ave. Cypress, CA 90630           | 331523     | 464.15(a)  | 1                  | -              | -           |                                     |  |
| Ideal Anodizing, Inc.                              | 1-021041   | 1250 & 1270 N. Blue Gum St. Anaheim, CA 92806 | 332813     | 433.17(a)  | 2                  | 13             | 3           |                                     |  |
| Ikon Powder Coating, Inc.                          | 1-521756   | 1375 N. Miller St. Anaheim, CA 92806          | 332812     | 433.17(a)  | 2                  | 9              | 3           |                                     |  |
| Image Technology, Inc.                             | 1-521755   | 1380 N. Knollwood Circle Anaheim, CA 92801    | 325611     | 417.86     | 1                  | 4              | 1           |                                     |  |
| Imperial Plating                                   | 1-031106   | 2007 Raymer Ave. Suite N Fullerton, CA 92833  | 332813     | 433.17(a)  | 2                  | 10             | 23          |                                     |  |
| Imuraya USA, Inc.                                  | 1-541178   | 2502 Barranca Parkway Irvine, CA 92606        | 311520     | 403.5(d)   | 2                  | 7              | 2           |                                     |  |
| Independent Forge Company                          | 1-021401   | 692 N. Batavia St. Orange, CA 92868           | 332112     | 467.45     | 1                  | -              | -           |                                     | Class 1 Permit Deactivated on 09/30/2019             |
| Industrial Metal Finishing, Inc.                   | 1-521828   | 1941 Petra Ln. Placentia, CA 92870            | 332813     | 403.5(d)   | 2                  | 8              | 4           |                                     |  |
| Intec Products, Inc.                               | 1-021399   | 1145 N. Grove St. Anaheim, CA 92806           | 314999     | 403.5(d)   | 2                  | 3              | 2           |                                     |  |
| Integral Aerospace, LLC                            | 1-600243   | 2036 E. Dyer Road Santa Ana, CA 92705         | 336413     | 433.17(a)  | 2                  | 11             | 9           |                                     |  |
| International Paper Company (Anaheim)              | 1-521820   | 601 E. Ball Road Anaheim, CA 92805            | 322211     | 403.5(d)   | 2                  | 12             | 3           |                                     |  |
| International Paper Company (Buena Park Bag)       | 1-531419   | 6485 Descanso Ave. Buena Park, CA 90620       | 322224     | 403.5(d)   | 2                  | 7              | 3           |                                     |  |
| International Paper Company (Buena Park Container) | 1-031171   | 6211 Descanso Ave. Buena Park, CA 90620       | 322211     | 403.5(d)   | 1                  | 3              | 2           |                                     |  |

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| Irvine Ranch Water District (Wells 21/22 Desalter) | 1-571327   | 1221 Edinger Ave. Tustin, CA 92780                                   | 221310     | 403.5(d)                        | 1                  | 6              | 2           |                                     |         |
| Irvine Ranch Water District - DATS                 | 1-011075   | 1704 W. Segerstrom Ave. Santa Ana, CA 92704                          | 221310     | 403.5(d)                        | 2                  | 10             | 3           |                                     |         |
| J & R Metal Finishing Co.                          | 1-521823   | 307 N. Euclid Way Building H1 Anaheim, CA 92801                      | 332812     | 403.5(d)                        | 2                  | 10             | 3           |                                     |         |
| J&J Marine Aquisitions, LLC                        | 1-551152   | 151 Shipyard Way Unit 7 Newport Beach, CA 92663                      | 336611     | 403.5(d)                        | 2                  | 2              | 3           |                                     |         |
| JD Processing, Inc.                                | 1-511407   | 2220 Cape Cod Way Santa Ana, CA 92703                                | 332813     | 433.17(a)                       | 2                  | 13             | 9           |                                     |         |
| Jellco Container, Inc.                             | 1-021402   | 1151 N. Tustin Ave. Anaheim, CA 92807                                | 322212     | 403.5(d)                        | 2                  | 9              | 3           |                                     |         |
| John A. Thomas- Bolsa Oil                          | 1-031065   | 18701 Edwards St. Huntington Beach, CA 92648                         | 211111     | 403.5(d)                        | 2                  | 16             | 4           |                                     |         |
| Joint Forces Training Base, Los Alamitos           | 1-031270   | Orangewood Gate, Northwest Corner of the Base Los Alamitos, CA 90720 | 928110     | 403.5(d)                        | 2                  | 14             | -           |                                     |         |
| Kanstul Musical Instruments                        | Z-321800   | 1332 Claudina St. Anaheim, CA 92805                                  | 339992     | 433.17(a)                       | -                  | -              | -           |                                     |         |
| Kenlen Specialities, Inc.                          | 1-021171   | 11691 Coley River Circle Fountain Valley, CA 92708                   | 332812     | 433.17(a)                       | 2                  | 14             | 3           |                                     |         |
| Kimberly Clark Worldwide Inc., Fullerton Mill      | 1-021425   | 2001 E. Orangethorpe Fullerton, CA 92831                             | 322121     | 430.127                         | 3                  | 15             | 6           |                                     |         |
| Kinsbursky Brothers Supply, Inc.                   | 1-021424   | 1314 N. Anaheim Blvd. Anaheim, CA 92801                              | 423930     | 403.5(d)                        | 2                  | 10             | 4           |                                     |         |
| Kirkhill, Inc. (North)                             | 1-600608   | 300 E. Cypress St. Brea, CA 92821                                    | 339991     | 428.76(a)                       | 2                  | 13             | 4           |                                     |         |
| Kirkhill, Inc. (South)                             | 1-600609   | 300 E. Cypress St. Brea, CA 92821                                    | 339991     | 428.76(a)                       | 2                  | 13             | 4           |                                     |         |
| Kraft Heinz Company                                | 1-071056   | 2450 White Road Irvine, CA 92614                                     | 311941     | 403.5(d)                        | 2                  | 11             | 3           |                                     |         |
| Kryler Corporation                                 | 1-021428   | 1217 E. Ash Ave. Fullerton, CA 92831                                 | 332813     | 413.14(b), 413.14(f), 433.17(a) | 2                  | 17             | 4           |                                     |         |

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|--|------------|---|------------|------------|--------------------|----------------|-------------|-------------------------------------|---------|
| Kyocera Precision Tools, Inc.                      | 1-511385   | 3565 Cadillac Ave.<br>Costa Mesa, CA<br>92626                   | 333515     | 403.5(d)   | 2                  | 9              | 2           |                                     |         |
| La Habra Bakery                                    | 1-031029   | 850 S. Cypress St. La<br>Habra, CA 90631                        | 311812     | 403.5(d)   | 2                  | 10             | 6           |                                     |         |
| La Habra Plating Co., Inc.                         | Z-331399   | 900 S. Cypress La<br>Habra, CA 90631                            | 332813     | 433.17(a)  | 1                  | -              | -           |                                     |         |
| Lightning Diversion Systems<br>LLC                 | 1-600338   | 16572 Burke Ln.<br>Huntington Beach,<br>CA 92647                | 334412     | 433.17(a)  | 2                  | 11             | 3           |                                     |         |
| Linco Industries, Inc.                             | 1-021253   | 528 S. Central Park<br>Ave. Direction West<br>Anaheim, CA 92802 | 332812     | 403.5(d)   | 2                  | 16             | 7           | Zinc                                |         |
| LM Chrome Corporation                              | 1-511361   | 654 Young St. Santa<br>Ana, CA 92705                            | 332813     | 433.17(a)  | 3                  | 16             | 14          |                                     |         |
| Logi Graphics, Inc.                                | 1-031049   | 17592 Metzler Ln.<br>Huntington Beach,<br>CA 92647              | 334412     | 433.17(a)  | 2                  | 15             | 1           |                                     |         |
| M.S. Bellows                                       | 1-111007   | 5322 Mcfadden Ave.<br>Huntington Beach,<br>CA 92649             | 332813     | 433.17(a)  | 2                  | 11             | 3           |                                     |         |
| Magma Finishing Corp.                              | Z-321810   | 2294 N. Batavia St.<br>Suite D Orange, CA<br>92865              | 332813     | 433.17(a)  | 1                  | -              | -           |                                     |         |
| Magnetic Metals Corporation                        | 1-531391   | 2475 W. La Palma<br>Ave. Anaheim, CA<br>92801                   | 335311     | 433.17(a)  | 2                  | 10             | 3           |                                     |         |
| Manufactured Packaging<br>Products                 | 1-521793   | 3200 Enterprise St.<br>Brea, CA 92821                           | 322211     | 403.5(d)   | 2                  | 9              | 1           |                                     |         |
| Manufactured Packaging<br>Products (MPP Fullerton) | 1-021681   | 1901 E. Rossllyn Ave.<br>Fullerton, CA 92831                    | 322211     | 403.5(d)   | 2                  | 7              | 2           |                                     |         |
| Markland Manufacturing, Inc.                       | 1-011046   | 1111 E. Mcfadden<br>Ave. Santa Ana, CA<br>92705                 | 332813     | 433.17(a)  | 2                  | 13             | 14          |                                     |         |
| Maruchan, Inc. (Deere)                             | 1-071024   | 1902 Deere Ave.<br>Irvine, CA 92606                             | 311824     | 403.5(d)   | 2                  | 4              | 2           |                                     |         |
| Maruchan, Inc. (Laguna Cyn)                        | 1-141015   | 15800 Laguna<br>Canyon Road Irvine,<br>CA 92618                 | 311824     | 403.5(d)   | 2                  | 4              | 4           |                                     |         |
| Marukome USA, Inc.                                 | 1-141023   | 17132 Pullman St.<br>Irvine, CA 92614                           | 311991     | 403.5(d)   | 3                  | 9              | 2           |                                     |         |



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| Master Wash, Inc.                              | 1-511399   | 3120 Kilson St. Santa Ana, CA 92707               | 811192     | 403.5(d)   | 2                  | 3              | 2           |                                     |  |
| Mckenna Labs, Inc.                             | 1-021422   | 1601 E. Orangethorpe Ave. Fullerton, CA 92831     | 325620     | 417.86     | 2                  | 7              | 2           |                                     |  |
| MCP Foods, Inc.                                | 1-021029   | 424 S. Atchison St. Anaheim, CA 92805             | 311942     | 403.5(d)   | 2                  | 10             | 6           |                                     |  |
| Meggitt, Inc.                                  | 1-600006   | 14600 Myford Road Irvine, CA 92606                | 334519     | 433.17(a)  | 3                  | 9              | 3           | Lead                                |  |
| Mercial, LLC                                   | 1-600655   | 233 E. Bristol Ln. Orange, CA 92865               | 325412     | 439.47     | 2                  | 9              | 7           |                                     |  |
| Mesa Water District                            | 1-061007   | 1350 Gisler Ave. Costa Mesa, CA 92626             | 221310     | 403.5(d)   | 2                  | 10             | 4           |                                     |  |
| Micrometals, Inc.                              | 1-021153   | 5615 E. La Palma Ave. Anaheim, CA 92807           | 334416     | 471.105(e) | 2                  | 12             | 3           |                                     |  |
| Murrietta Circuits                             | 1-521811   | 5000 E. Landon St. Anaheim, CA 92807              | 334412     | 433.17(a)  | 2                  | 13             | 3           |                                     |  |
| Nalco Water Pretreatment Solutions, LLC        | 1-521748   | 1961 Petra Ln. Placentia, CA 92870                | 561990     | 403.5(d)   | 2                  | 9              | 2           |                                     | Previously listed as Nalco Water Pretreatment Systems Solutions, LLC |
| National Construction Rentals                  | 1-600652   | 1550 E. Chestnut Ave. Santa Ana, CA 92701         | 562991     | 403.5(d)   | 3                  | 12             | 3           | pH                                  |  |
| Neutron Plating, Inc.                          | Z-321812   | 2993 E. Blue Star St. Anaheim, CA 92806           | 332812     | 433.17(a)  | 1                  | -              | -           |                                     |  |
| Neutronic Stamping and Plating                 | 1-521772   | 10535 Lawson River Ave. Fountain Valley, CA 92708 | 334417     | 433.17(a)  | 2                  | 9              | 3           |                                     |  |
| Newlight Technologies, Inc.                    | 1-600888   | 14382 Astronautics Ln. Huntington Beach, CA 92647 | 325211     | -          | 1                  | -              | -           |                                     | New Class 1 Permit Issued on 10/01/2019                              |
| Newport Corporation                            | 1-071038   | 1791 Deere Ave. Irvine, CA 92606                  | 334516     | 403.5(d)   | 2                  | 6              | 1           |                                     |  |
| Newport Fab, LLC (dba TowerJazz Semiconductor) | 1-571292   | 4321 Jamboree Road Newport Beach, CA 92660        | 334413     | 469.18(a)  | 2                  | 12             | -           |                                     | Previously listed as Jazz Semiconductor                              |
| Nobel Biocare USA, LLC                         | 1-521801   | 22725 Savi Ranch Parkway Yorba Linda, CA 92887    | 339114     | 433.17(a)  | 2                  | 9              | 2           |                                     |  |

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|---|------------|--|------------|------------------------|--------------------|----------------|-------------|-------------------------------------|---|
| Nor-Cal Beverage Co., Inc. (Main)         | 1-021284   | 1226 N. Olive St. Anaheim, CA 92801                | 312111     | 403.5(d)               | 2                  | 11             | 6           |                                     |   |
| Nor-Cal Beverage Co., Inc. (NCB)          | 1-021283   | 1226 N. Olive St. Anaheim, CA 92801                | 312111     | 403.5(d)               | 2                  | 11             | 6           |                                     |   |
| Nu-Tec Powder Coating                     | Z-321383   | 2990 E. Blue Star St. Anaheim, CA 92806            | 332812     | 433.17(a)              | 1                  | -              | -           |                                     |   |
| O'Donnell Oil Company, LLC                | 1-581191   | 7800 Palin Circle Huntington Beach, CA 92648       | 211111     | 403.5(d)               | 2                  | 8              | 1           |                                     |   |
| O.C. Waste & Recycling                    | 1-141018   | 20661 Newport Coast Drive Newport Beach, CA 92657  | 562910     | 403.5(d)               | 2                  | 10             | 2           |                                     |   |
| Oakley, Inc.                              | 1-141012   | 1 Icon Foothill Ranch, CA 92610                    | 339115     | 463.16, 463.26, 463.36 | 2                  | -              | -           |                                     |   |
| Omni Metal Finishing, Inc.                | 1-021520   | 11665 Coley River Circle Fountain Valley, CA 92708 | 332813     | 433.17(a)              | 3                  | 13             | 9           |                                     |   |
| Orange County Chemical Supply, Inc.       | 1-600766   | 10680 Fern Ave. Stanton, CA 90680                  | 325611     | 417.86                 | 2                  | 12             | 2           |                                     |   |
| Pacific Chrome Services                   | Z-311396   | 603 E. Alton Ave. Suite F Santa Ana, CA 92705      | 332813     | 433.17(a)              | 2                  | -              | -           |                                     |   |
| Pacific Image Technology, Inc.            | 1-021070   | 1875 S. Santa Cruz St. Anaheim, CA 92805           | 334112     | 433.17(a)              | 2                  | 13             | 3           |                                     |   |
| Pacific Western Container                 | 1-511371   | 4044 W. Garry Ave. Santa Ana, CA 92704             | 322211     | 403.5(d)               | 2                  | 6              | 4           |                                     |   |
| Parker Hannifin Corporation               | 1-141002   | 14300 Alton Parkway Irvine, CA 92618-1898          | 332912     | 433.17(a)              | 2                  | -              | -           |                                     | Class 1 Permit Deactivated on 11/30/2019              |
| Parker Hannifin Corporation               | Z-600979   | 14300 Alton Parkway Irvine, CA 92618-1898          | 332912     | 433.17(a)              | 2                  | -              | -           |                                     | New Zero Discharge Certification Issued on 12/01/2019 |
| Patio and Door Outlet, Inc.               | 1-521783   | 410 W. Fletcher Ave. Orange, CA 92865              | 332812     | 433.17(a)              | 2                  | 13             | -           |                                     |   |
| Patriot Wastewater, LLC (Freedom CWT)     | 1-521861   | 314 W. Freedom Ave. Orange, CA 92865               | 562219     | 437.47(b)              | 2                  | 15             | 24          |                                     |   |
| Patriot Wastewater, LLC (Freedom Non-CWT) | 1-600147   | 314 W. Freedom Ave. Orange, CA 92865               | 562219     | 403.5(d)               | 2                  | 9              | 8           |                                     |   |

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| Performance Powder, Inc.                        | 1-521805   | 2920 E. La Jolla St.<br>Anaheim, CA 92806              | 332812     | 433.17(a)  | 2                  | 13             | 3           |                                     |         |
| Petroprize Corporation                          | 1-581180   | 319 20th St.<br>Huntington Beach,<br>CA 92648          | 211111     | 403.5(d)   | 2                  | 9              | 2           |                                     |         |
| Pier Oil Company, Inc.                          | 1-581178   | 201 2nd St.<br>Huntington Beach,<br>CA 92648           | 211111     | 403.5(d)   | 1                  | 7              | 2           |                                     |         |
| Pioneer Circuits, Inc.                          | 1-011262   | 3010 S. Shannon St.<br>Santa Ana, CA 92704             | 334412     | 433.17(a)  | 3                  | 17             | 9           |                                     |         |
| Platinum Surface Coating, Inc.                  | 1-521852   | 1173 N. Fountain<br>Way Anaheim, CA<br>92806           | 332813     | 433.17(a)  | 2                  | 9              | 4           |                                     |         |
| Plegel Oil Company<br>(Blattner/Joe Johnson)    | 1-521864   | 900 Mammoth Way<br>Placentia, CA 92870                 | 211111     | 403.5(d)   | 2                  | 7              | 2           |                                     |         |
| Plegel Oil Company - (A.H.A.)                   | 1-021176   | 16801 Rumson St.<br>Yorba Linda, CA<br>92886           | 211111     | 403.5(d)   | 1                  | 4              | 2           |                                     |         |
| Porter Powder Coating                           | Z-321817   | 514 S. Rose St.<br>Anaheim, CA 92805                   | 332813     | 433.17(a)  | -                  | -              | -           |                                     |         |
| Powdercoat Services, LLC<br>(Bldg E / Plant 1)  | 1-600167   | 800 N. State College<br>Blvd. Fullerton, CA<br>92831   | 332812     | 433.17(a)  | 2                  | 9              | 3           |                                     |         |
| Powdercoat Services, LLC<br>(Bldg J / Plant 3)  | 1-600168   | 237 N. Euclid Way<br>Building J Anaheim,<br>CA 92801   | 332812     | 433.17(a)  | 2                  | 9              | 3           |                                     |         |
| Power Distribution, Inc.                        | 1-511400   | 4011 W. Carriage<br>Drive Santa Ana, CA<br>92704       | 335311     | 403.5(d)   | 2                  | 11             | 2           |                                     |         |
| Powerdrive Oil & Gas<br>Company, LLC (16th)     | 1-600246   | 613 16th St.<br>Huntington Beach,<br>CA 92648          | 211111     | 403.5(d)   | 2                  | -              | -           |                                     |         |
| Powerdrive Oil & Gas<br>Company, LLC (2nd)      | 1-600248   | 120 2nd St.<br>Huntington Beach,<br>CA 92648           | 211111     | 403.5(d)   | 2                  | 6              | 1           |                                     |         |
| Powerdrive Oil & Gas<br>Company, LLC (Surveyor) | 1-600245   | 21632 Surveyor Circle<br>Huntington Beach,<br>CA 92646 | 211111     | 403.5(d)   | 2                  | -              | -           |                                     |         |
| Precious Metals Plating Co.,<br>Inc.            | 1-011265   | 2635 Orange Ave.<br>Santa Ana, CA 92707                | 332813     | 433.17(a)  | 2                  | 17             | 3           |                                     |         |
| Precision Anodizing & Plating,<br>Inc.          | 1-521809   | 1601 N. Miller St.<br>Anaheim, CA 92806                | 332813     | 433.17(a)  | 2                  | 13             | 9           |                                     |         |

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| Precision Circuits West, Inc.               | 1-011008   | 3310 W. Harvard St.<br>Santa Ana, CA 92704-3920   | 334412     | 433.17(a)  | 2                  | 15             | 3           |                                      |         |
| Precision Resource, California Division     | 1-111002   | 5803 Engineer St.<br>Huntington Beach, CA 92649   | 332710     | 403.5(d)   | 2                  | 12             | 4           |                                      |         |
| Precon, Inc.                                | 1-021581   | 3131 E. La Palma Ave.<br>Anaheim, CA 92806        | 332721     | 403.5(d)   | 2                  | 31             | 11          |                                      |         |
| Prima-Tex Industries Inc.                   | 1-031036   | 6237 Descanso Circle<br>Buena Park, CA 90620      | 313310     | 403.5(d)   | 2                  | 10             | 3           |                                      |         |
| Prudential Overall Supply                   | 1-071235   | 16901 Aston St.<br>Irvine, CA 92606               | 812332     | 403.5(d)   | 2                  | 12             | 4           |                                      |         |
| Pulmuone Wildwood, Inc.                     | 1-531397   | 2315 Moore Ave.<br>Fullerton, CA 92833            | 311991     | 403.5(d)   | 2                  | 11             | 6           |                                      |         |
| Q-Flex Inc.                                 | 1-600337   | 1301 E. Hunter Ave.<br>Santa Ana, CA 92705        | 334418     | 433.17(a)  | 2                  | 14             | 5           |                                      |         |
| Quality Aluminum Forge, LLC (Cypress North) | 1-521833   | 814 N. Cypress St.<br>Orange, CA 92867            | 332112     | 467.45     | 3                  | 13             | 2           |                                      |         |
| Quality Aluminum Forge, LLC (Cypress South) | 1-600272   | 794 N. Cypress St.<br>Orange, CA 92867-6606       | 332112     | 467.46     | 2                  | 14             | 2           |                                      |         |
| Quikturn Professional Screenprinting        | 1-521858   | 567 S. Melrose St.<br>Placentia, CA 92870         | 333249     | 403.5(d)   | 2                  | 9              | 2           |                                      |         |
| Rayne Dealership Corporation                | 1-571303   | 17835 Sky Park Circle<br>Suite M Irvine, CA 92614 | 454390     | 403.5(d)   | 2                  | 9              | 1           |                                      |         |
| RBC Transport Dynamics Corp.                | 1-011013   | 3131 W. Segerstrom Ave.<br>Santa Ana, CA 92704    | 336413     | 433.17(a)  | 2                  | 8              | 2           |                                      |         |
| Reid Metal Finishing                        | 1-511376   | 3110 W. Harvard St.<br>Santa Ana, CA 92704        | 332813     | 433.17(a)  | 2                  | 12             | 14          |                                      |         |
| Remora Operating CA, LLC                    | 1-581192   | 219 1st St.<br>Huntington Beach, CA 92648         | 211111     | 403.5(d)   | 2                  | 11             | 2           |                                      |         |
| Republic Waste Services                     | 1-521827   | 2727 Coronado St.<br>Anaheim, CA 92806            | 56211      | 403.5(d)   | 4                  | 20             | 4           | Chromium, Copper, Lead, Nickel, Zinc |         |
| Republic Waste Services of So. Cal., LLC    | 1-021169   | 1235 N. Blue Gum St.<br>Anaheim, CA 92806         | 562111     | 403.5(d)   | 2                  | 11             | 3           |                                      |         |

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| Rich Products Corporation (South)                | 1-511404   | 3401 W. Segerstrom Ave. Santa Ana, CA 92704                   | 311812     | 403.5(d)   | 2                  | 7              | 2           |                                     | Previously listed as Rich Products Corporation |
| Rigiflex Technology, Inc.                        | 1-021187   | 1166 N. Grove St. Anaheim, CA 92806                           | 334418     | 433.17(a)  | 2                  | 9              | 3           |                                     |  |
| Robinson Pharma, Inc. (Croddy)                   | 1-511413   | 2632 S. Croddy Way Santa Ana, CA 92704                        | 325411     | 439.47     | 2                  | -              | -           |                                     |  |
| Robinson Pharma, Inc. (Harbor North)             | 1-600126   | 2811 S. Harbor Blvd. Santa Ana, CA 92704                      | 325412     | 439.47     | 2                  | 12             | 11          |                                     |  |
| Robinson Pharma, Inc. (Harbor South)             | 1-511412   | 3330 S. Harbor Blvd. Santa Ana, CA 92704                      | 325412     | 439.47     | 2                  | 12             | 11          |                                     |  |
| Rolls-Royce HTC                                  | 1-600212   | 5730 Katella Ave. Cypress, CA 90630                           | 541712     | 403.5(d)   | 2                  | 6              | 3           |                                     |  |
| Rolls-Royce HTC (fume scrubber)                  | 1-600213   | 5730 Katella Ave. Cypress, CA 90630                           | 541712     | 403.5(d)   | 2                  | 8              | 1           |                                     |  |
| Roto-Die Company, Inc.                           | 1-021033   | 712 N. Valley St. Suite B Anaheim, CA 92801                   | 332710     | 433.17(a)  | 2                  | 13             | 3           |                                     |  |
| Rountree / Wright Enterprises, LLC               | 1-111028   | 114 14th St. Lot / Block 12&14/113 Huntington Beach, CA 92648 | 211111     | 403.5(d)   | 2                  | 9              | 2           |                                     |  |
| S & C Oil Co., Inc.                              | 1-581175   | 18742 Goldenwest St. Huntington Beach, CA 92649               | 211111     | 403.5(d)   | 2                  | 10             | 2           |                                     |  |
| Safran Electronics & Defense, Avionics USA, LLC. | 1-571304   | 3184 Pullman St. Costa Mesa, CA 92626                         | 335931     | 433.17(a)  | 2                  | 15             | 8           |                                     |  |
| Sanmina Corporation (Airway)                     | 1-061008   | 2955 Airway Ave. Costa Mesa, CA 92626                         | 334412     | 433.17(a)  | 2                  | 23             | 9           |                                     |  |
| Sanmina Corporation (Redhill)                    | 1-061009   | 2950 Red Hill Ave. Costa Mesa, CA 92626                       | 334412     | 433.17(a)  | 2                  | 19             | 9           |                                     |  |
| Santana Services                                 | 1-021016   | 1224 E. Ash Ave. Fullerton, CA 92831                          | 332813     | 433.17(a)  | 2                  | 9              | 3           |                                     |  |
| Schreiber Foods, Inc.                            | 1-021049   | 1901 Via Burton Fullerton, CA 92831                           | 311511     | 403.5(d)   | 2                  | 7              | 6           |                                     |  |
| Scientific Spray Finishes, Inc.                  | 1-031311   | 315 S. Richman Ave. Fullerton, CA 92832                       | 332812     | 433.17(a)  | 2                  | 13             | 3           |                                     |  |

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| Semicoa                                     | 1-571313   | 333 McCormick Ave.<br>Costa Mesa, CA<br>92626                  | 334413     | 469.18(a)        | 2                  | 12             | 5           |                                     |         |
| Serrano Water District                      | 1-021137   | 5454 Taft Ave.<br>Orange, CA 92867                             | 221310     | 403.5(d)         | 2                  | -              | 5           |                                     |         |
| SFPP, LP                                    | 1-021619   | 1350 N. Main St.<br>Orange, CA 92867                           | 493190     | 403.5(d)         | 1                  | -              | -           |                                     |         |
| Shepard Bros., Inc.                         | 1-031034   | 503 S. Cypress St. La<br>Habra, CA 90631                       | 325611     | 417.166, 417.176 | 2                  | 11             | 2           |                                     |         |
| Shur-Lok Company                            | 1-600297   | 2541 White Road<br>Irvine, CA 92614                            | 332722     | 433.17(a)        | 2                  | -              | -           |                                     |         |
| Simply Fresh, LLC                           | 1-600709   | 6535 Caballero Blvd.<br>Buena Park, CA<br>90620                | 311421     | 403.5(d)         | 2                  | 7              | 6           |                                     |         |
| Sirco Industrial, Inc.                      | 1-600706   | 5312 System Drive<br>Huntington Beach,<br>CA 92649             | 423830     | 403.5(d)         | 2                  | 10             | 4           |                                     |         |
| Soldermask, Inc.                            | 1-031341   | 17905 Metzler Ln.<br>Huntington Beach,<br>CA 92647             | 334412     | 433.17(a)        | 2                  | 13             | 9           |                                     |         |
| South Coast Baking, LLC                     | 1-600565   | 1711 Kettering St.<br>Irvine, CA 92614-<br>5615                | 311821     | 403.5(d)         | 2                  | 10             | 2           |                                     |         |
| South Coast Circuits, Inc.<br>(Bldg 3500 A) | 1-011069   | 3500 W. Lake Center<br>Drive Building A<br>Santa Ana, CA 92704 | 334412     | 433.17(a)        | 2                  | 13             | 9           |                                     |         |
| South Coast Circuits, Inc.<br>(Bldg 3506 A) | 1-011030   | 3506 W. Lake Center<br>Drive Building A<br>Santa Ana, CA 92704 | 334412     | 433.17(a)        | 2                  | 12             | 3           |                                     |         |
| South Coast Circuits, Inc.<br>(Bldg 3512 A) | 1-511365   | 3512 W. Lake Center<br>Drive Building A<br>Santa Ana, CA 92704 | 334412     | 433.17(a)        | 2                  | 13             | 9           |                                     |         |
| South Coast Circuits, Inc.<br>(Bldg 3524 A) | 1-011054   | 3524 W. Lake Center<br>Drive Building A<br>Santa Ana, CA 92704 | 334412     | 433.17(a)        | 2                  | 13             | 3           |                                     |         |
| South Coast Water                           | 1-511405   | 401 S. Santa Fe St.<br>Santa Ana, CA 92705                     | 333318     | 403.5(d)         | 2                  | 9              | 2           |                                     |         |
| Southern California Edison #1<br>(Mt)       | 1-031014   | 7301 Fenwick Ln.<br>Westminster, CA<br>92683                   | 811310     | 403.5(d)         | 1                  | 4              | 1           |                                     |         |

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name  | Permit No. | Physical Address                                  | NAICS Code | Regulation                              | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment                                  |
|--|------------|---|------------|---|--------------------|----------------|-------------|-------------------------------------|--|
| Southern California Edison #2 (Das)                  | 1-031015   | 7351 Fenwick Ln. Westminster, CA 92683            | 811310     | 403.5(d)                                | -                  | 4              | 1           |                                     |  |
| Southern California Edison #3 (Lars)                 | 1-031016   | 7455 Fenwick Ln. Westminster, CA 92683            | 811310     | 403.5(d)                                | 1                  | -              | 1           |                                     |  |
| Spectrum Paint And Powder, Inc.                      | Z-321822   | 1332 S. Allec St. Anaheim, CA 92805               | 332812     | 433.17(a)                               | 1                  | -              | -           |                                     |  |
| Speedy Metals, Inc. DBA Pacific Metal Cutting        | 1-600767   | 730 Monroe Way Placentia, CA 92870                | 332710     | 403.5(d)                                | 1                  | 7              | -           |                                     | New Class 1 Permit Issued on 09/23/2019  |
| SPS Technologies                                     | 1-011310   | 2701 S. Harbor Blvd. Santa Ana, CA 92704          | 332722     | 433.17(a), 471.34(a)                    | 2                  | 14             | 9           |                                     | Class 1 Permit Deactivated on 10/31/2019 |
| SPS Technologies LLC, DBA Cherry Aerospace           | 1-511381   | 1224 E. Warner Ave. Santa Ana, CA 92705           | 332722     | 433.17(a), 467.46, 471.34(a), 471.65(a) | 2                  | 17             | 15          |                                     | Previously listed as Cherry Aerospace    |
| Stainless Micro-Polish, Inc.                         | 1-021672   | 1286 N. Grove St. Anaheim, CA 92806               | 332813     | 433.17(a)                               | 2                  | 22             | 3           |                                     |  |
| Star Manufacturing LLC, dba Commercial Metal Forming | 1-600653   | 341 W. Collins Ave. Orange, CA 92867              | 332119     | 403.5(d)                                | 3                  | 10             | 6           | O&G min.                            |  |
| Star Powder Coating, Inc.                            | 1-531425   | 7601 Park Ave. Garden Grove, CA 92841             | 332812     | 433.17(a)                               | 2                  | 13             | 3           |                                     |  |
| Statek Corporation (Main)                            | 1-021664   | 512 N. Main St. Orange, CA 92868                  | 334419     | 469.26(a)                               | 2                  | 10             | 2           |                                     |  |
| Statek Corporation (Orange Grove)                    | 1-521777   | 1449 W. Orange Grove Ave. Unit B Orange, CA 92868 | 334419     | 469.28(a)                               | 2                  | 10             | -           |                                     |  |
| Stepan Company                                       | 1-021674   | 1208 N. Patt St. Anaheim, CA 92801                | 325613     | 417.106, 417.96                         | 2                  | 10             | 4           |                                     |  |
| Stremicks Heritage Foods, LLC                        | 1-021028   | 4002 Westminster Ave. Santa Ana, CA 92703-1310    | 311511     | 403.5(d)                                | 2                  | 15             | 6           | pH                                  |  |
| Summit Interconnect, Inc.                            | 1-600012   | 223 N. Crescent Way Anaheim, CA 92801             | 334412     | 433.17(a)                               | 2                  | 15             | 8           |                                     |  |
| Summit Interconnect, Inc., Orange Division           | 1-600060   | 230 W. Bristol Ln. Orange, CA 92865               | 334412     | 433.17(a)                               | 2                  | 15             | 9           |                                     |  |
| Sunny Delight Beverages Co.                          | 1-021045   | 1230 N. Tustin Ave. Anaheim, CA 92807             | 312111     | 403.5(d)                                | 2                  | 7              | 6           |                                     |  |
| Superior Plating                                     | 1-021090   | 1901 E. Cerritos Ave. Anaheim, CA 92805           | 332813     | 433.17(a)                               | 3                  | 13             | 19          | CN                                  |  |

Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                                   | Permit No. | Physical Address   | NAICS Code | Regulation | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment |
|---|------------|--|------------|------------|--------------------|----------------|-------------|-------------------------------------|---------|
| Superior Processing                             | 1-021403   | 1115 Las Brisas Place<br>Placentia, CA 92870             | 334412     | 433.17(a)  | 3                  | 18             | 3           | Nickel                              |         |
| Tayco Engineering, Inc.                         | 1-031012   | 10874 Hope St.<br>Cypress, CA 90630                      | 334513     | 433.17(a)  | 2                  | 9              | 3           |                                     |         |
| Taylor-Dunn Manufacturing Company               | 1-021123   | 2114 Ball Road<br>Anaheim, CA 92804                      | 333924     | 433.17(a)  | 2                  | 12             | 2           |                                     |         |
| Teva Parenteral Medicines, Inc.                 | 1-141007   | 19 Hughes Irvine, CA<br>92618                            | 325412     | 439.47     | 2                  | 7              | 5           |                                     |         |
| Thermal-Vac Technology, Inc.                    | 1-021282   | 1221 W. Struck Ave.<br>Orange, CA 92867                  | 332410     | 433.17(a)  | 2                  | 11             | 8           |                                     |         |
| Thompson Energy Resources, LLC                  | 1-521773   | 3351 E. Birch St.<br>Brea, CA 92821-6251                 | 211111     | 403.5(d)   | 4                  | 25             | 3           | O&G min.                            |         |
| Timken Bearing Inspection, Inc.                 | 1-531415   | 4422 Corporate<br>Center Drive Los<br>Alamitos, CA 90720 | 336412     | 433.17(a)  | 2                  | 10             | 5           |                                     |         |
| Tiodize Company, Inc.                           | 1-111132   | 15701 Industry Ln.<br>Huntington Beach,<br>CA 92649      | 332813     | 433.17(a)  | 2                  | 15             | 9           |                                     |         |
| Toyota Racing Development                       | 1-071059   | 335 Baker St. Costa<br>Mesa, CA 92626                    | 336310     | 403.5(d)   | 2                  | 9              | 10          |                                     |         |
| Transline Technology, Inc.                      | 1-021202   | 1106 S. Technology<br>Circle Anaheim, CA<br>92805        | 334412     | 433.17(a)  | 2                  | 13             | 3           |                                     |         |
| Tropitone Furniture Co., Inc.                   | 1-141163   | 5 Marconi Irvine, CA<br>92618                            | 337124     | 433.17(a)  | 2                  | 15             | 4           |                                     |         |
| TTM Technologies North America, LLC. (Coronado) | 1-521859   | 3140 E. Coronado St.<br>Anaheim, CA 92806                | 334412     | 433.17(a)  | 2                  | 14             | 8           |                                     |         |
| TTM Technologies North America, LLC. (Croddy)   | 1-511366   | 2645 Croddy Way<br>Santa Ana, CA 92704                   | 334412     | 433.17(a)  | 2                  | 18             | 8           |                                     |         |
| TTM Technologies North America, LLC. (Harbor)   | 1-511359   | 2640 S. Harbor Blvd.<br>Santa Ana, CA 92704              | 334412     | 433.17(a)  | 2                  | 17             | 8           |                                     |         |
| Ultra-Pure Metal Finishing, Inc.                | 1-021703   | 1764 N. Case St.<br>Orange, CA 92865                     | 332813     | 433.17(a)  | 2                  | 13             | 9           |                                     |         |
| United Pharma, LLC                              | 1-531418   | 2317 Moore Ave.<br>Fullerton, CA 92833                   | 325412     | 403.5(d)   | 3                  | 12             | 2           |                                     |         |
| Universal Alloy Corp.                           | 1-021706   | 2871 La Mesa Ave.<br>Anaheim, CA 92806                   | 331318     | 467.35(c)  | 2                  | 12             | 5           |                                     |         |
| Universal Molding Co.                           | 1-521836   | 1551 E.<br>Orangethorpe Ave.<br>Fullerton, CA 92831      | 332812     | 433.17(a)  | 2                  | 15             | 2           |                                     |         |



Orange County Sanitation District (OCSD) - Resource Protection Division  
 July to Dec 2019 List of SIUs with Monitoring & Compliance Status



| Facility Name                      | Permit No. | Physical Address                               | NAICS Code | Regulation | No. of Inspections | Agency Samples | SMR Samples | Pollutant(s) in Discharge Violation | Comment                                  |
|------------------------------------|------------|--|------------|------------|--------------------|----------------|-------------|-------------------------------------|--|
| UOP, LLC                           | 1-521751   | 2100 E. Orangethorpe Ave. Anaheim, CA 92806    | 326113     | 403.5(d)   | 2                  | 6              | 2           |                                     | Class 1 Permit Deactivated on 12/18/2019 |
| Van Law Food Products, Inc.        | 1-600810   | 2325 Moore Ave. Fullerton, CA 92833            | 311941     | 403.5(d)   | 2                  | 12             | 6           |                                     |  |
| Vi-Cal Metals, Inc.                | 1-521846   | 1400 N. Baxter St. Anaheim, CA 92806           | 562920     | 403.5(d)   | 2                  | 7              | 1           |                                     |  |
| Vit-Best Nutrition, Inc.           | 1-600010   | 2832 Dow Ave. Tustin, CA 92780                 | 325411     | 439.47     | 3                  | 16             | 7           |                                     |  |
| Weber Precision Graphics           | 1-011354   | 2730 Shannon St. Santa Ana, CA 92704           | 323113     | 403.5(d)   | 2                  | 6              | 2           |                                     |  |
| Weidemann Water Conditioners, Inc. | 1-021653   | 1702 E. Rossllyn Ave. Fullerton, CA 92831-5111 | 333318     | 403.5(d)   | 2                  | 7              | 2           |                                     |  |
| West Newport Oil Company           | 1-061110   | 1080 W. 17th St. Costa Mesa, CA 92627          | 211111     | 403.5(d)   | 2                  | 14             | 8           |                                     |  |
| Wilco-Placentia Oil Operator, LLC  | 1-521829   | 550 Richfield Road Placentia, CA 92870         | 211111     | 403.5(d)   | 2                  | 10             | 2           |                                     |  |
| Winonics (Brea)                    | 1-031035   | 660 N. Puente St. Brea, CA 92821               | 334412     | 433.17(a)  | 2                  | 15             | 3           |                                     |  |
| Winonics, Inc.                     | 1-021735   | 1257 State College Blvd. Fullerton, CA 92831   | 334412     | 433.17(a)  | 2                  | 9              | 9           |                                     |  |
| Yakult USA, Inc.                   | 1-521850   | 17235 Newhope St. Fountain Valley, CA 92708    | 311511     | 403.5(d)   | 2                  | 7              | 6           |                                     |  |

**ORANGE COUNTY SANITATION DISTRICT**

**RESOURCE PROTECTION DIVISION**

**SAWPA MONITORING AND  
COMPLIANCE  
STATUS REPORT**

**APPENDIX 2**

**1st and 2nd Quarters**

**FISCAL YEAR 2019/2020**

Santa Ana Watershed Project Authority (SAWPA) July 1, 2019 - December 31, 2019

List of SIUs with Monitoring Compliance Status



| Facility Name   | Member/<br>Contract<br>Agency | Direct /<br>Indirect<br>Discharger | Permit No. | Physical Address                                 | NAICS<br>Code | Classification | Regulation | TTO Waiver<br>Issued | No. of<br>Inspections | Agency<br>Samples | SMR<br>Samples | Pollutant(s) in<br>Discharge<br>Violation | SNC<br>Status | Comment                         |
|---|-------------------------------|------------------------------------|------------|--|---------------|----------------|------------|----------------------|-----------------------|-------------------|----------------|---|---------------|---------------------------------|
| Anita B. Smith Treatment Facility                             | WMWD                          | Direct                             | D1074-3.1  | 2100 Fleetwood Drive<br>Jurupa Valley, CA 92509  | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 2              |   |               |                                 |
| Aramark Uniform & Career Apparel,<br>LLC                      | WMWD                          | Direct                             | D1004-1    | 1135 Hall Avenue<br>Riverside, CA 92509          | 812332        | SIU            | 403.5(d)   | -                    | 1                     | 7                 | 5              |   |               | New Permit Issued<br>10/29/2019 |
| C.C. Graber Company   | IEUA                          | Indirect                           | I1005-2.1  | 315 E. 4th Street<br>Ontario, CA 91764           | 311421        | CIU            | 407.64     | -                    | 1                     | 0                 | 0              |   |               | Permit Closed<br>8/22/2019      |
| California Institution for Men                                | IEUA                          | Direct                             | D1006-3    | 5997 Edison Avenue<br>Chino, CA 91710            | 922140        | SIU            | 403.5(d)   | -                    | 2                     | 7                 | 14             |   |               |                                 |
| Chino I Desalter  | SAWPA                         | Direct                             | D1081-4    | 6905 Kimball Avenue<br>Chino, CA 91709           | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 2              |   |               |                                 |
| Chino II Desalter   | SAWPA                         | Direct                             | D1010-4    | 11251 Harrel Street<br>Jurupa Valley, CA 91752   | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 8                 | 4              |   |               |                                 |
| City of Colton - Agua Mansa Power<br>Plant                    | VALLEY                        | Direct                             | D1002-4    | 2040 W. Agua Mansa Road<br>Colton, CA 92324      | 221122        | SIU            | 403.5(d)   | -                    | 1                     | 8                 | 10             |   |               |                                 |
| City of Corona Ion Exchange Treatment<br>Plant                | WMWD                          | Direct                             | D1125-2    | 410 Rimpau Avenue<br>Corona, CA 92882            | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 2              |   |               |                                 |
| City of Corona's Water Reclamation<br>Facility No.1           | WMWD                          | Direct -<br>Emergency              | E1013-2.1  | 2205 Railroad Street<br>Corona, CA 92880         | 221320        | SIU            | 403.5(d)   | -                    | 0                     | 0                 | 0              |   |               |                                 |
| Dart Container Corporation                                    | WMWD                          | Direct                             | D1019-3    | 150 S. Maple Street<br>Corona, CA 92880          | 326140        | SIU            | 403.5(d)   | -                    | 2                     | 12                | 2              |   |               |                                 |
| Del Real, LLC   | JCSD                          | Direct                             | D1021-3    | 11041 Inland Avenue<br>Jurupa Valley, CA 91752   | 311991        | SIU            | 403.5(d)   | -                    | 3                     | 17                | 14             |   |               |                                 |
| EMWD Collection Station                                       | SAWPA                         | Direct                             | D1055-2.2  | 29541 Murrieta Road<br>Menifee, CA 92586         | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 2                 | 2              |   |               | Permit Closed<br>11/5/2019      |
| EMWD Energy Dissipater  | SAWPA                         | Direct -<br>Emergency              | E1068-2.1  | 636 Minthorn Street<br>Lake Elsinore, CA 92530   | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| EMWD Perris & Menifee Desalination<br>Facility                | SAWPA                         | Direct                             | D1061-3    | 29541 Murrieta Road<br>Menifee, CA 92586         | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 2              |   |               |                                 |
| EMWD Railroad Canyon Pipeline                                 | SAWPA                         | Direct -<br>Emergency              | E1067-3.1  | Railroad Canyon Road<br>Canyon Lake, CA 92587    | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| IEUA Collection Station                                       | SAWPA                         | Direct                             | D1035-3.1  | 16400 El Prado Road<br>Chino, CA 91710           | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 2                 | 0              |   |               | Permit Closed<br>11/5/2019      |
| IEUA Los Serranos   | SAWPA                         | Direct -<br>Emergency              | E1037-2.1  | 6075 Kimball Avenue<br>Chino, CA 91708           | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| Infineon Technologies Americas<br>Corporation                 | EMWD                          | Indirect                           | I1039-3    | 41915 Business Park Drive<br>Temecula, CA 92590  | 334413        | CIU            | 469.18     | Y                    | 2                     | 4                 | 4              |   |               |                                 |
| Inland Empire Energy Center                                   | EMWD                          | Direct                             | D1036-3    | 26226 Antelope Road<br>Menifee, CA 92585         | 221112        | CIU            | 423.17     | -                    | 2                     | 11                | 10             |   |               |                                 |
| JCSD Archibald Metering Station                               | SAWPA                         | Direct -<br>Emergency              | E1041-2.1  | 6990 Archibald Avenue<br>Eastvale, CA 92880      | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| JCSD Celebration Metering Station                             | SAWPA                         | Direct -<br>Emergency              | E1042-2.1  | 5972 Hamner Avenue<br>Eastvale, CA 92880         | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| JCSD Chandler Lift Station                                    | SAWPA                         | Direct -<br>Emergency              | E1043-2.1  | 14087 Chandler Street<br>Eastvale, CA 92880      | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 6              |   |               |                                 |
| JCSD Etiwanda Metering Station                                | SAWPA                         | Direct                             | D1044-4    | Etiwanda Avenue and N. of<br>Bellegrove Avenue   | 221320        | SIU            | 403.5(d)   | -                    | 2                     | 16                | 8              |   |               |                                 |
| JCSD Hamner Lift Station                                      | SAWPA                         | Direct -<br>Emergency              | E1046-2.3  | 7302 Hamner Avenue<br>Eastvale, CA 92880         | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| JCSD Hamner Metering Station                                  | SAWPA                         | Direct                             | D1045-4    | 5410 Hamner Avenue<br>Eastvale, CA 91752         | 221320        | SIU            | 403.5(d)   | -                    | 2                     | 7                 | 10             |   |               |                                 |
| JCSD Harrison Metering Station                                | SAWPA                         | Direct -<br>Emergency              | E1047-2.3  | 6998 Harrison Avenue<br>Eastvale, CA 92880       | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| JCSD Roger D. Teagarden Ion<br>Exchange Water Treatment Plant | SAWPA                         | Direct                             | D1070-4    | 4150 Etiwanda Avenue<br>Jurupa Valley, CA 91752  | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 0                 | 5              |   |               |                                 |
| JCSD Scholar Way Metering Station                             | SAWPA                         | Direct -<br>Emergency              | E1113-1.1  | 6980 Scholar Way<br>Eastvale, CA 92880           | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                                 |
| JCSD Wineville Metering Station                               | SAWPA                         | Direct                             | D1048-4    | 5101 Wineville Avenue<br>Jurupa Valley, CA 91752 | 221320        | SIU            | 403.5(d)   | -                    | 2                     | 8                 | 8              |   |               |                                 |
| JSCD Wells 17 & 18 Ion Exchange<br>Treatment Facility         | SAWPA                         | Direct                             | D1040-3.1  | 3474 De Forest Circle<br>Jurupa Valley, CA 91752 | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 6                 | 5              |   |               |                                 |
| Metal Container Corporation                                   | JCSD                          | Direct                             | D1056-3    | 10980 Inland Avenue<br>Jurupa Valley, CA 91752   | 332431        | CIU            | 465.45(d)  | -                    | 2                     | 16                | 12             |   |               |                                 |

| Facility Name  | Member/<br>Contract<br>Agency | Direct /<br>Indirect<br>Discharger | Permit No. | Physical Address                                  | NAICS<br>Code | Classification | Regulation | TTO Waiver<br>Issued | No. of<br>Inspections | Agency<br>Samples | SMR<br>Samples | Pollutant(s) in<br>Discharge<br>Violation | SNC<br>Status | Comment                    |
|--|-------------------------------|------------------------------------|------------|---|---------------|----------------|------------|----------------------|-----------------------|-------------------|----------------|---|---------------|----------------------------|
| Mission Linen Supply                                     | IEUA                          | Direct                             | D1057-3.1  | 5400 Alton Street<br>Chino, CA 91710              | 812332        | SIU            | 403.5(d)   | -                    | 2                     | 24                | 21             |   |               |                            |
| Mountainview Generating Station                          | VALLEY                        | Direct                             | D1058-2    | 2492 W. San Bernardino Ave.<br>Redlands, CA 92374 | 221112        | CIU            | 423.17     | -                    | 2                     | 11                | 12             |   |               |                            |
| OLS Energy - Chino                                       | IEUA                          | Direct                             | D1059-3    | 5601 Eucalyptus Avenue<br>Chino, CA 91710         | 221112        | CIU            | 423.17     | -                    | 2                     | 17                | 28             |   |               |                            |
| Rayne Water Conditioning                                 | SBMWD                         | Indirect                           | I1066-2.1  | 939 W. Reece Street<br>San Bernadino, CA 92411    | 561990        | SIU            | 403.5(d)   | -                    | 3                     | 13                | 4              |   |               |                            |
| Repet, Inc.  | IEUA                          | Direct                             | D1069-3.1  | 14207 Monte Vista Avenue<br>Chino, CA 91710       | 423930        | SIU            | 403.5(d)   | -                    | 2                     | 19                | 19             |   |               |                            |
| SBMWD Collection Station                                 | SAWPA                         | Direct                             | D1076-3.1  | 399 Chandler Place<br>San Bernardino, CA 92408    | 221310        | SIU            | 403.5(d)   | -                    | 1                     | 2                 | 2              |   |               | Permit Closed<br>11/5/2019 |
| SBMWD Water Reclamation Plant                            | SAWPA                         | Direct -<br>Emergency              | E1075-2.2  | 399 Chandler Place<br>San Bernardino, CA 92408    | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                            |
| ShawCor Pipe Protection, LLC                             | IEUA                          | Indirect                           | I1077-3    | 14000 San Bernardino Ave.<br>Fontana, CA 92335    | 332812        | CIU            | 433.17     | -                    | 2                     | 5                 | 12             |   |               |                            |
| Stringfellow Pretreatment Facility                       | SAWPA                         | Direct                             | D1079-3    | 3400 Pyrite Street<br>Jurupa Valley, CA 92509     | 562910        | SIU            | 403.5(d)   | -                    | 2                     | 16                | 137            |   |               |                            |
| Temescal Desalter  | WMWD                          | Direct                             | D1012-3    | 755 Public Safety Way<br>Corona, CA 92880         | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 2              |   |               |                            |
| WMWD Arlington Desalter                                  | SAWPA                         | Direct                             | D1088-4    | 11611 Sterling Avenue<br>Riverside, CA 92503      | 221310        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 2              |   |               |                            |
| WMWD Collection Station                                  | SAWPA                         | Direct                             | D1087-3.1  | 2205 Railroad Street<br>Corona, CA 92880          | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 2                 | 0              |   |               | Permit Closed<br>11/5/2019 |
| WRCRWA South Regional Pumping<br>Station                 | SAWPA                         | Direct -<br>Emergency              | E1089-2.1  | 671 N. Lincoln Avenue<br>Corona, CA 92883         | 221320        | SIU            | 403.5(d)   | -                    | 1                     | 0                 | 0              |   |               |                            |
| YVWD Henry Wochholz Regional<br>Water Recycling Facility | SAWPA                         | Direct                             | D1090-3    | 880 W. County Line Road<br>Calimesa, CA 92320     | 221320        | SIU            | 403.5(d)   | -                    | 2                     | 4                 | 4              |   |               |                            |

**Facility Name:**  
**Orange County Sanitation District - Plant 1**

Facility ARB ID: 100255  
 Facility Reporting Year: 2019

Confidential Data Indication Set to "No" by Reporter

**Certification Statement:**

The designated representative or alternate designated representative must sign (i.e., agree to) this certification statement. If you are an agent and you click on "SUBMIT", you are not agreeing to the certification statement, but are submitting the certification statement on behalf of the designated representative or alternate designated representative who is agreeing to the certification statement. An agent is only authorized to make the electronic submission on behalf of the designated representative, not to sign (i.e., agree to) the certification statement.

**Facility Representatives**

Designated Representative: Lisa Frigo  
 Alternate Designated Representative: randa abushaban

**Facility Location**

Physical Address: 10844 Ellis Avenue  
 City: Fountain Valley  
 State / Province: CA  
 ZIP / Postal Code: 92708  
 Country:

Latitude: 33.69404  
 Longitude: -117.93807

County: ORANGE  
 Air Basin: SOUTH COAST  
 District: SOUTH COAST AQMD

Mailing Address: 10844 Ellis Avenue  
 City: Fountain Valley  
 State / Province: CA  
 ZIP / Postal Code: 92708  
 Country:

**Payment Information** (required if subject to AB 32 Cost of Implementation Fee Regulation)

Responsible Party for Payment:  
 Responsible Party Email:  
 Responsible Party Phone:  
 Billing Address:  
 City:  
 State / Province:  
 ZIP / Postal Code:

Country:

**Owners / Operators**

Name: Orange County Sanitation District

**Facility or Entity Total GHG Emissions Summary**

|  |                                 |
|--|---------------------------------|
| CO2 equivalent emissions, excluding biogenic (subparts C – AA):                                | 2,384.749756 Metric Tons        |
| Exempt biogenic CO2 emissions (subparts C – AA):   | 23,074.02799 Metric Tons        |
| CO2 equivalent emissions from fuel supplier categories, excluding biogenic (subparts MM – NN): | 0 Metric Tons                   |
| Exempt biogenic CO2 emissions from fuel supplier categories (subparts MM – NN):                | 0 Metric Tons                   |
| CO2 emissions from CO2 Suppliers (excluding biogenic) (subpart PP):                            | 0 Metric Tons                   |
| Exempt biogenic CO2 emissions from CO2 Suppliers (subpart PP):                                 | 0 Metric Tons                   |
| CO2 equivalent emissions from electric power entities:   | 0 Metric Tons                   |
| <b>Covered CO2 equivalent emissions:</b>   | <b>2,384.749756 Metric Tons</b> |
| De Minimis CO2 equivalent emissions:   | 0 Metric Tons                   |
| Maximum allowable De Minimis emissions:  | 763.763332 Metric Tons          |

**General Facility Reporting Information**

**NAICS Codes**

Primary: 221320 (Sewage Treatment Facilities)  
 Second Primary:  
 Additional:

**U.S. Parent Companies**

Parent Company Name:  
 ORANGE COUNTY SANITATION DISTRICT (OCSD)  
 Address:  
 10844 ELLIS AVENUE, FOUNTAIN VALLEY, CA 92708  
 Percentage of Ownership Interest: 100%

GHG Report Start Date: 2019-01-01  
 GHG Report End Date: 2019-12-31

Explanation of any calculation methodology changes during the reporting year:

**EPA e-GGRT Facility IDs**

Full or Abbreviated GHG Report: Full

Company or Entity qualifies for Small Business Status: No

**Electricity Purchases/Acquisitions for Reporting Facilities (95104(d))**

Electricity Provider's Name: Southern California Edison (SCE)  
 Provider's ARB ID: 3005  
 Purchases/Acquisitions: 45,035.5 MWh

**Natural Gas Purchases/Acquisitions for Reporting Facilities [95115(k), 95103(a)(1)]**

Natural Gas Supplier Name: Southern California Gas Company (SCG)  
 Supplier's ARB ID: 5002  
 Customer Number: 10471095009  
 Purchases/Acquisitions: 36,552.7 MMBtu  
 Was this natural gas received directly from an interstate pipeline? No  
 Do you grant CARB staff permission to share confidential annual natural gas fuel purchase data with your identified natural gas fuel supplier? Yes

Natural Gas Supplier Name: Southern California Gas Company (SCG)  
 Supplier's ARB ID: 5002  
 Customer Number: 10261095938  
 Purchases/Acquisitions: 6,562.1 MMBtu  
 Was this natural gas received directly from an interstate pipeline? No  
 Do you grant CARB staff permission to share confidential annual natural gas fuel purchase data with your identified natural gas fuel supplier? Yes

**Cap-and-Trade Facilities: Increases and Decreases in Facility Emissions [95104(f)]:**

For facilities subject to Cap-and-Trade requirements: Have total facility emissions increased or decreased more than 5% in relation to the previous data year? [Not applicable for fuel suppliers, CO2 suppliers, electric power entities, and abbreviated reporters.]

NA (Not applicable: Reporting as an abbreviated reporter, fuel supplier, CO2 supplier, or electric power entity.)

**Note: This section is not subject to the third-party verification requirements**

**Electricity Generation**

Facility has the capacity to generate electricity: Yes  
 CEC ID (if applicable): G0483  
 EIA ID (if applicable): 50696

FERC QFID (if applicable): 2460  
 CAISO ID (if applicable): NA  
 Total Facility Nameplate Generating Capacity: 7.5 MW  
 Facility Type:  
 Independently operated and sited cogeneration facility  
 Facility's Energy Disposition:  
 Does not provide any generated energy outside of the facility boundary

Generated electricity used for other on-site industrial processes that are not in support of or a part of the power generation system: 39,853.925 MWh

Reported emissions include emissions from a cogeneration/bigeneration unit: Yes  
 Parasitic Steam Use: Generated thermal energy used for supporting power production (excluding steam used directly for generating electricity) [95112(a)(5)(B)]: 0 MMBtu

Generated thermal energy for on-site industrial applications not related to electricity generation [95112(a)(5)(C)]: 62,030 MMBtu

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## Subpart C: General Stationary Fuel Combustion

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### Gas Information Details

| <b>Gas Name</b>                | <b>Gas Quantity (Metric Tons)</b> |
|--------------------------------|-----------------------------------|
| Methane                        | 1.460774                          |
| Exempt Biogenic Carbon dioxide | 23,074.02799                      |
| Nitrous Oxide                  | 0.283449                          |
| Carbon Dioxide                 | 2,266.204269                      |
| Total CO2e                     | 25,458.777745                     |

**Total Covered CO2e Emissions:** 2,384.749756 (Metric Tons)

Emissions shown above that are claimed as De Minimis (CO2e): 0 Metric Tons

### Unit Details

**Unit Name:** Boiler  
**Configuration Type:** Single Unit Using Tiers 1, 2, or 3



Unit Type: OB (Boiler, other)  
 Unit Description: Boiler, Hurst Boiler and Welding Company, Model No. S5-250-125W, 10.5MMBTU/Hr

**Individual Unit Details**

Maximum Rated Heat Input Capacity: 10.5 mmBtu/hr

**Electricity Generation Unit Information**

Does this configuration have the capacity to generate electricity? No

**Emission Details: Configuration-Level Summary (User entered values)**

Total exempt annual biogenic CO2 mass emissions (must equal the sum of calculated annual exempt biogenic CO2) (metric tons): 485.206478  
 Annual CO2 emissions from sorbent (metric tons): 0

**Fuel-Specific Emissions Information**

**Fuel: Biogas (Captured methane) - Biomass-Derived Fuels - Gaseous**

Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2014-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 100%  
 Frequency of HHV determinations: Monthly

**Fuel Emission Details**

Total CO2 emissions: 485.206478 Metric Tons  
 Total CH4 emissions: 0.029819 Metric Tons  
 Total N2O emissions: 0.005871 Metric Tons  
 Total CH4 emissions CO2e: 0.626193 Metric Tons  
 Total N2O emissions CO2e: 1.819874 Metric Tons

**Equation Inputs**

Mass or Volume of Fuel Combusted per Year: 14,814,546.7 scf  
 Annual Average High Heat Value: 0.000629 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 52.07 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.0032 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.00063 kg N2O/MMBtu

**HHV Substitute Data Information** - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Fuel: Natural Gas - Natural Gas**  
 Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2016-01-01  
 Methodology End Date: 2019-12-31

Percentage of Fuel that is Biogenic: 0%  
 Frequency of HHV determinations: Monthly  
Fuel Emission Details  
 Total CO2 emissions: 0.628919 Metric Tons  
 Total CH4 emissions: 0.000012 Metric Tons  
 Total N2O emissions: 0.000001 Metric Tons  
 Total CH4 emissions CO2e: 0.000249 Metric Tons  
 Total N2O emissions CO2e: 0.000368 Metric Tons

Equation Inputs

Mass or Volume of Fuel Combusted per Year: 11,405.70007 scf  
 Annual Average High Heat Value: 0.00104 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 53.02 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.001 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.0001 kg N2O/MMBtu

HHV Substitute Data Information - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Unit Name:** GP-Cogen  
**Configuration Type:** Aggregation of Units  
**Unit Type:** OCS (Other combustion source)  
**Unit Description:**  
 3 Internal Combustion Engines, each a Cooper Bessmer, Model No. LSVB-12-SGC, 3471 HP, 2500 KW Electric Generator, 5008500 BTU/Hr capacity.

Small Unit Aggregation Details

Highest Maximum Rated Heat Input Capacity: 5.0085 mmBtu/hr  
 Type of Emission Unit for this Group [Note: EGU/EGS must always be separated from other unit types]:  
 Electricity generating unit/system (EGU/EGS)

**Electricity Generation Unit Information**

Does this configuration have the capacity to generate electricity? Yes  
 Is this configuration a Part 75 unit? No  
 Nameplate Generating Capacity: 7.5 MW  
 Prime Mover Technology: Internal Combustion Engine  
 Type of Thermal Energy Generation: Cogeneration Topping Cycle  
 95112(b)(2): Gross Generation: 42,016.816 MWh  
 95112(b)(2): Net Generation: 39,853.925 MWh  
 95112(b)(3): Total Thermal Output (for Cogeneration or Bigeneration): 62,030 MMBtu  
 95112(b)(8): Other Steam Used for Electricity Generation:

95112(b)(8): Input Steam to the Steam Turbine (for bottoming cycle cogeneration units only)

95112(b)(8): Output of the Heat Recovery Steam Generator (for bottoming cycle cogeneration units only)

95112(e): Geothermal Steam Utilized:

The source of geothermal generation:

95112(f): Stationary Hydrogen Fuel Cell: Fuel Type and Provider (if not reported elsewhere)

Additional Comments and Information

**Emission Details: Configuration-Level Summary (User entered values)**

Total exempt annual biogenic CO2 mass emissions (must equal the sum of calculated annual exempt biogenic CO2) (metric tons): 22,588.821512

Annual CO2 emissions from sorbent (metric tons): 0

**Fuel-Specific Emissions Information**

**Fuel:**

**Biogas (Captured methane) - Biomass-Derived Fuels - Gaseous**

Calculation Methodology: Tier 2 (Equation C-2a)

Methodology Start Date: 2017-01-01

Methodology End Date: 2019-12-31

Percentage of Fuel that is Biogenic: 100%

Frequency of HHV determinations: Monthly

**Fuel Emission Details**

Total CO2 emissions: 22,588.821512 Metric Tons

Total CH4 emissions: 1.388213 Metric Tons

Total N2O emissions: 0.273304 Metric Tons

Total CH4 emissions CO2e: 29.152464 Metric Tons

Total N2O emissions CO2e: 84.724349 Metric Tons

**Equation Inputs**

Mass or Volume of Fuel Combusted per Year: 691,892,232.9 scf

Annual Average High Heat Value: 0.000627 mmBtu/scf

Fuel Specific CO2 Emissions Factor: 52.07 kg CO2/MMBtu

Fuel Specific CH4 Emissions Factor: 0.0032 kg CH4/MMBtu

Fuel Specific N2O Emissions Factor: 0.00063 kg N2O/MMBtu

**HHV Substitute Data Information** - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Fuel:**  
 Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2017-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 0%  
 Frequency of HHV determinations: Monthly

**Natural Gas - Natural Gas**

Fuel Emission Details  
 Total CO2 emissions: 1,917.790914 Metric Tons  
 Total CH4 emissions: 0.036171 Metric Tons  
 Total N2O emissions: 0.003617 Metric Tons  
 Total CH4 emissions CO2e: 0.759593 Metric Tons  
 Total N2O emissions CO2e: 1.121304 Metric Tons

Equation Inputs  
 Mass or Volume of Fuel Combusted per Year: 34,981,706.73 scf  
 Annual Average High Heat Value: 0.001034 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 53.02 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.001 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.0001 kg N2O/MMBtu

HHV Substitute Data Information - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Unit Name:**

GP-Comfort Heating/Misc NaturalGas Usage

Configuration Type: Aggregation of Units  
 Unit Type: OCS (Other combustion source)

Unit Description:  
 Natural Gas supply for space heating/comfort heating, water heaters, bunsen burners in the laboratory, flare complex pilots, and hot water tank natural gas pilot.

Small Unit Aggregation Details

Highest Maximum Rated Heat Input Capacity: 1.995 mmBtu/hr  
 Type of Emission Unit for this Group [Note: EGU/EGS must always be separated from other unit types]: Other (none of the above)

**Electricity Generation Unit Information**

Does this configuration have the capacity to generate electricity? No

**Emission Details: Configuration-Level Summary (User entered values)**

Total exempt annual biogenic CO2 mass emissions (must equal the sum) 0

of calculated annual exempt biogenic CO2) (metric tons):  
 Annual CO2 emissions from sorbent (metric tons): 0

**Fuel-Specific Emissions Information**

**Fuel:** **Natural Gas - Natural Gas**  
 Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2014-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 0%  
 Frequency of HHV determinations: Monthly

**Fuel Emission Details**

Total CO2 emissions: 347.784436 Metric Tons  
 Total CH4 emissions: 0.006559 Metric Tons  
 Total N2O emissions: 0.000656 Metric Tons  
 Total CH4 emissions CO2e: 0.137749 Metric Tons  
 Total N2O emissions CO2e: 0.203344 Metric Tons

**Equation Inputs**

Mass or Volume of Fuel Combusted per Year: 6,356,100 scf  
 Annual Average High Heat Value: 0.001032 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 53.02 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.001 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.0001 kg N2O/MMBtu

**HHV Substitute Data Information** - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Time And Date Report Generated:** 04/10/2020 16:59

**Facility Name:****Orange County Sanitation District - Plant 2**

Facility ARB ID: 101280  
 Facility Reporting Year: 2019

Confidential Data Indication Set to "No" by Reporter

**Certification Statement:**

The designated representative or alternate designated representative must sign (i.e., agree to) this certification statement. If you are an agent and you click on "SUBMIT", you are not agreeing to the certification statement, but are submitting the certification statement on behalf of the designated representative or alternate designated representative who is agreeing to the certification statement. An agent is only authorized to make the electronic submission on behalf of the designated representative, not to sign (i.e., agree to) the certification statement.

**Facility Representatives**

Designated Representative: Lisa Frigo  
 Alternate Designated Representative: randa abushaban

**Facility Location**

Physical Address: 22212 Brookhurst Street  
 City: Huntington Beach  
 State / Province: CA  
 ZIP / Postal Code: 92646  
 Country:

Latitude: 33.64029  
 Longitude: -117.95921

County: ORANGE  
 Air Basin: SOUTH COAST  
 District: SOUTH COAST AQMD

Mailing Address: 10844 Ellis Avenue  
 City: Fountain Valley  
 State / Province: CA  
 ZIP / Postal Code: 92708  
 Country:

**Payment Information** (required if subject to AB 32 Cost of Implementation Fee Regulation)

Responsible Party for Payment:  
 Responsible Party Email:  
 Responsible Party Phone:  
 Billing Address:  
 City:  
 State / Province:  
 ZIP / Postal Code:

Country:

**Owners / Operators**

Name: Orange County Sanitation District

**Facility or Entity Total GHG Emissions Summary**

|  |                                 |
|--|---------------------------------|
| CO2 equivalent emissions, excluding biogenic (subparts C – AA):                                | 3,234.891398 Metric Tons        |
| Exempt biogenic CO2 emissions (subparts C – AA):   | 31,685.420746 Metric Tons       |
| CO2 equivalent emissions from fuel supplier categories, excluding biogenic (subparts MM – NN): | 0 Metric Tons                   |
| Exempt biogenic CO2 emissions from fuel supplier categories (subparts MM – NN):                | 0 Metric Tons                   |
| CO2 emissions from CO2 Suppliers (excluding biogenic) (subpart PP):                            | 0 Metric Tons                   |
| Exempt biogenic CO2 emissions from CO2 Suppliers (subpart PP):                                 | 0 Metric Tons                   |
| CO2 equivalent emissions from electric power entities:   | 0 Metric Tons                   |
| <b>Covered CO2 equivalent emissions:</b>   | <b>3,234.891398 Metric Tons</b> |
| De Minimis CO2 equivalent emissions:   | 0 Metric Tons                   |
| Maximum allowable De Minimis emissions:  | 1,047.609364 Metric Tons        |

**General Facility Reporting Information****NAICS Codes**

|                 |                                      |
|-----------------|--------------------------------------|
| Primary:        | 221320 (Sewage Treatment Facilities) |
| Second Primary: |                                      |
| Additional:     |                                      |

**U.S. Parent Companies**

|   |  |
|---|--|
| Parent Company Name:                          | Orange County Sanitation District (OCSD) |
| Address:                                      |  |
| 10844 Ellis Avenue, Fountain Valley, CA 92708 |  |
| Percentage of Ownership Interest:             | 100%                                     |

|                        |            |
|------------------------|------------|
| GHG Report Start Date: | 2019-01-01 |
| GHG Report End Date:   | 2019-12-31 |

Explanation of any calculation methodology changes during the reporting year:

**EPA e-GGRT Facility IDs**

|                                 |      |
|---------------------------------|------|
| Full or Abbreviated GHG Report: | Full |
|                                 | No   |

Company or Entity qualifies for Small Business Status:

**Electricity Purchases/Acquisitions for Reporting Facilities (95104(d))**

Electricity Provider's Name: Southern California Edison (SCE)  
 Provider's ARB ID: 3005  
 Purchases/Acquisitions: 5,221.476 MWh

**Natural Gas Purchases/Acquisitions for Reporting Facilities [95115(k), 95103(a)(1)]**

Natural Gas Supplier Name: Southern California Gas Company (SCG)  
 Supplier's ARB ID: 5002  
 Customer Number: 09421095002  
 Purchases/Acquisitions: 1,755.8508 MMBtu  
 Was this natural gas received directly from an interstate pipeline? No  
 Do you grant CARB staff permission to share confidential annual natural gas fuel purchase data with your identified natural gas fuel supplier? Yes

Natural Gas Supplier Name: Southern California Gas Company (SCG)  
 Supplier's ARB ID: 5002  
 Customer Number: 09211095550  
 Purchases/Acquisitions: 46,084.7 MMBtu  
 Was this natural gas received directly from an interstate pipeline? No  
 Do you grant CARB staff permission to share confidential annual natural gas fuel purchase data with your identified natural gas fuel supplier? Yes

**Cap-and-Trade Facilities: Increases and Decreases in Facility Emissions [95104(f)]:**

For facilities subject to Cap-and-Trade requirements: Have total facility emissions increased or decreased more than 5% in relation to the previous data year? [Not applicable for fuel suppliers, CO2 suppliers, electric power entities, and abbreviated reporters.]

NA (Not applicable: Reporting as an abbreviated reporter, fuel supplier, CO2 supplier, or electric power entity.)

**Note: This section is not subject to the third-party verification requirements**

**Electricity Generation**

Facility has the capacity to generate electricity: Yes  
 CEC ID (if applicable): E0025  
 EIA ID (if applicable): 52099



FERC QFID (if applicable): 2804  
 CAISO ID (if applicable): NA  
 Total Facility Nameplate Generating Capacity: 16 MW  
 Facility Type:  
     Independently operated and sited cogeneration facility  
 Facility's Energy Disposition: None of the above

**Disposition of Generated Electricity [95112(a)(4)]**

**Generated Electricity for Grid Disposition [95112(a)(4)(A)]**

Unit, System Or Group Name Southern California Edison (SCE)  
 Retail Provider/Marketer Name Southern California Edison (SCE)  
 Electricity Provided or Sold (MWh) 1,282.104  
 Generated electricity used for other on-site industrial processes that are not in support of or a part of the power generation system: 51,827.179 MWh

Reported emissions include emissions from a cogeneration/bigeneration unit: Yes  
 Parasitic Steam Use: Generated thermal energy used for supporting power production (excluding steam used directly for generating electricity) [95112(a)(5)(B)]: 0 MMBtu  
 Generated thermal energy for on-site industrial applications not related to electricity generation [95112(a)(5)(C)]: 60,217 MMBtu

**Subpart C: General Stationary Fuel Combustion**

**Gas Information Details**

| <b>Gas Name</b>                | <b>Gas Quantity (Metric Tons)</b> |
|--------------------------------|-----------------------------------|
| Methane                        | 2.005194                          |
| Exempt Biogenic Carbon dioxide | 31,685.420746                     |
| Nitrous Oxide                  | 0.389159                          |
| Carbon Dioxide                 | 3,072.142944                      |
| Total CO2e                     | 34,920.312143                     |

**Total Covered CO2e Emissions:** 3,234.891398 (Metric Tons)  
 Emissions shown above that are claimed as De Minimis (CO2e): 0 Metric Tons

**Unit Details**

**Unit Name:** GP- Boilers (2)  
**Configuration Type:** Aggregation of Units  
**Unit Type:** OCS (Other combustion source)  
**Unit Description:**  
 Two (2) Boilers, Cleaver Brooks, Model No. CB700-250, 10.21 MMBtu/Hr, Low-Nox Burners and Flue Gas Recirculation (FGR) system.

**Small Unit Aggregation Details**

Highest Maximum Rated Heat Input Capacity: 10.21 mmBtu/hr  
 Type of Emission Unit for this Group: Boiler  
 [Note: EGU/EGS must always be separated from other unit types]:

**Electricity Generation Unit Information**

Does this configuration have the capacity to generate electricity? No

**Emission Details: Configuration-Level Summary (User entered values)**

Total exempt annual biogenic CO2 mass emissions (must equal the sum of calculated annual exempt biogenic CO2) (metric tons): 480.603979  
 Annual CO2 emissions from sorbent (metric tons): 0

**Fuel-Specific Emissions Information**

**Fuel:** **Biogas (Captured methane) - Biomass-Derived Fuels - Gaseous**

Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2014-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 100%  
 Frequency of HHV determinations: Monthly

**Fuel Emission Details**

Total CO2 emissions: 480.603979 Metric Tons  
 Total CH4 emissions: 0.029536 Metric Tons  
 Total N2O emissions: 0.005815 Metric Tons  
 Total CH4 emissions CO2e: 0.620253 Metric Tons  
 Total N2O emissions CO2e: 1.802611 Metric Tons

**Equation Inputs**

Mass or Volume of Fuel Combusted per Year: 14,650,729 scf  
 Annual Average High Heat Value: 0.00063 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 52.07 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.0032 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.00063 kg N2O/MMBtu

**HHV Substitute Data Information** - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Fuel:** **Natural Gas - Natural Gas**  
 Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2014-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 0%  
 Frequency of HHV determinations: Monthly

Fuel Emission Details  
 Total CO2 emissions: 39.581135 Metric Tons  
 Total CH4 emissions: 0.000747 Metric Tons  
 Total N2O emissions: 0.000075 Metric Tons  
 Total CH4 emissions CO2e: 0.015677 Metric Tons  
 Total N2O emissions CO2e: 0.023142 Metric Tons

Equation Inputs  
 Mass or Volume of Fuel Combusted per Year: 719,896 scf  
 Annual Average High Heat Value: 0.001037 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 53.02 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.001 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.0001 kg N2O/MMBtu

HHV Substitute Data Information - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Unit Name:** GP-Cogen  
**Configuration Type:** Aggregation of Units  
**Unit Type:** OCS (Other combustion source)  
**Unit Description:**  
 Five Internal Combustion Engines, each a Cooper Bessmer, Model No. LSVB-16-SGC, 4166 HP, 3000 KW Electric Generator, 6010200 BTU/Hr capacity.  
 One Coppus Murray steam turbine, 1 MW, Serial No. T-5223, 767 HP, and 6520 RPM.

Small Unit Aggregation Details

Highest Maximum Rated Heat Input Capacity: 6.0102 mmBtu/hr  
 Type of Emission Unit for this Group [Note: EGU/EGS must always be separated from other unit types]:  
 Electricity generating unit/system (EGU/EGS)

**Electricity Generation Unit Information**

Does this configuration have the capacity to generate electricity? Yes

Is this configuration a Part 75 unit? No  
 Nameplate Generating Capacity: 16 MW  
 Prime Mover Technology:  
     Internal Combustion Engine  
 Type of Thermal Energy Generation:  
     Cogeneration Topping Cycle  
 95112(b)(2): Gross Generation: 56,091.62 MWh  
 95112(b)(2): Net Generation: 53,109.283 MWh  
 95112(b)(3): Total Thermal Output  
 (for Cogeneration or Bigeneration): 60,217 MMBtu  
 95112(b)(8): Other Steam Used for  
 Electricity Generation:  
 95112(b)(8): Input Steam to the  
 Steam Turbine (for bottoming cycle  
 cogeneration units only)  
 95112(b)(8): Output of the Heat  
 Recovery Steam Generator (for  
 bottoming cycle cogeneration units  
 only)  
 95112(e): Geothermal Steam  
 Utilized:  
 The source of geothermal  
 generation:  
 95112(f): Stationary Hydrogen Fuel  
 Cell: Fuel Type and Provider (if not  
 reported elsewhere)  
 Additional Comments and  
 Information

**Emission Details: Configuration-Level Summary (User entered values)**

Total exempt annual biogenic CO2  
 mass emissions (must equal the sum  
 of calculated annual exempt biogenic  
 CO2) (metric tons): 31,204.816766  
 Annual CO2 emissions from sorbent  
 (metric tons): 0

**Fuel-Specific Emissions Information**

**Fuel:**  
     **Biogas (Captured methane) - Biomass-Derived Fuels - Gaseous**

Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2017-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 100%  
 Frequency of HHV determinations: Monthly

**Fuel Emission Details**

Total CO2 emissions: 31,204.816766 Metric Tons  
 Total CH4 emissions: 1.917715 Metric Tons  
 Total N2O emissions: 0.37755 Metric Tons  
 Total CH4 emissions CO2e: 40.272012 Metric Tons  
 Total N2O emissions CO2e: 117.040536 Metric Tons

**Equation Inputs**

946,739,177.1 scf

Mass or Volume of Fuel Combusted per Year:  
 Annual Average High Heat Value: 0.000633 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 52.07 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.0032 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.00063 kg N2O/MMBtu

HHV Substitute Data Information - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Fuel:** **Natural Gas - Natural Gas**  
 Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2017-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 0%  
 Frequency of HHV determinations: Monthly

Fuel Emission Details  
 Total CO2 emissions: 2,939.44791 Metric Tons  
 Total CH4 emissions: 0.05544 Metric Tons  
 Total N2O emissions: 0.005544 Metric Tons  
 Total CH4 emissions CO2e: 1.164248 Metric Tons  
 Total N2O emissions CO2e: 1.718651 Metric Tons

Equation Inputs  
 Mass or Volume of Fuel Combusted per Year: 53,565,565.64 scf  
 Annual Average High Heat Value: 0.001035 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 53.02 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.001 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.0001 kg N2O/MMBtu

HHV Substitute Data Information - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Unit Name:** GP-Comfort Heating/Misc NaturalGas Usage  
 Configuration Type: Aggregation of Units  
 Unit Type: OCS (Other combustion source)

Unit Description:

Natural Gas supply for space heating/comfort heating, water heaters, bunsen burners in the laboratory, and flare complex pilot.

Small Unit Aggregation Details

Highest Maximum Rated Heat Input Capacity: 0.95 mmBtu/hr  
 Type of Emission Unit for this Group [Note: EGU/EGS must always be separated from other unit types]: Other (none of the above)

**Electricity Generation Unit Information**

Does this configuration have the capacity to generate electricity? No

**Emission Details: Configuration-Level Summary (User entered values)**

Total exempt annual biogenic CO2 mass emissions (must equal the sum of calculated annual exempt biogenic CO2) (metric tons): 0  
 Annual CO2 emissions from sorbent (metric tons): 0

**Fuel-Specific Emissions Information**

**Fuel:** **Natural Gas - Natural Gas**  
 Calculation Methodology: Tier 2 (Equation C-2a)  
 Methodology Start Date: 2014-01-01  
 Methodology End Date: 2019-12-31  
 Percentage of Fuel that is Biogenic: 0%  
 Frequency of HHV determinations: Monthly

Fuel Emission Details

Total CO2 emissions: 93.113899 Metric Tons  
 Total CH4 emissions: 0.001756 Metric Tons  
 Total N2O emissions: 0.000176 Metric Tons  
 Total CH4 emissions CO2e: 0.03688 Metric Tons  
 Total N2O emissions CO2e: 0.054442 Metric Tons

Equation Inputs

Mass or Volume of Fuel Combusted per Year: 1,700,100 scf  
 Annual Average High Heat Value: 0.001033 mmBtu/scf  
 Fuel Specific CO2 Emissions Factor: 53.02 kg CO2/MMBtu  
 Fuel Specific CH4 Emissions Factor: 0.001 kg CH4/MMBtu  
 Fuel Specific N2O Emissions Factor: 0.0001 kg N2O/MMBtu

HHV Substitute Data Information - Identify each month for which the monthly HHV value is calculated using one or more substitute data values.

| Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   | N   |

**Time And Date Report Generated:** 04/10/2020 17:02



South Coast

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# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## StatusUpdate

|  |       |
|--|-------|
| Facility ID  | 17301 |
| Facility Shutdown Date   | N/A   |
| Change of Ownership Date   | N/A   |
| Change in Equipment Location Date                                      | N/A   |
| Emissions are zero for this year's report, or emissions reduced by 50% | N/A   |
| Exemption Request  | N/A   |
| Use of alternative Calculation methodology                             | N/A   |
| Other  | N/A   |
| Refund Request   | N/A   |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**  
 Facility Name: **ORANGE COUNTY SANITATION DISTRICT**  
 Facility Type: **WasteWater Treatment - Municipal**

## External Combustion Process List Overview

| AER Device ID | Permit Device ID | A/N    | Process ID | Equipment              | Fuel                  | Fuel Usage | Units | Criteria Pollutant Units | ROG      | SPOG | NOx       | SOx      | CO        | PM       |
|---------------|------------------|--------|------------|------------------------|-----------------------|------------|-------|--------------------------|----------|------|-----------|----------|-----------|----------|
| ES87          |                  | 494460 | P1         | Boiler 10-100 MMBTU/HR | Natural Gas           | 0.010000   | mmscf | EF lbs/ mmscf            | 5.500000 |      | 8.940000  | 0.600000 | 4.950000  | 7.600000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 0.06     |      | 0.09      | 0.01     | 0.05      | 0.08     |
| ES106         |                  | 494460 | P1         | Boiler 10-100 MMBTU/HR | Digester Gas (Biogas) | 14.810000  | mmscf | EF lbs/ mmscf            | 5.900000 |      | 5.840000  | 3.450000 | 5.610000  | 3.190000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 87.38    |      | 86.49     | 51.09    | 83.08     | 47.24    |
| ES108         |                  | 429662 | P1         | Flare                  | Digester Gas (Biogas) | 2.600000   | mmscf | EF lbs/ mmscf            | 7.200000 |      | 35.600000 | 0.008000 | 32.800000 | 3.900000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 18.72    |      | 92.56     | 0.02     | 85.28     | 10.14    |

|                 |      |        |      |        |       |        |       |
|-----------------|------|--------|------|--------|-------|--------|-------|
| Total Emissions | lbs  | 106.15 |      | 179.14 | 51.12 | 168.41 | 57.46 |
| Total Emissions | tons | 0.05   | 0.00 | 0.09   | 0.03  | 0.08   | 0.03  |





South Coast

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# Annual Emission Report

Reporting Year:

**2019**

Print Date:

**03/16/2020**

Facility Id: **17301**

Facility Name: **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Internal Combustion Process List Overview

| AER Device ID | Permit Device ID | A/N    | Process ID | Equipment  | Fuel                               | Fuel Usage | Units | Criteria Pollutant Units | ROG       | SPOG | NOx        | SOx      | CO         | PM        |
|---------------|------------------|--------|------------|--|------------------------------------|------------|-------|--------------------------|-----------|------|------------|----------|------------|-----------|
| ES95          |                  | 546360 | P1         | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas)              | 133.730000 | mmscf | EF lbs/ mmscf            | 1.820000  |      | 5.640000   | 0.010000 | 1.100000   | 0.570000  |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 243.39    |      | 754.24     | 1.34     | 147.10     | 76.23     |
| ES96          |                  | 546361 | P1         | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas)              | 272.430000 | mmscf | EF lbs/ mmscf            | 2.360000  |      | 4.960000   | 0.012000 | 20.330000  | 0.430000  |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 642.94    |      | 1,351.25   | 3.27     | 5,538.50   | 117.15    |
| ES97          |                  | 546362 | P1         | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas)              | 285.730000 | mmscf | EF lbs/ mmscf            | 0.827000  |      | 13.130000  | 0.012000 | 18.730000  | 3.000000  |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 236.30    |      | 3,751.63   | 3.43     | 5,351.72   | 857.19    |
| ES98          |                  | 133995 | P1         | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.295000   | M gal | EF lbs/ M gal            | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 11.06     |      | 138.36     | 0.06     | 30.09      | 9.88      |
| ES99          |                  | 133994 | P1         | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.450000   | M gal | EF lbs/ M gal            | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 16.88     |      | 211.05     | 0.09     | 45.90      | 15.08     |
| ES100         |                  | 134619 | P1         | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.480000   | M gal | EF lbs/ M gal            | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 18.00     |      | 225.12     | 0.10     | 48.96      | 16.08     |
| ES101         |                  | 135464 | P1         | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.585000   | M gal | EF lbs/ M gal            | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 21.94     |      | 274.37     | 0.12     | 59.67      | 19.60     |
| ES102         |                  | 428945 | P1         | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.250000   | M gal | EF lbs/ M gal            | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions lbs            | 9.38      |      | 117.25     | 0.05     | 25.50      | 8.38      |

| AER Device ID | Permit Device ID | A/N    | Process ID | Equipment  | Fuel                               | Fuel Usage | Units |           | Criteria Pollutant Units | ROG       | SPOG | NOx        | SOx      | CO         | PM        |
|---------------|------------------|--------|------------|--|------------------------------------|------------|-------|-----------|--------------------------|-----------|------|------------|----------|------------|-----------|
| ES103         |                  | 408166 | P1         | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.150000   | M gal | EF        | lbs/ M gal               | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions | lbs                      | 5.63      |      | 70.35      | 0.03     | 15.30      | 5.03      |
| ES104         |                  | 06049A | P1         | Turbines   | Distillate Fuel Oil No. 2 (Diesel) | 3.590000   | M gal | EF        | lbs/ M gal               | 37.500000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions | lbs                      | 134.63    |      | 1,683.71   | 0.75     | 366.18     | 120.27    |
| ES105         |                  | 06050A | P1         | Turbines   | Distillate Fuel Oil No. 2 (Diesel) | 0.000000   | M gal | EF        | lbs/ M gal               | 35.700000 |      | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |        |            |  |                                    |            |       | Emissions | lbs                      | 0.00      |      | 0.00       | 0.00     | 0.00       | 0.00      |
| ES111         |                  | 546360 | P1         | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas                        | 7.500000   | mmscf | EF        | lbs/ mmscf               | 1.530000  |      | 22.610000  | 0.600000 | 31.420000  | 1.023000  |
|               |                  |        |            |  |                                    |            |       | Emissions | lbs                      | 11.48     |      | 169.58     | 4.50     | 235.65     | 7.67      |
| ES112         |                  | 546361 | P1         | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas                        | 13.080000  | mmscf | EF        | lbs/ mmscf               | 1.530000  |      | 22.610000  | 0.600000 | 31.420000  | 1.023000  |
|               |                  |        |            |  |                                    |            |       | Emissions | lbs                      | 20.01     |      | 295.74     | 7.85     | 410.97     | 13.38     |
| ES113         |                  | 546362 | P1         | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas                        | 14.420000  | mmscf | EF        | lbs/ mmscf               | 1.530000  |      | 22.610000  | 0.600000 | 31.420000  | 1.023000  |
|               |                  |        |            |  |                                    |            |       | Emissions | lbs                      | 22.06     |      | 326.04     | 8.65     | 453.08     | 14.75     |

|                 |      |          |      |          |       |           |          |
|-----------------|------|----------|------|----------|-------|-----------|----------|
| Total Emissions | lbs  | 1,393.67 |      | 9,368.67 | 30.25 | 12,728.62 | 1,280.67 |
| Total Emissions | tons | 0.70     | 0.00 | 4.68     | 0.02  | 6.36      | 0.64     |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**  
 Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
 Facility Type: **WasteWater Treatment - Municipal**

## Spray Coating/Spray Booth Process List Overview

| AER Device ID | Permit Device ID | A/N    | Process ID | Equipment   | Material Activity Code  | Material Description | Usage    | Units |           | Criteria Pollutant Units | ROG      | SPOG | NOx | SOx | CO | PM       |
|---------------|------------------|--------|------------|-------------|---|----------------------|----------|-------|-----------|--------------------------|----------|------|-----|-----|----|----------|
| ES88          |                  | 13973X | P1         | Spray Booth | Coating : Coating of Metal Parts and Products : HVLP<br>Application : Air Dried - Repair / Touch Up | Misc.                | 23.50000 | gal   | EF        | lbs/ gal                 | 1.200000 |      |     |     |    | 1.050000 |
|               |                  |        |            |             |   |                      |          |       | Emissions | lbs                      | 28.20    |      |     |     |    | 2.47     |

|                 |      |       |      |      |      |      |      |
|-----------------|------|-------|------|------|------|------|------|
| Total Emissions | lbs  | 28.20 |      |      |      |      | 2.47 |
| Total Emissions | tons | 0.01  | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



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# Annual Emission Report

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Print Date: **03/16/2020**

Facility Id: **17301**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Other Use of Organics Process List Overview

| AER Device ID | Permit Device ID | A/N | Process ID | Equipment                                      | Material Activity Code  | Material Description | Usage     | Units |           | Criteria Pollutant Units | ROG      | SPOG | NOx | SOx | CO | PM |
|---------------|------------------|-----|------------|--|---|----------------------|-----------|-------|-----------|--------------------------|----------|------|-----|-----|----|----|
| ES93          |                  |     | P1         | Other evaporative sources                      | Others : Adhesive and Sealant Applications : Hand Application : Multipurpose Construction Adhesives | Blue Glue            | 0.130000  | gal   | EF        | lbs/ gal                 | 4.300000 |      |     |     |    |    |
|               |                  |     |            |  |   |                      |           |       | Emissions | lbs                      | 0.56     |      |     |     |    |    |
| ES94          |                  |     | P1         | Coating (Flow / Dip / Roll / Hand Application) | Coating : Coating of Metal Parts and Products : Hand Application : Air Dried - Repair / Touch Up    | Enamel Application   | 22.250000 | gal   | EF        | lbs/ gal                 | 2.840000 |      |     |     |    |    |
|               |                  |     |            |  |   |                      |           |       | Emissions | lbs                      | 63.19    |      |     |     |    |    |

|                 |      |       |      |      |      |      |      |
|-----------------|------|-------|------|------|------|------|------|
| Total Emissions | lbs  | 63.75 |      |      |      |      |      |
| Total Emissions | tons | 0.03  | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |





South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**  
 Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
 Facility Type: **WasteWater Treatment - Municipal**

## Other Process Emissions Process List Overview

| AER Device ID | Permit Device ID | A/N    | Process ID | Activity  | Throughput | Units     | Criteria Pollutant Units | ROG               | SPOG       | NOx | SOx | CO | PM       | Permit Equipment Description |
|---------------|------------------|--------|------------|---|------------|-----------|--------------------------|-------------------|------------|-----|-----|----|----------|------------------------------|
| ES89          |                  | 568969 | P1         | Abrasive Blasting/Finishing :<br>Metal Part : Abrasive<br>Blasting : Other Material | 45.600000  | hour      | EF                       | lbs/ hour         |            |     |     |    | 0.042000 |                              |
|               |                  |        |            |   |            |           | Emissions                | lbs               |            |     |     |    | 1.92     |                              |
| ES90          |                  | 520794 | P1         | Miscellaneous Operations and Services : POTW :<br>Government : Entire Plant         | 119.100000 | MMgal/day | EF                       | lbs/<br>MMgal/day | 240.000000 |     |     |    |          |                              |
|               |                  |        |            |   |            |           | Emissions                | lbs               | 28,584.00  |     |     |    |          |                              |

|                 |      |           |      |      |      |      |      |  |
|-----------------|------|-----------|------|------|------|------|------|--|
| Total Emissions | lbs  | 28,584.00 |      |      |      |      | 1.92 |  |
| Total Emissions | tons | 14.29     | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |  |



South Coast

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# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**  
Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
Facility Type: **WasteWater Treatment - Municipal**

## Criteria Pollutants Permitted Emissions Summary

|  | VOC<br>(tons) | SPOG<br>(tons) | NOx<br>(tons) | NOx RECLAIM<br>(tons) | SOx<br>(tons) | SOx RECLAIM<br>(tons) | CO<br>(tons) | PM<br>(tons) |
|--|---------------|----------------|---------------|-----------------------|---------------|-----------------------|--------------|--------------|
| External Combustion                    | 0.05          | 0.00           | 0.09          | 0.00                  | 0.03          | 0.00                  | 0.08         | 0.03         |
| Internal Combustion                    | 0.70          | 0.00           | 4.68          | 0.00                  | 0.02          | 0.00                  | 6.36         | 0.64         |
| Spray Coating/ Spray Booth             | 0.01          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Other Use of Organics                  | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Storage Tanks                          | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Fugitive Components                    | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Other Process Emissions                | 14.29         | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Shutdown/Startup/Turnaround and Upsets | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| <b>Total Permitted Emissions</b>       | <b>15.05</b>  | <b>0.00</b>    | <b>4.77</b>   | <b>0.00</b>           | <b>0.05</b>   | <b>0.00</b>           | <b>6.44</b>  | <b>0.67</b>  |







South Coast

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# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Toxic Air Contaminants (TAC) / Ozone Depleting Compounds (ODC) Emissions and Fees Summary

For detailed TAC Records please see  
related "AER TAC Report" Excel file



South Coast

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# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Other Toxic Air Contaminants (TAC) Emissions Summary Applicable to AB2588 Facility

For detailed TAC Records please see related "AER TAC Report" Excel file



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Facility Id: **17301**

Print Date: **03/16/2020**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Total Emissions and Fees

| Submittal Date:<br>No later than March<br>24 2020                                  | Total Permitted<br>Emissions<br>(tons) | Total Non-<br>Permitted<br>Emissions<br>(tons) | Total<br>RECLAIM<br>Emissions<br>(tons) | Total Emission<br>(tons) | Total Emissions/<br>Subject To Fee<br>(tons) | Emissions<br>Fees Due |
|--|--|--|---|--------------------------|--|-----------------------|
| Organic Gasses   | 15.05                                  | 0.03   |   | 15.08                    | 15.00  | \$7,764.60            |
| Specific Organics  | 0.00                                   | 0.00   |   | 0.00                     | 0.00   | \$0.00                |
| Nitrogen Oxides  | 4.77                                   | 0.00   | 0.00                                    | 4.77                     | 5.00   | \$757.10              |
| Sulfur Oxides  | 0.05                                   | 0.00   | 0.00                                    | 0.05                     | 0.00   | \$0.00                |
| Carbon Monoxide  | 6.44                                   | 0.00   |   | 6.44                     | 0.00   | \$0.00                |
| Particulate Matter   | 0.67                                   | 0.00   |   | 0.67                     | 0.00   | \$0.00                |
| 1. TOTAL EMISSION FEES FOR ALL CRITERIA POLLUTANTS                                 |  |  |   |                          |  | \$8,521.70            |
| 2. TOXIC AIR CONTAMINANTS/ OZONE DEPLETER FEES (Total amount from Form TACS or DC) |  |  |   |                          |  | \$4,265.23            |
| <b>TAC Fees Breakdown</b>  |  |  |   |                          |  |                       |
| Facility Flat Fee:   |  |  |   |                          |  | \$78.03               |
| CPWE Emission Fees:  |  |  |   |                          |  | \$1375.00             |
| Ammonia & Depleting Compounds (ODC) Fees:  |  |  |   |                          |  | \$418.90              |
| Per Device Fees (total devices with fees 14):                                      |  |  |   |                          |  | \$2393.30             |
|  |  |  |   |                          |  | \$4265.23             |
| 3. TOTAL FEES DUE  |  |  |   |                          |  | \$12,786.93           |
| 4. INSTALLMENTS PAID FOR 2019 - (if any) -- All Criteria Pollutants                |  |  |   |                          |  | \$5,290.57            |
| 5. INSTALLMENTS PAID FOR 2019 - (if any) -- Toxic Air Contaminants/Ozone Depleters |  |  |   |                          |  | \$1,166.46            |
| 6. BALANCE DUE (Line 3 - Line 4 - Line 5)  |  |  |   |                          |  | \$6,329.90            |
| 7. LATE PAYMENT SURCHARGE  |  |  |   |                          |  | \$0.00                |
| <b>8. AMOUNT DUE</b>   |  |  |   |                          |  | <b>\$6,329.90</b>     |



South Coast

AQMD

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **17301**  
Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
Facility Type: **WasteWater Treatment - Municipal**

## Electronic Certification Sheet

### Information

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NAICS code: 221320 AB2588 Receptor Distance  
AB2588 Filing Period: Yes Worker (ft): 682  
RECLAIM: No Residential(ft): 1332  
Facility Operating Status: Operating  
Classified As Small Business: No Brief Description of Operation  
Business Operating Hours  
Hours/Day; 24  
Days/Week: 7  
Weeks/Year: 52

### Equipment Location Address

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Facility Name:  
ORANGE COUNTY SANITATION DISTRICT  
10844 ELLIS AVE  
FOUNTAIN VALLEY, CA 92708 7018

### Mailing Information

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Facility Name:  
ORANGE COUNTY SANITATION DISTRICT  
10844 ELLIS AVE  
FOUNTAIN VALLEY, CA 92708 7018

### Contact Information

---

Name: Randa AbuShaban Phone: 714 856-3424  
Title: Regulatory Specialist Fax:  
E-mail: rabushaban@ocsd.com

### Preparer Information

---

Name: Randa AbuShaban Phone: 714 856-3424  
Title: Regulatory Specialist Fax:  
E-mail: rabushaban@ocsd.com

### Authorized Person Information

---

Name: Randa AbuShaban Phone: 714 856-3424  
Title: Regulatory Specialist Fax:  
E-mail: rabushaban@ocsd.com

I declare under penalty of perjury that the data submitted truly represents throughput and emissions for this reporting period, and that the emission factors represent the best available data for my company in the calculation of annual emission figures.

I acknowledge that I have read the South Coast AQMD Certification Statement.\*

I agree on the responsibility for this AER Report Submission in accordance with Certification Statement.\*



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Facility Id: **17301**

Print Date: **03/16/2020**

Facility Name: **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## AER Submittal Confirmation

Thank you for submitting your Annual Emissions Report for Facility ID: 17301 on 3/13/2020 5:24:16 PM.

Please print the AER Payment Voucher and include the check for emission fees due if applicable and mail them to the SCAQMD.

AER Payment Voucher and check are first received and processed by Bank of America for check deposits, return receipts for certified mails will be stamped by Bank of America rather than AQMD. Please mail the required AER Payment Voucher and check to the following address:

South Coast Air Quality Management District  
Annual Emission Reporting Program  
File No. 54493  
Los Angeles, CA 90074-4493

\* To avoid late payment surcharges, all mails must be postmarked by the Post Office on or before March 24, 2020

NOTE: For any overnight delivery, example FedEx, please use the following address:

Bank of America Lockbox Services  
Lockbox LAC-054493  
2706 Media Center Drive  
Los Angeles, CA. 90065

If you wish to use a messenger (or hand deliver), the package should be delivered to the cashier's booth at AQMD Headquarters at the address listed below in Diamond Bar on or before 5:00 p.m. March 24, 2020  
Please note that AQMD is closed on Mondays.

South Coast Air Quality Management District  
ATTN: Finance Cashier  
Annual Emission Reporting Program  
21865 Copley Drive  
Diamond Bar, CA 91765-4178



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## StatusUpdate

|  |       |
|--|-------|
| Facility ID  | 29110 |
| Facility Shutdown Date   | N/A   |
| Change of Ownership Date   | N/A   |
| Change in Equipment Location Date                                      | N/A   |
| Emissions are zero for this year's report, or emissions reduced by 50% | N/A   |
| Exemption Request  | N/A   |
| Use of alternative Calculation methodology                             | N/A   |
| Other  | N/A   |
| Refund Request   | N/A   |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year:

**2019**

Print Date:

**03/16/2020**

Facility Id: **29110**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## External Combustion Process List Overview

| AER Device ID | Permit Device ID | A/N    | Process ID | Equipment              | Fuel                  | Fuel Usage | Units | Criteria Pollutant Units | ROG      | SPOG | NOx       | SOx      | CO        | PM       |
|---------------|------------------|--------|------------|------------------------|-----------------------|------------|-------|--------------------------|----------|------|-----------|----------|-----------|----------|
| ES107         |                  | 545004 | P1         | Boiler 10-100 MMBTU/HR | Digester Gas (Biogas) | 14.200000  | mmscf | EF lbs/ mmscf            | 3.870000 |      | 8.020000  | 3.590000 | 18.800000 | 2.690000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 54.95    |      | 113.88    | 50.98    | 266.96    | 38.20    |
| ES108         |                  | 545005 | P1         | Boiler 10-100 MMBTU/HR | Digester Gas (Biogas) | 0.500000   | mmscf | EF lbs/ mmscf            | 6.930000 |      | 12.610000 | 3.230000 | 26.410000 | 3.050000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 3.47     |      | 6.31      | 1.62     | 13.21     | 1.53     |
| ES109         |                  | 545004 | P1         | Boiler 10-100 MMBTU/HR | Natural Gas           | 0.700000   | mmscf | EF lbs/ mmscf            | 5.500000 |      | 10.510000 | 0.600000 | 5.150000  | 7.600000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 3.85     |      | 7.36      | 0.42     | 3.61      | 5.32     |
| ES110         |                  | 545005 | P1         | Boiler 10-100 MMBTU/HR | Natural Gas           | 0.060000   | mmscf | EF lbs/ mmscf            | 5.500000 |      | 10.510000 | 0.600000 | 5.150000  | 7.600000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 0.33     |      | 0.63      | 0.04     | 0.31      | 0.46     |
| ES111         |                  | 429663 | P1         | Flare                  | Digester Gas (Biogas) | 3.060000   | mmscf | EF lbs/ mmscf            | 1.700000 |      | 25.800000 | 0.008000 | 50.100000 | 7.500000 |
|               |                  |        |            |                        |                       |            |       | Emissions lbs            | 5.20     |      | 78.95     | 0.02     | 153.31    | 22.95    |

|                 |      |       |      |        |       |        |       |
|-----------------|------|-------|------|--------|-------|--------|-------|
| Total Emissions | lbs  | 67.80 |      | 207.12 | 53.07 | 437.39 | 68.45 |
| Total Emissions | tons | 0.03  | 0.00 | 0.10   | 0.03  | 0.22   | 0.03  |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year:

**2019**

Print Date:

**03/16/2020**

Facility Id: **29110**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Internal Combustion Process List Overview

| AER Device ID | Permit Device ID | A/N | Process ID   | Equipment             | Fuel       | Fuel Usage | Units     | Criteria Pollutant Units | ROG      | SPOG | NOx       | SOx      | CO        | PM        |
|---------------|------------------|-----|--|-----------------------|------------|------------|-----------|--------------------------|----------|------|-----------|----------|-----------|-----------|
| ES97          | 546364           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas) | 187.540000 | mmscf      | EF        | lbs/ mmscf               | 1.290000 |      | 12.010000 | 0.013000 | 12.620000 | 13.860000 |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 241.93   |      | 2,252.36  | 2.44     | 2,366.75  | 2,599.30  |
| ES98          | 546365           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas) | 257.540000 | mmscf      | EF        | lbs/ mmscf               | 1.870000 |      | 12.740000 | 0.280000 | 29.200000 | 0.690000  |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 481.60   |      | 3,281.06  | 72.11    | 7,520.17  | 177.70    |
| ES99          | 546366           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas) | 1.820000   | mmscf      | EF        | lbs/ mmscf               | 7.890000 |      | 10.800000 | 0.018000 | 5.090000  | 0.760000  |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 14.36    |      | 19.66     | 0.03     | 9.26      | 1.38      |
| ES100         | 546367           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas) | 220.830000 | mmscf      | EF        | lbs/ mmscf               | 0.990000 |      | 18.580000 | 0.012000 | 19.380000 | 3.420000  |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 218.62   |      | 4,103.02  | 2.65     | 4,279.69  | 755.24    |
| ES101         | 546368           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Digester Gas (Biogas) | 15.260000  | mmscf      | EF        | lbs/ mmscf               | 1.050000 |      | 10.530000 | 0.010000 | 14.720000 | 1.970000  |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 16.02    |      | 160.69    | 0.15     | 224.63    | 30.06     |
| ES102         | 546364           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas           | 9.600000   | mmscf      | EF        | lbs/ mmscf               | 1.450000 |      | 18.030000 | 0.600000 | 14.720000 | 1.970000  |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 13.92    |      | 173.09    | 5.76     | 141.31    | 18.91     |
| ES103         | 546365           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas           | 21.420000  | mmscf      | EF        | lbs/ mmscf               | 1.450000 |      | 18.030000 | 0.600000 | 14.720000 | 1.970000  |
|               |                  |     |  |                       |            |            | Emissions | lbs                      | 31.06    |      | 386.20    | 12.85    | 315.30    | 42.20     |



| AER Device ID | Permit Device ID | A/N | Process ID   | Equipment                          | Fuel      | Fuel Usage | Units     |            | Criteria Pollutant Units | ROG | SPOG   | NOx        | SOx      | CO         | PM        |
|---------------|------------------|-----|--|------------------------------------|-----------|------------|-----------|------------|--------------------------|-----|--------|------------|----------|------------|-----------|
| ES104         | 546366           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas                        | 0.200000  | mmscf      | EF        | lbs/ mmscf | 1.450000                 |     |        | 18.030000  | 0.600000 | 14.720000  | 1.970000  |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 0.29                     |     | 3.61   | 0.12       | 2.94     | 0.39       |           |
| ES105         | 546367           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas                        | 7.140000  | mmscf      | EF        | lbs/ mmscf | 1.450000                 |     |        | 18.030000  | 0.600000 | 14.720000  | 1.970000  |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 10.35                    |     | 128.73 | 4.28       | 105.10   | 14.07      |           |
| ES106         | 546368           | P1  | Stationary I.C. Engines, 4 Stroke-Lean Burn, with Catalyst | Natural Gas                        | 15.260000 | mmscf      | EF        | lbs/ mmscf | 1.450000                 |     |        | 18.030000  | 0.600000 | 14.720000  | 1.970000  |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 22.13                    |     | 275.14 | 9.16       | 224.63   | 30.06      |           |
| ES112         | 474770           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 1.780000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 66.75                    |     | 834.82 | 0.37       | 181.56   | 59.63      |           |
| ES113         | 474769           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn, with Catalyst | Distillate Fuel Oil No. 2 (Diesel) | 1.515000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 56.81                    |     | 710.54 | 0.32       | 154.53   | 50.75      |           |
| ES114         | 474768           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.595000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 22.31                    |     | 279.06 | 0.12       | 60.69    | 19.93      |           |
| ES115         | 474767           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 1.825000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 68.44                    |     | 855.93 | 0.38       | 186.15   | 61.14      |           |
| ES116         | 474766           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 1.705000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 63.94                    |     | 799.65 | 0.36       | 173.91   | 57.12      |           |
| ES117         | 455673           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.620000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 23.25                    |     | 290.78 | 0.13       | 63.24    | 20.77      |           |
| ES119         | 455670           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.815000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 30.56                    |     | 382.24 | 0.17       | 83.13    | 27.30      |           |
| ES120         | 424369           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 1.140000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 42.75                    |     | 534.66 | 0.24       | 116.28   | 38.19      |           |
| ES125         | 455671           | P1  | Stationary I.C. Engines, 2 Stroke-Lean Burn                | Distillate Fuel Oil No. 2 (Diesel) | 0.860000  | M gal      | EF        | lbs/ M gal | 37.500000                |     |        | 469.000000 | 0.210000 | 102.000000 | 33.500000 |
|               |                  |     |  |                                    |           |            | Emissions | lbs        | 32.25                    |     | 403.34 | 0.18       | 87.72    | 28.81      |           |

| AER Device ID | Permit Device ID | A/N | Process ID | Equipment | Fuel | Fuel Usage      | Units | Criteria Pollutant Units | ROG      | SPOG | NOx       | SOx    | CO        | PM       |
|---------------|------------------|-----|------------|-----------|------|-----------------|-------|--------------------------|----------|------|-----------|--------|-----------|----------|
|               |                  |     |            |           |      | Total Emissions |       | lbs                      | 1,457.34 |      | 15,874.55 | 111.84 | 16,297.00 | 4,032.96 |
|               |                  |     |            |           |      | Total Emissions |       | tons                     | 0.73     | 0.00 | 7.94      | 0.06   | 8.15      | 2.02     |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**  
 Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
 Facility Type: **WasteWater Treatment - Municipal**

## Other Use of Organics Process List Overview

| AER Device ID | Permit Device ID | A/N | Process ID | Equipment                                      | Material Activity Code  | Material Description | Usage     | Units | Criteria Pollutant Units | ROG      | SPOG     | NOx | SOx | CO | PM |
|---------------|------------------|-----|------------|--|---|----------------------|-----------|-------|--------------------------|----------|----------|-----|-----|----|----|
| ES126         |                  |     | P1         | Coating (Flow / Dip / Roll / Hand Application) | Others : Adhesive and Sealant Applications : Hand Application : Multipurpose Construction Adhesives | Adhesives            | 3.000000  | gal   | EF                       | lbs/ gal | 0.080000 |     |     |    |    |
|               |                  |     |            |  |   |                      |           |       | Emissions                | lbs      | 0.24     |     |     |    |    |
| ES127         |                  |     | P1         | Coating (Flow / Dip / Roll / Hand Application) | Coating : Coating of Metal Parts and Products : Hand Application : Air Dried - Repair / Touch Up    | ENAMEL/ EPOXY        | 43.000000 | gal   | EF                       | lbs/ gal | 2.840000 |     |     |    |    |
|               |                  |     |            |  |   |                      |           |       | Emissions                | lbs      | 122.12   |     |     |    |    |
| ES128         |                  |     | P1         | Coating (Flow / Dip / Roll / Hand Application) | Coating : Coating of Metal Parts and Products : Hand Application : Air Dried - Repair / Touch Up    | Primer               | 14.600000 | gal   | EF                       | lbs/ gal | 0.920000 |     |     |    |    |
|               |                  |     |            |  |   |                      |           |       | Emissions                | lbs      | 13.43    |     |     |    |    |

|                 |      |        |      |      |      |      |      |
|-----------------|------|--------|------|------|------|------|------|
| Total Emissions | lbs  | 135.79 |      |      |      |      |      |
| Total Emissions | tons | 0.07   | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**  
 Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
 Facility Type: **WasteWater Treatment - Municipal**

## Other Process Emissions Process List Overview

| AER Device ID | Permit Device ID | A/N    | Process ID | Activity   | Throughput | Units     | Criteria Pollutant Units | ROG        | SPOG | NOx | SOx | CO | PM | Permit Equipment Description |
|---------------|------------------|--------|------------|--|------------|-----------|--------------------------|------------|------|-----|-----|----|----|------------------------------|
| ES96          |                  | 453240 | P1         | Miscellaneous Operations and Services : POTW : Government : Entire Plant | 73.340000  | MMgal/day | EF                       | 219.000000 |      |     |     |    |    |                              |
|               |                  |        |            |  |            |           | Emissions                | 16,061.50  |      |     |     |    |    |                              |

|                 |      |           |      |      |      |      |      |
|-----------------|------|-----------|------|------|------|------|------|
| Total Emissions | lbs  | 16,061.50 |      |      |      |      |      |
| Total Emissions | tons | 8.03      | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**  
Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
Facility Type: **WasteWater Treatment - Municipal**

## Criteria Pollutants Permitted Emissions Summary

|  | VOC<br>(tons) | SPOG<br>(tons) | NOx<br>(tons) | NOx RECLAIM<br>(tons) | SOx<br>(tons) | SOx RECLAIM<br>(tons) | CO<br>(tons) | PM<br>(tons) |
|--|---------------|----------------|---------------|-----------------------|---------------|-----------------------|--------------|--------------|
| External Combustion                    | 0.03          | 0.00           | 0.10          | 0.00                  | 0.03          | 0.00                  | 0.22         | 0.03         |
| Internal Combustion                    | 0.73          | 0.00           | 7.94          | 0.00                  | 0.06          | 0.00                  | 8.15         | 2.02         |
| Spray Coating/ Spray Booth             | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Other Use of Organics                  | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Storage Tanks                          | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Fugitive Components                    | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Other Process Emissions                | 8.03          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| Shutdown/Startup/Turnaround and Upsets | 0.00          | 0.00           | 0.00          | 0.00                  | 0.00          | 0.00                  | 0.00         | 0.00         |
| <b>Total Permitted Emissions</b>       | <b>8.79</b>   | <b>0.00</b>    | <b>8.04</b>   | <b>0.00</b>           | <b>0.09</b>   | <b>0.00</b>           | <b>8.37</b>  | <b>2.05</b>  |





South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Toxic Air Contaminants (TAC) / Ozone Depleting Compounds (ODC) Emissions and Fees Summary

For detailed TAC Records please see  
related "AER TAC Report" Excel file



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Other Toxic Air Contaminants (TAC) Emissions Summary Applicable to AB2588 Facility

For detailed TAC Records please see  
related "AER TAC Report" Excel file





South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Facility Id: **29110**

Print Date: **03/16/2020**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## Total Emissions and Fees

| Submittal Date:<br>No later than March<br>24 2020                                  | Total Permitted<br>Emissions<br>(tons) | Total Non-<br>Permitted<br>Emissions<br>(tons) | Total<br>RECLAIM<br>Emissions<br>(tons) | Total Emission<br>(tons) | Total Emissions/<br>Subject To Fee<br>(tons) | Emissions<br>Fees Due |
|--|--|--|---|--------------------------|--|-----------------------|
| Organic Gasses   | 8.79                                   | 0.07   |   | 8.86                     | 9.00   | \$3,882.30            |
| Specific Organics  | 0.00                                   | 0.00   |   | 0.00                     | 0.00   | \$0.00                |
| Nitrogen Oxides  | 8.04                                   | 0.00   | 0.00                                    | 8.04                     | 8.00   | \$1,892.75            |
| Sulfur Oxides  | 0.09                                   | 0.00   | 0.00                                    | 0.09                     | 0.00   | \$0.00                |
| Carbon Monoxide  | 8.37                                   | 0.00   |   | 8.37                     | 0.00   | \$0.00                |
| Particulate Matter   | 2.05                                   | 0.00   |   | 2.05                     | 0.00   | \$0.00                |
| 1. TOTAL EMISSION FEES FOR ALL CRITERIA POLLUTANTS                                 |  |  |   |                          |  | \$5,775.05            |
| 2. TOXIC AIR CONTAMINANTS/ OZONE DEPLETER FEES (Total amount from Form TACS or DC) |  |  |   |                          |  | \$6,736.12            |
| <b>TAC Fees Breakdown</b>  |  |  |   |                          |  |                       |
| Facility Flat Fee:   |  |  |   |                          |  | \$78.03               |
| CPWE Emission Fees:  |  |  |   |                          |  | \$3040.00             |
| Ammonia & Depleting Compounds (ODC) Fees:  |  |  |   |                          |  | \$370.04              |
| Per Device Fees (total devices with fees 19):                                      |  |  |   |                          |  | \$3248.05             |
|  |  |  |   |                          |  | \$6736.12             |
| 3. TOTAL FEES DUE  |  |  |   |                          |  | \$12,511.17           |
| 4. INSTALLMENTS PAID FOR 2019 - (if any) -- All Criteria Pollutants                |  |  |   |                          |  | \$0.00                |
| 5. INSTALLMENTS PAID FOR 2019 - (if any) -- Toxic Air Contaminants/Ozone Depleters |  |  |   |                          |  | \$0.00                |
| 6. BALANCE DUE (Line 3 - Line 4 - Line 5)  |  |  |   |                          |  | \$12,511.17           |
| 7. LATE PAYMENT SURCHARGE  |  |  |   |                          |  | \$0.00                |
| <b>8. AMOUNT DUE</b>   |  |  |   |                          |  | <b>\$12,511.17</b>    |



South Coast

AQMD

# Annual Emission Report

Reporting Year: **2019**

Print Date: **03/16/2020**

Facility Id: **29110**  
Facility Name **ORANGE COUNTY SANITATION DISTRICT**  
Facility Type: **WasteWater Treatment - Municipal**

## Electronic Certification Sheet

### Information

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NAICS code: 221320 AB2588 Receptor Distance  
AB2588 Filing Period: Yes Worker (ft): 1100  
RECLAIM: No Residential(ft): 810  
Facility Operating Status: Operating  
Classified As Small Business: No Brief Description of Operation  
Business Operating Hours  
Hours/Day; 24  
Days/Week: 7  
Weeks/Year: 52

### Equipment Location Address

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Facility Name:  
ORANGE COUNTY SANITATION DISTRICT  
22212 BROOKHURST ST  
HUNTINGTON BEACH, CA 92646 8457

### Mailing Information

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Facility Name:  
ORANGE COUNTY SANITATION DISTRICT  
10844 Ellis Avenue  
Fountain Valley, CA 92708

### Contact Information

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Name: Randa Abushaban Phone: 714 593-7413 Ext. 7413  
Title: Regulatory Specialist Fax:  
E-mail: rabushaban@ocsd.com

### Preparer Information

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Name: Randa Abushaban Phone: 714 593-7413 Ext. 7413  
Title: Regulatory Specialist Fax:  
E-mail: rabushaban@ocsd.com

### Authorized Person Information

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Name: Randa Abushaban Phone: 714 593-7413 Ext. 7413  
Title: Regulatory Specialist Fax:  
E-mail: rabushaban@ocsd.com

I declare under penalty of perjury that the data submitted truly represents throughput and emissions for this reporting period, and that the emission factors represent the best available data for my company in the calculation of annual emission figures.

I acknowledge that I have read the South Coast AQMD Certification Statement.\*

I agree on the responsibility for this AER Report Submission in accordance with Certification Statement.\*



South Coast

**AQMD**

# Annual Emission Report

Reporting Year: **2019**

Facility Id: **29110**

Print Date: **03/16/2020**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

## AER Submittal Confirmation

Thank you for submitting your Annual Emissions Report for Facility ID: 29110 on 3/13/2020 5:29:04 PM.

Please print the AER Payment Voucher and include the check for emission fees due if applicable and mail them to the SCAQMD.

AER Payment Voucher and check are first received and processed by Bank of America for check deposits, return receipts for certified mails will be stamped by Bank of America rather than AQMD. Please mail the required AER Payment Voucher and check to the following address:

South Coast Air Quality Management District  
Annual Emission Reporting Program  
File No. 54493  
Los Angeles, CA 90074-4493

\* To avoid late payment surcharges, all mails must be postmarked by the Post Office on or before March 24, 2020

NOTE: For any overnight delivery, example FedEx, please use the following address:

Bank of America Lockbox Services  
Lockbox LAC-054493  
2706 Media Center Drive  
Los Angeles, CA. 90065

If you wish to use a messenger (or hand deliver), the package should be delivered to the cashier's booth at AQMD Headquarters at the address listed below in Diamond Bar on or before 5:00 p.m. March 24, 2020  
Please note that AQMD is closed on Mondays.

South Coast Air Quality Management District  
ATTN: Finance Cashier  
Annual Emission Reporting Program  
21865 Copley Drive  
Diamond Bar, CA 91765-4178



# Orange County Sanitation District

## ADMINISTRATION COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

### Agenda Report

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**File #:** 2020-1048

**Agenda Date:** 6/10/2020

**Agenda Item No:** 3.

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**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**COMPLETE FIELD INSTRUMENT CALIBRATION SOLUTION**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Award a Professional Services Agreement to Beamex, Inc. to provide Instrumentation Data Management Services, Specification No. CS-2020-1102, for a total amount not to exceed \$257,714;
- B. Award a sole source purchase order for the purchase of instrumentation hardware in an amount not to exceed \$259,124; and
- C. Approve a contingency in the amount of \$77,525 (15%) for both procurements.

**BACKGROUND**

The Orange County Sanitation District (Sanitation District) uses electronic field instruments to measure flow, level, temperature, pressure, and other analytical data (pH, turbidity, conductivity, nitrate, etc.) throughout different process areas. These instruments must be regularly inspected, calibrated, and maintained to ensure accurate monitoring of our operations. Staff is recommending implementation of a complete solution for the collection and reporting of instrumentation data for calibration, maintenance, and inspection activities performed on treatment plant equipment, in accordance with regulatory and reliability requirements. The Software and Professional Services contract was competitively bid and Beamex, Inc. was the only responsive and responsible bidder to respond.

**RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Protect Orange County Sanitation District assets
- Maintain a proactive asset management program

**PROBLEM**

The current instrument calibration process is manual with significant areas of inefficiencies. Sanitation District process and field tools do not efficiently utilize the technicians "wrench-time." Each field tool serves a single purpose of measurement. These measured readings are hand transcribed on paper and later manually uploaded to the Computer Maintenance Management System. Data extrapolation for preventive maintenance optimization and root cause analysis absorb multiple resources to effect improvement towards asset management. In addition, beneficial occupancy for projects are time consuming by not having an efficient process to compile project instrumentation data.

**PROPOSED SOLUTION**

Purchase software and hardware to automate the calibration process workflow from data collection to analysis and establish a standard methodology for calibration across both Plants.

**TIMING CONCERNS**

N/A

**RAMIFICATIONS OF NOT TAKING ACTION**

A decision not to purchase the Beamex instrument calibration solution and related professional services would result in the continued use of manual unverified calibration strategies.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

On January 14, 2020, the Sanitation District issued a Request for Proposals (RFP) for a field instrument calibration solution. The following evaluation criterion were described in the Request for Proposals and used to determine the most qualified firm.

| <b>CRITERION</b>                            | <b>WEIGHT</b> |
|---|---------------|
| 1. Qualifications & Experience of Firm      | 40%           |
| 2. Proposed Staffing & Project Organization | 20%           |
| 3. Work Plan                                | 20%           |
| 4. Cost                                     | 20%           |

The RFP closed on March 5, 2020. The Sanitation District received a response from one company. The RFP evaluation team of five (5) Sanitation District staff consisted of a Maintenance Superintendent, a Senior Information Technology Analyst, an Information Technology Analyst, and two Maintenance Supervisors. This RFP used the individual scoring method. The evaluation team

first reviewed and scored the proposals based upon the criteria listed above. The proposal was accompanied by a sealed cost proposal.

| <b>Rank</b> | <b>Proposer</b> | <b>Criterion 1</b> | <b>Criterion 2</b> | <b>Criterion 3</b> | <b>Presentation</b> | <b>Cost</b> | <b>Total Weighted Score</b> |
|-------------|-----------------|--------------------|--------------------|--------------------|---------------------|-------------|-----------------------------|
| 1           | Beamex, Inc.    | 87.5%              | 82.5%              | 77.5%              | N/A                 | 100%        | 87%                         |

Based on these results, staff recommends awarding the Agreement to Beamex, Inc. upon effective date of Notice to Proceed.

The RFP scope of work required that the selected firm provide professional services to implement and support the Instrumentation Data Management System. To utilize the system seamlessly, equipment that is proprietary to Beamex, Inc is required. The proprietary equipment includes an Advanced Field Calibrator/Communicator, a Pressure Module, a HART Communicator, Multichannel Datalogger, and a Temperature Block Communicator. Staff also recommends awarding of sole source purchase order to Beamex, Inc. for purchase of necessary equipment.

#### **CEQA**

N/A

#### **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted. (FY2018-19 & 2019-20 Budget, Section 8, Page 80, EAM Software & Process Implementation (SP-100)).

#### **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Professional Services Agreement

**PROFESSIONAL SERVICES AGREEMENT  
Instrumentation Data Management Software  
Specification No. CS-2020-1102**

**THIS AGREEMENT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OCSD") and [REDACTED] with a principal business at [REDACTED] (hereinafter referred to as "Consultant") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, based on Consultant's expertise and experience, OCSD desires to temporarily engage Consultant to provide Instrumentation Data Management Software "Services" as described in Exhibit "A"; and

**WHEREAS**, Consultant submitted its Proposal, dated [REDACTED]; and

**WHEREAS**, OCSD has chosen Consultant to conduct Services in accordance with Ordinance No. OCSD-52; and

**WHEREAS**, on [REDACTED], the **[Board of Directors or Operations Committee]** of OCSD, by minute order, authorized execution of this Agreement between OCSD and Consultant; and

**[Or]**

**WHEREAS**, as of the date fully executed below, the **[General Manager or Contracts, Purchasing and Materials Management Division Manager]** authorized execution of this Agreement between OCSD and Consultant; and

**NOW, THEREFORE**, in consideration of the mutual promises and mutual benefits exchanged between the Parties, the Parties mutually agree as follows:

**1. Introduction**

- 1.1 This Agreement and all exhibits hereto (called the "Agreement") is made by OCSD and Consultant. The terms and conditions herein exclusively govern the purchase of Services as described in Exhibit "A".
- 1.2 Exhibits to this Agreement are incorporated by reference and made a part of this Agreement as though fully set forth at length herein.

|             |   |
|-------------|---|
| Exhibit "A" | Scope of Work                             |
| Exhibit "B" | Proposal                                  |
| Exhibit "C" | Acknowledgement of Insurance Requirements |
| Exhibit "D" | OCSD Safety Standards                     |
| Exhibit "E" | Human Resources Policies                  |

- 1.3 In the event of any conflict or inconsistency between the provisions of this Agreement and any of the provisions of the exhibits hereto, the provisions of this Agreement shall in all respects govern and control.

- 1.4 This Agreement may not be modified, changed or supplemented, nor may any obligations hereunder be waived or extensions of time for performance granted, except by written instrument signed by both Parties.
- 1.5 The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any paragraph or provision hereof.
- 1.6 The term "workday". Workdays are defined as all days that are not Saturday, Sunday, or OCSD observed holidays. Meetings with OCSD staff shall be scheduled from Monday through Thursday between the hours of 8 a.m. and 4 p.m. (exception is operations staff who maintain plant operations 24/7 and work a rotated 12-hour shift) and shall conform to OCSD work schedules. OCSD review periods shall not include OCSD observed holidays.
- 1.7 OCSD holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.8 The term "days", when used in the Agreement, shall mean calendar days, unless otherwise noted as workdays.
- 1.9 Work Hours: The work required under this Agreement may include normal business hours, evenings, and weekends.
- 1.10 Consultant shall provide OCSD with all required premiums and/or overtime work at no charge beyond the price provided under "Compensation" below.
- 1.11 Except as expressly provided otherwise, OCSD accepts no liability for any expenses, losses, or action incurred or undertaken by Consultant as a result of work performed in anticipation of purchases of said services by OCSD.
- 1.12 Goods and Services, whether stated separately or in conjunction with each other, shall mean Instrumentation Data Management Software and the services related to the provision of such as described in Exhibit "A".
- 1.13 Construction of Agreement. This Agreement is the product of joint discussions and negotiations at arms' length between the Parties, both of whom are sophisticated and knowledgeable in business matters and both of whom have relied on the advice of independent legal counsel. Any rule of law which would require interpretation of this Agreement against the party that drafted it shall have no application to this Agreement.

## **2. Miscellaneous**

- 2.1 Access to Premises. OCSD shall provide Consultant with reasonable and timely access to the sites and personnel necessary for Consultant to perform its obligations under this Agreement. OCSD shall allow Consultant personnel reasonable access to OCSD site and facilities (telephone, parking, etc.) during normal business hours and at other reasonable times as requested by Consultant and pre-approved by OCSD. The assistance or presence of OCSD's personnel will not relieve Consultant of any responsibilities under this Agreement.
- 2.2 Amendments. No amendment or modification to this Agreement is valid unless it is contained in a writing signed by both Parties.



- 2.3 Approvals in Writing. All approvals or consents required or contemplated by this Agreement must be in writing to be effective.
- 2.4 Background Checks and Removal of Personnel. Prior to being allowed to perform any work on this project, all non-OCSD personnel assigned to the project may be required to submit to and pass a background check by the Fountain Valley, California Police Department. In addition, OCSD shall have the sole and exclusive right to require Consultant to immediately remove any individual from the project for any reason deemed to be in the best interests of OCSD. Consultant shall replace any employee removed from the project within ten (10) business days of said removal.
- 2.5 Compliance with Work Rules. Consultant will ensure that, while it is on OCSD premises, Consultant's personnel and its subconsultant(s) will comply with OCSD's working rules and policies, including OCSD's security procedures.
- 2.6 Successors and Assigns. This Agreement is binding on and inures to the benefit of the Parties and their respective successors and assigns.
- 2.7 Advertising. Consultant shall not refer to the existence of this Agreement in any press release, advertising or materials distributed to prospective customers without the prior written consent of OCSD.
3. **Scope of Work** General requirements for the work of this project are listed below. A detailed list of tasks and responsibilities are included in Exhibit "A".
- 3.1 Subject to the terms of this Agreement, Consultant shall perform the Services identified in Exhibit "A". Consultant warrants that all of its Services shall be performed in a competent, professional and satisfactory manner.
- 3.2 Modifications to Equipment and Facilities. OCSD shall be responsible for making OCSD-approved modifications identified in an OCSD approved, site analysis report. Thereafter, Consultant will be precluded from asserting that it is unable to perform its obligations under this Agreement because of any pre-existing condition. During implementation, any changes to the system or any costs that may be incurred in order to complete the requirements of this Agreement but were not identified in the site analysis report will be the sole and exclusive responsibility of Consultant. In addition, if the system is unable to meet the functional, performance and reliability specifications and requirements in this Agreement after the identified upgrades and changes have been made, then Consultant will be responsible, at its own expense, for making any further upgrades or changes necessary to achieve this result.
- 3.3 User Qualifications. OCSD shall use its best efforts to ensure that persons operating the system will be qualified, supervised, and trained in the use of personal computers and normal operations. Consultant will ensure that all training on the system or system components will be conducted professionally and effectively so that each operator trained by Consultant is proficient in its use.
- 3.4 Transition. Consultant will work with OCSD to ensure a smooth and efficient transition from OCSD's current systems to the new system and to minimize disruption to current operations, even if it necessitates working late evening, early morning, or weekend hours. Any required disruptions to OCSD's operations shall be scheduled in advance and approved by OCSD.

4. **Compensation** Compensation to be paid by OCSD to Consultant for the Services provided under this Agreement shall be a total amount not to exceed [REDACTED] Dollars (\$[REDACTED].00).
5. **Payment**
- 5.1 OCSD shall pay, net thirty (30) days, upon receipt and approval, by OCSD's Project Manager or designee, of itemized invoices submitted for Milestones completed in accordance with Exhibit "A".
- 5.2 OCSD, at its sole discretion, shall be the determining party as to whether the tasks and deliverables for each milestone have been satisfactorily completed.
6. **Invoices**
- 6.1 OCSD shall pay within thirty (30) days of completion and receipt and approval by OCSD Project Manager or designee of an itemized invoice, in a form acceptable to OCSD to enable audit of the charges thereon.
- 6.2 Invoices shall be emailed by Consultant to OCSD at APStaff@OCSD.com. Specification No. CS-2019-1102 and Purchase Order number shall both be referenced in the subject line.
7. **Audit Rights** Consultant agrees that, during the term of this Agreement and for a period of three (3) years after its termination, OCSD shall have access to and the right to examine any directly pertinent books, documents, and records of Consultant relating to the invoices submitted by Consultant pursuant to this Agreement.
8. **Performance** Time is of the essence in the performance of the provisions hereof.
9. **Term**
- 9.1 The Services provided under this Agreement shall be completed within one hundred eighty (180) calendar days from the effective date of the Notice to Proceed.
- 9.2 Effect on Project Schedule. The time periods and requirements set forth in Exhibit "A", will not excuse Consultant from complying with the completion date set forth in this Agreement.
10. **Termination**
- 10.1 OCSD reserves the right to terminate this Agreement for its convenience, with or without cause, in whole or in part, at any time, by written notice from OCSD. Upon receipt of a termination notice, Consultant shall immediately discontinue all work under this Agreement (unless the notice directs otherwise). OCSD shall thereafter, within thirty (30) days, pay Consultant for work performed (cost and fee) to the date of termination. Consultant expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Agreement. Such notice of termination shall terminate this Agreement and release OCSD from any further fee, cost or claim hereunder by Consultant other than for work performed to the date of termination.
- 10.2 OCSD reserves the right to terminate this Agreement immediately upon OCSD's determination that Consultant is not meeting the requirements, if the level of service is inadequate, or any other default of this Agreement.
- 10.3 OCSD may also immediately cancel for default of this Agreement in whole or in part by written notice to Consultant:
- if Consultant becomes insolvent or files a petition under the Bankruptcy Act; or

- if Consultant sells its business; or
- if Consultant breaches any of the terms of this Agreement; or
- if total amount of compensation exceeds the amount authorized under this Agreement.

10.4 All OCSD property in the possession or control of Consultant shall be returned by Consultant to OCSD on demand, or at the termination of this Agreement, whichever occurs first. In addition, Consultant will deliver to OCSD all work product currently in existence and for which payment has been made.

11. **Indemnification and Hold Harmless Provision** Consultant shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or be caused by Consultant's services under this Agreement, or by its subconsultant(s) or by anyone directly or indirectly employed by Consultant, and whether such damage or injury shall accrue or be discovered before or after the termination of the Agreement. Except as to the sole active negligence of or willful misconduct of OCSD, Consultant shall indemnify, protect, defend and hold harmless OCSD, its elected and appointed officials, officers, agents and employees, from and against any and all claims, liabilities, damages or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person or damage to property or interference with the use of property, arising out of or in connection with Consultant's performance under the Agreement, and/or (b) on account of use of any copyrighted or uncopyrighted material, composition, or process, or any patented or unpatented invention, article or appliance, furnished or used under the Agreement, and/or (c) on account of any goods and services provided under this Agreement. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Consultant or anyone employed by or working under Consultant. To the maximum extent permitted by law, Consultant's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless, or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Consultant agrees to provide this defense immediately upon written notice from OCSD, and with well qualified, adequately insured, and experienced legal counsel acceptable to OCSD. This section shall survive the expiration or early termination of the Agreement.

12. **Force Majeure** Neither party shall be liable for delays caused by accident, flood, acts of God, fire, labor trouble, war, acts of government or any other cause beyond its control, but said party shall use reasonable efforts to minimize the extent of the delay. Work affected by a Force Majeure condition may be rescheduled by mutual consent or may be eliminated from the Agreement.

13. **Insurance** Consultant and all subconsultant(s) shall purchase and maintain, throughout the life of this Agreement and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in Exhibit "C" Acknowledgement of Insurance Requirements. Consultant shall not commence work under this Agreement until all required insurance is obtained in a form acceptable to OCSD, nor shall Consultant allow any subconsultant to commence service pursuant to a subcontract until all insurance required of the subconsultant has been obtained. Failure to maintain required insurance coverage shall result in termination of this Agreement.

14. **Key Personnel** Personnel, as provided in Exhibit "B", are considered "key" to the work under this Agreement and will be available for the term of the Agreement. No person designated as

key under this Agreement shall be removed or replaced without prior written consent of OCSD. If OCSD asks Consultant to remove a person designated as key under this Agreement, Consultant agrees to do so immediately regardless of the reason, or the lack of reason, for OCSD's request. Consultant shall assign only competent personnel to perform services pursuant to this Agreement.

**15. Confidentiality and Non-Disclosure**

15.1 Consultant acknowledges that in performing the Services hereunder, OCSD may have to disclose to Consultant orally and in writing certain confidential information that OCSD considers proprietary and has developed at great expense and effort.

15.2 Consultant agrees to maintain in confidence and not disclose to any person, firm, or corporation, without OCSD's prior written consent, any trade secret or confidential information, knowledge or data relating to the products, process, or operation of OCSD.

15.3 Consultant further agrees to maintain in confidence and not to disclose to any person, firm, or corporation any data, information, technology, or material developed or obtained by Consultant during the term of this Agreement.

15.4 Consultant agrees as follows:

- To use the confidential information only for the purposes described herein; to not reproduce the confidential information; to hold in confidence and protect the confidential information from dissemination to and use by anyone not a party to this Agreement; and to not use the confidential information to benefit itself or others.
- To restrict access to the confidential information to its Consultant or personnel of Consultant who (1) have a need to have such access and (2) have been advised of and have agreed in writing to treat such information in accordance with the terms of this Agreement.
- To return all confidential information in Consultant's possession upon termination of this Agreement or upon OCSD's request, whichever occurs first.
- To hold in confidence information and materials, if any, developed pursuant to the Services hereunder.

15.5 The provisions of this section shall survive termination or expiration of this Agreement and shall continue for so long as the material remains confidential.

**16. Ownership of Documents** All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its employees, subconsultants, and agents in the performance of this Agreement shall be the property of OCSD and shall be promptly delivered to OCSD upon request of the Project Manager or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by OCSD of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of incomplete documents without specific written authorization by the Consultant will be at OCSD's sole risk and without liability to Consultant. Consultant shall ensure that all its subconsultants shall provide for assignment to OCSD of any documents or materials prepared by them.

**17. Ownership of Intellectual Property**

17.1 Consultant agrees that all designs, plans, reports, specifications, drawings, schematics, prototypes, models, inventions, and all other information and items made during the course of

this Agreement and arising from the Services (hereinafter referred to as "New Developments") shall be and are assigned to OCSD as its sole and exclusive property.

17.2 Consultant agrees to promptly disclose to OCSD all such New Developments. Upon OCSD's request, Consultant agrees to assist OCSD, at OCSD's expense, to obtain patents or copyrights for such New Developments, including the disclosure of all pertinent information and data with respect thereto, the execution of all applications, specifications, assignments, and all other instruments and papers which OCSD shall deem necessary to apply for and to assign or convey to OCSD, its successors and assigns, the sole and exclusive right, title and interest in such New Developments. Consultant agrees to obtain or has obtained written assurances from its employees and contract personnel of their agreement to the terms hereof with regard to New Developments and confidential information.

17.3 Consultant warrants that Consultant has good title to any New Developments, and the right to assign New Developments to OCSD free of any proprietary rights of any other party or any other encumbrance whatever.

17.4 The originals of all computations, drawings, designs, graphics, studies, reports, manuals, photographs, videotapes, data, computer files, and other documents prepared or caused to be prepared by Consultant or its subconsultants in connection with these Services shall be delivered to and shall become the exclusive property of OCSD. OCSD may utilize these documents for OCSD applications on other projects or extensions of this project, at its own risk.

18. **Infringement Claims** If an infringement claim occurs, Consultant has thirty (30) days after the receipt of OCSD's written notice of the claim or the date on which Consultant first becomes aware of the claim, whichever is sooner, to either: (a) procure for OCSD the right to continue using the affected product, service, subsystem, component or interface and deliver or provide the product, service, subsystem, component, or interface to OCSD; or (b) repair or replace the infringing product, service, subsystem, component, or interface so that it becomes non-infringing, provided the performance of the system or any subsystems, components, or interfaces is not adversely affected by the replacement or modification. In the event Consultant is unable to comply with either subsection (a) or (b) of this paragraph within thirty (30) days, OCSD may terminate this Agreement without any further obligation to Consultant. In the event of termination, in addition to any other legal remedies available to OCSD, Consultant will refund OCSD within ten (10) days of OCSD's notice of termination, the license fees OCSD paid to Consultant for the product, service, subsystem, component or interface. If the inability to comply with either subsection (a) or (b) of this paragraph causes the system to fail to meet the functional, performance and reliability specifications and requirements or to otherwise become ineffective, Consultant will refund OCSD all fees paid to Consultant under this Agreement.

19. **No Solicitation of Employees or Subcontractors**

19.1 Consultant agrees that it shall not, during the term of this Agreement and for a period of one (1) year immediately following termination of this Agreement, or any extension hereof, call on, solicit, or take away any of the employees or subcontractors about whom Consultant became aware as a result of Consultant's Services to OCSD.

19.2 Consultant acknowledges that OCSD's employees are critical to its business. Consultant agrees not to employ or otherwise engage OCSD's employees or subcontractors during the term of this Agreement and for a period of one (1) year following termination of this Agreement. Should Consultant violate this provision, Consultant will pay OCSD fifty percent (50%) of the former employee's annual salary which payment is in addition to OCSD's rights and remedies.

**20. Independent Contractor Capacity**

20.1 The relationship of Consultant to OCSD is that of an independent contractor and nothing herein shall be construed as creating an employment or agency relationship.

20.2 Consultant shall act independently and not as an officer or employee of OCSD. OCSD assumes no liability for Consultant's action and performance, nor assumes responsibility for taxes, funds, payments or other commitments, implied or expressed, by or for Consultant.

20.3 Consultant shall not be considered an agent of OCSD for any purpose whatsoever, nor shall Consultant have the right to, and shall not, commit OCSD to any agreement, contract or undertaking. Consultant shall not use OCSD's name in its promotional material or for any advertising or publicity purposes without expressed written consent.

20.4 Consultant shall not be entitled to any benefits accorded to those individuals listed on OCSD's payroll as regular employees including, without limitation, worker's compensation, disability insurance, vacation, holiday or sick pay. Consultant shall be responsible for providing, at Consultant's expense, disability, worker's compensation or other insurance as well as licenses and permits usual or necessary for conducting the Services hereunder.

20.5 Consultant shall be obligated to pay any and all applicable Federal, State, and local, payroll and other taxes incurred as a result of fees hereunder. Consultant hereby indemnifies OCSD for any claims, losses, costs, fees, liabilities, damages or penalties suffered by OCSD arising out of Consultant's breach of this provision.

20.6 Consultant shall not be eligible to join or participate in any benefit plans offered to those individuals listed on OCSD's payroll as regular employees. Consultant shall remain ineligible for such benefits or participation in such benefit plans even if a court later decides that OCSD misclassified Consultant for tax purposes.

**21. Licenses and Permits** Consultant represents and warrants to OCSD that it has obtained all licenses, permits, qualifications and approvals of whatever nature that are legally required to engage in this work. Any and all fees required by Federal, State, County, City and/or municipal laws, codes and/or tariffs that pertain to work performed under the terms of this Agreement will be paid by Consultant.

**22. Governing Law** This Agreement shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in Orange County, in the event any action is brought in connection with this Agreement or the performance thereof.

**23. Environmental Compliance** Consultant shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Consultant, its sub-consultants, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.

**24. Applicable Laws and Regulations** Consultant shall comply with all applicable Federal, State, and local laws, rules, and regulations. Consultant also agrees to indemnify and hold harmless from any and all damages and liabilities assessed against OCSD as a result of Consultant's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Agreement whether or not specifically referenced.

**25. Consultant's Representations** In the performance of duties under this Agreement, Consultant shall adhere to the highest fiduciary standards, ethical practices and standards of care and

competence for their trade/profession.

**26. Familiarity with Work** By executing this Agreement, Consultant warrants that: 1) it has investigated the work to be performed; and 2) it understands the facilities, difficulties and restrictions of the work under this Agreement. Should Consultant discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OCSD, it shall immediately inform OCSD of this and shall not proceed, except at Consultant's risk, until written instructions are received from OCSD.

**27. Dispute Resolution**

27.1 In the event of a dispute as to the construction or interpretation of this Agreement, or any rights or obligations hereunder, the Parties shall first attempt, in good faith, to resolve the dispute by mediation. The Parties shall mutually select a mediator to facilitate the resolution of the dispute. If the Parties are unable to agree on a mediator, the mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Agreement, through the alternate dispute resolution procedures of Judicial Arbitration through Mediation Services of Orange County ("JAMS"), or any similar organization or entity conducting an alternate dispute resolution process.

27.2 In the event the Parties are unable to timely resolve the dispute through mediation, the issues in dispute shall be submitted to arbitration pursuant to California Code of Civil Procedure, Part 3, Title 9, Sections 1280 et seq. For such purpose, an agreed arbitrator shall be selected, or in the absence of agreement, each party shall select an arbitrator, and those two (2) arbitrators shall select a third. Discovery may be conducted in connection with the arbitration proceeding pursuant to California Code of Civil Procedure Section 1283.05. The arbitrator, or three (3) arbitrators acting as a board, shall take such evidence and make such investigation as deemed appropriate and shall render a written decision on the matter in question. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California. The arbitrator's decision and award shall be subject to review for errors of fact or law in the Superior Court for the County of Orange, with a right of appeal from any judgment issued therein.

**28. Attorney's Fees** If any action at law or inequity or if any proceeding in the form of an Alternative Dispute Resolution (ADR) is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable, attorney's fees, costs and necessary disbursements in addition to any other relief to which he may be entitled.

**29. Waiver** The waiver of either party of any breach or violation of, or default under, any provision of this Agreement, shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Agreement or default thereunder. Any breach by Consultant to which OCSD does not object shall not operate as a waiver of OCSD's rights to seek remedies available to it for any subsequent breach.

**30. Survival** All provisions of this Agreement that by their nature would reasonably be expected to continue after the termination of this Agreement will survive the termination of this Agreement.

**31. Right to Review Services, Facilities, and Records**

31.1 OCSD reserves the right to review any portion of the Services performed by Consultant under this Agreement, and Consultant agrees to cooperate to the fullest extent possible.

31.2 Consultant shall furnish to OCSD such reports, statistical data, and other information pertaining to Consultant's Services as shall be reasonably required by OCSD to carry out its rights and responsibilities under its agreements with its bondholders or noteholders and any

other agreement relating to the development of the project(s) and in connection with the issuance of its official statements and other prospectuses with respect to the offering, sale, and issuance of its bonds and other obligations.

- 31.3 The right of OCSD to review or approve drawings, specifications, procedures, instructions, reports, test results, calculations, schedules, or other data that are developed by Consultant shall not relieve Consultant of any obligation set forth herein.
32. **Severability** If any section, subsection, or provision of this Agreement, or any agreement or instrument contemplated hereby, or the application of such section, subsection, or provision is held invalid, the remainder of this Agreement or instrument in the application of such section, subsection or provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, unless the effect of such invalidity shall be to substantially frustrate the expectations of the Parties.
33. **OCSD Safety Standards** OCSD requires Consultant and its subconsultant(s) to follow and ensure their employees follow all Federal, State, and local regulations as well as OCSD Safety Standards while working at OCSD locations. If during the course of the Agreement it is discovered that OCSD Safety Standards do not comply with Federal, State, or local regulations, then the Consultant is required to follow the most stringent regulatory requirement at no additional cost to OCSD. Consultant and all of its employees and subconsultants, shall adhere to all applicable OCSD Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
34. **Damage to OCSD's Property** Any OCSD property damaged by Consultant will be subject to repair or replacement by Consultant at no cost to OCSD.
35. **Freight (F.O.B. Destination)** Consultant assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Agreement.
36. **Assignments** Consultant shall not delegate any duties nor assign any rights under this Agreement without the prior written consent of OCSD. Any such attempted delegation or assignment shall be void.
37. **Changes in Control of Consultant** In the event of a change in control of Consultant, OCSD shall have the option of terminating this Agreement by written notice to Consultant. Consultant shall notify OCSD within ten (10) days of the occurrence of a change in control. As used in this section, "control" is defined as the possession, direct or indirect, of either:
- the ownership or ability to direct the voting of fifty-one percent (51%) or more of the equity interests, value, or voting power in Consultant; or
  - the power to direct or cause the direction of the management and policies of Consultant, whether through ownership of voting securities, by contract, or otherwise.
38. **Third Party Rights** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OCSD and Consultant.
39. **Non-Liability of OCSD Officers and Employees** No officer or employee of OCSD shall be personally liable to Consultant, or any successor-in-interest, in the event of any default or breach by OCSD or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.



**40. Conflict of Interest and Reporting**

40.1 Consultant shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

40.2 Consultant affirms that to the best of its knowledge there exists no actual or potential conflict between Consultant's families, business or financial interest or its Services under this Agreement, and in the event of change in either its private interests or Services under this Agreement, it will raise with OCSD any question regarding possible conflict of interest which may arise as a result of such change.

**41. Authority to Execute** The persons executing this Agreement on behalf of the Parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the Parties are formally bound.

**42. Read and Understood** By signing this Agreement, Consultant represents that he has read and understood the terms and conditions of the Agreement.

**43. Entire Agreement** This Agreement constitutes the entire agreement of the Parties and supersedes all prior written or oral and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.

DO NOT SUBMIT

**44. Notices** All notices under this Agreement must be in writing. Written notice shall be delivered by personal service or sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Any facsimile notice must be followed within three (3) days by written notice. Rejection or other refusal to accept or the inability to deliver because of changed address or which no notice was given as provided hereunder shall be deemed to be receipt of the notice, demand or request sent. All notices shall be effective when first received at the following addresses:

OCSD: Jackie Lagade  
Principal Buyer  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708

Consultant: [Contact Name]  
[Contact Title]  
[Company Name]  
[Street Address]  
[City, State, Zip Code]

**IN WITNESS WHEREOF**, the Parties hereto have hereunto set their hands the day and year indicated below.

**ORANGE COUNTY SANITATION DISTRICT**

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Chair, Board of Directors or Operations Committee

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Kelly A. Lore, Clerk of the Board

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Ruth Zintzun, Purchasing and Contracts  
Manager

**COMPANY**

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

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

\_\_\_\_\_  
IRS Employer's I.D. Number

## **EXHIBIT B-1**

### **CONSULTANT'S SOFTWARE LICENSE TERMS**

#### **GRANT OF LICENSE**

Except for New Developments, any software product (the "Program Product" or "software") delivered to OCSD by Consultant is only licensed, not sold. It remains the property of Consultant (or its licensors, as the case may be), which grants a non-exclusive, non-transferable license to the individual and/or corporate licensee (hereinafter "you", "licensee" or "OCSD") to use the enclosed Program Product. The Program Product includes all computer programs, machine-readable and printed materials as provided by Consultant in accordance with the terms and conditions set forth in this License Agreement. The Program Product includes all codes, techniques, software tools, formats, designs, concepts, methods and ideas associated with this Program Product, and any updates which Consultant may provide to you and backup copies which you may make.

#### **TERM**

This license is effective from the date of receipt of this Program Product and shall remain in force until terminated. You may terminate this Agreement at any time by returning all contents of the Program Product and destroying any portions of the Consultant Program Product merged in any form. Consultant may terminate this Agreement for breach if you violate any provision of this Agreement and do not rectify such breach within 30 days from receiving Consultant's breach notice.

#### **USE OF PROGRAM PRODUCT**

This Agreement limits the number of simultaneous users who may use the Program Product. The use of the Program Product is limited to the building or plant area where or to the company to which it is licensed. The limitations depend on whether you purchased an individual copy of the program or a network license.

#### **INDIVIDUAL LICENSE (LOCAL)**

You may use the Program Product in accordance with this Agreement on a single microcomputer at any one time. The Program Product may be placed on a network as long as there is no possibility of it being used simultaneously by more than one user at one location. You may not use the Program Product on more than one microcomputer at any given time unless additional licenses for the additional microcomputers (or additional users on a network) are purchased

#### **CONCURRENT LICENSE (NETWORK)**

You may use the Program Product in accordance with this Agreement on a licensed local area network. A computer network is any combination of two or more terminals that are electronically linked and capable of sharing the use of a single Program Product. The Program Product is delivered with purchased amount of licenses. You may not use the Program Product on more computers or terminals than the number licensed, as shown on your invoice or other documents from Consultant. You may install the Program Product on computers attached to a network, or remove it from one computer and install it on another one, provided that there is no possibility of simultaneous use of the Program Product on more computers than the number licensed.

#### **COPYRIGHT AND RESTRICTIONS**

The Program Product, including documentation, is copyrighted under applicable laws and international treaty provisions. Except as specifically authorized in the product documentation, the copying, disassembly, or duplication of any part of the Program Product or documentation, shall constitute a violation of copyright law. Accordingly, except as expressly otherwise provided (in the Instruction Manual or Quick Guide or otherwise), you may not copy, duplicate, modify, translate, disassemble or decompile any part of the Program Product or documentation, or create or attempt to create, by reverse engineering or otherwise, the source code from the object code of the Program Product supplied hereunder. Further, you may not reproduce, sublicense, distribute, loan, rent, transfer or otherwise disclose the Program Product or documentation to others, in whole or in part, or remove or alter any ownership or copyright notices on the cd (s), diskette(s) or the documentation except as otherwise expressly permitted by Consultant.

## OWNERSHIP

Ownership of the Program Product (including all adaptations), documentation and all copies thereof and all copyrights, trade secrets, know-how, trademarks, trade names and all other proprietary rights and interests related thereto shall remain the exclusive property of Consultant (or its licensors). The Program Product shall be in executable object code form only and you shall have no right to the source code. Copies are loaned to you to allow you to exercise rights under the License. Only the License is purchased by you. You must prevent any unauthorized use, copying, or disclosure of the Program Product and documentation.

[End of Exhibit B-1.]

**EXHIBIT B-2**  
**Yearly Maintenance and Support Agreement Details**

➤ **Software Updates**

Software updates for the Beamex's standard software products and/or OCSD custom configured components that will be included in the CMX Software as well as within the scope of Services with the Beamex Business Bridge to Maximo. Such services will include the following: New Software Versions, Software Revisions, patches and hotfixes made available to the OCSD, which may (i) substantially rectify Errors or other Defects in the then-current revision of the Software; (ii) improve performance of the CMX and Business Bridge software in the specified operational environment; and (iii) contain other new and/or improved software functionality.

➤ **Remote Helpdesk**

Remote helpdesk support is included within the scope of Services for both the CMX and Business Bridge software. Such services will include the following: Maintenance standby accessible by phone, fax or email in accordance with the service hours from Monday to Friday, 9 AM to 4 PM ET, excluding public holidays. The remote helpdesk support is available at minimum in English language. Error diagnostic services and using reasonable efforts in aiming to repair Errors.

➤ **Provision of Support Services**

Beamex shall perform the tasks and duties related to the Support Services in its location as a remote operation, unless otherwise mutually agreed in writing. Repairing or correcting a software defect or error can be also executed (a) with a workaround that bypasses the defect or error; (b) by delivering written instructions to OCSD, which it can use to bypass the defect or error; or (c) by delivering New Software Version or Software Revision to OCSD that will correct or bypass the defect or error. The Support Services that Beamex performs against an agreed recurring support fee do not include services related to repair or correction of an error or default caused by (a) using the software contrary to an agreement or other instructions given by the Beamex or the OCSD's negligence or default in complying with the written instructions on the use of all of Beamex software; (b) using the software in an operational environment not specified or approved by the Beamex or (c) a modification, correction or repair made to Beamex software by the OCSD or a third party. If it is confirmed that the defect or error reported by the OCSD is not covered by the scope of Support Services in our agreement, then Beamex will be entitled to invoice for the analysis and repair of the error in accordance with its then current price list.

**1. Service Levels**

1.1 Beamex, Inc. shall address Software issues as follows:

**BEAMEX SLA**

| <b>Severity Level</b>       | <b>Response Time</b> | <b>Target Resolution Time</b>   |
|-----------------------------|----------------------|---------------------------------|
| <b>Level 1</b> (“critical”) | 8 hours              | 3 business days                 |
| <b>Level 2</b> (“moderate”) | 16 hours             | 5 business days                 |
| <b>Level 3</b> (“minor”)    | 5 business days      | 20 business days                |
| <b>Level 4</b> (“low”)      | 5 business days      | Commercially reasonable efforts |

1.2 As used in clause 1.1 above or elsewhere in this Annex:

“Level” is a relative measure of the impact an issue has on the use of the Software.

- a) “Level 1” shall mean that the Software is in non-conformance with the Specifications and OCSD can demonstrate that a plant critical function, system or server is down or inoperable due to the non-conformance and no workaround is available.
- b) “Level 2” shall mean that the Software is in non-conformance with the Specifications and OCSD can demonstrate that a major function, system or server is severely impaired due to the non-conformance.
- c) “Level 3” shall mean that (i) the Software is in non-conformance with the Specifications, which results only in non-critical loss of functionality of the Software; or (ii) there are only cosmetic errors in the Software including errors in the documentation.
- d) “Level 4” shall mean general usage questions or enhancement ideas OCSD has regarding the Software.

“Response Time” refers to the maximum time it takes for Beamex, Inc. to make an e-mail, telephone, or in-person acknowledgement of a technical support request made by OCSD.

“Target Resolution Time” refers to the maximum time from the receipt of OCSD’s technical support request until Beamex, Inc. has informed OCSD how the non-conformance or other issue related to the use of the Software could be resolved.

“Specifications” refers to (i) technical specifications of the Software as specified in the Agreement concluded between Beamex, Inc. and OCSD; or (ii) Beamex Inc.’s applicable user guide for the Software.

## **2 SLA Times**

2.1 All times referred to in Section 1 as Response Times or Target Resolution Times shall be calculated in accordance with Beamex, Inc.'s Service Hours, which are as follows:

### **2.1.1 Monday to Friday, 9 AM to 4 PM (Eastern Standard Time), excluding public holidays.**

2.2 Therefore by way of example, if OCSD makes a technical support request regarding a Level 1 issue on Monday at 2 PM, Beamex, Inc. must provide an acknowledgment of the request to OCSD on Tuesday 3 PM, at the latest.

2.3 If the Response Time or Target Resolution Time is a specific number of days, then the day when the technical support request was made is not taken into consideration when calculating the passage of time.

## **3. SLA material breach and termination**

3.1 In the event of two (2) or more Level 2 or worse issues that have not been addressed by Beamex, Inc. in accordance with the service levels defined in clause 1.1 above during any calendar month, OCSD may terminate this Agreement for material breach in accordance with the terms and conditions herein, provided the OCSD notifies the Consultant in writing of the termination within five (5) business days of the end of such calendar month. In the event of termination pursuant to this clause, OCSD shall be entitled to a refund of the unused portion of the already paid Compensation for the yearly software maintenance and support (if any).

[End of Exhibit B-2.]



# Orange County Sanitation District

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## ADMINISTRATION COMMITTEE

### Agenda Report

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**File #:** 2020-1061

**Agenda Date:** 6/10/2020

**Agenda Item No:** 4.

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**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020-21**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing the Annual Appropriations Limit for Fiscal Year 2020-21 for the District in accordance with the Provisions of Division 9 of Title 1 of the California Government Code".

**BACKGROUND**

This routine annual action adopts a resolution establishing the spending limit for "proceeds of taxes" in accordance with Article XIII B of the Constitution of the State of California (Section 7910 of the Government Code). The Orange County Sanitation District's (Sanitation District) annual appropriations are well below the limit.

In 1979, Proposition 4 (the Gann Initiative) was approved adding Article XIII B to the State Constitution. The provisions of this article place limits on the amount of revenue that can be appropriated by all entities of government. This initiative was designed to constrain government expenditures by placing an annual limit on jurisdictions' revenue and appropriation growth. The Appropriation Limit is based on actual appropriations during the 1978-1979 fiscal year, as increased each year using specified population and inflationary growth factors. This annual allowance growth is linked to changes in population and cost of living. The passage of Proposition 111 in June 1990 amended Article XIII B, making changes in the base year upon which the appropriations limit is based, establishing new cost of living factors and new population factors for use by local governments, and increasing appropriations not subject to the limit (primarily qualified capital outlay projects). The financial constraints of Article XIII B apply to the State, all cities, counties, special districts, and all other political subdivisions.

**RELEVANT STANDARDS**

- Produce Operations and CIP budgets every two years, with annual update



**PROBLEM**

Article XIII B of the State Constitution places limits on the amount of revenue that can be appropriated by all entities of government.

**PROPOSED SOLUTION**

Approval of the proposed resolution establishing the annual appropriations limit for fiscal year 2020-21 in accordance with the provisions of Division 9 of Title 1 of the California Government Code.

**TIMING CONCERNS**

The proposed one-year budget, effective July 1 of this year, will be finalized and presented to the Board for adoption in June. The appropriations limit resolution needs to be approved in conjunction with the budget.

**RAMIFICATIONS OF NOT TAKING ACTION**

The Sanitation District will not be able to carry out its financial fiduciary duties beyond June 30, 2020.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

N/A

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

N/A

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Draft Resolution No. OCSD 20-XX

RESOLUTION NO. OCSD 20-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT ESTABLISHING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020-21 FOR THE DISTRICT IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 9 OF TITLE 1 OF THE CALIFORNIA GOVERNMENT CODE

WHEREAS, Article XIII B of the Constitution of the State of California as proposed by the Initiative Measure approved by the people at the special statewide election held on November 6, 1979, provides that the total annual appropriations limit of each local government agency shall not exceed the appropriations limit of such entity for the prior year, adjusted for changes in the cost of living and population, except as otherwise specifically provided for in said Article; and,

WHEREAS, the State Legislature added Division 9 (commencing with Section 7900) to Title 1 of the Government Code of the State of California to implement Article XIII B of the California Constitution; and,

WHEREAS, Section 7910 of the Government Code provides that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following fiscal year pursuant to Article XIII B at a regularly-scheduled meeting or a noticed special meeting and that fifteen (15) days prior to such meeting, documentation used in the determination of the appropriations limit shall be available to the public; and,

WHEREAS, Section 7902 (a) of the Government Code sets forth the method for determining the appropriations limit for each local jurisdiction for the 2020-21 fiscal year; and,

WHEREAS, the Board of Directors wishes to establish the appropriations limit for fiscal year 2020-21 for the District.

NOW, THEREFORE, the Board of Directors of the Orange County Sanitation District DOES HEREBY RESOLVE, DETERMINE AND ORDER:

Section 1: That it is hereby found and determined that the documentation used in the determination of the appropriations limit for the Orange County Sanitation District, for fiscal year 2020-21, was available to the public in the Finance Department of said District at least fifteen (15) days prior to this date.

Section 2: That the appropriations limit for fiscal year 2020-21 for the Orange County Sanitation District, as established in accordance with Section 7902(b) of the California Government Code is \$118,695,799 which sum is within the maximum authorized spending limitation for fiscal year 2020-21.

Section 3: That the Board of Directors of the Orange County Sanitation District, has determined that the percent change in California per capita personal income from the preceding year would be the cost of living factor to be used and the weighted average population change of the cities within the District would be the population factor to be used in calculating the Orange County Sanitation District's appropriations limit for the Fiscal Year 2020-21.

Section 4: The determination of the appropriation limit is based upon the best and most complete information available at this time. The District reserves the right to review and re-establish a new and different limit in the event that it subsequently determines that a modification of the limitation amount is appropriate.

PASSED AND ADOPTED at a regular meeting of the Board of Directors held June 24, 2020.

---

David John Shawver  
Board Chairman

ATTEST:

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Kelly A. Lore, MMC  
Clerk of the Board

STATE OF CALIFORNIA )  
 )        ss  
COUNTY OF ORANGE )

I, Kelly A. Lore, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OCSD 20-XX was passed and adopted at a regular meeting of said Board on the 24th day of June 2020, by the following vote, to wit:

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 24th day of June 2020.

---

Kelly A. Lore, MMC  
Clerk of the Board of Directors  
Orange County Sanitation District



# Orange County Sanitation District

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## ADMINISTRATION COMMITTEE

### Agenda Report

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**File #:** 2020-1085

**Agenda Date:** 6/10/2020

**Agenda Item No:** 5.

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**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**FY 2020-21 USE CHARGES FOR SANTA ANA WATERSHED PROJECT AUTHORITY**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Adopt Resolution No. OCSD 20-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing Use Charges for the 2020-21 Fiscal Year Pursuant to the Wastewater Treatment and Disposal Agreement with the Santa Ana Watershed Project Authority ("SAWPA")".

**BACKGROUND**

Currently, the Orange County Sanitation District (Sanitation District) invoices Santa Ana Watershed Project Authority (SAWPA) on a quarterly basis for the wastewater discharge received from the SARI line. Annually, the rates for flow, biochemical oxygen demand (BOD), and total suspended solids (TSS) are calculated based upon the fiscal year budget for treatment and disposal costs and the 1996 Wastewater Treatment and Disposal agreement. The rates calculated for each constituent for FY 2020-21 for wastewater discharge are:

|      |          |
|------|----------|
| FLOW | \$213.30 |
| BOD  | \$304.47 |
| TSS  | \$449.36 |

The FY 2020-21 rates result in approximately a 3.5% decrease in the Flow rate, a 4.7% decrease in the BOD rate, and a 4.7% decrease in the TSS rate. Using the 2017 Rate Study, the Sanitation District determined discharge rates for SAWPA. Changes to the allocation parameters between discharge constituents and the change in equivalent usage per EDU for each constituent resulted in rate increases that were larger than SAWPA anticipated or budgeted. SAWPA requested that the Sanitation District spread their rate increases over a two-year period to minimize the impact to their budget. SAWPA rates have now caught up with the original rate model. As a result, the FY 2020-21 rates decrease approximately 3.5% for the Flow rate, 4.7% for the BOD rate, and 4.7% for the TSS rate. These rates are separate from the rates charged for additional capacity purchases by SAWPA.

**RELEVANT STANDARDS**

- Comply with OCSD Policy - Establishing annual SAWPA treatment and disposal rates
- Supports 1996 Treatment and Disposal agreement with SAWPA

**PROBLEM**

N/A

**PROPOSED SOLUTION**

N/A

**TIMING CONCERNS**

Rates should be effective for July 1 of FY 2020-21.

**RAMIFICATIONS OF NOT TAKING ACTION**

Rates would not be established for FY 2020-21 for cost recovery for treatment and disposal of SAWPA's wastewater discharge.

**PRIOR COMMITTEE/BOARD ACTIONS**

A Resolution is adopted annually in June pursuant to the Wastewater Treatment and Disposal Agreement with SAWPA.

**ADDITIONAL INFORMATION**

N/A

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

N/A

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Draft Resolution No. OCSD 20-XX

RESOLUTION NO. OCSD 20-XX

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY SANITATION DISTRICT ESTABLISHING USE CHARGES FOR THE 2020-21 FISCAL YEAR PURSUANT TO THE WASTEWATER TREATMENT AND DISPOSAL AGREEMENT WITH THE SANTA ANA WATERSHED PROJECT AUTHORITY (“SAWPA”)

WHEREAS, the Board of Directors has approved the Wastewater Treatment and Disposal Agreement with the SANTA ANA WATERSHED PROJECT AUTHORITY (“SAWPA”); and,

WHEREAS, said agreement provides for payment of Disposal Costs for the measured and sampled flow of Wastewater discharged from SAWPA’s SARI Service Area to Districts’ facilities; and,

WHEREAS, said agreement provides for adjustment of said Disposal Costs on an annual basis.

NOW, THEREFORE, The Board of Directors of the Orange County Sanitation District, DOES HEREBY RESOLVE, DETERMINE, AND ORDER:

Section 1. That pursuant to Section C4 of the Wastewater Treatment and Disposal Agreement, the 2020-21 fiscal year charges for Disposal Costs are hereby established as follows:

|                                |                                       |
|--------------------------------|---------------------------------------|
| For Flow:                      | \$ 213.30 per million gallons of flow |
| For Biochemical Oxygen Demand: | \$ 304.47 per thousand pounds         |
| For Total Suspended Solids:    | \$ 449.36 per thousand pounds         |

PASSED AND ADOPTED at a regular meeting of the Orange County  
Sanitation District's Board of Directors held June 24, 2020.

---

David John Shawver  
Board Chairman

ATTEST:

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Kelly A. Lore, MMC  
Clerk of the Board



STATE OF CALIFORNIA    )  
  )    ss  
COUNTY OF ORANGE    )

I, Kelly A. Lore, Clerk of the Board of Directors of the Orange County Sanitation District, do hereby certify that the foregoing Resolution No. OCSD 18-XX was passed and adopted at a regular meeting of said Board on the 27<sup>th</sup> day of June 2018, by the following vote, to wit:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of Orange County Sanitation District this 27th day of June 2018.

---

Kelly A. Lore, MMC  
Clerk of the Board of Directors  
Orange County Sanitation District



# Orange County Sanitation District

## ADMINISTRATION COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

### Agenda Report

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**File #:** 2020-1087

**Agenda Date:** 6/10/2020

**Agenda Item No:** 6.

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**FROM:** James D. Herberg, General Manager  
Originator: Lan C. Wiborg, Director of Environmental Services

**SUBJECT:**

**TRIPLE QUADRUPOLE MASS SPECTROMETER (TQMS)**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a purchase order to VWR for a Triple Quadrupole Mass Spectrometer (TQMS) System in the amount of \$277,228.34 (including the TQMS system, freight, sales tax, and two (2) year extended warranty) in accordance with Ordinance No. OCSD-52, Section 2.03(B): Cooperative Procurement; (NASPO Value Point Master Agreement No. MA16000234-2 created by the State of Idaho which California (CA) agencies may utilize (CA Participating Addendum No. 7-16-99-26-01)).

**BACKGROUND**

The Triple Quadrupole Gas Chromatograph Mass Spectrometer (TQMS) system is needed to analyze fish tissue and sediment samples for the ocean monitoring program as required by the Orange County Sanitation District's (Sanitation District) Ocean Discharge Permit, Southern California Bight Regional Monitoring Survey, and various special projects. This purchase request is to replace a Gas Chromatography Mass Spectrometer system that has exceeded its service life.

**RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- Comply with environmental permit requirements
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Cultivate a highly qualified, well-trained, and diverse workforce

**PROBLEM**

This request is to replace an 11-year old analytical instrument that has exceeded the manufacturer-recommended serviceable life of 7-10 years. Instrument breakdown has increased due to age and sample turnaround time has consequently increased due to the need to repeat analysis. In combination, these occurrences have increased the Sanitation District's expenditure on staff time, replacements parts, and repair services. Purchasing the updated TQMS system will equip the

Sanitation District with a more reliable system that uses current technology and provides enhanced instrument capabilities to better support regulatory compliance.

**PROPOSED SOLUTION**

Award a purchase order to VWR for the Triple Quadrupole Mass Spectrometer (TQMS) System in the amount of \$277,228.34 to replace the current system.

**TIMING CONCERNS**

Potential cost and down time may increase if the current system is not replaced in a timely manner.

**RAMIFICATIONS OF NOT TAKING ACTION**

Loss of compliance for the analysis of PCBs/pesticides in support of the core monitoring samples as required by the NPDES permit.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

The National Association of State Procurement Officers (NASPO, formerly WSCA-NASPO) agreements are available to all State of California governmental entities (e.g. state agencies, cities, counties, special districts, school districts, universities) that expend public funds for the acquisition of both goods and services.

The State of California purchases a wide variety of goods and services ranging from pencils to temporary labor under these agreements. Annual purchases total nearly \$10 billion. The Procurement Division is the central purchasing authority for all State departments and local government agencies. With a massive marketplace and billions of dollars in purchasing power they can offer a lower procurement cost to California's state, county, city, special districts, education and other government entities through their Leveraged Procurement Agreements. Leveraged Procurement Agreements allow entities/agencies to buy directly from suppliers through existing contracts and agreements. One of these that the state offers to California governmental agencies is the National Association of State Procurement Officers for Commodities, IT Goods & Services, and Telecommunication Goods and Services.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

The cost for the TQMS system has been budgeted as capital equipment for fiscal year 2019-2020. The quoted amount of \$254,922.61 (Total list price: \$419,330.91 less total discount of \$164,408.30

includes the TQMS system, freight, and two (2) year extended warranty. Sales tax is estimated to be \$22,305.73, for a total of \$277,228.34.

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. (Orange County Sanitation District Budget: Section 8, Page 100).

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

N/A



# Orange County Sanitation District

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## ADMINISTRATION COMMITTEE

### Agenda Report

**File #:** 2020-1091

**Agenda Date:** 6/10/2020

**Agenda Item No:** 7.

**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**2020-21 PROPERTY - LIABILITY INSURANCE RENEWALS**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the Orange County Sanitation District FY 2020-21 Property-Liability Insurance Renewals for the not-to-exceed amounts specified below:

|  |                     |
|--|---------------------|
| Property and Boiler & Machinery - Not to Exceed        | \$ 1,167,866        |
| Excess General Liability Insurance - Not to Exceed     | \$ 584,718          |
| Excess Workers' Compensation Insurance - Not to Exceed | \$ 207,000          |
| Earthquake Insurance - Not to Exceed                   | \$ 93,079           |
| <b>TOTAL</b>   | <b>\$ 2,052,663</b> |

**BACKGROUND**

Financial Management staff and the Orange County Sanitation District's (Sanitation District) operational insurance broker, Alliant, began the renewal process in January and received final quotes in June. After negotiating with the insurance carriers, Alliant was able to secure competitive rates for the Sanitation District without compromising the quality of coverage provided. The insurance market has been in a state of flux due to COVID-19 and events around the world and in the state of California. There is a lot of uncertainty in the market and insurers have taken losses for previous years and, as a result, insurance costs will increase to absorb the losses.

There are key differences over expiring coverages - the historic \$1 billion All Risk Limit and extensive flood limits previously provided are not sustainable. Such flood limits are worth millions of dollars in the market currently, as flood is viewed as a catastrophic exposure, in the same vein that the earthquake peril is viewed. The coverage can be bought, but the costs are extremely high, as available capacity in the market is going to the highest bidder, especially with what is expected to be an above average hurricane season for 2020.

The extreme uncertainty in the market is due mainly to COVID-19 and its impacts. As such, the Sanitation District cannot realistically obtain the same coverage limits, especially on flood, and if attempting to obtain comparable, it would be a 500% increase. The extreme degree of uncertainty

that COVID-19 introduced in the insurance industry, means extreme rate hikes, at least in the short term until the numbers play out for the insurance industry over the next few years.

The cost of insurance coverage for Fiscal Year is \$2,052,663, an increase of \$427,601 (26.3%).

The Sanitation District's budget provides funds for the renewal of the following four (4) major insurances for Sanitation District operations:

1) **All-Risk Property and Flood Insurance (Includes Boiler & Machinery)**

The All-Risk Property and Flood Insurance Program (Property Insurance) provides comprehensive coverage for much of the Sanitation District's real and personal property regarding virtually all perils including fire, flood, and business interruption.

Current Property Insurance limits are \$1 billion dollars for most perils other than flood and earthquakes, and \$300 million dollars for flood, with many sub-limits for various situations. In order to reach \$1 billion dollars in limits, the broker had to arrange for more than a dozen different insurers. The SIR is \$250,000 per occurrence for most types of losses.

Since the late 1990's, the Property Insurance has been with a nationwide joint purchase property insurance program called Public Entity Property Insurance Program (PEPIP), one of the world's largest property programs. It is important to note that this joint purchase property insurance offers the purchasing power of numerous large public entities without the pooling or sharing of coverage or losses.

The Boiler & Machinery Insurance component of the property insurance, provides comprehensive coverage for loss caused by machinery breakdown and explosion of steam boilers or other covered process equipment, including damage to the equipment itself and damage to other property caused by covered accidents. The current Boiler & Machinery Insurance Program provides coverage of \$100 million per occurrence with deductibles ranging from \$25,000 to \$350,000 for losses caused by covered machinery breakdown (e.g., motors, steam turbines, digesters, co-gen engines). Damages to the equipment, as well as damages to other property and improvements from machinery breakdown, are covered by the Boiler & Machinery Insurance. This program augments the Sanitation District's All-Risk Property Insurance that covers perils such as fire and flood.

The estimated increase cost for All-Risk Property and Flood is \$1,167,866, an increase of \$362,522 (45%).

2) **Excess General Liability Insurance**

The Sanitation District's Excess General Liability Insurance Program is currently provided through the California Municipal Excess Liability Program (CAMEL) and its sister program, the Alliant National Municipal Liability Program (ANML). The Sanitation District has participated in the CAMEL program since FY 1996-97.

This program currently provides the Sanitation District with a \$40 million dollar policy of comprehensive coverage for municipal liability, bodily injury and property damage, and personal injury. The program was structured to also include Employment Practices and Public Officials Errors & Omissions coverage. The \$40 million dollar coverage has a self-insured

deductible of \$500,000. Since 1997, the Employment Practices portion of coverage has been enhanced from a \$2 million-dollar sub-limit to the full policy limit of \$40 million dollars.

The estimated cost for Excess General Liability is \$584,716, an increase of \$69,347 (13%).

3) **Excess Workers' Compensation**

The Excess Workers' Compensation insurance coverage is with the California State Association of Counties Excess Insurance Authority (CSAC EIA). The Sanitation District has participated in this program or its predecessor since 2003. The Excess Workers' Compensation program currently provides "Statutory" (unlimited) coverage with a self-insured retention (SIR), or deductible, of \$1 million. The use of Excess Workers' Compensation Insurance dates back to the late 1980's.

The estimated cost for Excess Workers' Compensation is \$207,000, a decrease of \$10,762 (5%).

4) **Earthquake Insurance**

The Sanitation District previously carried earthquake insurance as part of its Property Insurance, but in the last 15 years earthquake insurance proved difficult to obtain or not cost-effective. The Sanitation District asked its insurance broker each year to survey the market to see if rates have changed. Finally, in 2015 a plan was created to insure several key Sanitation District structures identified by Engineering, thus keeping the cost in line. The insurance is a high deductible plan with a limit of \$25 million dollars in total.

The estimated cost Earthquake insurance is \$93,079, an increase \$6,494 (8%).

**RELEVANT STANDARDS**

- Protect Orange County Sanitation District assets

**PROBLEM**

Insurance is necessary to protect the Sanitation District's assets and financial well-being.

**PROPOSED SOLUTION**

Approve the insurance renewals as described above to ensure continued coverage of the Sanitation District's assets.

**TIMING CONCERNS**

Board approval is necessary since current insurance will expire June 30, 2020.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Without Board approval, the Sanitation District cannot finalize the contracts with the insurance carriers, and the Sanitation District's insurance will lapse.

## **PRIOR COMMITTEE/BOARD ACTIONS**

April 2020 - informational presentation to the Board of Directors detailing each of the five major insurances for the Sanitation District operations, and the status of the insurance market.

## **ADDITIONAL INFORMATION**

N/A

## **CEQA**

N/A

## **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been included in the FY 2020-21 Proposed Budget

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- 19-20 APIP SOC AmBest Ratings (California)
- Insurance Summary May 2020



**Alliant Property Insurance Program  
2019-2020 Policy Year  
Schedule of Insurers**

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Attached is a sheet of the **current** insurers on the property insurance program showing their regulatory status in CA. (Far right column). All of these carriers have been approached for the property renewal. There are over 20 carriers participating on OCSD's programs in total, and it is not possible to complete it without the use of many non-admitted carriers.

Public agencies in CA tend to **not** have as many admitted carriers (if any) on their program as these are generally more expensive and less flexible in terms of coverage than non-admitted. The main benefit is that admitted carriers have access to the California Guarantee Insurance Fund (CIGA), and non-admitted do not. The normal process for determining or obviating against not having access to the fund is to use only financially strong non-admitted carriers. The carriers' ratings (AM Best, middle column) are all A rated, and most are on the "large" sixer in terms of assets.

**Alliant Property Insurance Program  
2019-2020 Policy Year  
Schedule of Insurers**

| Company                                | A.M. Best's I.D. # | A.M. Best's Guide Rating  | Standard and Poor's           | State of California |
|--|--------------------|---|-------------------------------|---------------------|
| Arch Specialty Insurance Company       | 012523             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 to greater<br>(As of 10/11/18)            | A+<br>(As of 06/25/18)        | Non-Admitted        |
| Aspen Insurance UK Limited             | 084806             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 03/01/19)            | A<br>(As of 06/26/18)         | Non-Admitted        |
| Chubb European Group Limited           | 086485             | A++ , Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 12/13/18)          | AA<br>(As of 06/24/16)        | Non-Admitted        |
| Endurance Worldwide Insurance Limited  | 083234             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 07/20/18)            | A+<br>(As of 04/26/18)        | Non-Admitted        |
| Evanston Insurance Co.                 | 003759             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/19/18)            | A<br>(As of 07/27/17)         | Non-Admitted        |
| Hallmark Specialty Insurance Co.       | 010838             | A-, Excellent;<br>Financial Size Category 8;<br>\$100,000,000 to \$250,000,000<br>(As of 08/23/18)        | Not Rated<br>(As of 04/22/19) | Non-Admitted        |
| Homeland Insurance Company of New York | 010604             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 03/08/19)            | Not Rated<br>(As of 04/22/19) | Non-Admitted        |
| Interstate Fire and Casualty Ins. Co.  | 02267              | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 08/30/18)            | AA<br>(As of 03/17/16)        | Non-Admitted        |
| Ironshore Specialty Insurance Company  | 013866             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 05/16/18)            | A<br>(As of 05/02/17)         | Non-Admitted        |
| Lancashire Insurance Company (UK) Ltd. | 078390             | A, Excellent;<br>Financial Size Category 12;<br>\$1,000,000,000 to<br>\$1,250,000,000<br>(As of 10/24/18) | A-<br>(As of 02/28/18)        | Non-Admitted        |
| Landmark American Insurance Co.        | 012619             | A+, Superior;<br>Financial Size Category 14;<br>\$1,500,000,000 to<br>\$2,000,000,000<br>(As of 11/02/18) | A+<br>(As of 04/18/18)        | Non-Admitted        |

**Alliant Property Insurance Program  
2019-2020 Policy Year  
Schedule of Insurers**

| Company                                     | A.M. Best's I.D. # | A.M. Best's Guide Rating  | Standard and Poor's           | State of California |
|---|--------------------|---|-------------------------------|---------------------|
| Lexington Insurance Company                 | 002350             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 06/20/18)  | A+<br>(As of 06/06/17)        | Non-Admitted        |
| Liberty Mutual Fire Insurance Company       | 002282             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 05/16/18)  | A<br>(As of 06/17/14)         | Admitted            |
| Lloyd's of London                           | 085202             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 07/12/18)  | A+<br>(As of 10/12/17)        | Non-Admitted        |
| Maxum Indemnity Company                     | 012563             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 08/02/18)  | Not Rated<br>(As of 04/22/19) | Non-Admitted        |
| PartnerRe Ireland Insurance Ltd.            | 088621             | A, Excellent<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 06/15/18)   | A+<br>(As of 09/07/16)        | Non-Admitted        |
| QBE Specialty Insurance Company             | 012562             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 06/13/18)  | A+<br>(As of 06/30/18)        | Non-Admitted        |
| Westchester Surplus Lines Insurance Company | 004433             | A++, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/13/18) | AA<br>(As of 06/24/16)        | Non-Admitted        |
| Westport Insurance Corporation              | 000347             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/13/18)  | AA-<br>(As of 10/28/11)       | Admitted            |
| XL Insurance America Inc.                   | 002423             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/06/18)  | AA-<br>(As of 11/19/18)       | Admitted            |
| United Specialty Insurance Company          | 013105             | A, Excellent;<br>Financial Size Category 9;<br>\$250,000,000 to 500,000,000<br>(As of 12/19/18) | Not Rated<br>(As of 04/30/19) | Non-Admitted        |



# ORANGE COUNTY SANITATION DISTRICT Memorandum

May 20, 2020

**TO:** Chair and Members of the Board of Directors  
James D. Herberg, General Manager

**FROM:** Lorenzo Tyner  
Assistant General Manager

**SUBJECT: FY 2020-21 Property – Liability Insurance Program**

At the March Administration Committee and April Board meeting, staff and the Sanitation District’s operational insurance broker presented information on OCSD’s insurance program. The Committee requested that additional information, specifically regarding retention, and the CSRMA and PRISM (EIA) programs and how they might be appropriate for OCSD. Staff and our broker, Alliant, will provide a comprehensive presentation at the June Administration Committee meeting.

## Retention

Retention refers to the amount of money an insured person or business is initially responsible for in the event of a claim. Also called a “Self-Insured Retention”, or “SIR”, it is akin to a deductible and premium tends to go down, as retentions go up.

Annually, as part of the renewal process, our insurance broker advises staff on various options regarding retention levels. Last year, we did receive an alternative option at \$1 million retention for Property insurance (see table below). However, it was determined that the current structure (carriers/layout) of the program was most competitive based on what has historically been important to the District. The premium savings that would be achieved by doubling the retention to \$1 million level was deemed not material relative to the increase in risk. Our broker has stated that an increase to \$1 million would likely yield similar results in 2020.

### 2019 Property - Options at Varying Retentions

| Each and Every Claim - Retention | Total Insurable Value (TIV) | Total Cost        | Rate Per \$100 |
|----------------------------------|-----------------------------|-------------------|----------------|
| 500,000                          | 2,173,424,381               | \$805,344         | 0.037          |
| <u>1,000,000</u>                 | <u>2,173,424,381</u>        | <u>\$767,128</u>  | <u>0.035</u>   |
| Dollar Change                    | -                           | <b>(\$38,216)</b> | (0.002)        |
| Percent Change                   | 0.00%                       | -5%               | 0.047453       |

**2020 Property - Options at Varying Retentions**

After a review of the Program and its limits, we have determined that the historic \$1 billion All Risk (AR) Limit is no longer sustainable. Flood is now viewed as a catastrophic exposure, in the same vein that the earthquake peril is viewed. The extensive flood limits previously provided are not sustainable. Although such limits can still be obtained as shown in Option 1, maintaining these limits would increase current premiums fivefold.

| Category          | Expiring        | Option 1      | Option 2      | Option 3      | Options 4     |
|-------------------|-----------------|---------------|---------------|---------------|---------------|
| AR Program Limit  | \$1,000,000,000 | \$500,000,000 | \$500,000,000 | \$500,000,000 | \$500,000,000 |
| AR Retention      | \$500,000       | \$500,000     | \$500,000     | \$1,000,000   | \$2,000,000   |
| Flood Limits      |                 |               |               |               |               |
| Zones A, V        | \$150,000,000   | \$150,000,000 | \$25,000,000  | \$25,000,000  | \$25,000,000  |
| Zones All Other   | \$300,000,000   | \$300,000,000 | \$100,000,000 | \$100,000,000 | \$100,000,000 |
| Premium Estimates | \$805,344       | \$4,013,340   | \$983,340     | \$936,423     | \$889,506     |

**2020 Excess Liability Retention Options**

Changes to the Sanitation District Excess Liability retention from \$500,000 to \$1,000,000 results in minimal savings.

| Excess Liability Retention Options Estimates |                       |  |                      |
|--|-----------------------|--|----------------------|
| Retention                                    | 2020 Premium Estimate | Savings/Cost From \$500k Retention (Current) | Percent Savings/Cost |
| \$250,000                                    | \$1,010,229           | (\$314,479)                                  | -45%                 |
| \$500,000                                    | \$695,750             | --   | 0%                   |
| \$1,000,000                                  | \$609,477             | \$86,273                                     | 12%                  |
| \$2,000,000                                  | \$417,450             | \$192,027                                    | 28%                  |

Please note, the figures above are the best estimates based on current available information. These estimates may change between now and the receipt of final quotes in June.

**California Sanitation Risk Management Authority (CSRMA)**

The California Sanitation Risk Management Authority (CSRMA) provides broad coverage and risk management services to its members. Functioning as a Joint Powers Authority, CSRMA provides various services, including Pooled Liability, Primary Insurance, Property Insurance, Workers' Compensation, and Ancillary Coverages.

Based on these broad services, the Administration Committee requested staff research CSRMA's program to understanding the application process and to determine if they would be a cost-effective option for the Sanitation District.

CSRMA does not have written criteria for acceptance of new members, but rather is "open" and wants to be welcoming to all special districts that have wastewater operations in the State. Instead, their process is to have a Committee review application and determine eligibility based on loss history and whether they would be a net positive or net negative to the group based on that history.

There is an application fee to cover the initial cost of underwriting a new member, however, it would be waived for OCSD. There is a member application. This has been completed by staff and Alliant based on information on file.

To provide more detail on what CSRMA programs may be of assistance to OCSD, they have three main insurance programs, Property, Liability and Workers' Comp:

- A. **Property** – CSRMA participates in the same Property Insurance Program that OCSD does, Alliant's Public Entity Program (APIP). We have a higher retention at \$500K than the average CSRMA member, and although we are checking, it is unlikely that OCSD would see a benefit by participating in APIP through CSRMA when it currently participates directly.
- B. **Workers' Compensation** – The CSRMA Workers' Compensation program is a primary program, meaning members have no deductible. As such, it is not a good fit for OCSD as it carries \$1 million retention. Premium in CSRMA's program therefore would be much higher, and the process involving administering claims would be much different, likely in a way that would be unacceptable to OCSD. (Claims control).
- C. **Liability** – We are pursuing an option here whereby OCSD could join CSRMA's "Pooled Liability Program". The mechanics of this likely would need to be different than for the average CSRMA member, as OCSD is significantly larger, and both parties would likely be better off not sharing losses with one another in the typical formula that governs the member cost relationship. Rather, it was believed that an arrangement where the parties group purchases excess insurance could provide a benefit to both, so this was pursued.

There may be opportunities where both CSRMA and OCSD would benefit in a closer relationship in the area of Safety and Loss Control. Both entities have highly developed safety and loss control programs, so a closer relationship in this area would likely sharpen both programs.

Attached is the response from CSRMA regarding OCSD's inquiry regarding membership and rates. Based on staff research and the attached response from CSRMA, it does not appear that CSRMA is a good option for OCSD for any lines of coverage at this point in time,

although it may behoove us to keep lines of communication open with CSRMA for possible future opportunities.

### **Public Risk Innovation, Solutions, and Management (PRISM)**

Additionally, the Administration Committee, requested that staff research Public Risk Innovation, Solutions, and Management (PRISM) (formerly known as (CSAC EIA). PRISM is a member directed risk sharing pool.

In 1979, 29 California counties formed CSAC Excess Insurance Authority, a Joint Powers Authority, pursuant to Article 1, Chapter 5, Division 7, Title 1, of the California Government Code (Section 6500 et seq.). The sole purpose of this new JPA was to find cost-effective insurance solutions and risk management services for members.

In 2020, the EIA became Public Risk Innovation, Solutions, and Management. PRISM's successful approach to insurance has been noticed across the state of California. Membership has expanded to include 95% of counties, 70% of cities, as well as educational organizations, special districts, housing authorities, fire districts, and 27 other Joint Powers Authorities. In 2019, the Board of Directors approved expanding outside of California.

OCSD has long participated in its Excess Workers' Compensation Program. Staff has received feedback from PRISM regarding OCSD's potential participation in their Property and Excess Liability Programs (see the attached letter).

Based on OCSD's size, staff research and the attached letter from PRISM, it appears OCSD's inclusion into PRISM at this time does not work financially, and again, it may behoove us to keep lines of communication open with PRISM for possible future opportunities.

### **Status/Description of OCSD Current Program**

The Sanitation District's budget provides funds for the renewal of the following four (4) major insurances for Sanitation District operations:

#### **1) Excess General Liability Insurance**

The Sanitation District's Excess General Liability Insurance Program is currently provided through the Alliant National Municipal Liability Program (ANML). The Sanitation District has participated in the ANML, and its predecessor namesake, the California Municipal Excess Liability Program (CAMEL), since FY 1996-97.

This program currently provides the Sanitation District with a \$40 million limit of comprehensive coverage for municipal liability, bodily injury and property damage, and personal injury. The program was structured to also include Employment Practices and Public Officials Errors & Omissions coverage. The \$40 million coverage has a self-insured deductible of \$500,000. Since 1997, the Employment

Practices portion of coverage has been enhanced from a \$2 million sub-limit to the full policy limit of \$40 million.

The limits are provided by three carriers in a layered structure, Security National, Berkley National and Great American. See attached list of carriers that our broker is currently engaged with in the renewal marketing process.

**2) Excess Workers' Compensation**

The Excess Workers' Compensation insurance coverage is with the California State Association of Counties Excess Insurance Authority (CSAC EIA). The Sanitation District has participated in this program or its predecessor since 2003. The Excess Workers' Compensation program currently provides "Statutory" (unlimited) coverage with a self-insured retention (SIR), or deductible, of \$1 million. The use of Excess Workers' Compensation Insurance dates back to the late 1980's.

**3) All-Risk Property and Flood Insurance (Includes Boiler & Machinery Insurance)**

The All-Risk Property and Flood Insurance Program (Property Insurance) provides comprehensive coverage for much of the Sanitation District's real and personal property and business interruption from all perils not excluded, including fire and flood. The most significant peril excluded is earthquake, as is the peril of pandemic.

To obtain property insurance, the District participates in the Alliant Public Entity Property Insurance Program, a group purchase insurance program with thousands of public entity participants. In operation since the '90s, the program provides extreme buying power for public agencies with a breadth of coverage not found in the open commercial insurance market.

For OCSD, current Property Insurance limits are \$1 billion for most perils other than flood, and a \$150 million flood limit for buildings located in Zones A&V and \$300 million for buildings in all other flood zones. Generous sub-limits for various situations are provided for as standard offerings. Earthquake coverage is purchased separately for specific buildings.

In order to provide a complete set of coverage with a maximum of \$1 billion in limits, the Program utilizes the global insurance marketplace with 20 different insurers taking a different degree of risk in a layered and quota-share structure. See list of current carriers attached. The SIR is \$500,000 per occurrence for most types of losses. Given the overall extreme tightening in the insurance market, it is believed that in order to keep the price of coverage somewhat comparable to the expiring at the same retention that the final limit of coverage for the Program will drop from \$1 billion to \$500 million. Given the value, construction type, and spread of the facilities relative to the expected cost to keep the limit at \$1 billion, it is believed that the \$500 million



limit would be sufficient for a worst case scenario for coverages provided in the program, primarily, fire.

The Boiler & Machinery Insurance Program, part of the property insurance, provides comprehensive coverage for loss caused by machinery breakdown and explosion of steam boilers or other covered process equipment, including damage to the equipment itself and damage to other property caused by covered accidents. The current Boiler & Machinery Insurance Program provides coverage of \$100 million per occurrence with deductibles ranging from \$25,000 to \$350,000 for losses caused by covered machinery breakdown (e.g., motors, steam turbines, digesters, co-gen engines). Damages to the equipment, as well as damages to other property and improvements caused by the machinery breakdown, are covered by the Boiler & Machinery Insurance. This program augments the Sanitation District's All-Risk Property Insurance that covers perils such as fire and flood.

#### **4) Earthquake Insurance**

The District purchases a separate earthquake policy with limits of \$25 million on specific buildings valued at approximately \$160 million deemed to be important to the operations of the District. The goal of the purchase is to provide limited cover for the peril of earthquake in a manner that is relatively inexpensive and does not place an excessive burden on the budget. From time to time, usually annually, the District considers adding structures to the earthquake insurance schedule.

LT:clr

#### **Attachments**

- Letter from CSRMA to John Preston – May 11, 2020
- Letter from Alliant to John Preston – May 18, 2020
- Current Property Insurers
- 2020 Excess General Liability Markets Approached

# CSRMA California Sanitation Risk Management Authority

c/o ALLIANT INSURANCE SERVICES, INC.  
100 Pine Street, 11th Floor, San Francisco, CA 94111-5101

Insurance License No.: 0C36861  
Tel: 415.403.1400 Fax: 415.874.4813

## OFFICERS:

Greg Baatrup, *President*  
707.429.8930  
Craig Murray, *Vice President*  
805.684.7214

## PAST PRESIDENTS:

Paul Bushee  
2014-2018  
Russ Baggerly  
2010-2014

May 11, 2020

Mr. John Preston  
Risk Management Division  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708

Orange County Sanitation District  
Participation in CSRMA Programs

Dear John:

We are pleased to learn of the District's interest in CSRMA coverage programs and appreciate your providing us with enough information about the District to make informed sense about potential participation. CSRMA, a joint powers authority (JPA), was formed in the late 1980's to use risk pooling and group purchase strategies to serve the insurance and risk management needs of the California sanitation industry. Over the years, we have developed coverage offerings that have worked very well for our 58 member agencies. We are dedicated to our members, and are effectively owned collectively by them. Accordingly, we welcome the participation of eligible agencies in the JPA, which of course, OCS D has always been one.

A review of the material supplied reveals that OCS D is quite a bit larger than our average member, and almost double the size of our single largest member, using our standard metrics. This size disparity presents unique issues for participation in CSRMA programs based both on whether cover can be offered at price points that are attractive relative to what the District currently obtains in the commercial market, and whether the risk sharing formulas in CSRMA's pooling programs would remain equitable to OCS D and the rest of the membership given the size disparity. The impact of these topics will become evident as we work through our cost estimates for participation in each of CSRMA's three key programs, below.

### Workers Compensation

CSRMA's workers' compensation program is structured without a deductible (retention) for the members. This allows members to transfer 100% of their workers' compensation risk to the pool and obtain uniform, high quality claims administration service that is attuned to the needs of the membership. It is designed to be a "plug and play" system for the members, as much as that is possible in the complex workers' compensation environment. Notably, OCS D currently carries a million dollar retention on its workers' compensation program which is obviously a significant difference to our offering.

In practice, this means that the District’s premium (deposits into the risk sharing pool) to CSRMA would be several magnitudes higher in dollars than the premium the District currently pays to its excess insurer. While this is “neither good nor bad”, as one expects premium to rise as risk is reduced, the standard way to measure this tradeoff is with the “total cost of risk” concept. Using the District’s most recently available actuarial study and its current excess insurance cost relative to CSRMA’s expected 2020-21 cost reveals a meaningful cost differential in the total cost of risk:

| <b>Workers Comp Cost Item</b> | <b>OCSD 2019-2020 Program Cost Estimate</b> | <b>CSRMA Program 2020-21 Cost Estimate</b> |
|-------------------------------|---|--|
| Retained Layer Funding *      | 1,456,560                                   | N/A  |
| Pool Deposit                  | N/A   | 1,826,929                                  |
| Excess Insurance              | <u>217,762</u>                              | <u>Included</u>                            |
| Total Cost                    | 1,674,322                                   | 1,826,929                                  |

\* From BRS Actuarial 6/1/18 - Ultimate, Discounted, 80% CL, adjusted for *general* inflation at 2%

Therefore unless the District expects a significant change in the cost of its 2020-21 program, on a pure ultimate cost basis, the District would likely be better off in its existing structure rather than with the CSRMA Program. Beyond cost, CSRMA’s program would require District claims to be handled by CSRMA’s third party claims administration (TPA) firm, and we imagine that OCSD is likely comfortable in its current relationship. For these reasons, we don’t see our workers’ compensation program being a good fit for the District right now. If the District is interested in pursuing a quote for the 2021 starting fiscal year, we would recommend face to face discussions to be sure that the District would be happy for the *long run* inside CSRMA’s workers’ compensation program, as due to the risk sharing formulas, participation works best on a multi-year basis.

**Property Program**

We have reviewed the District’s property insurance specifications and note that the District participates in the same insurance program that CSRMA does, that is to say, the Alliant Property Insurance Program (APIP, f.k.a. PEPiP). We have reached out to the APIP underwriters, most notably those at the Lexington Insurance Company (AIG) about participation. They report that while they have no objection to the District accessing APIP coverage through CSRMA, because it is the “same risk” that they underwrite currently, there would be no discernable difference in cost as the District’s premium would just be added to CSRMA’s premium and then allocated back through CSRMA to the District. This aside, and all things equal, APIP through CSRMA would actually cost a bit more for the District, as the JPA would need to allocate a portion of its overhead charge associated with its program to the District.

More notable however than any nominal cost change, is that in reviewing the District’s current coverage in APIP, we have learned that the District has more extensive flood coverage than is currently provided to CSRMA members, and in the current environment, we would **not** be able to guarantee that OCSD would be able to keep what looks to be very favorable terms for flood coverage inside CSRMA’s program. For this reason, we do not believe that under the current circumstances, CSRMA’s property program is a better fit for the District rather than accessing APIP directly. Simply put, we would hate to see the District pay more, and jeopardize the flood cover that it has.

**Public Entity Liability**

Larger members in CSRMA obtain general liability coverage in our Pooled Liability Program (PLP). Coverage in the PLP is granted by a Memorandum of Coverage (policy) that is largely similar in scope to a standard public entity general liability offering from an insurer. Members *share risk* with one another between the amounts of their own deductible and where the pool’s reinsurance, attaches. The Program’s reinsurance attaches at \$500,000 which coincidentally is the current level of the District’s retention in its own liability program. Limits of \$25,500,000 are provided largely by our reinsurance partner, MunichRe. CSRMA’s program runs on a calendar year basis rather than fiscal, so there are timing issues that would need to be resolved, but a best estimate of a cost comparison at this point in time would be as follows:

| Excess Liability Cost       | OCSD 2019<br>- 500k Ret. -<br><b>\$40MM</b><br>Limit | CSRMA<br>2020 - Est.<br>\$500k Ret.<br><b>\$25M</b> Limit |
|-----------------------------|--|---|
| Funding for Retained Layer* | 571,589  | 571,589   |
| Pool Deposits/Overhead      | N/A  | 75,000  |
| Excess Ins. Expense**       | <u>515,371</u>                                       | <u>710,215</u>  |
| Total:                      | 1,086,960  | 1,356,804   |

\*From BRS Actuarial Study – Discounted, at 80% Confidence Level

\*\*Excess Ins. Expense at 2019 for OCSD, projected 2020 for CSRMA

Therefore, again, unless the District is expecting a significant increase in the cost of its excess insurance, there does not appear to be a cost advantage to the District by participating in the CSRMA pool. It is also important to note that that the current District program provides \$15MM more in limits than does the CSRMA program, which would need to be resolved to arrive at a true “apples to apples” comparison. Beyond pricing or coverage comparisons between the pool and the District’s current program, there are structural considerations to take note of when wishing to participate in the pool. Most notably, because members of the pool share risk according to a formula, uniform claim handling standards are required. Members in the program must engage assigned personnel of the pool’s claims administration firm, Carl Warren and Company. Further, the Program has a few critical policies and procedures that all members must adhere to. Most notably, as respects legal defense, barring specific circumstances, defense counsel may only be selected from the pool’s

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Mr. John Preston  
May 11, 2020

approved panel of attorneys. While this and other operational procedures work well for current members, assuring professional, uniform and cost-effective claim handling, an organization the size of OCSD may not desire such uniformity of process.

### **Conclusion**

We are acutely aware that insurance market has been in an extreme state of flux over the past year, and even more so over the past few months due to the COVID-19 issue. Our expectation is that this will continue be the case for the foreseeable future. Rightly, people are vigorously investigating all coverage options available to them. Unfortunately it does not appear that that CSRMA programs, as currently structured would necessarily be attractive to the District relative to its current program. As strong proponent of CSRMA this is not a “happy” conclusion for me to reach, but from working though the material, it is clear to me that the Programs that CSRMA has built and implemented are quite simply not designed for organizations with the size of the District.

CSRMA does however see advantages to a closer working relationship with the District and I would like to offer up the possibility of meeting with you to discuss the broader nature of an OCSD CSRMA relationship at a point in time that is mutually convenient. There may very well come a time where the numbers shift, and the math could work out much differently, such that we would do well to have discussed the many operational issues inherent participating in a risk sharing JPA beforehand. To this end, I am attaching a copy of our JPA Agreement that all members are signatories on, as well as copies of our Pool Programs, and Property Program Participation Agreements.

We are always willing to discuss topics of mutual interest with those operating within the industry, be they insurance, risk management or “other”. I would hope that you would not hesitate to contact me with any questions you may have about the contents of this letter, or any other matters of concern.

Sincerely,



Seth Cole  
Program Administrator  
(415) 403-1419  
[scole@alliant.com](mailto:scole@alliant.com)

cc: Greg Baatrup, President CSRMA  
Dennis Mulqueeny, Alliant Insurance Services



May 18, 2020

Mr. John Preston  
Risk Management - Division 260  
Orange County Sanitation District  
10844 Ellis Ave.  
Fountain Valley, Ca. 92728

2020 Quotations for Coverage  
Property and Excess Liability  
Public Risk Insurance Solutions and Management (PRISM)

Dear John:

We have completed our discussions with PRISM (formerly known as CSAC-EIA) concerning coverage for OCSD in its Property and Excess Liability Programs. As you know, OCSD has long been a member of this Joint Powers Authority, securing excess workers compensation coverage from it for many years. While PRISM would look very favorably upon OCSD participating in its programs beyond excess workers' compensation, for the reasons outlined below, it does not appear that either the Property or Excess Liability programs of PRISM would make much sense for OCSD in the current environment.

**Excess Liability**

PRISM has reviewed OCSD's application material submitted in order to provide an indication of the cost of coverage in its GL1 Program, the most appropriate program for an entity such as OCSD. Although terms and conditions of coverage are not identical to OCSD's current program (likely all things equal, besides limits of cover, the GL1 Program would likely be broader) they are similar enough in intended scope, providing general, automobile, professional and public official's liability coverage on an occurrence basis, to be comparable. A comparison of the total cost of risk for participation in GL1 at OCSD's current retention would be as follows:

| Excess Liability Cost            | OCSD 2019 -<br>500k Ret. -<br><b>\$40MM</b><br>Limit | PRISM - 2020 Est.<br>\$500k Ret. <b>\$25M</b><br>Limit |
|----------------------------------|--|--|
| Est. Funding for Retained Layer* | 571,589  | 571,589  |
| Program Overhead                 | N/A  | Incl.  |
| Excess Ins. Expense**            | <u>515,371</u>                                       | <u>1,112,000</u>                                       |
| <b>Total:</b>                    | <b>1,086,960</b>                                     | <b>1,683,589</b>                                       |

\*From latest BRS Actuarial Study - Discounted at 80% CL

\*\*Excess Ins. Expense at 2019 for OCSD, projected 2020 for PRISM

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Mr. John Preston  
May 18<sup>th</sup> 2020

Note, that in comparison to its expiring program, GL1 would be significantly more expensive providing *less* total limits of coverage. While on its face, the difference is dramatic, it is important to note that the excess liability insurance market is hardening almost daily, and we are expecting a significant increase in the cost of the District's expiring 2019 program shown above. Therefore, unless renewal costs of the existing program significantly exceed our current estimates, we don't believe participation in GL1 is an attractive option for the District at this time.

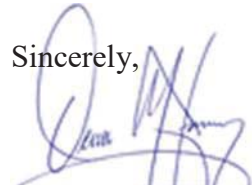
### **Property Program**

PRISM reviewed the District's property insurance specifications and a summary of the current coverages. PRISM lead underwriters at Lexington Insurance Company (AIG) report that they currently insure the District through Alliant's Property Insurance Program (APIP) and for this reason, would be "competing with themselves" if they offer a quotation. While they would have no objection to the District accessing Lexington through the PRISM Property program rather than through APIP, because it is the "same risk" underwritten currently, there would be no discernable difference in cost to the District.

This said, in reviewing the District's current coverage in APIP, it was noted that the District has significantly higher limits of flood coverage than is currently available in the PRISM program. From Lexington's vantage, these have been "grandfathered in" from a time when the property market was viewing flood risk much more favorably than it does today. PRISM would not be able to offer such flood limits. As a side note on this topic, I would point out that although we have not yet received renewal terms for the District from APIP, there may be some difficulty at keeping the current flood limits intact this year. Further, the PRISM Property Program runs on a coverage term of March 31st to March 31st so if the District would prefer to participate in the PRISM Property program a reconciliation to the Districts' current fiscal year coverage dates would need to occur, along with some discussion regarding required policies and procedures of participation.

John, from time to time in previous years, OCSD would meet with representatives from PRISM to discuss their JPA and its coverage offerings. If you would like me to schedule such a meeting in the future, I would be very happy to do so.

Sincerely,



Dennis Mulqueeney, MBA, CPCU  
Senior Vice President  
(415) 309-9926 (mobile)  
[dmulqueeney@alliant.com](mailto:dmulqueeney@alliant.com)

**Alliant Property Insurance Program  
2019-2020 Policy Year  
Schedule of Insurers**

| Company                                | A.M. Best's I.D. # | A.M. Best's Guide Rating  | Standard and Poor's           | State of California |
|--|--------------------|---|-------------------------------|---------------------|
| Arch Specialty Insurance Company       | 012523             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 to greater<br>(As of 10/11/18)            | A+<br>(As of 06/25/18)        | Non-Admitted        |
| Aspen Insurance UK Limited             | 084806             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 03/01/19)            | A<br>(As of 06/26/18)         | Non-Admitted        |
| Chubb European Group Limited           | 086485             | A++ , Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 12/13/18)          | AA<br>(As of 06/24/16)        | Non-Admitted        |
| Endurance Worldwide Insurance Limited  | 083234             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 07/20/18)            | A+<br>(As of 04/26/18)        | Non-Admitted        |
| Evanston Insurance Co.                 | 003759             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/19/18)            | A<br>(As of 07/27/17)         | Non-Admitted        |
| Hallmark Specialty Insurance Co.       | 010838             | A-, Excellent;<br>Financial Size Category 8;<br>\$100,000,000 to \$250,000,000<br>(As of 08/23/18)        | Not Rated<br>(As of 04/22/19) | Non-Admitted        |
| Homeland Insurance Company of New York | 010604             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 03/08/19)            | Not Rated<br>(As of 04/22/19) | Non-Admitted        |
| Interstate Fire and Casualty Ins. Co.  | 02267              | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 08/30/18)            | AA<br>(As of 03/17/16)        | Non-Admitted        |
| Ironshore Specialty Insurance Company  | 013866             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or greater<br>(As of 05/16/18)            | A<br>(As of 05/02/17)         | Non-Admitted        |
| Lancashire Insurance Company (UK) Ltd. | 078390             | A, Excellent;<br>Financial Size Category 12;<br>\$1,000,000,000 to<br>\$1,250,000,000<br>(As of 10/24/18) | A-<br>(As of 02/28/18)        | Non-Admitted        |
| Landmark American Insurance Co.        | 012619             | A+, Superior;<br>Financial Size Category 14;<br>\$1,500,000,000 to<br>\$2,000,000,000<br>(As of 11/02/18) | A+<br>(As of 04/18/18)        | Non-Admitted        |



**Alliant Property Insurance Program  
2019-2020 Policy Year  
Schedule of Insurers**

| Company                                     | A.M. Best's I.D. # | A.M. Best's Guide Rating  | Standard and Poor's           | State of California |
|---|--------------------|---|-------------------------------|---------------------|
| Lexington Insurance Company                 | 002350             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 06/20/18)  | A+<br>(As of 06/06/17)        | Non-Admitted        |
| Liberty Mutual Fire Insurance Company       | 002282             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 05/16/18)  | A<br>(As of 06/17/14)         | Admitted            |
| Lloyd's of London                           | 085202             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 07/12/18)  | A+<br>(As of 10/12/17)        | Non-Admitted        |
| Maxum Indemnity Company                     | 012563             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 08/02/18)  | Not Rated<br>(As of 04/22/19) | Non-Admitted        |
| PartnerRe Ireland Insurance Ltd.            | 088621             | A, Excellent<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 06/15/18)   | A+<br>(As of 09/07/16)        | Non-Admitted        |
| QBE Specialty Insurance Company             | 012562             | A, Excellent;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 06/13/18)  | A+<br>(As of 06/30/18)        | Non-Admitted        |
| Westchester Surplus Lines Insurance Company | 004433             | A++, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/13/18) | AA<br>(As of 06/24/16)        | Non-Admitted        |
| Westport Insurance Corporation              | 000347             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/13/18)  | AA-<br>(As of 10/28/11)       | Admitted            |
| XL Insurance America Inc.                   | 002423             | A+, Superior;<br>Financial Size Category 15;<br>\$2,000,000,000 or Greater<br>(As of 12/06/18)  | AA-<br>(As of 11/19/18)       | Admitted            |
| United Specialty Insurance Company          | 013105             | A, Excellent;<br>Financial Size Category 9;<br>\$250,000,000 to 500,000,000<br>(As of 12/19/18) | Not Rated<br>(As of 04/30/19) | Non-Admitted        |

**Alliant National Municipal Liability Program  
2020-2021 Policy Year  
Schedule of Insurers Approached**

| <b>Excess Casualty Markets</b> |                          |
|--------------------------------|--------------------------|
| Great American                 | ProSight                 |
| Markel                         | Sompo / Endurance        |
| Canopus (previously ATL)       | Swiss Re                 |
| Everest                        | Tokio Millennium         |
| Scion                          | Transatlantic Re         |
| Munich                         | Travelers                |
| Safety National                | United Educators         |
| Berkley                        | Allied Public Risk (APR) |
| Brit                           | Old Republic             |
| Chubb                          | QBE                      |
| AIG / Lexington                | Arch Re                  |
| Allianz Risk Transfer (ART)    | Argo Re                  |
| Ategrity                       | Ascot Syndicate          |
| Axis Re                        | AWAC Syndicate           |
| Berkshire Hathaway             | Axa Re                   |
| Euclid                         | Hamilton Re              |
| Genesis/General Star           | Third Point Re           |
| GenRe                          | XL Re                    |
| Great American Custom          | Aspen Re                 |
| Hallmark                       | Convex                   |
| Hamilton Specialty             | Hiscox Syndicate         |
| Hudson Structure               | Markel Dublin            |
| IAT Re                         | Renaissance Re Syndicate |
| Liberty Mutual                 | Scor Re                  |
| Navigators                     | Partner Re               |
| Odyssey Re                     |                          |



# Orange County Sanitation District

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## ADMINISTRATION COMMITTEE

### Agenda Report

**File #:** 2020-1068

**Agenda Date:** 6/10/2020

**Agenda Item No:** 8.

**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**PROPOSED FY 2020-21 AND FY 2021-22 BUDGET**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the proposed Operating, Capital, Debt Service, and Self-Insurance Budgets for FY 2020-21 and FY 2021-22 as follows:

|  | <b>FY 2020-21</b>     | <b>FY 2021-22</b>     |
|--|-----------------------|-----------------------|
| Net Operating                                | \$ 173,910,516        | \$ 174,065,159        |
| Self-Insurance - Workers' Comp               | \$ 780,000            | \$ 800,000            |
| Self-Insurance - Property & Gen. Liability   | \$ 1,630,000          | \$ 1,680,000          |
| Net Capital Improvement Program              | \$ 147,562,000        | \$ 240,846,000        |
| Debt/COP Service(1)                          | \$ 72,838,369         | \$ 240,591,869        |
| Intra-District Joint Equity Purchase/Sale(2) | \$ 3,500,000          | \$ 3,500,000          |
| <b>Total</b>                                 | <b>\$ 400,220,885</b> | <b>\$ 661,483,028</b> |

(1) Includes \$173,855,000 in maturing and callable debt

(2) Cash to/from Revenue Area 14 (RA14) in exchange for capital assets to/from Consolidated Revenue Area 15 (RA15)

### BACKGROUND

The FY 2020-21 and FY 2021-22 Proposed Budget is enclosed for the Committee's consideration. The Budget has been presented to the Operations Committee at the regular June meeting in order to allow each Standing Committee an opportunity to review the proposal prior to the June Board meeting.

Although each Committee has had an opportunity to review the proposal, it remains the responsibility of the Administration Committee to recommend approval.

The Administration Committee is requested to recommend that the Board of Directors approve this budget at the June 24, 2020 Board meeting.

## RELEVANT STANDARDS

- Produce Operating and CIP budgets every two years, with annual update

## PROBLEM

The Orange County Sanitation District (Sanitation District) cannot maintain and monitor its financial condition, operations, and future capital improvements without examination and transparency into its resources, revenues, reserves, and outlays.

## PROPOSED SOLUTION

Providing the Board of Directors with an understanding of the Sanitation District's resources will assist in the approval of the proposed two-year budget.

## TIMING CONCERNS

The proposed two-year budget, effective July 1 of this year, will be finalized and presented to the Board for adoption in June.

## RAMIFICATIONS OF NOT TAKING ACTION

The Sanitation District will not be able to carry out its financial fiduciary duties beyond June 30, 2020.

## PRIOR COMMITTEE/BOARD ACTIONS

N/A

## ADDITIONAL INFORMATION

The second year of the two-year budget is being proposed at \$662 million, or approximately \$262 million more than the first-year proposed amount of \$40 million. This increase is primarily due to potentially paying off \$174 million in maturing and callable debt and the 2020-21 and 2021-22 cashflow requirements of the Sanitation District's Capital Improvement Program, \$148 million and \$241 million, respectively

## ATTACHMENT

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

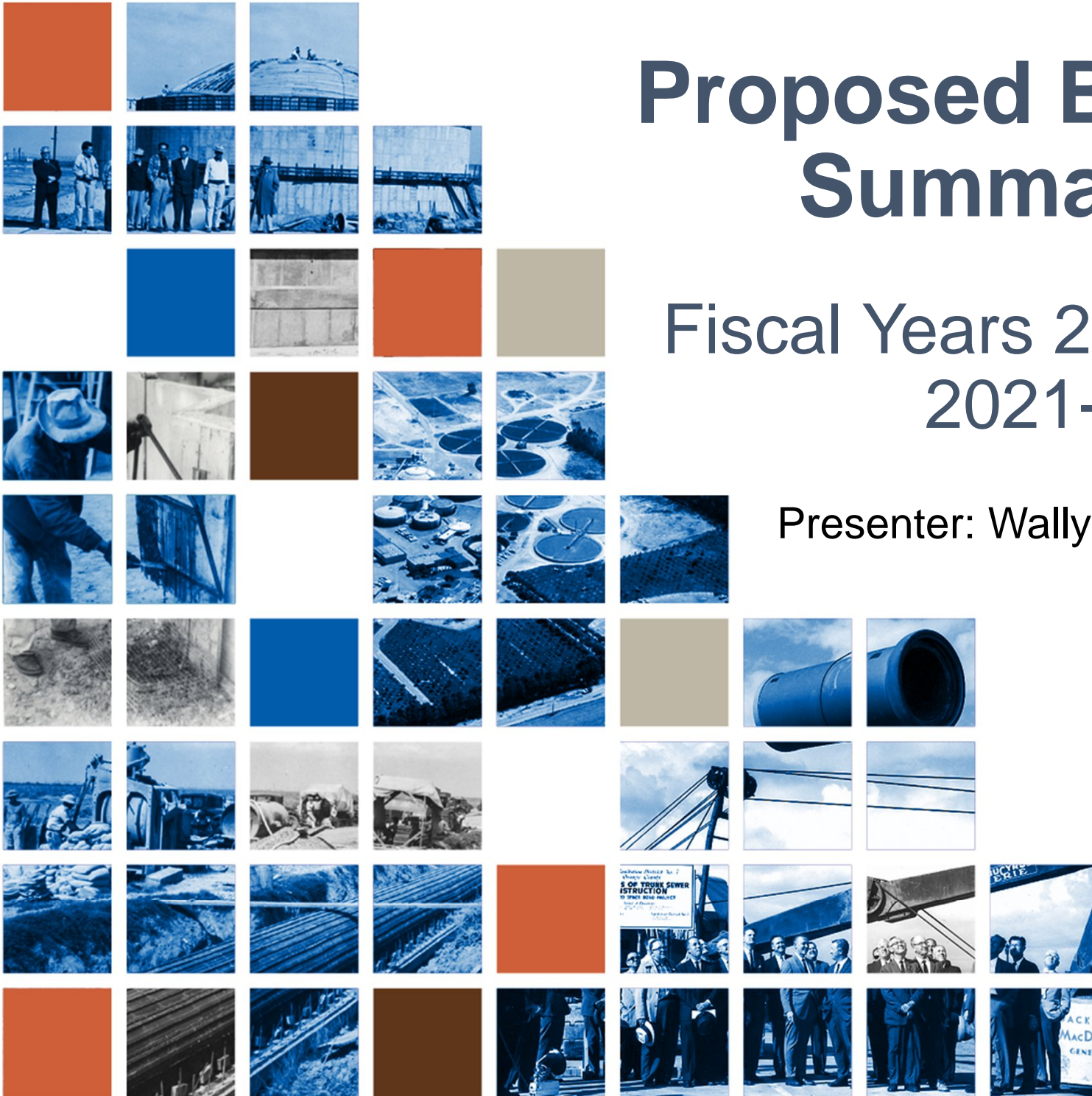
- FY 2020-21 & FY 2021-22 Budget Presentation
- Proposed FY 2020-21 & FY 2021-22 Executive Budget Summary
- Proposed FY 2020-21 & FY 2021-22 Budget (*separate electronic file*)

# Proposed Budget Summary

Fiscal Years 2020-21 and  
2021-22

Presenter: Wally Ritchie, Controller

Administration  
Committee  
June 10, 2020



# Budget Presentations



February – Budget Assumptions

March – Revenues

April – Expenditures

May – Capital Improvement Program

June – Budget Overview

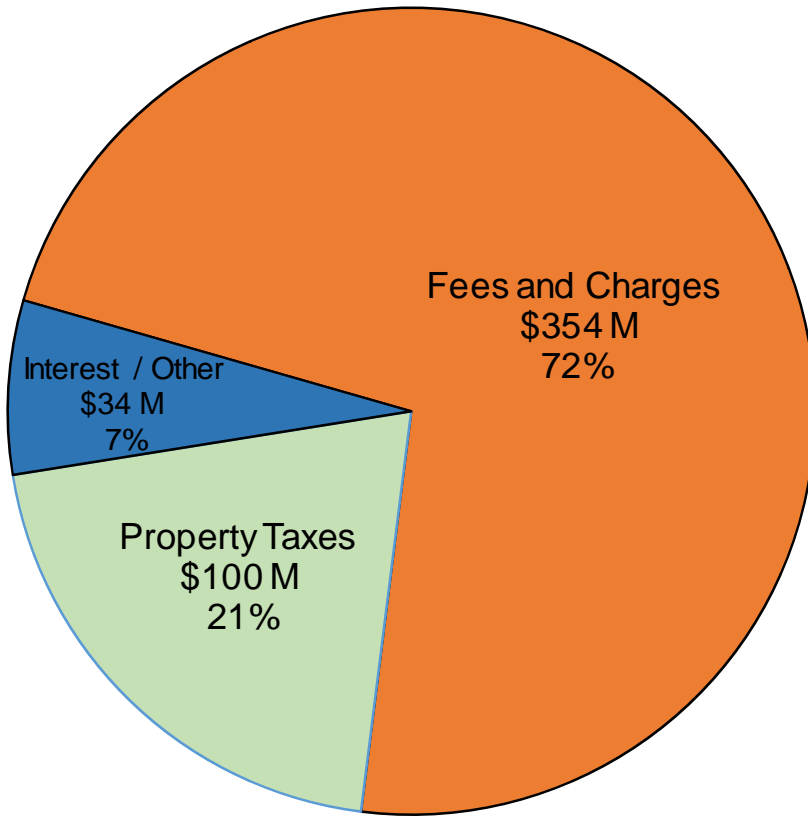
# Proposed Budget Summary



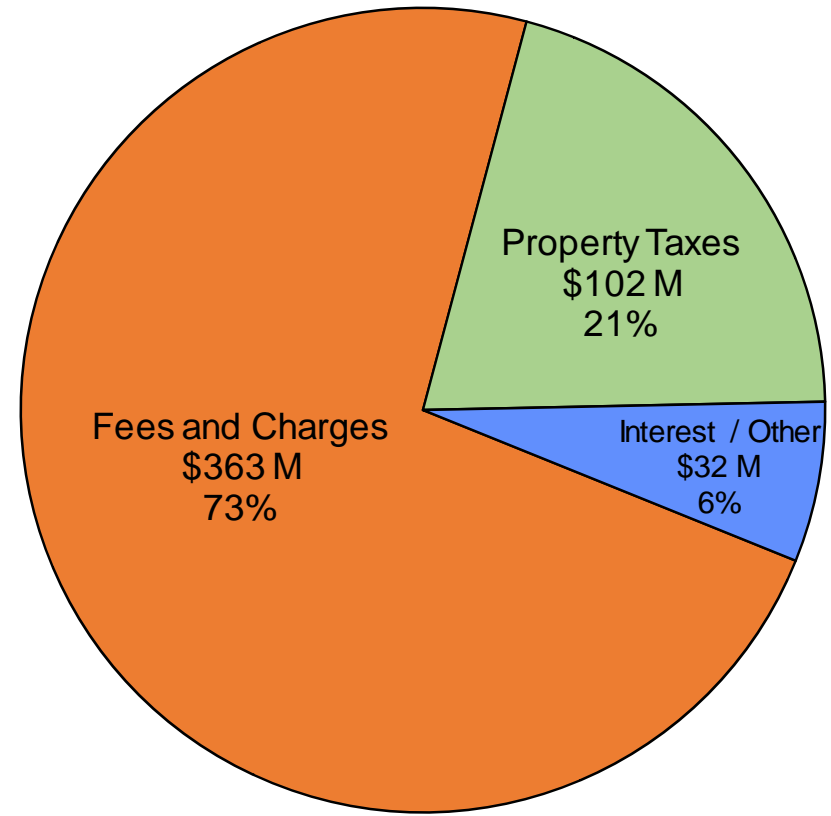
| Revenues              | FY 20-21        | FY 21-22        |
|-----------------------|-----------------|-----------------|
| Fees and Charges      | \$ 354 M (72%)  | \$ 363 M (73%)  |
| Property Taxes        | \$ 100 M (21%)  | \$ 102 M (21%)  |
| Interest/Other        | \$ 34 M ( 7%)   | \$ 32 M ( 6%)   |
| <b>Total Revenues</b> | <b>\$ 488 M</b> | <b>\$ 497 M</b> |

| Outlays              | FY 20-21        | FY 21-22        |
|----------------------|-----------------|-----------------|
| Net CIP              | \$ 148 M (37%)  | \$ 241 M (36%)  |
| Operating            | \$ 176 M (44%)  | \$ 177 M (27%)  |
| Debt Service         | \$ 73 M (18%)   | \$ 240 M (36%)  |
| Other                | \$ 3 M ( 1%)    | \$ 4 M ( 1%)    |
| <b>Total Outlays</b> | <b>\$ 400 M</b> | <b>\$ 662 M</b> |

# Major Revenue Component – Fees and Charges



Proposed Revenues  
**FY 20-21 = \$488 Million**



Proposed Revenues  
**FY 21-22 = \$497 Million**

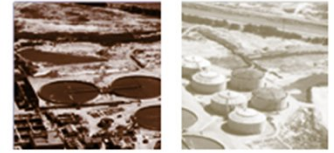


# User Fee Revenue



|                                     | Proposed        |                 |
|-------------------------------------|-----------------|-----------------|
|                                     | FY 20-21        | FY 21-22        |
| General User Fees                   | \$ 321 M        | \$ 329 M        |
| Permit User Fees                    | \$ 13 M         | \$ 13 M         |
| Capital Facilities Capacity Charges | \$ 20 M         | \$ 21 M         |
| <b>Total Fees &amp; Charges</b>     | <b>\$ 354 M</b> | <b>\$ 363 M</b> |

# Property Tax and Other Revenue



|                             | Proposed        |                 |
|-----------------------------|-----------------|-----------------|
|                             | FY 20-21        | FY 21-22        |
| Property Tax Revenue        | \$ 100 M        | \$ 102 M        |
| Interest Revenue            | \$ 13 M         | \$ 12 M         |
| Other                       | \$ 21 M         | \$ 20 M         |
| <b>Total General Income</b> | <b>\$ 134 M</b> | <b>\$ 134 M</b> |

# OCSD Outlay Categories



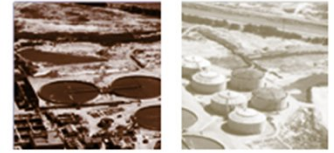
|                         | Proposed        |                 |
|-------------------------|-----------------|-----------------|
|                         | FY 20-21        | FY 21-22        |
| Net Capital Improvement | \$ 148 M        | \$ 241 M        |
| Operating Expense       | \$ 176 M        | \$ 177 M        |
| Debt Service            | \$ 73 M         | \$ 240 M        |
| Other                   | \$ 3 M          | \$ 4 M          |
| <b>Total Outlays</b>    | <b>\$ 400 M</b> | <b>\$ 662 M</b> |

# Proposed Operating Expense Summary



| Description                                | Proposed          |                   |
|--|-------------------|-------------------|
|  | FY 20-21          | FY 21-22          |
| Salaries and Wages                         | \$ 102.1 M        | \$ 107.3 M        |
| Contractual Services                       | 19.2 M            | 19.4 M            |
| Repairs and Maintenance                    | 28.4 M            | 24.2 M            |
| Operating Mat'ls & Supplies                | 21.5 M            | 21.3 M            |
| Utilities                                  | 8.4 M             | 8.4 M             |
| Professional Services                      | 5.7 M             | 5.8 M             |
| Other                                      | 11.8 M            | 11.8 M            |
| Cost Allocation                            | (20.8 M)          | (21.7 M)          |
| <b>Subtotal Net Operating Requirements</b> | <b>173.9 M</b>    | <b>174.1 M</b>    |
| Self-Insurance                             | 2.4 M             | 2.4 M             |
| <b>Total Net Operating Requirements</b>    | <b>\$ 176.3 M</b> | <b>\$ 176.5 M</b> |

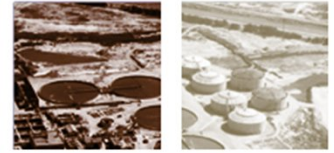
# Salaries and Benefits



|                                | Proposed |          |
|--------------------------------|----------|----------|
|                                | FY 20-21 | FY 21-22 |
| <b>SALARIES &amp; BENEFITS</b> | \$ 102.1 | \$ 107.3 |
| Salaries & Wages               | \$ 79.3  | \$ 83.3  |
| Benefits                       | \$ 22.8  | \$ 24.0  |

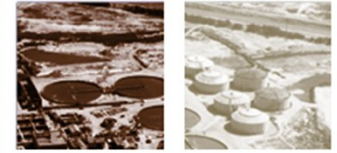
\* Salaries & Benefits make up less than 26% of the total budget

# Contractual Services



|                      | Proposed |          |
|----------------------|----------|----------|
|                      | FY 20-21 | FY 21-22 |
| CONTRACTUAL SERVICES | \$ 19.2  | \$ 19.4  |
| Solids Removal       | \$ 12.4  | \$ 12.4  |
| Security Services    | \$ 1.6   | \$ 1.6   |
| Temporary Services   | \$ 0.5   | \$ 0.5   |
| Janitorial           | \$ 0.5   | \$ 0.5   |
| County Service Fee   | \$ 0.5   | \$ 0.5   |

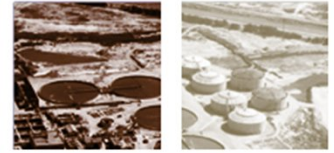
# Repairs & Maintenance



|                       | Proposed |          |
|-----------------------|----------|----------|
|                       | FY 20-21 | FY 21-22 |
| REPAIRS & MAINTENANCE | \$ 28.4  | \$ 24.2  |
| Services              | \$ 14.5  | \$ 13.0  |
| Materials             | \$ 9.4   | \$ 6.6   |
| Service Agreements    | \$ 4.5   | \$ 4.6   |

\*Includes Bushard Diversion Structure repair, Sunflower Trunkline liner repairs, centrifuge overhaul, primary & secondary clarifier repairs, digester cleaning, various pump and drive repairs

# Operating Materials and Supplies



|  | Proposed |          |
|--|----------|----------|
|  | FY 20-21 | FY 21-22 |

|                     |         |         |
|---------------------|---------|---------|
| OPER. MAT'LS & SUPP | \$ 21.5 | \$ 21.3 |
| Odor Control        | \$ 6.9  | \$ 7.3  |
| Chemical Coagulants | \$ 10.6 | \$ 10.6 |
| Other Chemicals     | \$ 0.6  | \$ 0.6  |
| Other               | \$ 3.4  | \$ 2.8  |

\*Chemicals are 84% of Operating Materials and Supplies



# Utilities



## Proposed FY 20-21      FY 21-22

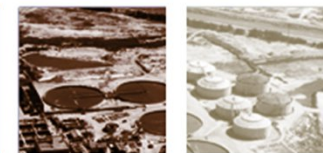
|             |        |        |
|-------------|--------|--------|
| UTILITIES   | \$ 8.4 | \$ 8.4 |
| Power       | \$ 6.1 | \$ 6.1 |
| Water       | \$ 1.1 | \$ 1.1 |
| Natural Gas | \$ 0.7 | \$ 0.7 |
| Telephone   | \$ 0.5 | \$ 0.5 |

# Departmental Operating Summary



| Department              | FY 20-21<br>Budget | FY 21-22<br>Budget | FY 20-21<br>FTEs | FY 21-22<br>FTEs |
|-------------------------|--------------------|--------------------|------------------|------------------|
| General Manager         | \$ 4.3 M           | \$ 4.4 M           | 18               | 18               |
| Human Resources         | 6.6 M              | 7.0 M              | 26               | 26               |
| Administrative Services | 27.3 M             | 28.1 M             | 101              | 101              |
| Environmental Services  | 19.3 M             | 20.3 M             | 93               | 93               |
| Engineering             | 5.6 M              | 5.6 M              | 117              | 117              |
| Operations/Maintenance  | 110.8 M            | 108.7 M            | 284              | 284              |
| <b>Total</b>            | <b>\$ 173.9 M</b>  | <b>\$ 174.1 M</b>  | <b>639</b>       | <b>639</b>       |

# CIP Authorization

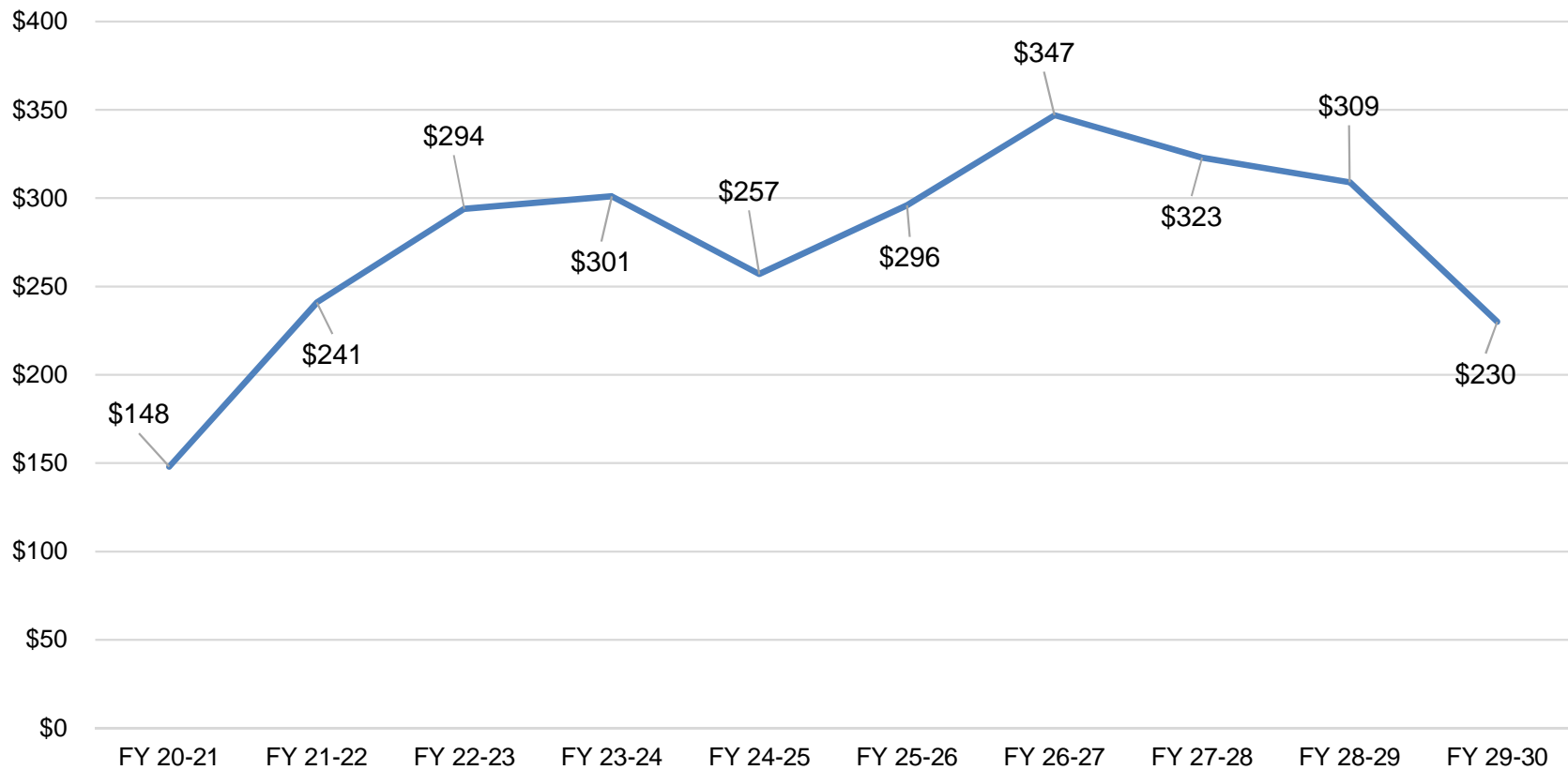


|                                | Proposed         |                  |
|--------------------------------|------------------|------------------|
|                                | FY 20-21         | FY 21-22         |
| Replacement/Rehabilitation     | \$ 101 M         | \$ 177 M         |
| Additional Capacity            | \$ 14 M          | \$ 11 M          |
| Strategic Initiatives          | \$ 44 M          | \$ 72 M          |
| Regulatory                     | \$ 6 M           | \$ 2 M           |
| <b>Total Authorized Outlay</b> | <b>\$ 165 M</b>  | <b>\$ 262 M</b>  |
| <b>Savings &amp; Deferrals</b> | <b>(\$ 17 M)</b> | <b>(\$ 21 M)</b> |
| <b>Total Projected Net CIP</b> | <b>\$ 148 M</b>  | <b>\$ 241 M</b>  |

# CIP Program

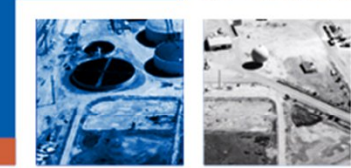
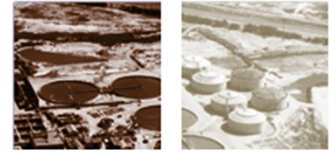


10 - Year Net CIP  
(in millions)



\* 10 – Year total for CIP - \$4.7 Billion

# Debt Service



|                           | Proposed       |                 |
|---------------------------|----------------|-----------------|
|                           | FY 20-21       | FY 21-22        |
| Principle                 | \$ 31 M        | \$ 202 M        |
| Interest                  | \$ 42 M        | \$ 38 M         |
| <b>Total Debt Service</b> | <b>\$ 73 M</b> | <b>\$ 240 M</b> |

\* FY 21-22 -

\$ 72 M 2012A Refunding is callable

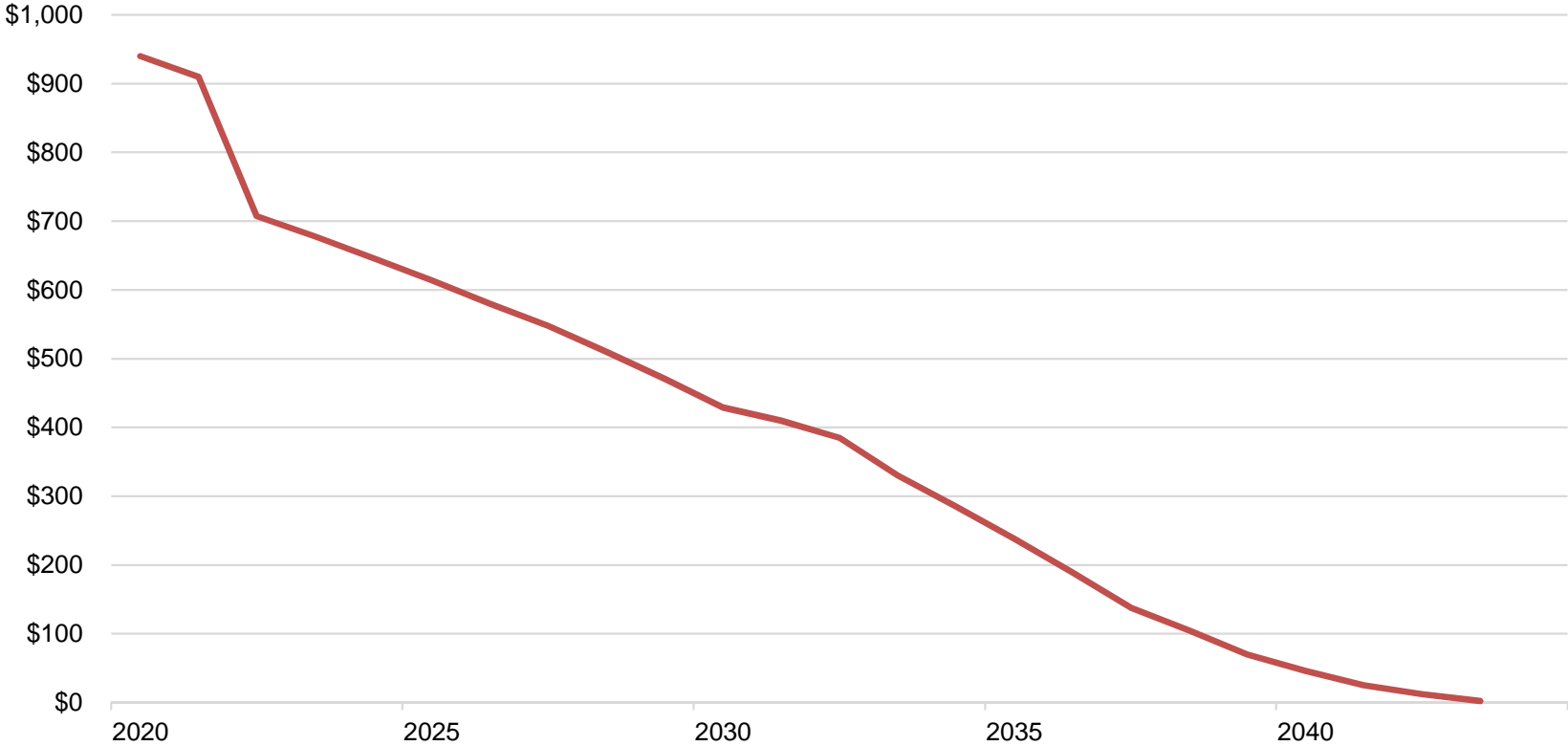
\$102 M 2018A Refunding matures

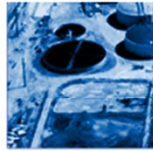
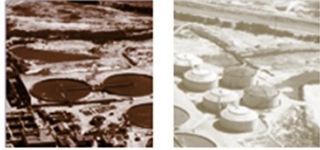
\$174 M callable or matures

# Future Debt Service



Future Debt Service  
(in millions)





# Questions?



# EXECUTIVE SUMMARY



**FISCAL YEARS  
2020-2021 and 2021-2022**

*Orange County Sanitation District, California*

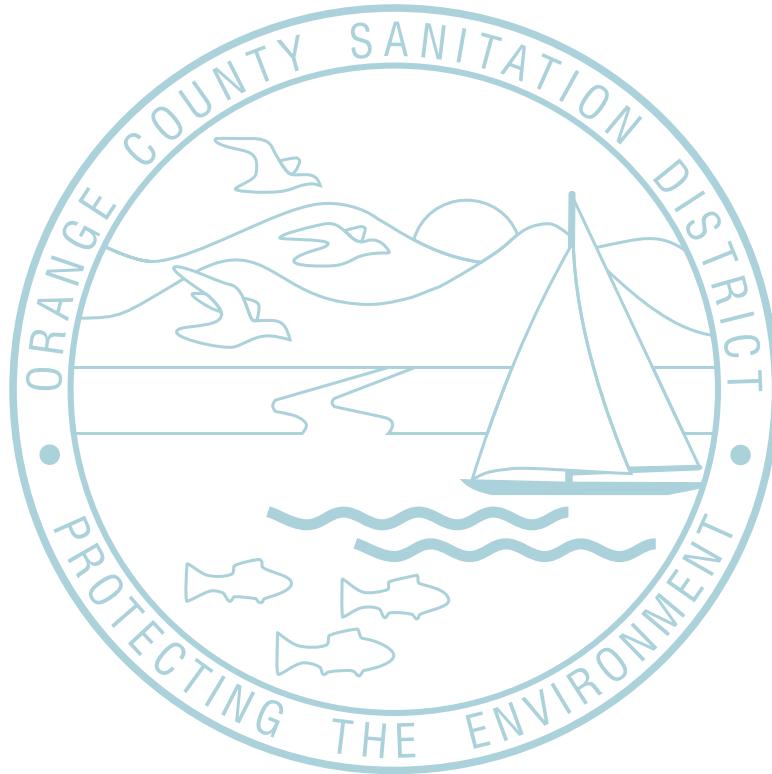




**Orange County Sanitation District, California**

# **BUDGET EXECUTIVE SUMMARY**

**Fiscal Years 2020-21 and 2021-22**



## **OUR MISSION**

*"To protect public health and the environment by providing effective wastewater collection, treatment, and recycling."*



# GFOA BUDGET PRESENTATION AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

## *Distinguished Budget Presentation Award*

PRESENTED TO

**Orange County Sanitation District  
California**

For the Fiscal Year Beginning

**July 1, 2018**

*Christopher P. Morrill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Orange County Sanitation District, California, for its biennial budget for the biennium beginning July 1, 2018.

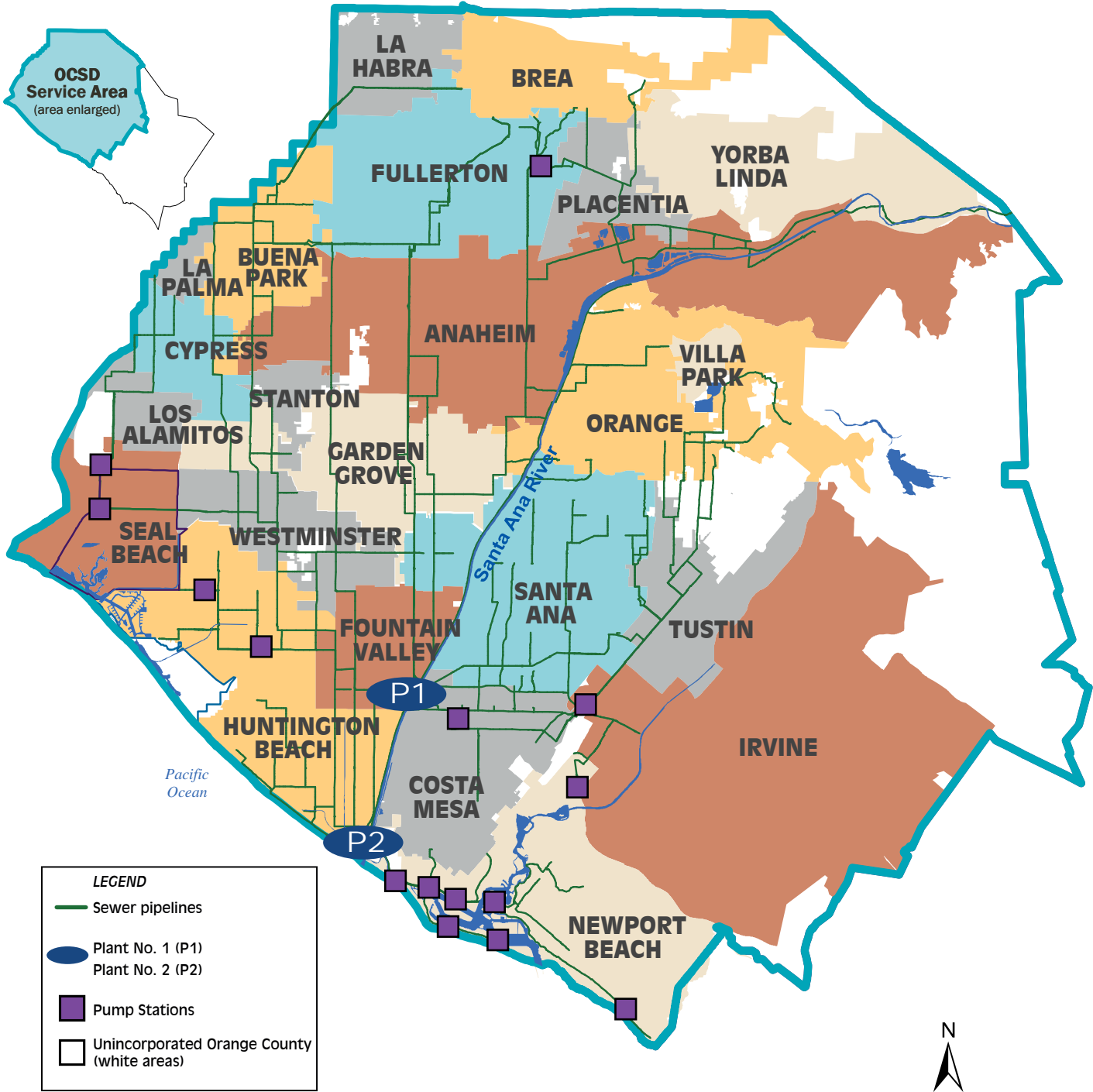
In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

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# OCSD SERVICE AREA

## Orange County Sanitation District Service Area and Treatment Plant Locations in Orange County, California



DISCLAIMER: Map prepared by the Orange County Sanitation District. This map is intended for graphical representation only. No level of accuracy is claimed. Portions of this derived product contain geographical information copyrighted by Rand McNally 2013. All Rights Reserved. REVISED: 2018

# BOARD OF DIRECTORS

## Agency/City

## Active Director

## Alternate Director

|                  |                     |                   |
|------------------|---------------------|-------------------|
| Anaheim          | Lucille Kring       | Denise Barnes     |
| Brea             | Glenn Parker        | Cecilia Hupp      |
| Buena Park       | Fred Smith          | Connor Traut      |
| Cypress          | Mariellen Yarc      | Stacy Berry       |
| Fountain Valley  | Steve Nagel         | Patrick Harper    |
| Fullerton        | Jesus J. Silva      | Jan Flory         |
| Garden Grove     | Steve Jones         | John O'Neill      |
| Huntington Beach | Erik Peterson       | Lyn Semeta        |
| Irvine           | Christina Shea      | Anthony Kuo       |
| La Habra         | Tim Shaw            | Rose Espinoza     |
| La Palma         | Peter Kim           | Nitesh Patel      |
| Los Alamitos     | Richard Murphy      | Dean Grose        |
| Newport Beach    | Brad Avery          | Joy Brenner       |
| Orange           | Mark Murphy         | Kim Nichols       |
| Placentia        | Chad Wanke          | Ward Smith        |
| Santa Ana        | Cecilia Iglesias    | David Penaloza    |
| Seal Beach       | Sandra Massa-Lavitt | Schelly Sustarsic |
| Stanton          | David Shawver       | Carol Warren      |
| Tustin           | Allan Bernstein     | Chuck Puckett     |
| Villa Park       | Robert Collacott    | Chad Zimmerman    |

## Sanitary/Water Districts

|                                      |                   |                  |
|--------------------------------------|-------------------|------------------|
| Costa Mesa Sanitary District (CMSD)  | James M. Ferryman | Robert Ooten     |
| Midway City Sanitary District (MCSD) | Andrew Nguyen     | Margie L. Rice   |
| Irvine Ranch Water District (IRWD)   | John Withers      | Douglas Reinhart |
| Yorba Linda Water District (YLWD)    | Brooke Jones      | Phil Hawkins     |

## County Areas

|                                    |              |                  |
|------------------------------------|--------------|------------------|
| Member of the Board of Supervisors | Doug Chaffee | Donald P. Wagner |
|------------------------------------|--------------|------------------|

# BOARD COMMITTEES

## Steering Committee

David Shawver, Board Chair (Stanton)  
John Withers, Board Vice-Chair (IRWD)  
Chad Wanke, Chair, Administration Committee  
(Placentia)  
Robert Collacot, Chair, Operations Committee  
(Villa Park)  
Peter Kim, LaPA Committee (La Palma)  
Glen Parker, Member-At-Large (Brea)  
Tim Shaw, Member-At-Large (La Habra)

## Legislative and Public Affairs Committee

Peter Kim, Board Chair (La Palma)  
Allan Bernstein, Board Vice-Chair (Tustin)  
Lucille Kring, Member-At-Large (Anaheim)  
Erik Peterson, Member-At-Large  
(Huntington Beach)  
Christina Shea, Member-At-Large (Irvine)  
David Shawver, Board Chair (Stanton)  
John Withers, Board Vice-Chair (IRWD)

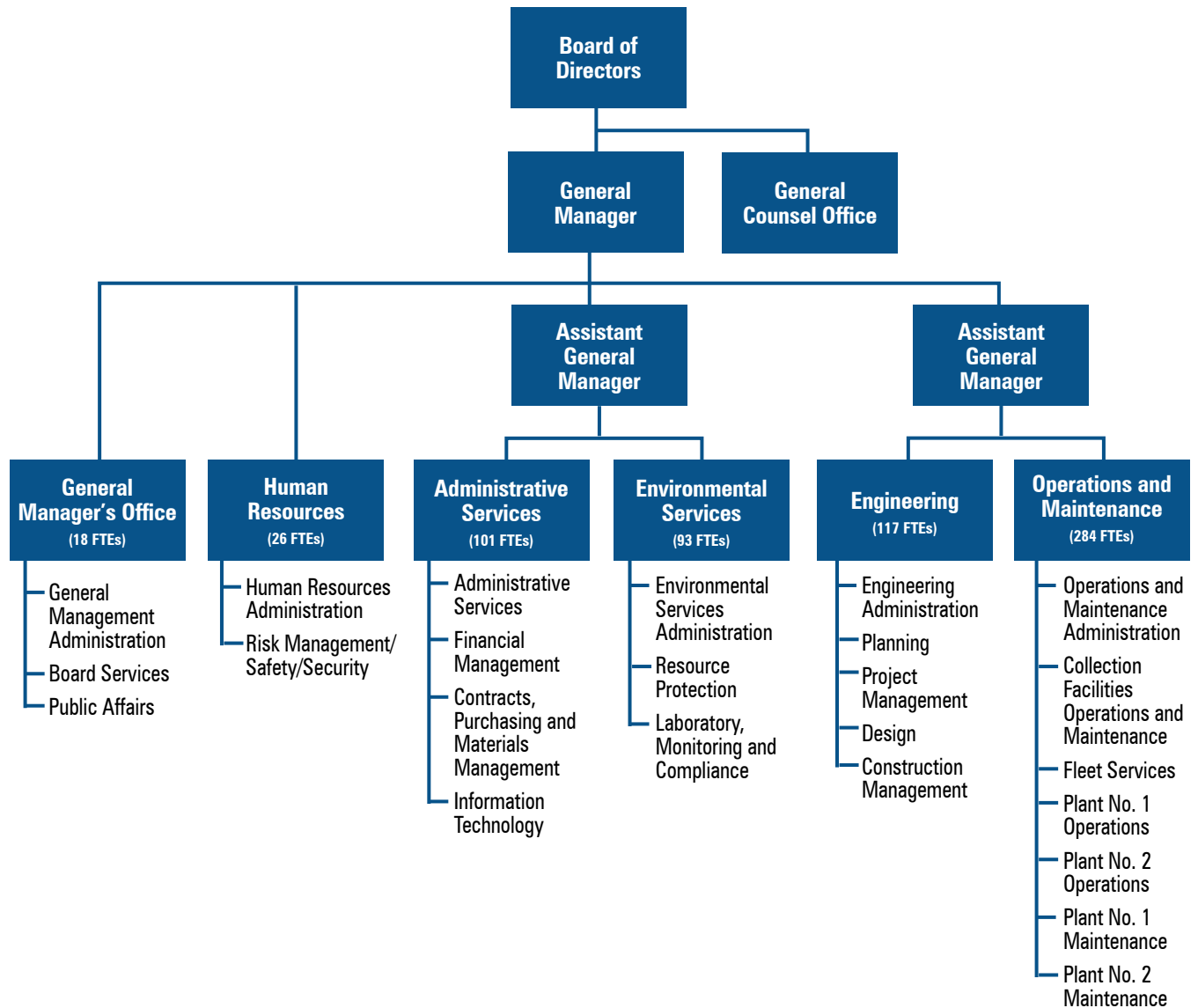
## Administration Committee

Chad Wanke, Chair (Placentia)  
Richard Murphy, Vice-Chair (Los Alamitos)  
James Ferryman (CSMD)  
Cecilia Iglesias (Santa Ana)  
Peter Kim (La Palma)  
Mark Murphy (Orange)  
Steve Nagel (Fountain Valley)  
Andrew Nguyen (MCSD)  
Glenn Parker (Brea)  
Erik Peterson (Huntington Beach)  
Christina Shea (Irvine)  
David Shawver, Board Chair (Stanton)  
John Withers, Board Vice-Chair (IRWD)

## Operations Committee

Robert Collacott, Chair (Villa Park)  
Mariellen Yarc, Vice-Chair (Cypress)  
Brad Avery (Newport Beach)  
Allan Bernstein (Tustin)  
Doug Chaffee (Board of Supervisors)  
Brooke Jones (YLWD)  
Steve Jones (Garden Grove)  
Lucille Kring (Anaheim)  
Sandra Massa-Lavitt (Seal Beach)  
Tim Shaw (La Habra)  
Jesus J. Silva (Fullerton)  
Fred Smith (Buena Park)  
David Shawver, Board Chair (Stanton)  
John Withers, Board Vice-Chair (IRWD)

# ORGANIZATION CHART





# ADMINISTRATIVE OFFICIALS

## Management Team

General Manager ..... James D. Herberg

Assistant General Manager and Director of Finance and Administrative Services ..... Lorenzo Tyner

Assistant General Manager and Director of Operations and Maintenance ..... Robert Thompson

Director of Engineering ..... Kathy Millea

Director of Environmental Services ..... Lan C. Wiborg

Director of Human Resources ..... Celia Chandler

General Counsel ..... Bradley R. Hogin



# MESSAGE FROM THE GENERAL MANAGER

June 1, 2020

Honorable Chair and Board of Directors:

I am pleased to submit the Orange County Sanitation District's (OCSD) Proposed Budget for fiscal years 2020-2021 and 2021-2022. This document lays out the framework of OCSD's activities during the next two years and serves as a source of information for OCSD's Board of Directors, our ratepayers, and our employees. This budget includes the operational, capital and debt service expenditures necessary to cost-effectively support our mission and execute the Strategic Plan adopted by our Board of Directors in November 2019.

This budget is being submitted at a challenging time for our community, the state, and our nation amid the COVID-19 pandemic. There are unknowns and uncertainties regarding the duration, the immediate and long-term impacts, and what the new "normal" will look like. During the budget preparation and presentation, our staff has been aware of, and has considered this extraordinary situation. Fortunately, under the guidance and policies set by the Board of Directors, the proposed budget reflects a financially sound and stable organization capable of weathering this storm.

I would like to highlight some of the areas of focus for the coming years:

- Operational Readiness – OCSD has always been a forward-looking agency, whether it is for operational reliability, future infrastructure needs, emergency events such as spills and storms, or unknown situations such as pandemics. We have Business Continuity Plans in place, and we conduct regular tabletop exercises for various scenarios to allow us to respond quickly and effectively without compromising our mission or levels of service. As we move forward, our efforts will continue to focus on planning, preparation and integration so that regardless of what future situations we face, OCSD will be ready.
- Expanded Recycling Efforts
  - Groundwater Replenishment System Final Expansion – In partnership with the Orange County Water District (OCWD), our agency recycles enough water to supply the needs of 850,000 people through the Groundwater Replenishment System (GWRS). Earlier this year, construction began on the Final Expansion phase of this internationally recognized project. Changes and additions to infrastructure will allow for the treated water from Plant No. 2 that is currently underutilized, to be processed at the GWRS facility in Fountain Valley. With this final phase, the GWRS will provide a reliable water source for over one million people in central and northern Orange County.
  - Food Waste Treatment Facility – A project created for cities in our service area to satisfy the requirements of California State Assembly Bill 1826 and Senate Bill 1383 which require that organic wastes be diverted away from landfills. This regulatory shift has created an opportunity in the wastewater sector to provide a cost effective and environmentally friendly service to help manage organics using OCSD's existing anaerobic digesters, which in turn will produce renewable energy to power our treatment plants.
- Headquarters Complex – In our ongoing effort to streamline our operations and planning, we have acquired 7.5 acres across Ellis Avenue from Reclamation Plant No. 1 in Fountain Valley. The buildings on those properties will be demolished to make room for a consolidated headquarters building to house the staff that are currently located in various buildings and trailers spread out on the existing 100-acre wastewater treatment facility. Adding a headquarters complex will free up needed space for future wastewater treatment infrastructure and will centralize our administrative functions. Today, we are 95 percent complete in design and expect to enter construction in 2021 and be move-in ready by the end of 2023.
- Capital Improvement Program – OCSD's Capital Improvement Program (CIP) has evolved over time. It began by focusing on creating the initial infrastructure of the collections and treatment system, shifted to expanding capacity, and now our focus is on aging infrastructure, incorporating climate resiliency, seismic risk, and maximizing resource recovery. During the evolution of this program, one thing has remained; OCSD facilities must operate reliably with sound financial management. While the COVID-19 pandemic has resulted

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

in operational modifications, our CIP has not been significantly impacted. OCSD will continue to construct essential wastewater infrastructure, investing \$500 million in wastewater infrastructure in the next year and a half, issuing construction contracts for 37 projects and helping keep the economic engine running in Orange County.

- **Infrastructure Reliability and Asset Management** – OCSD’s infrastructure must operate continuously day and night. Reliability must be built into all that we do and that includes managing the condition of our \$11 billion in assets to ensure they are running effectively. Over the past two years, we made a concerted effort to establish an updated and more robust understanding of the condition and performance of all critical and major assets and our ability to meet established levels of service. As we embark on another year of this renewed asset management program, we have updated our Asset Management Plan to develop a tactical approach for addressing asset condition and performance issues. The plan lays out how we will operate and maintain those assets to deliver the required level of service at the lowest lifecycle cost with an acceptable level of risk. OCSD will be investing an additional \$4 million in repairs and maintenance this next year.
- **Safety and Security** – Capital projects, maintenance activities, drafting of an implementation plan for a Voluntary Protection Program Certification, and training to address safety in our workplace are all included in this budget, as are enhancements to our physical, electronic, and cyber security infrastructure.
- **Staffing Cost Containment** – While continuing to implement programs to enhance our resiliency, reliability and resource recovery, this budget displays our commitment to efficiency as it includes a small reduction in staffing.

OCSD has worked very hard to create an integrated planning environment which begins with the strategic and policy expectations of the Board of Directors and flows down to the work product of each employee. We have worked to ensure communication and transparency among our staff members so that they are aligned and working together in support of the plan.

OCSD will continue to provide wastewater collection, treatment, recycling, facilities maintenance, ocean monitoring, and many other services while keeping rates among the lowest in California. This budget fully supports the goals and levels of service included in the Orange County Sanitation District’s Strategic Plan and positions us well to proactively manage in the coming years.



James D. Herberg  
General Manager  
Orange County Sanitation District



# FINANCE SUMMARY

# FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

## Budget Overview

Orange County Sanitation District's (OCSD) proposed FY 2020-21 and 2021-22 operating and capital improvement budgets total \$400 million and \$662 million, respectively. There is consideration of paying down maturing and callable debt in the amount of \$174 million, which is included in the FY 2021-22 budget. The increase in the FY 2020-21 budget over the FY 2019-20 projected spending of \$394 million is primarily due to the timing of construction cash outlays, in addition to increases in salaries and benefits and repairs and maintenance. The increase in the FY 2021-22 budget is primarily due to the timing of construction cash outlays as we meet our infrastructure needs. The budget continues to reflect the agency's ongoing efforts to streamline operations.

OCSD's proposed Capital Improvement Program (CIP) budgets for FY 2020-21 and FY 2021-22 are \$148 million and \$241 million, respectively, net of savings and deferrals. This CIP budget supports collection system, joint works treatment and disposal system improvement projects.

## Financing

OCSD uses long-term Certificates of Participation (COP) for financing capital improvements that cannot be completely funded from current revenue. Before any new debt is issued, the impact of debt service payments on total annual fixed costs is analyzed. Total COP indebtedness is currently at \$940 million. No new money debt financings are currently forecasted to assist in the funding of the \$2.7 billion in capital improvements required over the next 10 years.

## Staffing

Reflecting the organization's commitment to providing service at the lowest costs, the budget reflects a decrease of one authorized full time equivalent (FTE) position for FY 2020-21 and FY 2021-22 as staffing is proposed at 639 FTE positions in both years.

Personnel costs will increase primarily due to approved increases in salaries and wages for all employee bargaining units based on the existing Memorandums of Understanding.

OCSD will continue to effectively manage these expenses with approximately 25.5 percent of the

budget allocated to employee costs, much less than most other government agencies.

## Cost of Treatment

The agency's two treatment plants, located in Fountain Valley and Huntington Beach, process about 188 million gallons of wastewater each day generated by approximately 2.6 million people residing within central and northwest Orange County and the businesses that operate within this service area. The proposed budget to operate, maintain and manage our sewage collection, treatment, and disposal system, including self-insurance requirements, for the next two years is \$176 million per year.

The cost per million gallons of wastewater treated (an industry-wide performance measurement) is expected to increase \$96, or 4.0 percent, in FY 2020-21 to \$2,534. The increase in the cost per million gallons is due to the increase in the operating budget.

## Sewer Service Fees

The FY 2020-21 and FY 2021-22 single family residential rates are scheduled to increase by approximately one percent each year to \$343 and \$347, respectively. OCSD's rates are well below the statewide average sewer rate of \$529 as reported in a 2016-2017 survey of 963 agencies in California.

## Groundwater Replenishment System (GWRS)

The OCSD Strategic Plan includes water reclamation. With the Orange County Water District (OCWD), OCSD completed the GWRS, the nation's largest water reclamation project, in January 2008.

The original GWRS facility reclaimed 70 million gallons of water a day (MDG), eliminating the need to build a second outfall which could cost more than \$200 million. OCSD and OCWD equally shared the expenses of this project and approximately \$44 million in Federal and State grants that were received to offset part of the total costs.

Initial expansion of GWRS increased the production of reclaimed water to 100 million gallons a day. This expansion, which was funded entirely by the OCWD, was completed in early 2015. OCSD is directing all reclaimable flows from Plant No. 1 to OCWD in support of providing maximum amounts of specification water for reclamation.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



The GWRs Final Expansion will be funded solely by the OCWD. OCSD currently has two active projects supporting the GWRs Final Expansion. The costs of these projects will be reimbursed by the OCWD. The Final Expansion of the GWRs is expected to be online in 2023, bringing the total GWRs capacity to 130 MGD of drinking water.

## Capital Improvement Program (CIP)

The proposed CIP budget for FY 2020-21, net of savings and deferrals, is \$147.6 million.

Over the next 10 years, OCSD's Capital Improvement Program will:

- Rehabilitate the headworks, primary treatment, solids handling facilities, and utility systems at Plant No. 1.
- Replace a third of the primary treatment facilities and rehabilitate the outfall pumping system at Plant No. 2.
- Construct a new Headquarters Complex.
- Modify existing headworks at Plant No. 2 and construct a new plant water pump station to enable the final expansion of the Groundwater Replenishment System (GWRs).
- Replace or rehabilitate OCSD's aging pump stations and trunk sewers in the collections system.

## Projects Driving the CIP

Over the next 24 months, the largest capital cash outlays are:

- Newhope-Placentia Trunk Replacement - \$28.7 million (\$112 million total budget).
- Headworks Rehabilitation & Expansion at Plant No. 1 - \$59.2 million (\$406 million total budget).
- Westminster Blvd Force Main Replacement - \$23.1 million (\$44 million total budget).
- Primary Treatment Rehabilitation at Plant No. 2 - \$34.3 million (\$237 million total budget).
- Ocean Outfall System Rehabilitation - \$49.5 million (\$166 million total budget).
- Headquarters Complex at Plant No. 1 - \$48.5 million (\$167.5 million total budget).

# FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

## Operating Budget Increase – \$12.6M

The operations budget for the collection, treatment, and disposal of wastewater is proposed at \$176.3 million, a \$12.6 million (7.7 percent) increase above FY 2019-20 projected expenditures. In FY 2021-22, it is projected to increase by \$0.2 million (0.1 percent).

Although some expenses will increase or decrease slightly, the overall increase to the operating budget in FY 2020-21 over the FY 2019-20 projected is primarily attributable to five specific areas:

### Salaries and Benefits – \$6.3M Increase

Personnel costs are being proposed at \$6.3 million, or 6.5 percent increase over the prior year projection mainly due to cost of living adjustments included in the current Memorandums of Understanding for all employee bargaining units and increased insurance premiums and retirement contributions. There is a proposed decrease of one full time equivalent (FTE) staff position bringing the proposed total FTE count in FY 2020-21 and FY 2021-22 to 639.0 FTEs.

### Other Materials, Supplies, and Services – \$1.5M Increase

The increase is primarily due to the General Manager’s contingency and the contingency for prior year reappropriations, an increase in the property and general liability insurance premiums, and additional research and monitoring costs.

### Professional Services – \$1.3M Increase

The increase in professional services in FY 2020-21 is for legal fees and technical consulting fees on projects and studies.

### Repairs and Maintenance – \$4.1M Increase

This expense category includes parts and services for repairing aging treatment plant and collection facilities and reflects base budgets for equipment maintenance as well as out-sourced annual service contracts and maintenance agreements.

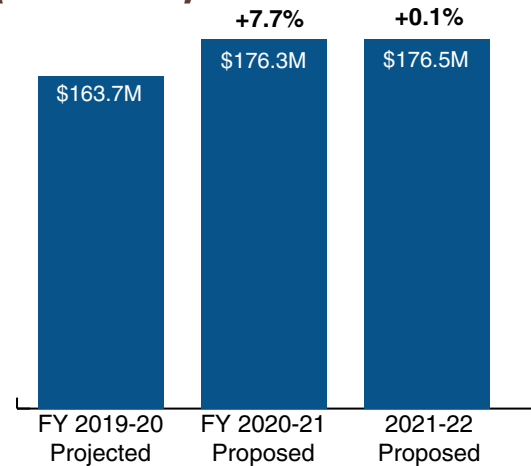
Repairs and maintenance costs are proposed to increase \$4.1 million or 16.9 percent over the prior

year projection. During FY 2020-21 major projects that contribute to the increase are the Bushard Diversion Structure Repair planned for \$1.1 million, major rehabilitation of primary basins, secondary clarifiers and overhaul of new centrifuges at both plants planned for \$6.5 million.

## Operating Materials and Supplies – \$1.5M Increase

OCSD uses chemical coagulants improve solids removal efficiencies in the primary clarifiers, add to digested sludge prior to dewatering to aid in coagulation, improving the sludge and water separation process, and add to the waste activated sludge dissolved air flotation thickeners (DAFTs) to improve solids coagulation. Odor control chemicals are used in both the treatment plants and the collection system. Both costs and usage are expected to increase in FY 2020-21.

## Operating Expenses (in millions)



Operating expenses increase \$12.6 million (7.7%) in FY 2020-21 and increase \$0.2 million 0.1% in FY 2021-22.

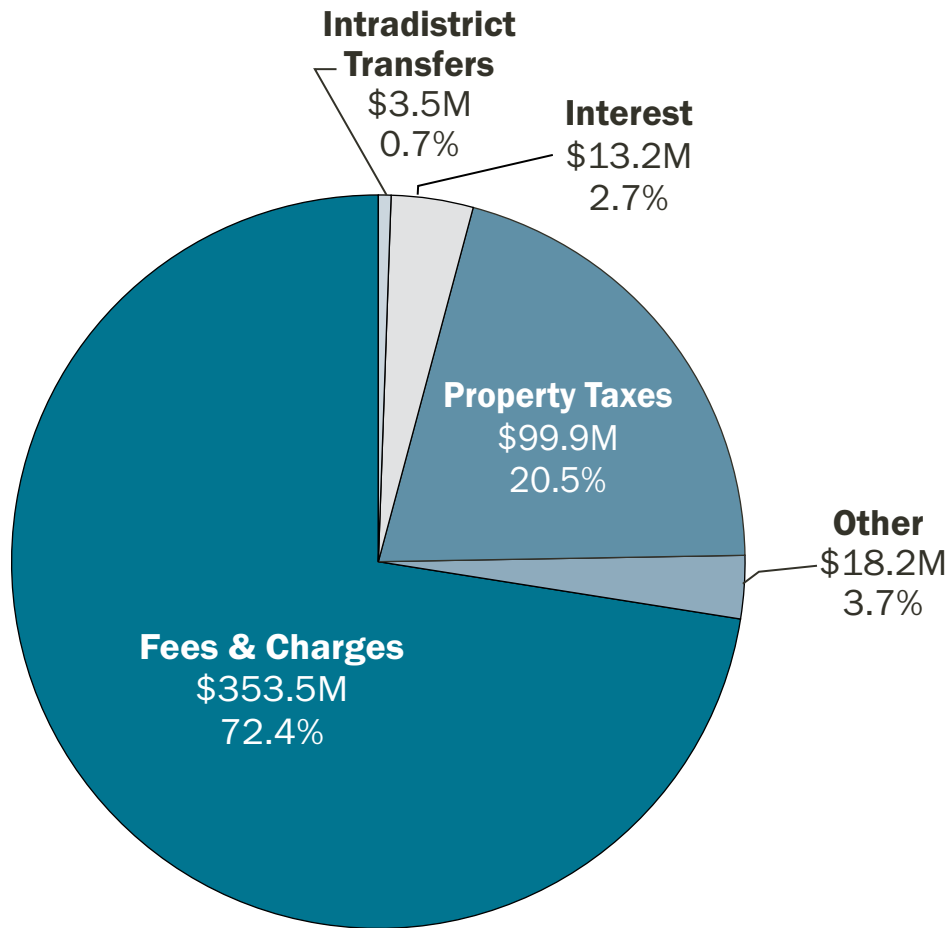


# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



# FINANCIAL SUMMARY/FUNDING SOURCES BY CATEGORY

## Where The Money Comes From



### Funding Sources by Category (in millions)

| Category                            | 2018-19<br>Actual | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
|-------------------------------------|-------------------|----------------------|---------------------|---------------------|
| Service Fees                        | \$311.8           | \$318.6              | \$320.4             | \$329.4             |
| Property Taxes                      | 98.3              | 98.0                 | 99.9                | 102.0               |
| Permit User Fees                    | 9.9               | 12.9                 | 13.0                | 13.1                |
| Capital Facilities Capacity Charges | 21.0              | 19.3                 | 20.1                | 20.7                |
| Interest                            | 28.7              | 17.5                 | 13.2                | 12.7                |
| Intradistrict Transfers             | 19.7              | 0.0                  | 3.5                 | 3.5                 |
| Debt Proceeds                       | 0.0               | 0.0                  | 0.0                 | 0.0                 |
| Other Revenue                       | 8.7               | 10.6                 | 18.2                | 16.2                |
| <b>Total Funding Sources</b>        | <b>\$498.1</b>    | <b>\$476.9</b>       | <b>\$488.3</b>      | <b>\$497.3</b>      |

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

OCSD has a variety of revenue sources available for operating and capital expenses. The major revenue sources are:

## **General Service Fees – \$320.4M**

User fees are ongoing fees for service paid by customers connected to the sewer system. A property owner, or user, does not pay user fees until connected to the sewer system and receiving services. Once connected, users are responsible for their share of the system's costs, both fixed and variable, in proportion to their demand on the system. These fees are for both Single Family Residences (SFR) and Multiple Family Residences (MFR).

## **Property Taxes – \$99.9M**

The County of Orange is permitted by State law (Proposition 13) to levy taxes at one percent of full market value (at time of purchase) and can increase the assessed value no more than two percent per year. OCSD receives a share of the basic levy proportionate to what was received in the 1976 to 1978 period, less \$3.5 million, the amount that represents the State's permanent annual diversion from special districts to school districts that began in 1992-93. OCSD's share of this revenue is first dedicated for the payment of debt service.

## **Permit User Fees – \$13.0M**

Permit user fees are paid by large industrial and commercial properties owners connected to the sewer system. These fees are for the owner's share of the system's costs, both fixed and variable, in proportion to the user's demand on the system.

Since the inception of the Permit User Fee Program in 1970, users of OCSD's system that discharge high volumes or high strength wastewater have been required to obtain a discharge permit and pay extra fees for the costs of service.

## **Capital Facilities Capacity Charges (CFCC) – \$20.1M**

The Capital Facilities Capacity Charge is a one-time charge imposed at the time a building or structure is newly connected to OCSD's system, directly or indirectly, or an existing structure or category of use is expanded or increased. This charge pays for OCSD

facilities that exist at the time the charge is imposed, or to pay for new facilities to be constructed in the future that will benefit the property being charged.

## **Interest Earnings – \$13.2M**

Interest earnings are generated from the investment of accumulated reserves consisting of a cash flow/contingency, a capital improvement, a renewal/replacement, and a self-insurance reserve.

## **Intradistrict Transfers – \$3.5M**

In accordance with Amendment No. 2 to the Agreement for Purchase and Sale of Capacity Rights in Treatment, Disposal and Sewer Facilities between Irvine Ranch Water District (IRWD) and OCSD dated November 15, 1995, ownership is adjusted annually to reflect the current equity percentage ownership based on sewage flows.

## **Debt Proceeds – \$0M**

Certificates of Participation (COPs) are OCSD's primary mechanism for financing capital projects. COPs are repayment obligations based on a lease or installment sale agreement. COPs are not viewed as "debt" by the State of California, but rather a share in an installment arrangement where OCSD serves as the purchaser.

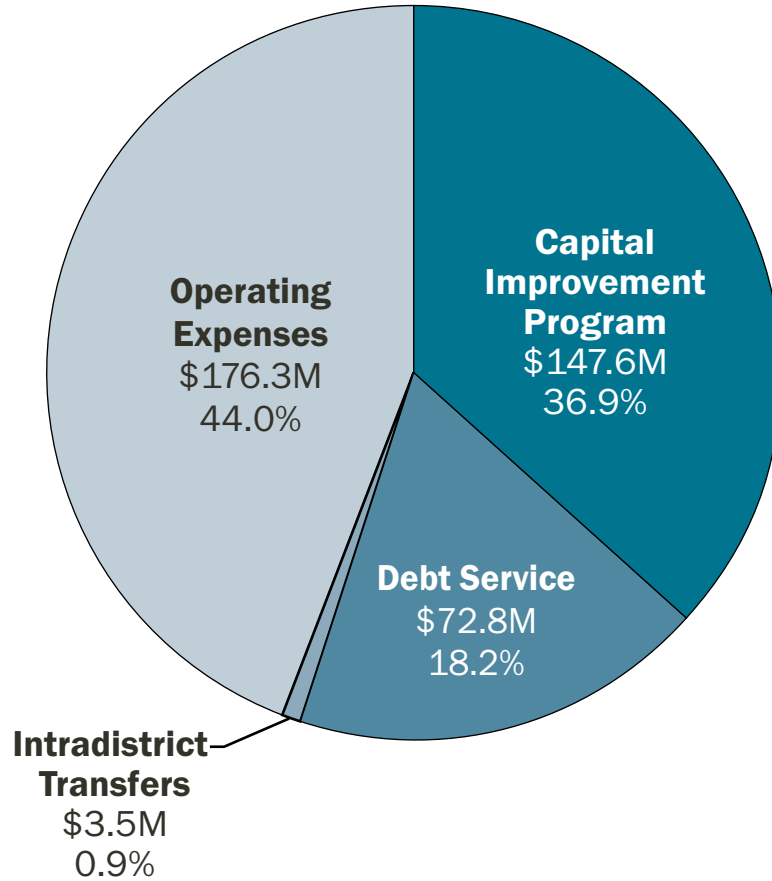
No new money debt issuances are being proposed over the next two fiscal years as the \$2.7 billion in future replacement, rehabilitation, and refurbishment projects anticipated over the next ten years will be adequately funded through current sewer service fee charges and existing reserves.

## **Other Revenue – \$18.2M**

Other revenue includes self-insurance assessments for workers' compensation and general liability coverage as well as miscellaneous revenue such as rents and leases.

# FINANCIAL SUMMARY/FUNDING SOURCES BY CATEGORY

## Where The Money Goes



### Funding Uses by Category (in millions)

| Category                         | 2018-19<br>Actual | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
|----------------------------------|-------------------|----------------------|---------------------|---------------------|
| Capital Improvement Program, Net | \$166.6           | \$119.7              | \$147.6             | \$240.8             |
| Operating Expenses**             | 163.1             | 163.7                | 176.3               | 176.5               |
| Debt Service*                    | 74.5              | 110.9                | 72.8                | 240.6               |
| Intradistrict Transfers          | 21.7              | 0.0                  | 3.5                 | 3.5                 |
| <b>Total Funding Uses</b>        | <b>\$425.9</b>    | <b>\$394.3</b>       | <b>\$400.2</b>      | <b>\$661.5</b>      |

\*The fiscal year 2019-20 debt service amount includes a payment of \$29.0 million against the Sanitation District's unfunded pension liability and in FY 2021-22 a payment of \$173.9 million to pay off maturing and callable debt.

\*\*Includes \$2.4 million for the self insurance fund, for proposed fiscal year 2020-21.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

OCSD budgets its funds in four distinct areas:

## **Capital Improvement Program (CIP) - \$147.6M**

To provide an appropriate level of service to OCSD's rate payers, large capital improvements are required. The CIP provides for the management and implementation of these improvements. The CIP budget includes specific projects as well as an allocation for anticipated replacement, rehabilitation, or refurbishment (RRR) projects where detailed job plans have not yet been prepared. The budgets for specific CIP projects for FY 2020-21 and FY 2021-22 total \$164.8 million and \$261.9 million, respectively. However, the net CIP cash outlays, which includes future rehabilitation and replacement less savings and deferrals, are budgeted at \$147.6 million and \$240.8 million for each year, respectively.

## **Operating Expenses - \$176.3M**

The proposed budget allocates resources to operate, maintain and manage our sewage collection, treatment, and disposal system, and for any associated administrative or technical requirements.

## **Debt Service - \$72.8M**

This is the cost of repaying debt. Long-term debt financing allows OCSD to complete large multi-year capital projects by providing funds not always immediately available.

## **Intradistrict Transfers - \$3.5M**

In accordance with Amendment No. 2 to the Agreement for Purchase and Sale of Capacity Rights in Treatment, Disposal and Sewer Facilities between IRWD and OCSD dated November 15, 1995, ownership is adjusted annually to reflect the current equity percentage ownership based on sewage flows.



## COLLECTION, TREATMENT AND RECYCLING PROCESS OVERVIEW

OCSD's system includes approximately 388 miles of sewers that convey wastewater generated within OCSD's service area to its two treatment facilities, Reclamation Plant No. 1 located in the City of Fountain Valley, and Treatment Plant No. 2 located in the City of Huntington Beach.

Influent wastewater undergoes Preliminary Treatment upon entry to the treatment plants where it is filtered through bar screens, and grit and debris are removed. It then flows to Primary Treatment, which consists of large settling basins where solids are settled out, enhanced by the addition of chemicals, and sent to Solids Processing. Wastewater then flows to Secondary Treatment, which is a biological process using either the trickling filter or activated sludge process. Solids removed in Secondary Treatment are also sent to digestion.

Methane gas generated during the natural decomposition of the solids in the digesters fuels the Central Power Generation System producing enough electricity to meet two-thirds of the power needed to run both treatment plants.

Solids are then dewatered to a 20 percent solids consistency, called biosolids, and recycled via direct land application or composting.

Approximately 130 million gallons per day of secondary effluent from Reclamation Plant No. 1 is sent to the Orange County Water District (OCWD) for recycling in its two treatment processes.

The first is OCWD's Groundwater Replenishment System (GWRS). The GWRS is the largest water purification project of its kind in the world and its construction was funded jointly by OCWD and OCSD. At 100 million gallons per day, the GWRS generates enough pure water to meet the needs of 850,000 people.

The second is OCWD's Green Acres Project (GAP) which is a water recycling effort that provides reclaimed water for landscape irrigation at parks, schools and golf courses as well as for industrial uses, such as carpet dyeing. The total annual demand for GAP water is about four million gallons per day.



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



# STRATEGIC PLANNING

## OCSD Planning Environment

OCSD has developed an integrated planning system that allows for intentional, thoughtful decision making to maintain current operations while adding resilience and meeting new challenges.

This integrated planning system includes Strategic Planning, Asset Management, Budgeting (Capital and Operating), a General Manager's work plan, and focused engineering study efforts. While these plans are important, equally important is an organizational structure and relationships between employees that work together toward these common goals.

Strategic Planning is the first step. OCSD has developed a strategic planning model that creates a long-term level-of-service agreement between its Board of Directors and staff. The Board of Directors use this document to lay out a vision of what the agency will deliver over the next 10 to 20 years. This is an alignment document to define long-term levels of service. The Strategic Plan also serves as a continuity bridge as members of the 25-member Board of Directors come onto and leave the governing body. It is initially important as an education tool for what and why OCSD does what it does, but also allows for new Board members to adjust the vision as it is revised every two years. The Strategic Plan is timed to be adopted by the Board of Directors in the November prior to the bi-annual budget development.

## Strategic Plan

In November 2019, the Board of Directors adopted a new comprehensive strategic plan to steer OCSD's efforts. The Strategic Plan developed by the Board of Directors and staff defines the strategic initiatives to be pursued by OCSD and provides a basis for long-term financial, capital, and operational planning. In addition, it provides for long-term continuity of vision as Board and staff members change over the many years it takes to deliver public works infrastructure.

Driven by our Mission, Vision and Core Values, this Strategic Plan continues OCSD's aggressive efforts to meet the sanitation, health, and safety needs of the more than 2.6 million people we serve while protecting the environment where we live.

The Strategic Plan is broken down into four broad categories with fourteen topic areas that define our responsibilities and the services we provide. These areas are:

- Business Principles
  - Budget Control and Fiscal Discipline
  - Asset Management
  - Cybersecurity
  - Property Management
- Environmental Stewardship
  - Energy Independence
  - Climate and Catastrophic Event Resiliency
  - Food Waste Treatment
  - Water Reuse
  - Environmental Water Quality, Stormwater Management and Urban Runoff
- Wastewater Management
  - Chemical Sustainability
  - Biosolids Management
  - Constituents of Emerging Concern
- Workplace Environment
  - Resilient Staffing
  - Safety and Physical Security

The Strategic Plan is not a departure from the current direction, but rather the well-defined iterative update to the direction of OCSD. With the adoption of the Strategic Plan, staff will be updating the Asset Management Plan, Capital Improvement Program, and Financial Plan that are the basis of a two-year budget that will be adopted by the Board of Directors. The Budget goals and the General Manager's work plan are the accountability steps that measure achievable progress toward the strategic initiatives listed in the Strategic Plan.



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



# INFRASTRUCTURE ASSET MANAGEMENT

## Asset Management

OCSD is committed to providing services for its rate payers to reliably meet our regulatory mandates and levels of service approved by the Board of Directors and will provide these services using sustainable engineering principles that result in the lowest responsible lifecycle cost with an acceptable level of risk. OCSD installs, operates, maintains, refurbishes and disposes of assets with lifecycles measured from years to decades, so an approach which balances long, medium and short-term needs is necessary. OCSD's Asset Management Program has evolved into a comprehensive decision-making framework that encompasses engineering planning, design and construction of quality facilities, optimized operation, proper maintenance, and planned rehabilitation, replacement and refurbishment of assets that will meet OCSD's changing needs. This coordinated decision-making process will allow OCSD to consistently meet mandated levels of service to the rate payers at the lowest lifecycle cost.

OCSD's Asset Management Plan focuses on the long-term planning of maintenance and capital improvement projects to ensure the proper rate structure is in place to support sustainable operations. These are important starting points and have yielded tangible benefits in reduced risk levels and an improved capital planning approach. The implementation of the Maximo Computer Maintenance Management System (CMMS) is an example of an effort to improve OCSD's Asset Register. CMMS Technicians and the Asset Engineers continue to work to update the database information including installation date, asset cost, condition and criticality in the new system.

OCSD has been striving to accurately identify medium to long-term capital cash flow requirements. Specifically, the Engineering Department Planning Division has developed a 20-year CIP by creating specific project plans for the rehabilitation, replacement, improvements and expansion for each treatment plant or collections area.

This medium to long-term planning is important for several reasons. By moving away from narrowly focused projects to solve individual problems, to more comprehensive projects refurbishing entire processes, OCSD benefits by having less operational disruption and more efficient project delivery, better

cash flow estimation, and better operations and maintenance decision-making framework. This is a huge undertaking based on the number of asset and facilities, but over time the undefined future rehabilitation capital estimates within the 20-year window are expected to be drastically reduced and replaced by more specific estimated capital needs.

Complementing the medium to long-term planning are the short-term efforts to coordinate maintenance actions that can reduce risks, actively defer the larger refurbishment projects, and reduce asset consumption rates to minimize the need for replacement of structures and conveyance systems when projects are executed. The Planning Division asset engineers conduct condition assessment, and continuously work with operations and maintenance staff to keep track of the condition of all critical assets, to identify opportunities for operational adjustments or maintenance activities that cost effectively extend the life of key assets which may allow for deferral of the larger overall project. This may be a targeted equipment replacement or pipeline repair that is more urgent than the need of the overall facility. These engineers may also identify opportunities to reduce asset consumption through coating systems, atmosphere improvements or small structure repairs before major damage is done. These actions can drastically reduce the cost of future projects by preventing the need to demolish and replace entire structures.

OCSD is committed to continuous improvement of the process by which it manages the assets and facilities that are required to reliably deliver its level of service commitments. The additional resources and individual accountability for specific areas has improved, and will continue to improve our capital planning, project packaging, project execution and delivery, plant operability and maintenance planning.

The average age and value of the assets OCSD owns is increasing steadily over time, the latent asset replacement obligation is rising, and as a consequence, OCSD needs to plan for decreased capital projects for expansion and increased renewal expenditures in the future relative to past expenditure levels. Additional focus will need to be given to ensure that appropriate operation and maintenance strategies are being applied that consider the different ages of assets being maintained.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



# INFRASTRUCTURE ASSET MANAGEMENT

## Asset Valuation

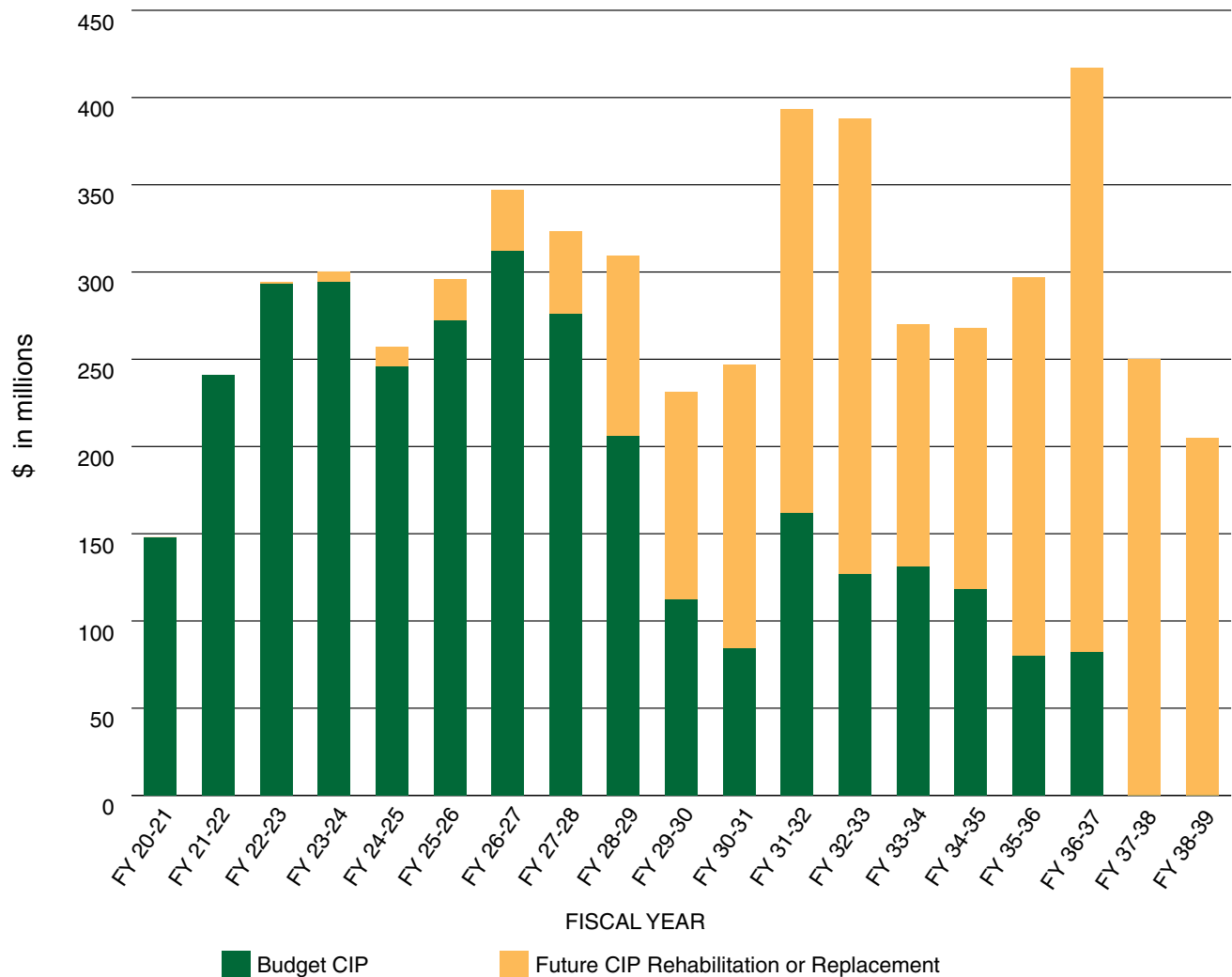
The replacement valuation for all of OCSD’s assets has been updated in 2018 as part of the 2017 Facilities Master Plan project. The table below presents the current replacement and depreciated values of OCSD’s assets. The replacement value represents the cost in 2018 dollars to completely rebuild all the assets to a new condition. The depreciated value is the book value of the assets based on their age, which is a prediction of their current condition.

The chart below shows the 20-year net CIP outlay which includes current and projected future Capital Improvement Program projects.

## Planned CIP Outlays

| Valuation                          | Plants | Collection | Total   |
|------------------------------------|--------|------------|---------|
| Replacement Value<br>(in billions) | \$7.18 | \$3.56     | \$10.74 |
| Depreciated Value<br>(in billions) | \$2.88 | \$0.76     | \$3.64  |

## 20 Year CIP Outlay



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

OCSD manages and assesses the collection system and treatment plants' assets to improve resilience and reliability while lowering lifecycle costs. This is accomplished through adaptive operation, coordination of maintenance and condition assessment, and planned capital investment. Staff will balance maintenance, refurbishment, and replacement strategies to maximize useful life, system availability and efficiency.

Below is a summary of the FY 2019-20 infrastructure maintenance activities and FY 2020-21 planned activities.

## Collection System:

OCSD's collection system consists of 388 miles of sewers, 15 pump stations, and three metering stations. The maintenance of all regional sewers is actively managed but only 230 miles of regional sewers are on a cleaning schedule. The largest sewers and force mains are design to be self-cleaning using higher flows and natural scouring action. Typical gravity sewer maintenance activities consist of: closed circuit television (CCTV) inspection, physical inspection, and cleaning operations. The cleaning frequencies are based on data from pipe inspections, CCTV work, process conditions, historical records, and industry best practices. Pump station and metering station maintenance activities include operating the stations, maintaining electrical, mechanical and civil components, and cleaning activities. The collection system odors and corrosive gases are actively managed for nuisance odor mitigation and asset preservation.

Maintenance activities are based on established levels of service to ensure compliance with our permit required Sewer System Management Plan, which is designed to reduce spills, and increase reliability and safety. The planned activities help extend the useful life of the assets and minimize nuisance odors.

During FY 2019-20 the following maintenance activities are projected to be completed:

- Cleaned 30 miles of regional sewer lines on a cleaning schedule.
- CCTV video inspection of 350 regional system manholes.
- CCTV video inspection of 50 miles of regional sewer pipeline.
- Completed 88 percent of scheduled pump station preventative maintenance work.
- Cleaned 90 percent of hot spot and scheduled inverted siphon work.
- Managed odor control chemical expenses to 75 percent of budget.
- Continued an electrical safety initiative to reduce potential arc flash by validating protective relay settings, replacing obsolete circuit breakers, and installing arc flash rating labels.
- In addition, OCSD has improved its emergency preparedness by procuring and preplacing bypass piping and fittings for three pump stations. This will allow for more swift response at these locations in the event of a catastrophic failure or other emergency.

Total costs for the collections system maintenance is greater than \$9 million.

The following activities and goals are planned for FY 2020-21:

- Clean 49 miles of regional sewer lines on a cleaning schedule.
- CCTV video inspection of 750 regional system manholes.
- CCTV video inspection of 73 miles of regional sewer pipeline.
- Complete at least 85% of scheduled preventative maintenance work.
- Manage odor control chemical expenditures to between 95-102 percent of budget.
- Continue to implement emergency preparedness bypass pumping plan for six pump stations.

The total cost for these proposed collections system activities is greater than \$11.5 million.

## Collection System Capital Improvement Projects:

OCSD's collections projects go through a planning and design process to ensure all elements of the project are thoroughly assessed. These projects typically renew or replace aging pipelines and pump stations, address odor issues, upgrade facilities to meet current codes, and standards, and in some instances, increase flow capacity due to growth in localized portion of our service area.

# INFRASTRUCTURE ASSET MANAGEMENT

Currently in construction is the Newhope-Placentia Trunk Replacement (Project No. 2-72) taking place in the cities of Fullerton and Anaheim. Seven miles of sewer along State College Boulevard, from Yorba Linda Boulevard to Orangewood Avenue, will be upsized to allow abandonment of the Yorba Linda Pump Station which has reached the end of its useful life. The pump station diverts reclaimable wastewater to the Santa Ana River Interceptor instead of the Newhope-Placentia line due to inefficient capacity, preventing flows to be reclaimed at the Orange County Water District's Groundwater Replenishment System (GWRS). The completion of the project will allow OCS&D to recycle an additional 8 million gallons of wastewater by routing flows to Plant No. 1 to be reclaimed for GWRS. The project will also include modifications to existing diversion structures and add flexibility to divert other reclaimable flow. This project also provides adequate capacity for future development, minimizing the risk of sewer spills in the future. Construction of the first phase of the project was completed in fall 2017. The second phase of the project commenced construction in summer 2018 and scheduled for completion in Summer 2021. The project has a budget of \$112 million.

The Rehabilitation of the Western Regional Sewers (Project No. 3-64) covers approximately 15 miles of sewers in the northwestern service area in the cities of Anaheim, Buena Park, Cypress, La Palma, Los Alamitos, Seal Beach and unincorporated areas of the County of Orange referred to as Rossmoor. This large project is required to rehabilitate or replace portions of the sewers and manholes that were installed in the late 1950s and early 1960s. The sewers have multiple deficiencies which have allowed the intrusion of ground water. In some cases, hard calcium deposits have developed, making the pipe difficult to clean, and may, over time, impede the wastewater flow. Portions of the pipeline and over 150 manholes will be rehabilitated or replaced. The project will be completed under three construction contracts. This project is currently in the design phase with the first phase of construction anticipated for 2020. The project budget is \$70 million. This is a decrease of from the previous budget of \$202 million as a result of changes in the project elements.

The Westminster Blvd. Force Mains Replacement (Project No. 3-62) will replace two existing force mains that run three miles along Westminster Blvd. from Seal Beach Boulevard in the City of Seal Beach to Rancho Road in the City of Westminster. The project commenced construction in spring 2020. The budget for this project is \$44 million.

The Seal Beach Pump Station is the starting point of the Westminster Blvd. Force Mains. The Seal Beach Pump Station Replacement (Project No. 3-67) will replace the existing pump station on the existing site and demolish the old pump station when the new one is complete. Not only are the electrical and safety codes significantly different from when the station was first construction in the early 1970s, but many of the electrical, mechanical, and control system components are becoming obsolete, and long-term maintenance is no longer an option. The project will also include odor control improvements at the pump station to minimize both upstream and downstream odors and corrosion. The pump station will connect to the newly constructed Westminster Blvd. Force Mains. The project is currently in the preliminary design phase with construction anticipated to begin in 2023. The budget for this project is \$79 million.

In Newport Beach, the Bay Bridge Pump Station Replacement (Project No. 5-67) will replace the existing pump station to meet current building, electrical, and safety codes, and to meet projected capacity needs. The existing force mains will also be replaced and upsized, and will extend from the new pump station location, across the Back-Bay channel, to connect with the existing pipes near the Dover Avenue and Pacific Coast Highway intersection. The project is currently in the preliminary design phase with construction of both the force mains and pump station anticipated to begin in 2023. The budget for this project is \$74 million.

## **Reclamation Plant No. 1 and Treatment Plant No. 2 Maintenance:**

The maintenance organization continues to implement industry best practices for safety, effectiveness and reliability. During FY 2019-20, several major initiatives were completed to improve resilience, reliability and lower lifecycle costs. The first initiative was the formation of a heavy equipment maintenance team to conduct in-house maintenance of Central Generation and gas compression assets. The second initiative was creation of an on-call electrical preventive maintenance services contract allowing electrical staff to focus on predictive maintenance work. The third initiative was formation of a preventive/predictive maintenance optimization team to ensure all new projects are fully ready to be maintained when placed in service. It is critical to provide maintenance immediately when projects with complex equipment worth tens of millions of dollars are commissioned for service,

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

as well as to maintain the equipment data in our computer-based maintenance management system over their lifetime.

Throughout both plants, more than 12,200 preventative maintenance activities were performed. In addition, the following significant maintenance and repair activities are projected to be completed in FY 2019-20:

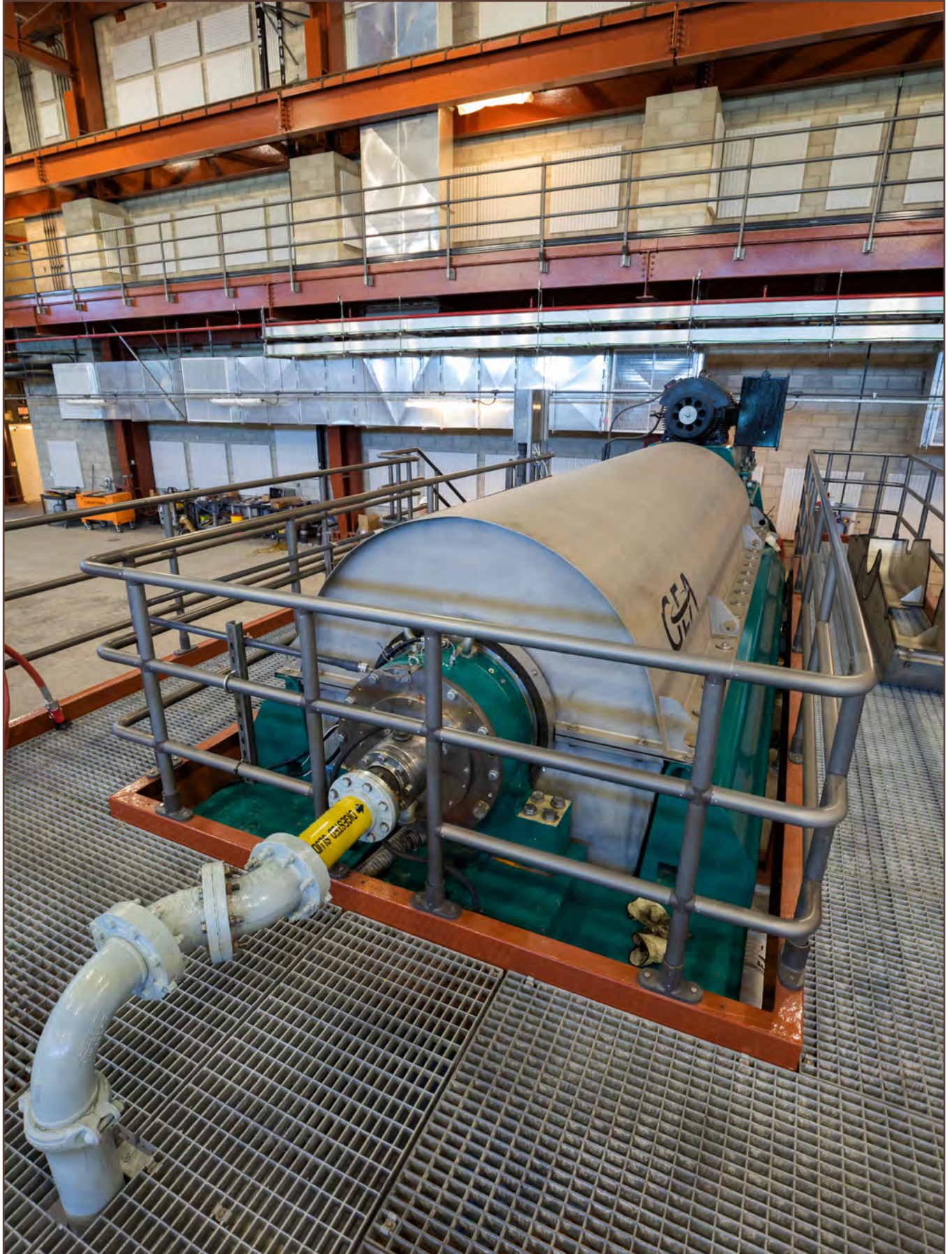
- Installed a new close-coupled pump motor for the Steve Anderson Lift Station (SALS).
- Rehabilitated two of three Circular Primary Clarifiers at Plant No. 1.
- Met NFPA 110 requirements for load testing emergency standby and mobile generators.
- Continued an electrical safety initiative to reduce potential arc flash by validating protective relay settings, replacing obsolete circuit breakers, and installing arc flash rating labels at both Plants.
- Began condition assessment of low and medium voltage cables to ensure reliability of the electrical distribution feed at both Plants.
- Completed major service on one aeration blower at the Plant No. 1 Activated Sludge secondary treatment process.
- Completed overhaul of 24 primary sedimentation basin collector mechanisms at Plant No 1.
- Completed overhaul of one gas compressor at Plant No. 1.
- Cleaned three digesters and replaced their mixing valves at Plant No. 2.
- Began the rehabilitation of the steam turbine and condenser in the Central Generation Facility at Plant No. 2.
- Refurbished an auxiliary boiler at Plant No. 2.
- Completed major upgrades to Effluent Pump Station Annex Motor driver electronics at Plant No. 2.
- Refurbished a main sewage pump and motor at Plant No. 2 Headworks.

Total costs for the treatment plant maintenance is greater than \$23 million.

Looking forward to FY 2020-21, there are more than 12,400 preventative/predictive maintenance activities scheduled to be completed at Plant Nos.1 and 2. This includes typical time or cycle based maintenance tasks such as adjustments and mechanical alignments, cleaning and tightening of electrical equipment,



# INFRASTRUCTURE ASSET MANAGEMENT





# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

calibration of sensors and meters, changing of lubricants and filters, exercising equipment, rebuilds and regulatory testing. In addition, staff will be utilizing predictive technologies such as vibration analysis to measure imbalance in rotating equipment, thermography to measure excessive heat, oil analysis to predict failure of lubricants, and ultrasonic leak detection to prevent deterioration and short-circuiting in electrical equipment. These predictive technologies will not only improve how maintenance is done but will also provide decision making information to support OCSD's CIP.

In addition to normal maintenance activities, OCSD is planning the following major activities for FY 2020-21:

- Major maintenance service of 16 remaining primary sedimentation basins for increased reliability at Plant No. 1.
- Major overhaul of one gas compressor at each Plant.
- Overhaul of three thickening and dewatering Centrifuges at Plant No. 1.
- Clean four digesters at Plant No. 1 and three at Plant No. 2.
- Overhaul three Main Service Pump motors at the Plant No. 2 Headworks.
- Complete an assessment and repair of failed low voltage cables at the Plant No. 2 Headworks.
- Overhaul five secondary clarifiers at Plant No. 2.
- Replace secondary clarifier inlet gates at Plant No. 2.
- Overhaul three dewatering Centrifuges at Plant No. 2.
- Replacement of the truck loading augers, valves and sliding frame systems at Plant No. 2.

The total cost for these proposed plant maintenance activities is greater than \$24 million.

## **Reclamation Plant No. 1 Capital Improvement Projects:**

These projects are intended to rehabilitate or reconstruct major components of our treatment process to ensure compliance with regulatory permits, enhance water recycling and safety.

One of the largest projects is the Headwork Rehabilitation at Plant No. 1 (Project No. P1-105). The facility is over 30 years old, and a comprehensive refurbishment is required in order to extend the life of the facility. The project will rehabilitate systems

including the metering and diversion structure, the bar screen building, the bin loading building, the main sewage pump station, the grit basins, the primary influent channels, the headworks odor control scrubbers, and electrical power distribution and control systems. This project will also replace the emergency pumping capacity that has been provided by the original headworks pumping system dating back to the 1950s. Construction is anticipated to begin in 2021. The total budgeted cost for this project is \$406 million.

To ensure Plant No. 1 has allocated space for future treatment processes, the Headworks Complex (Project No. P1-128) will build new support facilities across from Plant No. 1 on the north side of Ellis Avenue. Currently, administrative and engineering functions are located primarily at Plant No. 1, and the buildings that house the staff are aging and need replacement. The new Headquarters will be a three-story building for administrative, engineering, resource protection and environmental compliance staff. The project includes the demolition of the Risk Management trailer and five buildings at the site of the new Headquarters. Construction is anticipated to begin in 2021. The total budgeted cost for this project is \$167.5 million.

## **Treatment Plant No. 2 Capital Improvement Projects:**

These projects are intended to rehabilitate or reconstruct major components of our treatment process to ensure compliance with regulatory permits, enhance water recycling and safety.

The Primary Treatment Rehabilitation Project (Project No. P2-98) will replace or rehabilitate the 14 primary clarifiers at Plant No. 2 with associated influent pipes, construct new primary effluent pipes, and rehabilitate and upgrade the odor control systems. These facilities date back to the late 1950s and need seismic and condition-based upgrades. The project will replace the four oldest primary clarifiers. The project has a second construction contract to provide interim repairs to the other ten clarifiers. The project as a whole will improve the resiliency of our infrastructure and thus improve our ability to provide service. This is anticipated to be a very long duration project because the need to maintain treatment operations during the project. Construction to replace the four primary clarifiers is anticipated to begin in 2021. The total project budget is \$237 million.

The Headworks Modifications at Plant No. 2 (Project No. P2-122) will support the GWRS Final Expansion by separating non-reclaimable flows from those that

# INFRASTRUCTURE ASSET MANAGEMENT

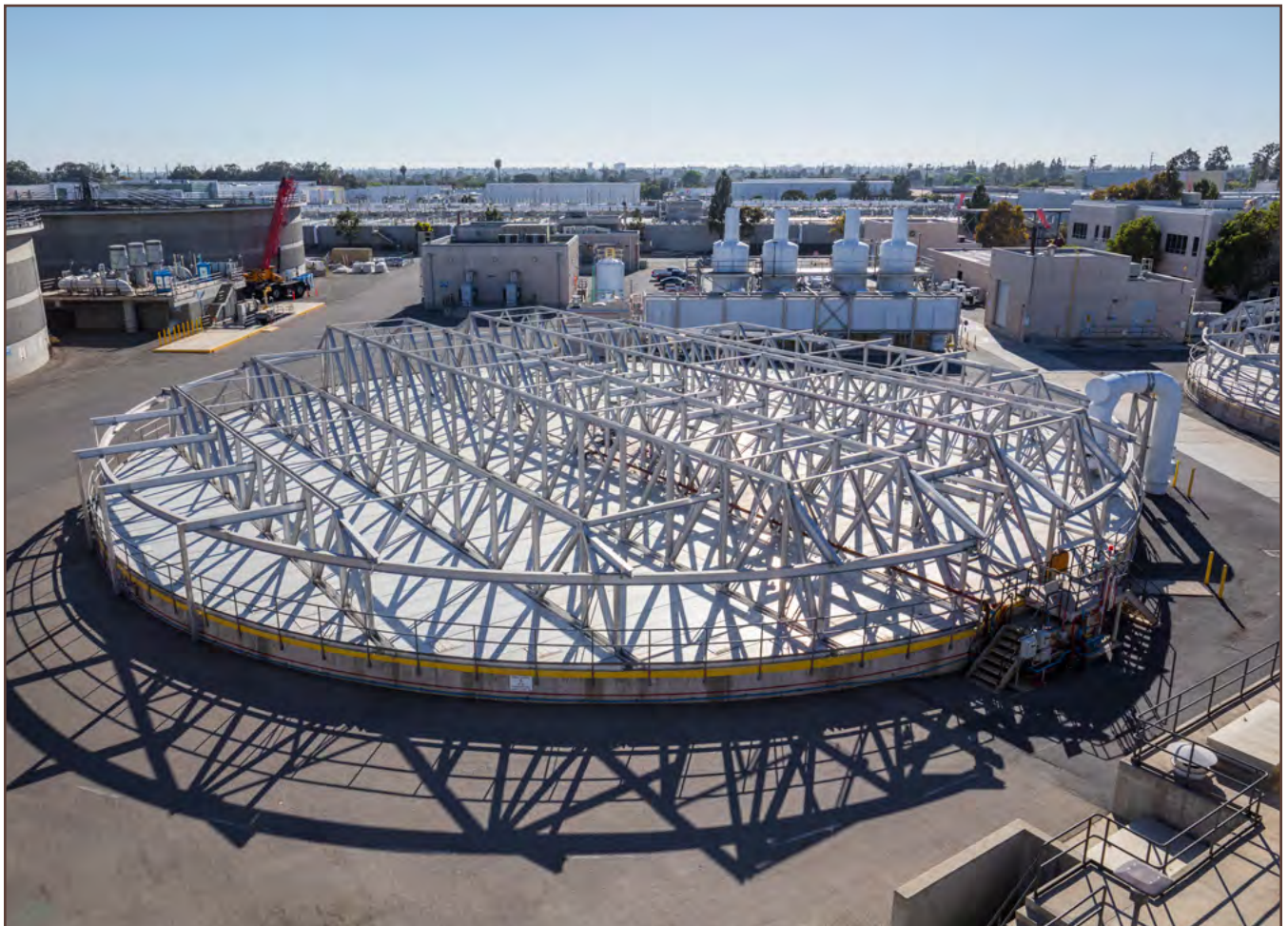
can be transferred to OCWD for reclamation. The project will include the installation of new gates, replacement of three existing influent pumps at the existing Headworks, and modification of waste side stream pumping and piping. Costs associated with this project will be reimbursed by OCWD.

As we make improvements throughout the plant, it is imperative we pay attention to our ocean outfall system. Many components of the system such as the pipeline assets have already been addressed, so now we turn our attention to the pumping systems with the Ocean Outfall System Rehabilitation (Project No. J-117). Work to the Ocean Outfall Booster Station includes rehabilitation of the mechanical, electrical, and civil systems which will extend the life of the facility and increase the efficiency of the system. In addition, a new Low Flow Pump Station will be added due to our increased water recycling rates, which will reduce our outfall flows below the minimum capacity of the existing effluent pumps. This project will also relocate the existing Plant Water Pump Station to prevent water that is not reclaimable by the GWRS from flowing into the reclaimable portion of the treatment plant. The project will also

replace existing electrical switchgear at the Central Generation Building. Rehabilitation of the 84-inch and 120-inch interplant effluent lines between Plant No. 1 and Plant No. 2 completed in 2018. The budget for this project is \$166 million. Costs associated with the Plant Water Pump Station will be reimbursed by the OCWD.

## Planning Studies:

As part of the long-term CIP planning efforts, several studies are currently underway evaluating various areas of the plants and the collection system to determine their condition, and identify deficiencies or improvements needed. These studies include the Ocean Outfall Condition Assessment and Scoping Study, ETAP Model (electrical simulation software tool) Updates for Plant Nos. 1 and 2, Digester 6 Pipe Stress Analysis at Plant No. 1, Circular Primary Clarifier Replacement Phasing Study at Plant No. 1, The Facilities Master Plan Program Environmental Impact Report, and the Laboratory Rehabilitation Feasibility Study. The results of these studies will help support, define and refine future CIP projects to improve our facilities and systems.



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



# CAPITAL IMPROVEMENT PROGRAM

## CIP Budget Request Summary

Each year, the Board of Directors, through their committee process, reviews and approves the Capital Improvement Program (CIP) prepared by staff for both sewage collection system projects (collections) and the joint works treatment and disposal system projects.

CIP projects take several years to complete the planning, design, and construction cycle. The proposed budget for each project covers the life of the project. This budget is reevaluated each year for the purpose of managing annual cash flows. Thus, many of the projects in the CIP Budget for FY 2020-21 and 2021-22 are continuing projects that were approved in prior years.

In December 2017, the 2017 Facilities Master Plan was adopted by the Board of Directors. The Master Plan identified a phased 20-year program of capital improvement projects that will allow the District to maintain reliability and accommodate future growth, as well as meet future regulatory requirements, level of service goals, and strategic initiatives.

With this phased 20-year program as a starting point, the Asset Management Program within the Planning Division continues assessing the condition of the District's existing assets and systems to ensure these assets and systems can provide the necessary level of service. The Planning Division continues reviewing and updating the ongoing and future CIP to appropriately manage the risks associated with asset or system failure. Projects can be delayed, consolidated or rescoped to help ensure that the CIP is delivered in the most efficient way possible. The Asset Management Program will continue these efforts and will continue to define the future CIP project requirements not currently included on the CIP list but are anticipated within the long-term financial plan to ensure effective and efficient operations.

This year, eight new projects are proposed for addition to the 2020-21 budget. These are:

- Project No. 7-68: MacArthur Pump Station Force Main Improvements
- Project No. J-135: Central Generation Engine Overhauls at Plant No. 1 and 2
- Project No. 11-33: Edinger Pump Station Replacement
- Project No. J-120: Process Control Systems Upgrades

- Project No. P1-137: Support Buildings Seismic Improvements at Plant No. 1
- Project No. P2-135: Sodium Bisulfite Station Rehabilitation at Plant No. 2
- Project No. P2-137: Digesters Rehabilitation at Plant No. 2
- Project No. P1-126: Primary Sedimentation Basins No. 3-5 Replacement at Plant No. 1

District staff has also validated all active and future CIP projects to ensure the project scopes of work, schedule and cost estimates are up to date. Through the budget validation process, each project's schedule, staff resources, total project cost, cash flow and risks are assessed to confirm the budgetary requirements. The validated CIP includes 70 active and future capital projects, five programs, such as the Planning Studies Program (M-Studies) and Small Construction Program (M-FE), and budget for capital equipment purchases with a total CIP budget authority of \$4.18 billion. The total CIP budget authority has increased by \$153 million as compared to FY 2019-20 approved budget of \$4.03 billion. The changes are summarized below:

|   |             |
|---|-------------|
| FY2019-20 Approved Total CIP Budget Authority | \$4.03 B    |
| Project Net Changes:                          |             |
| Midyear Approvals                             | \$1.3 M     |
| New   | \$392.0 M   |
| Budget Increases                              | \$265.0 M   |
| Budget Decreases                              | (\$247.0 M) |
| Cancellation/Closures                         | (\$257.0 M) |
| Capital Equipment Purch.                      | (\$0.7 M)   |
| Total:  | \$153.0 M   |
| FY2020-21 Proposed Total CIP Budget Authority | \$4.1 B     |

Following is a table of the FY 2020-21 proposed CIP budget:

| Description                       | FY 2020-21 CIP Budget |
|-----------------------------------|-----------------------|
| Capital Improvement Program (CIP) | \$164.8 M             |
| Less: Savings and Deferrals       | (\$17.3 M)            |
| Net CIP Outlay                    | \$147.6 M             |

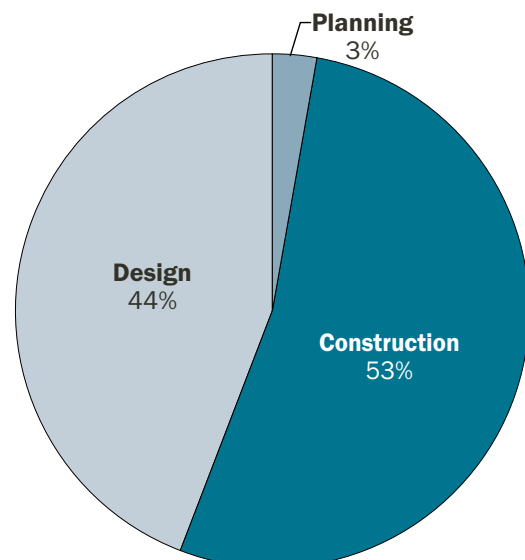
# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



The proposed FY 2020-21 net CIP outlays can be categorized by the location of the projects in terms of wastewater treatment process, or by the reasons why the projects are needed, i.e. project drivers. Charts showing the distribution of the funds by CIP driver and location are shown on the following page.

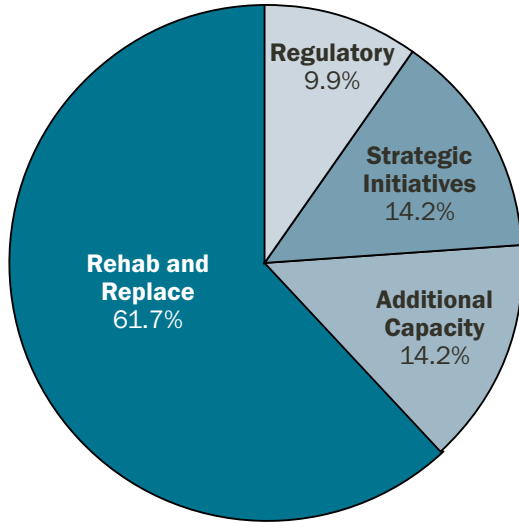
The proposed net CIP outlays can also be categorized by project phase or status. The following chart shows the net CIP outlays of projects in the Planning, Design and Construction phases for FY 2020-21.

## Projected FY20-21 Net CIP Outlay by Project Status



# CAPITAL IMPROVEMENT PROGRAM

## Fiscal Year 2020-21 Capital Improvement Authority by CIP Driver Total = \$164.8 Million

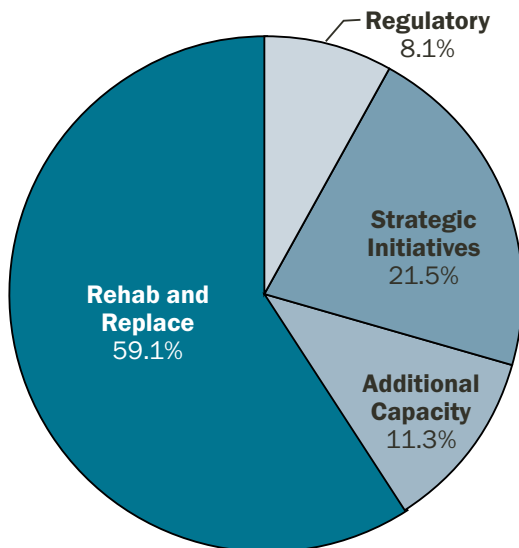


Projects that are in the Planning phase make up about 3 percent of the FY 2020-21 net CIP outlay. Projects in the Planning phase are planning or research studies that are primarily managed under the Planning Studies Program, or M-Studies.

44 percent of the FY 2020-21 net CIP outlay will be for projects that are in the Design phase. The three largest projects in the Design phase are Headquarters Complex Plant No. 1 (Project No. P1-128), Headworks Rehabilitation at Plant No. 1 (Project No. P1-105), and Primary Treatment Rehabilitation at Plant No. 2 (Project No. P2-98) with projected expenditures of \$5.9 million and \$8.9 million, \$8.1M respectively in FY 2020-21. Note these Projects are heading into construction towards the latter half of FY 2020-21 and portions of these expenditures include this.

53 percent of the FY 2020-21 net CIP outlay will be spent in construction. The four most significant construction projects are the Ocean Outfall System Rehabilitation (Project No. J-117), Westminster Blvd. Force Main Replacement (Project No. 3-62), Return Activated Sludge Piping Replacement at Plant No. 2 (Project No. P2-123), and Newhope-Placentia Trunk Replacement (Project No. 2-72) with projected FY 2020-21 expenditures of \$26.1 million, \$11.6 million, \$6.1 million, and \$18.4 million, respectively.

## Fiscal Year 21-22 Capital Improvement Authority by CIP Driver Total = \$261.9 Million



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



# DEBT FINANCING PROGRAM

## Debt Financing

Due to the potential magnitude of the capital improvement program, it may be necessary that OCSD utilize debt financing to meet its total obligations. Debt financing allows OCSD to meet projected construction schedules while achieving the lowest possible user fees, as well as long-term stability in future sewer service fee rates.

## Certificates of Participation (COP)

The primary debt financing mechanism used is Certificates of Participation (COP). COPs are repayment obligations based on a lease or installment sale agreement. The COP structure was selected over other structures because COPs are not viewed as debt by the State of California, as the purchaser does not actually receive a “bond,” but rather a share in an installment sale arrangement where OCSD serves as the purchaser. COPs can be issued with fixed or variable interest rates.

As of July 1, 2020, the total outstanding COP indebtedness will be \$940.1 million.

## Build America Bonds Financings

OCSD issued the \$80.0 million Wastewater Revenue Obligations, Series 2010A in May 2010 and the \$157.0 million Wastewater Revenue Obligations, Series 2010C in November 2010 as “Build America Bonds” (BABs) fixed rate debt.

The American Recovery and Reinvestment Act of 2009 created a new financing product, BABs, for the municipal issuer. BABs are issued as higher interest taxable bonds; however, the U.S. Treasury provides a 35 percent subsidy on interest payments. The net cost, after accounting for the 35 percent subsidy payment, frequently results in lower net costs to the issuer, specifically in the maturity years beyond ten years.

On March 1, 2013, the federal government implemented certain automatic spending cuts known as the sequester. As a result of the sequester, federal subsidy payments on BABs have been reduced annually from a high of 8.7 percent for the federal fiscal year ended September 30, 2013 to a low of 5.9 percent for the federal fiscal year ended September 30, 2020.

## Dedicated Funding Source

In 1992 and 2004 the Board of Directors formalized the dedication of certain funding sources. To assure the continuation of favorable credit ratings, revenues were dedicated to debt service in the following order:

1. Ad valorem property taxes
2. Sanitary sewer service charges
3. Other revenues

This apportionment of the ad valorem tax was consistent with and pursuant to the Revenue Program adopted in April 1979 to comply with regulations of the Environmental Protection Agency and the State Water Resources Control Board and in accordance with COP documents and Board policy.

## OCSD Maintains AAA Bond Rating

OCSD’s bond rating is “AAA” from both Fitch Ratings and Moody’s. An “AAA” Rating is the highest for a government agency. In order to maintain this rating, OCSD adheres to its debt policy and coverage ratio requirements. This Board-adopted policy serves as the agency’s guide in the management of existing debt and in the issuance of future debt.

## Debt Ratios

OCSD has contractual covenants within the existing COP agreements which require minimum coverage ratios of 1.25. The minimum coverage ratio is the ratio of net annual revenues available for debt service requirements to total annual debt service requirements for all senior lien COP debt. The coverage ratio for senior lien COP debt is being proposed to remain above 4.00 for fiscal years 2020-21 and 2021-22.

## Future Financings

No new money debt issuances are being proposed over the next two fiscal years as the \$2.7 billion in future replacement, rehabilitation, and refurbishment projects anticipated over the next ten years will be adequately funded through current sewer service fee charges and existing reserves.



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



## OPERATING EXPENSES

### Summary of Operating and Maintenance Expenses (in millions)

| Category                            | 2018-19<br>Actual | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
|-------------------------------------|-------------------|----------------------|---------------------|---------------------|
| Salaries and Benefits               | \$102.9           | \$95.8               | \$102.1             | \$107.3             |
| Contractual Services                | 20.5              | 21.2                 | 19.2                | 19.4                |
| Repairs and Maintenance             | 18.8              | 24.3                 | 28.4                | 24.2                |
| Operating Materials & Supplies      | 16.9              | 20.0                 | 21.5                | 21.3                |
| Utilities                           | 7.8               | 8.5                  | 8.4                 | 8.4                 |
| Professional Services               | 4.6               | 4.4                  | 5.7                 | 5.8                 |
| Other Materials, Supplies, Services | 3.5               | 3.2                  | 4.7                 | 4.7                 |
| Self-Insurance Requirements         | 2.0               | 2.3                  | 2.4                 | 2.5                 |
| Administrative Expenses             | 1.4               | 1.9                  | 2.0                 | 1.9                 |
| Training and Meetings               | 0.7               | 0.8                  | 1.1                 | 1.0                 |
| Research and Monitoring             | 0.9               | 1.1                  | 1.3                 | 1.4                 |
| Printing and Publications           | 0.3               | 0.3                  | 0.4                 | 0.4                 |
| Cost Allocation                     | (19.7)            | (20.1)               | (20.8)              | (21.7)              |
| <b>Total Operating Expenses</b>     | <b>\$160.7</b>    | <b>\$163.7</b>       | <b>\$176.3</b>      | <b>\$176.5</b>      |

### Salaries, Wages, and Benefits – \$102.1M

Salaries and Wages – The proposed budget for Full Time Equivalent (FTE) positions for FY 2020-21 reflects a decrease of one FTE (0.2 percent) from the FY 2019-20 approved staffing level of 640.0 FTEs to 639.0 FTEs. Provision has been made in these salary projections to comply with the terms of the most recently adopted Memorandum’s of Understanding.

**Retirement** – OCSD employees are members of the Orange County Employees’ Retirement System (OCERS). Information from OCERS indicates that the employer’s required contribution rates will be increased in FY 2020-21 from 13.3 percent to 14.1 percent. In addition, OCSD pays 3.5 percent of the employee required contribution.

**Group Insurance** – These expenses include OCSD’s share (approximately \$15,200 per employee) of employee medical plan benefits for the indemnity plan, prepaid HMO plans, dental insurance plan, and life and disability insurance premiums. The proposed budget includes a seven percent increase for medical plans starting January 2020.

### Contractual Services – \$19.2M

The treatment plants currently produce about 800 wet tons per day of biosolids which are recycled in California and Arizona. About half of the biosolids are currently allocated to create compost and the other half is used on farms to grow feed and seed crops. The FY 2020-21 biosolids budget is \$12.4 million, approximately 65 percent of the Contractual Services budget. Other residuals solids and waste includes disposal costs for grit and screening waste, digester cleaning waste, and hazardous materials.

This category also includes appropriations for grounds keeping, janitorial, security, toxic waste removal, outside laboratory, trash pickup, plant site sweeping, closed circuit television pipeline inspections, line cleaning, and temporary services.

### Repairs and Maintenance – \$28.4M

This item, which is for parts and services for repair of plant and collection facilities and annual service contracts, is expected to increase \$4.1 million, or 17.0 percent above the FY 2019-20 projected costs of \$24.3 million.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

Planned repairs that contribute to the increase include: Bushard diversion structure repair \$1.1M; Plant No. 1 secondary clarifier collector \$2.0M; and Plant No. 1 collections variable frequency drives \$1.3M.

## Operating Materials and Supplies – \$21.5M

Chemical Coagulants – Anionic polymer is added to the influent wastewater along with ferric chloride to improve solids removal efficiencies in the primary clarifiers. Ferric chloride is also added to the digesters for solids odor control. Cationic polymer is added to digested sludge prior to dewatering to aid in coagulation, improving the sludge and water separation process. Cationic polymer is also added to the waste activated sludge dissolved air flotation thickeners (DAFTs) to improve solids coagulation.

The costs for this group of chemicals are expected to slightly increase by \$1,600 or 0.0 percent above the FY 2019-20 projected costs of \$10.5 million.

Odor Control Chemicals – OCSD uses hydrogen peroxide, sodium hydroxide (caustic soda), sodium hypochlorite (bleach) and muriatic acid as the primary odor control chemicals in the treatment plants. Ferrous chloride, magnesium hydroxide, calcium nitrate, and caustic soda are the primary odor control chemicals used in the collection system.

The FY 2020-21 budget for these chemicals is \$6.9million, 11.5 percent higher than the FY 2019-20 projected costs of \$6.2 million.

## Utilities – \$8.4M

During FY 2020-21, the overall cost for utilities, a significant component of the operating budget, is anticipated to decrease by \$119,000, or 1.4 percent.

**Natural Gas** – Natural gas is purchased from two providers for different purposes. Purchases from a gas marketer are used to supplement the digester gas that is used to run the CenGen facilities. The FY 2020-21 natural gas budget is \$710,000, 0.1 percent higher than the projected FY 2019-20 costs.

**Electricity** – Electricity is the largest utility cost incurred by OCSD. Purchased electricity is used in running the plant processes as a supplement to power produced in the central generation facilities.

The FY 2020-21 proposed budget is \$6.1 million, 2.6 percent lower than the FY 2019-20 projected.

**Water** – Water is used throughout the treatment plants. Potable (drinking) water is supplied by the Cities of Fountain Valley and Huntington Beach; reclaimed water is supplied by the GAP; and plant water is disinfected secondary effluent.

- GAP water is secondary treated effluent from OCSD that is further treated by the Orange County Water District. GAP water is significantly less expensive than potable water and is used in the process wherever possible. The major uses of GAP water include cooling water, solids handling, and landscaping. By agreement, OCSD receives up to 1,120 acre feet per year of GAP water at no charge, \$10,000 is proposed for GAP water in FY 2020-21 budget.
- Potable Water – The potable water budget includes water supplied by the City of Fountain Valley for Plant No. 1 and the City of Huntington Beach for Plant No. 2. Approximately 5 percent of the potable water at Plant No. 1 is used for domestic uses and less than 1 percent is used for irrigation. The majority of the irrigation at both plants uses reclaimed water. Less than 1 percent of the potable water used at Plant No. 2 is for domestic uses due to the relatively small number of employees at Plant No. 2. The proposed total potable water cost for FY 2020-21 is \$995,000, a 1.0 percent increase from the projected FY 2019-20 costs.

## Professional Services – \$5.7M

Professional Services includes General Counsel, special labor counsel, audit and miscellaneous accounting services, legislative advocacy, engineering, and other technical consulting services.

## Other Operating Material, Supplies, Services – \$4.7M

This category of costs includes the in-lieu insurance premium used to maintain the level of accumulated reserves for the property and general liability self-insurance programs. This in-lieu cost for FY 2020-21 is proposed at \$1.8 million.

Expenses not chargeable to other categories, such as freight and miscellaneous items, and annual regulatory fees assessed by the South Coast Air Quality Management District, are recorded with this category.

## Insurance – \$2.4M

OCSD's outside excess general liability insurance coverage is \$40 million per occurrence with self-insurance retention of \$500,000.

OCSD's property insurance coverage is \$1 billion for perils of fire and \$300 million for perils of flood, subject to a self-insurance retention of \$250,000. OCSD is partially self-insured for earthquake,

## OPERATING EXPENSES

but does carry \$25 million in coverage on 15 key structures with a \$5 million deductible. OCSD also has a \$50 million sublimit for builder's risk under the property insurance program to ensure upcoming construction projects are adequately covered.

An appropriation of \$1.5 million for in-lieu premium contribution charged to operations is recommended for the Property and General Liability Program. This will serve to maintain the reserves balance.

### **Administrative Expenses – \$2.0M**

These accounts include supplies, postage, technical journals and publications, forms, small office equipment, and small computer items that cost less than \$10,000 per item and exclude items that are capitalized.

### **Training and Meetings – \$1.1M**

Board member and staff travel has been significantly reduced in recent years. This category also includes meetings of professional societies; ongoing technical training and materials for staff; training for computerized plant monitoring and control systems, MAXIMO (a computerized maintenance management system), Enterprise Resource Planning (ERP), and other "high tech" equipment, processes and systems; and training to allow for an adaptive and flexible work force. While OCSD continues to place an emphasis on effective safety training, as well as technical, leadership and management training, the training budget is at approximately 1.1 percent of budgeted regular salaries due to savings achieved in part through the use of online courses.

### **Research and Monitoring – \$1.3M**

Research and monitoring expenditures consist of contract services to carry out the extensive ocean monitoring program required by the EPA under provisions of OCSD's NPDES permit; air quality monitoring costs; OCSD's contribution to the Southern California Coastal Water Research Project (SCCWRP) being conducted under a joint powers agreement with other Southern California municipal dischargers; and also provide for increased operational and ocean research and evaluation to develop optimum operating parameters in treatment plants.

### **Printing and Publication – \$0.4M**

The budget provides for in-house and outside reproduction costs and reflects an expanded management information system and administrative requirements, as well as a continuing demand by the public and regulatory agencies for information. The continuing effort of the Public Affairs Office to improve public education programs about OCSD's activities is also reflected in the budget for this line item. This group of accounts also includes costs for photo processing, advertisements, and notices.

### **Cost Allocation – (\$20.8M)**

This represents direct labor and benefit charge outs and materials, supplies and services cost allocation to the capital projects where the related work was performed.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET



## DEPARTMENTS SUMMARY

### Expenses by Department (in millions)

| Department                   | Budget<br>2019-20 | Proposed<br>2020-21 | Percent<br>Change | Proposed<br>2021-22 | Percent<br>Change |
|------------------------------|-------------------|---------------------|-------------------|---------------------|-------------------|
| <b>Administration Units:</b> |                   |                     |                   |                     |                   |
| General Manager's Office     | \$4.9             | \$4.3               | (12.2%)           | \$4.4               | 2.3%              |
| Human Resources              | 9.4               | 6.6                 | (29.8%)           | 7.0                 | 6.1%              |
| Administrative Services      | 19.7              | 27.3                | 38.6%             | 28.1                | 2.9%              |
| <i>Sub-Total</i>             | <i>\$34.0</i>     | <i>\$38.2</i>       | <i>12.4%</i>      | <i>\$39.5</i>       | <i>3.4%</i>       |
| <b>Operating Units:</b>      |                   |                     |                   |                     |                   |
| Environmental Services       | 17.8              | 19.3                | 8.4%              | 20.3                | 5.2%              |
| Engineering                  | 6.7               | 5.6                 | (16.4%)           | 5.6                 | 0.0%              |
| Operations & Maintenance     | 109.7             | 110.8               | 1.0%              | 108.7               | (1.9%)            |
| <i>Sub-Total</i>             | <i>\$134.2</i>    | <i>\$135.7</i>      | <i>1.1%</i>       | <i>\$134.6</i>      | <i>(0.8%)</i>     |
| <b>Total</b>                 | <b>\$168.2</b>    | <b>\$173.9</b>      | <b>3.4%</b>       | <b>\$174.1</b>      | <b>0.1%</b>       |

### Staffing by Department (FTEs)

| Department                  | Authorized<br>2019-20 | Proposed<br>2020-21 | Percent<br>Change | Proposed<br>2021-22 | Percent<br>Change |
|-----------------------------|-----------------------|---------------------|-------------------|---------------------|-------------------|
| <b>Administration Units</b> |                       |                     |                   |                     |                   |
| General Manager's Office    | 15.00                 | 18.00               | 20.0%             | 18.00               | 0.0%              |
| Human Resources             | 27.00                 | 26.00               | (3.7%)            | 26.00               | 0.0%              |
| Administrative Services     | 101.00                | 101.00              | 0.0%              | 101.00              | 0.0%              |
| <i>Sub-Total</i>            | <i>143.00</i>         | <i>145.00</i>       | <i>1.4%</i>       | <i>145.00</i>       | <i>0.0%</i>       |
| <b>Operating Units</b>      |                       |                     |                   |                     |                   |
| Environmental Services      | 92.00                 | 93.00               | 1.1%              | 93.00               | 0.0%              |
| Engineering                 | 121.00                | 117.00              | (3.3%)            | 117.00              | 0.0%              |
| Operations & Maintenance    | 284.00                | 284.00              | 0.0%              | 284.00              | 0.0%              |
| <i>Sub-Total</i>            | <i>497.00</i>         | <i>494.00</i>       | <i>(0.6%)</i>     | <i>494.00</i>       | <i>0.0%</i>       |
| <b>Total FTEs</b>           | <b>640.00</b>         | <b>639.00</b>       | <b>(0.2%)</b>     | <b>639.00</b>       | <b>0.0%</b>       |

*\*FTE totals exclude Management Discretion positions that are authorized but used only on a temporary basis to facilitate the replacement of key positions. A total of three Management Discretion positions are included in the proposed budget for FY 2020-21; however, total filled positions will not exceed 639 FTEs at any point in time.*

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

## ADMINISTRATION UNITS

### General Manager's Office

**Budget \$4.3M – Staffing 18 FTEs**

The General Manager's Office provides general oversight of all OCSD operations and incorporates functions in the areas of Public Affairs and Board Services. The budget reflects the transfer out of one position to another department.

### Human Resources

**Budget \$6.6M – Staffing 26 FTEs**

The Human Resources Department works with management and employees to ensure an effective and productive employment relationship. The department also provides risk management services to the organization to create a safe, healthy and secure environment for staff, contractors, and visitors.

### Administrative Services

**Budget \$27.3M – Staffing 101 FTEs**

The Administrative Services Department maintains financial oversight and administration of all OCSD funds and accounts and is responsible for contract administration and procurement, and oversees all OCSD computer, networking and customer support issues. The budget reflects the addition of one position to provide computer system support for OCSD's pretreatment program.

## OPERATING UNITS

### Environmental Services

**Budget \$19.3M – Staffing 93 FTEs**

The Environmental Services Department manages all environmental monitoring, regulatory, compliance and reporting elements to ensure that OCSD meets the requirements of federal, state and local regulations for treated sewage discharge into the ocean, water recycling, air emissions, industrial waste, sewer system operations, land use controls and biosolids and stormwater management.

### Engineering

**Budget \$5.6M – Staffing 117 FTEs**

The Engineering Department is responsible for the planning and execution of the OCSD's capital improvement program and asset management program.

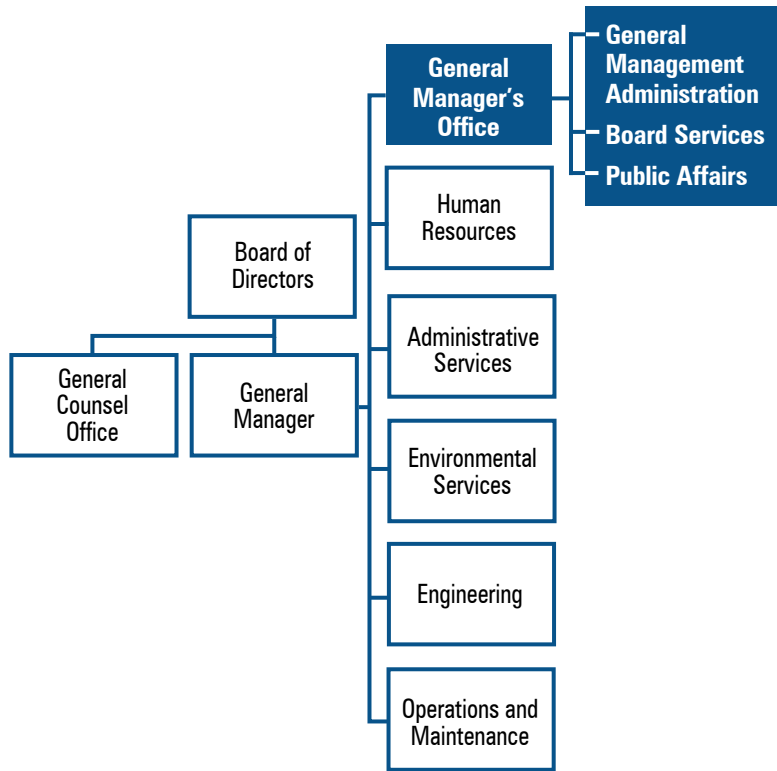
### Operations and Maintenance

**Budget \$110.8M – Staffing 284 FTEs**

The Operations and Maintenance Department is responsible for the operation and maintenance of the OCSD's two wastewater treatment plants as well as the sanitary sewer system pipeline and pumping facilities. The department also provides fleet management services for OCSD. The budget reflects the transfer in of one position from another department.

*FTEs = Full-Time Equivalent Positions*

# GENERAL MANAGER'S OFFICE



## Service Description

General Management Administration is responsible for working with the Board of Directors to establish standards, policies and procedures, and the overall goals and Strategic Plan of the agency. The General Manager reports directly to the Board of Directors and provides general oversight to all Sanitation District operations, interagency relations, legislative activities, communications, and the Strategic Plan. The General Manager oversees the Public Affairs and Board Services Divisions.

**Board Services** provides a high level of customer service through the Clerk of the Board's office. The Clerk of the Board's office supports the Board of Directors and the public by preparing and publishing agendas in accordance with legal requirements for meetings of the Board of Directors; recording the actions taken by the Board; publishing notices as required by law; receiving and processing requests for public records; acting as filing officer for Statement of Economic Interests filings; receiving and processing summons and complaints filed against the Sanitation District; and maintaining rosters of the Board of Directors and appointed committee assignments. Board Services is also responsible for the administrative management of the Administration Building receptionist, mailroom and conference room coordination.

**Public Affairs** provides services and implements programs to meet the communications needs of the Sanitation District's internal and external audiences. The division is responsible for OCSD's media relations, internal and external communications, community relations, public education and outreach, social media, website, special events, agency branding, collateral materials, graphic design, and crisis communications. The division's goal is to develop and manage a total communications program in accordance to OCSD's Core Values and OCSD's Strategic Plan.



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

| <b>Operating Expense</b>            |                    |                    |                      |                     |                     |
|-------------------------------------|--------------------|--------------------|----------------------|---------------------|---------------------|
| Category                            | 2018-19<br>Actual  | 2019-20<br>Budget  | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
| Personnel                           | \$2,262,323        | \$2,314,240        | \$2,269,700          | \$2,670,000         | \$2,790,200         |
| Supplies                            | 434,327            | 480,640            | 460,980              | 579,710             | 536,470             |
| Professional / Contractual Services | 832,941            | 889,400            | 1,085,506            | 1,017,400           | 1,017,400           |
| Research and Monitoring             | -                  | -                  | -                    | -                   | -                   |
| Repairs and Maintenance             | -                  | -                  | -                    | -                   | -                   |
| Utilities                           | 104,536            | 110,000            | 106,900              | -                   | -                   |
| Other                               | 88,920             | 1,227,980          | 93,350               | 139,860             | 125,460             |
| Cost Allocation                     | (123,881)          | (116,520)          | (125,160)            | (117,360)           | (117,360)           |
| <b>Total</b>                        | <b>\$3,599,166</b> | <b>\$4,905,740</b> | <b>\$3,891,276</b>   | <b>\$4,289,610</b>  | <b>\$4,352,170</b>  |

## Budget Overview

The fiscal year 2020-21 budget for the General Manager’s Office reflects a decrease of 12.6 percent over the current budget. The decrease is primarily due to decreases in costs for utilities and reallocation of the General Manager’s contingency to Administrative Services department. These decreases were essentially offset by increases in personnel costs, training and meeting expenses, document archival consulting services, and other operating supplies.

## Performance Objectives / Measures

- Ensure that the Board approved Strategic Plan is implemented.
- Provide services and implement programs that meet the communications needs of OCSD’s internal audiences by producing a minimum of 70 internal communication pieces
- Maintain the Special District Leadership Foundation (SLDF) District Transparency Certificate of Excellence.
- Respond to 90 percent of public records requests within seven business days.
- Provide information to Board of Directors through the General Manager’s monthly report and the new Board member orientation.
- Provide services and implement programs that meet communication needs of OCSD’s external audience by reaching a minimum of 3,000 people.

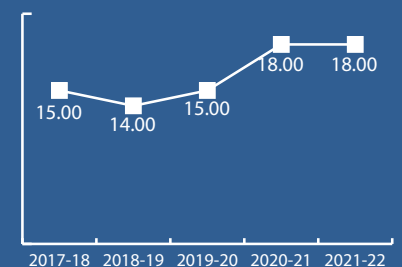
### Authorized FTE Positions

Managers..... 4.00  
Supervisors /Professionals ..... 7.00  
Administrative /Clerical..... 7.00

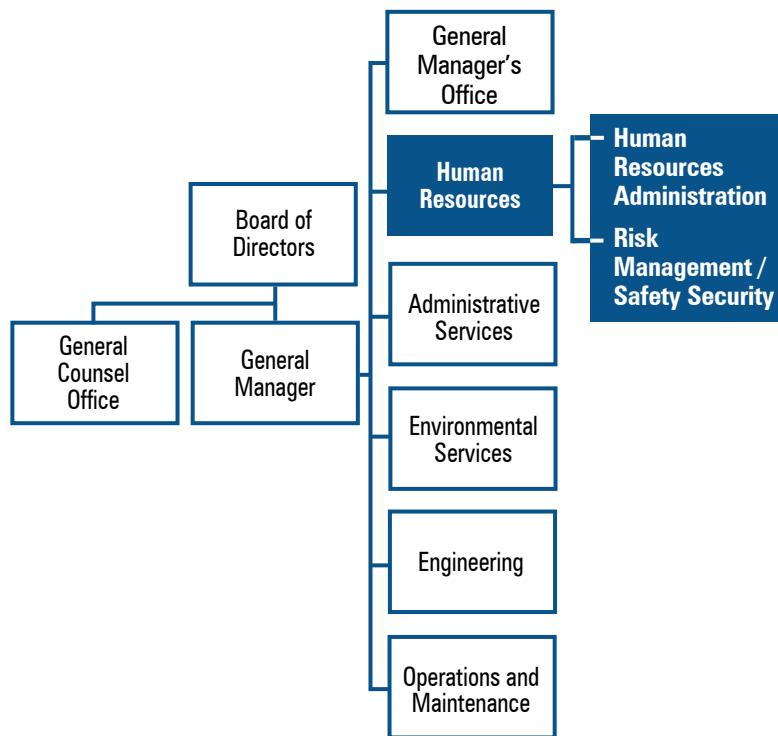
**Total..... 18.00**

*\*FTE totals exclude four Management Discretion positions which are authorized to be used only on a temporary basis to facilitate the replacement of key positions.*

### Staffing Trends



# HUMAN RESOURCES DEPARTMENT



## Service Description

Human Resources is a full service department responsible for all aspects of Human Resources administration and risk management to ensure a safe, effective and productive workplace and employment relationship. The Human Resources Department is committed to a workplace grounded in fair and equitable employment decisions and practices. This department serves as the in-house advisor to the General Manager, executive staff, OCSD departments, and all staff. Delivering services with a high-level of customer satisfaction is a key objective.

**Human Resources Administration** oversees all human resources functions, including Benefits Administration, Classification and Compensation, Employee/Labor Relations, Employee Development/Performance Management, and Recruitment and Selection. Benefits Administration manages, maintains, and administers benefits for employees, including medical, dental, vision, and life insurance plans, Employee Assistance Program, retirement, voluntary benefits, and reasonable accommodations. Classification and Compensation is a vital function that establishes new classifications and salaries, while also reviewing existing classifications to determine appropriate placement within OCSD departments, including salary surveys and studies. Employee and Labor Relations offers professional assistance in various areas of the employee and labor relations field. Human Resources manages, interprets, and administers District policies and collective bargaining agreements while ensuring compliance with local, state, and federal regulations. Employee Development/Performance Management manages and coordinates District-wide legally mandated and development training programs; and manages employee performance through consulting management regarding performance appraisals and performance improvement plans. Through the Recruitment and Selection program, the District seeks to attract, hire, and retain the best qualified employees in a manner that is fair, equitable and merit-based.

**Risk Management/Safety/Security** protects the finances and human resources of the District. It identifies and manages potential risk to the organization and provides solutions for mitigating or reducing the risk; and manages the District's Workers' Compensation Program and provides a secure, safe and healthy work environment for OCSD staff, contractors, and visitors. The division also provides training to identify and control risk, and cost-effectively address safety, health and security issues.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

| <b>Operating Expense</b>            |                    |                    |                      |                     |                     |
|-------------------------------------|--------------------|--------------------|----------------------|---------------------|---------------------|
| Category                            | 2018-19<br>Actual  | 2019-20<br>Budget  | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
| Personnel                           | \$5,514,091        | \$5,042,260        | \$4,586,980          | \$4,003,400         | \$4,244,200         |
| Supplies                            | 423,409            | 772,110            | 698,615              | 810,722             | 747,980             |
| Professional / Contractual Services | 2,854,647          | 3,111,500          | 2,756,740            | 3,125,625           | 3,325,625           |
| Research & Monitoring               | -                  | -                  | -                    | -                   | -                   |
| Repairs & Maintenance               | 3,820              | 3,050              | 4,550                | 4,550               | 4,550               |
| Utilities                           | -                  | -                  | -                    | -                   | -                   |
| Other                               | 1,399,154          | 1,843,640          | 1,847,320            | 141,040             | 141,040             |
| Cost Allocation                     | (1,334,048)        | (1,334,180)        | (1,333,770)          | (1,486,070)         | (1,486,070)         |
| <b>Total</b>                        | <b>\$8,861,073</b> | <b>\$9,438,380</b> | <b>\$8,560,435</b>   | <b>\$6,599,267</b>  | <b>\$6,977,325</b>  |

## Budget Overview

The fiscal year 2020-21 budget for the Human Resources Department reflects a 30.1 percent decrease from the current budget. The decrease is primarily due to reductions in personnel costs, staffing study, labor negotiation, training expense, general liability insurance in-lieu premium expense reallocation, and adjustments to the district-wide cost allocation plan. The overall decrease is partially offset by an increase in legal and recruitment costs.

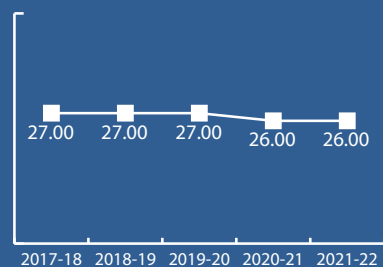
## Performance Objectives / Measures

- Continue with development and implementation of effective workforce planning/development and succession planning strategies.
- Continue with a recruitment plan that reduces vacancies and time-to-fill.
- Review all training requirements and support departments in meeting the training level of service requirements of 45 hours per employee.
- Ensure 100% of Safety Compliance Training is completed.
- Implement Leading Safety Indicators to reduce injuries to employees.
- Manage operating expenditures to within 96 to 100 percent of the approved budget.

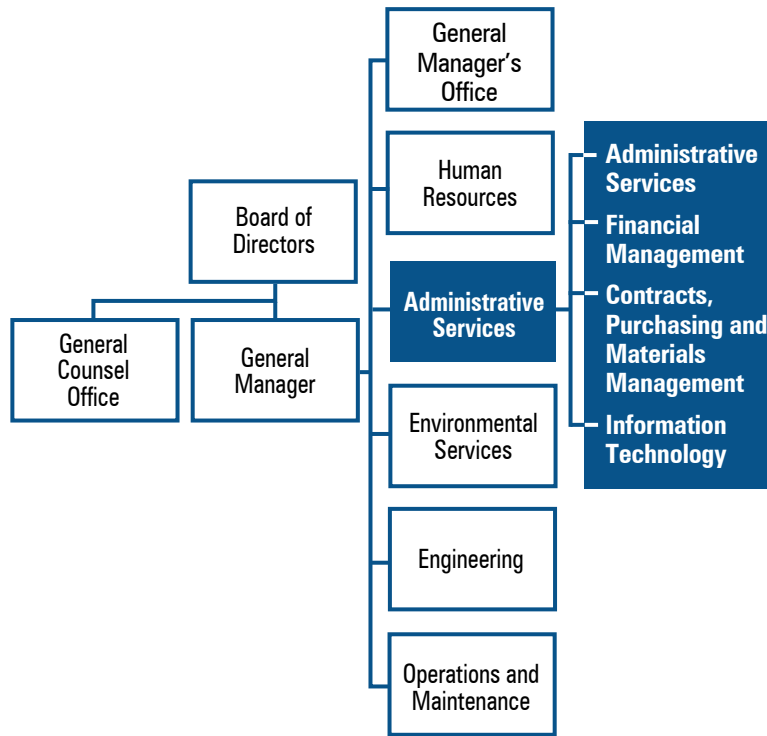
### Authorized FTE Positions

|                                |              |
|--------------------------------|--------------|
| Managers.....                  | 2.00         |
| Supervisors /Professionals ... | 21.00        |
| Administrative /Clerical.....  | 3.00         |
| <b>Total .....</b>             | <b>26.00</b> |

### Staffing Trends



# ADMINISTRATIVE SERVICES DEPARTMENT



## Service Description

The Administrative Services Department oversees all of OCSD's finance, contracts/purchasing, and information technology activities, including both day-to-day operations and strategic planning. The department serves as a liaison to Executive Management, the Board of Directors, and other departments of OCSD. The department includes four divisions:

**Administrative Services** provides leadership and oversight to all Administrative Services divisions.

**Financial Management** oversees and administers all OCSD's funds and accounts. Programs include treasury and debt management, accounts receivable and payable, user fees, payroll, fixed assets accounting, and coordinating the capital and operating budget process.

**Contracts, Purchasing, and Materials Management** is responsible for contract administration and procurement for all departments. Additionally, this division manages OCSD's warehouses, receives and maintains inventory, and distributes supplies, materials, and equipment.

**Information Technology** is responsible for customer support related information technology assets and services, networking and infrastructure, telecommunications service operation and maintenance, network and programming, solutions and application support.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

| <b>Operating Expense</b>            |                     |                     |                      |                     |                     |
|-------------------------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| Category                            | 2018-19<br>Actual   | 2019-20<br>Budget   | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
| Personnel                           | \$15,022,612        | \$14,073,460        | \$14,385,200         | \$16,818,400        | \$17,856,800        |
| Supplies                            | 929,423             | 1,340,720           | 1,375,874            | 1,534,041           | 1,533,812           |
| Professional / Contractual Services | 1,177,614           | 1,962,670           | 1,648,131            | 2,557,738           | 2,216,472           |
| Research & Monitoring               | -                   | -                   | -                    | -                   | -                   |
| Repairs & Maintenance               | 2,193,895           | 2,700,000           | 2,648,860            | 2,922,078           | 3,048,921           |
| Utilities                           | 452,722             | 500,000             | 500,000              | 1,284,732           | 1,286,915           |
| Other                               | 1,037,692           | 172,430             | 156,240              | 3,211,985           | 3,172,761           |
| Cost Allocation                     | (1,057,789)         | (1,056,440)         | (1,057,470)          | (984,770)           | (984,770)           |
| <b>Total</b>                        | <b>\$19,756,169</b> | <b>\$19,692,840</b> | <b>\$19,656,835</b>  | <b>\$27,344,204</b> | <b>\$28,130,911</b> |

## Budget Overview

The fiscal year 2020-21 budget for the Administrative Services Department reflects a 38.9 percent increase from the current budget. The increase is primarily due centralizing OCSD wide expenses in Administrative Services and increases in personnel costs, small computer items, property tax fees, groundskeeping and janitorial services, software program consultant, service maintenance agreements, utilities costs, property management fees, record storage, property & general liability insurance, reallocation of contingency & reappropriation adjustments, and adjustments to the district-wide cost allocation plan. The increase is partially offset by decreases in costs for temporary services, legal fees, county service fees, equipment rental, and flow & loading study.

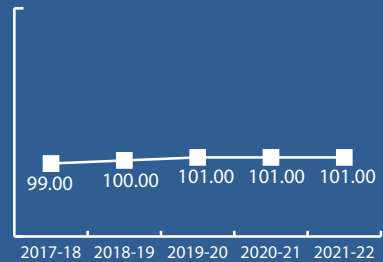
## Performance Objectives / Measures

- Manage operating expenditures to within 96 to 100 percent of the approved budget.
- Comply with the California State Government Code 100 percent of the time with all treasury investments.,
- Submit the annual sewer service fee property parcel database to the County in time for placement on annual secured property tax bills.
- Process all approved sewer service fee refund requests within 90 days, 90 percent of the time.
- All debt service payments will be paid electronically, on the actual due dates, and error free 100 percent of the time.
- Continue the cycle count program and maintain a 97 percent accuracy rate or better.
- Ensure the measurement of the Information Technology Strategic Plan target based on the completion of goals supporting the Levels of Service (LOS).
- Maintain an average uptime of 90 percent for critical applications.

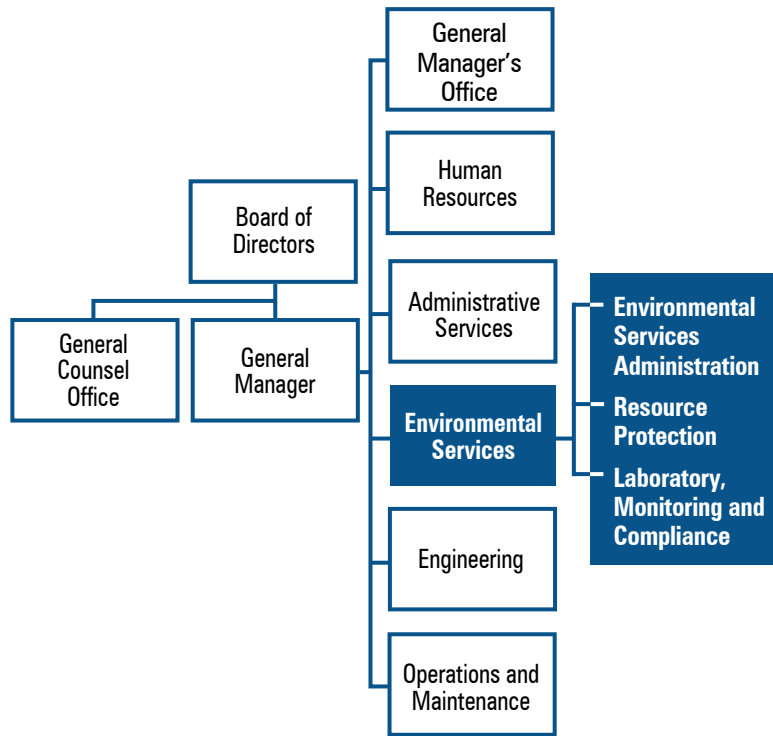
### Authorized FTE Positions

|                                |               |
|--------------------------------|---------------|
| Managers.....                  | 3.00          |
| Supervisors /Professionals ... | 64.00         |
| Administrative /Clerical.....  | 34.00         |
| <b>Total .....</b>             | <b>101.00</b> |

### Staffing Trends



# ENVIRONMENTAL SERVICES DEPARTMENT



## Service Description

The Environmental Services Department manages OCSD's environmental monitoring, laboratory, source control, and regulatory compliance and reporting programs to ensure that OCSD meets all federal, state and local regulations for potable water reuse, ocean discharge, water reclamation, air emissions, industrial waste, regional sewer system operations, urban runoff reuse, and biosolids management. The department proactively monitors and engages in the development of and updates to environmental regulations of interest to OCSD. The Environmental Services Department consists of three divisions:

**Environmental Services Administration** provides leadership, support, and management oversight for the Department in order to accomplish OCSD's Strategic Plan and departmental annual goals.

**Resource Protection** fulfills federal, state, and local pretreatment requirements by conducting sampling, inspection, permitting, and enforcement at industrial sources and performs comprehensive surveillance of non-industrial discharges, urban runoff diversions, and constituents of emerging concern. This division provides oversight of interagency source control agreements and is responsible for the enhanced source control program that enables responsible ocean discharge and beneficial reuse of treated wastewater and biosolids.

**Laboratory, Monitoring and Compliance** collects beach, ocean, air, biosolids and treatment process samples, performs laboratory analysis, and provides data to evaluate inflows from the collection system, evaluate and optimize treatment processes, determine adherence with air quality standards, coastal water quality, marine sediments, fish communities and the ecological health within and near OCSD's wastewater discharge. This division also prepares reports as mandated by environmental permits and regulations.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

| <b>Operating Expense</b>            |                     |                     |                      |                     |                     |
|-------------------------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| Category                            | 2018-19<br>Actual   | 2019-20<br>Budget   | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
| Personnel                           | \$14,932,882        | \$13,570,410        | \$14,023,900         | \$14,577,300        | \$15,274,800        |
| Supplies                            | 854,493             | 901,630             | 900,270              | 1,087,135           | 922,501             |
| Professional / Contractual Services | 505,911             | 653,660             | 490,510              | 921,635             | 1,153,683           |
| Research & Monitoring               | 935,801             | 1,099,600           | 1,149,600            | 1,304,700           | 1,428,700           |
| Repairs & Maintenance               | 303,566             | 314,970             | 336,060              | 370,747             | 380,910             |
| Utilities                           | 364,201             | 380,500             | 455,610              | -                   | -                   |
| Other                               | 819,522             | 846,820             | 972,110              | 1,049,180           | 1,122,104           |
| Cost Allocation                     | 18,599              | 23,030              | (19,900)             | (20,790)            | (22,800)            |
| <b>Total</b>                        | <b>\$18,734,975</b> | <b>\$17,790,620</b> | <b>\$18,308,160</b>  | <b>\$19,289,907</b> | <b>\$20,259,898</b> |

## Budget Overview

The fiscal year 2020-21 budget for the Environmental Services Department reflects an increase of 8.4 percent from the current budget. The increase is primarily attributable to increases in personnel costs, operating materials and supplies, temporary services, environmental strategic process studies, environmental scientific consulting services, NPDES renewal, regulatory operating fees, and adjustments to the district-wide cost allocation plan. The overall increase was partially offset by decreases in utilities costs.

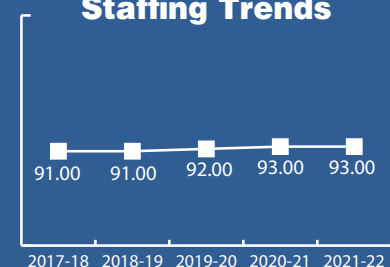
## Performance Objectives / Measures

- Manage operating expenditures to within 96 to 100 percent of the approved budget.
- Ensure that reporting divisions achieve no less than 90 percent of individual performance objectives.
- Ensure that all environmental compliance reporting requirements are met on or before required submission dates.
- Implement federal, state, and local environmental regulation including OCSD Ordinance terms and conditions.
- Conduct audits of all major environmental permits at least once every three years.
- Complete 100 percent of Safety Scorecard requirements each quarter.

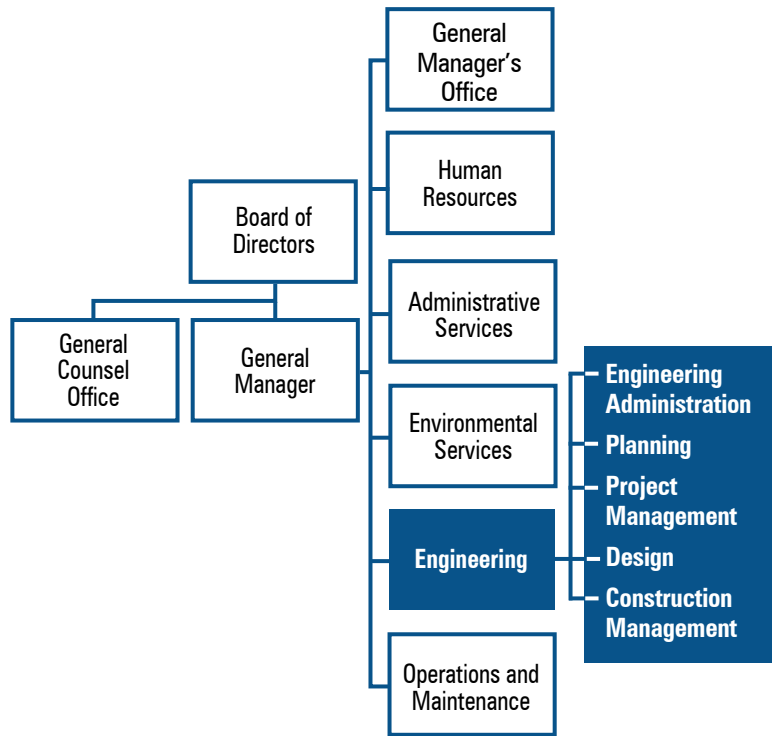
### Authorized FTE Positions

|                                |              |
|--------------------------------|--------------|
| Managers.....                  | 3.00         |
| Supervisors /Professionals ... | 65.00        |
| Administrative /Clerical.....  | 9.00         |
| Technical .....                | 16.00        |
| <b>Total .....</b>             | <b>93.00</b> |

### Staffing Trends



# ENGINEERING DEPARTMENT



## Service Description

The Engineering Department is responsible for the planning and execution of OCSD’s Capital Improvement Program, the Asset Management Program, and interagency coordination. The Engineering Department is comprised of five divisions:

**Engineering Administration** provides management to all Engineering Divisions.

**Planning** is responsible for developing and maintaining a comprehensive Capital Improvement Program for OCSD considering projected capacity requirements, condition of assets, anticipated regulatory and level of service changes, and technological opportunities. Planning is responsible for OCSD’s Asset Management program to ensure that required levels of service are met by performing planned repair, rehabilitation and replacement of facilities at optimal lifecycle costs. In addition, this division is responsible for California Environmental Quality Act preparation and review, and performs services for annexations, connection permitting, and interagency agreements.

**Project Management** is responsible for the delivery of capital projects from the preliminary design stage through project closeout.

**Design** provides technical leadership, engineering design and quality assurance, design standards development and management, control systems design and programming, and commissioning oversight.

**Construction Management** provides construction engineering, quality control inspection, commissioning execution, and other technical support for construction projects.



# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

| <b>Operating Expense</b>            |                    |                    |                      |                     |                     |
|-------------------------------------|--------------------|--------------------|----------------------|---------------------|---------------------|
| Category                            | 2018-19<br>Actual  | 2019-20<br>Budget  | 2019-20<br>Projected | 2020-21<br>Proposed | 2021-22<br>Proposed |
| Personnel                           | \$21,316,006       | \$21,404,310       | \$20,748,500         | \$21,638,300        | \$22,640,100        |
| Supplies                            | 321,469            | 548,590            | 423,510              | 411,350             | 335,765             |
| Professional / Contractual Services | 617,053            | 2,238,615          | 1,313,583            | 1,590,615           | 1,595,615           |
| Research & Monitoring               | -                  | -                  | -                    | -                   | -                   |
| Repairs & Maintenance               | 337,039            | 108,000            | 97,630               | 3,900               | 3,900               |
| Utilities                           | 115,570            | 133,500            | 112,780              | 0                   | 0                   |
| Other                               | 3,020              | 9,020              | 5,528                | 5,930               | 5,930               |
| Cost Allocation                     | (16,882,739)       | (17,789,760)       | (17,355,420)         | (18,076,310)        | (18,954,190)        |
| <b>Total</b>                        | <b>\$5,827,418</b> | <b>\$6,652,275</b> | <b>\$5,346,111</b>   | <b>\$5,573,785</b>  | <b>\$5,627,120</b>  |

## Budget Overview

The fiscal year 2020-21 budget for the Engineering Department reflects a 16.2 percent decrease from the current budget primarily due to decreases in operating materials & supplies, groundskeeping & janitorial services, legal, engineering, and other professional services, repairs and maintenance, electricity costs, and adjustments to the district-wide cost allocation plan. The overall increase was partially offset by personnel costs.

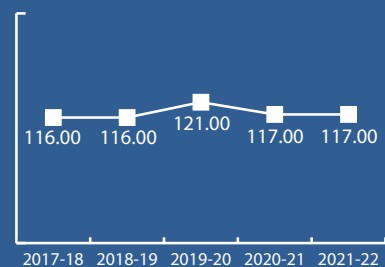
## Performance Objectives / Measures

- Expend 90 to 105 percent of project annual Capital Improvement Program cash flows.
- Manage operating expenditures to within 90 to 100 percent of the approved budget.
- Ensure that reporting divisions achieve 90 percent of individual performance objectives.
- Prepare and maintain a 20-year District-wide capital plan coordinating condition assessment, regulatory requirements, changing levels of science, and projected capacity requirements.

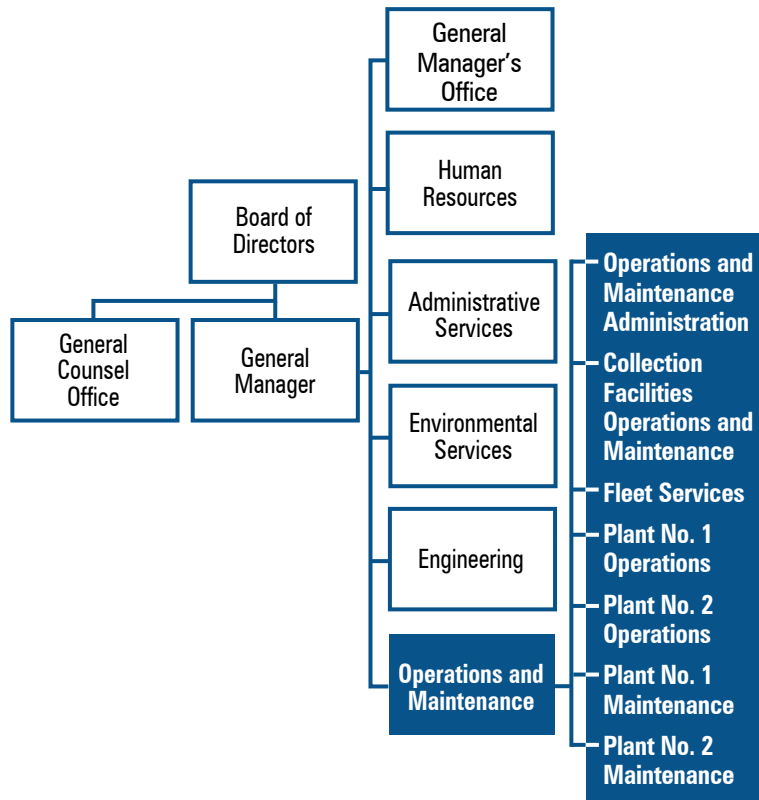
### Authorized FTE Positions

|                                |        |
|--------------------------------|--------|
| Managers.....                  | 5.00   |
| Supervisors /Professionals ... | 81.00  |
| Administrative /Clerical.....  | 31.00  |
| <hr/>                          |        |
| Total .....                    | 117.00 |

### Staffing Trends



# OPERATIONS AND MAINTENANCE DEPARTMENT



## Service Description

The Operations and Maintenance (O&M) Department is responsible for treating wastewater, reusing or disposing of the treated wastewater and all residuals, providing maintenance support to all treatment facilities, operating and maintaining the sanitary sewer system pipeline and pumping facilities, and for providing fleet management services. The Department consists of seven divisions:

**Operations and Maintenance Administration** provides leadership and oversight to all O&M divisions.

**Collection Facilities Operations and Maintenance** operates and maintains the regional facilities which include gravity sewers and pumping facilities.

**Fleet Services** provides fleet and heavy equipment services and motor pool management to all OCSD staff.

**Plant No. 1 and Plant No. 2 Operations** are responsible for the daily management of the wastewater treatment processes, sludge and biosolids treatment and loading processes, power generation, and odor and air quality control processes. Activities also include ensuring compliance with all regulatory permits, support of the Capital Improvement Program, and coordination of construction and maintenance work. Plant No. 1 Operations also ensures the delivery of specification water to the Groundwater Replenishment System.

**Plant No. 1 and Plant No. 2 Maintenance** are responsible for civil, electrical, facilities, instrumentation and mechanical maintenance of the two treatment plants and pump stations.

# FISCAL YEARS 2020-21 AND 2021-22 BUDGET

| <b>Operating Expense</b>            |                      |                      |                      |                      |                      |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Category                            | 2018-19<br>Actual    | 2019-20<br>Budget    | 2019-20<br>Projected | 2020-21<br>Proposed  | 2021-22<br>Proposed  |
| Personnel                           | \$43,880,461         | \$42,029,560         | \$39,807,200         | \$42,374,400         | \$44,448,200         |
| Supplies                            | 16,354,632           | 20,432,731           | 19,126,248           | 20,562,236           | 20,508,710           |
| Professional / Contractual Services | 19,130,081           | 18,764,299           | 18,226,793           | 15,731,988           | 15,936,619           |
| Research & Monitoring               | -                    | -                    | -                    | -                    | -                    |
| Repairs & Maintenance               | 15,968,730           | 20,343,622           | 21,163,430           | 25,071,370           | 20,740,526           |
| Utilities                           | 6,758,397            | 8,126,310            | 7,308,808            | 7,080,222            | 7,091,923            |
| Other                               | 114,006              | 144,850              | 174,040              | 133,937              | 137,647              |
| Cost Allocation                     | (329,205)            | (104,740)            | (165,000)            | (140,410)            | (145,890)            |
| <b>Total</b>                        | <b>\$101,877,102</b> | <b>\$109,736,632</b> | <b>\$105,641,519</b> | <b>\$110,813,743</b> | <b>\$108,717,735</b> |

## Budget Overview

The fiscal year 2020-21 budget for the Operations and Maintenance Department reflects a 1.0 percent increase from the current budget. The increase is primarily due to increases in personnel costs, and repairs and maintenance costs, partially offset by a decrease in solids removal, contractual services, and utilities costs.

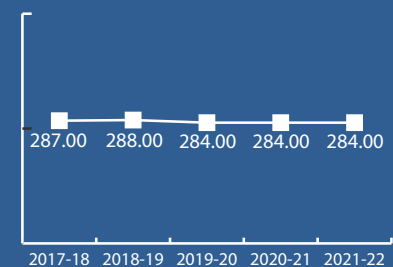
## Performance Objectives / Measures

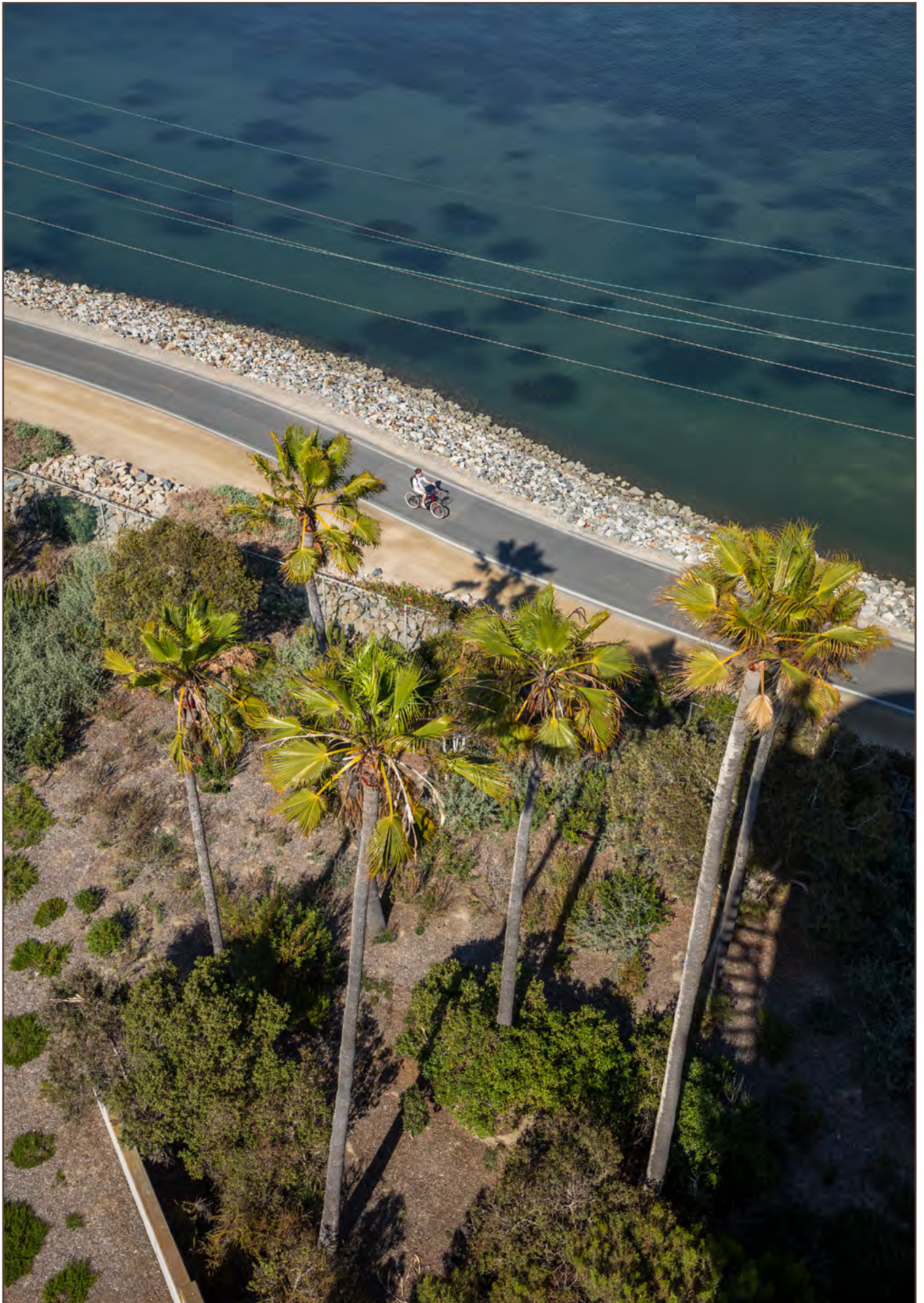
- Achieve 100 percent compliance with water, solids, air, and energy permits.
- Achieve a compliance level of 90 to 100 percent of the O&M performance measurement targets.
- Manage operating expenditures to within 96 to 100 percent of the approved budget.

### Authorized FTE Positions

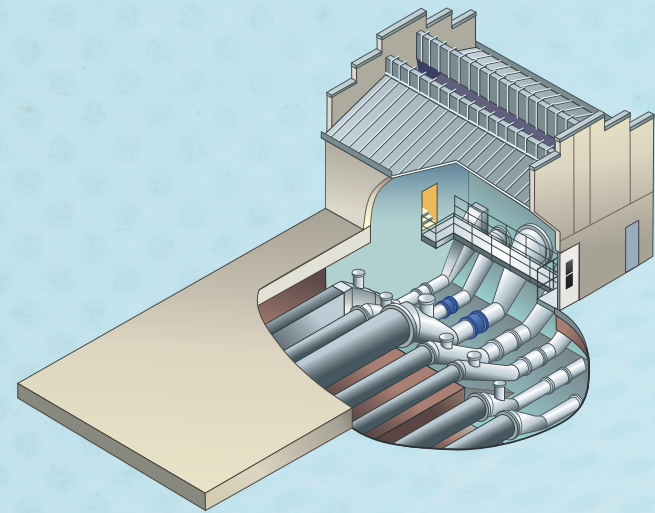
|                                |               |
|--------------------------------|---------------|
| Managers.....                  | 5.00          |
| Supervisors /Professionals ... | 63.00         |
| Administrative /Clerical.....  | 5.00          |
| Technical .....                | 1.00          |
| Operations & Maintenance ..    | 210.00        |
| <hr/>                          |               |
| <b>Total .....</b>             | <b>284.00</b> |

### Staffing Trends



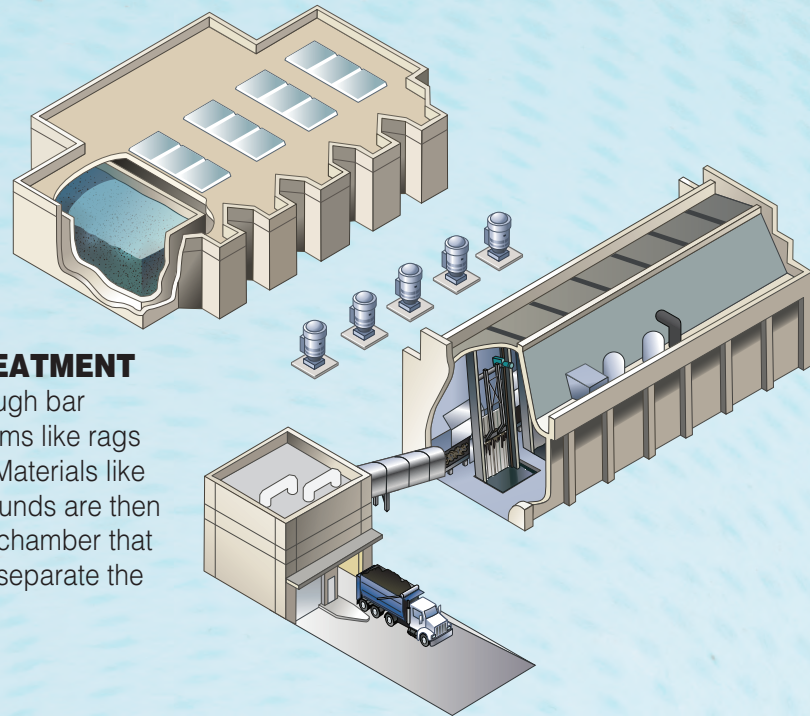


# Orange County Sanitation District Wastewater Treatment Process



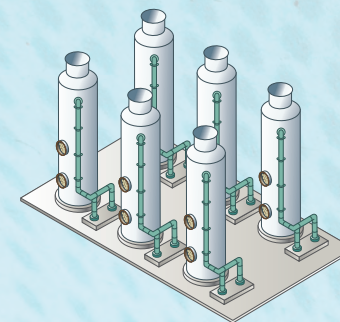
## 1. METERING AND DIVERSION

Wastewater enters our plant at 2.5 - 5 mph through pipes up to 10 feet in diameter. High tech equipment monitors the temperature, pH, conductivity, and flow of the incoming wastewater.



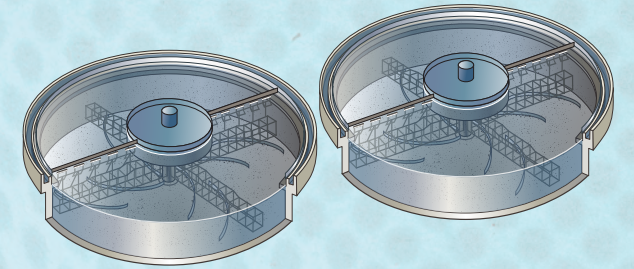
## 2. PRELIMINARY TREATMENT

Raw sewage passes through bar screens that trap large items like rags that cannot be recycled. Materials like egg shells and coffee grounds are then removed through the grit chamber that uses high pressure air to separate the gritty material.



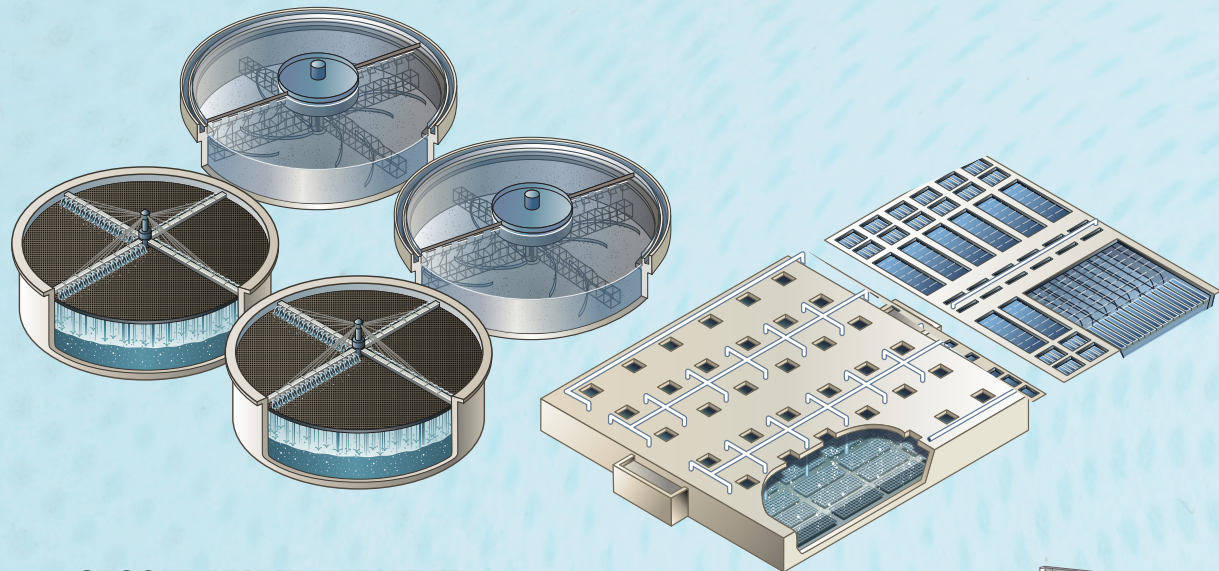
## 3. AIR SCRUBBER

Hydrogen sulfide (foul air) is captured throughout the process and funneled into large silos. It passes through a plastic medium and mixes with caustic soda and bleach. Causing the odorous compounds to be neutralized.



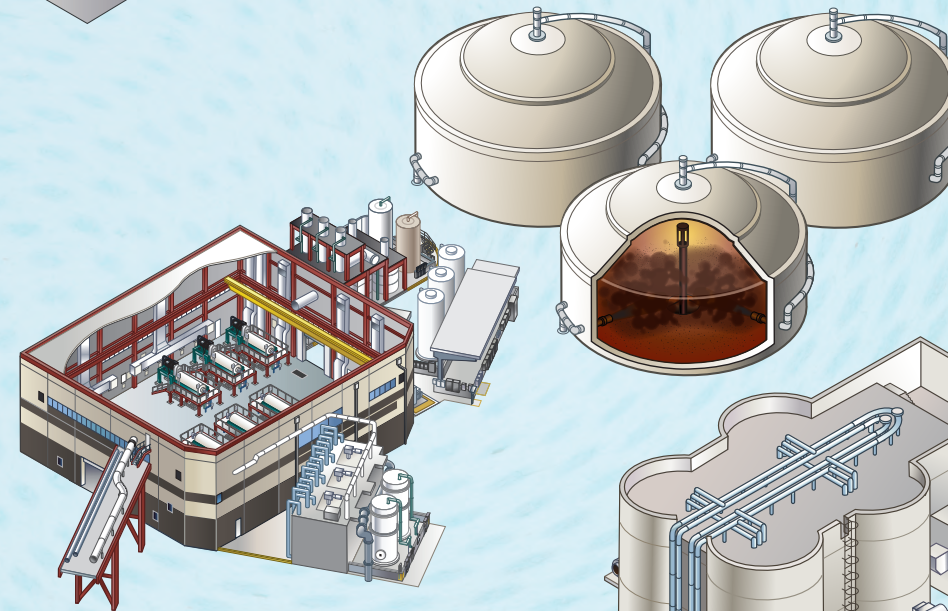
## 4. PRIMARY TREATMENT

Primary clarifiers or settling basins, slow the water down to allow the solids in the wastewater that readily settle or float to be separated from the water being treated. Collector arms that move along the top and the bottom remove over 80 percent of the influent wastewater solids. Solids are then sent to the digesters for processing.



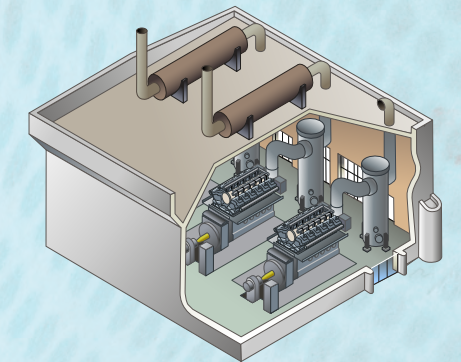
## 5. SECONDARY TREATMENT

Trickling filters and aeration basins are used to further clean the water. In trickling filters the water is sprayed over a honeycomb type material upon which aerobic bacteria grow. As the water trickles down, the microorganisms consume the solids that were not removed through primary treatment. Aeration tanks use a combination of oxygen and microorganisms, (activated sludge) that consume the remaining organic solids. Treated water is then sent to the Orange County Water District for recycling, or discharged into the ocean.



## 7. SOLIDS PROCESSING

Solids captured from primary and secondary treatment are batch loaded into anaerobic digesters where they are heated to about 98 degrees and treated for 18-21 days. The digestion process produces methane gas and a material called biosolids. Biosolids are sent to the dewatering facility where they are run through dewatering centrifuges. The centrifuges spin the biosolids separating water from the solids. This process saves OCS D several million dollars per year in truck hauling costs. The nutrient-rich biosolids are trucked off to farms where they are recycled for direct land application and composting.



## 8. CENTRAL GENERATION

Methane gas that is captured from digesters is compressed and used to fuel engine generators that produce electricity, supplying more than 60% of our energy needs.



## 6. GROUNDWATER REPLENISHMENT SYSTEM

A joint project between Orange County Sanitation District and Orange County Water District. This system reduces the amount of wastewater discharged to the Pacific Ocean and creates a reliable supply of high-quality water that is drought-resilient.



## Our Mission:

*“To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.”*

The Orange County Sanitation District (OCSD) is a public agency that provides wastewater collection, treatment, recycling, and disposal services for approximately 2.6 million people in our service area of central and northern Orange County. OCSD is a special district that is governed by a Board of Directors consisting of 25 board members. OCSD has two operating facilities in Fountain Valley and Huntington Beach that treat wastewater from residential, commercial, and industrial sources.

### Follow the Flow:

**Pretreatment:** All the cities' sewers connect to OCSD's collections system that transports the wastewater to our treatment plants. Before the sewage enters our facilities, our Source Control Program permits and inspects business and industry that discharge waste into the sewers. Maintaining and protecting our trunklines from corrosion and odor issues is also an important part of what we do.

- 1. Metering and Diversion:** Wastewater enters our treatment plants through trunklines up to 10-feet in diameter at a speed of 2.5-5 mph. Automated equipment measures the pH, conductivity, flow, and temperature. Data is monitored by operators around the clock.
- 2. Preliminary Treatment:** Consists of two parts – bar screens and grit chambers. First, sewage passes through metal bars that catch large items (rags, trash, wood, etc.). Next, grit chambers use air bubbles to suspend lighter material while heavier grit (egg shells, coffee grounds, gravel, sand, etc.) sinks to the bottom and is removed. Screenings and grit are sent to a landfill.
- 3. Air Scrubber:** Most processes that produce odors are covered and the foul air is drawn off for cleaning (deodorizing) by air scrubbers. OCSD uses both chemical and biofilter systems. Hydrogen sulfides (sewer gas smell) are neutralized by using caustic soda, bleach, or live microorganisms.
- 4. Advanced Primary Treatment:** Chemicals (ferric chloride and anionic polymer) are added to the preliminary treated sewage to improve settling. Heavier suspended solids clump together and sink to the bottom (sludge). Lighter waste (grease and oil) float to the surface (scum). This process takes about 2 hours and up to 80% of the suspended solids are continuously removed by scraper arms that revolve along the top and bottom of the basin. These solids are sent to digesters for further processing.
- 5. Secondary Treatment:** Advanced primary treated sewage is sent to either trickling filters or activated sludge processes where aerobic microorganisms eat the remaining dissolved waste from the water. The secondary treated wastewater is then settled in clarifiers allowing the remaining sludge (either live or dead microorganisms) to be removed. Activated sludge process uses aeration basins to mix oxygen and microorganisms to enhance the waste removal rate. Some of the sludge is pumped back into the aeration basin as return activated sludge to regenerate the basin. The remaining sludge is thickened and sent to digesters.

**Final Effluent:** The secondary treated wastewater from Plant No. 1 is sent to the Orange County Water District for advanced treatment through the Groundwater Replenishment System (GWRS). This water is used to replenish Orange County's groundwater aquifers and protect against seawater intrusion. The secondary treated wastewater from Plant No. 2 is safely released through our ocean pipeline five miles out to sea at a depth of 200 feet below the ocean surface.

## Biosolids

### Our Policy

OCSD strives to recycle our biosolids using sustainable options while protecting public health and the environment.

Some of our biosolids are recycled and used like fertilizer on farm fields to create and maintain healthy soils and improve crop yields. Some of OCSD's biosolids are further processed through composting to create a consumer-grade soil amendment that is distributed to agricultural, commercial and residential users.

### Our Program

Orange County's biosolids are safe, highly-regulated, and meet the most restrictive standards. In order to maintain these high-quality standards for recycling our biosolids, OCSD maintains a comprehensive and award-winning Source Control Program that has significantly reduced the amount of pollutants entering our facilities and biosolids.

Fertilizing farmland with biosolids is a win-win for the environment because we are recycling a renewable resource and creating productive farmland. It's a win for farmers because research has demonstrated using biosolids increases crop yields. And this biosolids management option is a win for local sewer rate payers since it is a low-tech, low-cost, reliable option that helps keep sewer rates low.

### Learn More

Visit our website at [www.ocsd.com/biosolids](http://www.ocsd.com/biosolids) for more information and to sign up for periodic biosolids program newsletters.



The Groundwater Replenishment System (GWRS) is the world's largest advanced water purification system for potable reuse. It takes treated wastewater that otherwise would be sent to the Pacific Ocean and purifies it using a three-step advanced process.

The design and construction of the GWRS was jointly funded by the Orange County Sanitation District (OCSD) and the Orange County Water District (OCWD). Together OCSD and OCWD constructed one of the most celebrated civil engineering and water reuse projects in the world.

The GWRS provides a reliable supply of highly purified, near-distilled quality water. Even during drought years, the GWRS offers a more cost-effective and energy-efficient way of producing water.

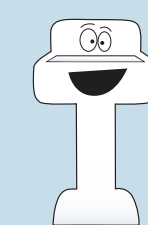
GWRS provides the county with new water it can count on. The project serves as a model for other regions throughout the United States and the world.



## Know what should go down the drain that is sewer safe

It's simple, the toilet is only meant to flush the **three Ps—pee, poop and paper.**

Unfortunately, over the years, people have turned the toilet into a trash can. From medications and sanitary products to deceased pet fish and cigarette butts. If it fits, people flush it. Flushing these types of items down the toilet causes home pipes to clog, wastes water (up to five gallons of water every time you flush) and most importantly can have a huge impact on our sewers, not to mention our ocean.



Besides the three Ps **the only other thing going down the drain should be soap and water.** The toilet is not the only drain that people are using to get rid of unwanted waste; people are also known to use the kitchen sink as a trash can. Letting trash flow and go down the kitchen sink (or any other drain in the house) may cause pipes to clog and can eventually lead to sewage spills that harm the environment.

Visit [www.What2Flush.com](http://www.What2Flush.com) to learn how to properly dispose of common items that people flush or dump down the drain. Let's keep our wastewater flowing and our oceans clean. Educate yourself and others.

Know **What 2 Flush** and what to put down the drain. Protect our sewers and environment!

Reclamation Plant No. 1 and Administration Offices  
10844 Ellis Avenue, Fountain Valley, California 92708

Treatment Plant No. 2  
22212 Brookhurst Street, Huntington Beach, California 92646

Phone: 714.962.2411  
Email: [forinformation@ocsd.com](mailto:forinformation@ocsd.com)

Website: [ocsd.com](http://ocsd.com)





**Orange County Sanitation District**  
10844 Ellis Avenue  
Fountain Valley  
California, 92708-7018  
714.962.2411  
[www.ocsd.com](http://www.ocsd.com)





# Orange County Sanitation District

## ADMINISTRATION COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

### Agenda Report

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**File #:** 2020-1093

**Agenda Date:** 6/10/2020

**Agenda Item No:** 9.

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**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**FY 2020-21 USER FEE RATE ADJUSTMENT**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Information Item.

**BACKGROUND**

In 2018, the Orange County Sanitation District (Sanitation District) approved a five-year rate schedule which included annual user fee rate increases of approximately 1% or \$4 per year for the base single-family residential rate. However, due to the impacts of COVID-19, local economies and constituents face increased financial pressure. As a result, the Board Chair has requested that staff research and report back the impact of postponing the fiscal year 2020-21 rate adjustment one year, implementing the change in fiscal year 2021-22.

Foregoing the 2020-21 rate adjustment and resuming annual 1% rate adjustments in 2021-22 would result in a \$71 million loss in revenue to the Sanitation District. Staff has determined that the most effective means of mitigating this revenue loss without impacting existing capital or operating programs is through adjustments in the Sanitation District's Debt Program.

**ADDITIONAL INFORMATION**

The 2019-20 and subsequent 2020-21 budgets were balanced assuming rate adjustments of 1% in each year. However, the 2019-20 capital and operating expenditures were less than anticipated, resulting in additional available funds. When developing the 2020-21 budget, staff incorporated an advanced repayment of an existing \$71 million debt issuance as part of an overall strategy to reduce the Sanitation District's total debt, saving the expense of future interest payments.

At the May 27 Steering Committee meeting, recognizing the economic impacts of COVID-19, the Steering Committee directed staff to determine the financial impact of a foregoing the scheduled 2020-21 rate adjustment and resuming the annual 1% annual rate adjustments in fiscal year 2021-22.



Should the Board determine that it is in the best interest to forego the scheduled 2020-21 rate increase, the most direct impact would be that the Sanitation District would lose approximately \$71 million in revenue.

Opportunities to increase revenue in other areas are limited. Addressing the revenue loss by reducing expenditures would potentially impact capital and/or operating programs. Therefore, staff believes that the least impactful means of addressing this revenue loss would be to remove the early debt issuance repayment from the budget and continue its regularly scheduled payments. As the debt issuance has a relatively low interest rate (3.5%), the savings associated with an early repayment would have been minimal. Additionally, the debt issuance could be refunded or rolled into another debt issuance in the future, generating similar savings.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

- Cashflow from the 2020-21 and 2021-22 Proposed Budget
- Cashflow adjusted for revenue loss due to foregoing schedule rate adjustment

**Orange County Sanitation District  
Consolidated Cash Flow Projections**

Cashflow from the 2020-21 and 2021-22 Proposed Budget

| Ref                             | Description  | Preliminary<br>20-21 | Preliminary<br>21-22 | Preliminary<br>22-23 | Preliminary<br>23-24 | Preliminary<br>24-25 | Preliminary<br>25-26 |
|---------------------------------|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues:</b>                |  |                      |                      |                      |                      |                      |                      |
| 1                               | General User Fees  | 301,839,390          | 306,495,847          | 311,177,631          | 316,816,564          | 322,486,265          | 328,187,220          |
| 2                               | Permitted User Fees  | 12,997,336           | 13,149,405           | 13,301,000           | 13,490,000           | 13,679,000           | 13,869,000           |
| 3                               | IRWD Assessments   | 15,940,886           | 19,872,509           | 17,117,000           | 15,865,000           | 14,474,000           | 16,007,000           |
| 4                               | SAWPA Assessments  | 2,639,000            | 2,745,000            | 2,828,000            | 2,913,000            | 3,001,000            | 3,091,000            |
| 5                               | Property Taxes   | 99,935,520           | 102,034,166          | 105,095,000          | 107,722,000          | 110,415,000          | 113,727,000          |
| 6                               | New COP Issues   | -                    | -                    | -                    | -                    | -                    | -                    |
| 7                               | Interest Revenues  | 13,208,000           | 12,642,000           | 11,109,000           | 10,455,000           | 10,111,000           | 9,857,000            |
| 8                               | Capital Facilities Capacity Charges  | 20,125,170           | 20,809,000           | 18,673,000           | 19,441,000           | 19,517,000           | 19,597,000           |
| 9                               | Other Revenues   | 21,567,988           | 19,600,825           | 16,441,000           | 16,790,000           | 17,149,000           | 17,515,000           |
| 10                              | <b>Revenues</b>  | <b>488,253,290</b>   | <b>497,348,752</b>   | <b>495,741,631</b>   | <b>503,492,564</b>   | <b>510,832,265</b>   | <b>521,850,220</b>   |
| <b>Requirements:</b>            |  |                      |                      |                      |                      |                      |                      |
| 11                              | Oper & Mtce Exp (3.0% yr)  | 173,910,516          | 174,065,159          | 179,287,000          | 184,666,000          | 190,206,000          | 195,912,000          |
| 12                              | Capital Improvement Program (CIP)  | 164,833,000          | 261,947,000          | 317,935,000          | 316,625,000          | 270,380,000          | 287,072,000          |
| 13                              | Less: CIP Savings & Deferrals  | (17,271,000)         | (21,101,000)         | (24,891,000)         | (21,852,000)         | (23,940,000)         | (15,423,000)         |
| 14                              | Allocation for Future Rehabilitation   | -                    | -                    | 1,357,000            | 6,316,000            | 10,613,000           | 24,341,000           |
| 15                              | COP Debt Service   | 72,838,369           | 66,736,869           | 61,310,000           | 61,316,000           | 61,306,000           | 61,314,000           |
| 16                              | Reduction of Long-Term Liabilities   | -                    | 173,855,000          | -                    | -                    | -                    | -                    |
| 17                              | Other Requirements   | 5,910,000            | 5,980,000            | 2,480,000            | 2,480,000            | 2,480,000            | 2,480,000            |
| 18                              | <b>Requirements</b>  | <b>400,220,885</b>   | <b>661,483,028</b>   | <b>537,478,000</b>   | <b>549,551,000</b>   | <b>511,045,000</b>   | <b>555,696,000</b>   |
| 19                              | <b>Revenues-Requirements</b>   | <b>88,032,405</b>    | <b>(164,134,276)</b> | <b>(41,736,369)</b>  | <b>(46,058,436)</b>  | <b>(212,735)</b>     | <b>(33,845,780)</b>  |
| <b>Accumulated Funds:</b>       |  |                      |                      |                      |                      |                      |                      |
| 20                              | Beginning of Year  | 843,125,661          | 931,158,066          | 767,023,790          | 725,287,421          | 679,228,985          | 679,016,250          |
| 21                              | <b>End of Year</b>   | <b>931,158,066</b>   | <b>767,023,790</b>   | <b>725,287,421</b>   | <b>679,228,985</b>   | <b>679,016,250</b>   | <b>645,170,470</b>   |
| 22                              | <b>Consolidated Reserve Policy</b>   | <b>534,393,000</b>   | <b>532,731,000</b>   | <b>512,983,000</b>   | <b>515,109,000</b>   | <b>517,099,000</b>   | <b>519,155,000</b>   |
| 23                              | <b>Over (Under) Reserve Policy*</b>  | <b>396,765,066</b>   | <b>234,292,790</b>   | <b>212,304,421</b>   | <b>164,119,985</b>   | <b>161,917,250</b>   | <b>126,015,470</b>   |
| <b>Sewer Service User Fees:</b> |  |                      |                      |                      |                      |                      |                      |
| 24                              | Avg SFR Annual User Fee  | \$343                | \$347                | \$351                | \$356                | \$361                | \$366                |
| 25                              | Percentage Change  | 1.18%                | 1.17%                | 1.15%                | 1.42%                | 1.40%                | 1.39%                |
| 26                              | Equivalent Dwelling Units  | 923,730              | 926,501              | 929,281              | 932,069              | 934,865              | 937,670              |
| 27                              | SFR Connection Fee   | \$4,601              | \$4,973              | \$5,346              | \$5,719              | \$5,736              | \$5,753              |
| 28                              | <b>Outstanding COPs</b>  | <b>\$940,050,000</b> | <b>\$909,620,000</b> | <b>\$707,360,000</b> | <b>\$677,555,000</b> | <b>\$646,415,000</b> | <b>\$613,760,000</b> |
| <b>Reserve Policy</b>           |  |                      |                      |                      |                      |                      |                      |
| 29                              | 50% Next Year Operating Expense  | 86,955,000           | 87,033,000           | 89,644,000           | 92,333,000           | 95,103,000           | 97,956,000           |
| 30                              | 10% Next Year Operating Expense  | 17,391,000           | 17,407,000           | 17,929,000           | 18,467,000           | 19,021,000           | 19,591,000           |
| 31                              | 100% Next Year AUG COP Svc.  | 23,741,000           | 22,980,000           | 18,289,000           | 17,625,000           | 16,862,000           | 16,201,000           |
| 32                              | 50% average ten-year CIP Balance   | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          |
| 33                              | Debt Svc @ 10% Outstanding COP   | 94,005,000           | 90,962,000           | 70,736,000           | 67,756,000           | 64,642,000           | 61,376,000           |
| 34                              | Self Funded Insurance @ \$100M   | 100,000,000          | 101,170,000          | 102,333,000          | 103,786,000          | 105,239,000          | 106,702,000          |
| 35                              | Repl & Refurb  | 75,000,000           | 75,878,000           | 76,751,000           | 77,841,000           | 78,931,000           | 80,028,000           |
| 36                              | *Reserve Reduction (in accordance with Board action allowing a \$40M reduction to total reserv | -                    | -                    | -                    | -                    | -                    | -                    |
| 37                              | <b>Total</b>   | <b>534,393,000</b>   | <b>532,731,000</b>   | <b>512,983,000</b>   | <b>515,109,000</b>   | <b>517,099,000</b>   | <b>519,155,000</b>   |
| <b>COP Ratios</b>               |  |                      |                      |                      |                      |                      |                      |
| 38                              | Sr Lien Coverge, Min 1.25  | 4.04                 | 4.53                 | 4.86                 | 4.88                 | 4.91                 | 5.00                 |

## Orange County Sanitation District Consolidated Cash Flow Projections

| Ref                             | Description                          | Preliminary<br>26-27 | Preliminary<br>27-28 | Preliminary<br>28-29 | Preliminary<br>29-30 | 10-Year<br>Total     |
|---------------------------------|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues:</b>                |                                      |                      |                      |                      |                      |                      |
| 1                               | General User Fees                    | 336,919,000          | 342,682,000          | 348,477,000          | 354,303,000          | 3,269,383,917        |
| 2                               | Permitted User Fees                  | 14,059,000           | 14,249,000           | 14,439,000           | 14,628,000           | 137,860,741          |
| 3                               | IRWD Assessments                     | 17,959,000           | 17,291,000           | 16,994,000           | 14,394,000           | 165,914,395          |
| 4                               | SAWPA Assessments                    | 3,184,000            | 3,280,000            | 3,378,000            | 3,479,000            | 30,538,000           |
| 5                               | Property Taxes                       | 117,139,000          | 120,653,000          | 124,273,000          | 128,001,000          | 1,128,994,686        |
| 6                               | New COP Issues                       | -                    | -                    | -                    | -                    | -                    |
| 7                               | Interest Revenues                    | 9,065,000            | 8,149,000            | 7,521,000            | 7,614,000            | 99,731,000           |
| 8                               | Capital Facilities Capacity Charges  | 19,673,000           | 19,749,000           | 19,830,000           | 19,906,000           | 197,320,170          |
| 9                               | Other Revenues                       | 17,891,000           | 18,276,000           | 18,671,000           | 19,075,000           | 182,976,813          |
| 10                              | <b>Revenues</b>                      | <b>535,889,000</b>   | <b>544,329,000</b>   | <b>553,583,000</b>   | <b>561,400,000</b>   | <b>5,212,719,722</b> |
| <b>Requirements:</b>            |                                      |                      |                      |                      |                      |                      |
| 11                              | Oper & Mtce Exp (3.0% yr)            | 201,789,000          | 207,843,000          | 214,078,000          | 220,500,000          | 1,942,256,675        |
| 12                              | Capital Improvement Program (CIP)    | 394,219,000          | 310,190,000          | 254,783,000          | 123,024,000          | 2,701,008,000        |
| 13                              | Less: CIP Savings & Deferrals        | (82,295,000)         | (34,675,000)         | (48,140,000)         | (11,413,000)         | (301,001,000)        |
| 14                              | Allocation for Future Rehabilitation | 34,786,000           | 47,291,000           | 102,666,000          | 118,639,000          | 346,009,000          |
| 15                              | COP Debt Service                     | 57,514,000           | 61,666,000           | 61,661,000           | 61,663,000           | 627,325,238          |
| 16                              | Reduction of Long-Term Liabilities   | -                    | -                    | -                    | -                    | 173,855,000          |
| 17                              | Other Requirements                   | 2,480,000            | 2,480,000            | 2,480,000            | 2,480,000            | 31,730,000           |
| 18                              | <b>Requirements</b>                  | <b>608,493,000</b>   | <b>594,795,000</b>   | <b>587,528,000</b>   | <b>514,893,000</b>   | <b>5,521,182,913</b> |
| 19                              | <b>Revenues-Requirements</b>         | <b>(72,604,000)</b>  | <b>(50,466,000)</b>  | <b>(33,945,000)</b>  | <b>46,507,000</b>    | <b>(308,463,191)</b> |
| <b>Accumulated Funds:</b>       |                                      |                      |                      |                      |                      |                      |
| 20                              | Beginning of Year                    | 645,170,470          | 572,566,470          | 522,100,470          | 488,155,470          | 843,125,661          |
| 21                              | End of Year                          | 572,566,470          | 522,100,470          | 488,155,470          | 534,662,470          | 534,662,470          |
| 22                              | <b>Consolidated Reserve Policy</b>   | <b>521,009,000</b>   | <b>521,215,000</b>   | <b>487,808,000</b>   | <b>526,274,000</b>   | <b>526,274,000</b>   |
| 23                              | <b>Over (Under) Reserve Policy*</b>  | <b>51,557,470</b>    | <b>885,470</b>       | <b>347,470</b>       | <b>8,388,470</b>     | <b>8,388,470</b>     |
| <b>Sewer Service User Fees:</b> |                                      |                      |                      |                      |                      |                      |
| 24                              | Avg SFR Annual User Fee              | \$371                | \$376                | \$381                | \$386                |                      |
| 25                              | Percentage Change                    | 1.37%                | 1.35%                | 1.33%                | 1.31%                |                      |
| 26                              | Equivalent Dwelling Units            | 940,483              | 943,304              | 946,134              | 948,972              |                      |
| 27                              | SFR Connection Fee                   | \$5,770              | \$5,787              | \$5,804              | \$5,821              |                      |
| 28                              | <b>Outstanding COPs</b>              | <b>\$579,775,000</b> | <b>\$547,925,000</b> | <b>\$510,330,000</b> | <b>\$470,860,000</b> |                      |
| <b>Reserve Policy</b>           |                                      |                      |                      |                      |                      |                      |
| 29                              | 50% Next Year Operating Expense      | 100,895,000          | 103,922,000          | 107,039,000          | 110,250,000          |                      |
| 30                              | 10% Next Year Operating Expense      | 20,179,000           | 20,784,000           | 21,408,000           | 22,050,000           |                      |
| 31                              | 100% Next Year AUG COP Svc.          | 15,368,000           | 14,572,000           | 13,632,000           | 12,646,000           |                      |
| 32                              | 50% average ten-year CIP Balance     | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          |                      |
| 33                              | Debt Svc @ 10% Outstanding COP       | 57,978,000           | 54,793,000           | 51,033,000           | 47,086,000           |                      |
| 34                              | Self Funded Insurance @ \$100M       | 108,164,000          | 109,624,000          | 111,082,000          | 112,537,000          |                      |
| 35                              | Repl & Refurb                        | 81,124,000           | 82,219,000           | 83,313,000           | 84,404,000           |                      |
| 36                              | *Reserve Reduction (in accordance)   | -                    | (2,000,000)          | (37,000,000)         | -                    |                      |
| 37                              | <b>Total</b>                         | <b>521,009,000</b>   | <b>521,215,000</b>   | <b>487,808,000</b>   | <b>526,274,000</b>   |                      |
| <b>COP Ratios</b>               |                                      |                      |                      |                      |                      |                      |
| 38                              | Sr Lien Coverage, Min 1.25           | 5.47                 | 5.14                 | 5.18                 | 5.21                 |                      |

## Orange County Sanitation District Consolidated Cash Flow Projections

Cashflow adjusted for revenue loss due to foregoing scheduled rate adjustment

| Ref                             | Description   | Preliminary<br>20-21 | Preliminary<br>21-22 | Preliminary<br>22-23 | Preliminary<br>23-24 | Preliminary<br>24-25 | Preliminary<br>25-26 |
|---------------------------------|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues:</b>                |   |                      |                      |                      |                      |                      |                      |
| 1                               | General User Fees   | 298,144,470          | 302,789,843          | 307,460,507          | 312,156,219          | 316,877,075          | 321,623,530          |
| 2                               | Permitted User Fees   | 12,845,756           | 12,997,336           | 13,149,000           | 13,300,000           | 13,452,000           | 13,604,000           |
| 3                               | IRWD Assessments  | 15,940,886           | 19,872,509           | 17,117,000           | 15,865,000           | 14,474,000           | 16,007,000           |
| 4                               | SAWPA Assessments   | 2,639,000            | 2,745,000            | 2,828,000            | 2,913,000            | 3,001,000            | 3,091,000            |
| 5                               | Property Taxes  | 99,935,520           | 102,034,166          | 105,095,000          | 107,722,000          | 110,415,000          | 113,727,000          |
| 6                               | New COP Issues  | -                    | -                    | -                    | -                    | -                    | -                    |
| 7                               | Interest Revenues   | 13,180,000           | 13,093,000           | 12,025,000           | 11,277,000           | 10,822,000           | 10,441,000           |
| 8                               | Capital Facilities Capacity Charges   | 20,125,170           | 20,809,000           | 18,673,000           | 19,441,000           | 19,517,000           | 19,597,000           |
| 9                               | Other Revenues  | 21,567,988           | 19,600,825           | 16,441,000           | 16,790,000           | 17,149,000           | 17,515,000           |
| 10                              | <b>Revenues</b>   | <b>484,378,790</b>   | <b>493,941,679</b>   | <b>492,788,507</b>   | <b>499,464,219</b>   | <b>505,707,075</b>   | <b>515,605,530</b>   |
| <b>Requirements:</b>            |   |                      |                      |                      |                      |                      |                      |
| 11                              | Oper & Mtce Exp (3.0% yr)   | 173,910,516          | 174,065,159          | 179,287,000          | 184,666,000          | 190,206,000          | 195,912,000          |
| 12                              | Capital Improvement Program (CIP)   | 164,833,000          | 261,947,000          | 317,935,000          | 316,625,000          | 270,380,000          | 287,072,000          |
| 13                              | Less: CIP Savings & Deferrals   | (17,271,000)         | (21,101,000)         | (24,891,000)         | (21,852,000)         | (23,940,000)         | (15,423,000)         |
| 14                              | Allocation for Future Rehabilitation  | -                    | -                    | 1,357,000            | 6,316,000            | 10,613,000           | 24,341,000           |
| 15                              | COP Debt Service  | 72,838,369           | 66,736,869           | 64,177,000           | 64,182,000           | 64,172,000           | 64,180,000           |
| 16                              | Reduction of Long-Term Liabilites   | -                    | 102,200,000          | -                    | -                    | -                    | -                    |
| 17                              | Other Requirements  | 5,910,000            | 5,980,000            | 2,480,000            | 2,480,000            | 2,480,000            | 2,480,000            |
| 18                              | <b>Requirements</b>   | <b>400,220,885</b>   | <b>589,828,028</b>   | <b>540,345,000</b>   | <b>552,417,000</b>   | <b>513,911,000</b>   | <b>558,562,000</b>   |
| 19                              | <b>Revenues-Requirements</b>  | <b>84,157,905</b>    | <b>(95,886,349)</b>  | <b>(47,556,493)</b>  | <b>(52,952,781)</b>  | <b>(8,203,925)</b>   | <b>(42,956,470)</b>  |
| <b>Accumulated Funds:</b>       |   |                      |                      |                      |                      |                      |                      |
| 20                              | Beginning of Year   | 843,198,733          | 927,356,638          | 831,470,289          | 783,913,796          | 730,961,015          | 722,757,090          |
| 21                              | End of Year   | 927,356,638          | 831,470,289          | 783,913,796          | 730,961,015          | 722,757,090          | 679,800,620          |
| 22                              | <b>Consolidated Reserve Policy</b>  | <b>534,393,000</b>   | <b>532,748,000</b>   | <b>513,036,000</b>   | <b>514,679,000</b>   | <b>516,191,000</b>   | <b>517,758,000</b>   |
| 23                              | <b>Over (Under) Reserve Policy*</b>   | <b>392,963,638</b>   | <b>298,722,289</b>   | <b>270,877,796</b>   | <b>216,282,015</b>   | <b>206,566,090</b>   | <b>162,042,620</b>   |
| <b>Sewer Service User Fees:</b> |   |                      |                      |                      |                      |                      |                      |
| 24                              | Avg SFR Annual User Fee   | \$339                | \$343                | \$347                | \$351                | \$355                | \$359                |
| 25                              | Percentage Change   | 0.00%                | 1.18%                | 1.17%                | 1.15%                | 1.14%                | 1.13%                |
| 26                              | Equivalent Dwelling Units   | 923,730              | 926,501              | 929,281              | 932,069              | 934,865              | 937,670              |
| 27                              | SFR Connection Fee  | \$4,601              | \$4,973              | \$5,346              | \$5,719              | \$5,736              | \$5,753              |
| 28                              | <b>Outstanding COPs</b>   | <b>\$940,050,000</b> | <b>\$909,620,000</b> | <b>\$707,360,000</b> | <b>\$677,555,000</b> | <b>\$646,415,000</b> | <b>\$613,760,000</b> |
| <b>Reserve Policy</b>           |   |                      |                      |                      |                      |                      |                      |
| 29                              | 50% Next Year Operating Expense   | 86,955,000           | 87,033,000           | 89,644,000           | 92,333,000           | 95,103,000           | 97,956,000           |
| 30                              | 10% Next Year Operating Expense   | 17,391,000           | 17,407,000           | 17,929,000           | 18,467,000           | 19,021,000           | 19,591,000           |
| 31                              | 100% Next Year AUG COP Svc.   | 23,741,000           | 22,980,000           | 18,289,000           | 17,625,000           | 16,862,000           | 16,201,000           |
| 32                              | 50% average ten-year CIP Balance  | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          |
| 33                              | Debt Svc @ 10% Outstanding COP  | 94,005,000           | 90,962,000           | 70,736,000           | 67,756,000           | 64,642,000           | 61,376,000           |
| 34                              | Self Funded Insurance @ \$100M  | 100,000,000          | 101,180,000          | 102,364,000          | 103,541,000          | 104,721,000          | 105,904,000          |
| 35                              | Repl & Refurb   | 75,000,000           | 75,885,000           | 76,773,000           | 77,656,000           | 78,541,000           | 79,429,000           |
| 36                              | *Reserve Reduction (in accordance with Board action allowing a \$40M reduction to total reserves) | -                    | -                    | -                    | -                    | -                    | -                    |
| 37                              | <b>Total</b>  | <b>534,393,000</b>   | <b>532,748,000</b>   | <b>513,036,000</b>   | <b>514,679,000</b>   | <b>516,191,000</b>   | <b>517,758,000</b>   |
| <b>COP Ratios</b>               |   |                      |                      |                      |                      |                      |                      |
| 38                              | Sr Lien Coverge, Min 1.25   | 3.99                 | 4.48                 | 4.59                 | 4.60                 | 4.61                 | 4.68                 |

## Orange County Sanitation District Consolidated Cash Flow Projections

| Ref                             | Description   | Preliminary<br>20-21 | Preliminary<br>21-22 | Preliminary<br>22-23 | Preliminary<br>23-24 | Preliminary<br>24-25 | Preliminary<br>25-26 |
|---------------------------------|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
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| 2                               | Permitted User Fees   | 12,845,756           | 12,997,336           | 13,149,000           | 13,300,000           | 13,452,000           | 13,604,000           |
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| 5                               | Property Taxes  | 99,935,520           | 102,034,166          | 105,095,000          | 107,722,000          | 110,415,000          | 113,727,000          |
| 6                               | New COP Issues  | -                    | -                    | -                    | -                    | -                    | -                    |
| 7                               | Interest Revenues   | 13,180,000           | 13,093,000           | 12,025,000           | 11,277,000           | 10,822,000           | 10,441,000           |
| 8                               | Capital Facilities Capacity Charges   | 20,125,170           | 20,809,000           | 18,673,000           | 19,441,000           | 19,517,000           | 19,597,000           |
| 9                               | Other Revenues  | 21,567,988           | 19,600,825           | 16,441,000           | 16,790,000           | 17,149,000           | 17,515,000           |
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| <b>Requirements:</b>            |   |                      |                      |                      |                      |                      |                      |
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| 16                              | Reduction of Long-Term Liabilites   | -                    | 102,200,000          | -                    | -                    | -                    | -                    |
| 17                              | Other Requirements  | 5,910,000            | 5,980,000            | 2,480,000            | 2,480,000            | 2,480,000            | 2,480,000            |
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| 21                              | End of Year   | 927,356,638          | 831,470,289          | 783,913,796          | 730,961,015          | 722,757,090          | 679,800,620          |
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| 23                              | <b>Over (Under) Reserve Policy*</b>   | <b>392,963,638</b>   | <b>298,722,289</b>   | <b>270,877,796</b>   | <b>216,282,015</b>   | <b>206,566,090</b>   | <b>162,042,620</b>   |
| <b>Sewer Service User Fees:</b> |   |                      |                      |                      |                      |                      |                      |
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| 28                              | <b>Outstanding COPs</b>   | <b>\$940,050,000</b> | <b>\$909,620,000</b> | <b>\$707,360,000</b> | <b>\$677,555,000</b> | <b>\$646,415,000</b> | <b>\$613,760,000</b> |
| <b>Reserve Policy</b>           |   |                      |                      |                      |                      |                      |                      |
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| 32                              | 50% average ten-year CIP Balance  | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          | 137,301,000          |
| 33                              | Debt Svc @ 10% Outstanding COP  | 94,005,000           | 90,962,000           | 70,736,000           | 67,756,000           | 64,642,000           | 61,376,000           |
| 34                              | Self Funded Insurance @ \$100M  | 100,000,000          | 101,180,000          | 102,364,000          | 103,541,000          | 104,721,000          | 105,904,000          |
| 35                              | Repl & Refurb   | 75,000,000           | 75,885,000           | 76,773,000           | 77,656,000           | 78,541,000           | 79,429,000           |
| 36                              | *Reserve Reduction (in accordance with Board action allowing a \$40M reduction to total reserves) | -                    | -                    | -                    | -                    | -                    | -                    |
| 37                              | <b>Total</b>  | <b>534,393,000</b>   | <b>532,748,000</b>   | <b>513,036,000</b>   | <b>514,679,000</b>   | <b>516,191,000</b>   | <b>517,758,000</b>   |
| <b>COP Ratios</b>               |   |                      |                      |                      |                      |                      |                      |
| 38                              | Sr Lien Coverge, Min 1.25   | 3.99                 | 4.48                 | 4.59                 | 4.60                 | 4.61                 | 4.68                 |



# Orange County Sanitation District

## ADMINISTRATION COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

### Agenda Report

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**File #:** 2020-1096

**Agenda Date:** 6/10/2020

**Agenda Item No:** 10.

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**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**INTERNAL REVENUE CODE SECTION 115 TRUST PENSION ACCOUNT**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Information Item.

#### **BACKGROUND**

The Orange County Sanitation District (Sanitation District) provides various benefits to its employees, including retirement and other post-employment benefits. Each year, staff considers various options to fund these benefits, paying down any unfunded liabilities, making additional payments to Orange County Employees Retirement System (OCERS) and Internal Revenue Code section 115 trust (115 trust) opportunities.

The Sanitation District Board of Directors has requested staff provide information on the 115 trust concept so that the Board can determine if additional investigation is warranted.

#### **ADDITIONAL INFORMATION**

Two of the Sanitation District's core benefits are its retirement program, which is administered by OCERS, and its Other Post-Employment Benefits (OPEB) which is administered internally. The Sanitation District contributes funds to OCERS annually to fund its pension costs. Separately, it maintains funds to cover the costs of its OPEB program.

The Board may be most familiar with CalPERS, the agency that provides pension services for all the cities that are member agencies of the Sanitation District and most cities in California. However, the Sanitation District retirement administration and services are provided by OCERS. OCERS provides similar services as CalPERS, but is a completely separate entity from CalPERS and maintains different investment policies and strategies. OCERS tends to invest more conservatively than CalPERS and has a higher funding level.

To enhance its pension returns and eliminate any unfunded liabilities, the Sanitation District has used a strategy of paying off any unfunded liabilities immediately and, as appropriate, overfunding its pension fund account with OCERS. However, there are cities, public agencies, and special districts

that make use of a 115 trust to help them better manage the short-term costs and long-term liabilities associated with pensions.

A 115 trust is a vehicle for segregating agency funds from general assets for the purpose of funding essential governmental functions. For example, a 115 trust can be used to set aside monies to meet future pension contributions or liabilities. Funds placed in a 115 trust are irrevocably committed for the essential government function(s) specified in the applicable trust agreement (e.g., pension obligations). Therefore, the monies held in such trusts can be invested in accordance with the rules governing such special purpose accounts.

For example, 115 trust funds dedicated to satisfying pension obligations can be invested in the same manner as funds in a typical pension fund rather than as part of the agency's general fund. Thus, by setting aside funds in a 115 trust, agencies can potentially earn a higher rate of return on monies set aside for future pension obligations. Conversely, as a 115 trust allows for more aggressive investing, there is a greater potential for loss when the market performs badly.

Each year, staff reviews and considers pension funding options, including additional payments to OCERS and 115 trust opportunities. To date, staff has determined that making additional payments to OCERS is a safe and cost-effective way of reducing pension costs. However, a detailed financial comparison of this strategy versus the use of a 115 trust has not been completed.

Should the Board determine that the Sanitation District should further investigate the use of a 115 trust, staff recommends that a more detailed financial review be conducted. Such review would include the collection of return rates of various 115 trusts and OCERS for comparison.

As 115 trusts allows for more varied investing, it is important to review different market histories. For example, data from 2019 would provide important data as the markets performed well. A more aggressively invested 115 trust would do well in that market. However, 2020 would be equally important as 2020 is shaping up to be a poor performing year. As such, an aggressively positioned 115 trust might perform worse in such an environment.

Additionally, while this financial analysis is necessary, it would not be the only factor to be considered. There are policy factors such as management and financial control that must be considered.

## **RELEVANT STANDARDS**

- Ensure the public's money is wisely spent

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OCSD website ([www.ocsd.com](http://www.ocsd.com)) with the complete agenda package:*

N/A

## ORANGE COUNTY SANITATION DISTRICT COMMON ACRONYMS

|               |   |                  |   |                |  |
|---------------|---|------------------|---|----------------|--|
| <b>ACWA</b>   | Association of California Water Agencies        | <b>LOS</b>       | Level Of Service  | <b>RFP</b>     | Request For Proposal   |
| <b>APWA</b>   | American Public Works Association               | <b>MGD</b>       | Million Gallons Per Day                                 | <b>RWQCB</b>   | Regional Water Quality Control Board                           |
| <b>AQMD</b>   | Air Quality Management District                 | <b>MOU</b>       | Memorandum of Understanding                             | <b>SARFPA</b>  | Santa Ana River Flood Protection Agency                        |
| <b>ASCE</b>   | American Society of Civil Engineers             | <b>NACWA</b>     | National Association of Clean Water Agencies            | <b>SARI</b>    | Santa Ana River Interceptor                                    |
| <b>BOD</b>    | Biochemical Oxygen Demand                       | <b>NEPA</b>      | National Environmental Policy Act                       | <b>SARWQCB</b> | Santa Ana Regional Water Quality Control Board                 |
| <b>CARB</b>   | California Air Resources Board                  | <b>NGOs</b>      | Non-Governmental Organizations                          | <b>SAWPA</b>   | Santa Ana Watershed Project Authority                          |
| <b>CASA</b>   | California Association of Sanitation Agencies   | <b>NPDES</b>     | National Pollutant Discharge Elimination System         | <b>SCADA</b>   | Supervisory Control And Data Acquisition                       |
| <b>CCTV</b>   | Closed Circuit Television                       | <b>NWRI</b>      | National Water Research Institute                       | <b>SCAP</b>    | Southern California Alliance of Publicly Owned Treatment Works |
| <b>CEQA</b>   | California Environmental Quality Act            | <b>O &amp; M</b> | Operations & Maintenance                                | <b>SCAQMD</b>  | South Coast Air Quality Management District                    |
| <b>CIP</b>    | Capital Improvement Program                     | <b>OCCOG</b>     | Orange County Council of Governments                    | <b>SOCWA</b>   | South Orange County Wastewater Authority                       |
| <b>CRWQCB</b> | California Regional Water Quality Control Board | <b>OCHCA</b>     | Orange County Health Care Agency                        | <b>SRF</b>     | Clean Water State Revolving Fund                               |
| <b>CWA</b>    | Clean Water Act                                 | <b>OCSD</b>      | Orange County Sanitation District                       | <b>SSMP</b>    | Sewer System Management Plan                                   |
| <b>CWEA</b>   | California Water Environment Association        | <b>OCWD</b>      | Orange County Water District                            | <b>SSO</b>     | Sanitary Sewer Overflow  |
| <b>EIR</b>    | Environmental Impact Report                     | <b>OOBS</b>      | Ocean Outfall Booster Station                           | <b>SWRCB</b>   | State Water Resources Control Board                            |
| <b>EMT</b>    | Executive Management Team                       | <b>OSHA</b>      | Occupational Safety and Health Administration           | <b>TDS</b>     | Total Dissolved Solids   |
| <b>EPA</b>    | US Environmental Protection Agency              | <b>PCSA</b>      | Professional Consultant/Construction Services Agreement | <b>TMDL</b>    | Total Maximum Daily Load                                       |
| <b>FOG</b>    | Fats, Oils, and Grease                          | <b>PDSA</b>      | Professional Design Services Agreement                  | <b>TSS</b>     | Total Suspended Solids   |
| <b>gpd</b>    | gallons per day                                 | <b>PFAS</b>      | Per- and Polyfluoroalkyl Substances                     | <b>WDR</b>     | Waste Discharge Requirements                                   |
| <b>GWRS</b>   | Groundwater Replenishment System                | <b>PFOA</b>      | Perfluorooctanoic Acid                                  | <b>WEF</b>     | Water Environment Federation                                   |
| <b>ICS</b>    | Incident Command System                         | <b>PFOS</b>      | Perfluorooctanesulfonic Acid                            | <b>WERF</b>    | Water Environment & Reuse Foundation                           |
| <b>IERP</b>   | Integrated Emergency Response Plan              | <b>POTW</b>      | Publicly Owned Treatment Works                          | <b>WIFIA</b>   | Water Infrastructure Finance and Innovation Act                |
| <b>JPA</b>    | Joint Powers Authority                          | <b>ppm</b>       | parts per million                                       | <b>WIIN</b>    | Water Infrastructure Improvements for the Nation Act           |
| <b>LAFCO</b>  | Local Agency Formation Commission               | <b>PSA</b>       | Professional Services Agreement                         | <b>WRDA</b>    | Water Resources Development Act                                |



## ORANGE COUNTY SANITATION DISTRICT GLOSSARY OF TERMS

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**ACTIVATED SLUDGE PROCESS** – A secondary biological wastewater treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen and consume dissolved nutrients in the wastewater.

**BENTHOS** – The community of organisms, such as sea stars, worms, and shrimp, which live on, in, or near the seabed, also known as the benthic zone.

**BIOCHEMICAL OXYGEN DEMAND (BOD)** – The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

**BIOGAS** – A gas that is produced by the action of anaerobic bacteria on organic waste matter in a digester tank that can be used as a fuel.

**BIOSOLIDS** – Biosolids are nutrient rich organic and highly treated solid materials produced by the wastewater treatment process. This high-quality product can be recycled as a soil amendment on farmland or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

**CAPITAL IMPROVEMENT PROGRAM (CIP)** – Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

**COLIFORM BACTERIA** – A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere, used as indicators of sewage pollution. E. coli are the most common bacteria in wastewater.

**COLLECTIONS SYSTEM** – In wastewater, it is the system of typically underground pipes that receive and convey sanitary wastewater or storm water.

**CERTIFICATE OF PARTICIPATION (COP)** – A type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues.

**CONTAMINANTS OF POTENTIAL CONCERN (CPC)** – Pharmaceuticals, hormones, and other organic wastewater contaminants.

**DILUTION TO THRESHOLD (D/T)** – The dilution at which the majority of people detect the odor becomes the D/T for that air sample.

**GREENHOUSE GASES (GHG)** – In the order of relative abundance water vapor, carbon dioxide, methane, nitrous oxide, and ozone gases that are considered the cause of global warming (“greenhouse effect”).

**GROUNDWATER REPLENISHMENT SYSTEM (GWRS)** – A joint water reclamation project that proactively responds to Southern California’s current and future water needs. This joint project between the Orange County Water District and OCSD provides 70 million gallons per day of drinking quality water to replenish the local groundwater supply.

**LEVEL OF SERVICE (LOS)** – Goals to support environmental and public expectations for performance.

**N-NITROSODIMETHYLAMINE (NDMA)** – A N-nitrosamine suspected cancer-causing agent. It has been found in the GWRS process and is eliminated using hydrogen peroxide with extra ultra-violet treatment.

**NATIONAL BIOSOLIDS PARTNERSHIP (NBP)** – An alliance of the NACWA and WEF, with advisory support from the EPA. NBP is committed to developing and advancing environmentally sound and sustainable biosolids management practices that go beyond regulatory compliance and promote public participation to enhance the credibility of local agency biosolids programs and improved communications that lead to public acceptance.

**PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS)** – A large group (over 6,000) of human-made compounds that are resistant to heat, water, and oil and used for a variety of applications including firefighting foam, stain and water-resistant clothing, cosmetics, and food packaging. Two PFAS compounds, perfluorooctanesulfonic acid (PFOS) and perfluorooctanoic acid (PFOA) have been the focus of increasing regulatory scrutiny in drinking water and may result in adverse health effects including developmental effects to fetuses during pregnancy, cancer, liver damage, immunosuppression, thyroid effects, and other effects.

**PERFLUOROCTANOIC ACID (PFOA)** – An ingredient for several industrial applications including carpeting, upholstery, apparel, floor wax, textiles, sealants, food packaging, and cookware (Teflon).

**PERFLUOROCTANESULFONIC ACID (PFOS)** – A key ingredient in Scotchgard, a fabric protector made by 3M, and used in numerous stain repellents.

**PLUME** – A visible or measurable concentration of discharge from a stationary source or fixed facility.

**PUBLICLY OWNED TREATMENT WORKS (POTW)** – A municipal wastewater treatment plant.

**SANTA ANA RIVER INTERCEPTOR (SARI) LINE** – A regional brine line designed to convey 30 million gallons per day of non-reclaimable wastewater from the upper Santa Ana River basin to the ocean for disposal, after treatment.

**SANITARY SEWER** – Separate sewer systems specifically for the carrying of domestic and industrial wastewater.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)** – Regional regulatory agency that develops plans and regulations designed to achieve public health standards by reducing emissions from business and industry.

**SECONDARY TREATMENT** – Biological wastewater treatment, particularly the activated sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.

**SLUDGE** – Untreated solid material created by the treatment of wastewater.

**TOTAL SUSPENDED SOLIDS (TSS)** – The amount of solids floating and in suspension in wastewater.

## **ORANGE COUNTY SANITATION DISTRICT GLOSSARY OF TERMS**

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**TRICKLING FILTER** – A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in wastewater as it trickles over them.

**URBAN RUNOFF** – Water from city streets and domestic properties that carry pollutants into the storm drains, rivers, lakes, and oceans.

**WASTEWATER** – Any water that enters the sanitary sewer.

**WATERSHED** – A land area from which water drains to a particular water body. OCSD's service area is in the Santa Ana River Watershed.