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 Board of Directors meeting will be available to the public online at:

https://ocsd.legistar.com/Calendar.aspx

You may submit your comments and questions in writing for the Board's consideration by sending them to 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 6:00 p.m. on Tuesday, June 23, 2020*. All public comments will be provided to the Board and may be read into the record or compiled as part of the record.

Thank you.

Orange County Sanitation District
10844 Ellis Avenue, Fountain Valley, CA 92708
714.962.2411 ● www.ocsd.com

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

June 17, 2020

NOTICE OF REGULAR MEETING

BOARD OF DIRECTORS
ORANGE COUNTY SANITATION DISTRICT

AND

ORANGE COUNTY SANITATION DISTRICT
FINANCING CORPORATION

Wednesday, June 24, 2020 – 6:00 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. This meeting will be available to the public online at:

https://ocsd.legistar.com/Calendar.aspx

The Regular Meeting of the Board of Directors of the Orange County Sanitation District will be held in the manner indicated above on Wednesday, June 24, 2020 at 6:00 p.m.

Kelly A. Lore
Clerk of the Board

Upcoming Meetings:

GWRS Steering Committee -	**Monday, July 13, 2020 at 5:00 p.m.**
Steering Committee -	**Wednesday, July 22, 2020 at 5:00 p.m.**
Board Meeting -	**Wednesday, July 22, 2020 at 6:00 p.m.**

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

BOARD MEETING DATES

July 22, 2020

August 26, 2020

September 23, 2020

October 28, 2020

November 18, 2020 *

December 16, 2020 *

January 27, 2021

February 24, 2021

March 24, 2021

April 28, 2021

May 26, 2021

June 23, 2021

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

ORANGE COUNTY SANITATION DISTRICT
BOARD OF DIRECTORS
Complete Roster

Effective 06/16/2020

AGENCY/CITIES	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	Nelida Mendoza	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
BOARD OF DIRECTORS
and
Orange County Sanitation District Financing Corporation
BOARD OF DIRECTORS

Regular Meeting Agenda
Wednesday, June 24, 2020 - 6:00 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 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 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 / (714) 593-7300
Asst. General Manager: Lorenzo Tyner, ltyner@ocsd.com / (714) 593-7550
Asst. General Manager: Rob Thompson, rthompson@ocsd.com / (714) 593-7310
Director of Human Resources: Celia Chandler, cchandler@ocsd.com / (714) 593-7202
Director of Engineering: Kathy Millea, kmillea@ocsd.com / (714) 593-7365
Director of Environmental Services: Lan Wiborg, lwiborg@ocsd.com / (714) 593-7450

CALL TO ORDER

(Board Chairman David Shawver)

INVOCATION AND PLEDGE OF ALLEGIANCE

Chad Wanke (City of Placentia)

ROLL CALL & DECLARATION OF QUORUM

Clerk of the Board

1. APPOINTMENTS TO THE ORANGE COUNTY SANITATION DISTRICT BOARD OF DIRECTORS 2020-1133

RECOMMENDATION:

Receive and file minute excerpts of member agencies relating to appointments to the Orange County Sanitation District Board of Directors:

Agency	Director	Alternate Director
City of Santa Ana	Nelida Mendoza	David Penaloza

Originator: Kelly Lore

PUBLIC COMMENTS:

You may submit your comments and questions in writing for the Board's consideration by sending them to the Clerk of the Board at 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 6:00 p.m. on June 23, 2020. All public comments will be provided to the Board and may be read into the record or compiled as part of the record.

SPECIAL PRESENTATIONS:

None.

REPORTS:

The Board 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 Board of Directors, after one motion, without discussion. Any items withdrawn from the Consent Calendar for separate discussion will be considered in the regular order of business.

2. APPROVAL OF MINUTES 2020-1110

RECOMMENDATION:

Approve Minutes of the Regular Meeting of the Board of Directors meeting held on May 27, 2020.

Originator: Kelly Lore

Attachments: Agenda Report
05-27-2020 Board Meeting Minutes

RECEIVE AND FILE:

3. REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF MAY 2020 **2020-908**

RECOMMENDATION: Receive and file the following:

Report of the Investment Transactions for the month of May 2020.

Originator: Lorenzo Tyner

Attachments: Agenda Report
Investment Transactions for May 2020

4. COMMITTEE MEETING MINUTES **2020-1109**

RECOMMENDATION: Receive and file the following:

A. Minutes of the Steering Committee Meeting held April 22, 2020
B. Minutes of the Operations Committee Meeting held May 6, 2020
C. Minutes of the Administration Committee Meeting held May 13, 2020

Originator: Kelly Lore

Attachments: Agenda Report
04-22-2020 Steering Committee Minutes
05-06-2020 Operations Committee Minutes
05-13-2020 Administration Committee Minutes

OPERATIONS COMMITTEE:

5. CAPITAL IMPROVEMENT PROGRAM CONTRACT PERFORMANCE REPORT **2020-1104**

RECOMMENDATION:

Receive and file the Capital Improvement Program Contract Performance Report for the period ending March 31, 2020.

Originator: Kathy Millea

Attachments: Agenda Report
CIP Contract Performance Report 2020-03-31

6. TOSHIBA 12KV CIRCUIT BREAKER PURCHASE 2020-1105

RECOMMENDATION:

A. Award a Purchase Order Contract to Superior Electric Motor Services for the purchase of eight Toshiba HVK 12kV circuit breakers for Plant No. 1 Electrical Distribution System, per Specification No. E-2020-1162BD, for a total amount not to exceed $195,072, including sales tax and freight; and

B. Approve a contingency of $9,754 (5%).

Originator: Rob Thompson

Attachments: Agenda Report

7. 12KV DISTRIBUTION CENTER B AND EAST RAS PUMP STATION ROOFING REPLACEMENT, PROJECT NO. FE18-19R 2020-1106

RECOMMENDATION:

A. Receive and file Bid Tabulations and Recommendation for O'Connell Engineering & Construction, Inc. for 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R;

B. Award a Construction Contract to O'Connell Engineering & Construction, Inc. for 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R, for a total amount not to exceed $674,800; and

C. Approve a contingency of $67,480 (10%).

Originator: Kathy Millea

Attachments: Agenda Report
FE18-19R Contract Agreement - Final

8. HEADQUARTERS COMPLEX SITE PREPARATION, PROJECT NO. P1-128C 2020-1107

RECOMMENDATION:

A. Consider the Fountain Valley Crossings Specific Plan Program Environmental Impact Report (State Clearinghouse No. 2015101042) that evaluated the total buildout of the Specific Plan area with a goal of revitalizing the existing light industrial use;

B. Consider, receive, and file the Initial Study/Addendum for the Administrative Headquarters Building, Project for P1-128, dated December 2019 to the City of Fountain Valley's Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan to demolish five warehouse buildings, construct and

operate an administrative headquarters building, pedestrian bridge, signage, landscaping, lighting, and surface parking lot in the City of Fountain Valley;

C. Receive and file Bid Tabulation and Recommendation for Headquarters Complex Site Preparation, Project No. P1-128C;

D. Accept the formal bid withdrawal request received on March 13, 2020 from the initial lowest bidder, Interior Demolition, Inc.;

E. Reject the bid from the second apparent low bidder AMPCO North, Inc. as non-responsive;

F. Award a Demolition Contract to Resource Environmental, Inc. for Headquarters Complex Site Preparation, Project No. P1-128C, for a total amount not to exceed $1,555,000; and

G. Approve a contingency of $155,500 (10%).

Originator: Kathy Millea

Attachments: Agenda Report
P1-128 Headquarters Initial Study Addendum 12202019
Hyperlink to Fountain Valley PEIR for Fountain Valley Crossings Specific Plan
P1-128C Construction Contract

9. HEADQUARTERS COMPLEX SITE PREPARATION, PROJECT NO. P1-128C

2020-1108

RECOMMENDATION:

A. Approve a Professional Construction Services Agreement with HDR, Inc. to provide construction support services for Headquarters Complex Site Preparation, Project No. P1-128C, for a total amount not to exceed $178,000; and

B. Approve a contingency of $17,800 (10%).

Originator: Kathy Millea

Attachments: Agenda Report
P1-128C Professional Construction Services Agreement

ADMINISTRATION COMMITTEE:

10. ENVIRONMENTAL REGULATORY REPORTS 2020-1116

RECOMMENDATION:

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

11. COMPLETE FIELD INSTRUMENT CALIBRATION SOLUTION 2020-1117

RECOMMENDATION:

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 Agreement (Final Negotiated)

12. GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020-21 2020-1118

RECOMMENDATION:

Adopt Resolution No. OCSD 20-02, 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
Resolution No. OCSD 20-02_Appropriations Limit

13. FY 2020-21 USE CHARGES FOR SANTA ANA WATERSHED PROJECT AUTHORITY 2020-1119

RECOMMENDATION:

Adopt Resolution No. OCSD 20-03, 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
Resolution No. OCSD 20-03_SAWPA

14. TRIPLE QUADRUPOLE MASS SPECTROMETER (TQMS) 2020-1120

RECOMMENDATION:

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

15. 2020-21 PROPERTY - LIABILITY INSURANCE RENEWALS 2020-1121

RECOMMENDATION:

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	$ 1,151,935
Excess General Liability Insurance - Not to Exceed	$ 745,336
Excess Workers' Compensation Insurance - Not to Exceed	$ 207,000
Earthquake Insurance - Not to Exceed	$ 100,000
TOTAL	**$ 2,204,271**

Originator: Lorenzo Tyner

Attachments: Agenda Report
June 2020 Insurance Quotes
Insurance Summary May 2020

LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE:

None.

STEERING COMMITTEE:

16. GENERAL MANAGER'S FY 2019-2020 WORK PLAN YEAR-END UPDATE **2020-1131**

RECOMMENDATION:

Receive and file the General Manager's FY 2019-2020 Work Plan Year-End Update.

Originator: Jim Herberg

Attachments: Agenda Report
GM 19-20 Work Plan Year-End Update

Recess OCSD Board of Directors Meeting

****

ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION

The members of the Orange County Sanitation District Board of Directors are each being compensated $212.50 for the Board Meeting; there is no additional compensation for the Financing Corporation Meeting.

CALL TO ORDER

Board of Directors, Orange County Sanitation District Financing Corporation

ROLL CALL & DECLARATION OF QUORUM

Secretary of the Financing Corporation

APPROVAL OF MINUTES:

FC-1 APPROVAL OF MINUTES - FINANCING CORPORATION 2020-1089

RECOMMENDATION:

Approve Minutes of the Regular Meeting of the Orange County Sanitation District Financing Corporation of June 26, 2019.

Originator: Kelly Lore

Attachments: Agenda Report
06-26-2019 Financing Corporation Minutes

INFORMATION ITEMS:

FC-2 ANNUAL STATUS REPORT OF THE ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION 2020-1088

RECOMMENDATION:

Receive and file the Annual Status Report of the Orange County Sanitation District Financing Corporation.

Originator: Lorenzo Tyner

Attachments: Agenda Report

Adjourn, Board of Directors, Orange County Sanitation District Financing Corporation

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Reconvene, Board of Directors, Orange County Sanitation District

NON-CONSENT:

17. PROPOSED FY 2020-21 AND FY 2021-22 BUDGET **2020-1122**

RECOMMENDATION:

A. Reduce the approved Fiscal Year 2020-2021 Single Family Residential (SFR), Multi-Family Residential (MFR) rates, and Industrial Dischargers Charge for Use (see attachment) as follows:

	SFR* Approved	MFR Approved	SFR* Proposed	MFR Proposed
July 1, 2020	$343.00	$240.10	$339.00	$237.30
July 1, 2021	$347.00	$242.90	$343.00	$240.10
July 1, 2022	$351.00	$245.70	$347.00	$242.90

*The SFR is the underlying rate for the Sanitation District's primary rate structure and as such other components of the rate structure will be adjusted accordingly.

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

		FY 2020-21		FY 2021-22
Net Operating	$	174,315,516	$	174,470,159
Self-Insurance - Workers' Comp	$	780,000	$	800,000
Self-Insurance - Property & Gen. Liability	$	2,080,000	$	2,140,000
Net Capital Improvement Program	$	147,562,000	$	240,846,000
Debt/COP Service (1)	$	72,838,369	$	168,936,869
Intra-District Joint Equity Purchase/Sale(2)	$	3,500,000	$	3,500,000
Total	**$**	**401,075,885**	**$**	**590,693,028**

(1) Includes $102,200,000 in maturing 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
Agenda Report - 06/10/2020 Administration Committee
PowerPoint Presentation - Proposed Budget
Executive Summary FY 2020-21 & 2021-22
Proposed Budget FY 2020-21 & 2021-22

INFORMATION ITEMS:

None.

AB 1234 DISCLOSURE REPORTS:

This item allows Board members to provide a brief oral report regarding the disclosure of outside committees, conferences, training, seminars, etc. attended at the Agency's expense, per Government Code §53232.3(d).

CLOSED SESSION:

During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chairperson may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

CONVENE IN CLOSED SESSION.

CS-1 CONFERENCE WITH LEGAL COUNSEL RE ANTICIPATED LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(4) **2020-1018**

RECOMMENDATION: Convene in Closed Session:

Number of Potential Cases: 1

Initiation of litigation regarding development fees and conditions at Project OCSD Headquarters Building: City of Fountain Valley

Attachments: Agenda Report
Memo re Anticipated Litigation-Headquarters Building

RECONVENE IN REGULAR SESSION.

CONSIDERATION OF ACTION, IF ANY, ON MATTERS CONSIDERED IN CLOSED SESSION:

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:

Adjourn the Board meeting until the Regular Meeting of the Board of Directors on July 22, 2020 at 6:00 p.m.

Orange County Sanitation District

BOARD OF DIRECTORS

Agenda Report

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

File #: 2020-1110 **Agenda Date:** 6/24/2020 **Agenda Item No:** 2.

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 Board of Directors meeting held on May 27, 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) with the complete agenda package:

- Minutes of the Board of Directors meeting held May 27, 2020

ORANGE COUNTY SANITATION DISTRICT

MINUTES

BOARD OF DIRECTORS

MAY 27, 2020

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

CALL TO ORDER

A regular meeting of the Board of Directors of the Orange County Sanitation District was called to order by Board Chairman David Shawver on May 27, 2020 at 6:02 p.m. in the Administration Building. Director Mark Murphy delivered the invocation and led the Pledge of Allegiance.

Clerk of the Board Kelly Lore announced 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); announced the teleconference meeting guidelines and stated that votes will be taken by roll call.

ROLL CALL AND DECLARATION OF QUORUM

The Clerk of the Board declared a quorum present as follows:

PRESENT: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)

ABSENT: Brad Avery

STAFF MEMBERS PRESENT: Jim Herberg, General Manager; Kelly Lore, Clerk of the Board; Al Garcia; and Tyler Ramirez were present in the Board Room. Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, Tina Knapp, and Wally Ritchie participated telephonically.

OTHERS PRESENT: Brad Hogin (General Counsel) was present in the Board Room.

PUBLIC COMMENTS:

None.

SPECIAL PRESENTATIONS:

None.

REPORTS:

Chair Shawver stated that the June Operations and Administration Committee meetings will be held on their regular date and time and will continue to take place remotely. There is no Legislative and Public Affairs Committee meeting scheduled for June.

Chair Shawver stated that the COVID-19 pandemic has created a very stressful and financial hardship for Orange County. He requested that, if financially feasible, OCSD possibly provide relief for our ratepayers by delaying the scheduled July 1st, 1.2 percent

rate adjustment for one year. He requested that staff look at the potential impact and ability of delaying the upcoming rate adjustment and return to the Board with additional information.

General Manager Jim Herberg provided a COVID-19 update stating that he continues to provide the Board with a comprehensive weekly report, operations remain stable, and confirmed that the first Sanitation District employee tested positive for the virus, but was doing well. He stated that the employee had been off-site for more than two weeks and had not had direct contact with any other employees.

Mr. Herberg provided a brief update on the Headquarters Complex including: design of project is currently 95 percent complete; comments provided by the City of Fountain Valley are currently under evaluation and review; contract for site demolition is scheduled for approval in June; and a Closed Session item regarding the project will be brought to the Board at a later date.

ELECTIONS:

1. NOMINATIONS FOR CHAIRPERSON AND VICE CHAIRPERSON OF THE ORANGE COUNTY SANITATION DISTRICT BOARD OF DIRECTORS 2020-980

Originator: Kelly Lore

General Counsel Brad Hogin provided instructions and facilitated the nomination and election process.

Mr. Hogin opened nominations for Chairperson and Vice-Chairperson of the Board of Directors (Election to be held at the regular June Board Meeting unless only one candidate is nominated). One nomination was received for each office. A motion to close nominations was received.

With no further nominations, David Shawver was deemed elected as Chairman of the Board of Directors and John Withers was deemed elected as Vice-Chairman of the Board of Directors for the 2020/21 term.

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery and John Withers
ABSTENTIONS: None

CONSENT CALENDAR:

2. APPROVAL OF MINUTES **2020-1055**

Originator: Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Board of Directors held April 22, 2020.

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

RECEIVE AND FILE:

3. REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF APRIL 2020 **2020-907**

Originator: Lorenzo Tyner

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE:

Report of the Investment Transactions for the month of April 2020.

4. COMMITTEE MEETING MINUTES **2020-1074**

Originator: Kelly Lore

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE:

A. Minutes of the Operations Committee Meeting held March 4, 2020
B. Minutes of the Administration Committee Meeting held March 11, 2020
C. Minutes of the Steering Committee Meeting held March 25, 2020

OPERATIONS COMMITTEE:

5. NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS, PROJECT NO. 5-68 2020-1069

Originator: Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

A. Approve a Professional Design Services Agreement with Dudek to provide Engineering Services for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed $542,988; and

B. Approve a contingency of $54,299 (10%).

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

6. SERVICE CONTRACT FOR PLANT NOS. 1 AND 2 CENTRAL GENERATION CARBON CHANGE-OUT, SPECIFICATION NO. S-2020-1130BD 2020-1070

Originator: Rob Thompson

MOVED, SECONDED, AND DULY CARRIED TO:

A. Award a Service Contract to EnviroSupply & Service Inc. for Plant Nos. 1 and 2, Central Generation Facility Fuel Gas Cleaning System, Carbon Change-Out [replacement]; Specification No. S-2020-1130BD, for a total amount not to exceed $240,702 for the period July 1, 2020 through June 30, 2021, with four (4) one-year renewal options; and

B. Approve a contingency of $24,071 (10%).

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

7. GRIT AND SCREENINGS REMOVAL, SPECIFICATION NO. S-2020-1121BD 2020-1071

Originator: Lan Wiborg

MOVED, SECONDED, AND DULY CARRIED TO:

A. Approve a Service Contract to Denali Water Solutions for Grit and Screenings Removal, Specification No. S-2020-1121BD, for a total amount not to exceed $551,482 for the period July 1, 2020 through June 30, 2021, with four one-year renewal options; and

B. Approve a contingency of $55,148 (10%).

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

8. BUSHARD DIVERSION STRUCTURE REPAIR, PROJECT NO. MP-307 2020-1072

Originator: Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

A. Receive and file Bid Tabulation and Recommendation for Bushard Diversion Structure Repair, Project No. MP-307; and

B. Reject the bid from Mehta Mechanical Company, Inc. and direct staff to reissue the contract for bids with changes made to prolong the life of the repairs.

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

9. SEISMIC EVALUATION OF STRUCTURES AT PLANT NOS. 1 AND 2, PROJECT NO. PS15-06 2020-1073

Originator: Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Seismic Evaluation of Structures at Plant Nos. 1 and 2, Project No. PS15-06.

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

ADMINISTRATION COMMITTEE:

10. COSTA MESA SANITARY DISTRICT ALTERNATE DISTRICT ENGINEER LENDING AGREEMENT 2020-1080

Originator: Kathy Millea

MOVED, SECONDED, AND DULY CARRIED 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: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

11. ELECTRONIC RECORDING MEMORANDUM OF UNDERSTANDING COUNTY OF ORANGE CLERK-RECORDER'S OFFICE **2020-1081**

Originator: Kelly Lore

MOVED, SECONDED, AND DULY CARRIED 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: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

12. CONSOLIDATED FINANCIAL REPORT FOR THE THIRD QUARTER ENDED MARCH 31, 2020 **2020-1082**

Originator: Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO:

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

AYES: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

13. APPROVE A CONTINGENCY INCREASE TO EXISTING SERVICE CONTRACT FOR HAZARDOUS WASTE DISPOSAL SERVICES **2020-1083**

Originator: Celia Chandler

MOVED, SECONDED, AND DULY CARRIED 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: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

14. GENERAL MANAGER APPROVED PURCHASES AND ADDITIONS TO THE PRE-APPROVED OEM SOLE SOURCE LIST **2020-1084**

Originator: Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED 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: Allan Bernstein, Doug Chaffee, Robert Collacott, James Ferryman, Cecilia Iglesias, Steve Jones, Brooke Jones, Peter Kim, Lucille Kring, Sandra Massa-Lavitt, Mark Murphy, Richard Murphy, Steve Nagel, Andrew Nguyen, Glenn Parker, Tim Shaw, David Shawver, Christina Shea, Jesus Silva, Fred Smith, Chad Wanke, John Withers, Mariellen Yarc and Lyn Semeta (Alternate)
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE:

None.

STEERING COMMITTEE:

None.

NON-CONSENT:

None.

INFORMATION ITEMS:

None.

AB 1234 DISCLOSURE REPORTS:

Director Ferryman reported on his upcoming meetings with Borders and OCCOG.

CLOSED SESSION:

None.

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

Chair Shawver read correspondence from former employee Tomm McElroy's family thanking the Board for honoring Tomm's 30-year contribution to OCSD by adjourning the meeting in February 2020 in Tomm's memory.

BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:

None.

ADJOURNMENT:

At 6:26 p.m., Chair Shawver adjourned the meeting until the Regular Meeting of the Board of Directors to be held on June 24, 2020 at 6:00 p.m.

Submitted by:

_____
Kelly A. Lore, MMC
Clerk of the Board

Orange County Sanitation District

BOARD OF DIRECTORS

Agenda Report

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

File #: 2020-908 **Agenda Date:** 6/24/2020 **Agenda Item No:** 3.

FROM: James D. Herberg, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF MAY 2020

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Receive and file the following:

Report of the Investment Transactions for the month of May 2020.

BACKGROUND

The CA Government Code requires that a monthly report of investment transactions be provided to the legislative body. Attached is the monthly report of investment transactions for the month ended May 31, 2020.

RELEVANT STANDARDS

- CA Government Code Section 53607

PRIOR COMMITTEE/BOARD ACTIONS

N/A

FINANCIAL CONSIDERATIONS

N/A

ATTACHMENT

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

- Report of the Investment Transactions for the Month of May 2020

U.S. Bank
Transaction History
May 2020

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
ACQUISITIONS							
05/01/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3,000,000.0000	1.000000	-3,000,000.00	3,000,000.00	0.00
05/01/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	28,525.0000	1.000000	-28,525.00	28,525.00	0.00
05/04/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	7,855.2100	1.000000	-7,855.21	7,855.21	0.00
05/04/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	62,964.5700	1.000000	-62,964.57	62,964.57	0.00
05/06/2020	3133ELYR9	PURCHASED PAR VALUE OF F F C B DEB 0.250% 5/06/22 /J.P. MORGAN SECURITIES LLC/8,850,000 PAR VALUE AT 99.873 %	8,850,000.0000	0.998730	-8,838,760.50	8,838,760.50	0.00
05/08/2020	89114QBX5	PURCHASED PAR VALUE OF TORONTO DOMINION MTN 2.550% 1/25/21 /PERSHING LLC/1,750,000 PAR VALUE AT 101.415 %	1,750,000.0000	1.014150	-1,774,762.50	1,774,762.50	0.00
05/11/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	2,028,750.0000	1.000000	-2,028,750.00	2,028,750.00	0.00
05/11/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	162,025.0000	1.000000	-162,025.00	162,025.00	0.00
05/12/2020	037833AR1	PURCHASED PAR VALUE OF APPLE INC 2.850% 5/06/21 /PERSHING LLC/1,155,000 PAR VALUE AT 102.366 %	1,155,000.0000	1.023660	-1,182,327.30	1,182,327.30	0.00
05/12/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3,035,000.0000	1.000000	-3,035,000.00	3,035,000.00	0.00
05/12/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	24,659.3800	1.000000	-24,659.38	24,659.38	0.00
05/15/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	2,089,993.9900	1.000000	-2,089,993.99	2,089,993.99	0.00
05/18/2020	494368BF9	PURCHASED PAR VALUE OF KIMBERLY CLARK CORP 3.875% 3/01/21 /PERSHING LLC/750,000 PAR VALUE AT 102.517 %	750,000.0000	1.025170	-768,877.50	768,877.50	0.00
05/18/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	130,430.7400	1.000000	-130,430.74	130,430.74	0.00
05/18/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	593,138.1000	1.000000	-593,138.10	593,138.10	0.00
05/20/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	2,022,500.0000	1.000000	-2,022,500.00	2,022,500.00	0.00
05/20/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	5,059,230.9200	1.000000	-5,059,230.92	5,059,230.92	0.00
05/21/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	1,000,000.0000	1.000000	-1,000,000.00	1,000,000.00	0.00
05/21/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	7,822.5000	1.000000	-7,822.50	7,822.50	0.00
05/21/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	240,466.3500	1.000000	-240,466.35	240,466.35	0.00
05/26/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	29,441.6900	1.000000	-29,441.69	29,441.69	0.00
05/26/2020	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	136.8500	1.000000	-136.85	136.85	0.00
05/27/2020	912796UC1	PURCHASED PAR VALUE OF U S TREASURY BILL 1/28/21 /GOLDMAN SACHS & CO. LLC/7,500,000 PAR VALUE AT 99.89852507 %	7,500,000.0000	0.998985	-7,492,389.38	7,492,389.38	0.00
05/27/2020	9127962X6	PURCHASED PAR VALUE OF U S TREASURY BILL 6/30/20 /NOMURA SECURITIES INTERNATIONA/5,000,000 PAR VALUE AT 99.9917362 %	5,000,000.0000	0.999917	-4,999,586.81	4,999,586.81	0.00
05/28/2020	00440EAT4	PURCHASED PAR VALUE OF ACE INA HOLDINGS 2.300% 11/03/20 /PERSHING LLC/500,000 PAR VALUE AT 100.628 %	500,000.0000	1.006280	-503,140.00	503,140.00	0.00
05/28/2020	808513AW5	PURCHASED PAR VALUE OF CHARLES SCHWAB CORP 3.250% 5/21/21 /PERSHING LLC/1,385,000 PAR VALUE AT 102.489 %	1,385,000.0000	1.024890	-1,419,472.65	1,419,472.65	0.00
05/28/2020	46625HHU7	PURCHASED PAR VALUE OF JPMORGAN CHASE CO 4.250% 10/15/20 /PERSHING LLC/1,160,000 PAR VALUE AT 101.459 %	1,160,000.0000	1.014590	-1,176,924.40	1,176,924.40	0.00

U.S. Bank
Transaction History
May 2020

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
05/29/2020	912828ZL7	PURCHASED PAR VALUE OF U S TREASURY NT 0.375% 4/30/25 /GOLDMAN SACHS & CO. LLC/7,000,000 PAR VALUE AT 100.10156257 %	7,000,000.0000	1.001016	-7,007,109.38	7,007,109.38	0.00
TOTAL ACQUISITIONS			**54,572,940.3000**		**-54,686,290.72**	**54,686,290.72**	**0.00**
DISPOSITIONS							
05/01/2020	313384WG0	MATURED PAR VALUE OF F H L B DISC NTS 5/01/20 3,000,000 PAR VALUE AT 100 %	-3,000,000.0000	1.000000	2,988,094.17	-2,988,094.17	0.00
05/06/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-8,838,760.5000	1.000000	8,838,760.50	-8,838,760.50	0.00
05/08/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-1,787,530.2100	1.000000	1,787,530.21	-1,787,530.21	0.00
05/11/2020	369550BA5	MATURED PAR VALUE OF GENERAL DYNAMICS 2.875% 5/11/20 2,000,000 PAR VALUE AT 100 %	-2,000,000.0000	1.000000	2,000,000.00	-2,011,340.00	-11,340.00
05/12/2020	4581X0CX4	MATURED PAR VALUE OF INTER AMER DEV BK 1.625% 5/12/20 3,035,000 PAR VALUE AT 100 %	-3,035,000.0000	1.000000	3,035,000.00	-3,027,807.05	7,192.95
05/12/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-1,182,875.9300	1.000000	1,182,875.93	-1,182,875.93	0.00
05/15/2020	31348SWZ3	PAID DOWN PAR VALUE OF F H L M C #786064 3.845% 1/01/28 APRIL FHLMC DUE 5/15/20	-16.3500	0.000000	16.35	-15.95	0.40
05/15/2020	3133TCE95	PAID DOWN PAR VALUE OF F H L M C MLTCL MTG 4.020% 8/15/32	-195.6500	0.000000	195.65	-195.85	-0.20
05/15/2020	43815NAB0	PAID DOWN PAR VALUE OF HONDA AUTO 1.900% 4/15/22	-175,500.1300	7.906203	175,500.13	-175,487.84	12.29
05/15/2020	47788BAD6	PAID DOWN PAR VALUE OF JOHN DEERE OWNER 1.820% 10/15/21	-41,584.7100	33.366583	41,584.71	-41,581.66	3.05
05/15/2020	477870AB5	PAID DOWN PAR VALUE OF JOHN DEERE OWNER 2.280% 5/16/22	-443,582.4100	3.128031	443,582.41	-443,580.72	1.69
05/15/2020	47788CAC6	PAID DOWN PAR VALUE OF JOHN DEERE OWNER 2.660% 4/18/22	-92,768.6400	14.956991	92,768.64	-92,761.97	6.67
05/15/2020	47789JAB2	PAID DOWN PAR VALUE OF JOHN DEERE OWNER 2.850% 12/15/21	-303,061.5100	4.578409	303,061.51	-303,047.69	13.82
05/15/2020	47788EAC2	PAID DOWN PAR VALUE OF JOHN DEERE OWNER 3.080% 11/15/22	-458,507.1400	3.026212	458,507.14	-458,472.39	34.75
05/15/2020	65478GAD2	PAID DOWN PAR VALUE OF NISSAN AUTO 1.750% 10/15/21	-132,115.5900	10.502467	132,115.59	-130,066.77	2,048.82
05/15/2020	89239AAB9	PAID DOWN PAR VALUE OF TOYOTA AUTO 2.830% 10/15/21	-233,800.9200	5.934706	233,800.92	-233,779.69	21.23
05/18/2020	43814PAC4	PAID DOWN PAR VALUE OF HONDA AUTO 1.790% 9/20/21	-128,956.1400	0.000000	128,956.14	-126,910.98	2,045.16
05/18/2020	43814WAB1	PAID DOWN PAR VALUE OF HONDA AUTO 2.750% 9/20/21	-308,828.0800	0.000000	308,828.08	-308,808.19	19.89
05/18/2020	43814UAG4	PAID DOWN PAR VALUE OF HONDA AUTO 3.010% 5/18/22	-106,456.9600	0.000000	106,456.96	-106,454.64	2.32
05/18/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-775,093.6500	1.000000	775,093.65	-775,093.65	0.00
05/20/2020	747525AD5	MATURED PAR VALUE OF QUALCOMM INC 2.250% 5/20/20 2,000,000 PAR VALUE AT 100 %	-2,000,000.0000	1.000000	2,000,000.00	-2,002,700.00	-2,700.00
05/20/2020	747525AD5	MATURED PAR VALUE OF QUALCOMM INC 2.250% 5/20/20 5,000,000 PAR VALUE AT 100 %	-5,000,000.0000	1.000000	5,000,000.00	-4,995,195.40	4,804.60
05/20/2020	36225CAZ9	PAID DOWN PAR VALUE OF G N M A I I #080023 3.125% 12/20/26 APRIL GNMA DUE 5/20/20	-272.1000	0.000000	272.10	-276.60	-4.50
05/20/2020	36225CC20	PAID DOWN PAR VALUE OF G N M A I I #080088 3.875% 6/20/27 APRIL GNMA DUE 5/20/20	-173.5100	0.000000	173.51	-177.31	-3.80
05/20/2020	36225CNM4	PAID DOWN PAR VALUE OF G N M A I I #080395 3.875% 4/20/30 APRIL GNMA DUE 5/20/20	-41.3200	0.000000	41.32	-40.95	0.37

U.S. Bank
Transaction History
May 2020

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
05/20/2020	36225CN28	PAID DOWN PAR VALUE OF G N M A I I #080408 3.875% 5/20/30 APRIL 5/20/20 GNMA DUE	-1,316.2300	0.000000	1,316.23	-1,302.86	13.37
05/20/2020	36225DCB8	PAID DOWN PAR VALUE OF G N M A I I #080965 3.250% 7/20/34 APRIL 5/20/20 GNMA DUE	-835.7000	0.000000	835.70	-835.18	0.52
05/21/2020	06367BED7	MATURED PAR VALUE OF BANK OF MONTREAL C D 1.890% 5/21/20 1,000,000 PAR VALUE AT 100 %	-1,000,000.0000	1.000000	1,000,000.00	-1,000,000.00	0.00
05/21/2020	43815HAC1	PAID DOWN PAR VALUE OF HONDA AUTO 2.950% 8/22/22	-231,469.9000	0.000000	231,469.90	-231,438.14	31.76
05/26/2020	31394JY35	PAID DOWN PAR VALUE OF F H L M C MLTCL MTG 6.500% 9/25/43	-12,284.3600	0.000000	12,284.36	-13,912.04	-1,627.68
05/26/2020	31371NUC7	PAID DOWN PAR VALUE OF F N M A #257179 4.500% 4/01/28 APRIL 5/25/20 FNMA DUE	-132.0400	0.000000	132.04	-139.65	-7.61
05/26/2020	31376KT22	PAID DOWN PAR VALUE OF F N M A #357969 5.000% 9/01/35 APRIL 5/25/20 FNMA DUE	-940.1600	0.000000	940.16	-1,010.67	-70.51
05/26/2020	31381PDA3	PAID DOWN PAR VALUE OF F N M A #466397 3.400% 11/01/20 APRIL 5/25/20 FNMA DUE	-769.2000	0.000000	769.20	-752.55	16.65
05/26/2020	31403DJZ3	PAID DOWN PAR VALUE OF F N M A #745580 5.000% 6/01/36 APRIL 5/25/20 FNMA DUE	-1,005.4200	0.000000	1,005.42	-1,080.83	-75.41
05/26/2020	31403GXF4	PAID DOWN PAR VALUE OF F N M A #748678 5.000% 10/01/33 APRIL 5/25/20 FNMA DUE	-9.3100	0.000000	9.31	-10.01	-0.70
05/26/2020	31406PQY8	PAID DOWN PAR VALUE OF F N M A #815971 5.000% 3/01/35 APRIL 5/25/20 FNMA DUE	-587.4000	0.000000	587.40	-631.46	-44.06
05/26/2020	31406XWT5	PAID DOWN PAR VALUE OF F N M A #823358 3.674% 2/01/35 APRIL 5/25/20 FNMA DUE	-484.8800	0.000000	484.88	-481.09	3.79
05/26/2020	31407BXH7	PAID DOWN PAR VALUE OF F N M A #826080 5.000% 7/01/35 APRIL 5/25/20 FNMA DUE	-263.6900	0.000000	263.69	-283.47	-19.78
05/26/2020	31410F4V4	PAID DOWN PAR VALUE OF F N M A #888336 5.000% 7/01/36 APRIL 5/25/20 FNMA DUE	-2,885.7600	0.000000	2,885.76	-3,102.19	-216.43
05/26/2020	3138EG6F6	PAID DOWN PAR VALUE OF F N M A #AL0869 4.500% 6/01/29 APRIL 5/25/20 FNMA DUE	-186.5400	0.000000	186.54	-197.28	-10.74
05/26/2020	31417YAY3	PAID DOWN PAR VALUE OF F N M A #MA0022 4.500% 4/01/29 APRIL 5/25/20 FNMA DUE	-417.1000	0.000000	417.10	-441.12	-24.02
05/26/2020	31397QRE0	PAID DOWN PAR VALUE OF F N M A GTD REMIC 2.472% 2/25/41	-2,528.0500	0.000000	2,528.05	-2,527.26	0.79
05/27/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-12,491,976.1900	1.000000	12,491,976.19	-12,491,976.19	0.00
05/28/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-3,107,099.5100	1.000000	3,107,099.51	-3,107,099.51	0.00
05/29/2020	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z	-7,009,177.9900	1.000000	7,009,177.99	-7,009,177.99	0.00
TOTAL DISPOSITIONS			**-53,909,490.8800**		**53,897,585.05**	**-53,897,455.60**	**129.45**
OTHER TRANSACTIONS							
05/01/2020	313384WG0	INTEREST EARNED ON F H L B DISC NTS 5/01/20 $1 PV ON 3000000.0000 SHARES DUE 5/1/2020 3,000,000 PAR VALUE AT 100 %	0.0000	0.000000	11,905.83	0.00	0.00
05/01/2020	31846V567	INTEREST EARNED ON FIRST AM GOVT OB FD CL Z UNIT ON 0.0000 SHARES DUE 4/30/2020 INTEREST FROM 4/1/20 TO 4/30/20	0.0000	0.000000	7,855.21	0.00	0.00

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Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
05/01/2020	31846V567	INTEREST EARNED ON FIRST AM GOVT OB FD CL Z UNIT ON 0.0000 SHARES DUE 4/30/2020 INTEREST FROM 4/1/20 TO 4/30/20	0.0000	0.000000	3,035.19	0.00	0.00
05/01/2020	64971M5E8	INTEREST EARNED ON NEW YORK CITY NY 4.075% 11/01/20 $1 PV ON 1400000.0000 SHARES DUE 5/1/2020	0.0000	0.000000	28,525.00	0.00	0.00
05/04/2020	00440EAU1	INTEREST EARNED ON ACE INA HOLDINGS 2.875% 11/03/22 $1 PV ON 4169000.0000 SHARES DUE 5/3/2020	0.0000	0.000000	59,929.38	0.00	0.00
05/08/2020	89114QBX5	PAID ACCRUED INTEREST ON PURCHASE OF TORONTO DOMINION MTN 2.550% 1/25/21	0.0000	0.000000	-12,767.71	0.00	0.00
05/11/2020	037833CU2	INTEREST EARNED ON APPLE INC 2.850% 5/11/24 $1 PV ON 3000000.0000 SHARES DUE 5/11/2020	0.0000	0.000000	42,750.00	0.00	0.00
05/11/2020	369550BA5	INTEREST EARNED ON GENERAL DYNAMICS 2.875% 5/11/20 $1 PV ON 2000000.0000 SHARES DUE 5/11/2020	0.0000	0.000000	28,750.00	0.00	0.00
05/11/2020	369550BE7	INTEREST EARNED ON GENERAL DYNAMICS 3.000% 5/11/21 $1 PV ON 3160000.0000 SHARES DUE 5/11/2020	0.0000	0.000000	47,400.00	0.00	0.00
05/11/2020	458140BD1	INTEREST EARNED ON INTEL CORP 2.875% 5/11/24 $1 PV ON 5000000.0000 SHARES DUE 5/11/2020	0.0000	0.000000	71,875.00	0.00	0.00
05/12/2020	4581X0CX4	INTEREST EARNED ON INTER AMER DEV BK 1.625% 5/12/20 $1 PV ON 3035000.0000 SHARES DUE 5/12/2020	0.0000	0.000000	24,659.38	0.00	0.00
05/12/2020	037833AR1	PAID ACCRUED INTEREST ON PURCHASE OF APPLE INC 2.850% 5/06/21	0.0000	0.000000	-548.63	0.00	0.00
05/13/2020	912828WU0	BOOK VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -10088.00 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	0.00	0.00
05/13/2020	912828WU0	FED BASIS OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -10088.00 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	-10,088.00	0.00
05/13/2020	912828WU0	PAR VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -10088.0000 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	-10,088.0000	0.000000	0.00	0.00	0.00
05/13/2020	912828WU0	STATE COST OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -10088.00 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	0.00	0.00
05/15/2020	084664BT7	INTEREST EARNED ON BERKSHIRE HATHAWAY 3.000% 5/15/22 $1 PV ON 4000000.0000 SHARES DUE 5/15/2020	0.0000	0.000000	60,000.00	0.00	0.00
05/15/2020	31348SWZ3	INTEREST EARNED ON F H L M C #786064 3.845% 1/01/28 $1 PV ON 5.4900 SHARES DUE 5/15/2020 MARCH FHLMC DUE 5/15/20	0.0000	0.000000	5.49	0.00	0.00
05/15/2020	3133TCE95	INTEREST EARNED ON F H L M C MLTCL MTG 4.020% 8/15/32 $1 PV ON 18.6600 SHARES DUE 5/15/2020 $0.00335/PV ON 5,570.25 PV DUE 5/15/20	0.0000	0.000000	18.66	0.00	0.00
05/15/2020	43815NAB0	INTEREST EARNED ON HONDA AUTO 1.900% 4/15/22 $1 PV ON 5589.1700 SHARES DUE 5/15/2020 $0.00158/PV ON 3,530,000.00 PV DUE 5/15/20	0.0000	0.000000	5,589.17	0.00	0.00
05/15/2020	47788BAD6	INTEREST EARNED ON JOHN DEERE OWNER 1.820% 10/15/21 $1 PV ON 220.0100 SHARES DUE 5/15/2020 $0.00152/PV ON 145,063.81 PV DUE 5/15/20	0.0000	0.000000	220.01	0.00	0.00
05/15/2020	477870AB5	INTEREST EARNED ON JOHN DEERE OWNER 2.280% 5/16/22 $1 PV ON 4686.6900 SHARES DUE 5/15/2020 $0.00190/PV ON 2,466,680.27 PV DUE 5/15/20	0.0000	0.000000	4,686.69	0.00	0.00
05/15/2020	47788CAC6	INTEREST EARNED ON JOHN DEERE OWNER 2.660% 4/18/22 $1 PV ON 1670.5800 SHARES DUE 5/15/2020 $0.00222/PV ON 753,644.66 PV DUE 5/15/20	0.0000	0.000000	1,670.58	0.00	0.00

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05/15/2020	47789JAB2	INTEREST EARNED ON JOHN DEERE OWNER 2.850% 12/15/21 $1 PV ON 3861.7000 SHARES DUE 5/15/2020 $0.00238/PV ON 1,625,978.18 PV DUE 5/15/20	0.0000	0.000000	3,861.70	0.00	0.00
05/15/2020	47788EAC2	INTEREST EARNED ON JOHN DEERE OWNER 3.080% 11/15/22 $1 PV ON 10956.6700 SHARES DUE 5/15/2020 $0.00257/PV ON 4,268,831.48 PV DUE 5/15/20	0.0000	0.000000	10,956.67	0.00	0.00
05/15/2020	58770FAC6	INTEREST EARNED ON MERCEDES BENZ AUTO 1.840% 12/15/22 $1 PV ON 3143.3300 SHARES DUE 5/15/2020 $0.00153/PV ON 2,050,000.00 PV DUE 5/15/20	0.0000	0.000000	3,143.33	0.00	0.00
05/15/2020	65478GAD2	INTEREST EARNED ON NISSAN AUTO 1.750% 10/15/21 $1 PV ON 1396.1200 SHARES DUE 5/15/2020 $0.00146/PV ON 957,342.87 PV DUE 5/15/20	0.0000	0.000000	1,396.12	0.00	0.00
05/15/2020	65479JAD5	INTEREST EARNED ON NISSAN AUTO 1.930% 7/15/24 $1 PV ON 6730.8700 SHARES DUE 5/15/2020 $0.00161/PV ON 4,185,000.00 PV DUE 5/15/20	0.0000	0.000000	6,730.87	0.00	0.00
05/15/2020	65479GAD1	INTEREST EARNED ON NISSAN AUTO 3.060% 3/15/23 $1 PV ON 9078.0000 SHARES DUE 5/15/2020 $0.00255/PV ON 3,560,000.00 PV DUE 5/15/20	0.0000	0.000000	9,078.00	0.00	0.00
05/15/2020	89239AAB9	INTEREST EARNED ON TOYOTA AUTO 2.830% 10/15/21 $1 PV ON 3933.6500 SHARES DUE 5/15/2020 $0.00236/PV ON 1,667,979.63 PV DUE 5/15/20	0.0000	0.000000	3,933.65	0.00	0.00
05/15/2020	912828WJ5	INTEREST EARNED ON U S TREASURY NT 2.500% 5/15/24 $1 PV ON 7000000.0000 SHARES DUE 5/15/2020	0.0000	0.000000	87,500.00	0.00	0.00
05/15/2020	913366EJ5	INTEREST EARNED ON UNIV OF CALIFORNIA 5.035% 5/15/21 $1 PV ON 400000.0000 SHARES DUE 5/15/2020	0.0000	0.000000	10,070.00	0.00	0.00
05/18/2020	166764BG4	INTEREST EARNED ON CHEVRON CORP 2.100% 5/16/21 $1 PV ON 2500000.0000 SHARES DUE 5/16/2020	0.0000	0.000000	26,250.00	0.00	0.00
05/18/2020	3137EAEK1	INTEREST EARNED ON F H L M C M T N 1.875% 11/17/20 $1 PV ON 5000000.0000 SHARES DUE 5/17/2020	0.0000	0.000000	46,875.00	0.00	0.00
05/18/2020	43814PAC4	INTEREST EARNED ON HONDA AUTO 1.790% 9/20/21 $1 PV ON 1474.6000 SHARES DUE 5/18/2020 $0.00149/PV ON 988,556.63 PV DUE 5/18/20	0.0000	0.000000	1,474.60	0.00	0.00
05/18/2020	43814WAB1	INTEREST EARNED ON HONDA AUTO 2.750% 9/20/21 $1 PV ON 5463.7400 SHARES DUE 5/18/2020 $0.00229/PV ON 2,384,177.90 PV DUE 5/18/20	0.0000	0.000000	5,463.74	0.00	0.00
05/18/2020	43814UAG4	INTEREST EARNED ON HONDA AUTO 3.010% 5/18/22 $1 PV ON 3764.3200 SHARES DUE 5/18/2020 $0.00251/PV ON 1,500,727.36 PV DUE 5/18/20	0.0000	0.000000	3,764.32	0.00	0.00
05/18/2020	46625HRL6	INTEREST EARNED ON JP MORGAN CHASE CO 2.700% 5/18/23 $1 PV ON 5000000.0000 SHARES DUE 5/18/2020	0.0000	0.000000	67,500.00	0.00	0.00
05/18/2020	58933YAF2	INTEREST EARNED ON MERCK CO INC 2.800% 5/18/23 $1 PV ON 2000000.0000 SHARES DUE 5/18/2020	0.0000	0.000000	28,000.00	0.00	0.00
05/18/2020	494368BF9	PAID ACCRUED INTEREST ON PURCHASE OF KIMBERLY CLARK CORP 3.875% 3/01/21	0.0000	0.000000	-6,216.15	0.00	0.00
05/20/2020	36225CAZ9	INTEREST EARNED ON G N M A I I #080023 3.125% 12/20/26 $1 PV ON 35.9600 SHARES DUE 5/20/2020 APRIL GNMA DUE 5/20/20	0.0000	0.000000	35.96	0.00	0.00
05/20/2020	36225CC20	INTEREST EARNED ON G N M A I I #080088 3.875% 6/20/27 $1 PV ON 37.1400 SHARES DUE 5/20/2020 APRIL GNMA DUE 5/20/20	0.0000	0.000000	37.14	0.00	0.00
05/20/2020	36225CNM4	INTEREST EARNED ON G N M A I I #080395 3.875% 4/20/30 $1 PV ON 17.9600 SHARES DUE 5/20/2020 APRIL GNMA DUE 5/20/20	0.0000	0.000000	17.96	0.00	0.00
05/20/2020	36225CN28	INTEREST EARNED ON G N M A I I #080408 3.875% 5/20/30 $1 PV ON 143.5500 SHARES DUE 5/20/2020 APRIL GNMA DUE 5/20/20	0.0000	0.000000	143.55	0.00	0.00

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05/20/2020	36225DCB8	INTEREST EARNED ON G N M A I I #080965 3.250% 7/20/34 $1 PV ON 107.4500 SHARES DUE 5/20/2020 APRIL GNMA DUE 5/20/20	0.0000	0.000000	107.45	0.00	0.00
05/20/2020	747525AD5	INTEREST EARNED ON QUALCOMM INC 2.250% 5/20/20 $1 PV ON 2000000.0000 SHARES DUE 5/20/2020	0.0000	0.000000	22,500.00	0.00	0.00
05/20/2020	747525AD5	INTEREST EARNED ON QUALCOMM INC 2.250% 5/20/20 $1 PV ON 5000000.0000 SHARES DUE 5/20/2020	0.0000	0.000000	56,250.00	0.00	0.00
05/21/2020	06367BED7	INTEREST EARNED ON BANK OF MONTREAL C D 1.890% 5/21/20 $1 PV ON 1000000.0000 SHARES DUE 5/21/2020 INTEREST ON 5/21/20 MATURITY	0.0000	0.000000	7,822.50	0.00	0.00
05/21/2020	43815HAC1	INTEREST EARNED ON HONDA AUTO 2.950% 8/22/22 $1 PV ON 8996.4500 SHARES DUE 5/21/2020 $0.00246/PV ON 3,659,574.58 PV DUE 5/21/20	0.0000	0.000000	8,996.45	0.00	0.00
05/26/2020	03215PFN4	INTEREST EARNED ON AMRESCO 2.07531% 6/25/29 $1 PV ON 119021.6400 SHARES DUE 5/25/2020	0.0000	0.000000	136.85	0.00	0.00
05/26/2020	31394JY35	INTEREST EARNED ON F H L M C MLTCL MTG 6.500% 9/25/43 $1 PV ON 3415.5900 SHARES DUE 5/25/2020 $0.00542/PV ON 630,570.24 PV DUE 5/25/20	0.0000	0.000000	3,415.59	0.00	0.00
05/26/2020	31371NUC7	INTEREST EARNED ON F N M A #257179 4.500% 4/01/28 $1 PV ON 48.1000 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	48.10	0.00	0.00
05/26/2020	31376KT22	INTEREST EARNED ON F N M A #357969 5.000% 9/01/35 $1 PV ON 360.9100 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	360.91	0.00	0.00
05/26/2020	31381PDA3	INTEREST EARNED ON F N M A #466397 3.400% 11/01/20 $1 PV ON 941.2100 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	941.21	0.00	0.00
05/26/2020	31403DJZ3	INTEREST EARNED ON F N M A #745580 5.000% 6/01/36 $1 PV ON 343.7800 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	343.78	0.00	0.00
05/26/2020	31403GXF4	INTEREST EARNED ON F N M A #748678 5.000% 10/01/33 $1 PV ON 7.1600 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	7.16	0.00	0.00
05/26/2020	31406PQY8	INTEREST EARNED ON F N M A #815971 5.000% 3/01/35 $1 PV ON 544.4100 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	544.41	0.00	0.00
05/26/2020	31406XWT5	INTEREST EARNED ON F N M A #823358 3.674% 2/01/35 $1 PV ON 292.6500 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	292.65	0.00	0.00
05/26/2020	31407BXH7	INTEREST EARNED ON F N M A #826080 5.000% 7/01/35 $1 PV ON 69.7000 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	69.70	0.00	0.00
05/26/2020	31410F4V4	INTEREST EARNED ON F N M A #888336 5.000% 7/01/36 $1 PV ON 677.7400 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	677.74	0.00	0.00
05/26/2020	3138EG6F6	INTEREST EARNED ON F N M A #AL0869 4.500% 6/01/29 $1 PV ON 33.0000 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	33.00	0.00	0.00
05/26/2020	31417YAY3	INTEREST EARNED ON F N M A #MA0022 4.500% 4/01/29 $1 PV ON 53.5100 SHARES DUE 5/25/2020 APRIL FNMA DUE 5/25/20	0.0000	0.000000	53.51	0.00	0.00
05/26/2020	31397QRE0	INTEREST EARNED ON F N M A GTD REMIC 2.472% 2/25/41 $1 PV ON 160.0200 SHARES DUE 5/25/2020 $0.00097/PV ON 164,514.79 PV DUE 5/25/20	0.0000	0.000000	160.02	0.00	0.00
05/27/2020	912828WU0	BOOK VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -12792.00 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	0.00	0.00
05/27/2020	912828WU0	FED BASIS OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -12792.00 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	-12,792.00	0.00

U.S. Bank
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May 2020

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
05/27/2020	912828WU0	PAR VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -12792.0000 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	-12,792.0000	0.000000	0.00	0.00	0.00
05/27/2020	912828WU0	STATE COST OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY -12792.00 UNITS DECREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	0.00	0.00
05/28/2020	00440EAT4	PAID ACCRUED INTEREST ON PURCHASE OF ACE INA HOLDINGS 2.300% 11/03/20	0.0000	0.000000	-798.61	0.00	0.00
05/28/2020	808513AW5	PAID ACCRUED INTEREST ON PURCHASE OF CHARLES SCHWAB CORP 3.250% 5/21/21	0.0000	0.000000	-875.24	0.00	0.00
05/28/2020	46625HHU7	PAID ACCRUED INTEREST ON PURCHASE OF JPMORGAN CHASE CO 4.250% 10/15/20	0.0000	0.000000	-5,888.61	0.00	0.00
05/29/2020	912828ZL7	PAID ACCRUED INTEREST ON PURCHASE OF U S TREASURY NT 0.375% 4/30/25	0.0000	0.000000	-2,068.61	0.00	0.00
TOTAL OTHER TRANSACTIONS			**-22,880.0000**		**788,705.67**	**-22,880.00**	**0.00**

Orange County Sanitation District

BOARD OF DIRECTORS

Agenda Report

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

File #: 2020-1109 **Agenda Date:** 6/24/2020 **Agenda Item No:** 4.

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

SUBJECT:

COMMITTEE MEETING MINUTES

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Receive and file the following:

A. Minutes of the Steering Committee Meeting held April 22, 2020
B. Minutes of the Operations Committee Meeting held May 6, 2020
C. Minutes of the Administration Committee Meeting 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

ADDITIONAL INFORMATION

The minutes of the Committee meeting are approved at their respective Committees and brought forth to the Board of Directors for receive and file only.

ATTACHMENT

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

- Minutes of the Monthly Committee Meetings

Orange County Sanitation District
Minutes for the
STEERING COMMITTEE

Wednesday, April 22, 2020
5:00 PM

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

CALL TO ORDER

A regular meeting of the Steering Committee of the Orange County Sanitation District was called to order by Board Chairman David Shawver on Wednesday, April 22, 2020 at 5:11 p.m. in the Administration Building of the Orange County Sanitation District. Chair Shawver 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).

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

DECLARATION OF QUORUM:

A quorum was declared present, as follows:

PRESENT: David Shawver, John Withers, Robert Collacott, Peter Kim, Glenn Parker, Tim Shaw and Chad Wanke
ABSENT: None

STAFF MEMBERS PRESENT: Jim Herberg, General Manager; Kelly Lore, Clerk of the Board; Al Garcia, and Tyler Ramirez were present in the Board Room; Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, and Assistant Clerk of the Board Tina Knapp participated telephonically.

OTHERS PRESENT: Brad Hogin (General Counsel) was present in the Board Room.

PUBLIC COMMENTS:

None.

REPORTS:

Board Chair Shawver stated that due to a lack of urgent/critical items and the fact that staff are either telecommuting from home or working on prioritized Plant operations, the LaPA Committee meeting for May has been cancelled. He also stated that the Operations and Administration Committee meetings will be held telephonically on their regularly scheduled day and time.

CONSENT CALENDAR:

1. APPROVAL OF MINUTES 2020-999

Originator: Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Special Meeting of the Steering Committee held March 18, 2020 and the Regular Meeting of the Steering Committee held March 25, 2020.

AYES: David Shawver, John Withers, Robert Collacott, Peter Kim, Glenn Parker, Tim Shaw and Chad Wanke
NOES: None
ABSENT: None
ABSTENTIONS: None

2. 2020-23 SPONSORSHIP OF THE CENTER FOR DEMOGRAPHIC RESEARCH 2020-887

Originator: Kathy Millea

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

Approve a three-year Memorandum of Understanding with California State University Fullerton Auxiliary Services Corporation for operation of the Center for Demographic Research for the period July 1, 2020 through June 30, 2023, for a total amount not to exceed $331,504.

AYES: David Shawver, John Withers, Robert Collacott, Peter Kim, Glenn Parker, Tim Shaw and Chad Wanke
NOES: None
ABSENT: None
ABSTENTIONS: None

3. ELECTRONIC SIGNATURES POLICY 2020-1021

Originator: Lorenzo Tyner

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

Adopt a policy for the use of electronic signatures.

AYES: David Shawver, John Withers, Robert Collacott, Peter Kim, Glenn Parker, Tim Shaw and Chad Wanke
NOES: None
ABSENT: None

ABSTENTIONS: None

NON-CONSENT:

4. RATIFY AMENDMENTS TO PERSONNEL POLICIES AND PROCEDURES IN RESPONSE TO COVID-19 PANDEMIC 2020-1020

Originator: Celia Chandler

General Manager Herberg provided a brief report on the necessary amendments to the Personnel Policies in reaction to additional operational needs due to COVID-19.

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

Pursuant to Resolution No. OCSD 20-01, ratify amendments to Orange County Sanitation District Board of Directors' Personnel Policies and Procedures: 1.4 Recruitment & Selection, 1.11 - Temporary & Contract Worker, 1.12 - Student Internship Program, 3.1.2 - Hours of Work - Exempt Employees, 3.2 - Attendance, 3.3 - Leave-of-Absence with Pay, and 3.4 - Leave-of-Absence Without Pay, effective March 25, 2020 through December 31, 2020 or as soon as the State emergency related to the COVID-19 pandemic is lifted.

AYES: David Shawver, John Withers, Robert Collacott, Peter Kim, Glenn Parker, Tim Shaw and Chad Wanke
NOES: None
ABSENT: None
ABSTENTIONS: None

INFORMATION ITEMS:

5. COVID-19 FINANCIAL IMPACT UPDATE 2020-1046

Originator: Lorenzo Tyner

Assistant General Manager Lorenzo Tyner provided an informative presentation on the financial impacts of the COVID-19 pandemic on OCSD.

ITEM RECEIVED AS AN:

Information Item.

DEPARTMENT HEAD REPORTS:

None.

CLOSED SESSION:

None.

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

Board Vice-Chair Withers announced that the General Manager has a 3:00 p.m. meeting each day with the EOC regarding COVID-19; and that he and the Chairman have started a weekly Friday call with the General Manager to discuss the situation.

BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:

None.

ADJOURNMENT:

Chair Shawver declared the meeting adjourned at 5:30 p.m. to the next Steering Committee meeting to be held on Wednesday, May 27, 2020 at 5:00 p.m.

Submitted by:

Kelly A. Lore, MMC
Clerk of the Board

Orange County Sanitation District
Minutes for the
OPERATIONS COMMITTEE

Wednesday, May 6, 2020
5:00 PM
Board Room
Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433

CALL TO ORDER

A regular meeting of the Operations Committee was called to order by Committee Chair Bob Collacott on Wednesday, May 6, 2020 at 5:01 p.m. in the Administration Building of the Orange County Sanitation District. Chair Collacott 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 Collacott led the Flag Salute.

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

DECLARATION OF QUORUM:

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

PRESENT: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
ABSENT: Brad Avery

STAFF PRESENT: Jim Herberg, General Manager; Kelly Lore, Clerk of the Board; Al Garcia; and Josh Martinez were present in the Board Room. Rob Thompson, Assistant General Manager; Lorenzo Tyner, Assistant General Manager; Kathy Millea, Director of Engineering; Lan Wiborg, Director of Environmental Services; and Tina Knapp were in attendance telephonically.

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

PUBLIC COMMENTS:

None.

REPORTS:

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 2020-967

Originator: Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Operations Committee held on March 4, 2020.

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

2. QUARTERLY ODOR COMPLAINT REPORT 2020-1023

Originator: Rob Thompson

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Fiscal Year 2019/20 Third Quarter Odor Complaint Report.

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

3. MAINTENANCE COATING OF EFFLUENT JUNCTION BOX PIPING 2020-1045

Originator: Rob Thompson

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

A. Approve a Purchase Order Contract with Abhe & Svoboda, Inc. for the maintenance coating of the pipes and associated support structure at the Effluent Junction Box, per specification S-2020-1146BD, for a total amount not to exceed $135,732; and

B. Approve a contingency of $27,146 (20%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

4. NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS, PROJECT NO. 5-68 2020-1031

Originator: Kathy Millea

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

A. Approve a Professional Design Services Agreement with Dudek to provide Engineering Services for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed $542,988; and

B. Approve a contingency of $54,299 (10%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

5. SERVICE CONTRACT FOR PLANT NOS. 1 AND 2 CENTRAL GENERATION CARBON CHANGE-OUT, SPECIFICATION NO. S-2020-1130BD 2020-1024

Originator: Rob Thompson

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

A. Award a Service Contract to EnviroSupply & Service Inc. for Plant Nos. 1 and 2, Central Generation Facility Fuel Gas Cleaning System, Carbon Change-Out [replacement]; Specification No. S-2020-1130BD, for a total amount not to exceed $240,702 for the period July 1, 2020 through June 30, 2021, with four (4) one-year renewal options; and

B. Approve a contingency of $24,071 (10%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers

NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

6. GRIT AND SCREENINGS REMOVAL, SPECIFICATION NO. S-2020-1121BD 2020-991

Originator: Lan Wiborg

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

A. Approve a Service Contract to Denali Water Solutions for Grit and Screenings Removal, Specification No. S-2020-1121BD, for a total amount not to exceed $551,482 for the period July 1, 2020 through June 30, 2021, with four one-year renewal options; and

B. Approve a contingency of $55,148 (10%).

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

NON-CONSENT:

7. BUSHARD DIVERSION STRUCTURE REPAIR, PROJECT NO. MP-307 2019-628

Originator: Kathy Millea

Director of Engineering Kathy Millea provided a brief description of/need for this item.

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

A. Receive and file Bid Tabulation and Recommendation for Bushard Diversion Structure Repair, Project No. MP-307; and

B. Reject the bid from Mehta Mechanical Company, Inc. and direct staff to reissue the contract for bids with changes made to prolong the life of the repairs.

AYES: Robert Collacott, Mariellen Yarc, Allan Bernstein, Doug Chaffee, Brooke Jones, Steve Jones, Lucille Kring, Sandra Massa-Lavitt, Tim Shaw, Jesus Silva, Fred Smith, David Shawver and John Withers
NOES: None
ABSENT: Brad Avery
ABSTENTIONS: None

8. SEISMIC EVALUATION OF STRUCTURES AT PLANT NOS. 1 AND 2, PROJECT NO. PS15-06 2020-1029

Originator: Kathy Millea

Ms. 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.

WITHOUT OBJECTION ACTION TAKEN TO:

Receive and file the Seismic Evaluation of Structures at Plant Nos. 1 and 2, Project No. PS15-06.

INFORMATION ITEMS:

9. CAPITAL IMPROVEMENT PROGRAM PROPOSED BUDGET FOR FY2020-21 2020-982

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:

Information Item.

10. INTERIM FOOD WASTE RECEIVING FACILITY, PROJECT NO. P2-124, AND PRICING POLICY DISCUSSION 2020-1022

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:

Director Massa-Lavitt requested that an update on the Headquarters Complex project be placed on a future meeting agenda.

ADJOURNMENT:

Chair Collacott declared the meeting adjourned at 6:20 p.m. to the meeting to be held on Wednesday, June 3. 2020 at 5:00 p.m.

Submitted by:

Kelly A. Lore, MMC
Clerk of the Board

Orange County Sanitation District
Minutes for the
ADMINISTRATION COMMITTEE

Wednesday, May 13, 2020
5:00 PM
Board Room
Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433

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, PROJECT NO. PS15-06 2020-1060

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 FY2020-21 2020-1059

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. P2-124, AND PRICING POLICY DISCUSSION 2020-1058

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

OPERATIONS COMMITTEE

Agenda Report

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

File #: 2020-1104 **Agenda Date:** 6/24/2020 **Agenda Item No:** 5.

FROM: James D. Herberg, General Manager
Originator: Kathy Millea, Director of Engineering

SUBJECT:

CAPITAL IMPROVEMENT PROGRAM CONTRACT PERFORMANCE REPORT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Receive and file the Capital Improvement Program Contract Performance Report for the period ending March 31, 2020.

BACKGROUND

The Capital Improvement Program involves awarding and managing many construction and consulting contracts. In 2008, the Orange County Sanitation District Board of Directors began awarding contingencies along with construction and consulting contracts and amendments for consulting contracts up to the amount of the approved contingency. This practice reduces administrative costs, expedites resolution of project issues that arise, helps avoid Contractor delay claims, and facilitates efficient management of many contracts.

The Capital Improvement Program Contract Performance Report summarizes construction and consulting contract performance and activities for the quarter ending March 31, 2020. This report is updated quarterly.

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) with the complete agenda package:

- Capital Improvement Program Contract Performance Report for the period ending March 31, 2020

ORANGE COUNTY SANITATION DISTRICT
Capital Improvement Program
Contract Performance Report

For the period ending March 31, 2020

DATE: May 6, 2020

TO: Orange County Sanitation District
Board of Directors

FROM: James D. Herberg, General Manager
Through: Kathy Millea, Director of Engineering

This report summarizes the status, activities, and performance of public works construction contracts and consultant agreements. This report also identifies the names and status of projects being performed under master budgets for planning studies, research, small construction projects, O&M capital projects, and information technology projects.

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Part 1 – Construction Contracts page 2
- Active Construction Contracts
- Construction Contracts Closed in Last Quarter
- Cumulative Change Order Rates – Closed Construction Contracts

Part 2 – Engineering Services Agreements page 6
- Active Engineering Services Agreements
- Active Task Orders by Master Agreement

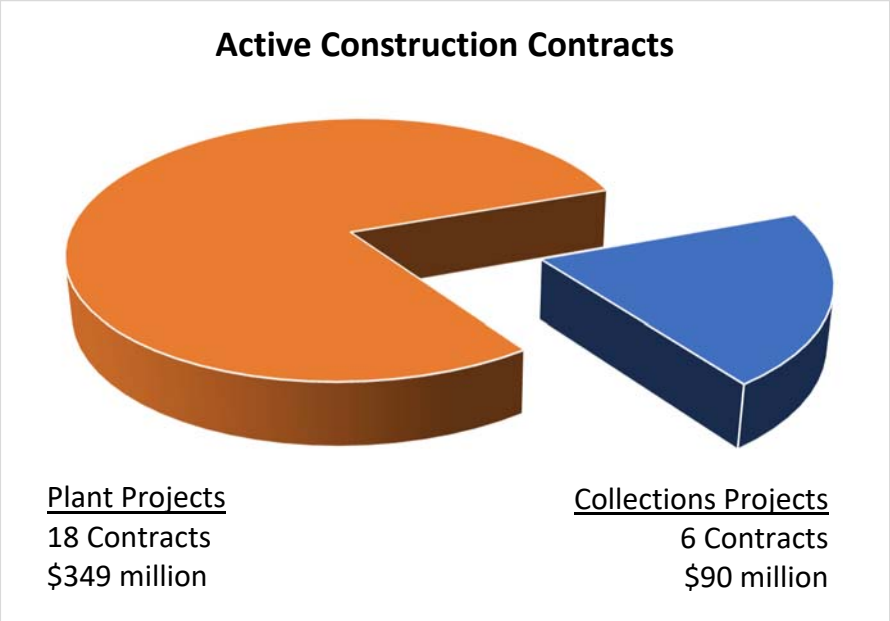
Part 3 - Master Budget Projects page 10
- Planning Studies Status Report
- Research Program Status Report
- Small Construction Projects Program Status Report
- Information Technology Capital Program Status Report
- Operations and Maintenance Capital Program Status Report

Part 4 - Supplemental Engineering Services Contract page 16
- Supplemental Engineering Services Contract Status
- Supplemental Engineering Services Contract Labor Summary

ORANGE COUNTY SANITATION DISTRICT
Capital Improvement Program
Contract Performance Report
For the period ending March 31, 2020

PART 1 - CONSTRUCTION CONTRACTS

Table 1 lists the construction contracts active as of March 31, 2020. The graph below shows the number and total value of projects broken down plant and collections.



One construction contract was closed in this quarter, as listed in Table 2.

Capital Improvement Program Contract Performance Report
for Quarter Ending 03/31/2020
Table 1 - Active Construction Contracts

Project / Contract			Contractor	Award Date	Board Award Amount	Change Orders	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
2-41-8	**SARI Rock Stabilizers Removal**										
	2-41-8	SARI Rock Stabilizers Removal	Griffith Company	09/26/2018	$2,809,082	$0	$2,809,082	10.0%	10.0%	0.0%	10.0%
2-72	**Newhope-Placentia Trunk Replacement**										
	2-72B	Newhope-Placentia Trunk Replacement, Segment B	OHL USA, INC.	06/15/2018	$58,242,000	$533,357	$58,775,357	6.5%	6.5%	0.9%	5.6%
3-62	**Westminster Blvd Force Main Replacement**										
	3-62				$27,743,000	$0	$27,743,000	10.0%	10.0%	0.0%	10.0%
J-117	**Ocean Outfall System Rehabilitation**										
	J-117B	Outfall Low Flow Pump Station	Shimmick Construction Co., Inc.	12/19/2018	$90,200,000	$105,983	$90,305,983	8.0%	8.0%	0.1%	7.9%
J-126	**Safety Improvements Program**										
	J-126C	NFPA 820 HVAC and Electrical Improvements	MMC, Inc.	03/05/2019	$469,000	$0	$469,000	10.0%	10.0%	0.0%	10.0%
	J-126JK	Stairs, Hatches, Walkway Hazards, Ladders, Guardrails, Roof Fall Protection	Olsson Construction, Inc.	10/24/2018	$3,637,601	$917	$3,638,518	10.0%	10.0%	0.0%	10.0%
	J-126PQ	Ladders, Hatches, Roof Fall Protection	Tharsos Construction	11/28/2018	$786,000	$0	$786,000	10.0%	10.0%	0.0%	10.0%
M-FE	**Small Construction Projects Program**										
	FE16-06	Fuel Cell Facilities Demolition	MMC, Inc.	07/24/2019	$474,000	$0	$474,000	10.0%	10.0%	0.0%	10.0%
	FE17-01	Carbon Canyon Pipeline Sag Repairs	Mike Prlich and Sons, Inc.	10/02/2019	$510,000	$0	$510,000	10.0%	10.0%	0.0%	10.0%
	FE17-05	Plant 1 ICS Network Extension	RP Controls	06/26/2019	$321,889	$0	$321,889	10.0%	10.0%	0.0%	10.0%
	FE18-18	Portable Generator Connector at Lido Pump Station	M. Brey Electric, Inc.	09/17/2019	$42,285	$0	$42,285	20.0%	20.0%	0.0%	20.0%
M-FR	**Operationally-Funded Projects**										
	FE17-06	Tustin Ave Manhole and Pipe Repair	Nuline Technologies, LLC	10/24/2019	$350,000	$0	$350,000	10.0%	10.0%	0.0%	10.0%
	MP-248	P2 Secondary Clarifier Repairs (AS Plant)	W. M. Lyles Company	06/26/2019	$3,048,000	$0	$3,048,000	10.0%	10.0%	0.0%	10.0%
	MP-105	P2 CENGEN Steam Turbine Rehabilitation	Dresser-Rand	03/25/2018	$245,424	$0	$245,424	20.0%	20.0%	0.0%	20.0%
	MP-509	P2 Headworks Low Voltage Cable Assessment	Mass Electric Construction Co.	12/18/2019	$434,327	$0	$434,327	20.0%	20.0%	0.0%	20.0%
	MP-638	Activated Sludge Plant Clarifier Inlet Gate Replacement at Plant No. 2	Innovative Construction Solutions	12/18/2019	$658,300	$0	$658,300	10.0%	10.0%	0.0%	10.0%
P1-101	**Sludge Dewatering and Odor Control at Plant 1**										
	P1-101	Sludge Dewatering and Odor Control at Plant 1	WM Lyles Company	11/28/2012	$126,908,300	$12,785,479	$139,693,779	3.0%	11.5%	10.1%	1.4%
P1-115	**Title 24 Access Compliance and Building Rehabilitation Project**										
	P1-115B	Rehabilitation of Fleet Services Building, Building 8 and Paving Area	ODC Engineering & Technology	09/11/2017	$2,235,563	$61,194	$2,296,757	10.0%	10.0%	2.7%	7.3%
P1-129	**Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1**										
	P1-129	Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1	Abhe & Svoboda, Inc.	07/24/2019	$6,863,092	$0	$6,863,092	10.0%	10.0%	0.0%	10.0%
P2-110	**Consolidated Demolition and Utility Improvements at Plant 2**										
	P2-110	Consolidated Demolition and Utility Improvements at Plant 2	Flatiron West Inc	02/09/2017	$16,730,000	$1,446,982	$18,176,982	8.0%	13.0%	8.6%	4.4%
P2-122	**Headworks Modifications at Plant No. 2 for GWRS Final Expansion**										
	P2-122	Headworks Modifications at Plant No. 2 for GWRS Final Expansion	Shimmick Construction Co., Inc.	01/22/2020	$14,487,735	$0	$14,487,735	10.0%	10.0%	0.0%	10.0%
P2-123	**Return Activated Sludge Piping Replacement at Plant 2**										
	P2-123	Return Activated Sludge Piping Replacement at Plant 2	Shimmick Construction Co., Inc.	09/25/2019	$6,042,110	$0	$6,042,110	10.0%	10.0%	0.0%	10.0%
P2-92	**Sludge Dewatering and Odor Control at Plant 2**										
	P2-92	Sludge Dewatering and Odor Control at Plant 2	Shimmick Construction Co., Inc.	01/12/2015	$49,850,000	$2,030,417	$51,880,417	5.0%	6.0%	4.1%	1.9%
P2-98	**Primary Treatment Rehabilitation at Plant No. 2**										
	P2-98B	B/C-Side Primary Clarifiers Interim Repair at Plant 2	Myers & Sons Construction, LLC	01/23/2019	$8,665,000	$30,920	$8,695,920	10.0%	10.0%	0.4%	9.6%
				Total	**$421,752,708**	**$16,995,249**	**$438,747,957**				

Capital Improvement Program Contract Performance Report
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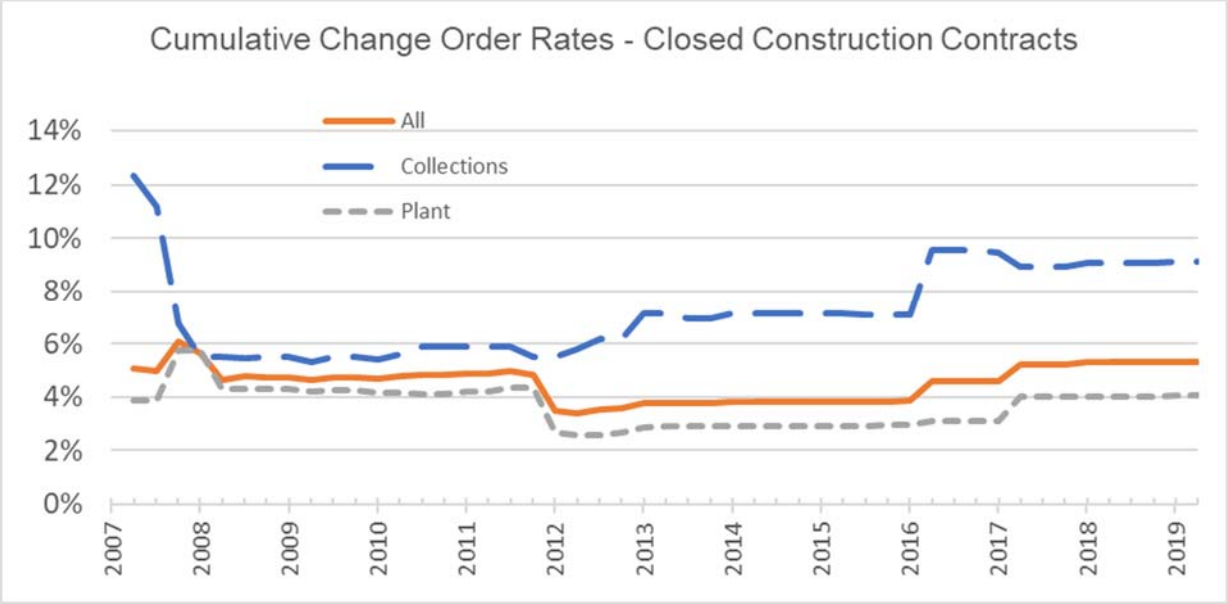
Table 2 - Construction Contracts Closed in Last Quarter

Project / Contract			Contractor	Date Closed	Award Date	Board Award Amount	Change Orders	Final Contract Amount	Original Contingency	Current Contingency	Contingency Used	Unused Contingency
J-117	**Ocean Outfall System Rehabilitation**											
	J-117A	Interplant Effluent Pipeline Rehabilitation	Shimmick Construction Co., Inc.	01/07/2020	08/07/2017	$12,609,012	$980,224	$13,244,050	8.0%	8.0%	7.8%	0.2%
J-126	**Safety Improvements Program**											
	J-126L	Various	IQA Construction	02/18/2020	06/06/2018	$212,700	$19,933	$232,000	10.0%	10.0%	9.4%	0.6%
M-FE	**Small Construction Projects Program**											
	FE14-05	Plant No. 1 Fleet Services UST Leak Remediation	Engineering/Remediation Resources Group, Inc.	03/31/2020	01/23/2019	$648,675	$26,085	$674,760	20.0%	20.0%	4.0%	16.0%
	FE15-07	Secondary Treatment and Plant Water VFD Replacement at Plant 1	Helix Electric	03/17/2020	03/28/2018	$1,797,000	$90,543	$1,879,440	10.0%	10.0%	5.0%	5.0%
					Total	**$15,267,387**	**$1,116,785**	**$16,030,250**				

When the Sanitation District Board awards a construction contract, they also approve a contingency which allows the General Manager to approve contract change orders up to the amount of the contingency. One purpose of this report is to document how much of the contingency is utilized. A contract's change order rate is only meaningful when the work is completed. As such, the change order performance charts in this report are based only on contracts closed since the Board began approving contingencies in 2008. The following chart shows how cumulative change order rates have changed for plant, collections, and all contracts since the contingency system was implemented.



PART 2 – ENGINEERING SERVICES AGREEMENTS

The Sanitation District engages engineering consultants through Professional Service Agreements (PSAs), Professional Design Services Agreements (PDSAs), Professional Construction Services Agreements (PCSAs), and Master Professional Services Agreements (Master Agreements). PDSAs are used to obtain design engineering services, and PCSAs are a subsequent agreement with the design consultant to provide support services during construction. PSAs are used for planning studies and other consultant assignments.

Master Agreements are issued to a pool of pre-qualified consultants for smaller projects. On those smaller projects, the Sanitation District solicits task order proposals from three or four of the firms and awards a task order to the most qualified consultant. There are currently six sets of Master Agreements.

- 2012 Master Design Agreements (expired)
- 2015 Master Design Agreements (expired)
- 2018 Master Design Agreements
- 2017 Master Agreements for CEQA Studies
- 2017 Master Agreements for Collection Planning Studies
- 2017 Master Agreements for Wastewater Treatment Planning Studies

The two Master Design Agreements from 2012, and 2015 have expired, meaning no new task orders can be issued under them, but previously-issued task orders remain active until completed. Task Orders are limited by Sanitation District Ordinance No. OCSD-52 $300,000 per task order.

A status table for all Active Engineering Services Agreements (PDSAs and PCSAs) is attached under Table 3, and a status table for all Active Task Orders by Master Agreement is attached under Table 4 (Master Agreements).

Capital Improvement Program Contract Performance Report
for Quarter Ending 03/31/2020
Table 3 - Active Engineering Services Agreements

Project / Contract			Type	Consultant	Award Date	Board Award Amount	Amendments	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
2-41-8	**SARI Rock Stabilizers Removal**											
	2-41-8	SARI Rock Stabilizers Removal	PCSA	Michael Baker International, Inc.	09/26/2018	$215,129	$0	$215,129	10.0%	10.0%	0.0%	10.0%
2-72	**Newhope-Placentia Trunk Replacement**											
	2-72	Newhope-Placentia Trunk Replacement	PCSA	Lee & Ro	03/23/2016	$3,253,946	$0	$3,253,946	10.0%	10.0%	0.0%	10.0%
	2-72	Newhope-Placentia Trunk Replacement	PDSA	Lee & Ro	10/22/2014	$8,468,232	$434,974	$8,903,206	10.0%	10.0%	5.1%	4.9%
3-62	**Westminster Blvd Force Main Replacement**											
	3-62	Westminster Blvd Force Main Replacement	PCSA	Stantec Consulting Services, Inc.	12/18/2019	$1,183,000	$0	$1,183,000	10.0%	10.0%	0.0%	10.0%
	3-62	Westminster Blvd Force Main Replacement	PDSA	Stantec Consulting Services, Inc.	07/22/2015	$6,917,175	-$1,339,457	$5,577,718	10.0%	10.0%	0.0%	10.0%
3-64	**Rehabilitation of Western Regional Sewers**											
	3-64	Rehabilitation of Western Regional Sewers	PDSA	AECOM Technical Services, Inc.	01/27/2016	$17,639,250	$1,088,654	$18,727,904	10.0%	10.0%	6.2%	3.8%
3-67	**Seal Beach Pump Station Replacement**											
	3-67	Seal Beach Pump Station Replacement	PDSA	Lee & Ro	11/20/2019	$5,947,850	$0	$5,947,850	10.0%	10.0%	0.0%	10.0%
5-60	**Newport Force Main Rehabilitation**											
	5-60	Newport Force Main Rehabilitation	PCSA	Brown and Caldwell	04/29/2014	$2,231,925	$839,714	$3,071,639	8.0%	38.7%	37.6%	1.0%
5-67	**Bay Bridge Pump Station Replacement**											
	5-67	Bay Bridge Pump Station Replacement	PDSA	Arcadis US Inc.	10/25/2017	$7,137,000	$368,955	$7,505,955	10.0%	10.0%	5.2%	4.8%
6-17	**District 6 Trunk Sewer Relief**											
	6-17	District 6 Trunk Sewer Relief	PCSA	RMC Water & Environment	10/10/2016	$290,000	$0	$290,000	15.0%	15.0%	0.0%	15.0%
7-66	**Sunflower and Red Hill Interceptor Repairs**											
	7-66	Sunflower and Red Hill Interceptor Repairs	PDSA	GHD	09/25/2019	$308,712	$0	$308,712	10.0%	10.0%	0.0%	10.0%
J-117	**Ocean Outfall System Rehabilitation**											
	J-117A	Interplant Effluent Pipeline Rehabilitation	PCSA	Brown and Caldwell	05/24/2018	$1,121,666	$112,167	$1,233,833	10.0%	10.0%	10.0%	0.0%
	J-117B	Outfall Low Flow Pump Station	PCSA	Brown and Caldwell	12/19/2018	$8,563,913	$0	$8,563,913	10.0%	10.0%	0.0%	10.0%
J-124	**Digester Gas Facilities Rehabilitation**											
	J-124	Digester Gas Facilities Rehabilitation	PDSA	Brown and Caldwell	11/15/2017	$11,770,000	$50,000	$11,820,000	10.0%	10.0%	0.4%	9.6%
J-126	**Safety Improvements Program**											
	J-126	Safety Improvements Program	PDSA	Arcadis	08/29/2016	$3,040,000**	$0	$3,040,000	10.0%	5.1%	0.0%	5.1%
J-128	**Project Management Information System**											
	J-128	Project Management Information System	Other	PMWeb, Inc.	05/24/2017	$1,022,500	$79,525	$1,102,025	20.0%	20.0%	7.8%	12.2%
J-98	**Electrical Power Distribution System Improvements**											
	J-98	Electrical Power Distribution System Improvements	PDSA	Brown and Caldwell	01/29/2020	$2,240,000	$0	$2,240,000	10.0%	10.0%	0.0%	10.0%
M-FE	**Small Construction Projects Program**											
	FE16-11	Lane Channel Crossing	PSA	HDR Engineering, Inc.	06/28/2017	$131,939	$0	$131,939	10.0%	10.0%	0.0%	10.0%
M-RESEAR	**Research Program**											
	RE17-02	Biogas Scrubber Evaluation	PSA	Carollo Engineers, Inc.	04/21/2017	$656,783	$63,097	$719,880	15.0%	15.0%	9.6%	5.4%
M-STUDIES	**Planning Studies Program**											
	PS15-02	Edinger Pump Station Rehabilitation Study	PSA	Lockwood, Andrews & Newman, Inc.	12/20/2017	$505,042	$0	$505,042	10.0%	10.0%	0.0%	10.0%
	PS15-06	Seismic Evaluation of Structures at Plant Nos. 1 and 2	PSA	Geosyntec Consultants, Inc.	06/28/2017	$2,578,028	$132,425	$2,710,453	10.0%	10.0%	5.1%	4.9%
	PS15-08	Collections Capacity Evaluation Study	PSA	RMC Water & Environment	08/24/2016	$2,802,675	$19,372	$2,822,047	10.0%	10.0%	0.7%	9.3%
	PS16-01	Stormwater Master Plan	PSA	Michael Baker International, Inc.	07/26/2017	$715,300	$54,839	$770,139	10.0%	10.0%	7.7%	2.3%
	PS17-03	Active Fault Location Study at Plant No. 2	PSA	Lettis Consultants International, Inc.	03/06/2019	$868,286	$0	$868,286	10.0%	10.0%	0.0%	10.0%
	PS17-08	CEQA - Facilities Master Plan	PSA	Dudek	02/27/2019	$812,709	$0	$812,709	10.0%	10.0%	0.0%	10.0%
	PS18-09	Ocean Outfall Condition Assessment and Scoping Study	PSA	Carollo Engineers, Inc.	03/25/2020	$2,744,000	$0	$2,744,000	10.0%	10.0%	0.0%	10.0%
P1-101	**Sludge Dewatering and Odor Control at Plant 1**											
	P1-101	Sludge Dewatering and Odor Control at Plant 1	PCSA	HDR Engineering, Inc.	06/28/2012	$7,140,000	$2,453,653	$9,593,653	8.0%	35.0%	34.4%	0.6%
P1-105	**Headworks Rehabilitation at Plant 1**											
	P1-105	Headworks Rehabilitation at Plant 1	PDSA	Carollo Engineers, Inc.	05/27/2015	$17,528,957	$7,710,955	$25,239,912	10.0%	51.0%	44.0%	7.0%
P1-128	**Headquarters Complex**											
	P1-128	Headquarters Complex	PDSA	HDR Engineering, Inc.	06/22/2016	$11,785,709	-$752,553	$11,033,156	10.0%	10.0%	0.0%	10.0%
	P1-128	Headquarters Complex	PSA	LSA Associates, Inc.	08/11/2016	$420,927	$0	$420,927	10.0%	10.0%	0.0%	10.0%
P1-129	**Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1**											

Capital Improvement Program Contract Performance Report
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Table 3 - Active Engineering Services Agreements

Project / Contract			Type	Consultant	Award Date	Board Award Amount	Amendments	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
	P1-129	Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1	PCSA	AECOM Technical Services, Inc.	07/24/2019	$140,000	$0	$140,000	10.0%	10.0%	0.0%	10.0%
	P1-129	Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1	PDSA	AECOM Technical Services, Inc.	06/20/2017	$523,039	$27,015	$550,054	10.0%	10.0%	5.2%	4.8%
P1-132	**Uninterruptable Power Supply Improvements at Plant 1**											
	P1-132	Uninterruptable Power Supply Improvements at Plant 1	PDSA	Tetra Tech, Inc.	10/23/2019	$784,680	$0	$784,680	10.0%	10.0%	0.0%	10.0%
P1-133	**Primary Sedimentation Basins No. 6-31 Reliability Improvements at Plant No. 1**											
	P1-133	Primary Sedimentation Basins No. 6-31 Reliability Improvements at Plant No. 1	PDSA	Carollo Engineers, Inc.	09/25/2019	$1,219,667	$0	$1,219,667	10.0%	10.0%	0.0%	10.0%
P2-110	**Consolidated Demolition and Utility Improvements at Plant 2**											
	P2-110	Consolidated Demolition and Utility Improvements at Plant 2	PCSA	Stantec Consulting Services, Inc.	01/25/2017	$1,499,839	$0	$1,499,839	10.0%	10.0%	0.0%	10.0%
P2-122	**Headworks Modifications at Plant No. 2 for GWRS Final Expansion**											
	P2-122	Headworks Modifications at Plant No. 2 for GWRS Final Expansion	PCSA	CDM Smith Inc.	01/15/2020	$2,200,000	$0	$2,200,000	10.0%	10.0%	0.0%	10.0%
	P2-122	Headworks Modifications at Plant No. 2 for GWRS Final Expansion	PDSA	CDM Smith Inc.	05/24/2017	$5,319,930	$0	$5,319,930	10.0%	10.0%	0.0%	10.0%
P2-123	**Return Activated Sludge Piping Replacement at Plant 2**											
	P2-123	Return Activated Sludge Piping Replacement at Plant 2	PCSA	SPEC Services, Inc.	09/25/2019	$252,329	$0	$252,329	10.0%	10.0%	0.0%	10.0%
	P2-123	Return Activated Sludge Piping Replacement at Plant 2	PDSA	SPEC Services, Inc.	02/15/2018	$668,217	$0	$668,217	10.0%	10.0%	0.0%	10.0%
P2-124	**Interim Food Waste Receiving Facility**											
	P2-124	Interim Food Waste Receiving Facility	PDSA	Kennedy/Jenks Consultants	09/05/2018	$695,000	$20,717	$715,717	10.0%	10.0%	3.0%	7.0%
P2-92	**Sludge Dewatering and Odor Control at Plant 2**											
	P2-92	Sludge Dewatering and Odor Control at Plant 2	PCSA	Brown and Caldwell	12/17/2014	$4,798,328	$0	$4,798,328	10.0%	10.0%	0.0%	10.0%
P2-98	**Primary Treatment Rehabilitation at Plant No. 2**											
	P2-98	Primary Treatment Rehabilitation at Plant No. 2	PDSA	Black & Veatch	07/27/2016	$18,141,423	$1,279,488	$19,420,911	10.0%	10.0%	7.1%	2.9%
	P2-98B	B/C-Side Primary Clarifiers Interim Repair at Plant 2	PCSA	Black & Veatch	01/23/2019	$549,534	$0	$549,534	10.0%	10.0%	0.0%	10.0%
SP-152	**Climate Resiliency Study**											
	SP-152	Climate Resiliency Study	PSA	Hazen and Sawyer	11/28/2018	$697,952	$64,199	$762,151	10.0%	10.0%	9.2%	0.8%
SP-196	**Process Control Systems Upgrades Study**											
	SP-196	Process Control Systems Upgrades Study	PSA	Stantec Consulting Services, Inc.	03/01/2018	$1,389,866	$9,000	$1,398,866	10.0%	10.0%	0.6%	9.4%
					Total	**$168,920,457**	**$12,716,739**	**$181,637,196**				

** Original Award was $1,540,000, and later amended to $3,040,000 by Board Action

Capital Improvement Program Contract Performance Report
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Table 4 - Active Task Orders by Master Agreement

Master Agreement / Project		Consultant	Award Date	Original Task Order Value	Amendments	Current Task Order Value
2012 Master Professional Design Service Agreements (Expired)						
FE10-21	Area 02 Craig Regional Park Manhole Improvements	GHD	10/8/2012	$58,440	$41,560	$100,000
2015 Master Professional Design Service Agreements (Expired)						
FE14-05	Plant No. 1 Fleet Services UST Leak Remediation	Dudek	9/1/2015	$86,116	$73,137	$159,253
PS17-02	Guidelines for Development in the Area of OCSD Facilities	AECOM	8/21/2017	$93,187	$0	$93,187
2017 Master Agreements for Wastewater Treatment Planning Studies						
P1-101	Spill Prevention, Control, and Countermeasure Plan for Sludge Dewatering and Odor Control at Plant No. 1	AECOM	06/27/2018	$28,216	$10,935	$39,151
PS18-10	Root Cause Analysis of Malfunctioning Process Units at TFSC Facility at Plant No. 2	Brown and Caldwell	2/6/2019	$24,783	$0	$24,783
PS18-01	Asset Management Plan Development	HDR Engineering, Inc.	04/03/2019	$274,777	$0	$274,777
PS17-10	Emergency Overflow Weirs, Wing Wall Structural and Geotechnical Investigations	HDR Engineering, Inc.	05/21/2019	$260,415	$0	$260,415
PS18-05	Plant No. 2 Future Site Plan Development	Brown and Caldwell	05/22/2019	$122,389	$0	$122,389
PS18-11	ETAP Model Updates for Plant Nos 1 and 2	Brown and Caldwell	3/17/2020	$227,412	$0	$227,412
2017 Master Agreements for Collection Planning Studies						
	No Task Orders Issued to Date	--	--	--	--	--
2017 Master Agreements for CEQA Studies						
	No Task Orders Issued to Date	--	--	--	--	--
2018 Master Professional Design Service Agreements						
J-127	Natural Gas Pipelines Replacement at Plant Nos. 1 and 2	Black & Veatch	1/21/2019	$271,964	$0	$271,964
FE18-19	12KV Distribution Center B and East RAS Pump Station Roof Replacement	HDR Engineering, Inc.	09/16/2019	$74,771	$0	$74,771
FE18-15	Plant Boiler System Relief at Plant No. 2	IDS Group, Inc.	10/22/2019	$23,299	$0	$23,299
FR2-0013	Trickling Filter Sludge Pump Room Exhaust Fan Relocation at Plant No. 2	AECOM	11/6/2019	$75,120	$0	$75,120
FE18-14	Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	Dudek	11/6/2019	$108,308	$0	$108,308
FE18-16	Truck Loading Basement Drain Modifications at Plant No. 1	GHD, Inc.	12/4/2019	$70,130	$0	$70,130
P1-135	Digester Ferric Chloride Piping Replacement at Plant No. 1	Dudek	2/19/2020	$127,174	$0	$127,174
FE18-13	Redhill Relief Sewer Relocation at State Route 55	GHD, Inc.	3/27/2020	$168,612	$0	$168,612
			Total	$2,095,113	$125,632	$2,220,745

PART 3 – MASTER BUDGET PROJECTS

The Board-adopted budget for Fiscal Years 2018-19 and 2019-20 includes master program budgets that allow staff to more quickly initiate, execute, and manage smaller projects that fit within the scope of a particular program. The projects chartered under these program budgets are referred to as sub-projects and are managed to the same standards as projects specifically listed in the adopted budget. A status table for each of these programs listing the sub-projects is attached.

Master Program Title	Status Table
Planning Studies Program	Table 5
Research Program	Table 6
Small Construction Projects Program	Table 7
Information Technology Capital Program	Table 8
Operations & Maintenance Capital Program	Table 9

Capital Improvement Program Contract Performance Report
for Quarter Ending 03/31/2020
Table 5 - Planning Studies Status Report

Project Number	Project Name	Status	Allocated Budget
PS15-02	Edinger Pump Station Rehabilitation Study	Active	$ 971,000
PS15-06	Seismic Evaluation of Structures at Plant Nos. 1 and 2	Active	$ 3,860,000
PS15-08	Collections Capacity Evaluation Study	Active	$ 3,682,000
PS15-10	2017 Facilities Master Plan	Active	$ 3,850,000
PS16-01	Stormwater Master Plan	Active	$ 1,415,700
PS16-02	SCE Feed Reliability Improvements Study	Active	$ 293,000
PS17-03	Active Fault Location Study at Plant No. 2	Active	$ 1,300,000
PS17-08	CEQA - Facilities Master Plan	Active	$ 1,170,000
PS17-10	Emergency Overflow Weirs, Wing Wall Structural and Geotechnical Investigations	Active	$ 465,000
PS18-01	Asset Management Plan Development	Active	$ 420,000
PS18-05	Plant No. 2 Future Site Plan Development	Active	$ 217,000
PS18-06	Go/No-Go Lights and Signage	Active	$ 495,000
PS18-09	Ocean Outfall Condition Assessment and Scoping Study	Active	$ 3,340,000
PS18-11	ETAP Model Updates for Plant Nos 1 and 2	Active	$ 553,000
PS19-01	Digester 6 Pipe Stress Analysis at Plant No. 1	Active	$ 45,000
PS19-02	Circular Primary Clarifier Replacement Phasing Study at Plant No 1	Active	$ 53,000
Grand Total			**$ 22,129,700**
Number of Chartered Projects			16
Board Approved Program Budget			$ 28,652,000
Remaining Unallocated Budget			$ 6,522,300

Capital Improvement Program Contract Performance Report
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Table 6 - Research Program Status Report

Project Number	Project Name	Status	Allocated Budget
RE17-01	Operational Research Technical Support FY18-19	Active	$ 650,000
RE17-02	Biogas Scrubber Evaluation	Active	$ 865,000
RE17-03	Reliant Wet Well Wizard Test	Closed	$ 45,013
RE17-04	AquaNereda Aerobic Granular Sludge Process	Active	$ 242,000
RE17-05	Organica FCR Process	Active	$ 242,000
RE17-06	TWAS Pump Reliability Improvement Trials at Plant No. 2	Closed	$ 10,159
RE17-07	Super Oxygenation System Research at Seal Beach Pump Station	Closed	$ 80,000
RE18-01	Trickling Filter Bleach Test at Plant No. 1	Active	$ 140,000
RE18-02	Protein Matrix Demonstration Study at Plant No 1	Active	$ 310,000
Grand Total			**$ 2,584,172**
Number of Chartered Projects			9
Board Approved Program Budget			$ 8,500,000
Remaining Unallocated Budget			$ 5,915,828

Capital Improvement Program Contract Performance Report
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Table 7 - Small Construction Projects Program Status Report

Project Number	Project Name	Status	Allocated Budget
FE10-21	Area 02 Craig Regional Park Manhole Improvements	Active	$ 1,358,999
FE14-05	Plant No. 1 Fleet Services UST Leak Remediation	Active	$ 1,487,311
FE15-07	Secondary Treatment and Plant Water VFD Replacement at Plant 1	Active	$ 3,319,600
FE15-10	East Lido Force Main Rehabilitation	Active	$ 2,228,000
FE16-06	Fuel Cell Facilities Demolition	Active	$ 900,000
FE16-10	East Basin Distribution Box Repair	Active	$ 1,021,960
FE16-11	Lane Channel Crossing	Active	$ 500,000
FE16-14	Slater Pump Station Valve Replacements	Active	$ 1,050,000
FE17-01	Carbon Canyon Pipeline Sag Repairs	Active	$ 783,000
FE17-03	Battery Storage System at Plant No. 1	Active	$ 571,000
FE17-05	Plant 1 ICS Network Extension	Active	$ 950,000
FE18-06	CenGen Instrument Air Compressors Replacement at Plant No. 1 and No. 2	Active	$ 1,450,000
FE18-08	West Trunk Bypass Sewer Realignment	Active	$ 98,000
FE18-11	Headworks Explosive Gas Monitoring Systems at Plant No. 1 and No. 2	Active	$ 335,000
FE18-12	Erosion Control at Santa Ana River and Hamilton Ave	Active	$ 245,000
FE18-13	Redhill Relief Sewer Relocation at State Route 55	Active	$ 1,540,000
FE18-14	Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	Active	$ 1,425,000
FE18-15	Plant Boiler System Relief at Plant No. 2	Active	$ 180,000
FE18-16	Truck Loading Basement Drain Modifications at Plant No. 1	Active	$ 440,000
FE18-17	Trunkline Sampler Power Feed at Plant No 2	Active	$ 160,000
FE18-18	Portable Generator Connector at Lido Pump Station	Active	$ 106,000
FE18-19	12KV Distribution B and East RAS Pump Station Roofing Replacement	Active	$ 988,000
FE18-20	Blower Building No. 1 Air Compressors at Plant No. 1	Active	$ 1,200,000
FE19-01	Pump Station Portable Generator Connectors	Active	$ 1,990,000
FE19-02	Cengen Plant Water Pipe Replacement at Plant No. 1	Active	$ 825,000
FE19-04	Sunflower Pump Replacement at Plant No. 1	Active	$ 6,300,000
FE19-03	Trickling Filter Sludge and Scum Pumps Replacement at Plant No. 1	Active	$ 700,000
FE19-05	Engineering Trailer B Car Chargers at Plant No. 1	Active	$ 12,000
FE19-06	EPSA Motor Cooling Improvements at Plant No. 2	Active	$ 403,000
Grand Total			**$ 32,566,870**
Total Chartered Projects			29
Board Approved Program Budget			$ 53,250,000
Remaining Unallocated Budget			$ 20,683,130

Capital Improvement Program Contract Performance Report
for Quarter Ending 03/31/2020
Table 8 - Information Technology Capital Program Status Report

Project Number	Project Name	Status	Allocated Budget
IT16-03	Plant 2 Internet Connection	Active	$ 50,000
IT16-05	Plant 2 Radio Repeater Upgrade	Closed	$ 35,000
IT16-06	Network Equipment 2016-17	Closed	$ 44,302
IT16-07	Server Replacement and Obsolescence	Closed	$ 337,332
IT16-08	IT Security 2016-17	Active	$ 162,000
IT16-09	iPACS Enhancements	Active	$ 85,000
IT16-10	LIMS Compliance Improv Project	Active	$ 754,800
IT16-11	Business Continuity Plan	Active	$ 140,000
IT17-01	VMWare	Active	$ 800,000
IT17-02	Upgrade Active Directory Directory to 2016	Active	$ 56,000
IT17-03	Upgrade ShoreTel System Server	Active	$ 190,000
IT17-04	PCI Improvements	Closed	$ 131,093
IT17-05	Conference Room Monitor Upgrade	Active	$ 75,686
IT17-06	Printer Obsolescence	Active	$ 350,000
IT17-07	Safety Management Suite	Active	$ 106,000
IT17-08	Perimeter Physical Security Im	Closed	$ 170,077
IT17-09	MYOCSD Redesign	Closed	$ 170,077
IT17-10	Electronic Operator Round Form	Active	$ 45,000
IT17-11	P2 Radio Repeater	Closed	$ 170,077
IT17-12	Sever/Network Power Improvements	Active	$ 90,000
IT17-13	Graphric Workstations for PAO	Closed	$ 15,000
IT17-14	Specialized Application Programing & Support	Active	$ 600,000
IT17-15	Data Storage Replac/Obsolescens	Active	$ 600,000
IT18-02	Fleet Management Information System	Active	$ 250,000
IT18-03	Timecard Systems Upgrade	Active	$ 150,000
IT18-04	Conference Rooms Audio System Replacement	Active	$ 90,000
IT18-05	Trusted System Document Management	Active	$ 100,000
IT18-06	Server Replacement and Obsolescence FY18/19-19/20	Active	$ 900,000
IT18-07	Network Equipment FY18/19-19/20	Active	$ 850,000
IT18-09	Records Management Information System	Active	$ 100,000
IT18-10	Board Services Management System	Active	$ 60,000
IT18-11	IT Security Budget 2018-2019	Active	$ 150,000
Grand Total			**$ 7,827,444**
Total Chartered Project			32
Board Approved Program Budget			$ 10,000,000
Remaining Unallocated Budget			$ 2,172,556

Capital Improvement Program Contract Performance Report
for Quarter Ending 03/31/2020
Table 9 - Operations & Maintenance Capital Program Status Report

Project Number	Project Name	Status	Allocated Budget
FR00001	SALS Hidrostal Pump	Active	$ 212,268
FR00002	Chopper Pump at Dig P P2	Active	$ 212,268
FR00008	Rag Bin Ramp Retrofit	Active	$ 33,038
FR00011	Westside Impeller / Line Replacement	Active	$ 108,368
SC16-01	Maint. Storage Area Tool Cage	Active	$ 12,000
SC17-01	CENGEN #1 Elevator Rehab	Active	$ 12,000
SC17-02	P1 CenGen Plant Water Piping Rehabilitation	Active	$ 250,000
SC17-03	CenGen Oil Filter Platform	Active	$ 260,000
SC17-04	P1 CenGen 12KV Circuit Breaker Replacement	Active	$ 220,000
SC17-05	Hidrostal Pump - TEFC Close Coupled Motor #2 (Pump for SALS)	Active	$ 261,260
SC17-06	P1 Lab UPS System Replacement	Active	$ 290,294
SC18-01	P1 Primary Clarifier Fall Protection Improvements	Active	$ 50,000
SC18-02	Joint Cen Gen Oil Centrifuge Heater & Controls Rehabilitation (MP-18)	Active	$ 120,000
SC18-03	P1 SALS Main Duty Pump & Motor and Installation - Remaining 2 (MP-524)	Active	$ 500,000
SC18-04	Edinger UPS Replacement (MP-444)	Active	$ 15,000
SC18-05	P1 Laboratory HVAC Boiler Burner Replacement At Plant No.1	Active	$ 400,461
SC18-06	Pump Station Bypass Parts - Procurement (MP-426)	Active	$ 500,000
SC18-08	MacArthur Pump Station - FM Valve Replacement	Active	$ 55,109
SC18-09	Admin Bldg UPS System Replacement	Active	$ 185,000
SC18-10	P2 South Scrubber Complex Bleach Pump Turndown (MP-420)	Active	$ 44,900
Grand Total			**$ 3,697,066**
Total Chartered Projects			20
Board Approved Program Budget			$ 15,622,000
Remaining Unallocated Budget			$ 11,880,034

PART 4 – SUPPLEMENTAL ENGINEERING SERVICES CONTRACT

In May 2016, the Sanitation District Board of Directors approved a $41 million professional services agreement with Jacobs Project Management Co. to provide supplemental engineering and support staff services for a four-year term with the option of three one-year renewals. The benefits of using a supplemental engineering services contract, as opposed to hiring full-time staff or limited-term employees, include rapid mobilization of highly skilled/technical staff, flexibility to change the mix of staff positions on an immediate and as-needed basis, the ability to reduce staff as workloads decrease, access to technical experts to support special tasks, and access to staff with wastewater project experience.

A status table for the supplemental engineering services contract summary is attached under Table 10, and the supplemental engineering services labor summary can be found under Table 11.

Table 10 – Supplemental Engineering Services Contract Status

	Total Fees		Time	
Contract	$41,000,000		86 months [1]	
Actuals to Date	$19,987,641	49%	47 months	48%
Remaining	$21,012,359	51%	39 months	52%

[1] Assuming three 1-year extensions

Table 11 - Supplemental Engineering Services Labor Summary

	This Quarter	Inception to Date
Labor Hours	8,519	149,061
Full Time Equivalents	18.9	21.1
Labor Costs (no expenses)	$1,133,618	$19,568,496
Average Hourly Rate	$133	$131

Orange County Sanitation District

OPERATIONS COMMITTEE

Agenda Report

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

File #: 2020-1105 **Agenda Date:** 6/24/2020 **Agenda Item No:** 6.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

TOSHIBA 12KV CIRCUIT BREAKER PURCHASE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

A. Award a Purchase Order Contract to Superior Electric Motor Services for the purchase of eight Toshiba HVK 12kV circuit breakers for Plant No. 1 Electrical Distribution System, per Specification No. E-2020-1162BD, for a total amount not to exceed $195,072, including sales tax and freight; and

B. Approve a contingency of $9,754 (5%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) Plant No. 1 Power Building 5 12 kV circuit breakers are over 20 years old and have reached the end of their useful life. The Toshiba VK type 1 circuit breakers currently in service are obsolete and no longer supported nor repairable by Toshiba's field service repair shop. Replacement parts are also not available. Toshiba redesigned the circuit breakers and changed their designation to HVK. The Toshiba HVK circuit breakers are the only circuit breakers compatible with 12 kV switchgear in Power Building 5.

RELEVANT STANDARDS

- Protect Orange County Sanitation District assets
- Maintain a proactive asset management program
- Sustain 1, 5, 20-year planning horizons
- 24/7/365 treatment plant reliability

PROBLEM

Toshiba model VK circuit breakers have reached the end of their useful life. Preventive maintenance performed identified contact wear at their maximum allowable limit. Toshiba no longer supports repair services because parts are unavailable for these circuit breakers.

PROPOSED SOLUTION

Competitively bid and subsequently approve a purchase order to the lowest responsive and responsible bidder, for the purchase of eight new Toshiba HVK 12 kV circuit breakers for Plant No. 1 Power Building 5.

TIMING CONCERNS

The replacement of 12 kV circuit breakers are required for reliably switching power to the Plant No. 1 Digester Facilities. A delay in procurement may impact the ability to switch power from multiple sources due to risk of a circuit breaker failure which impacts reliability for processing solids.

RAMIFICATIONS OF NOT TAKING ACTION

Failure to act increases the risk of circuit breaker failure resulting in a disruption of power distribution throughout Plant No. 1, impacting process and our ability to treat wastewater.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Six bids were received. Below are the responsive bidders and their corresponding bids plus additional sales tax. The lowest responsive and responsible bidder is Superior Electric Motor Services.

Bidder	Amount of Bid Plus Sales Tax
Superior Electric Motor Services	$195,071.40
Turtle & Hughes	$200,535.00
Romac Supply	$201,405.00
Sulzer EMS	$212,527.95
CHW Enterprises, Inc.	$227,191.80
B&H International	$247,478.68

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This recommendation will be funded under the Repair and Maintenance line item for the Operations and Maintenance Department (Budget Update Fiscal Year 2019-20, Page 47). The available funding is sufficient for this action.

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Date of Approval	Contract Amount	Contingency
06/24/2020	$195,072	$9,754 (5%)

ATTACHMENT

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

N/A

RM:jg:ab:gc

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Orange County Sanitation District

OPERATIONS COMMITTEE

Agenda Report

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

File #: 2020-1106 **Agenda Date:** 6/24/2020 **Agenda Item No:** 7.

FROM: James D. Herberg, General Manager
Originator: Kathy Millea, Director of Engineering

SUBJECT:

12KV DISTRIBUTION CENTER B AND EAST RAS PUMP STATION ROOFING REPLACEMENT, PROJECT NO. FE18-19R

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

A. Receive and file Bid Tabulations and Recommendation for O'Connell Engineering & Construction, Inc. for 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R;

B. Award a Construction Contract to O'Connell Engineering & Construction, Inc. for 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R, for a total amount not to exceed $674,800; and

C. Approve a contingency of $67,480 (10%).

BACKGROUND

The 12kV Distribution Center B and East RAS Pump Station buildings provide electrical power to critical operating facilities at the Orange County Sanitation District (Sanitation District) Plant No. 2.

RELEVANT STANDARDS

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Maintain a proactive asset management program
- Protect Orange County Sanitation District assets

PROBLEM

The 12kV Distribution Center B and East RAS Pump Station buildings were built in 1977 and are currently experiencing roof leaks. Staff has been protecting electrical equipment using temporary measures.

PROPOSED SOLUTION

Award 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19R. This project will replace the roofing on two buildings, repair cracks on the concrete roof structure, and other related improvements.

TIMING CONCERNS

Delaying the construction contract will directly lengthen the time that a leaking roof could cause damage to electrical equipment.

RAMIFICATIONS OF NOT TAKING ACTION

Electrical equipment will continue to be at risk of damage.

PRIOR COMMITTEE/BOARD ACTIONS

April 2020 - The Board of Directors rejected the single low bid received as non-responsive and authorized the Purchasing Manager to conduct a Negotiated Procurement for a construction contract for 12kV Distribution B and East RAS Pump Station Roofing Replacement, Project No. FE 18-19, in accordance with Purchasing Ordinance No. OCSD-52.

ADDITIONAL INFORMATION

The Sanitation District advertised 12kV Distribution Center B and East RAS Pump Station Roofing Replacement, Project No. FE18-19, for bids on January 10, 2020. A single, sealed bid was received on February 13, 2020. After evaluation, the bid was found to be non-responsive. In April 2020, the Board of Directors rejected the bid as non-responsive and authorized the Purchasing Manager to conduct a Negotiated Procurement.

On April 24, 2020, the Sanitation District requested bids from four contractors and two sealed bids were received on May 7, 2020. A summary of the bid opening follows:

Engineer's Estimate	$662,100

Bidder	Amount of Bid
O'Connell Engineering & Construction, Inc.	$674,800
W.M. Lyles Co.	$711,000

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 because the project involves repairs, replacement, and or minor alteration of existing facilities involving no expansion of use or capacity. A Notice of Exemption will be filed with the OC Clerk-Recorder after the Sanitation District's Board of Directors approves the construction contract.

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FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (Budget Update, FY 2019-20, Appendix , Page A-8, Small Construction Projects Program, Project M-FE) and the budget is sufficient for the recommended action.

ATTACHMENT

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

- Construction Contract

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PART A
CONTRACT AGREEMENT

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CONTRACT AGREEMENT

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CONTRACT AGREEMENT

ORANGE COUNTY SANITATION DISTRICT

PROJECT NO. FE18-19R

12KV DISTRIBUTION CENTER B AND EAST RAS PUMP STATION ROOF REPLACEMENT

THIS AGREEMENT is made and entered into, to be effective, this June 24, 2020, by and between O'Connell Engineering & Construction, Inc., hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OCSD".

WITNESSETH

That for and in consideration of the promises and agreements hereinafter made and exchanged, OCSD and CONTRACTOR agree as follows:

SECTION – 1 GENERAL CONDITIONS

CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the Work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR's investigation of all such matters and is in no way relying upon any opinions or representations of OCSD. It is agreed that this Contract represents the entire agreement. It is further agreed that the Contract Documents are each incorporated into this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its Subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the Work covered by this Contract.

A. Contract Documents Order of Precedence

"Contract Documents" refers to those documents identified in the definition of "Contract Documents" in the General Conditions – Definitions.

1. In the event of a conflict between one Contract Document and any of the other Contract Documents, the provisions in the document highest in precedence shall be controlling. The order of precedence of the Contract Documents is as follows:
    a. Supplemental Agreements – the last in time being the first in precedence
    b. Addenda issued prior to the date for submittal of Bids – the last in time being the first in precedence
    c. Contract Agreement
    d. Permits and other regulatory requirements
    e. Special Provisions
    f. General Conditions (GC)
    g. Notice Inviting Bids and Instruction to Bidders
    h. Geotechnical Baseline Report (GBR), if attached as a Contract Document
    i. Plans and Specifications – in these documents the order of precedence shall be:
        i. Specifications (Divisions 01-17)
        ii. Plans
        iii. General Requirements (GR)
        iv. Standard Drawings and Typical Details
    j. CONTRACTOR's Bid
2. In the event of a conflict between terms within an individual Contract Document, the conflict shall be resolved by applying the following principles as appears applicable:
    a. Figured dimensions on the Contract Documents shall govern. Dimensions not specified shall be as directed by the ENGINEER. Details not shown or specified shall be the same as similar parts that are shown or specified, or as directed. Full-size details shall take precedence over scale Drawings as to

shape and details of construction. Specifications shall govern as to material and workmanship.

b. The Contract Documents calling for the higher quality material or workmanship shall prevail. Materials or Work described in words, which so applied, have a well known technical or trade meaning shall be deemed to refer to such recognized standards. In the event of any discrepancy between any Drawings and the figures thereon, the figures shall be taken as correct.

c. Scale Drawings, full-size details, and Specifications are intended to be fully complementary and to agree. Should any discrepancy between Contract Documents come to the CONTRACTOR's attention, or should an error occur in the efforts of others, which affect the Work, the CONTRACTOR shall notify the ENGINEER, in writing, at once. In the event any doubts or questions arise with respect to the true meaning of the Contract Documents, reference shall be made to the ENGINEER whose written decision shall be final. If the CONTRACTOR proceeds with the Work affected without written instructions from the ENGINEER, the CONTRACTOR shall be fully responsible for any resultant damage or defect.

d. Anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to OCSD's ENGINEER, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR's own risk and expense. The decision of the ENGINEER shall be final.

In all matters relating to the acceptability of material, machinery or plant equipment; classifications of material or Work; the proper execution, progress or sequence of the Work; and quantities interpretation of the Contract Documents, the decision of the ENGINEER shall be final and binding, and shall be a condition precedent to any payment under the Contract, unless otherwise ordered by the Board of Directors.

B. Definitions

Capitalized terms used in this Contract are defined in the General Conditions, Definitions. Additional terms may be defined in the Special Provisions.

SECTION – 2 MATERIALS AND LABOR

CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by OCSD, to construct and complete the Project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, OCSD may settle such claims by making demand upon the Surety to this Contract. In the event of the failure or refusal of the Surety to satisfy said claims, OCSD may settle them directly and deduct the amount of payments from the Contract Price and any amounts due to CONTRACTOR. In the event OCSD receives a stop payment notice from any laborer or material supplier alleging non-payment by CONTRACTOR, OCSD shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

SECTION – 3 PROJECT

The Project is described as:

PROJECT NO. FE18-19R

12KV DISTRIBUTION CENTER B AND EAST RAS PUMP STATION ROOF REPLACEMENT

SECTION – 4 PLANS AND SPECIFICATONS

The Work to be done is shown in a set of Plans and Specifications entitled:

PROJECT NO. FE18-19R

12KV DISTRIBUTION CENTER B AND EAST RAS PUMP STATION ROOF REPLACEMENT

Said Plans and Specifications and any revision, amendments and addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference.

SECTION – 5 TIME OF COMMENCEMENT AND COMPLETION

CONTRACTOR agrees to commence the Project within 15 calendar days from the date set forth in the "Notice to Proceed" sent by OCSD, unless otherwise specified therein and shall diligently prosecute the Work to completion within three hundred forty (340) calendar days from the date of the "Notice to Proceed" issued by OCSD, excluding delays caused or authorized by OCSD as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions. The time for completion includes seven (7) calendar days determined by OCSD likely to be inclement weather when CONTRACTOR will be unable to work.

SECTION – 6 TIME IS OF THE ESSENCE

Time is of the essence of this Contract. As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR's Work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the Work covered by this Contract with that of all other contractors, subcontractors and of OCSD, in a manner that will facilitate the efficient completion of the entire Work and accomplish the required milestone(s), if any, by the applicable deadline(s) in accordance with Section 5 herein. OCSD shall have the right to assert complete control of the premises on which the Work is to be performed and shall have the right to decide the time or order in which the various portions of the Work shall be installed or the priority of the work of subcontractors,

and, in general, all matters representing the timely and orderly conduct of the Work of CONTRACTOR on the premises.

SECTION – 7 EXCUSABLE DELAYS

CONTRACTOR shall only be excused for any delay in the prosecution or completion of the Project as specifically provided in General Conditions, “Extensions for Delay”, and the General Requirements, “By CONTRACTOR or Others – Unknown Utilities during Contract Work”. Extensions of time and extra compensation arising from such excusable delays will be determined in accordance with the General Conditions, “Extension of Time for Delay” and “Contract Price Adjustments and Payments”, and extensions of time and extra compensation as a result of incurring undisclosed utilities will be determined in accordance with General Requirements, “By CONTRACTOR or Others – Unknown Utilities during Contract Work”. OCSD’s decision will be conclusive on all parties to this Contract.

SECTION – 8 EXTRA WORK

The Contract Price as set forth in Section 11, includes compensation for all Work performed by CONTRACTOR, unless CONTRACTOR obtains a Change Order signed by a designated representative of OCSD specifying the exact nature of the Extra Work and the amount of extra compensation to be paid all as more particularly set forth in Section 9 hereof and the General Conditions, “Request for Change (Changes at CONTRACTOR’s Request)”, “OWNER Initiated Changes”, and “Contract Price Adjustments and Payments”.

In the event a Change Order is issued by OCSD pursuant to the Contract Documents, OCSD shall extend the time fixed in Section 5 for completion of the Project by the number of days, if any, reasonably required for CONTRACTOR to perform the Extra Work, as determined by OCSD’s ENGINEER. The decision of the ENGINEER shall be final.

SECTION – 9 CHANGES IN PROJECT

OCSD may at any time, without notice to any Surety, by Change Order, make any changes in the Work within the general scope of the Contract Document, including but not limited to changes:

1. In the Specifications (including Drawings and designs);
2. In the time, method or manner of performance of the Work;
3. In OCSD-furnished facilities, equipment, materials, services or site; or
4. Directing acceleration in the performance of the Work.

No change of period of performance or Contract Price, or any other change in the Contract Documents, shall be binding until the Contract is modified by a fully executed Change Order.

All Change Orders shall be issued in accordance with the requirements set forth in the General Conditions, "Request for Change (Changes at CONTRACTOR's Request)" and "OWNER Initiated Changes".

SECTION – 10 LIQUIDATED DAMAGES FOR DELAY

Liquidated Damages shall be payable in the amounts and upon the occurrence of such events or failure to meet such requirements or deadlines as provided in the Special Provisions, "Liquidated Damages and Incentives."

SECTION – 11 CONTRACT PRICE AND METHOD OF PAYMENT

A. OCSD agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any additions or deductions as provided in approved Change Orders, the sum of Six Hundred Seventy Four Thousand Eight Hundred Dollars ($674,800) as itemized on the Attached Exhibit "A".

   Upon satisfaction of the conditions precedent to payment set forth in the General Requirements, Additional General Requirements and General Conditions (including but

not limited to Sections entitled “Mobilization Payment Requirements” and “Payment Itemized Breakdown of Contract Lump Sum Prices”), there shall be paid to the CONTRACTOR an initial Net Progress Payment for mobilization. OCSD shall issue at the commencement of the job a schedule which shows:

1. A minimum of one payment to be made to the CONTRACTOR for each successive four (4) week period as the Work progresses, and
2. The due dates for the CONTRACTOR to submit requests for payment to meet the payment schedule.

After the initial Net Progress Payment, and provided the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule, the CONTRACTOR shall be paid a Net Progress Payment on the corresponding monthly payment date set forth in the schedule.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the ENGINEER, stating that the Work for which payment is demanded has been performed in accordance with the terms of the Contract Documents, and that the amount stated in the certificate is due under the terms of the Contract. Payment applications shall also be accompanied with all documentation, records, and releases as required by the Contract, Exhibit A, Schedule of Prices, and General Conditions, “Payment for Work – General”. The Total amount of Progress Payments shall not exceed the actual value of the Work completed as certified by OCSD’s ENGINEER. The processing of payments shall not be considered as an acceptance of any part of the Work.

B. As used in this Section, the following defined terms shall have the following meanings:

1. **“Net Progress Payment”** means a sum equal to the Progress Payment less the

Retention Amount and other qualified deductions (Liquidated Damages, stop payment notices, etc.).

2. **"Progress Payment"** means a sum equal to:
   a. the value of the actual Work completed since the commencement of the Work as determined by OCSD;
   b. plus the value of material suitably stored at the worksite, treatment plant or approved storage yards subject to or under the control of OCSD since the commencement of the Work as determined by OCSD;
   c. less all previous Net Progress Payments;
   d. less all amounts of previously qualified deductions;
   e. less all amounts previously retained as Retention Amounts.
3. **"Retention Amount"** for each Progress Payment means the percentage of each Progress Payment to be retained by OCSD to assure satisfactory completion of the Contract. The amount to be retained from each Progress Payment shall be determined as provided in the General Conditions –"Retained Funds; Substitution of Securities."

SECTION – 12 SUBSTITUTION OF SECURITIES IN LIEU OF RETENTION OF FUNDS

Pursuant to Public Contract Code Section 22300 et seq., the CONTRACTOR may, at its sole expense, substitute securities as provided in General Conditions – "Retained Funds; Substitution of Securities."

SECTION – 13 COMPLETION

Final Completion and Final Acceptance shall occur at the time and in the manner specified in the General Conditions, "Final Acceptance and Final Completion", "Final Payment" and Exhibit A - Schedule of Prices.

Upon receipt of all documentation, records, and releases as required by the Contract from the CONTRACTOR, OCSD shall proceed with the Final Acceptance as specified in General Conditions.

SECTION – 14 CONTRACTOR'S EMPLOYEES COMPENSATION

A. Davis-Bacon Act:

CONTRACTOR will pay and will require all Subcontractors to pay all employees on said Project a salary or wage at least equal to the prevailing rate of per diem wages as determined by the Secretary of Labor in accordance with the Davis-Bacon Act for each craft or type of worker needed to perform the Contract. The provisions of the Davis-Bacon Act shall apply only if the Contract is in excess of Two Thousand Dollars ($2,000.00) and when twenty-five percent (25%) or more of the Contract is funded by federal assistance. If the aforesaid conditions are met, a copy of the provisions of the Davis-Bacon Act to be complied with are incorporated herein as a part of this Contract and referred to by reference.

B. General Prevailing Rate:

OCSD has been advised by the State of California Director of Industrial Relations of its determination of the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime Work in the locality in which the Work is to be performed for each craft or type of Work needed to execute this Contract, and copies of the same are on file in the Office of the ENGINEER of OCSD. The CONTRACTOR agrees that not less than said prevailing rates shall be paid to workers employed on this public works Contract as required by Labor Code Section 1774 of the State of California. Per California Labor Code 1773.2, OCSD will have on file copies of the prevailing rate of per diem wages at its principal office and at each job site, which shall be made available to any interested party upon request.

C. Forfeiture for Violation:

CONTRACTOR shall, as a penalty to OCSD, forfeit Two Hundred Dollars ($200.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any Subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the Work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.

D. Apprentices:

Sections 1777.5, 1777.6, 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices are applicable to this Contract and the CONTRACTOR shall comply therewith if the prime contract involves Thirty Thousand Dollars ($30,000.00) or more.

E. Workday:

In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him hereunder except as provided in paragraph (B) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Section 1810 et seq.) of the Labor Code of the State of California and shall forfeit to OCSD as a penalty, the sum of Twenty-five Dollars ($25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any Subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.

F. Registration; Record of Wages; Inspection:

CONTRACTOR shall comply with the registration requirements of Labor Code Section 1725.5. Pursuant to Labor Code Section 1771.4, the Work is subject to compliance monitoring by the California Department of Industrial Relations. CONTRACTOR shall maintain accurate payroll records and shall submit payroll records to the Labor Commissioner pursuant to Labor Code Section 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

CONTRACTOR shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations Section 16461(e).

SECTION – 15 SURETY BONDS

CONTRACTOR shall, before entering upon the performance of this Contract, furnish Bonds approved by OCSD's General Counsel – one in the amount of one hundred percent (100%) of the Contract amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Contract amount to guarantee payment of all claims for labor and materials furnished. As changes to the Contract occur via approved Change Orders, the CONTRACTOR shall assure that the amounts of the Bonds are adjusted to maintain 100% of the Contract Price. This Contract shall not become effective until such Bonds are supplied to and approved by OCSD. Bonds must be issued by a Surety authorized by the State Insurance Commissioner to do business in California. The Performance Bond shall remain in full force and effect through the warranty period, as specified in Section 19 below. All Bonds required to be submitted relating to this Contract must comply with California Code of Civil Procedure Section 995.630. Each Bond shall be executed in the name of the Surety insurer under penalty of perjury, or the fact of execution of each Bond shall be duly acknowledged before an officer authorized to take and certify acknowledgments, and either one of the following conditions shall be satisfied:

A. A copy of the transcript or record of the unrevoked appointment, power of attorney, by-laws, or other instrument, duly certified by the proper authority and attested by the seal of the insurer entitling or authorizing the person who executed the Bond to do so for and on behalf of the insurer, is on file in the Office of the County Clerk of the County of Orange; or

B. A copy of a valid power of attorney is attached to the Bond.

SECTION – 16 INSURANCE

CONTRACTOR shall purchase and maintain, for the duration of the Contract, insurance against claims for injuries to persons, or damages to property which may arise from or in connection with the performance of the Work hereunder, and the results of that Work by CONTRACTOR, its agents, representatives, employees, or Subcontractors, in amounts equal to the requirements set forth below. CONTRACTOR shall not commence Work under this Contract until all insurance required under this Section is obtained in a form acceptable to OCSD, nor shall CONTRACTOR allow any Subcontractor to commence Work on a subcontract until all insurance required of the Subcontractor has been obtained. CONTRACTOR shall maintain all of the foregoing insurance coverages in force through the point at which the Work under this Contract is fully completed and accepted by OCSD pursuant to the provisions of the General Conditions, “Final Acceptance and Final Completion”. Furthermore, CONTRACTOR shall maintain all of the foregoing insurance coverages in full force and effect throughout the warranty period, commencing on the date of Final Acceptance. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of OCSD by CONTRACTOR under Section 17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, inclusive of all changes to the Contract Documents made in accordance with the provisions of the General Conditions, “Request for Change (Changes at CONTRACTOR’s Request)” and/or “OWNER Initiated

Changes", the following insurance in amounts not less than the amounts specified. OCSD reserves the right to amend the required limits of insurance commensurate with the CONTRACTOR's risk at any time during the course of the Project. No vehicles may enter OCSD premises/worksite without possessing the required insurance coverage. CONTRACTOR's insurance shall also comply with all insurance requirements prescribed by agencies from whom permits shall be obtained for the Work and any other third parties from whom third party agreements are necessary to perform the Work (collectively, the "Third Parties"), The Special Provisions may list such requirements and sample forms and requirements from such Third Parties may be included in an attachment to the General Requirements. CONTRACTOR bears the responsibility to discover and comply with all requirements of Third Parties, including meeting specific insurance requirements, that are necessary for the complete performance of the Work. To the extent there is a conflict between the Third Parties' insurance requirements and those set forth by OCSD herein, the requirement(s) providing the more protective coverage for both OSCD and the Third Parties shall control and be purchased and maintained by CONTRACTOR.

A. Limits of Insurance

1. General Liability: Two Million Dollars ($2,000,000) per occurrence and a general aggregate limit of Four Million Dollars ($4,000,000) for bodily injury, personal injury and property damage. Coverage shall include each of the following:

    a. Premises-Operations.

    b. Products and Completed Operations, with limits of at least Two Million Dollars ($2,000,000) per occurrence and a general aggregate limit of Four Million Dollars ($4,000,000) which shall be in effect at all times during the warranty period set forth in the Warranty section herein, and as set forth in the General Conditions, "Warranty (CONTRACTOR's Guarantee)", plus any additional

extension or continuation of time to said warranty period that may be required or authorized by said provisions.

c. Broad Form Property Damage, expressly including damage arising out of explosion, collapse, or underground damage.

d. Contractual Liability, expressly including the indemnity provisions assumed under this Contract.

e. Separation of Insured Clause, providing that coverage applies separately to each insured, except with respect to the limits of liability.

f. Independent CONTRACTOR's Liability.

To the extent first dollar coverage, including defense of any claim, is not available to OCSD or any other additional insured because of any SIR, deductible, or any other form of self insurance, CONTRACTOR is obligated to assume responsibility of insurer until the deductible, SIR or other condition of insurer assuming its defense and/or indemnity has been satisfied. CONTRACTOR shall be responsible to pay any deductible or SIR.

g. If a crane will be used, the General Liability insurance will be endorsed to add Riggers Liability coverage or its equivalent to cover the usage of the crane and exposures with regard to the crane operators, riggers and others involved in using the crane.

h. If divers will be used, the General Liability insurance will be endorsed to cover marine liability or its equivalent to cover the usage of divers.

2. Automobile Liability: The CONTRACTOR shall maintain a policy of Automobile Liability Insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limits of liability coverage:

Either (1) a combined single limit of One Million Dollars ($1,000,000) and a general aggregate limit of One Million Dollars ($1,000,000) for bodily injury, personal injury and property damage;

Or alternatively, (2) One Million Dollars ($1,000,000) per person for bodily injury and One Million Dollars ($1,000,000) per accident for property damage.

3. Umbrella Excess Liability: The minimum limits of general liability and automobile liability insurance required, as set forth above, shall be provided for either in a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Excess liability coverage shall be issued with limits of liability which, when combined with the primary insurance, will equal the minimum limits for general liability and automobile liability.

4. Drone Liability Insurance: If a drone will be used, drone liability insurance must be maintained by CONTRACTOR in the amount of One Million Dollars ($1,000,000) in a form acceptable by OCSD.

5. Worker's Compensation/Employer's Liability: CONTRACTOR shall provide such Worker's Compensation Insurance as required by the Labor Code of the State of California, including employer's liability with a minimum limit of One Million Dollars ($1,000,000) per accident for bodily injury or disease. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage with regard to Jones Act claims.

   Where permitted by law, CONTRACTOR hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OCSD, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OCSD in connection with the

planning, development and construction of the Project. In all its insurance coverages related to the Work, CONTRACTOR shall include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against OCSD, its or their officers, agents, or employees, or any other contractor or subcontractor performing Work or rendering services at the Project. Where permitted by law, CONTRACTOR shall require similar written express waivers and insurance clauses from each of its Subcontractors of every tier. A waiver of subrogation shall be effective as to any individual or entity, even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

6. Pollution Liability Insurance: CONTRACTOR shall purchase and maintain insurance for pollution liability covering bodily injury, property damage (including loss of use of damaged property or property that has not been physically injured or destroyed), cleanup costs, and defense costs (including costs and expenses for investigation, defense, or settlement of claims). Coverage shall carry limits of at least One Million Dollars ($1,000000) and shall apply to sudden and non-sudden pollution conditions (including sewage spills), both at the site or needed due to migration of pollutants from the site, resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants.

   If CONTRACTOR provides coverage written on a claims-made basis, OCSD has the right to approve or reject such coverage in its own discretion. If written on a claims-made basis, the CONTRACTOR warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract, and that

continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two years beginning from the time that the Project under this Contract is completed.

7. Limits are Minimums: If CONTRACTOR maintains higher limits than the minimums shown in this Section, OCSD requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by OCSD. At the option of OCSD, either: the Insurer shall reduce or eliminate such deductibles or self-insured retentions as respects OCSD, its Directors, officers, agents, CONSULTANTS, and employees; or CONTRACTOR shall provide a financial guarantee satisfactory to OCSD guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

C. Other Insurance Provisions

1. Each such policy of General Liability Insurance and Automobile Liability Insurance shall be endorsed to contain, the following provisions:

   a. OCSD, its Directors, officers, agents, CONSULTANTS, and employees, and all public agencies from whom permits will be obtained, and their Directors, officers, agents, and employees are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of CONTRACTOR at or from any of the sites of OCSD in connection with this Contract, or acts and omissions of the additional insured in connection with its general supervision or inspection of said operations related to this Contract.

b. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by OCSD shall be excess only and not contributing with insurance provided under this policy.

2. Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, and that coverage shall not be cancelled for non-payment of premium except after ten (10) days prior written notice by certified mail, return receipt requested. Should there be changes in coverage or an increase in deductible or SIR amounts, CONTRACTOR undertakes to procure a manuscript endorsement from its insurer giving 30 days prior notice of such an event to OCSD, or to have its insurance broker/agent send to OCSD a certified letter describing the changes in coverage and any increase in deductible or SIR amounts. The certified letter must be sent Attention: Risk Management and shall be received not less than twenty (20) days prior to the effective date of the change(s). The letter must be signed by a Director or Officer of the broker/agent and must be on company letterhead, and may be sent via e-mail in pdf format.

3. Coverage shall not extend to any indemnity coverage for the active negligence of any additional insured in any case where an agreement to indemnify the additional insured would be invalid under California Civil Code Section 2782(b).

4. If required by a public agency from whom permit(s) will be obtained, each policy of General Liability Insurance and Automobile Liability Insurance shall be endorsed to specify by name the public agency and its legislative members, officers, agents, CONSULTANTS, and employees, to be additional insureds.

D. Acceptability of Insurers

Insurers must have an “A-“, or better, Policyholder’s Rating, and a Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best Rating Guide. OCSD recognizes that State Compensation Insurance Fund has withdrawn from participation in the A.M. Best Rating Guide process. Nevertheless, OCSD will accept State Compensation Insurance Fund for the required policy of worker’s compensation insurance, subject to OCSD’s option, at any time during the term of this Contract, to require a change in insurer upon twenty (20) days written notice. Further, OCSD will require CONTRACTOR to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within twenty (20) days of written notice to CONTRACTOR by OCSD or its agent.

E. Verification of Coverage

CONTRACTOR shall furnish OCSD with original certificates and mandatory endorsements affecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by OCSD before Work commences. OCSD reserves the right to require complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these Specifications at any time.

F. Subcontractors

CONTRACTOR shall be responsible to establish insurance requirements for any Subcontractors hired by CONTRACTOR. The insurance shall be in amounts and types reasonably sufficient to deal with the risk of loss involving the Subcontractor’s operations and work. OCSD and any public agency issuing permits for the Project must be named as “Additional Insured” on any General Liability or Automobile Liability policy obtained by a Subcontractor. The CONTRACTOR must obtain copies and maintain current versions of

all Subcontractors' policies, Certificate of Liability and mandatory endorsements effecting coverage. Upon request, CONTRACTOR must furnish OCSD with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

   a. Certificate of Liability Form 25

2. Required Insurance Services Office, Inc. Endorsements (when alternative forms are shown, they are listed in order of preference)

   In the event any of the following forms are cancelled by Insurance Services Office, Inc. (ISO), or are updated, the ISO replacement form or equivalent must be supplied.

   a. Commercial General Liability — Form CG-0001 10 01

   b. Additional Insured Including Products-Completed Operations — Form CG-2010 10 01 **and** Form CG-2037 10 01

   c. Waiver of Transfer of Rights of Recovery Against Others to Us/ Waiver of Subrogation — Form CG-2404 11 85; **or** Form CG-2404 10 93

3. Required State Compensation Insurance Fund Endorsements

   a. Waiver of Subrogation — Endorsement No. 2570

   b. Cancellation Notice — Endorsement No. 2065

4. Additional Required Endorsements

   a. Notice of Policy Termination — Manuscript Endorsement

5. Pollution Liability Endorsements

   There shall be a Separation of Insured Clause or endorsement, providing that coverage applies separately to each insured, except with respect to the limits of liability. There shall also be an endorsement or policy language containing a waiver of subrogation rights on the part of the insurer.

OCSD, its directors, officers, agents, CONSULTANTS and employees and all public agencies from whom permits will be obtained as well as their directors, officers, agents, and employees shall be included as insureds under the policy. Any additional insured endorsement shall contain language at least as broad as the coverage language contained in ISO form CG 20 10 11 85 or alternatively in both CG 20 10 10 01 and CG 20 37 10 01 together.

SECTION – 17 RISK AND INDEMNIFICATION

All Work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR shall save, indemnify, defend, and keep OCSD and others harmless as more specifically set forth in General Conditions, “General Indemnification”.

SECTION – 18 TERMINATION

This Contract may be terminated in whole or in part in writing by OCSD in the event of substantial failure by the CONTRACTOR to fulfill its obligations under this Agreement, or it may be terminated by OCSD for its convenience provided that such termination is effectuated in a manner and upon such conditions set forth more particularly in General Conditions, “Termination for Default” and/or “Termination for Convenience”, provided that no termination may be effected unless proper notice is provided to CONTRACTOR at the time and in the manner provided in said General Conditions. If termination for default or convenience is effected by OCSD, an equitable adjustment in the price provided for in this Contract shall be made at the time and in the manner provided in the General Conditions, “Termination for Default” and “Termination for Convenience”.

SECTION – 19 WARRANTY

The CONTRACTOR agrees to perform all Work under this Contract in accordance with the Contract Documents, including OCSD’s designs, Drawings and Specifications.

The CONTRACTOR guarantees for a period of at least one (1) year from the date of Final Acceptance of the Work, pursuant to the General Conditions, “Final Acceptance and Final Completion” that the completed Work is free from all defects due to faulty materials, equipment or workmanship and that it shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs of any damage to other parts of the system resulting from such defects. OCSD shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, OCSD may do so and charge the CONTRACTOR the cost incurred. The CONTRACTOR’s warranty shall continue as to any corrected deficiency until the later of (1) the remainder of the original one-year warranty period; or (2) one year after acceptance by OCSD of the corrected Work. The Performance Bond and the Payment Bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR’s obligations under this clause are in addition to the CONTRACTOR’s other express or implied assurances under this Contract, including but not limited to specific manufacturer or other extended warranties specified in the Plans and Specifications, or state law and in no way diminish any other rights that OCSD may have against the CONTRACTOR for faulty materials, equipment or Work.

SECTION – 20 ASSIGNMENT

No assignment by the CONTRACTOR of this Contract or any part hereof, or of funds to be received hereunder, will be recognized by OCSD unless such assignment has had prior written approval and consent of OCSD and the Surety.

SECTION – 21 RESOLUTION OF DISPUTES

OCSD and the CONTRACTOR shall comply with the provisions of California Public Contract Code Section 20104 et. seq., regarding resolution of construction claims for any Claims which

arise between the CONTRACTOR and OCSD, as well as all applicable dispute and Claims provisions as set forth in the General Conditions and as otherwise required by law.

SECTION – 22 SAFETY & HEALTH

CONTRACTOR shall comply with all applicable safety and health requirements mandated by federal, state, city and/or public agency codes, permits, ordinances, regulations, and laws, as well as these Contract Documents, including but not limited to the General Requirements, Section entitled “Safety” and Exhibit B OCSD Safety Standards.

SECTION – 23 NOTICES

Any notice required or permitted under this Contract shall be sent by certified mail, return receipt requested, at the address set forth below. Any party whose address changes shall notify the other party in writing.

TO OCSD:	Orange County Sanitation District 10844 Ellis Avenue Fountain Valley, California 92708-7018 Attn: Clerk of the Board
Copy to:	Orange County Sanitation District 10844 Ellis Avenue Fountain Valley, California 92708-7018 Attn: Construction Manager Bradley R. Hogin, Esquire Woodruff, Spradlin & Smart 555 Anton Boulevard Suite 1200 Costa Mesa, California 92626
TO CONTRACTOR:	O'Connell Engineering & Construction, Inc. 36572 Deauville Rd Winchester, CA 92596
Copy to:	Rhonda O’Connell, President O'Connell Engineering & Construction, Inc. 36572 Deauville Rd Winchester, CA 92596

IN WITNESS WHEREOF, the parties hereto have executed this Contract Agreement as the date first hereinabove written.

CONTRACTOR: O'Connell Engineering & Construction, Inc.
36572 Deauville Rd
Winchester, CA 92596

By_____

_____
Printed Name

Its_____

CONTRACTOR's State License No. 883686 (Expiration Date – 04/30/2021)

OCSD: Orange County Sanitation District

By_____
David John Shawver
Board Chairman

By_____
Kelly A. Lore
Clerk of the Board

By_____
Ruth Zintzun
Purchasing & Contracts Manager

EXHIBIT A
SCHEDULE OF PRICES

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EXHIBIT A
SCHEDULE OF PRICES

EXA-1 BASIS OF COMPENSATION

CONTRACTOR will be paid the Contract Price according to the Schedule of Prices, and all other applicable terms and conditions of the Contract Documents.

EXA-2 PROGRESS PAYMENTS

Progress payments will be made in accordance with all applicable terms and conditions of the Contract Documents, including, but not limited to:

1. Contract Agreement – Section 11 – “Contract Price and Method of Payment;”
2. General Conditions – “Payment – General”;
3. General Conditions – “Payment – Applications for Payment”;
4. General Conditions – “Payment – Mobilization Payment Requirements;”
5. General Conditions – “Payment – Itemized Breakdown of Contract Lump Sum Prices”;
6. General Conditions – "Contract Price Adjustments and Payments”;
7. General Conditions – “Suspension of Payments”;
8. General Conditions – “OCSD’s Right to Withhold Certain Amounts and Make Application Thereof”; and
9. General Conditions – “Final Payment.”

EXA-3 RETENTION AND ESCROW ACCOUNTS

A. Retention:

OCSD shall retain a percentage of each progress payment to assure satisfactory completion of the Work. The amount to be retained from each progress payment shall be determined as provided in General Conditions – “Retained Funds; Substitution of Securities”. In all contracts between CONTRACTOR and its Subcontractors and/or Suppliers, the retention may not exceed the percentage specified in the Contract Documents. Ex

B. Substitution of Securities:

CONTRACTOR may, at its sole expense, substitute securities as provided in General Conditions – “Retained Funds; Substitution of Securities.” Payment of Escrow Agent:

In lieu of substitution of securities as provided above, the CONTRACTOR may request and OCSD shall make payment of retention earned directly to the escrow agent at the expense of the CONTRACTOR. At the expense of the CONTRACTOR, the CONTRACTOR may direct the investment of the payments into securities consistent with Government Code §16430 and the CONTRACTOR shall receive the interest earned on the investments upon the same terms provided for in this article for securities deposited by the CONTRACTOR. Upon satisfactory completion of the Contract, the CONTRACTOR shall receive from the escrow agent all securities, interest and payments received by the escrow agent from OCSD, pursuant to the terms of this article. The CONTRACTOR shall pay to each Subcontractor, not later than twenty (20) calendar days after receipt of the payment, the respective amount of interest earned, net of costs attributed to retention withheld from each Subcontractor, on the amount of retention withheld to ensure the performance of the Subcontractor. The escrow agreement used by the escrow agent pursuant to this article shall be substantially similar to the form set forth in §22300 of the California Public Contract Code.

C. Release of Retention:

Upon Final Acceptance of the Work, the CONTRACTOR shall submit an invoice for release of retention in accordance with the terms of the Contract.

D. Additional Deductibles:

In addition to the retentions described above, OCSD may deduct from each progress payment any or all of the following:

1. Liquidated Damages that have occurred as of the date of the application for progress payment;

2. Deductions from previous progress payments already paid, due to OCSD’s discovery of deficiencies in the Work or non-compliance with the Specifications or any other requirement of the Contract;

3. Sums expended by OCSD in performing any of the CONTRACTOR’S obligations under the Contract that the CONTRACTOR has failed to perform, and;

4. Other sums that OCSD is entitled to recover from the CONTRACTOR under the terms of the Contract, including without limitation insurance deductibles and assessments.

The failure of OCSD to deduct any of the above-identified sums from a progress payment shall not constitute a waiver of OCSD's right to such sums or to deduct them from a later progress payment.

EXA-4 STOP PAYMENT NOTICE

In addition to other amounts properly withheld under this article or under other provisions of the Contract, OCSD shall retain from progress payments otherwise due the CONTRACTOR an amount equal to one hundred twenty-five percent (125%) of the amount claimed under any stop payment notice under Civil Code §9350 et. seq. or other lien filed against the CONTRACTOR for labor, materials, supplies, equipment, and any other thing of value claimed to have been furnished to and/or incorporated into the Work; or for any other alleged contribution thereto. In addition to the foregoing and in accordance with Civil Code §9358 OCSD may also satisfy its duty to withhold funds for stop payment notices by refusing to release funds held in escrow pursuant to public receipt of a release of stop payment notice executed by a stop payment notice claimant, a stop payment notice release bond, an order of a court of competent jurisdiction, or other evidence satisfactory to OCSD that the CONTRACTOR has resolved such claim by settlement.

EXA-5 PAYMENT TO SUBCONTRACTORS

Requirements

1. The CONTRACTOR shall pay all Subcontractors for and on account of Work performed by such Subcontractors, not later than seven (7) days after receipt of each progress payment as required by the California Business and Professions Code §7108.5. Such payments to Subcontractors shall be based on the measurements and estimates made pursuant to article progress payments provided herein.

2. Except as specifically provided by law, the CONTRACTOR shall pay all Subcontractors any and all retention due and owing for and on account of Work performed by such Subcontractors not later than seven (7) days after CONTRACTOR'S receipt of said retention proceeds from OCSD as required by the California Public Contract Code §7107.

EXA-6 PAYMENT OF TAXES

Unless otherwise specifically provided in this Contract, the Contract Price includes full compensation to the CONTRACTOR for all taxes. The CONTRACTOR shall pay all federal, state, and local taxes, and duties applicable to and assessable against any Work, including but not limited to retail sales and use, transportation, export, import, business, and special taxes. The CONTRACTOR shall ascertain and pay the taxes when due. The CONTRACTOR will maintain auditable records, subject to OCSD reviews, confirming that tax payments are current at all times.

EXA-7 FINAL PAYMENT

After Final Acceptance of the Work, as more particularly set forth in the General Conditions, “Final Acceptance and Final Completion”, and after Resolution of the Board authorizing final payment and satisfaction of the requirements as more particularly set forth in General Conditions – “Final Payment”, a final payment will be made as follows:

1. Prior to Final Acceptance, the CONTRACTOR shall prepare and submit an application for Final Payment to OCSD, including:

    a. The proposed total amount due the CONTRACTOR, segregated by items on the payment schedule, amendments, Change Orders, and other bases for payment;

    b. Deductions for prior progress payments;

    c. Amounts retained;

    d. A conditional waiver and release on final payment for each Subcontractor (per Civil Code Section 8136);

    e. A conditional waiver and release on final payment on behalf of the CONTRACTOR (per Civil Code Section 8136);

    f. List of Claims the CONTRACTOR intends to file at that time or a statement that no Claims will be filed,

    g. List of pending unsettled claims, stating claimed amounts, and copies of any and all complaints and/or demands for arbitration received by the CONTRACTOR; and

    h. For each and every claim that resulted in litigation or arbitration which the CONTRACTOR has settled, a conformed copy of the Request for Dismissal with prejudice or other satisfactory evidence the arbitration is resolved.

2. The application for Final Payment shall include complete and legally effective releases or waivers of liens and stop payment notices satisfactory to OCSD, arising out of or filed in connection with the Work. Prior progress payments shall be subject to correction in OCSD’s review of the application for Final Payment. Claims filed with the application for Final Payment must be otherwise timely under the Contract and applicable law.

3. Within a reasonable time, OCSD will review the CONTRACTOR’S application for Final Payment. Any recommended changes or corrections will then be forwarded to the CONTRACTOR. Within ten (10) calendar days after receipt of recommended changes from OCSD, the CONTRACTOR will make the changes, or list Claims that will be filed as a result of the changes, and shall submit the revised application for Final Payment. Upon

acceptance by OCSD, the revised application for Final Payment will become the approved application for Final Payment.

4. If no Claims have been filed with the initial or any revised application for Final Payment, and no Claims remain unsettled within thirty-five (35) calendar days after Final Acceptance of the Work by OCSD, and agreements are reached on all issues regarding the application for Final Payment, OCSD, in exchange for an executed release, satisfactory in form and substance to OCSD, will pay the entire sum found due on the approved application for Final Payment, including the amount, if any, allowed on settled Claims.

5. The release from the CONTRACTOR shall be from any and all Claims arising under the Contract, except for Claims that with the concurrence of OCSD are specifically reserved, and shall release and waive all unreserved Claims against OCSD and its officers, directors, employees and authorized representatives. The release shall be accompanied by a certification by the CONTRACTOR that:

    a. It has resolved all Subcontractors, Suppliers and other Claims that are related to the settled Claims included in the Final Payment;

    b. It has no reason to believe that any party has a valid claim against the CONTRACTOR or OCSD which has not been communicated in writing by the CONTRACTOR to OCSD as of the date of the certificate;

    c. All warranties are in full force and effect, and;

    d. The releases and the warranties shall survive Final Payment.

6. If any claims remain open, OCSD may make Final Payment subject to resolution of those claims. OCSD may withhold from the Final Payment an amount not to exceed one hundred fifty percent (150%) of the sum of the amounts of the open claims, and one hundred twenty-five percent (125%) of the amounts of open stop payment notices referred to in article entitled stop payment notices herein.

7. The CONTRACTOR shall provide an unconditional waiver and release on final payment from each Subcontractor and Supplier providing Work under the Contract (per Civil Code Section 8138) and an unconditional waiver and release on final payment on behalf of the CONTRACTOR (per Civil Code Section 8138) within thirty (30) days of receipt of Final Payment.

EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT

Notwithstanding OCSD's acceptance of the application for Final Payment and irrespective of whether it is before or after Final Payment has been made, OCSD shall not be precluded from subsequently showing that:

1. The true and correct amount payable for the Work is different from that previously accepted;

2. The previously-accepted Work did not in fact conform to the Contract requirements, or;

3. A previous payment or portion thereof for Work was improperly made.

OCSD also shall not be stopped from demanding and recovering damages from the CONTRACTOR, as appropriate, under any of the foregoing circumstances as permitted under the Contract or applicable law.

ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT

I hereby certify under penalty of perjury as follows:

That the claim for payment is in all respects true, correct; that the services mentioned herein were actually rendered and/or supplies delivered to OCSD in accordance with the Contract.

I understand that it is a violation of both the federal and California False Claims Acts to knowingly present or cause to be presented to OCSD a false claim for payment or approval.

A claim includes a demand or request for money. It is also a violation of the False Claims Acts to knowingly make use of a false record or statement to get a false claim paid. The term "knowingly" includes either actual knowledge of the information, deliberate ignorance of the truth or falsity of the information, or reckless disregard for the truth or falsity of the information. Proof of specific intent to defraud is not necessary under the False Claims Acts. I understand that the penalties under the Federal False Claims Act and State of California False Claims Act are non-exclusive, and are in addition to any other remedies which OCSD may have either under contract or law.

I hereby further certify, to the best of my knowledge and belief, that:

1. The amounts requested are only for performance in accordance with the Specifications, terms, and conditions of the Contract;

2. Payments to Subcontractors and Suppliers have been made from previous payments received under the Contract, and timely payments will be made from the proceeds of the payment covered by this certification;

3. This request for progress payments does not include any amounts which the prime CONTRACTOR intends to withhold or retain from a Subcontractor or Supplier in accordance with the terms and conditions of the subcontract; and

4. This certification is not to be construed as Final Acceptance of a Subcontractor's performance.

_____
Name

_____
Title

_____
Date

ATTACHMENT 2 – SCHEDULE OF PRICES

See next pages for Bid Submittal Forms: O'Connell Engineering & Construction, Inc.

BF-14 SCHEDULE OF PRICES, Pages 1 – 2

Bid Submitted By: O'Connell Engineering & Construction, Inc.
(Name of Firm)

BF-14 SCHEDULE OF PRICES

INSTRUCTIONS

A. General

For Unit Prices, it is understood that the following quantities are approximate only and are solely for the purpose of estimating the comparison of Bids, and that the actual value of Work will be computed based upon the actual quantities in the completed Work, whether they be more or less than those shown. CONTRACTOR's compensation for the Work under the Contract Documents will be computed based upon the lump sum amount of the Contract at time of award, plus any additional or deleted costs approved by OCSD via approved Change Orders, pursuant to the Contract Documents.

Bidder shall separately price and accurately reflect costs associated with each line item, leaving no blanks. Any and all modifications to the Bid must be initialed by an authorized representative of the Bidder in accordance with the Instructions to Bidders, Preparation of Bid.

Bidders are reminded of Instruction to Bidders, Discrepancy in Bid Items, which, in summary, provides that the total price for each item shall be based on the Unit Price listed for each item multiplied by the quantity; and the correct Total Price for each item shall be totaled to determine the Total Amount of Bid.

All applicable costs including overhead and profit shall be reflected in the respective unit costs and the TOTAL AMOUNT OF BID. The Bid price shall include all costs to complete the Work, including profit, overhead, etc., unless otherwise specified in the Contract Documents. All applicable sales taxes, state and/or federal, and any other special taxes, patent rights or royalties shall be included in the prices quoted in this Bid.

B. Basis of Award

AWARD OF THE CONTRACT WILL BE MADE ON THE BASIS OF THE LOWEST RESPONSIVE AND RESPONSIBLE BID.

Note 1: Base Bid. Includes all costs necessary to furnish all labor, materials, equipment and services for the construction of the Project per the Contract Documents.

Bid Submitted By: O'Connell Engineering & Construction, Inc.
(Name of Firm)

EXHIBIT A
SCHEDULE OF PRICES

BASE BID ITEMS (Refer to Note 1 in the Instructions):

Item No.	Description	Unit of Measurement	Extended Price
1.	Mobilization, initial progress payment for all fees, labor, materials and equipment required for mobilization, staging area, surety bonds, and other activities in accordance with Specifications Section 01155 Measurement and Payment and in conformance with the Contract Documents, for the lump sump amount of ...	Lump Sum	$ 35,000.00
2.	Furnish all labor, materials and equipment necessary for the completion of the Contract Work, except for the Work specified for Bid Item 1 in accordance with Specifications Section 01155 Measurement and Payment and in conformance with the Contract Documents, for a lump sump price of...	Lump Sum	$ 639,800.00

TOTAL AMOUNT OF BID (BASIS OF AWARD) $ 674,800.00

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

File #: 2020-1107 **Agenda Date:** 6/24/2020 **Agenda Item No:** 8.

FROM: James D. Herberg, General Manager
Originator: Kathy Millea, Director of Engineering

SUBJECT:

HEADQUARTERS COMPLEX SITE PREPARATION, PROJECT NO. P1-128C

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

A. Consider the Fountain Valley Crossings Specific Plan Program Environmental Impact Report (State Clearinghouse No. 2015101042) that evaluated the total buildout of the Specific Plan area with a goal of revitalizing the existing light industrial use;

B. Consider, receive, and file the Initial Study/Addendum for the Administrative Headquarters Building, Project for P1-128, dated December 2019 to the City of Fountain Valley's Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan to demolish five warehouse buildings, construct and operate an administrative headquarters building, pedestrian bridge, signage, landscaping, lighting, and surface parking lot in the City of Fountain Valley;

C. Receive and file Bid Tabulation and Recommendation for Headquarters Complex Site Preparation, Project No. P1-128C;

D. Accept the formal bid withdrawal request received on March 13, 2020 from the initial lowest bidder, Interior Demolition, Inc.;

E. Reject the bid from the second apparent low bidder AMPCO North, Inc. as non-responsive;

F. Award a Demolition Contract to Resource Environmental, Inc. for Headquarters Complex Site Preparation, Project No. P1-128C, for a total amount not to exceed $1,555,000; and

G. Approve a contingency of $155,500 (10%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) is replacing the existing Administration Building and other buildings at Plant No. 1 with a new Headquarters complex north of Ellis Avenue across from Plant No. 1.

RELEVANT STANDARDS

- Comply with California Public Contract Code Section 20103.8, award a construction contract to lowest responsive, responsible bidder.

PROBLEM

Existing buildings on the site north of Ellis Avenue need to be demolished for construction of the Headquarters Complex. The main construction project will take longer to complete if these buildings are not demolished in advance.

PROPOSED SOLUTION

Award a separate demolition contract in advance of the main construction contract for the Headquarters Complex. This contract will demolish four of the five buildings on the site. The fifth building is currently occupied by a tenant and does not need to be demolished until near the end of the main construction project.

TIMING CONCERNS

Delaying the demolition of these buildings might delay construction of the Headquarters Complex.

RAMIFICATIONS OF NOT TAKING ACTION

If the demolition is not completed in advance under a separate contract, the overall completion of the Headquarters Complex will be delayed by requiring the future Headquarters Complex construction contractor to perform the demolition.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The Sanitation District advertised Project No. P1-128C for bids on January 30, 2020 and six sealed bids were received on March 10, 2020. A summary of the bid opening follows:

Engineer's Estimate	$ 2,475,000
Bidder	Amount of Bid
Interior Demolition, Inc.	$ 800,000
AMPCO North, Inc.	$ 1,094,000
Resource Environmental, Inc.	$ 1,555,000
GGG Demolition, Inc.	$ 1,725,000
American Wrecking, Inc.	$ 1,727,000
Nationwide Contracting Services, Inc., dba Nationwide General Construction Services	$ 3,119,306

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Consistent with the requirements of Public Contract Code Section 5100 et seq., the apparent low Bidder, Interior Demolition, Inc. (Interior Demolition), informed Sanitation District staff that it had discovered a mathematical clerical error in its bid, that the error affected its final bid price, that it could not absorb the cost of the error, and that it wished to withdraw its bid. Staff recommends accepting Interior Demolition's bid withdrawal request.

Sanitation District staff evaluated the second low Bidder, AMPCO North, Inc. (AMPCO), and determined that its accident frequency factor was above the Sanitation District's required limit of 1.25 or below. Sanitation District staff informed AMPCO of its findings through the clarification process and set the deadline for its response. AMPCO did not respond by the deadline. Therefore, staff recommends rejecting AMPCO's bid as non-responsive.

Staff evaluated the third low bidder, Resource Environmental, Inc., and determined the bid to be responsive and responsible. Staff reviewed the Engineer's Estimate to determine the discrepancy with the low bid. It was determined that the Engineer's Estimate included conservative assumptions regarding the removal of waste materials. As the contract requires a 75% recycling of waste generated, this cost can vary greatly depending on the current market and the capability of the Contractor to resell their waste materials. Considering that there are several bids within the same range of the lowest responsive, responsible bidder, staff believes that the bid is valid.

The bids were evaluated in accordance with the Sanitation District's policies and procedures. A notice was sent to all bidders on May 5, 2020 informing them of the intent of Sanitation District staff to recommend award of the Demolition Contract to Resource Environmental, Inc.

Staff recommends awarding a Demolition Contract to the lowest responsive, responsible bidder, Resource Environmental, Inc., for a total amount not to exceed $1,555,000.

CEQA

On January 23, 2018, the City of Fountain Valley certified the Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan (State Clearinghouse No. 2015101042) that evaluated the total buildout of the Specific Plan area with a goal of revitalizing the existing light industrial use.

Following that, the Sanitation District prepared an Initial Study/Addendum for the Administrative Headquarters Building, Project No. P1-128, dated December 2019, to the City's Program Environmental Impact Report. The addendum concluded that no further environmental review was required. (Public Resources Code Section 21166; CEQA Guidelines Sections 15162 and 15164.)

A Notice of Determination will be filed with the Orange County Clerk-Recorder after the Sanitation District Board approval of the construction contract for the Headquarters Complex Site Preparation, Project No. P1-128C.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (FY 2019-20 Budget Update, Appendix A, Page A-8, Headquarters

Complex, Project No. P1-128) and the budget is sufficient for this action.

ATTACHMENT

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

- Initial Study/Addendum to the Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan, dated December 2019
- City of Fountain Valley's Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan. Document may be found at the following link: <https://www.fountainvalley.org/1278/Fountain-Valley-Crossings>
- P1-128C Construction Contract

TG:dm:gc

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INITIAL STUDY/ADDENDUM

ADMINISTRATIVE HEADQUARTERS BUILDING PROJECT

PROJECT NO. P1-128

Prepared for:

Orange County Sanitation District
Sanitation District Plant No. 1
10844 Ellis Avenue
Fountain Valley, CA 92708

Prepared by:

LSA
20 Executive Park, Suite 200
Irvine, CA 92614
(949) 553-0666

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APPENDICES

A: CalEEMod Output Sheets
B: Summary of Mitigation Measures

LIST OF ACRONYMS AND ABBREVIATIONS

AASHTO	American Association of State Highway and Transportation Officials
AAQS	ambient air quality standard
AB	Assembly Bill
acre-ft/yr	acre-feet per year
ACM	asbestos-containing material
AELUP	Airport Environs Land Use Plan
AFIP	Administrative Facilities Implementation Plan
APN	Assessor's Parcel Number
AQMP	air quality management plan
BMPs	Best Management Practices
Cal/OSHA	California Occupational Safety and Health Administration
CalEEMod	California Emission Estimator Model
CalGreen	California Green Building Standards Code
California Register	California Register of Historical Resources
CalRecycle	California Department of Resources Recycling and Recovery
Caltrans	California Department of Transportation
CARB	California Air Resources Board
CBC	California Building Code
CCR	California Code of Regulations
CDFW	California Department of Fish and Wildlife
CEQA	California Environmental Quality Act
CH_4	methane
Channel	Fountain Valley Channel
CHRIS	California Historical Resources Information System
City	City of Fountain Valley
CMA	Congestion Management Agency
CMP	Congestion Management Program
CO	carbon monoxide
CO_2	carbon dioxide

CO_2e	carbon dioxide equivalent
County	County of Orange
CREC	controlled recognized environmental condition
dB	decibel
dBA	A-weighted decibel
DOC	Department of Conservation
EIR	Environmental Impact Report
EPA	United States Environmental Protection Agency
ESA	Environmental Site Assessment
FIRM	Flood Insurance Rate Map
ft	foot/feet
FVCSP	Fountain Valley Crossings Specific Plan, or Specific Plan
FVFD	Fountain Valley Fire Department
FVPD	Fountain Valley Police Department
FVSD	Fountain Valley School District
GAP	Green Acres Project
GHG	greenhouse gas
gpd	gallons per day
GWh	gigawatt hour
HBM	hazardous building materials
HBUHSD	Huntington Beach Union High School District
HCP	Habitat Conservation Plan
HCP	Habitat Conservation Plan
HFCs	hydrofluorocarbons
HREC	historical recognized environmental condition
HRI	Historical Resources Inventory
HVAC	heating, ventilation, and air conditioning
I-405	Interstate 405
LBP	lead-based paint
lbs	pounds
LEED	(United States Green Building Council) Leadership in Energy and

	Environmental Design
L_{eq}	equivalent continuous sound level
LID	Low Impact Development
LOS	level-of-service
MBTA	Migratory Bird Treaty Act
MM	Mitigation Measure
MRF	Materials Recovery Facility
MRZ	Mineral Resource Zones
MWD	Metropolitan Water District of Southern California
MWDOC	Municipal Water District of Orange County
NAHC	Native American Heritage Commission
National Register	National Register of Historic Places
NCCP	Natural Community Conservation Plan
NO_X	nitrogen oxides
NPDES	National Pollutant Discharge Elimination System
O_3	ozone
OCPL	Orange County Public Libraries
OCSD	Orange County Sanitation District
OCTA	Orange County Transportation Authority
OCWD	Orange County Water District
OHP	Office of Historic Preservation
Pb	lead
PCBs	polychlorinated biphenyls
PFCs	perfluorocarbons
Phase I ESA	Phase I Environmental Site Assessment Phase I Environmental Site Assessment Phase I Environmental Site Assessment
Plant No. 1	OCSD's Reclamation Plant No. 1
PM_{10}	particulate matter
$PM_{2.5}$	fine particulate matter
PRC	Public Resources Code
Project	Administrative Headquarters Building Project, Project No. P1-128

REC	recognized environmental condition
ROG	reactive organic gases
RTP/SCS	Regional Transportation Plan/Sustainable Communities Strategy
RWQCB	Regional Water Quality Control Board
SB	Senate Bill
SC	Standard Condition
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCCIC	South Central Coastal Information Center
SCE	Southern California Edison
SCG	Southern California Gas Company
sf	square foot/square feet
SF6	sulfur hexafluoride
SH	Seismic Hazard
SO_2	sulfur dioxide
SP	Specific Plan
Specific Plan	Fountain Valley Crossings Specific Plan, or FVCSP
Specific Plan EIR	Specific Plan Environmental Impact Report
SWP	Colorado River and State Water Project
SWPPP	Storm Water Pollution Prevention Plan
TAC	toxic air contaminant
TDM	Transportation Demand Management
thm	therms
TIA	Transportation Impact Analysis
tpd	tons per day
USFWS	United States Fish and Wildlife Service
VMT	vehicle miles traveled
VOC	volatile organic compounds
Working Group	GHG CEQA Significance Threshold Stakeholder Working Group
WQMP	Water Quality Management Plan

1.0 INTRODUCTION

1.1 BACKGROUND

The Orange County Sanitation District (OCSD) provides wastewater collection and treatment for 2.5 million residents in Orange County, California. The administrative, engineering, and laboratory functions for OCSD are located at OCSD's Reclamation Plant No. 1 (Plant No. 1) in the City of Fountain Valley (City). In addition, there is staff housed in aging office trailers throughout Plant No. 1.

In 2013, OCSD commissioned an Administrative Facilities Master Plan to provide management and the OCSD Board of Directors with the necessary information to make policy decisions regarding the administrative infrastructure facilities at Plant No. 1. OCSD later prepared an Administrative Facilities Implementation Plan (AFIP) to describe an organized program to replace the aging on-site buildings. Following preparation of the AFIP, OCSD prepared an Alternate Site Evaluation and developed four alternate site plan options showing building footprints, parking, and access, etc., for the administration building and laboratory. Based on the evaluation, OCSD selected the Southwest Plant Alternative as the preferred alternative for evaluation under the California Environmental Quality Act (CEQA).

Around the time the CEQA evaluation was to begin, OCSD also began to evaluate the possibility of locating the administrative and laboratory facilities at an off-site location. Several locations were evaluated but were found to be infeasible, or OCSD was unable to acquire the property in question. From 2017 to 2018, OCSD acquired approximately 5.2 acres north of Plant No. 1 on Ellis Avenue between Pacific Street and Bandilier Circle and re-initiated the CEQA process to evaluate the potential effects of the Administrative Headquarters Building Project, known as Project No. P1-128 (Project). The approximately 5.2-acre site north of Plant No. 1 on Ellis Avenue is herein referred to as the Project site. Due to the size of the Project site, the proposed Project only includes construction and operation of an administration building and surface parking lot. No laboratory building is proposed.

On January 23, 2018, the City of Fountain Valley adopted a Specific Plan for the Fountain Valley Crossings, a 162-acre office and industrial center located within the City. The purpose of the Specific Plan is to provide a policy and zoning framework to allow for additional land uses in the Specific Plan area. The Project site is located within the Fountain Valley Crossings Specific Plan (Specific Plan) area. This Initial Study/Addendum has been prepared to analyze the environmental effects, if any, of implementing the proposed Project within the Specific Plan area.

In accordance with *State CEQA Guidelines* Section 15051(a), OCSD is the appropriate Lead Agency for this Project as it is the public agency that will be directly implementing the Project (developing plans, paying construction, and acquiring property, etc.), even though the Project will be located within the jurisdiction of another agency (the City of Fountain Valley).

1.2 PREVIOUS ENVIRONMENTAL DOCUMENTATION

The City circulated an Initial Study/Notice of Preparation for preparation of a Program Environmental Impact Report (EIR) for the Specific Plan on October 15, 2015, for a 30-day public comment period. The City held a public Scoping Hearing on October 28, 2015, and public comments were received until November 16, 2015.

The Draft EIR for the Fountain Valley Crossings Specific Plan (State Clearinghouse No. 2015101042) was circulated for an extended 47-day public review period from January 6, 2017, to February 22, 2017. The City held a Public Hearing for the Draft EIR on January 25, 2017, to provide the public with an opportunity to provide comments on the Specific Plan and the Draft EIR.

Following release of the Draft EIR and closure of the public review period in February 2017, the City prepared and released for public review the pre-recirculation Final EIR on April 27, 2017. The City Planning Commission held a public hearing on May 10, 2017, to provide Specific Plan adoption recommendations to the City Council. The City scheduled a City Council public hearing for the Specific Plan and the Draft EIR on June 20, 2017; however, following receipt of public comments and staff's recommendations, the City directed staff to recirculate the Draft EIR to address public comments and make other clarifying revisions. The Partial Recirculated Draft EIR consisted of only the portions of the EIR that were modified. Specifically, Partial Recirculated Draft EIR sections that were revised include the cumulative impact analysis, the revised Transportation Impact Analysis, and a new section to address Tribal Cultural Resources, as well as sections that were revised to provide clarity.

The Partial Recirculated Draft EIR was circulated to the public for a 45-day public review and comment period pursuant to *State CEQA Guidelines* Section 15088.5(c) from October 6, 2017, to November 20, 2017. The Specific Plan and Revised Final EIR were adopted by the City Council on January 23, 2018.

For purposes of this Initial Study/Addendum, the Initial Study, Draft EIR, Final EIR, Recirculated Draft EIR, and Revised Final EIR for the Specific Plan are referred to as the Specific Plan EIR. The Final Specific Plan EIR (January 2018) is herein incorporated by reference.

1.3 PURPOSE OF THE ADDENDUM TO THE SPECIFIC PLAN EIR

This Initial Study/Addendum provides the basis for preparing an Addendum to the Specific Plan EIR for the Fountain Valley Crossings Final EIR and serves as the CEQA documentation for the following:

- Demolition of the five existing industrial warehouse buildings;
- Construction and operation of an approximately 109,914 square-foot (sf) three-story administration building;
- Construction and operation of a surface parking lot with 262 spaces;

- Construction and operation of an approximately 128-foot (ft) -long pedestrian bridge connecting the Project site to the existing Plant No. 1 site; and
- Installation of landscaping, signage, and security lighting.

This Initial Study/Addendum has been prepared pursuant to the provisions of CEQA (Public Resources Code Sections 21000 et seq.) and the *State CEQA Guidelines*.

1.4 ENVIRONMENTAL PROCEDURES

A Program EIR is prepared for a project consisting of a series of actions that can be characterized as one large project and that are related either geographically; as logical parts in the chain of contemplated actions; in connection with the general criteria to govern the conduct of a continuing program; or as individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways (*State CEQA Guidelines* Section 15168). Once a Program EIR has been prepared, subsequent activities within the program are evaluated to determine whether additional CEQA analysis is needed. These subsequent activities could be found to be within the Program EIR scope, and additional environmental documents may not be required if the Program EIR adequately addressed impacts of the subsequent activity (*State CEQA Guidelines* Section 15168[c]). When a Program EIR is relied upon for a subsequent activity, the Lead Agency incorporates applicable mitigation measures and alternatives developed in the Program EIR into the subsequent activities (*State CEQA Guidelines* Section 15168 [c] [3]). If a subsequent activity would have effects that are not identified in the Program EIR, the Lead Agency would prepare additional environmental review documentation, as applicable.

The Specific Plan EIR is a Program EIR that addresses the total build out of the Specific Plan area with a goal of revitalizing the existing light industrial uses. The environmental analysis provided in the Specific Plan EIR provides sufficient analysis in compliance with the requirements of CEQA to enable decision-makers to approve subsequent projects proposed in the Specific Plan area, that are consistent with the Specific Plan, without subsequent environmental review. However, if any substantial changes to the development parameters (e.g., building envelope, height, or use, etc.) analyzed in the Specific Plan EIR are later revised, subsequent environmental review would be required prior to approval.

Pursuant to CEQA, the *State CEQA Guidelines*, and the local CEQA guidelines, this Initial Study/ Addendum focuses on demolition of the five existing industrial warehouse buildings and the construction and operation of the new Administration Headquarters building on the Project site, and whether the proposed Project would result in new significant impacts or a substantial increase in previously identified significant impacts.

Pursuant to Sections 15162 and 15168(c) of the *State CEQA Guidelines*, when an EIR has been certified for a project, no subsequent EIR shall be prepared for the Project unless the lead agency determines, on the basis of substantial evidence, that one or more of the following conditions are met:

(1) Substantial changes are proposed in the Project that will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the Project is undertaken that will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, suggests any of the following:

a) The Project would have one or more significant effects not discussed in the previous EIR.

b) Significant effects previously examined would be substantially more severe than identified in the previous EIR.

c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives.

d) Mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

Section 15164(a) of the *State CEQA Guidelines* provides that an Addendum to an EIR shall be prepared "if some changes or additions are necessary, but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred." This Initial Study/ Addendum reviews the proposed Project and any changes to the existing conditions that have occurred since the Specific Plan EIR was certified by the City of Fountain Valley. It also reviews any new information of substantial importance that was not known and could not have been known with exercise of reasonable diligence at the time that the Specific Plan EIR was certified. It further examines whether, as a result of any changes or any new information, a subsequent or supplemental EIR may be required. This examination includes an analysis of the provisions of Section 21166 of the Public Resources Code and Section 15162 of the *State CEQA Guidelines* and their applicability to the proposed Project. This Initial Study/Addendum relies on the Analysis of Environmental Impacts (Section 4), which addresses environmental checklist issues on a section-by-section basis.

The Environmental Checklist Form has been prepared pursuant to Section 15168(c)(4) of CEQA, which states that "where the subsequent activities involve site specific operations, the agency should use a written checklist or similar device to document the evaluation of the site and the

activity to determine whether the environmental effects of the operation were covered in the program EIR."

The proposed Project is within the scope of the Specific Plan EIR. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – Fountain Valley Crossings Specific Plan (FVCSP) Mixed Industry District. The proposed administrative uses are consistent with the commercial manufacturing designation, which allows for office (administrative, business, and professional) uses. (*State CEQA Guidelines* Sections 15168(c)(2).) The Specific Plan anticipated, and the Specific Plan EIR evaluated, the potential net increase of 811,408 sf for the office uses within the Specific Plan area. The proposed Project, at 109,914 sf, is thus consistent with the build out of new office uses projected in the Specific Plan. Build out of the Specific Plan would result in an increase in population associated with approximately 2,063 new employees, 1,444 new residents, and customers of commercial and retail businesses. Build out of the Specific Plan would increase the density of commercial uses and introduce new residential uses, thereby increasing the total population of the Specific Plan area. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. Thus, the Project would be consistent with population growth projected in the Specific Plan. (*Id.*) In addition, the proposed Project site is within the geographic area analyzed in the Specific Plan EIR. (*Id.*) As a result, the proposed Project is within the scope of the Specific Plan EIR. As evidenced in this document, the Orange County Sanitation District (OCSD), the Lead Agency, determined that an Addendum to the previously approved Specific Plan EIR is appropriate.

1.5 CONCLUSIONS

This Initial Study/Addendum addresses the environmental effects associated with the demolition of the existing industrial warehouse buildings and construction and operation of the new Administration Headquarters building that has been proposed within the Specific Plan area. The proposed Project would not create new significant impacts related to any of the environmental topics discussed below or a substantial increase in the severity of significant effects previously studied and disclosed in the Specific Plan EIR. The conclusions of the analysis in this Initial Study/ Addendum are not substantially different from those identified in the Specific Plan EIR. In addition, no new mitigation measures that would reduce impacts have been found to be feasible, and mitigation measures or alternatives previously found not to be feasible would remain infeasible. Appendix B provides a summary of mitigation measures from the Specific Plan EIR that are applicable and included in this Initial Study/Addendum.

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2.0 PROJECT DESCRIPTION

2.1 PROJECT OVERVIEW

Orange County Sanitation District (OCSD) Reclamation Plant No. 1 (Plant No. 1) is a 114-acre facility that treats approximately 130 million gallons of wastewater per day. OCSD's administrative, engineering, and laboratory facilities are located primarily at Plant No. 1. In addition, there is staff housed in aging office trailers throughout Plant No. 1. OCSD has decided the most cost-effective solution is to construct new buildings to serve administrative and engineering functions. As such, the proposed Administrative Headquarters Building Project, Project No. P1-128 (Project) would construct a new headquarters building on an approximately 5.2-acre site north of Ellis Avenue (Project site).

2.2 PROJECT LOCATION

2.2.1 Regional Setting

The Project site is located in Fountain Valley in the northwestern portion of Orange County (refer to Figure 1, Project Location). Fountain Valley encompasses approximately nine square miles and is bounded by Westminster and Garden Grove to the north, Santa Ana to the northeast, Costa Mesa to the southeast, and Huntington Beach to the southwest. As shown on Figure 1, Interstate 405 (I-405) provides regional access to the Project site.

The approximately 5.2-acre Project site is located north of OCSD's Plant No. 1 on Assessor's Parcel Numbers (APNs) 156-163-06, -08, -09, -10, and -11.

2.2.2 Surrounding Land Uses

The Project site is bordered by industrial uses to the north, Pacific Street to the east, industrial uses and Bandilier Circle to the west, and Ellis Avenue and OCSD's Plant No. 1 to the south.

The Project site and the adjacent properties are characterized by 1970s concrete tilt-up buildings that are occupied by a variety of light industrial (e.g., warehousing), retail, and office uses. Many of these buildings were constructed pursuant to Fountain Valley's former Industrial Redevelopment Plan Area. I-405 is 414 ft north of the Project site. The Santa Ana River Trail and Channel are located approximately 0.2 mile east of the Project site.

2.2.3 Existing Site Conditions and Land Use Designations

The Project site is flat and is currently developed with five industrial warehouse buildings (totaling approximately 114,744 square feet [sf]) and associated surface parking lots (refer to Figure 2, Project Site). Landscaping on the Project site is comprised of several mature trees, shrubs, and small grassy areas around the perimeter of the site.

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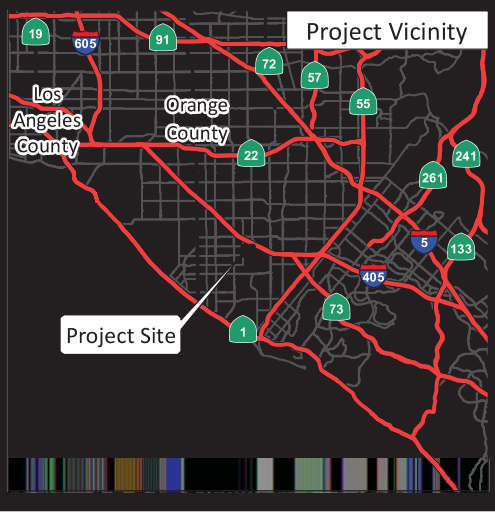

LSA

LEGEND

Project Site

Existing Orange County Sanitation District Plant No. 1

FIGURE 1

N

0 750 1500

FEET

SOURCE: Bing Maps (2015)

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Orange County Sanitation District
Headquarters Complex Project

Project Location

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LSA

LEGEND

Project Site

FIGURE 2

N

0 62.5 125

FEET

SOURCE: Bing Maps (2015)

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Orange County Sanitation District
Headquarters Complex Project

Project Site

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The Project site is in the Fountain Valley Crossings Specific Plan area, which the City of Fountain Valley adopted on January 23, 2018. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District. The proposed administrative uses are consistent with the commercial manufacturing designation, which allows for office (administrative, business, and professional) uses. Additionally, the Project would be consistent with the zoning because it would be consistent with development standards required by the Specific Plan.

2.3 PROPOSED PROJECT

2.3.1 Project Characteristics

The proposed Project is a plan to construct a new administration building on the Project site north of Ellis Avenue and to relocate the existing administrative uses from Plant No. 1 to the Project site.

The Project includes demolition of five industrial warehouse buildings on the Project site. As shown on Figure 3, Conceptual Site Plan, the following facilities would be constructed on the Project site:

- An approximately 109,914 sf three-story administration building;
- A surface parking lot with 262 spaces;
- An approximately 128 ft long pedestrian bridge constructed across Ellis Avenue to connect Plant No. 1 with the new Administration Headquarters complex on the Project site; and
- Landscaping, signage, and security lighting.

Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. In addition, other than the relocation of staff/uses from the existing administration building, no changes to operations are proposed at Plant No. 1.

2.3.2 Administrative Building

The proposed three-story administration building would be approximately 109,914 sf and would include a lobby, a boardroom/multipurpose room, a public exhibit displaying the history and values of OCSD for use during public tours and events, and administrative offices for OCSD staff. The administration building would operate during OCSD's normal business hours, which are Monday through Friday from 8 a.m. to 6 p.m. Limited monthly events would occur on some evenings, including meetings of OCSD's Board of Directors.

The new building would provide modern, state-of-the-art space that would consolidate OCSD business operations, providing a collaborative, sustainable, and flexible work environment. The new building would replace a combination of outdated, non-compliant buildings and trailers located at Plant No. 1. The building will be designed to achieve United States Green Building Council Leadership in Energy and Environmental Design (LEED) Platinum Certification.

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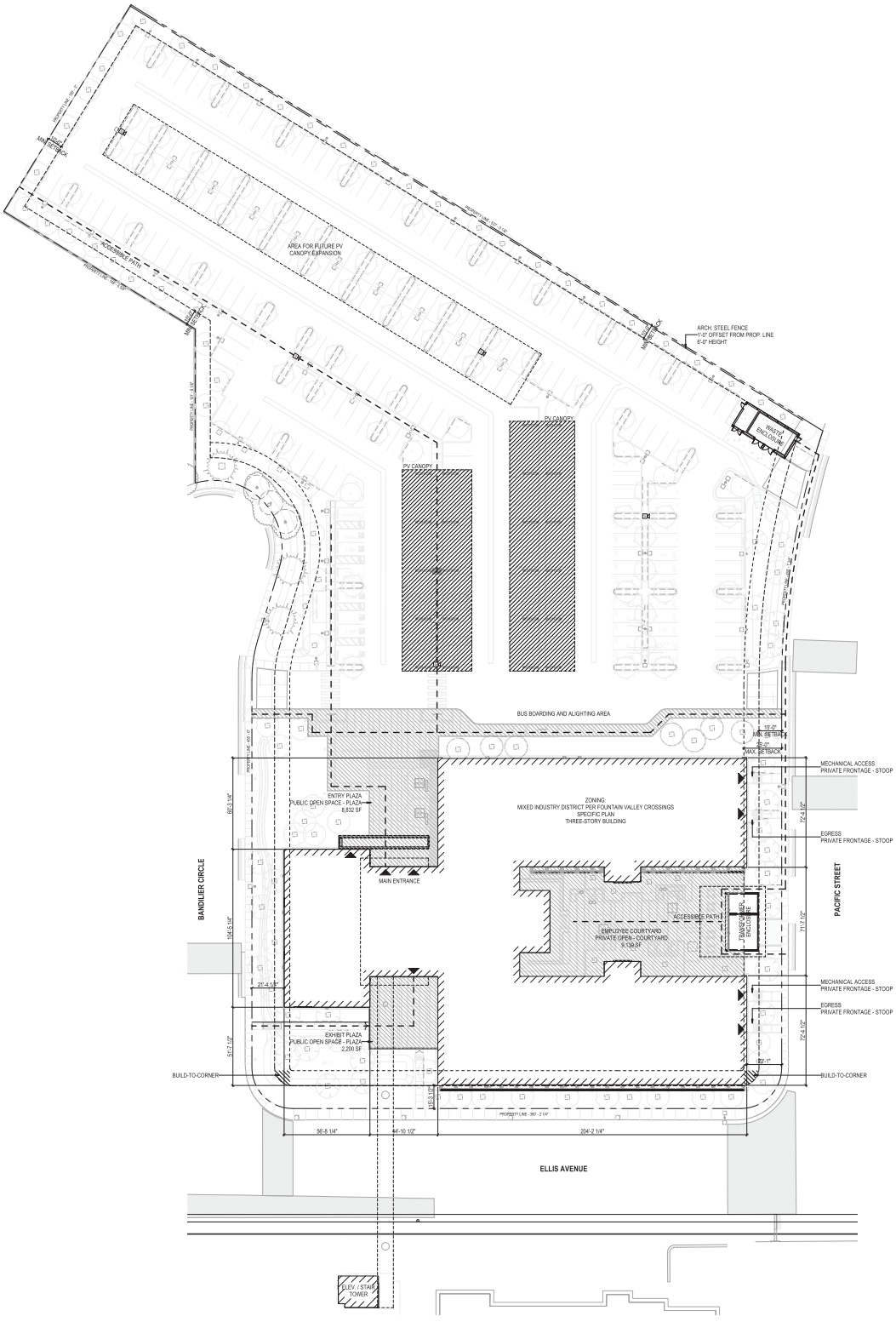

LSA

FIGURE 3

N

0 60 120

FEET

SOURCE: EPT Design

Orange County Sanitation District
Headquarters Complex Project
Conceptual Site Plan

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The Project would also include a public entrance plaza, an exhibit plaza, and a private landscaped employee courtyard.

2.3.3 Pedestrian Bridge

An approximately 128 ft long pedestrian bridge would be constructed across Ellis Avenue to connect Plant No. 1 with the new Administration Headquarters complex on the Project site. The pedestrian bridge is designed to reflect the character of the new administration building. The bridge would consist of two painted exposed Warren steel trusses spanning Ellis Avenue with a concrete metal deck floor and a metal roof. The bridge would be unconditioned and open to the air, as well as enclosed with stainless steel cable mesh for protection from any potential falls.

The tallest point of the bridge structure would be a maximum of 30 ft above grade. The lowest point of the bridge structure would be a minimum of 19 ft above grade in accordance with the American Association of State Highway and Transportation Officials' (AASHTO) standards requiring a minimum of 18.5 ft between pedestrian bridges and the roadway. The bridge would be supported by reinforced concrete columns located outside of the public right-of-way on each side of Ellis Avenue. The bridge would connect to the second-floor level of the new administration building on the north side of Ellis Avenue and then connect to an elevator tower inside the secure perimeter of Plant No. 1. Security lighting would be included within the bridge enclosure.

2.3.4 Parking

The proposed Project would include 262 parking spaces within the surface parking lot. While a majority of parking spaces would be uncovered, some would be covered with overhead canopies featuring photovoltaic panels. Table A shows the type and number of parking spaces proposed by the Project.

Table A: Proposed Parking

Type of Parking Space	Number of Spaces
Uncovered Parking	
Standard	186
ADA-Accessible	5
Van-Accessible ADA	1
Electric Charging	7
ADA-Accessible Charging	1
Van-Accessible Charging	1
Clean Air/Van Pool/Electric Vehicle	11
Covered Parking	
Standard	27
ADA-Accessible	4
Van-Accessible ADA	1
Electric Charging	5
ADA-Accessible Charging	1
Van-Accessible Charging	1
Clean Air/Van Pool/Electric Vehicle	11
Total Parking	**262**

ADA = Americans with Disabilities Act

The development standards outlined in the Specific Plan require 3.5 parking spaces per 1,000 sf of building area. As such, the proposed 262 parking spaces are non-compliant with the 365 parking spaces required by the Specific Plan, and a variance will be requested to account for the reduction in parking. The Project would also provide 3 motorcycle spaces (1 uncovered and 2 covered) and 13 bicycle parking spaces (all uncovered).

2.3.5 Landscaping

A total of 60,120 sf of landscaping is proposed throughout the Project site. Approximately 187 trees would be planted as part of Project implementation. Trees would be comprised of a variety of 24-, 36-, 48-, and 72-inch box sizes and would include lemon scented gum (*Eucalypts citriodora*), African sumac (*Laurus nobilis* and *Rhus lancea*), blue palo verde (*Parkinsonia x, Desert Museum*), Torrey pine (*Pinus torreyana*), and Southern live oak (*Quercus virginiana*). A variety of shrubs, vines, and groundcover would also be planted throughout the Project site.

2.3.6 Construction Schedule

Construction is anticipated to begin in January 2021 and be completed in May 2023.

2.4 PERMITS AND APPROVALS

Public agencies may use this Initial Study/Addendum as the basis for their decisions to issue discretionary approvals and/or permits for the proposed Project. Table B, Permits and Approvals Needed, below, provides a list of entitlements and permits that could be required for the proposed Project.

Table B: Permits and Approvals Needed

Agency Name	Permit or Approval
Orange County Sanitation District (OCSD)	Approval of the Initial Study/Addendum Approval of the Site Plan Issuance of Construction Bid Package
City of Fountain Valley	Approval of Traffic Control Plan Issuance of Demolition and Building Permits Approval of Entitlement Applications, including Development Plan Review No. 1, Variance No. 332, and Lot Line Adjustment No 19-01 Variance No. 332 would include the following: • Variance 1 – Frontage Coverage (Pacific Street) • Variance 2 – Frontage Coverage (Bandilier Circle) • Variance 3 – Build-to-Corner (Ellis Avenue/Bandilier Circle) • Variance 4 – Parking Count • Variance 5 – Curb Cuts & Driveways (Pacific Street) • Variance 6 – Street Façade Composition deviation of 5.5 percent (Bandilier Circle) • Variance 7 – Building Length deviation of 2.1 percent (Ellis Avenue)

The following Santa Ana Regional Water Quality Control Board (RWQCB) permits would also be required for approval of the Project; however, they are not considered discretionary approvals.

- National Pollutant Discharge Elimination System (NPDES) Construction General Permit
- NPDES Dewatering Permit (if groundwater dewatering during construction is required)

2.5 AGENCY CONSULTATION AND COORDINATION

The City of Fountain Valley, listed in Table B, would require OCSD to obtain approvals for the proposed Project and is considered a "Responsible Agency" under *State CEQA Guidelines* Section 15381. Only agencies with discretionary approval power over the project are considered responsible agencies. Coordination with the City of Fountain Valley and other agencies may be required to determine the specific nature of any future permits or approvals.

During the development of the Project plans, OCSD formally consulted with the City of Fountain Valley to obtain its input as a responsible agency and to determine that an Addendum is the appropriate documentation required for this Project (Public Resources Code Section 21080.3[a]). In addition, this Initial Study/Addendum is intended to provide the City of Fountain Valley with information to inform the discretionary approvals process.

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3.0 ENVIRONMENTAL CHECKLIST

3.1 PROJECT DESCRIPTION AND BACKGROUND

3.1.1 Project Title

Administrative Headquarters Building Project, Project No. P1-128

3.1.2 Lead Agency Name and Address

Orange County Sanitation District (OCSD)
Sanitation District Plant No. 1
10844 Ellis Avenue
Fountain Valley, CA 92708

3.1.3 Contact Person and Phone Number

Kevin Hadden, (714) 593-7462

3.1.4 Project Location

The Administrative Headquarters Building Project, Project No. P1-128 (Project) site is located at Bandilier Court/Ellis Avenue/Pacific Street in Fountain Valley, Orange County, California.

3.1.5 Project Sponsor's Name and Address

Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley, CA 92708

3.1.6 General Plan Designation

The Project site is designated "Industrial – Commercial Manufacturing."

3.1.7 Zoning

The Project site is zoned "Specific Plan (SP) – FVCSP Mixed Industry District."

3.1.8 Specific Plan District

The Project site is located within a mixed industry district within the Fountain Valley Crossings Specific Plan area.

3.1.9 Description of Project

The proposed Project includes demolition of the five existing industrial warehouse buildings and construction and operation of a new Administration Headquarters building on the Project site. The proposed Project would include the construction and operation of a three-story, 109,914 sf administration building, and a surface parking lot with 262 parking spaces on the Project site. Landscaping and security lighting would be installed along the perimeter of the building.

An approximately 128 ft long pedestrian overcrossing would also be constructed across Ellis Avenue to connect Plant No. 1 with the new Administration Headquarters building on the Project site.

3.1.10 Surrounding Land Uses and Setting

A mix of light industrial (e.g., warehousing), retail, and office uses make up the general character of the area around the Project site.

3.1.11 Other Public Agencies Whose Approval is Required

OCSD may be required to obtain approval or permits from the Santa Ana Regional Water Quality Control Board (RWQCB) and the City. Refer to Table B.

3.1.12 Have California Native American tribes traditionally and culturally affiliated with the Project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, has consultation begun?

In accordance with Assembly Bill 52 (AB 52), letters were distributed on September 28, 2017, to the Gabrieleño Band of Mission Indians – Kizh Nation, the Juaneño Band of Mission Indians/Acjachemen Nation, and the San Gabriel Band of Mission Indians notifying each tribe of the opportunity to consult with OCSD regarding the proposed Project. No responses or requests for consultation have been received from the Juaneño Band of Mission Indians/Acjachemen Nation or the San Gabriel Band of Mission Indians. On October 5, 2017, Andrew Salas, Chairman of the Gabrieleño Band of Mission Indians – Kizh Nation, requested to be consulted on the Project. OCSD responded to the request via email on October 5, 2017, and October 24, 2017, to arrange a meeting with the tribe, to which Mr. Salas has not responded. OCSD will continue the consultation process with the Gabrieleño Band of Mission Indians – Kizh Nation during the California Environmental Quality Act (CEQA) process.

3.2 ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would result in a substantial change from the previous analysis in the Specific Plan EIR as indicated by the checklist on the following pages. Please see the Analysis of Environmental Impacts in Section 4.0 for additional information. No environmental factors listed below would result in a substantial change from the previous analysis contained in the Specific Plan EIR.

☐	Aesthetics	☐	Agriculture and Forestry	☐	Air Quality
☐	Biological Resources	☐	Cultural Resources	☐	Energy
☐	Geology and Soils	☐	Greenhouse Gas Emissions	☐	Hazards and Hazardous Materials
☐	Hydrology and Water Quality	☐	Land Use/Planning	☐	Mineral Resources
☐	Noise	☐	Population/Housing	☐	Public Services
☐	Recreation	☐	Transportation/Traffic	☐	Tribal Cultural Resources
☐	Utilities and Service Systems	☐	Findings of Mandatory Significance		

3.3 DETERMINATION

On the basis of this initial evaluation:

☐	I find that the proposed Project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
☐	I find that although the proposed Project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the Project have been made by or agreed to by the Project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
☐	I find that the proposed Project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
☐	I find that the proposed Project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
☒	I find that although the proposed Project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed Project, nothing further is required.

Signature	Orange County Sanitation District **Agency**
Printed Name/Title	**Date**

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4.0 ANALYSIS OF ENVIRONMENTAL IMPACTS

This following environmental analysis evaluates the proposed Administrative Headquarters Building Project, Project No. P1-128 (Project) as compared to the analysis of environmental impacts in the certified Fountain Valley Crossings Specific Plan EIR (Specific Plan EIR). The Checklist takes into consideration the preparation of the previous environmental document and the changes in circumstances that have occurred subsequent to adoption of the Specific Plan EIR, pursuant to Public Resources Code Section 21166, and Sections 15162 and 15164 of the *State CEQA Guidelines*. The comparative analysis for each of the environmental issues listed in the Checklist provides OCSD decision-makers with a factual basis for determining whether the proposed Project, changes in circumstances, or new information since the adoption of the Specific Plan EIR require the preparation of a subsequent or supplemental EIR, or other additional environmental review. The basis for each finding, and the supporting substantial evidence, is explained in the analysis in this section.

4.1 AESTHETICS

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Have a substantial adverse effect on a scenic vista?	☐	☐	☒
b. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a State Scenic highway?	☐	☐	☒
c. Substantially degrade the existing visual character or quality of the site and its surroundings? (This may include loss of major onsite landscape features, or degradation by change of character when placed in the context of the existing surroundings.)	☐	☐	☒
d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☒

4.1.1 Existing Setting

The City of Fountain Valley (City) is an urbanized community located within north-central Orange County. There are no General Plan-designated scenic views or vistas within the City. According to the Specific Plan EIR, there are no unique or unusual features in the Specific Plan area that comprise a dominant portion of a viewshed. The Santa Ana and San Gabriel Mountains lie approximately 17 miles and 35 miles north of the Specific Plan area, respectively. However, views to these scenic resources are substantially limited due to intervening structures and vegetation.

According to the Specific Plan EIR, the visual character of the Specific Plan area is dominated by light industrial uses, with one- to two-story structures setback from wide surface streets and surface parking lots. The Specific Plan area is relatively flat and gently slopes to the southwest. Individual parcels typically support established landscaping including shade trees, hedges, grassy lawns, and other small landscaped areas along the perimeter of properties and throughout surface parking lots. Some public roadways in the Specific Plan area are developed with sidewalks and street trees. Mature trees in the Specific Plan area are comprised of street trees in public rights-of-way and those on private property. Shade and shadow effects are minimal due to the low profile of most structures. However, even with larger structures, shade and shadow effects are negligible due to the distance of separation between taller structures from adjacent buildings. Street lighting and vehicular traffic lights are the predominant source of nighttime light and glare.

Public views within the Specific Plan area are characterized by existing structures, surface parking lots, and street trees. There are no State-designated scenic highways or eligible scenic highways within the City or in its immediate vicinity.[1]

[1] California Department of Transportation (Caltrans). California Scenic Highways Mapping System. Website: https://dot.ca.gov/programs/design/lap-landscape-architecture-and-community-livability/lap-liv-i-scenic-highways (accessed November 24, 2019).

4.1.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Aesthetics impacts on pages 3.1-1 through 3.1-22.

The Specific Plan EIR determined that there are no roadways or areas designated as scenic routes or vistas within the Specific Plan area. Additionally, there are no designated historic structures within the Specific Plan area. Views within the Specific Plan area are typical of urbanized light industrial areas, and there are no unobstructed distant views of scenic natural features. The topography of the area is relatively flat and does not contain any unique topographic features that would offer a scenic view. Therefore, no impact would occur to the aesthetics associated with a scenic vista or scenic highway.

The Specific Plan EIR concluded that development of the Specific Plan area could result in the removal of mature trees due to redevelopment. Typically, redevelopment of parking lots and buildings would primarily result in removal of trees within each property. As such, street trees are expected to be minimally impacted. The Specific Plan encourages the preservation of mature trees and encourages new development to incorporate trees within landscape areas. In addition, Chapter 12.04.040 in the City's Municipal Code contains regulations regarding cutting, trimming, planting, pruning, removing, injuring, or interfering with trees, shrubs, or plants on streets, parkways, or public places. Adherence to the City's Municipal Code would assist in limiting the impacts of tree removal over the long term. Therefore, these impacts would be reduced to a less than significant level.

The Specific Plan EIR determined that implementation of the Specific Plan would change the existing visual character of the area because it would facilitate a new four-story development. In existing conditions, the Specific Plan (SP) – FVCSP Mixed Industry District zone allows for four-story structures. Future development within the Specific Plan area is subject to a formal development review process, which requires adherence to development standards provided in the Specific Plan and operating under the City's General Plan, which would include maintaining and enhancing high-quality mixed-use development, retaining interesting architectural design elements, and installing new sidewalks and natural landscaping features. These regulations would ensure that the design of proposed buildings would enhance the character and quality of the Specific Plan area and contribute to a high quality urban environment. Thus, with implementation of existing and proposed design standards from the Specific Plan, the Specific Plan's impacts to visual character would be less than significant.

The Specific Plan EIR determined that implementation of the Specific Plan could increase the amount of light and glare in the area because it proposes to increase land use intensity and building heights and may result in the use of reflective building materials. Development projects under the Specific Plan would adhere to the Municipal Code Chapter 21.18.060, which implements restrictions on exterior lighting. In addition, the Specific Plan outlines development standards and design requirements to reduce potential glare and light spillover from future development projects. As such, lighting as a result of Specific Plan implementation is anticipated to be compatible with other uses in the vicinity of the area and would not introduce a substantial new source of nighttime light

pollution. Therefore, impacts related to light and glare from development of the Specific Plan area were determined to be less than significant.

4.1.3 Analysis of Project Impacts

a. Would the Project have a substantial adverse effect on a scenic vista?

The Project site is located in a fully developed area in the southeastern portion of Fountain Valley in Orange County. The Project site is approximately 0.2 mile west of the Santa Ana River and 5 miles north of the Pacific Ocean, although neither the river nor ocean can be seen from the Project site due to intervening land uses. In addition, the City's General Plan (adopted March 1995, revised November 2017) does not designate any scenic vistas or resources in Fountain Valley. As a result, the Project site does not have views of any scenic vistas. Therefore, the proposed Project would not result in adverse impacts on scenic vistas.

The Specific Plan EIR also concluded that no impacts to scenic vistas would occur. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a State Scenic highway?

The Project site is currently occupied by five industrial warehouse buildings and does not contain any scenic resources or historic structures. In addition, the Project site does not provide scenic views from adjacent land uses or public roads or sidewalks. According to the California Scenic Highway Mapping System, there are no State-designated scenic highways or eligible scenic highways within the City or in the immediate vicinity. Although the Project may require removal of trees located on the property, the Project would adhere to Chapter 12.04.040 in the City's Municipal Code and intends to comply with design standards in the Specific Plan. Therefore, the proposed Project would not result in adverse impacts on scenic resources.

The Specific Plan EIR also concluded that impacts to scenic resources would be less than significant. Specifically, the removal of mature trees that would occur as a result of implementation of the Specific Plan would be less than significant with compliance with design standards in the Specific Plan and adherence to Chapter 12.04.040 in the City's Municipal Code. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project substantially degrade the existing visual character or quality of the site and its surroundings? (This may include loss of major onsite landscape features, or degradation by change of character when placed in the context of the existing surroundings.)

The vicinity of the Project site is characterized by a mix of industrial and residential land uses. The Project site is currently developed with one- and two-story industrial warehouse buildings

and surface parking lots. The Project would include demolition of the five existing on-site industrial warehouse buildings and construction and operation of a new three-story administration building and surface parking lot on the Project site. In addition, a pedestrian bridge would extend from the Project site to OCSD's Plant No. 1, directly south of the Project site. The bridge would consist of two painted exposed Warren steel trusses spanning Ellis Avenue with a concrete metal deck floor and a metal roof. The bridge would be unconditioned and open to the air, as well as enclosed with stainless steel cable mesh for protection from any potential falls. The tallest point of the bridge structure would be a maximum of 30 ft above grade, and the lowest point of the structure would be a minimum of 19 ft above grade. The bridge would be supported by reinforced concrete columns located outside of the public right-of-way on each side of Ellis Avenue. The bridge would connect to the second-floor level of the new administration building on the north side of Ellis Avenue and then connect to an elevator tower inside the secure perimeter of Plant No. 1. Security lighting would be included within the bridge enclosure. The pedestrian bridge would be designed architecturally similarly to the administration building. As such, the visual character of the site and views of the Project site from off-site areas would substantially change with implementation of the proposed Project. However, the Project would enhance the character and quality of the Project site and surrounding area by introducing updated buildings in place of the dated structures. In addition, the Project would comply with many development standards outlined in Section 2.1.5 of the Specific Plan, which includes regulations pertaining to building scale, mass, placement, and architectural guidelines. At three stories in height, the Project would be consistent with development standards outlined in the Specific Plan, which allows up to four stories in height. The proposed Project would require the following variances and deviations: variances for frontage coverage along Pacific Street and Bandilier Circle; a variance for build-to-corner requirements at the corner of Ellis Avenue and Bandilier Circle; a variance for parking count requirements; a variance for curb cuts and driveways along Pacific Street; a 5.5 percent deviation due to the proposed 18.9 percent street façade opening along Pacific Street (which is below the minimum 20 percent street façade opening); a variance for bottom-floor street façade requirements along Pacific Street; and a 2.1 percent deviation due to the proposed building length of approximately 204 ft (which exceeds the maximum building length of 200 ft. The proposed Project would comply with all other development standards outlined in 2.1.5 of the Specific Plan. Therefore, with the approval of the above variances and deviations, the proposed Project would result in less than significant impacts related to the visual character of the site and views of the site.

The Specific Plan EIR also concluded that impacts to visual character would be less than significant because development standards outlined in the Specific Plan would enhance the character and quality of the Specific Plan area. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

d. Would the Project create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Light and glare levels surrounding the Project site are typical for industrial park and residential uses. However, the Project would include the installation of new lighting, including lighting associated with signage and security lighting on the Project site. It is not anticipated that the new pedestrian bridge would be lighted since there is sufficient existing street lighting along Ellis Avenue. The Project intends to comply with requirements outlined in the Specific Plan, as well as Section 21.18.060 of the City's Municipal Code, which include regulations pertaining to exterior lighting and glare. Therefore, new sources of light and glare associated with the proposed Project would have less than significant impacts to views in the Project area.

The Specific Plan EIR also concluded that impacts as a result of light and glare would be less than significant because future development would be in compliance with design standards in the Specific Plan and adherence to Chapter 12.18.060 in the City's Municipal Code. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.1.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to Aesthetics. No mitigation would be required for the proposed Project.

4.1.4 Findings Related to Aesthetics

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Aesthetics, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Aesthetics that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Aesthetics requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Aesthetics. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.2 AGRICULTURE AND FORESTRY

In determining whether impacts to agricultural resources are significant environmental effects, Lead Agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, Lead Agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the State's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☒
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☒
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☒
d. Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☒
e. Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forestland to non-forest use?	☐	☐	☒

4.2.1 Existing Setting

According to the Specific Plan EIR, no agricultural land uses are present within the Specific Plan area, including the Project site and the Project vicinity. The Specific Plan area does not contain land zoned or designated for agriculture use or as forest or timberland. The California Department of Conservation (DOC 2016) designates the entire Specific Plan area as Urban and Built-Up Land.[2]

4.2.2 Impacts Identified in the Specific Plan EIR

Agriculture and Forestry are included within Section 4.3, Effects Found Not to be Significant, on page 4-5 of the Specific Plan EIR; this topic was also discussed on pages 17–18 of the Initial Study and was scoped out.

[2] Department of Conservation (DOC). 2016. Farmland Mapping and Monitoring Program. Orange County Important Farmland 2014. July.

The Specific Plan EIR concluded that implementation of the Specific Plan would not result in impacts to agricultural and forestry resources because these uses do not currently exist within Specific Plan area. The developed nature of the Specific Plan area, including the Project site and Project vicinity, does not make the area suitable for existing or future agricultural or forest land uses.

4.2.3 Analysis of Project Impacts

a. Would the Project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

The Project site, like most of Orange County, is in an area that has been designated as Urban and Built-Up Land by the DOC (2016). The Project site is not currently designated as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. As a result, the proposed Project would not impact designated farmlands.

The Specific Plan EIR also concluded that no impacts to designated farmlands would occur. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project conflict with existing zoning for agricultural use, or a Williamson Act contract?

Within the Specific Plan area, the Project site is designated Mixed Industry District. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District. The Project site is not zoned or currently used for agricultural purposes, and no Williamson Act contracts are in effect for the Project site. As a result, the proposed Project would not conflict with existing zoning or Williamson Act contracts.

The Specific Plan EIR also concluded that no conflicts with existing zoning or Williamson Act contracts would occur. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?

Within the Specific Plan area, the Project site is designated Mixed Industry District. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District. The Project site and the surrounding area

are not zoned as forest land, timberland, or timberland production, and consequently, no significant impacts would occur.

The Specific Plan EIR also concluded that no conflicts with existing zoning of forestland, timberland, or timberland production would occur. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

d. Would the Project result in the loss of forest land or conversion of forest land to non-forest use?

The Project site is located in a high-density urban setting. No forest or timberland exists at the Project site or in the surrounding area. The Project would not result in the loss of forest land or the conversion of forest land to non-forest use.

The Specific Plan EIR also concluded that no loss of forest land or conversion of forest land to non-forest use would occur. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

e. Would the Project involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forestland to non-forest use?

The Project site is developed with five industrial warehouse buildings. The Project site is not currently used for agricultural purposes and is adjacent to non-agricultural, manufacturing uses. The Project would not result in the conversion of farmland to non-agricultural use because there are no agricultural uses on or in the immediate vicinity of the Project site. As a result, the Project would not result in impacts related to the conversion of agricultural land to non-agricultural uses.

The Specific Plan EIR also concluded that conversion of farmland to non-agricultural use would not occur because there are no agricultural uses on or in the immediate vicinity of the Specific Plan area. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.2.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to agricultural and forestry resources. No mitigation would be required for the proposed Project.

4.2.4 Findings Related to Agricultural and Forestry Resources

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Agricultural and Forestry Resources, and there is no increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Agricultural and Forestry Resources that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Agricultural and Forestry Resources requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Agriculture and Forestry. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.3 AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Conflict or obstruct implementation of the applicable air quality plan?	☐	☐	☒
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	☐	☐	☒
c. Result in a cumulatively considerable net increase to any criteria pollutant for which the Project region is in nonattainment under an applicable federal or state ambient air quality standard? This includes releasing emissions which exceed quantitative standards for ozone precursors.	☐	☐	☒
d. Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☒
e. Create objectionable odors affecting a substantial number of people?	☐	☐	☒

4.3.1 Existing Setting

The proposed Project is located within the South Coast Air Basin (Basin). The South Coast Air Quality Management District (SCAQMD) is the regional government agency that monitors and regulates air pollution within the Basin. The Federal Clean Air Act and the California Clean Air Act mandate the control and reduction of specific air pollutants. Under these Acts, the U.S. Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) have established ambient air quality standards for specific "criteria" pollutants, designed to protect public health and welfare. Primary criteria pollutants include carbon monoxide (CO), reactive organic gases (ROG), nitrogen oxides (NO_X), particulate matter (PM_{10}), sulfur dioxide (SO_2), and lead (Pb). Secondary criteria pollutants include ozone (O_3), and fine particulate matter ($PM_{2.5}$). These ambient air quality standards are levels of contaminants that avoid specific adverse health effects associated with each criteria pollutant.

Based on the SCAQMD attainment status and ambient air quality monitoring data, ambient air quality in the vicinity of the Project site has basically remained unchanged since approval of the Specific Plan EIR. The SCAQMD is in nonattainment for the federal and State standards for O_3 and $PM_{2.5}$. In addition, the Basin is in nonattainment for the PM_{10} standard and in attainment/ maintenance for the federal PM_{10}, CO, and NO_2 standards.

To meet these standards, the SCAQMD has established project-level thresholds for volatile organic compounds (VOC), NO_X, and $PM_{2.5}$. The SCAQMD has established thresholds of significance for criteria pollutant emissions generated during both construction and operation of projects as shown in Table C below.

Projects in the Basin with construction-related emissions that exceed any of the emission thresholds above are considered potentially significant by the SCAQMD.

Table C: SCAQMD Construction and Operation Thresholds of Significance (lbs/day)

	VOC	NO_X	CO	SO_2	PM_{10}	$PM_{2.5}$
Construction Thresholds	75	100	550	150	150	55
Operation Thresholds	55	55	550	150	150	55

Source: South Coast Air Quality Management District (1993).
CO = carbon monoxide
lbs/day = pounds per day
NO_x = nitrogen oxides
$PM_{2.5}$ = particulate matter less than 2.5 microns in size
PM_{10} = particulate matter less than 10 microns in size
SCAQMD = South Coast Air Quality Management District
SO_2 = sulfur dioxide
VOC = volatile organic compounds

4.3.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Air Quality impacts on pages 3.2-1 through 3.2-31.

The Specific Plan EIR evaluated the potential impacts of the Specific Plan on air quality in the Specific Plan area and the Basin. The Specific Plan EIR determined that all construction occurring under the Specific Plan would occur in accordance with applicable regulations and plans to reduce emissions from construction activities, including SCAQMD Rule 403, SCAQMD Rule 1113, and SCAQMD Rule 1186. The Specific Plan EIR also quantified construction emissions associated with the Specific Plan using the California Emissions Estimator Model (CalEEMod) and determined that overall construction emissions would not exceed SCAQMD thresholds for VOC, NO_X, CO, SO_2, PM_{10}, or $PM_{2.5}$.

The Specific Plan EIR also evaluated daily operational emissions associated with the Specific Plan using CalEEMod. The CalEEMod analysis included the existing development as part of the baseline, and evaluated the potential operational impacts of proposed land use changes within the Specific Plan area. The Specific Plan's net emissions were compared to the SCAQMD thresholds, and impacts were determined to be below the thresholds. Therefore, the Specific Plan EIR determined operational air quality impacts would be less than significant.

In addition, the Specific Plan EIR determined that implementation of the Specific Plan would not conflict with or obstruct implementation of the SCAQMD's adopted 2016 Air Quality Management Plan (AQMP). The Specific Plan EIR also determined that construction and operation of the Specific Plan would result in a less than significant cumulative impact.

The Specific Plan EIR found that the Specific Plan has the potential to expose sensitive land uses (e.g., residential units) to substantial pollutant concentrations. Therefore, the Specific Plan EIR identified Mitigation Measures MM AQ-5a, MM AQ-5b, and MM AQ-5d through MM AQ-5f to reduce adverse effects for sensitive receptors within 500 ft of the I-405 freeway and/or for sensitive receptors near the potential development of a distribution center, rail yard, refinery, chrome plater, dry cleaning operation, or gas station. The Specific Plan EIR determined that these mitigation measures would ensure the potential for exposure of hazardous air emissions to sensitive receptors would be reviewed and project designs revised if necessary to address air quality issues. Further, MM AQ-5c, which is applicable to all projects in the Specific Plan area, would reduce air quality

impacts resulting from the placement of the air system intake. Therefore, after implementation of mitigation, it was determined that impacts related to the exposure of sensitive land uses to substantial pollution concentrations would be less than significant.

In addition, the Specific Plan EIR determined that impacts associated with construction- and operation-generated odors would be less than significant.

4.3.3 Analysis of Project Impacts

a. Would the Project conflict or obstruct implementation of the applicable air quality plan?

An AQMP describes air pollution control strategies to be undertaken by a city, county, or air quality management district in a region classified as a nonattainment area to meet the requirements of the Federal Clean Air Act. The main purpose of an AQMP is to bring an area into compliance with the requirements of federal and State ambient air quality standards (AAQSs). The applicable air quality plan is the SCAQMD's adopted 2016 AQMP. For a project to be consistent with the 2016 AQMP, the pollutants emitted from project operation should not exceed the SCAQMD daily threshold or cause a significant impact on air quality, or the project must already have been included in the AQMP projection. Because the AQMP is based on local General Plans, projects that are deemed consistent with a specific General Plan are usually found to be consistent with the AQMP.

The proposed Project would construct a new administration building and associated parking. The Project site is in the Specific Plan area and is designated Commercial Manufacturing in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District. As discussed in Section 3.11, Land Use and Planning, the proposed Project land use is consistent with the City's General Plan designation for the Project site. In addition, as discussed below, construction of the proposed Project would not result in the generation of criteria air pollutants that would exceed SCAQMD thresholds of significance. Operational emissions associated with the proposed Project would not exceed SCAQMD established significance thresholds for VOC, NO_X, CO, SO_2, PM_{10}, or $PM_{2.5}$ emissions. Therefore, the proposed Project would not conflict with or obstruct implementation of the 2016 AQMP.

The Specific Plan EIR also concluded that no impacts would occur related to conflicts with or obstruction to implementation of the 2016 AQMP. Similarly, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project violate any air quality standard or contribute substantially to an existing or projected air quality violation?

The following sections describe the proposed Project's construction- and operation-related air quality impacts.

Construction Emissions. Construction activities such as earthmoving and construction vehicle traffic would generate exhaust emissions and fugitive particulate matter emissions that affect local and regional air quality. Construction activities are also a source of organic gas emissions. Solvents in adhesives, non-water-based paints, thinners, some insulating materials, and caulking materials would evaporate into the atmosphere and would participate in the photochemical reaction that creates urban ozone. Asphalt used in paving is also a source of organic gases for a short time after its application. Construction dust could affect local air quality at various times during construction of the Project. The dry, windy climate of the area during the summer months creates a high potential for dust generation when, and if, underlying materials are exposed to the atmosphere. The effects of construction activities would be increased dustfall and locally elevated levels of particulate matter downwind of construction activity.

The Specific Plan EIR determined that construction emissions associated with construction of the Specific Plan would not exceed SCAQMD thresholds for VOC, NO_X, CO, SO_2, PM_{10}, or $PM_{2.5}$. In addition, the Specific Plan EIR determined that all construction occurring under the Specific Plan would occur in accordance with applicable regulations and plans to reduce emissions from construction activities, including SCAQMD Rule 403, SCAQMD Rule 1113, and SCAQMD Rule 1186.

As previously stated, based on the SCAQMD attainment status and ambient air quality monitoring data, ambient air quality in the vicinity of the Project site has basically remained unchanged since approval of the Specific Plan EIR. Construction emissions were estimated for the proposed Project using CalEEMod. Specific construction details are not yet known; therefore, default assumptions (e.g., construction fleet activities) from CalEEMod were used. Construction of the proposed Project is anticipated to begin in January 2021 and be completed in May 2023. In addition, construction of the proposed Project would include the demolition of five industrial warehouse buildings on site, totaling approximately 113,748 sf, which was included in CalEEMod. Construction of the proposed Project would be required to comply with SCAQMD Rule 403, Fugitive Dust; therefore, fugitive dust control measures were also included in CalEEMod. Peak daily construction-related emissions are presented in Table D, below. CalEEMod output sheets are provided in Appendix A.

As shown in Table D, construction emissions associated with the proposed Project would be less than significant for VOC, NO_X, CO, SO_2, $PM_{2.5}$, and PM_{10} emissions. In addition, the proposed Project would also be required to comply with the applicable regulations and plans to reduce emissions from construction activities, including SCAQMD Rule 403, SCAQMD Rule 1113, and SCAQMD Rule 1186.

The Specific Plan EIR determined that construction emissions associated with construction of the Specific Plan would not exceed SCAQMD thresholds for VOC, NO_X, CO, SO_2, PM_{10}, or $PM_{2.5}$. In addition, the Specific Plan EIR determined that all construction occurring under the Specific Plan would occur in accordance with applicable regulations and plans to reduce emissions from construction activities, including SCAQMD Rule 403, SCAQMD Rule 1113, and SCAQMD Rule 1186. Development of the proposed Project would result in similar, but fewer, construction-related, short-term air quality impacts to those identified in the Specific Plan EIR.

Table D: Peak Daily Construction Emissions (lbs/day)

Peak Construction Emissions	VOC	NO_X	CO	SO_2	PM_{10} (total)	$PM_{2.5}$ (total)
Demolition	3.3	34.8	22.8	0.1	3.0	1.7
Site Preparation	4.0	40.6	21.8	0.0	9.0	5.8
Grading	2.4	24.8	16.4	0.0	3.8	2.4
Building Construction	2.4	21.0	20.3	0.0	2.1	1.2
Paving	1.3	10.2	15.1	0.0	0.7	0.5
Architectural Coating	29.4	1.3	2.3	0.0	0.3	0.1
Peak Daily Emissions	**29.4**	**40.6**	**22.8**	**0.1**	**9.0**	**5.8**
SCAQMD Construction Emissions Threshold	**75.0**	**100.0**	**550.0**	**150.0**	**150.0**	**55.0**
Exceed Significance?	**No**	**No**	**No**	**No**	**No**	**No**

Source: LSA (November 2019).
CO = carbon monoxide
lbs/day = pounds per day
NOx = nitrogen oxide
$PM_{2.5}$ = particulate matter less than 2.5 microns in diameter
PM_{10} = particulate matter less than 10 microns in diameter
SCAQMD = South Coast Air Quality Management District
SO_2 = sulfur dioxide
VOC = volatile organic compounds

Therefore, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

Operational Emissions. The proposed Project would include construction and operation of a new administration building and surface parking lot and would relocate the existing administrative uses from Plant No. 1 to the Project site north of Ellis Avenue. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. As a result, the Project would not increase existing vehicle trips. The new land uses would result area source air impacts such as emissions generated from the use of landscaping equipment and water heating.

Emission estimates for operation of the proposed Project were calculated using CalEEMod, consistent with SCAQMD recommendations. The proposed Project would be designed to achieve United States Green Building Council Leadership in Energy and Environmental Design (LEED) Platinum Certification, which was reflected in CalEEMod inputs. Model results are shown in Table E. CalEEMod output sheets are provided in Appendix A.

Table E: Operational Emissions (lbs/day)

Source	VOC	NO_X	CO	SO_2	PM_{10}	$PM_{2.5}$
Area Sources	2.5	0.0	0.0	0.0	0.0	0.0
Energy Sources	0.0	0.2	0.2	0.0	0.0	0.0
Mobile Sources	0.0	0.0	0.0	0.0	0.0	0.0
Total Emissions	**2.5**	**0.2**	**0.2**	**0.0**	**0.0**	**0.0**
SCAQMD Thresholds	**55.0**	**55.0**	**550.0**	**150.0**	**150.0**	**55.0**
Significant?	**No**	**No**	**No**	**No**	**No**	**No**

Source: LSA (November 2019).
CO = carbon monoxide
lbs/day = pounds per day
NO_X = nitrogen oxides
$PM_{2.5}$ = particulate matter less than 2.5 microns in size
PM_{10} = particulate matter less than 10 microns in size
SCAQMD = South Coast Air Quality Management District
SO_2 = sulfur dioxide
VOC = volatile organic compounds

The primary emissions associated with the Project are regional in nature, meaning that air pollutants are rapidly dispersed on release. The daily emissions associated with Project operational trip generation, energy, and area sources are identified in Table E for VOC, NO_X, CO, SO_2, PM_{10}, and $PM_{2.5}$. Further, MM AQ-5c, which is applicable to all projects in the Specific Plan area, would reduce operational air quality impacts resulting from the placement of the air system intake. Therefore, with implementation of MM AQ-5c, operational impacts would be less than significant.

The Specific Plan EIR determined that operational emissions associated with the Specific Plan would not exceed the SCAQMD significance thresholds and, therefore, would result in a less than significant impact. In addition, the Specific Plan EIR analysis assumed that the Specific Plan area was emitting operational air pollutant emissions from its existing land uses and evaluated existing development as part of the baseline. The Specific Plan EIR focused operational impacts to proposed land use changes that alter build out, and therefore, determined that implementation of the Specific Plan would result in a net decrease in VOC, NO_X, CO, and SO_2 emissions. For a worst-case analysis, existing on-site industrial warehouse buildings were evaluated as vacant as part of the baseline. However, as shown in Table E above, the proposed Project would not exceed the significance criteria for daily VOC, NO_X, CO, SO_2, PM_{10}, or $PM_{2.5}$ emissions; therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project result in a cumulatively considerable net increase to any criteria pollutant for which the Project region is in nonattainment under an applicable federal or state ambient air quality standard? This includes releasing emissions which exceed quantitative standards for ozone precursors.

As indicated in Table E above, the proposed Project individually would not result in significant regional emissions for criteria pollutants. A project that would result in less than significant emissions at the individual project level would also result in less than significant cumulative emissions. As noted above, the proposed Project would also be consistent with the region's 2016 AQMP.

The Specific Plan EIR determined that implementation of the Specific Plan would not result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is nonattainment under an applicable federal or State ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors). Similarly, the proposed Project would not result in emissions that are cumulatively significant and, therefore, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

d. Would the Project expose sensitive receptors to substantial pollutant concentrations?

As discussed in the Specific Plan EIR, the CARB guidebook, *Air Quality and Land Use Handbook: A Community Health Perspective,*[3] recommends avoiding siting sensitive uses (e.g., residences, schools, day care centers, playgrounds, and hospitals) within 500 ft of a freeway or urban roads carrying 100,000 vehicles per day, or within 1,000 ft of a distribution center (warehouse) that accommodates more than 100 trucks or more than 90 refrigerator trucks per day. In addition, the Specific Plan EIR identified Mitigation Measures MM AQ-5a, MM AQ-5b, and MM AQ-5d through MM AQ-5f to reduce adverse effects for sensitive receptors within 500 ft of the I-405 freeway and/or for sensitive receptors near the potential development of a distribution center, rail yard, refinery, chrome plater, dry cleaning operation, or gas station. The Specific Plan EIR determined that after mitigation, residual impacts related to the exposure of sensitive land uses to substantial pollution concentrations would be less than significant.

The closest sensitive receptors to the Project site include the single-family residences located approximately 1,350 ft southeast of the Project site along Alabama Circle. Construction activities associated with the Project would generate airborne particles and fugitive dust, as well as a small quantity of pollutants associated with the use of construction equipment (e.g., diesel-fueled vehicles and equipment) on a short-term basis. As shown in Table D, construction would generate emissions that are well below the SCAQMD significance criteria. In addition, due to the distance of the nearest receptors from the Project construction area, Project construction emissions would not impact sensitive receptors.

The proposed Project would include a new administration building and associated parking, and, therefore, the proposed Project would not include new sensitive receptors. Once the proposed Project is constructed, the Project would not be a source of substantial toxic air contaminant (TAC) emissions. In addition, the nearest sensitive receptors are located approximately 1,350 ft from the Project site, and, therefore, sensitive receptors would not be exposed to substantial pollutant concentrations that would cause harmful effects. Because no sensitive receptors would be impacted by TACs associated with the proposed Project, Mitigation Measures MM AQ-5a, MM AQ-5b, and MM AQ-5d through MM AQ-5f would not be applicable to the proposed Project.

The Specific Plan EIR determined that after mitigation, residual impacts related to the exposure of sensitive land uses to substantial pollution concentrations would be less than significant. However, the proposed Project would not expose sensitive receptors to substantial pollutant concentrations that would cause harmful effects. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

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[3] California Environmental Protection Agency (CalEPA) and California Air Resources Board (CARB). 2005. *Air Quality and Land Use Handbook: A Community Health Perspective*. April. Website: www.arb.ca.gov/ch/handbook.pdf (accessed November 24, 2019).

e. Would the Project create objectionable odors affecting a substantial number of people?

During construction, the various diesel-powered vehicles and equipment in use on site would create localized odors. These odors would be temporary and are not likely to be noticeable for extended periods of time beyond the Project site. The potential for diesel odor impacts is, therefore, considered less than significant. Additionally, the proposed uses that would be developed within the Project site are not expected to produce any offensive odors that would result in frequent odor complaints. The proposed Project would not include sensitive receptors; therefore, odor impacts on the Project would not occur and do not require further evaluation. Therefore, this impact would be less than significant.

The Specific Plan EIR also determined that impacts associated with construction- and operation-generated odors would be less than significant. The proposed Project, which is located within the Specific Plan area and does not propose uses that would produce offensive odors, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.3.3.1 Mitigation Measures

Based on the analysis and information above, Mitigation Measures MM AQ-5a, MM AQ-5b, and MM AQ-5d through MM AQ-5f, included in the Specific Plan EIR, would not be applicable to the proposed Project because the proposed Project would not include new sensitive receptors within 500 ft of the I-405 freeway, would not include any distribution center, rail yard, refinery, chrome plater, dry cleaning operation, or gas station uses, and would not impact any existing off-site sensitive receptors to TACs associated with the proposed Project.

Based on the analysis contained in the Initial Study/Addendum, Mitigation Measure MM AQ-5c, included in the Specific Plan EIR, would be applicable to the proposed Project. No additional mitigation measures related to air quality beyond those identified in the Specific Plan EIR are required.

MM AQ-5c **Placement of Air System Intake.** When considering placement and direction of air intakes, the direction of prevailing winds shall be considered and the most logical decision shall be made. Design of the proposed development shall face air systems intakes appropriately, so as to reduce highly concentrated air pollution intake, considering placement on the opposite side of the building from the pollutant source. Development and HVAC system design shall be reviewed and approved by the City Planning and Building Department prior to issuance of a building permit. Monitoring and maintenance of HVAC systems and air intakes shall be conducted by the Applicant on a semiannual basis to ensure efficiency of the systems for development permits involving land uses that include or potentially affect sensitive populations.

4.3.4 Findings Related to Air Quality

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Air Quality, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Air Quality that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Air Quality requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Air Quality. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measure that is applicable to the proposed Project is listed in Section 4.3.3.1. Potential Project impacts related to Air Quality would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

4.4 BIOLOGICAL RESOURCES

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	☐	☐	☒
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	☐	☐	☒
c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☒
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☒
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☒
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☒

4.4.1 Existing Setting

The City is urban and developed with few areas of natural open space or habitat occurring in the City and immediate vicinity. No native habitats or open space areas occur within the Specific Plan area. Although the Santa Ana River's west bank is adjacent to the Specific Plan area, this portion of the river is extensively channelized with concrete embankments, and it functions for both flood control and waste drainage purposes. The Santa Ana River drains to the Pacific Ocean in the City of Newport Beach. Similarly, the Fountain Valley Channel (Channel), which runs through the west portion of the Specific Plan area, contains concrete embankments and is not associated with any riparian habitat areas.

According to the Specific Plan EIR, the Specific Plan area supports a number of healthy, mature trees, which provide some habitat for both resident and migratory native and non-native bird species as well as small mammals. Chapter 12.04.040 of the City's Municipal Code contains regulations regarding cutting, trimming, planting, pruning, removing, injuring, or interfering with trees, shrubs, or plants on streets, parkways, or public places. Established landscapes in this urban setting consist predominantly of non-native plant and tree species, which provide habitat for some

species, primarily birds. However, the Specific Plan area does not support any designated or recognized sensitive habitats or mapped critical habitat for any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife (CDFW) or the United States Fish and Wildlife Service (USFWS). The Specific Plan area, including the Project site, is not known to support endangered species, nor does it contain sensitive habitat area that would support those species.

4.4.2 Impacts Identified in the Specific Plan EIR

Biological Resources are included within Section 4.3, Effects Found Not to be Significant, on pages 4-5 through 4-6 of the Specific Plan EIR; this topic was also discussed on pages 24 through 27 of the Initial Study and was scoped out.

The Specific Plan EIR concluded that implementation of the Specific Plan would result in less than significant impacts to biological resources because the Specific Plan area is fully urbanized and does not contain potential natural habitats for sensitive species and other natural communities. Further, implementation of the Specific Plan would incorporate and be consistent with existing policies regarding the protection of biological resources, and therefore, would not significantly impact biological resources.

4.4.3 Analysis of Project Impacts

a. Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?

The Project site is in an urbanized area surrounded by existing urban and suburban land uses. In addition, the improvements associated with the Project would not have the capacity to significantly affect sensitive biological resources given the amount of previous development that has occurred in the vicinity and on the Project site. Project construction and operation would have no impacts either directly or through habitat modification to any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by the CDFW or the USFWS. No impacts to these resources are anticipated as a result of the Project.

The Specific Plan EIR also concluded that no impacts to any species identified as a candidate, sensitive, or special-status species would occur because the Specific Plan area is fully urbanized and does not contain potential natural habitats for sensitive species. The Project site is located within the Specific Plan area and would likewise not impact sensitive species or habitats. The proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?

The Project site does not support any riparian habitat or other sensitive natural communities identified in local or regional plans, policies, or regulations, or by the CDFW or the USFWS. No impacts to these resources are anticipated as a result of the Project.

The Specific Plan EIR concluded that the Specific Plan area is fully urbanized and does not include any riparian habitat or other sensitive natural communities. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

No federally protected wetlands would be affected by the proposed Project. Therefore, no impacts to these resources are anticipated as a result of the Project. No mitigation is required.

The Specific Plan EIR concluded that the Specific Plan area is fully urbanized and does not contain any federally protected wetlands. Intensification of use as a result of implementation of the Specific Plan could potentially increase the amount of pollutants, such as leaked oil, that could enter stormwater runoff, impacting the quality of water that flows from the Specific Plan area and ultimately to the Pacific Ocean. However, implementation of the Specific Plan would result in less than significant impacts to biological resources as a result of impacts to water quality because the Specific Plan would comply with existing federal, state, and local water quality regulations. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

d. Would the Project interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

The proposed Project site is not located in a migratory wildlife corridor or native wildlife nursery site. The existing trees on the Project site may, however, provide suitable habitat for nesting migratory birds. The removal of trees on the Project site has the potential to impact active bird nests if vegetation and trees are removed during the nesting season. Nesting birds are protected under the federal Migratory Bird Treaty Act (MBTA) (Title 33, United States Code [USC], Section 703 et seq.; see also Title 50, Code of Federal Regulations [CFR], Part 10) and Section 3503 of the California Fish and Game Code. Therefore, implementation of the proposed Project would be subject to the provisions of the MBTA, which prohibits disturbing or destroying active nests. In

order to comply with the MBTA, Project implementation must be accomplished in a manner that avoids impacts to active nests during the breeding season. If Project construction occurs between February 1 and September 15, a qualified biologist would conduct a nesting bird survey prior to ground- and/or vegetation-disturbing activities to confirm the absence of nesting birds. Compliance with the MBTA is required for Project implementation, and therefore, does not constitute mitigation. With compliance with the MBTA, impacts to nesting birds would be less than significant.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not interfere with migratory fish or birds. No fish species are known to occur in the portion of the Channel that is located in Specific Plan area. Although street trees may serve as wildlife corridors, the distance between major open space areas limit the use of the area as a wildlife corridor for most species other than birds. In addition, the Specific Plan would protect and maintain street trees where possible. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

e. Would the Project conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

Chapter 12.04.040 of the City's Municipal Code requires that no person or development shall engage in the planting, trimming, cutting, or removal of any vegetation along any streets, parkways, or public spaces without prior approval from the City's Public Works Department. The proposed Project would comply with all City policies and regulations protecting biological resources. Therefore, the proposed Project would not conflict with any plan, policy, or ordinance relating to the protection of biological resources, and the impact would be less than significant.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not conflict with any plan, policy, or ordinance relating to the protection of biological resources. Further, the Specific Plan would incorporate and be consistent with existing policies regarding the protection of biological resources. The proposed Project, which is located within the Specific Plan area, would also incorporate and be consistent with existing policies regarding the protection of biological resources and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR. No new mitigation measures are required.

f. Would the Project conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

The County of Orange has approved a Habitat Conservation Plan (HCP) and a Natural Community Conservation Plan (NCCP), but the City has not enrolled in such plans and is not included in the planning area covered by these plans. Consequently, the Project will not conflict with any such plans. While no designated HCP or NCCP exists in the Project area, the Project

would comply with all City policies and regulations protecting biological resources. Therefore, the proposed Project would not conflict with any HCP or NCCP or other local, regional, or State HCPs.

The Specific Plan EIR also concluded that the Specific plan area does not include any habitat areas that are protected by an approved local, regional, or state HCP or NCCP. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

4.4.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to Biological Resources. No mitigation would be required for the proposed Project**.**

4.4.4 Findings Related to Biological Resources

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Biological Resources, and there is no increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Biological Resources that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Biological Resources requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Biological Resources. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.5 CULTURAL RESOURCES

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	☐	☐	☒
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	☐	☐	☒
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☒
d. Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☒

4.5.1 Existing Setting

According to the Specific Plan EIR, the City is located in the Santa Ana Valley-Capistrano Valley Province, which is a lowland strip separating the coastal hills from the Santa Ana Mountains. This province includes the flood plain of the northern segment of the Santa Ana River where it flows through the City. The geology in this area does not contain abundant paleontological resources. Fossils primarily consist of non-marine species from the Pleistocene and Holocene ages, including mammoth, bison, horse, camel, sloth, and a variety of birds.

The Specific Plan area was largely developed in the 1970s and primarily consists of industrial uses. The City's General Plan does not contain a Historic Preservation Element, and no historic or older structures are known to be located within the Specific Plan area. Although the area has been heavily developed, subsurface archaeological or paleontological resources that have not been previously evaluated could potentially exist within the Specific Plan area, including the Project site.

4.5.2 Impacts Identified in the Specific Plan EIR

Cultural Resources are included within Section 4.3, Effects Found Not to be Significant, on pages 4-6 through 4-7 of the Specific Plan EIR; this topic was also discussed on pages 27 through 29 of the Initial Study and was scoped out.

The Specific Plan EIR determined that redevelopment activities associated with implementation of the Specific Plan would occur in previously disturbed areas, so it is unlikely that cultural resources would be encountered. However, the potential remains that previously undiscovered resources could be exposed during construction activities. The Specific Plan EIR concluded that inclusion of standard conditions during discretionary project review and approval, including compliance with the *State CEQA Guidelines* relating to protocols for discovery of important historic and pre-historic resources, would ensure that potential impacts to such resources would be reduced to a less than significant level. Therefore, based on the limited potential for undiscovered cultural resources to exist within the Specific Plan area and existing procedure requirements regulating the discovery of buried resources, impacts on cultural resources would be less than significant.

4.5.3 Analysis of Project Impacts

a. Would the Project cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?

CEQA defines a "historical resource" as a resource that meets one or more of the following criteria: (1) listed in, or determined eligible for listing in, the California Register of Historical Resources; (2) listed in a local register of historical resources as defined in Public Resources Code (PRC) Section 5020.1(k); (3) identified as significant in a historical resource survey meeting the requirements of PRC Section 5024.1(g); or (4) determined to be a historical resource by a project's Lead Agency (PRC Section 21084.1 and *State CEQA Guidelines* Section 15064.5[a]).

In its existing condition, the Project site includes five one- and two-story industrial warehouse buildings that were constructed in 1971. The Project would include the demolition of the five existing industrial warehouse buildings on the Project site. The City's General Plan does not contain a Historic Preservation Element and does not provide criteria for identification of potential historic resources. Based on the analysis contained in the Specific Plan EIR, there are no historic structures located within the Specific Plan area. A Historic Resources Assessment (ESA 2018) was prepared for OCSD's Plant No. 1 and included a records search at the California Historical Resources Information System (CHRIS) South Central Coastal Information Center (SCCIC), conducted on August 23, 2017. According to the Historic Resources Assessment, Plant No. 1 and adjacent properties, which include the Project site, are not eligible for inclusion in the National Register of Historic Places (National Register), the California Register of Historical Resources (California Register), or the Statewide Historical Resources Inventory (HRI) database maintained by the California Office of Historic Preservation (OHP). As a result, the Project will not cause a substantial change in the significance of a historical resource as defined in Section 15064.5.

The Specific Plan EIR concluded that the Specific Plan area does not include any historic or older structures. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?

According to the Specific Plan EIR, soils within the Specific Plan area consist of approximately 80 percent Hueneme fine sandy loam, drained, and 20 percent Metz loamy sand, moderately fine substratum. In its existing state, the Project site is developed with industrial uses and associated paved surface parking lots. The Project site has been previously disturbed and significantly altered as a result of past construction activities on the site.

The proposed Project would include the demolition of five existing industrial warehouse buildings on the Project site. Soils on the Project site have been disturbed previously from development of the existing warehouse buildings, and any unknown archaeological resources

would have likely been unearthed at the time of previous activities on the Project site. New ground-disturbing activities associated with Project construction activities are unlikely to disturb any previously unknown archaeological resources. In the unlikely event that previously undiscovered archaeological resources are found, implementation of standard conditions required by the City of Fountain Valley, including compliance with *State CEQA Guidelines* Section 15064.5(f) relating to provisions for the accidental discovery of important historic or unique archaeological resources, would ensure that potential impacts to previously undiscovered archaeological resources would be less than significant.

The Specific Plan EIR concluded that the presence of cultural resources in the Specific Plan area is unlikely due to the developed nature of the area. Additionally, the Specific Plan EIR determined that adherence to City of Fountain Valley standard conditions related to the unanticipated discovery of archaeological resources would ensure that impacts to cultural resources would be less than significant should any be recovered within the Specific Plan area. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

Similar to Response 4.5.3 (b), the Project site has been previously disturbed and significantly altered as a result of past construction activities on the site. Due to the developed nature of the site and surrounding area, it is likely that any unknown paleontological resources would have been unearthed at the time of previous activities on the Project site.

The Project would include the demolition of five existing industrial warehouse buildings on the Project site. Soils on the Project site have been disturbed previously from development of the existing industrial warehouse buildings, and any unknown paleontological resources would have likely been unearthed at the time of previous activities on the site. New ground-disturbing activities associated with Project construction activities are unlikely to disturb any previously unknown paleontological resources. In the unlikely event paleontological resources are encountered during project excavation, compliance with standard conditions required by the City of Fountain Valley for protection of such resources would ensure that impacts to unknown paleontological resources would be less than significant.

The Specific Plan EIR concluded that the Specific Plan area does not contain abundant paleontological resources. Additionally, the Specific Plan EIR determined that adherence to City of Fountain Valley standard conditions related to the unanticipated discovery of paleontological resources would ensure that impacts to paleontological resources would be less than significant should any be recovered within the Specific Plan area. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

d. Would the Project disturb any human remains, including those interred outside of formal cemeteries?

No known human remains are interred on the Project site. Due to the level of past disturbance on the Project site, it is not anticipated that human remains, including those interred outside of formal cemeteries, would be encountered during earth removal or disturbance activities. In the unlikely event that human remains are encountered during Project grading, the proper authorities would be notified and standard procedures for the respectful handling of human remains during the earthmoving activities would be adhered to in compliance with State Health and Safety Code Section 7050.5 and PRC Section 5097.98. Following compliance with existing State regulations, impacts to unknown human remains would be considered less than significant.

The Specific Plan EIR concluded that the Specific Plan area does not likely contain any undiscovered human remains. Additionally, the Specific Plan EIR determined that compliance with State Health and Safety Code Section 7050.5 and PRC Section 5097.98 would ensure that impacts to human remains would be less than significant should any be recovered within the Specific Plan area. The proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.5.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to cultural resources. No mitigation would be required for the proposed Project.

4.5.4 Findings Related to Cultural Resources

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Cultural Resources, and there is no increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Cultural Resources that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Cultural Resources requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Cultural Resources. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.6 ENERGY CONSERVATION

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Use large amounts of fuel or energy in an unnecessary, wasteful, or inefficient manner.	☐	☐	☒
b. Constrain local or regional energy supplies, affect peak and base periods of electrical demand, require or result in the construction of new electrical generation and/or transmission facilities, or necessitate the expansion of existing facilities, the construction of which could cause significant environmental effects.	☐	☐	☒
c. Conflict with existing energy standards, including standards for energy conservation.	☐	☐	☒

4.6.1 Existing Setting

This section evaluates the potential for energy-related impacts associated with the Project and ways in which the Project would reduce unnecessary energy consumption, consistent with the suggestions contained in Appendix F of the *State CEQA Guidelines*. Energy service providers to the site include Southern California Edison (SCE) for electrical service and Southern California Gas Company (SCG) for natural gas.

4.6.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Energy Conservation impacts on pages 3.13-1 through 3.13-12.

The Specific Plan EIR evaluated issues related to energy conservation associated with implementation of the Specific Plan. The Specific Plan EIR found that the Specific Plan would increase energy demand, but would not result in wasteful, inefficient, or unnecessary consumption of energy. The Specific Plan EIR also determined that implementation of standard regulations, as well as conformance with the City-adopted 2013 California Energy Code, the California Green Building Standards Code, and policies of the City General Plan would reduce potential impacts. This impact was considered to be less than significant.

The Specific Plan EIR also determined that implementation of the Specific Plan would not constrain local or regional energy supplies, necessitating the construction of new or expansion of existing electrical generation of transmission facilities, resulting in a less than significant impact.

In addition, the Specific Plan EIR found that implementation of the Specific Plan would require new development within the Specific Plan area to comply with federal, State, and local regulations governing the use and conservation of energy resources. It was also determined that much of the redevelopment associated with the Specific Plan would increase energy efficiency and conservation throughout the Specific Plan area, resulting in a beneficial impact.

4.6.3 Analysis of Project Impacts

a. Would the Project use large amounts of fuel or energy in an unnecessary, wasteful, or inefficient manner.

Similar to build out of the Specific Plan, the proposed Project would increase the demand for electricity and natural gas within the Project area, due to the construction and operation of an approximately 109,914 sf administration building. Table F, below, shows the estimated potential increased electricity demand associated with the proposed Project, and Table G, below, shows the estimated potential increase in natural gas demand associated with the proposed Project.

As shown in Table F, the estimated potential increased electricity demand associated with the proposed Project is 1.8 gigawatt hour (GWh) per year, while the Specific Plan EIR determined that build out of the Specific Plan would increase electricity demand by 10.9 GWh per year. Therefore, the proposed Project would not increase electricity demand beyond the demand identified in the Specific Plan EIR. In addition, as shown in Table G, the estimated potential natural gas demand associated with the proposed Project is 19,785 therms (thm) per year, while the Specific Plan EIR determined that build out of the Specific Plan would increase natural gas demand by 333,871.9 thm per year. Therefore, the proposed Project would also not increase natural gas demand beyond demand identified in the Specific Plan EIR.

Table F: Electricity Demand from Proposed Project

Land Use	Consumption Factor[1]	Projected Change in Land Use	Estimated Electricity
Administration/Office	16.08 kWh/sf/yr	109,914 sf	1.8 GWh/yr

Source: California Energy Commission (2006); compiled by LSA (November 2019).
[1] Estimated electricity demand for office uses were calculated using statewide average energy consumption factors by land use as documented in the California Energy Commission's California Commercial End-use Survey.
GWh = gigawatt hour
kWh = kilowatt hour
sf = square foot/feet
yr = year

Table G: Natural Gas Demand from Proposed Project

Land Use	Consumption Factor[1]	Projected Change in Land Use	Estimated Natural Gas
Administration/Office	0.18 thm/sf/yr	109,914 sf	19,785 thm/yr

Source: California Energy Commission (2006); compiled by LSA (November 2019).
[1] Estimated natural gas demand for office uses were calculated using statewide average energy consumption factors by land use as documented in the California Energy Commission's California Commercial End-use Survey.
sf = square foot/feet
thm = therms
yr = year

In addition, as discussed in the Specific Plan EIR, this estimated energy demand is highly conservative as the demand factors do not account for the most current efficiency standards of the Title 24 of the California Code of Regulations (California Green Building Standards Code [CALGreen]). Implementation of the proposed Project would be required to comply with applicable federal, State, and local rules and regulations governing the use and conservation of California's energy resources. Development under the proposed Project would be required to comply with the regulations of the current California Energy Code, which was adopted by the City as the Energy Code under Chapter 18.22 of the Fountain Valley Municipal Code, as well as the City-adopted CALGreen. In addition, the new building would be designed to achieve LEED Platinum Certification. Therefore, the proposed Project would be consistent with adopted codes and regulations, and would not contribute to the wasteful or inefficient consumption of energy resources.

While the Project would result in an increase in electricity and natural gas consumption, the proposed Project would be consistent with federal, State, and locally established goals, policies, and regulation governing energy conservation and fostering sustainable development, the proposed Project is not expected to result in the substantially wasteful or inefficient use of California's energy resources. Therefore, implementation of the proposed Project is considered to have a less than significant impact on the consumption and use of energy resources.

The Specific Plan EIR determined that the Specific Plan would not result in the wasteful or inefficient use of California's energy resources. The proposed Project would not increase electricity or natural gas demand beyond the demand identified in the Specific Plan EIR. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project constrain local or regional energy supplies, affect peak and base periods of electrical demand, require or result in the construction of new electrical generation and/or transmission facilities, or necessitate the expansion of existing facilities, the construction of which could cause significant environmental effects.

The proposed Project is located in the City of Fountain Valley, which is within the County of Orange (County). The Specific Plan EIR determined that at the time the Specific Plan EIR was prepared, the Specific Plan area contributed to approximately 36.16 GWh per year of energy demand, which is approximately 0.17 percent of the County's total energy demand. As discussed above, the Specific Plan EIR also determined that build out of the Specific Plan would result in an increase in electricity demand of approximately 10.9 GWh per year, which would result in an incremental increase in County energy demand for SCE services by approximately 0.0005 percent. As discussed above, the proposed Project would increase energy demand by approximately 1.8 GWh per year, which would be less than the electricity demand evaluated in the Specific Plan EIR. Therefore, implementation of the proposed Project would negligibly affect local or regional energy supplies.

The Specific Plan EIR determined that the Specific Plan would result in an incremental increase in County energy demand for SCE services that would be less than significant. The electricity demand for the proposed Project would be less than the electricity demand evaluated in the Specific Plan EIR. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project conflict with existing energy standards, including standards for energy conservation.

The proposed Project would be required to comply with City-adopted codes and regulations governing energy-efficient design and sustainable development. In addition, the proposed Project would be designed to achieve LEED Platinum Certification, which would increase energy efficiency and conservation, and reduce wasteful use of energy resources. Therefore, similar to implementation of the Specific Plan, it is anticipated that the proposed Project would increase energy efficiency and conservation.

The Specific Plan EIR determined that the Project would increase energy efficiency and conservation throughout the Specific Plan area, resulting in a beneficial impact. Similarly, the proposed Project would implement an energy-efficient design and sustainable development, and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

4.6.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to energy conservation. No mitigation would be required for the proposed Project.

4.6.4 Findings Related to Energy Conservation

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Energy Conservation, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Energy Conservation that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the

information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Energy Conservation requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Energy Conservation. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.7 GEOLOGY AND SOILS

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:			
i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	☐	☐	☒
ii. Strong seismic ground shaking?	☐	☐	☒
iii. Seismic-related ground failure, including liquefaction?	☐	☐	☒
iv. Landslides?	☐	☐	☒
b. Result in substantial soil erosion or the loss of topsoil?	☐	☐	☒
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☒
d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	☐	☐	☒
e. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☒

4.7.1 Existing Setting

The Project area is located within the seismically active region of southern California. However, according to the State of California Department of Conservation Earthquake Zones of Required Investigation for the Newport Beach Quadrangle, the Project site is not in an identified Alquist-Priolo Earthquake Fault Zone. The nearest identified Alquist-Priolo Earthquake Fault Zone is approximately 4 miles southwest of the Project site.

According to the United States Department of Agriculture Natural Resources Conservation Service's Web Soil Survey, the soils on the Project site are comprised entirely of Hueneme fine sandy loam, drained. The shrink-swell potential for Hueneme fine sandy loam, drained, is slight.

According to the City's Public Safety Element of the General Plan, the area along the Santa Ana River and south of the I-405, which includes the Project area, has a high potential for liquefaction. In addition, the City of Fountain Valley, including the Project site, is located within an area of known subsidence.

4.7.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Geology and Soils impacts on pages 3.3-1 through 3.3-12.

As detailed in the Specific Plan EIR, new land uses anticipated to occur under within the Specific Plan area would potentially be exposed to moderate to strong seismic ground shaking in the event of an earthquake on a nearby fault (i.e., the Newport-Inglewood Fault or the San Andreas Fault). All new structures constructed in the Specific Plan area would be required to adhere to the most current building standards of the Fountain Valley Municipal Code and the Fountain Valley Building Code, which adopt California Building Code (CBC) standards by reference with local amendments. Compliance with the CBC includes seismic design and construction parameters to ensure the protection of structures and occupants from seismic hazards during an earthquake. In addition, applicants of new projects would be required to prepare and submit a site-specific geotechnical report for review and approval by the City's Building and Safety Division prior to the issuance of a grading or a building permit. Design of future projects would be required to incorporate the design requirements for structures and foundations to maintain structural integrity during an earthquake that are identified in the geotechnical report. In addition, no known faults traverse the Specific Plan area, and the Specific Plan area is not located in an Alquist-Priolo Fault Zone. Therefore, the Specific Plan EIR concluded that there is no reasonably foreseeable hazard of fault rupture in the Specific Plan area, and impacts would be less than significant.

According to the Specific Plan EIR, the City has a very high potential for liquefaction, due to the high groundwater level (within 10 ft of the surface) throughout the City. The entire City is mapped within an area potentially susceptible to liquefaction according to the Newport Beach Quadrangle Seismic Hazard Zone map. Further, the City of Fountain Valley is located within an area of known subsidence associated with drainage of organic and peat soils. All new structures constructed in the Specific Plan area would be required to adhere to the most current building standards of the Fountain Valley Municipal Code, the Fountain Valley Building Code, and the CBC. Adherence to the applicable building codes, specifically to the soil stability construction parameters, would ensure the maximum practicable protection available for all structures constructed within the Specific Plan area and their occupants and visitors. Compliance with the CBC includes procedures to ensure the protection of structures and occupants from liquefaction and subsidence hazards. As a result, impacts related to soil instability would be less than significant.

The Specific Plan EIR concluded that, because there are no soils in the Specific Plan area that have a high expansion potential, the potential for expansive soils to create substantial risks to life or property would be less than significant.

According to the Specific Plan EIR, the Specific Plan area is developed with most of the land surface covered by impervious materials such as buildings and paved parking areas. Due to the very small quantity of soil currently exposed at the surface, and the relatively level topography of the Specific Plan area, the Specific Plan EIR concluded that the potential for erosion hazards is low.

The Specific Plan EIR concluded that no impacts related to alternative wastewater disposal systems would occur because the Specific Plan area does not involve use or development of septic tanks or alternative wastewater disposal systems as sewers are available for the disposal of wastewater.

4.7.3 Analysis of Project Impacts

a. Would the Project expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:

i. Would the Project expose people or structures to a rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?

The Project site is located in southern California, which is a seismically active region. However, the Project site is not in an identified Alquist-Priolo Earthquake Fault Zone. Therefore, the proposed Project would not expose people or structures to substantial adverse effects involving the rupture of a known earthquake fault as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map, and no mitigation is required.

The Specific Plan EIR concluded that there is no reasonably foreseeable hazard or fault rupture in the Specific Plan area and that such impacts would be less than significant. The proposed Project, which is located in the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

ii. Would the Project expose people or structures to a strong seismic ground shaking?

The Project site is located in southern California, a known seismically active region. Active and potentially active faults in southern California are capable of producing seismic shaking on the Project site. Thus, it is likely the proposed Project site would periodically experience ground acceleration as a result of exposure to moderate-to-large magnitude earthquakes, and seismic ground shaking on one of the nearby regional faults may cause damage to development. Therefore, the Project has the potential to expose people and structures to substantial adverse effects related to the site and regional geology, including those associated with strong seismic ground shaking.

Project design would comply with the seismic design standards and construction parameters of the CBC, the Fountain Valley Municipal Code, and the Fountain Valley Building Code. In addition, as part of the discretionary project review process, a Project-specific geotechnical report would be prepared for the Project, which would identify design requirements for structures and foundations to maintain structural integrity during an earthquake. The geotechnical report recommendations would be incorporated into the design of the proposed Project. Compliance with the design requirements of the CBC and implementation of the recommendations of the geotechnical report would ensure that impacts related to strong seismic ground shaking would be less than significant. No mitigation is required.

The Specific Plan EIR concluded that impacts related to strong seismic shaking would be less than significant with compliance with the CBC and Project-specific geotechnical report recommendations. The proposed Project would also comply with the CBC and the Project-

specific geotechnical report recommendations and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

iii. Would the Project expose people or structures to a seismic-related ground failure, including liquefaction?

The Project has the potential to expose people and structures to substantial adverse effects related to the site and regional geology, including those associated with liquefaction. As stated above, the Project site is mapped within an area with a high potential for liquefaction. According to the City's Municipal Code, Section 21.14.050, the Project site is in the Seismic Hazard (SH) overlay zoning district. This section states that development in the SH overlay zone may be subject to specific design requirements and preparation of a site-specific soils report due to the high potential for liquefaction to take place. A site-specific geotechnical report will be prepared for the Project and will include recommendations to address effects related to or resulting from geologic conditions. In addition, the Project design will comply with the design requirements of the CBC to address any potential for seismic-related ground failure that is identified in the geotechnical report. Compliance with the design requirements of the CBC and implementation of the recommendations of the geotechnical report would ensure that impacts related to seismic-related ground failure would be less than significant. No mitigation is required.

The Specific Plan EIR concluded that impacts related to seismic-related ground failure would be less than significant with compliance with the CBC and Project-specific geotechnical report recommendations. The proposed Project would also comply with the CBC and Project-specific geotechnical report recommendations and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

iv. Would the Project expose people or structures to landslides?

The Project site is relatively flat, and no substantial hillsides or unstable slopes are immediately adjacent to the site boundary. As a result, there is no potential for landslide hazards, and no mitigation is required.

The Specific Plan EIR concluded that the risk of landslide and slope instability is minimal as a result of the relatively level topography of the City. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project result in substantial soil erosion or the loss of topsoil?

As discussed in Section 4.10, Hydrology and Water Quality, construction activities would disturb and expose topsoil and increase the potential for erosion. However, Project construction would comply with the requirements of the Construction General Permit, including preparation of a Storm Water Pollution Prevention Plan (SWPPP) and implementation of Construction Best Management Practices (BMPs). Construction BMPs would include, but not be limited to, Erosion Control and Sediment Control BMPs designed to minimize erosion and retain sediment on site. Compliance with the Construction General Permit would ensure that impacts related to erosion would be low.

In the proposed condition, a portion of the Project site would be impervious surface area and not prone to on-site erosion because no soil would be included in these areas. The remaining portion of the site would consist of pervious area, which would contain landscaping that would minimize on-site erosion by stabilizing the soil and allowing for infiltration. Therefore, impacts related to erosion would be low and less than significant. No mitigation is required.

The Specific Plan EIR concluded that, due to the very small quantity of soil currently exposed at the surface, and the relatively level topography of the Specific Plan area, the potential for erosion hazards is low. Similarly, the proposed Project is located within the Specific Plan area and proposes development of a majority of the site with impervious structures with little soil exposed at the surface. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse?

Refer to Responses 4.6 (a) (iii) and (iv), above, for discussion on the potential impacts associated with liquefaction and landslides, respectively. There are no substantial hillsides or unstable slopes on the Project site; therefore, there is no potential for landslide hazards. However, the Project is located in the City of Fountain Valley, which is mapped as susceptible to subsidence and liquefaction. A site-specific geotechnical report will be prepared for the Project site to identify any geologic conditions that could affect the Project. The geotechnical report will include recommendations to address effects related to or resulting from any identified geologic conditions. In addition, the Project design will comply with the design requirements of the CBC to address any potential for unstable geologic units or unstable soils that are identified in the geotechnical report. Compliance with the design requirements of the CBC and implementation of the recommendations of the geotechnical report would ensure that impacts related to unstable geologic units or soils would be less than significant. No mitigation is required.

The Specific Plan EIR concluded that impacts related to unstable geologic units or soils would be less than significant with compliance with the CBC and Project-specific geotechnical report recommendations. The proposed Project would comply with the CBC requirements and

recommendations of the geotechnical report and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

d. Would the Project be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?

As discussed previously, the soils on the Project site are comprised entirely of Hueneme fine sandy loam, drained, which has a slight shrink-swell potential. Therefore, the on-site soils do not have a high expansion potential. The potential of the Project being located on expansive soils thereby creating substantial risks to life or property would be less than significant. No mitigation is required.

The Specific Plan EIR concluded that, because there are no soils in the Project site that have a high expansion potential, the potential for expansive soils to create substantial risks to life or property would be less than significant. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

e. Would the Project have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

The proposed Project would not include the use of septic tanks or alternative methods for disposal of wastewater into subsurface soils. No on-site sewage disposal systems (e.g., septic tanks) are planned. The proposed Project would connect to existing public wastewater infrastructure. Therefore, the proposed Project would not result in any impacts related to septic tanks or alternative wastewater disposal methods. No mitigation is required.

The Specific Plan EIR concluded that no impacts related to alternative wastewater disposal systems would occur because sewers are available for the disposal of wastewater. The proposed Project, which would also connect to sewers for wastewater, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.7.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to Geology and Soils. No additional mitigation measures would be required for the proposed Project.

4.7.4 Findings Related to Geology and Soils

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts

related to Geology and Soils, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Geology and Soils that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Geology and Soils requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Geology and Soils. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.8 GREENHOUSE GAS EMISSIONS

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☒
b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☒

4.8.1 Existing Setting

Greenhouse gases (GHGs) are present in the atmosphere naturally, are released by natural sources, or are formed from secondary reactions taking place in the atmosphere. However, over the last 200 years, human activities have caused substantial quantities of GHGs to be released into the atmosphere. These extra emissions are increasing GHG concentrations in the atmosphere, and enhancing the natural greenhouse effect, which is believed to be causing global climate change. The gases that are widely seen as the principal contributors to human-induced global climate change are:

- Carbon dioxide (CO_2)
- Methane (CH_4)
- Nitrous oxide (N_2O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulfur Hexafluoride (SF_6)

While GHGs produced by human activities include naturally-occurring GHGs such as CO_2, CH_4, and N_2O, some gases, like HFCs, PFCs, and SF_6 are completely new to the atmosphere. Certain other gases, such as water vapor, are short-lived in the atmosphere compared to those GHGs that remain in the atmosphere for significant periods of time, contributing to climate change in the long term. Water vapor is generally excluded from the list of GHGs because it is short-lived in the atmosphere and its atmospheric concentrations are largely determined by natural processes, such as oceanic evaporation. For the purposes of this analysis, the term "GHGs" will refer collectively to the six gases identified in the bulleted list provided above.

Section 15064.4 of the *State CEQA Guidelines* states that: "A lead agency should make a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate, or estimate the amount of GHG emissions resulting from a project." In performing that analysis, the lead agency has discretion to determine whether to use a model or methodology to quantify GHG emissions, or to rely on a qualitative analysis or performance-based standards. In making a determination as to the significance of potential impacts, the lead agency then considers the extent to which the Project may increase or reduce GHG emissions as compared to the existing environmental setting, whether the Project emissions exceed a threshold of significance that the lead agency determines applies to the Project, and the extent to which the Project complies with regulations or requirements adopted to implement a Statewide, regional, or local plan for the reduction or mitigation of GHG emissions.

Currently, there is no Statewide GHG emissions threshold that has been used to determine the potential GHG emissions impacts of a project. Thresholds and threshold methodology and are still being developed and revised by air quality districts in the State. Therefore, this environmental issue remains unsettled and must be evaluated on a case-by-case basis until such time as South Coast Air Quality Management District (SCAQMD) adopts significance thresholds and GHG emissions impact methodology. In addition, the City of Fountain Valley currently has no polices, plans, regulations, and thresholds of significance, or other municipal laws that directly address climate change. Therefore, in the absence of a climate action plan for the City, SCAQMD thresholds, when adopted, would apply to future development in the City.

To provide guidance to local lead agencies on determining significance for GHG emissions in their CEQA documents, SCAQMD convened a GHG CEQA Significance Threshold Stakeholder Working Group (Working Group).[4] Based on the September 2010 Working Group meeting (Meeting No. 15), SCAQMD suggested a "bright-line" screening-level threshold of 3,000 metric tons of carbon dioxide equivalent (CO_2e) annually for office land use types, which is applicable to the proposed Project and is used in this analysis.

4.8.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential GHG impacts on pages 3.4-1 through 3.4-20.

The Specific Plan EIR analyzed the Specific Plan impacts related to GHGs based on the SCAQMD's "bright-line" screening-level threshold of 3,000 metric tons of CO_2e. The Specific Plan EIR determined that implementation of the Specific Plan would generate GHG emissions both from mobile and operational sources, as well as short-term GHG emissions from construction. GHG emissions associated with construction and operation of the Specific Plan were quantified using California Emissions Estimator Model (CalEEMod). As identified in the Specific Plan EIR, short-term construction GHG emissions were considered to be approximately 2,415.2 metric tons per year for build out of the Specific Plan. When amortized over the 30-year life of the Specific Plan, annual emissions would be 1,027.4 metric tons of CO_2e. In addition, the Specific Plan EIR determined that build out of the Specific Plan would result in approximately 2,472.4 metric tons of CO_2e per year. As such, the results of CalEEMod analysis determined that impacts related to GHG emissions would be less than significant.

In addition, the Specific Plan EIR determined that the Specific Plan would not conflict with any applicable plan, policy, or regulation of an agency adopted for the purpose of reducing the emissions of GHGs as Specific Plan-related GHG emissions would be below adopted regional 2035 GHG reduction goals. In addition, consistent with Southern California Association of Governments' (SCAG) 2016–2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) alignment of transportation, land use, and housing strategies, the Specific Plan EIR determined that

[4] South Coast Air Quality Management District (SCAQMD). Greenhouse Gases (GHG) CEQA Significance Thresholds. Website: http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/ghg-significance-thresholds/ (accessed May 2018).

the Specific Plan area is an infill location and would provide residential and commercial uses in walking distance to proposed recreational uses, entertainment, and commercial retail, which would result in reduced vehicle miles traveled (VMT), as compared to a project of similar size and land uses at a more suburban location.

4.8.3 Analysis of Project Impacts

a. Would the Project generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?

The following section describes the proposed Project's construction- and operational-related GHG emissions and contribution to global climate change.

Construction Emissions. Construction activities associated with the proposed Project would produce combustion emissions from various sources. During construction, GHGs would be emitted through the operation of construction equipment and from worker and builder supply vendor vehicles, each of which typically use fossil-based fuels to operate. The combustion of fossil-based fuels creates GHGs such as CO_2, CH_4, and N_2O. Furthermore, CH_4 is emitted during the fueling of heavy equipment. Exhaust emissions from on-site construction activities would vary daily as construction activity levels change.

The SCAQMD does not have an adopted threshold of significance for construction-related GHG emissions. However, lead agencies are required to quantify and disclose GHG emissions. The SCAQMD requires the construction GHG emissions to be amortized over the life of the Project, defined as 30 years, added to the operational emissions, and compared to the applicable interim GHG threshold tier. Using CalEEMod, it is estimated that the proposed Project would generate approximately 1,083.7 metric tons of CO_2e during construction of the Project (compared to 2,415.2 metric tons per year identified for build out of the Specific Plan). When amortized over the 30-year life of the proposed Project, annual emissions would be 36.1 metric tons of CO_2e (compared to 1,027.4 metric tons per year identified for build out of the Specific Plan).

The Specific Plan EIR analysis determined that impacts related to GHG emissions would be less than significant. Annual emissions amortized over the 30-year life of the proposed Project would be substantially below the estimates for the Specific Plan. Therefore, construction of the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

Operational Emissions. Development of the proposed Project would contribute to the significant GHG impacts identified in the Specific Plan EIR. As with the Specific Plan, long-term operation of the proposed Project would generate GHG emissions from area sources and indirect emissions from sources associated with energy consumption. Area-source emissions would be associated with activities such as landscaping and maintenance on the Project site, and other sources. This analysis assumes that the proposed Project would not increase vehicle trips as the proposed Project would construct new administration buildings and relocate these uses from Plant No. 1 to the Project site north of Ellis Avenue.

Table H: Operational Greenhouse Gas Emissions (MT/yr)

Source	Bio-CO_2	NBio-CO_2	Total CO_2	CH_4	N_2O	CO_2e
Area Sources	0.0	0.0	0.0	0.0	0.0	0.0
Energy Sources	0.0	515.3	515.3	0.0	0.0	517.3
Mobile Sources	0.0	0.0	0.0	0.0	0.0	0.0
Waste Sources	15.6	0.0	15.6	0.9	0.0	38.6
Water Usage	5.2	110.8	116.0	0.5	0.0	133.6
Total Operational Emissions	**20.8**	**626.1**	**646.9**	**1.5**	**0.0**	**689.5**
Amortized Construction Emissions						36.1
Total Emissions						**725.6**
					SCAQMD Threshold	**3,000**
					Significant?	**No**

Source: LSA (November 2019).
Note: While the CH_4 and N_2O emissions are shown as zero, some are actually just less than 1. However, they do contribute to the CO_2e total.
Bio-CO_2 = biologically generated CO_2
CH_4 = methane
CO_2 = carbon dioxide
CO_2e = carbon dioxide equivalent
MT/yr = metric tons per year
N_2O = nitrous oxide
NBio-CO_2 = Non-biologically generated CO_2
SCAQMD = South Coast Air Quality Management District

Following guidance from the SCAQMD, GHG emissions were estimated for the proposed Project using CalEEMod. Table H shows the calculated GHG emissions for the proposed Project. CalEEMod output sheets are provided in Appendix A.

As discussed above, according to SCAQMD, a project would have less than significant GHG emissions if it would result in operational-related GHG emissions of less than 3,000 metric tons of CO_2e per year. Based on the analysis results, the proposed Project would result in approximately 725.6 metric tons of CO_2e per year and, therefore, would not exceed the SCAQMD's numeric threshold of 3,000 metric tons of CO_2e per year.

The Specific Plan EIR determined that build out of the Specific Plan would result in approximately 2,472.4 metric tons of CO_2e per year, with an overall net decrease of 997.8 metric tons of CO_2e per year compared to the existing land uses, and would not exceed the SCAQMD threshold of 3,000 metric tons of CO_2e per year. Therefore, the proposed Project emissions, which are also below the SCAQMD threshold of 3,000 metric tons of CO_2e per year, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

As indicated above, the City does not currently have an applicable plan, policy, or regulation adopted for the purpose of reducing GHG emissions. In addition, the proposed Project would be designed to achieve LEED Platinum Certification, which would reduce energy and water

consumption and reduce area emissions. As with implementation of the Specific Plan, the Project would not hinder the State's GHG reduction goals established by Assembly Bill (AB) 32 and Senate Bill (SB) 375. In addition, as discussed in the Specific Plan EIR, the Specific Plan would not conflict with the 2016–2040 SCAG RTP/SCS alignment of transportation, land use, and housing strategies. The 2016–2040 SCAG RTP/SCS focuses on an integrated land use and transportation strategy to reduce GHG emissions. The purpose of the SCAG RTP/SCS is to achieve the regional per capita GHG reduction targets for the passenger vehicle and light-duty truck sector established by CARB pursuant to SB 375. The proposed Project would involve construction and operation of a new administration building and a surface parking lot and would relocate the existing administrative uses from Plant No. 1 to the Project site north of Ellis Avenue. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. As a result, the Project would not increase existing vehicle trips. In addition, as discussed in the Specific Plan EIR, the Specific Plan area is an infill location and would provide residential and commercial uses in walking distance to proposed recreational uses, entertainment, and commercial retail, which would result in reduced VMT, as compared to a project of similar size and land uses at a more suburban location. As such, the proposed Project would not conflict with the goals of the SCAG RTP/SCS. Therefore, the proposed Project would not conflict with any applicable plan, policy, or regulation pertaining to GHGs, and the impact would remain less than significant.

The Specific Plan EIR determined that build out of the Specific Plan would not conflict with any applicable plan, policy, or regulation pertaining to GHGs. Similarly, the proposed Project, which is designed to achieve LEED Platinum Certification and would not conflict with any applicable plan, policy, or regulation pertaining to GHGs, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

4.8.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to GHG emissions. No mitigation would be required for the proposed Project.

4.8.4 Findings Related to Greenhouse Gas Emissions

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Greenhouse Gas Emissions, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Greenhouse Gas Emissions that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Greenhouse Gas Emissions requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Greenhouse Gas Emissions. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.9 HAZARDS AND HAZARDOUS MATERIALS

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☒
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☒
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☒
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☒
e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project result in a safety hazard for people residing or working in the Project area?	☐	☐	☒
f. For a project within the vicinity of a private airstrip, would the Project result in a safety hazard for people residing or working in the Project area?	☐	☐	☒
g. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☒
h. Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	☐	☐	☒

4.9.1 Existing Setting

The five existing industrial warehouse buildings on the Project site were constructed in 1971 and would be demolished upon Project implementation. Based on the ages of these buildings, there is a potential for building materials to contain asbestos or lead-based paint (LBP). A potential release of hazardous materials could occur when asbestos-containing materials (ACM) or LBPs are disturbed during renovation or demolition activities. This disturbance could be harmful to human health. As part of the Property Conditions Summary (Jacobs 2016) prepared for the Project, a hazardous building materials (HBM) survey was conducted, which confirmed that materials containing ACMs and LBPs are present in the existing industrial warehouse buildings on the Project site.

Standard equipment suspected of potentially containing polychlorinated biphenyls (PCBs) includes industrial-capacity transformers, fluorescent light ballasts, and oil-cooled machinery. The visual inspection of the Project site conducted as part of the Property Conditions Summary identified 461

fluorescent light bulbs on the Project site; however, the labeling on the ballasts did not indicate the presence of PCBs.

Other hazardous materials such as refrigerant (in heating, ventilation, and air conditioning [HVAC] units), transformers, batteries, and numerous chemicals (e.g., spray paints, solvents, and cleaning chemicals) were observed on the Project site during the visual inspection.

No existing or proposed schools are located within a 0.25-mile-radius of the Project site. The nearest schools are Gisler Elementary School and Cox Elementary School, approximately 0.5 mile to the southwest and 0.8 mile to the northwest, respectively, of the Project site.

The Project site is approximately 6 miles west of John Wayne Airport in the City of Santa Ana. According to the Airport Land Use Commission, the Project site does not fall within the John Wayne Airport Planning Area. There are no private airstrips in the vicinity of the Project site.

The Fountain Valley Fire Department (FVFD) is responsible for providing emergency response, fire prevention, education, and emergency medical services to citizens and visitors to Fountain Valley. Roads used as response corridors/evacuation routes usually follow the most direct path to or from various parts of a community. For the Project site, and the surrounding areas, the main corridors anticipated to be used by emergency services providers are Brookhurst Street, Ellis Avenue, I-405, and other arterials and freeways in this part of Fountain Valley. In addition, the City of Huntington Beach has designated Brookhurst Street as a tsunami evacuation path.

The Project site and the surrounding areas are developed with urban and suburban uses and do not include brush- and grass-covered areas typically found in areas susceptible to wildfires.

4.9.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Hazards and Hazardous Materials impacts on pages 3.5-1 through 3.5-18.

According to the Specific Plan EIR, the majority of existing buildings in the Specific Plan area were constructed in the 1960s and 1970s. Based on their age, these structures may have been constructed with hazardous building materials such as LBPs and ACMs. In addition, fluorescent light tubes containing mercury vapors, fluorescent light ballasts containing PCBs, and PCB-containing electrical equipment may be present in the buildings. Demolition and excavation activities could result in the accidental release and expose of construction workers and the public to hazardous materials.

Any renovation or demolition would be required by law to follow South Coast Air Quality Management District (SCAQMD) and California Occupational Safety and Health Administration (Cal/OSHA) regulations regarding abatement of ACMs and the Cal/OSHA Lead in Construction Standard for the abatement of LBPs. Together, these regulations require sampling, safe work practices, and appropriate disposal that would protect workers from harmful exposures to these substances during construction activities and prevent contamination of surrounding soil or water.

The Specific Plan EIR concluded that impacts related to the release of hazardous building materials would be less than significant with compliance with existing laws and regulations.

According to the Specific Plan EIR, existing businesses within the Specific Plan area may use and store hazardous materials such as solvents, chemicals, or other hazardous materials to support normal business operations that could expose workers and occupants to hazardous materials or waste or result in the event of an accidental release. The Specific Plan concluded that this would be a significant impact prior to mitigation. As such, the Specific Plan EIR included Mitigation Measure MM HAZ-1, which requires each development and redevelopment project to prepare a Phase I Environmental Site Assessment (Phase I ESA) and/or additional technical investigations prior to demolition activities. Prior to demolition, hazardous materials or waste stored at these locations would be removed and the hazardous materials and waste facilities in these buildings would be closed in accordance with applicable laws and regulations designed to address hazardous materials or waste and protect human health and the environment. Compliance with these regulatory requirements, including preparation of a Phase I ESA and/or additional technical investigations would ensure that impacts related to exposure to hazardous materials or waste stored or used in the existing buildings would be less than significant with implementation of Mitigation Measure MM HAZ-1.

A database search of regulatory records was conducted for the Specific Plan EIR. All sites identified within the Specific Plan area are either cleanup sites under a tiered permit, non-operating permitted sites, or underground fuel tanks with cleanup completed. Nonetheless, the Specific Plan EIR concluded that land use changes could potentially occur on hazardous materials sites and could result in potential hazards risk to the environment and public health, resulting in a potentially significant impact. Individual development projects engaging in activities involving the handling of hazardous substances or waste would be required to receive all necessary permits and authorization by the appropriate governing agencies. The Specific Plan EIR concluded that, with compliance with the regulatory codes, the potential for projects to result in substantial adverse impacts related to redevelopment of an existing known hazardous waste site would be low. The Specific Plan EIR also included MM HAZ-1, which requires individual development projects within the Specific Plan area to prepare a Phase 1 ESA prior to commencement of demolition or excavation. The Specific Plan EIR concluded that implementation of MM HAZ-1 would ensure that impacts from hazardous waste sites compiled pursuant to Government Code Section 65962.5 would be less than significant with mitigation.

There are no existing or proposed schools within 0.25 mile of the Specific Plan area. Therefore, the Specific Plan EIR concluded that impacts from emissions or handling of hazardous materials within the vicinity of a school would be less than significant.

The Specific Plan area lies 3.7 miles northwest of John Wayne Airport, and is located just outside of the Airport's Influence Area. Therefore, the Specific Plan EIR determined that it is not subject to any development restrictions from the Airport Environs Land Use Plan (AELUP). Therefore, the Specific Plan EIR concluded that impacts related to airport land use plans would be less than significant.

The Specific Plan area does not contain and is not proximate to a private airstrip; therefore, the Specific Plan EIR concluded that no impacts related to hazards from a private airstrip would occur.

Growth anticipated from development within the Specific Plan area would increase demand for emergency response capabilities in the immediate vicinity. However, the Specific Plan EIR found that this intensification of land uses would be consistent with general development in the region and would not result in a substantial increase in emergency response requirements beyond the capacity of existing services. Further, projects within the Specific Plan area would be built in compliance with the City of Fountain Valley General Plan Public Safety Element and the 2004 Huntington Beach/ Fountain Valley Hazard Mitigation Plan including all applicable building, fire, and emergency response plans. Individual development projects would require approval of the City and payment of fees to support any required increases and services that would potentially occur. Therefore, impacts related to impairment of implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan would be less than significant.

The Specific Plan area is fully urbanized and is not directly adjacent to hillsides or other wildland areas. Therefore, the Specific Plan EIR concluded that no risk of loss, injury, or death involving wildland fires would occur from build out of the Specific Plan.

4.9.3 Analysis of Project Impacts

a. Would the Project create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

Construction activities associated with the proposed Project would use a limited amount of hazardous and flammable substances/oils during heavy equipment operation for site excavation, grading, and construction. The amount of hazardous chemicals present during construction is limited and would be used in compliance with existing government regulations. The potential for the release of hazardous materials during Project construction is low, and even if a release would occur, it would not result in a significant hazard to the public, surrounding land uses, or environment due to the small quantities of these materials associated with construction vehicles.

The Project proposes to construct a new administration building. The proposed use typically does not present a hazard associated with the accidental release of hazardous substances into the environment because employees are not anticipated to use, store, dispose, or transport large volumes of hazardous materials. Hazardous substances associated with the office uses are typically limited in both amount and use such that they can be contained without impacting the environment. Project operation would involve the use of potentially hazardous materials (e.g., solvents, cleaning agents, paints, fertilizers, and pesticides) typical of office uses that, when used correctly and in compliance with existing laws and regulations, would not result in a significant hazard to residents or workers in the vicinity of the proposed Project. Operational impacts are considered less than significant, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to the routine transport, use, or disposal of hazardous materials would be less than significant with compliance with existing government

regulations. The proposed Project would also comply with existing regulations governing the transport, use, and disposal of hazardous materials. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts because the proposed Project would not require the transport, use, or disposal of substantial amounts of hazardous materials. No mitigation measures are required.

b. Would the Project create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

The following Phase I ESAs were prepared for the proposed Project: *Hazardous Building Materials Survey for 18475 Pacific Street & 18484 Bandilier Circle (Arcadis 2016), Phase I ESA for 18429 Pacific Street* (Arcadis 2018a)*, Phase I ESA for 18368 - 18384 Bandilier Circle* (Arcadis 2018b)*,* and *Phase I ESA for 18410 - 18436 Bandilier Circle* (Arcadis 2018c). The Phase I ESAs did not identify any recognized environmental conditions (RECs), controlled recognized environmental conditions (CRECs), or historical recognized environmental conditions (HRECs) in connection with the Project site, and no further investigation was recommended. However, out of an abundance of caution due to the Project site's previous use for agricultural activities, a Phase II Soil Sampling Report (Arcadis 2018d) was prepared for four properties. The Phase II Report evaluated the potential for residual pesticides to be present in near surface soil to determine if soil contains concentrated amounts of organochlorine pesticides (OCPs). In in the soil samples analyzed, the Phase II did not detect OCPs at concentrations exceeding the EPA's regulatory screening criteria. The Phase II determined that no additional assessment, remediation, or removal is necessary.

The proposed Project would include demolition of the existing on-site industrial warehouse buildings, which as discussed previously, contain ACMs and LBPs. Any renovation or demolition would be required by law to follow SCAQMD and Cal/OSHA regulations regarding abatement of ACMs and the Cal/OSHA Lead in Construction Standard for the abatement of LBPs. Together, these regulations require sampling, safe work practices, and appropriate disposal that would protect workers from harmful exposures to these substances during construction activities and prevent contamination of surrounding soil or water. Demolition activities would also comply with the recommendations of the Property Conditions Summary, and the Phase I ESAs, which include recommendations to ensure compliance with existing regulations. In addition, MM HAZ-1, which requires individual development projects within the Specific Plan area to prepare a Phase 1 ESA prior to commencement of demolition or excavation, states that project Applicants shall follow all applicable local, State, and federal codes and regulations, as well as applicable best management practices, related to the treatment, handling, and disposal of ACMs, LBPs, and PCBs to ensure public safety.

As stated previously, hazardous materials such as solvents, chemicals, or other hazardous materials are currently stored and used on the Project site. The public could be exposed to hazardous materials or waste in the event of an accidental release. Mitigation measure MM HAZ-1 from the Specific Plan EIR would be applicable to the proposed Project, which

requires each development and redevelopment project to prepare a Phase I ESA and/or additional technical investigations prior to demolition activities. Prior to demolition, hazardous materials or waste stored at these locations would be removed and the hazardous materials and waste facilities in the existing industrial warehouse buildings would be closed in accordance with applicable laws and regulations designed to address hazardous materials or waste and protect human health and the environment. Compliance with these regulatory requirements, including preparation of a Phase I ESA and/or additional technical investigations would ensure that impacts related to exposure to hazardous materials or waste stored or used in the existing industrial warehouse buildings would be less than significant with implementation of Mitigation Measure MM HAZ-1. Compliance with existing regulations and MM HAZ-1 would ensure that impacts related to the upset of hazardous materials would be less than significant.

Hazardous substances associated with the proposed office uses would be limited in both amount and use such that they can be contained without impacting the environment. Project operation would involve the use of potentially hazardous materials (e.g., solvents, cleaning agents, paints, fertilizers, and pesticides) typical of office uses that, when used correctly and in compliance with existing laws and regulations, would not result in a significant hazard to residents or workers in the vicinity of the Project site. Operation of the proposed Project would not create a significant hazard to the public or the environment through reasonable foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

The Specific Plan EIR concluded that impacts related to the accidental release of hazardous materials would be less than significant with implementation of MM HAZ-1, which requires preparation of a Phase 1 ESA. MM HAZ-1 is also applicable to the proposed Project, and Phase I ESAs have been prepared and any recommendations related to hazardous materials present in the existing industrial warehouse buildings will be implemented. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

As discussed above, no existing or proposed schools are located within a 0.25-mile-radius of the Project site. Therefore, the proposed Project would not result in impacts related to hazardous materials and proximity to schools, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to emissions or handling of hazardous materials within the vicinity of a school would be less than significant because no schools are located within 0.25 mile of the Specific Plan area. Therefore, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts because no schools are located in the vicinity of the Project site. No new mitigation measures are required.

d. Would the Project be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

Refer to Response 4.8 (a), above. A records search was conducted as part of the Specific Plan EIR. The Project site was not identified as a Permitted or Cleanup Site. In addition, of the 10 listed Permitted or Cleanup Sites, none were listed as open cases and none indicated that further action is required. Specifically, six sites have completed cleanup and the cases are closed; two sites do not require cleanup; one site is historically permitted; one site had its closure certification finalized in 2016; and one site requires no further action. Regardless, MM HAZ-1 in the Specific Plan EIR, which is applicable to the proposed Project, requires preparation of a Phase I ESA, which would include a government record search. The government records search will determine if the Project site could pose a potential environmental concern to the surrounding area, identify any environmental violations associated with activities conducted at the Project site, and identify if there are any nearby hazardous waste sites that could pose a hazard to the Project site. The Phase I ESAs did not identify any RECs, CRECs, or HRECs in connection with the Project site, and no further investigation was recommended. With preparation of Phase 1 ESAs and implementation of the recommendations contained in the Phase I ESAs, as required by MM HAZ-1, impacts related to hazards associated with hazardous materials sites would be reduced to a less than significant level.

The Specific Plan EIR concluded that impacts related to hazardous material sites would be less than significant with implementation of MM HAZ-1, which requires preparation of a Phase 1 ESA. MM HAZ-1 is also applicable to the proposed Project, and Phase I ESAs have been prepared and any recommendations related to hazardous waste sites will be implemented. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project result in a safety hazard for people residing or working in the Project area?

As discussed above, the Project site does not fall within the John Wayne Airport Planning Area. Further, the proposed Project would not result in safety hazards for people living or working in the area different than would occur under existing conditions. In total, 327 OCSD employees would move to a new site across Ellis Avenue from Plant No. 1. As a result, the Project would not increase the number of OCSD employees in the area. Consequently, the risk of safety hazards associated with John Wayne Airport would not be substantively different in this area of Fountain Valley with or without the Project. Therefore, no impacts would result, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to airport land use plans would be less than significant because the Specific Plan area is not located within an airport land use plan area. Therefore, the proposed Project, which is located within the Specific Plan area, would not result

in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

f. For a project within the vicinity of a private airstrip, would the Project result in a safety hazard for people residing or working in the Project area?

No private airports or airstrips are located in the vicinity of the Project site. As a result, the proposed Project will not affect or be affected by aviation activities associated with private airports or airstrips. No mitigation is required.

The Specific Plan EIR concluded that no impacts related to hazards from a private airstrip would occur because no private airstrips are located within or in the vicinity of the Specific Plan area. Therefore, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

g. Would the Project impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

The Project would involve construction and operation of a new administration building across the street from Plant No. 1, where the current administrative uses are presently housed. Existing employees would be relocated across Ellis Avenue from Plant No. 1 to the new administration building. As stated in Section 4.14, Population and Housing, the proposed Project would not represent a net increase in employees because the administrative use would provide work space for existing OCSD personnel currently located at OCSD's Plant No. 1. As a result, no increase demand for emergency response capabilities in the immediate vicinity of the Project site would occur. Additionally, the Project would be built in compliance with the City of Fountain Valley General Plan Public Safety Element and the 2004 Huntington Beach/Fountain Valley Hazard Mitigation Plan including all applicable building, fire, and emergency response plans. Therefore, impacts related to impairing the implementation of or physically interfering with an adopted emergency response plan or emergency evacuation plan would be less than significant. No mitigation is required.

The Specific Plan EIR also concluded that impacts related to an emergency plan would be less than significant because projects would not result in a substantial increase in emergency response requirements beyond the capacity of existing services and the Project would be built in compliance with existing City regulations. Similarly, the proposed Project would not increase demand for emergency services and would also be built in compliance with City requirements. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

h. Would the Project expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

Wildland fires occur in geographic areas that contain the types and conditions of vegetation, topography, weather, and structure density susceptible to risks associated with uncontrolled fires that can be started by lightning, improperly managed camp fires, cigarettes, sparks from automobiles, and other ignition sources. The Project site and the surrounding areas are developed with urban and suburban uses and do not include brush- and grass-covered areas typically found in areas susceptible to wildfires. As a result, the proposed Project would not expose people or structures to a significant risk of loss, injury, or death associated with wildland fires. No mitigation is required.

The Specific Plan EIR also concluded that no risk of loss, injury, or death involving wildland fires would occur because the Specific Plan area is urban and not susceptible to wildfires. Therefore, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.9.3.1 Mitigation Measure

Based on the analysis and information above, Mitigation Measure MM HAZ-1 included in the Specific Plan EIR, would be applicable to the proposed Project. No additional mitigation measures related to hazards and hazardous materials beyond those identified in the Specific Plan EIR are required.

MM HAZ-1 **Phase I ESA**. Prior to demolition of a building or structure and/or excavation of subsurface improvements, project applicants of site specific development projects in the Project area shall prepare a Phase I ESA. Consistent with local, state, and federal regulations, the Phase I ESA shall be subject to City review and address the following:

- **ACM, LBP, and PCBs**. Prior to the issuance of any demolition or excavation permit, the Applicant shall conduct a comprehensive survey of ACM, LBP, and PCBs. If such hazardous materials are found to be present, the Applicant shall follow all applicable local, state, and federal codes and regulations, as well as applicable best management practices, related to the treatment, handling, and disposal of ACM, LBP, and PCBs to ensure public safety.

- **Potential On-Site Hazardous Materials or Conditions**. A visual survey and reconnaissance-level investigation of the existing site shall be conducted to determine if there are any structures or features within or near the buildings that are used to store, contain, or dispose of hazardous materials or waste. For any development within the Project area that has not been subject to a Phase I ESA or successful remediation efforts in the past, a Phase I ESA shall be

performed to determine the likelihood of contaminants in areas beyond what has already been assessed in accordance with USEPA ASTM Practice E 1527-05 as may be amended. If the Phase I ESA finds that contaminated soil or other hazardous materials or waste are suspected to be present within the area, the Applicant shall follow all applicable local, state and federal codes and regulations, as well as applicable best management practices, related to the treatment, handling, and disposal of each hazardous material or waste.

4.9.4 Findings Related to Hazards and Hazardous Materials

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Hazards and Hazardous Materials, and there is substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Hazards and Hazardous Materials that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Hazards and Hazardous Materials requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Hazards and Hazardous Materials. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measure that is applicable to the proposed Project is listed in Section 4.9.3.1. Potential Project impacts related to Hazards and Hazardous Materials would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

4.10 HYDROLOGY AND WATER QUALITY

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Violate any water quality standards or waste discharge requirements?	☐	☐	☒
b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	☐	☐	☒
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	☐	☐	☒
d. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	☐	☐	☒
e. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	☐	☐	☒
f. Otherwise substantially degrade water quality?	☐	☐	☒
g. Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	☐	☐	☒
h. Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	☐	☐	☒
i. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	☐	☐	☒
j. Inundation by seiche, tsunami, or mudflow?	☐	☐	☒

4.10.1 Existing Setting

According to the Specific Plan EIR, the Project site is located within the approximately 210-square-mile Santa Ana River watershed. The Santa Ana River originates approximately 75 miles northeast of the Project site in the San Bernardino Mountains, crosses through San Bernardino County and central Orange County, where it is channelized at the Prado Dam before it flows through Orange County and empties into the Pacific Ocean. The Santa Ana River is located approximately 0.25 mile to the east of the Project site.

The Project site is underlain by the approximately 350-square-mile Coastal Plain of the Orange County Groundwater Basin, which is managed by the OCWD. The Orange County Groundwater Basin is bound by the Puente and Chino Hills on the north, the Santa Ana Mountains on the east, and the

San Joaquin Hills on the south. The Orange County Groundwater Basin is bound by the Pacific Ocean on the southwest and by a low topographic divide approximated by the Orange County - Los Angeles County line on the northwest (DWR 2004).

According to the Federal Emergency Management Agency Flood Insurance Rate Map (FIRM) Map No. 06059C0254J (December 2, 2009), the Project site is in an area designated as Zone X: Other Flood Areas. Zone X: Other Flood Areas identifies areas of 0.2 percent annual chance flood (500-year flood), areas of 1 percent annual chance flood (100-year flood) with average depths of less than 1 foot or with drainage areas less than 1 square mile, and areas protected by levees from a 1 percent annual chance flood. Specifically, according to the FIRM Map, the Project site is in an area protected by a levee and the 100-year flood is contained in the Santa Ana Channel. In addition, according to the Safety Element of the County of Orange General Plan (2005, amended in 2012), the Project site is in the Prado Dam Inundation Area.

The Pacific Ocean is approximately 5.5 miles from Plant No. 1 and the Project site and, according to the Tsunami Inundation Map for the Newport Beach Quadrangle, Plant No. 1 and the Project site do not fall within the tsunami inundation zone.

4.10.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Hydrology and Water Quality impacts on pages 3.6-1 through 3.6-14.

The Specific Plan EIR determined that construction of projects within the Specific Plan area would increase soil erosion and sediment transport that would have the potential to impact downstream receiving waters. However, each individual project would be required to comply with the requirements of the General Construction Permit, prepare and implement a Stormwater Pollution Prevention Plan, and implement and inspect stormwater pollution prevention measures and control practices. The Specific Plan EIR also determined that additional development and redevelopment within the Specific Plan area would not substantially increase the amount of impermeable surfaces and associated runoff. Rather, redevelopment would have a slightly beneficial impact on urban runoff and water quality because each project would require more open space, landscaping, and permeable areas compared to existing conditions. Additionally, future projects would be required to comply with the County Municipal National Pollutant Discharge Elimination System (NPDES) Stormwater Permit, which requires that new development and redevelopment projects incorporate Low Impact Development (LID) measures to reduce pollutants washing off site and to maintain pre-development runoff rates. Stormwater runoff from new impervious surface areas would be infiltrated through bioretention areas where possible. With adherence to existing water quality regulations governing development and redevelopment, the Specific Plan EIR concluded that impacts associated with water quality standards and waste discharge requirements during construction and operation would be less than significant, and no mitigation was required.

The Specific Plan EIR determined that, given the relatively shallow depth of groundwater at the Project area, it is possible that subsurface excavation during construction could intercept shallow groundwater tables and that groundwater dewatering may be required. However, groundwater dewatering activities would be temporary and unlikely to be extensive and would, therefore, not

substantially affect groundwater levels. Build out of the Specific Plan area would result in redevelopment and a net increase in approximately 258,011 sf of developed areas and impervious surfaces. The Specific Plan area is primarily built out and impervious, a condition which does not support groundwater recharge. The Specific Plan requires a minimum of 3 acres of public space to be added to the Specific Plan area, which would increase the overall permeable surfaces within the Specific Plan area. In addition, the Specific Plan requires the installation of landscaped areas or other pervious surfaces to minimize runoff and provide additional opportunities for groundwater recharge. Furthermore, the Specific Plan would require development and redevelopment projects to implement LID and stormwater Best Management Practices (BMPs) to improve water quality and reduce runoff. Overall, build out of the Specific Plan would reduce runoff and increase opportunities for permeable area and groundwater recharge. Therefore, the Specific Plan EIR concluded that impacts to groundwater supply and aquifer levels would be less than significant, and no mitigation was required.

The Specific Plan EIR determined that build out of the Specific Plan would not alter natural streams, creeks, lakes, or other water bodies because none are present within the Specific Plan area. The Specific Plan area is served by an existing municipal stormwater drainage system. Construction activities could slightly alter on-site drainage patterns; however, any alteration in flows would be temporary and would continue to be directed into the existing storm drain system. Given that impermeable surfaces currently cover almost all of the Specific Plan area, implementation of the Specific Plan would not substantially increase the amount of impermeable surfaces and associated urban runoff.

The Specific Plan would provide for increased permeable area through development standards that require new open space, landscaping, and planted areas. As a result, the amount of urban runoff would decrease as compared to existing conditions. In addition, each development and redevelopment project would be subject to City review to ensure inclusion of design features that would continue to convey stormwater runoff to the existing municipal storm drain system. Therefore, the Specific Plan EIR concluded that impacts related to alteration of existing drainage patterns of the area such that substantial erosion, siltation, or flooding would occur would be less than significant.

The Specific Plan EIR determined that while minor flooding may be experienced within the Specific Plan area, because the Specific Plan area is not subject to the 100-year flooding, people or structures would not be exposed to a significant risk of loss, injury, or death involving flooding.

In addition, the Specific Plan area is located adjacent to the Santa Ana River and is likely subject to inundation in the event of failure or collapse the Prado Dam. However, due to the distance from Prado Dam and current emergency procedures that address dam failure or flooding, the likelihood of dam failure is low, and impacts related to flooding would be less than significant.

The Specific Plan EIR concluded that no impacts related to inundation by tsunami would occur because the Specific Plan area is not located within a tsunami inundation zone.

4.10.3 Analysis of Project Impacts

a. Would the Project violate any water quality standards or waste discharge requirements?

The proposed Project would result in changes to existing conditions, including the demolition of the five existing industrial warehouse buildings and construction and operation of a new administration building and surface parking lot on the Project site.

Construction and operation of the proposed Project has the potential to introduce additional pollutants into the storm drain system. During construction activities, excavated soil would be exposed, and there would be an increased potential for soil erosion and sedimentation compared to existing conditions. In addition, chemicals, liquid products, petroleum products (e.g., paints, solvents, and fuels), and concrete-related waste may be spilled or leaked and have the potential to be transported via storm runoff into receiving waters.

During construction, the total disturbed soil area would be approximately 5.2 acres. Projects that disturb greater than 1 acre of soil are required to obtain coverage under the State Water Resources Control Board (SWRCB) Construction General Permit. Project construction would comply with the requirements of the Construction General Permit, including preparation of a Storm Water Pollution Prevention Plan (SWPPP) and implementation of Construction BMPs. Construction BMPs would include, but not be limited to, Erosion Control and Sediment Control BMPs designed to minimize erosion and retain sediment on site; and Good Housekeeping BMPs to prevent spills, leaks, and discharge of construction debris and waste into receiving waters.

During operation, the proposed Project would change the operational pollutants, such as suspended solids/sediments, nutrients, heavy metals, pathogens (bacteria/viruses), pesticides, oil and grease, toxic organic compounds, and trash and debris, that are introduced into stormwater runoff. However, the proposed Project would reduce impervious surface area and would include BMPs, which combined would reduce the volume of and pollutants in stormwater runoff from the Project site compared to existing conditions. In its existing condition, the Project site has an impervious surface area of approximately 205,920 sf, or 91 percent. In the proposed condition, approximately 166,684 sf, or 73.5 percent, of the Project site would be comprised of impervious surface area. As such, implementation of the proposed Project would result in a decrease of impervious surface area on the Project site (from 91 percent to 73.5 percent).

The Project would comply with the requirements of the County Municipal NPDES Stormwater Permit. In accordance with the County of Orange Model Water Quality Management Plan (WQMP) template and the Technical Guidance Document for the County of Orange and the City, a Water Quality Management Plan (WQMP) is required to be prepared for the Project, which details the Low Impact Development features and treatment control BMPs to be included in the Project to reduce pollutants of concern in stormwater runoff. According to the *Conceptual Water Quality Management Plan* (September 2019) prepared for the Project, the proposed BMPs are bioretention basins. Four locations for bioretention basins have been identified: (1) on the southeast corner of the site, (2) at the east limit of the parking lot, (3) at the west limit of the parking lot, and (4) a smaller area within the employee courtyard. After being treated within

the bioretention basins, stormwater runoff would discharge to the City of Fountain Valley stormdrain system located within Ellis Avenue. Because stormwater runoff from the Project site is not currently treated, implementation of BMPs would reduce pollutants of concern in stormwater runoff and improve water quality of stormwater discharge from the Project site compared to existing conditions.

With adherence to existing water quality regulations, including the Construction General Permit and County Municipal NPDES Stormwater Permit, impacts associated with water quality standards and waste discharge requirements during construction and operation would be less than significant, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to water quality standards and waste discharge requirements would be less than significant with compliance with existing regulations. Similarly, the proposed Project would comply with existing regulations and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

b. Would the Project substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?

The potential for groundwater dewatering during construction cannot be ruled out at this time. As such, it is possible that that subsurface excavation during construction could intercept shallow groundwater tables and that groundwater dewatering may be required. However, groundwater dewatering activities would be temporary and unlikely to be extensive and would, therefore, not substantially affect groundwater levels.

In the existing condition, the Project site consists of primarily impervious surface areas, which do not promote infiltration. The Project would reduce the impervious surface area of the site, which can provide more opportunities for infiltration. However, because the infiltration potential of on-site soils is low, any increase in infiltration would be minimal. As such, the proposed Project would not substantially change on-site infiltration or alter groundwater infiltration or recharge. Therefore, Project impacts to groundwater supply and aquifer levels would be less than significant, and no mitigation is required.

The Specific Plan EIR concluded that build out of the Specific Plan would reduce runoff and increase opportunities for permeable area and groundwater recharge; therefore, impacts to groundwater supply and aquifer levels would be less than significant, and no mitigation was required. Any change in infiltration resulting from the proposed Project would be anticipated to be minimal. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?

The Project would not alter the course of a stream or river. Construction activities would slightly alter on-site drainage patterns and increase the potential for erosion and siltation due to ground-disturbing activities that would expose the top soil. However, Project construction would comply with the requirements of the Construction General Permit, including preparation of a SWPPP and implementation of Construction BMPs. Construction BMPs would include, but not be limited to, Erosion Control and Sediment Control BMPs designed to minimize erosion and retain sediment on site.

The Project would not permanently alter drainage patterns of the Project site, which is already developed. In the proposed condition, a portion of the Project site would consist of impervious surface area and not prone to on-site erosion or siltation because no soil would be included in these areas. The remaining portion of the site would consist of pervious area, which would contain landscaping that would minimize on-site erosion and siltation by stabilizing the soil. The Project would decrease on-site impervious surface areas, which would decrease stormwater runoff and decrease the potential for downstream erosion and siltation. In addition, the County MS4 Permit requires implementation of LID and stormwater BMPs to minimize runoff. The proposed Project includes bioretention basins in compliance with this requirement. Because the Project would decrease stormwater runoff from the project site by reducing impervious surface area and including BMPs, impacts related to alteration of existing drainage patterns in a manner that could result in on- or off-site erosion or siltation would be less than significant, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to alteration of existing drainage patterns of the area such that substantial erosion or siltation would occur and impacts would be less than significant. The proposed Project would reduce impervious surface area and would comply with the County MS4 Permit, which requires implementation of LID and stormwater BMPs to minimize runoff. Because the Project would decrease stormwater runoff from the project site by reducing impervious surface area and including BMPs, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

d. Would the Project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?

Construction activities would slightly alter on-site drainage patterns; however, any alteration in flows would be temporary and would continue to be directed into the existing storm drain system. The proposed Project would include on-site drainage features that would accommodate and convey on-site stormwater runoff such that on-site flooding would not occur. These

drainage features would convey stormwater runoff to the existing municipal storm drain system. The proposed Project would reduce impervious surface area and would include implementation of LID and stormwater BMPs to reduce stormwater runoff discharged from the Project site. Because the Project would decrease stormwater runoff from the Project site, the Project would not increase the potential downstream flooding. Implementation of drainage features and BMPs would ensure that Project impacts related to alteration of existing drainage patterns of the area such that substantial flooding would occur would be less than significant, and no mitigation is required.

The Specific Plan EIR concluded that, because each project would include design features that would convey stormwater runoff to the existing municipal storm drain system, impacts related to the alteration of existing drainage patterns of the area such that flooding would occur and impacts would be less than significant. The proposed Project requires implementation of drainage features and BMPs to minimize runoff and flooding and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

e. Would the Project create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

Refer to Responses 4.9 (a) and 4.9 (d). The proposed Project would decrease impervious surface area on the Project site, which would decrease runoff and pollutant loading from the Project site. Additionally, the Project would include drainage features that would continue to convey stormwater runoff to the existing municipal storm drain system. In addition, the County MS4 Permit requires the installation of landscaped areas or other pervious surfaces and implementation of LID and stormwater BMPs to minimize and treat stormwater runoff. The proposed Project would include bioretention basins in compliance with this requirement to reduce both volume of and pollutants in stormwater runoff compared to existing conditions. Therefore, impacts related to exceedance of the capacity of stormwater drainage systems or provision of polluted runoff would be less than significant.

The Specific Plan concluded that impacts related to the exceedance of the capacity of stormwater drainage systems or the provision of polluted runoff would be less than significant. The proposed Project requires implementation of drainage features and BMPs to minimize runoff and flooding and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

f. Would the Project otherwise substantially degrade water quality?

Refer to Response 4.9 (a), above. With adherence to existing water quality regulations, including the Construction General Permit and County Municipal NPDES Stormwater Permit, which includes implementation of construction and operational BMPs, impacts associated with

degradation of water quality during construction and operation would be less than significant, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to degradation of water quality would be less than significant with compliance with existing regulations. Similarly, the proposed Project would comply with existing water quality regulations and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

g. Would the Project place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?

The proposed Project does not include a housing component. Therefore, the Project would not place housing in a 100-year flood hazard area. No impacts would occur related to placement of housing in a 100-year flood hazard area, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to flooding would be less than significant. Similarly, the proposed Project would not place housing in a 100-year flood hazard area and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

h. Would the Project place within a 100-year flood hazard area structures which would impede or redirect flood flows?

As discussed above, the Project site is not located in a 100-year flood hazard area. Because the Project site is not located in a 100-year flood hazard area, the proposed Project would not place structures in a 100-year flood hazard area or impede or redirect flood flows, and no mitigation is required.

The Specific Plan EIR concluded that impacts related to flooding would be less than significant. The proposed Project is not located in a 100-year flood hazard area and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

i. Would the Project expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?

The Project site is located in an area protected from inundation by levees (the Santa Ana River levee system) and within in the Prado Dam Inundation Area.

Prado Dam was designed in the 1930s, but increased its functioning capability due to Seven Oaks Dam, which was completed in November 1999, and is approximately 40 miles upstream on the Santa Ana River. During a flood, Seven Oaks Dam stores water destined for Prado Dam for as long as the reservoir pool at Prado Dam is rising. When the flood threat at Prado Dam has

passed, Seven Oaks Dam begins to release its stored flood water at a rate that does not exceed the downstream channel capacity. Working in tandem, the Prado and Seven Oaks Dams provide increased flood protection to Orange County.

Prado Dam is maintained and inspected to ensure its integrity and to ensure that risks are minimized. In addition, construction of the Santa Ana River Mainstem Project was initiated in 1989, and is scheduled for completion in 2020. The Santa Ana River Mainstem Project will increase levels of flood protection to more than 3.35 million people in Orange, San Bernardino, and Riverside Counties. Improvements to 23 miles of the Lower Santa Ana River channel, from Prado Dam to the Pacific Ocean, are 95 percent complete, with the remaining bank protection improvements in Yorba Linda currently under construction. Improvements to the Santa Ana River channel include construction of new levees and dikes. In addition, the Santa Ana River Mainstem Project includes improvements to Prado Dam that are currently underway and are estimated to be completed in 2021. The Prado Dam embankment has been raised and the outlet works have been reconstructed to convey additional discharges. Remaining improvements to Prado Dam include acquisition of additional land for the expansion of the Prado Reservoir, construction of protective dikes, and raising of the spillway (Orange County Flood Division 2018).

Although the Project would construct a new structure in an inundation zone, the proposed Project would not increase the chance of inundation from failure of Prado Dam. In addition, due to the distance from Prado Dam and current emergency procedures that address dam failure or flooding, the likelihood of dam failure is low, and impacts related to flooding as a result of dam or levee failure would be less than significant. No mitigation is required.

The Specific Plan EIR also concluded that impacts related to flooding as a result of failure of a dam or levee would be less than significant. Similarly, the proposed Project would not increase the chance of inundation from failure of Prado Dam and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

j. Would the Project have inundation by seiche, tsunami, or mudflow?

No large standing bodies of water are located in the immediate vicinity of the Project site that could cause flooding due to seiches. The Pacific Ocean is approximately 5.5 miles from the Project site and is not located within the tsunami inundation zone. The Project site is essentially flat and there are no substantial slopes on or in the vicinity of the Project site. As a result, there is no risk of mudflow at the Project site. No impacts associated with possible seiche, tsunami, and mudflow would occur, and no mitigation is necessary.

The Specific Plan EIR also concluded that no impacts related to inundation by seiche, tsunami, or mudflow would occur. The proposed Project is located within the Specific Plan area and would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR

or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

4.10.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to Hydrology and Water Quality. No additional mitigation measures would be required for the proposed Project.

4.10.4 Findings Related to Hydrology and Water Quality

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Hydrology and Water Quality and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Hydrology and Water Quality that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Hydrology and Water Quality requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Hydrology and Water Quality. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.11 LAND USE AND PLANNING

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Physically divide an established community?	☐	☐	☒
b. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the Project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☒
c. Conflict with any applicable habitat conservation plan or natural community conservation plan?	☐	☐	☒

4.11.1 Existing Setting

According to the Specific Plan EIR, the Specific Plan area includes approximately 35 acres in the eastern portion of the City of Fountain Valley along I-405 and the Santa Ana River, which serves as the eastern border for the City. The Specific Plan area currently consists of various light industrial, retail, and office land uses and supports a variety of commercial businesses including various clothing outlets, furniture and hardware stores, auto body shops, industrial manufacturing sites, music stores, and restaurants. While many of the existing structures within the Specific Plan area are large warehouse-type buildings used by single businesses, there are also multiple smaller commercial structures that are split between multiple businesses. There are no residential uses within the Specific Plan area. The Specific Plan area is fully developed with no notable vacant areas.

Land uses surrounding the Specific Plan area include OCSD Treatment Plant No. 1 to the south; light industrial and commercial uses to the east across the Santa Ana River; an agricultural parcel to the north; and low- and medium-density residential uses to the north and west. However, the Specific Plan area is generally separated from and lacks connectivity with these neighborhoods by major existing roadways. Talbert Avenue, a primary arterial, separates the Specific Plan area from the residential neighborhood and agricultural parcel to the north. Ward Street, a secondary arterial, separates the Specific Plan area from the single-family residential neighborhood and the medium-density apartment development to the west. While several streets provide roadway connectivity through the Specific Plan area, the area's major high-speed roads, large blocks, and distances to destinations discourage pedestrian traffic and limit neighborhood connectivity.

Land use and development in the Specific Plan area is primarily governed by the City's General Plan and Municipal Code. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District. The zoning is consistent with the General Plan land use designations. Permitted uses in the SP zone are detailed in the Specific Plan.

While the Specific Plan area lies approximately 4 miles from John Wayne Airport, it remains just outside of the Airport's Influence Area. Therefore, the Specific Plan area is not subject to any development restrictions from the Airport Environs Land Use Plan (AELUP).

4.11.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Land Use and Planning impacts on pages 3.7-1 through 3.7-34.

The Specific Plan area is fully developed with no notable vacant areas, and there are no residential uses within the Specific Plan area. Access between the northern and southern portions of the Specific Plan area is currently inhibited by the I-405, and connectivity between land uses is limited to Euclid Street and Ward Street. The Specific Plan EIR concluded that implementation of the Specific Plan would not result in new development that would affect travel to and from Districts within the area. Further, streetscape improvements, district design, and land use plans proposed under the Specific Plan are intended to enhance connectivity within each of these areas, as well as improve pedestrian access to and from the commercial and employment centers of the Specific Plan area from outlying uses and adjacent communities, such as residential uses located to the north and northwest. Development under the Specific Plan would conform to existing infrastructure configuration; no road closures or other physical barriers would be installed, and no new large-scale infrastructure improvements would take place. On the contrary, the current street system, including pedestrian and bike facilities, would be improved over time with implementation of the Specific Plan. Therefore, the implementation of the Specific Plan would not physically divide existing communities, but instead is expected to improve land use connectivity north and south of the I-405. Impacts are considered to be less than significant.

The Specific Plan was developed by the City and is designed to be consistent with City's goals to encourage the development of a place of gathering and activity center within the City and the Southern California Association of Governments (SCAG) planning region. The primary components of the Specific Plan that would guide future development include updated zoning standards for form-based development and design standards for new development to address site design, building façade, size, bulk, and scale, as well as open space and walkability, and to promote and improve compatibility with existing residential, commercial, manufacturing, and industrial development surrounding the Specific Plan area. The Specific Plan is designed to comply with City's General Plan policies and SCAG planning goals and principles. Therefore, the Specific Plan would be consistent with applicable plans and policies.

According to the Specific Plan EIR, the Specific Plan is required to comply with the planning principles and goals established by SCAG and relating to the provision of residential opportunities near transit corridors, encouragement of active multi-modal uses, creation of workplace-oriented spaces, and encouragement of profitable business uses, and balanced industry and housing opportunities. The primary components of the Specific Plan that would guide future development include updated zoning standards for form-based development, and design standards for new development to address site design, building façade, size, bulk, and scale, as well as open space and walkability, and to promote and improve compatibility with existing residential, commercial, manufacturing, and industrial development surrounding the Specific Plan area. The Specific Plan is designed to comply with City General Plan policies and SCAG planning goals and principles, and overall, the Specific Plan would be consistent with applicable plans and policies. In addition to land use planning policies and regulations, the City and SCAG establish goals and policies oriented

towards reducing impacts to the human and natural environment that may result from increases in development, increases in transportation-related emissions, and effects to local and regional transportation systems. Implementation of the Specific Plan would result in the emissions of additional air quality and greenhouse gas (GHG) pollutants, noise impacts, and transportation impacts. Mitigation measures designed to reduce potential impacts to air quality, noise, and transportation would ensure that impacts associated with the Specific Plan build out are mitigated to a less than significant level. Therefore, with implementation of mitigation measures, the Specific Plan is consistent with goals and policies established by SCAG.

The Specific Plan EIR concluded that there are no adopted Habitat Conservation Plans (HCPs) or Natural Community Conservation Plans (NCCPs) in the Specific Plan area vicinity. The Specific Plan area does not include any habitat areas that are protected through an approved local, regional, or State HCP or NCCP. The County has approved an NCCP and an HCP, but the City has not enrolled in such plans, and is not included in the associated planning area.

4.11.3 Analysis of Project Impacts

a. Would the Project physically divide an established community?

The Project site is currently developed with five existing industrial warehouse buildings. The proposed Project includes demolition of the five existing industrial warehouse buildings and construction and operation of a new three-story administration building and surface parking lot in a fully developed area. In addition, a pedestrian bridge would extend from the Project site to OCSD's Plant No. 1, directly south of Ellis Avenue. The pedestrian bridge would connect the proposed Project with the existing OCSD site and would not impact transportation facilities on Ellis Avenue. Land uses in the vicinity of the Project site include I-405 to the north, industrial uses to the north and west, residential uses and the OCWD to the west, the Santa Ana River and associated trail to the east, and OCSD to the south. The Project would include access to/from the Project site via driveways, as well as pedestrian and bicycle access to/from the Project site via sidewalks along the site's eastern, western, and southern boundaries, which are already developed. As a result, the Project would not result in physical divisions in any established community.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not divide an established community because it would conform to the existing infrastructure configuration. In addition, land use plans proposed under the Specific Plan are intended to enhance connectivity through pedestrian improvements, provision of public gathering places, and creation of pedestrian and bike friendly streetscapes. The proposed Project, which is located within the Specific Plan area and would not divide an established community, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the Project (including, but not limited to the general plan, specific plan,

local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

Locally adopted land use plans, policies, or regulations that would be applicable to the proposed Project include the Specific Plan, General Plan, and Zoning Code. The Specific Plan designates the Project site as Mixed Industry District. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District. The proposed administrative uses are consistent with the commercial manufacturing designation, which allows for office (administrative, business, and professional) uses. The Specific Plan anticipated, and the Specific Plan EIR evaluated, a potential net increase of 811,408 sf for the office uses within the Specific Plan area. The proposed Project, at 109,914 sf, is thus consistent with the build out of new office uses projected in the Specific Plan EIR. Build out of the Specific Plan would result in an increase in population associated with approximately 2,063 new employees, 1,444 new residents, and customers of commercial and retail businesses. Build out of the Specific Plan would increase the density of commercial uses and introduce new residential uses, thereby increasing the total population of the Specific Plan area. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. Thus, the Project would be consistent with population growth projected in the Specific Plan.

The proposed Project would be consistent with all locally adopted land use plans, policies, and regulations, including most development standards outlined in the Specific Plan. The proposed Project would require the following variances and deviations: variances for frontage coverage along Pacific Street and Bandilier Circle; a variance for build-to-corner requirements at the corner of Ellis Avenue and Bandilier Circle; a variance for parking count requirements; a variance for curb cuts and driveways along Pacific Street; a 5.5 percent deviation due to the proposed 18.9 percent street façade opening along Pacific Street (which is below the minimum 20 percent street façade opening); a variance for bottom-floor street façade requirements along Pacific Street; and a 2.1 percent deviation due to the proposed building length of approximately 204 ft (which exceeds the maximum building length of 200 ft. The proposed Project would comply with all other development standards outlined in 2.1.5 of the Specific Plan. Therefore, with the approval of the above variances and deviations, the proposed Project would be consistent with development standards outlined in the Specific Plan.

The Project would be subject to existing local and regional land use plans and policies established by the City and SCAG. The Project would be designed to comply with City General Plan policies and SCAG planning goals and principles, and overall, the Project intends to be consistent with applicable plans and policies. In addition to land use planning policies and regulations, the City and SCAG establish goals and policies oriented towards reducing impacts related to noise and transportation. The Project would be in compliance with SCAG policies following the incorporation of mitigation measures related to noise and transportation, which would reduce impacts to a less than significant level. With implementation of the mitigation measures, the Project would be consistent with the applicable goals and policies of SCAG and the City's General Plan, and impacts would, therefore, be less than significant.

The Specific Plan EIR concluded the Specific Plan was created by the City, and therefore, would be consistent with applicable land use plans, policies, and regulations. The proposed Project, which is located within the Specific Plan area, would be consistent with the Specific Plan, the General Plan, and the Zoning Code. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

c. Would the Project conflict with any applicable habitat conservation plan or natural community conservation plan?

As discussed in Response 4.4.3 (f), the Project site and the surrounding areas are not subject to any HCP or NCCP. Therefore, the proposed Project would not conflict with any HCP or NCCP relating to the protection of biological resources.

The Specific Plan EIR also concluded that the Specific Plan area and vicinity are not subject to any HCP or NCCP. Similarly, the proposed Project is located within the Specific Plan area and would not conflict with any HCP or NCCP. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.11.3.1 Mitigation Measures

Based on the analysis and information above, Mitigation Measures MM N-1, MM T-1, MM T-2a through b, and MM T-7 (refer to Sections 3.13, Noise, and 3.17, Transportation/Traffic) shall apply, are included in the Specific Plan EIR, and would be applicable to the proposed Project.

4.11.4 Findings Related to Land Use and Planning

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Land Use and Planning, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Land Use and Planning that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would

be a new significant impact related to Land Use and Planning requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Land Use and Planning. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measures that are applicable to the proposed Project are listed in Sections 4.13.3.1 and 3.17.3.1. Potential Project impacts related to Land Use and Planning would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

4.12 MINERAL RESOURCES

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☒
b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?	☐	☐	☒

4.12.1 Existing Setting

There are no known mineral resources within the Specific Plan area, including the Project site, and there are no operational mineral recovery sites within the Specific Plan area or in the nearby Project vicinity.[5]

4.12.2 Impacts Identified in the Specific Plan EIR

Mineral Resources are included within Section 4.3, Effects Found Not to be Significant, on pages 4-5 through 4-6 of the Specific Plan EIR; this topic was also discussed in page 44 of the Initial Study and was scoped out. The Specific Plan EIR concluded that implementation of the Specific Plan would not result in impacts to mineral resources because there are no known mineral resources within the Specific Plan area.

4.12.3 Analysis of Project Impacts

a. Would the Project result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

In 1975, the California Legislature enacted the Surface Mining and Reclamation Act, which, among other things, provided guidelines for the classification and designation of mineral lands. Areas are classified on the basis of geologic factors without regard to existing land use and land ownership. The areas are categorized into four Mineral Resource Zones (MRZs):

- **MRZ-1:** An area where adequate information indicates that no significant mineral deposits are present, or where it is judged that little likelihood exists for their presence.
- **MRZ-2:** An area where adequate information indicates that significant mineral deposits are present, or where it is judged that a high likelihood exists for their presence.
- **MRZ-3:** An area containing mineral deposits, the significance of which cannot be evaluated.

[5] California Department of Conservation (DOC), Division of Mine Reclamation. Mines Online. Website: http://maps.conservation.ca.gov/mol/index.html (accessed November 24, 2019).

- **MRZ-4:** An area where available information is inadequate for assignment to any other MRZ zone.

Of the four categories, lands classified as MRZ-2 are of the greatest importance. Such areas are underlain by demonstrated mineral resources or are located where geologic data indicate that significant measured or indicated resources are present. MRZ-2 areas are designated by the State of California Mining and Geology Board as being "regionally significant." Such designations require that a Lead Agency's land use decisions involving designated areas are to be made in accordance with its mineral resource management policies, and that it consider the importance of the mineral resource to the region or the State as a whole, not just to the Lead Agency's jurisdiction.

The Project site has been classified by the California Department of Mines and Geology as MRZ-3, indicating it is located in an area containing mineral deposits for which the significance cannot be determined using available data.[6] Though the Project site is in MRZ-3, no known mineral resources are located on the Project site, and the Project site is not designated or zoned for the extraction of mineral deposits.

The proposed Project would not result in the loss of a known commercially valuable mineral resource. No impacts to known mineral resources would occur as a result of the proposed Project.

The Specific Plan EIR also concluded that no impacts to known mineral resources would occur. Similarly, the proposed Project is located within the Specific Plan area and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

b. Would the Project result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?

Refer to Response 4.11.3 (a), above. The proposed Project would not result in the loss of a known locally important mineral resource. No impacts to known mineral resources would occur as a result of the proposed Project.

The Specific Plan EIR also concluded that no impacts to locally important mineral resource recovery sites would occur. Similarly, the proposed Project is located within the Specific Plan area and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

6 DOC, Division of Mines and Geology. Mineral Land Classification Map. Newport Beach Quadrangle, Special Report 143, Plate 3.24. Website: ftp://ftp.consrv.ca.gov/pub/dmg/pubs/sr/SR_143/PartIII/Plate_3-24.pdf (accessed November 24, 2019).

4.12.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to mineral resources. No additional mitigation measures would be required for the proposed Project.

4.12.4 Findings Related to Mineral Resources

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Mineral Resources, and there is no increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Mineral Resources that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Mineral Resources requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Mineral Resources. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.13 NOISE

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Increase exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☒
b. Increase exposure of persons to or generation of excessive ground-borne vibration or ground-borne noise levels?	☐	☐	☒
c. Result in a substantial permanent increase in ambient noise levels in the Project vicinity above levels existing without the Project?	☐	☐	☒
d. Result in a substantial temporary or periodic increase in ambient noise levels in the Project vicinity above levels existing without the Project?	☐	☐	☒
e. For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the Project expose people residing or working in the Project area to excessive noise levels?	☐	☐	☒
f. For a project within the vicinity of a private airstrip, would the Project expose people residing or working in the Project area to excessive noise levels?	☐	☐	☒

4.13.1 Existing Setting

The Specific Plan EIR identified the primary source of ambient noise in the Specific Plan area as being associated with roadway traffic noise, which has not changed substantially since preparation of the Specific Plan EIR. As such, the noise measurements completed for the Specific Plan EIR are applicable to the proposed Project. Table 3.8-4 of the Specific Plan EIR shows the results of short-term ambient noise monitoring that was gathered from the Hyundai Motor America North American Corporate Campus Hyundai Project. Monitoring was conducted at four unique locations around that project site, which coincides with the northwesternmost corner of the Specific Plan area. The noise monitoring results indicate that existing daytime ambient noise levels in the area range from 53.9 A-weighted decibels (dBA) to 70.8 dBA equivalent continuous sound level (L_{eq}) (refer to page 3.8-3 in the Specific Plan EIR for a definition of all acoustical terms used in this section). Traffic on surrounding roadways is the primary noise source affecting the existing ambient noise levels in the Project vicinity. Other noise in the Project vicinity includes various stationary sources, especially urban-related activities (e.g., mechanical equipment, parking areas, and conversations, etc.) that may represent a single event or a continuous occurrence. Regulatory requirements and standards that govern the generation of and exposure to noise within the community have not changed since the preparation of the Specific Plan EIR. Potential impacts of the proposed Project as compared to the Specific Plan with respect to noise are discussed below.

4.13.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Noise impacts on pages 3.8-1 through 3.8-26.

The Specific Plan EIR evaluated the potential noise and vibration impacts that could result from the Specific Plan. The Specific Plan EIR determined that construction of the Specific Plan could result in significant temporary noise impacts to nearby noise-sensitive receptors.[7] Therefore, the Specific Plan EIR identified Mitigation Measure MM N-1 to reduce the noise levels resulting from construction of the Specific Plan for off-site noise-sensitive uses to a less than significant level.

The Specific Plan EIR also evaluated ground-borne vibration and ground-borne noise levels associated with construction of the Specific Plan. The Specific Plan EIR determined that ground-borne vibration from construction activities would not exceed thresholds, and impacts would be less than significant.

In addition, the Specific Plan EIR evaluated the potential increase in ambient noise levels due to increased traffic and associated noise. The Specific Plan EIR determined that the maximum noise level increase would be less than 1 decibel (dB) in any location, and were considered to be less than significant.

The Specific Plan EIR also evaluated potential impacts from the exposure of persons to excessive ground-borne vibration or noise levels, including truck deliveries and trash hauling, mechanical equipment, and parking areas. The Specific Plan EIR determined that implementation of the Specific Plan would result in less than significant impacts associated with these noise sources.

4.13.3 Analysis of Project Impacts

a. Would the Project increase exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

Construction- and operation-period noise impacts of the proposed Project as compared to the impacts identified in the Specific Plan EIR are discussed below.

Construction Impacts. Noise generated by the construction period for the proposed Project would temporarily increase noise levels in the vicinity of the Project site. Each stage of construction would involve a different mix of operating equipment, and noise levels would vary based on the amount and types of equipment in operation as well as the location of the activity. These activities would be similar for the proposed Project as compared to the Specific Plan.

The Specific Plan EIR identified that the closest sensitive receptors to construction associated with the Specific Plan would be located approximately 75 ft from construction activities and

[7] Table 3.8-11 of the Specific Plan EIR indicates the anticipated noise levels of construction equipment noise levels.

would be subject to a maximum noise level reaching approximately 94.5 dBA L_{eq}. The closest sensitive receptors to the proposed Project would be located approximately 1,350 ft from the Project site. Therefore, attenuated for distance, these receptors would be subject to a noise level of approximately 69.4 dBA L_{eq}. As identified in the Specific Plan EIR, the City's Municipal Code Section 6.28.050 states that exterior noise standards for residential zones can reach up to 75 dBA from 7:00 a.m. to 10:00 p.m. and up to 70 dBA from 10:00 p.m. to 7:00 a.m. for any period of time. In addition, pursuant to the City's Municipal Code Section 6.28.070 (Special Provisions), noise due to construction activities would be exempt from the Noise Ordinance between the hours of 7:00 a.m. and 8:00 p.m. on weekdays and 9:00 a.m. and 8:00 p.m. on Saturdays, with no construction activities permitted on Sundays or legal holidays. The Specific Plan EIR requires the implementation of Mitigation Measure MM N-1 to further reduce noise levels by requiring mobile equipment to be muffled and requiring best management practices for hauling activities. In order to reduce construction noise to the maximum extent feasible, Mitigation Measure MM N-1 would also be applicable to the proposed Project.

The Specific Plan EIR determined that construction of the Specific Plan could result in significant temporary noise impacts to nearby noise-sensitive receptors. However, the proposed Project site is located further from sensitive receptors than those identified in the Specific Plan EIR, and would not be subject to construction noise exceeding exterior noise standards for residential zones. Therefore, construction of the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

Operation-Period Impacts. The proposed Project would involve the construction and operation of a new administration building and surface parking lot and would relocate the existing administrative uses from Plant No. 1 to the Project site north of Ellis Avenue. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. As a result, the Project would not increase existing vehicle trips. However, the proposed Project would redistribute traffic from Plant No.1 to the Project site north of Ellis Avenue, which would result in an increase of traffic noise in the vicinity of the Project. The proposed Project would also generate stationary noise during operation that could result in a permanent increase in the ambient noise environment. Potential impacts associated with these noise sources are discussed below.

Traffic Noise. As identified in the Specific Plan EIR, traffic is a major source of noise in the Project vicinity. The amount of noise varies according to many factors, such as volume of traffic, vehicle mix (percentage of cars and trucks), average traffic speed, and distance from the receiver. A characteristic of sound is that a doubling of a noise source is required in order to result in a perceptible (3 dBA or greater) increase in the resulting noise level.

As identified in the Specific Plan EIR (Table 3.8-14), the I-405 southbound ramps/Ellis Avenue/ Euclid Street intersection (the closest intersection to the Project site) carries approximately 3,492 AM peak hour trips or approximately 34,920 average daily trips. The proposed Project would only result in a redistribution of vehicular traffic and would not add any new trips to the

surrounding circulation system. Therefore, the proposed Project daily trips would not result in a doubling of traffic volumes on nearby roadways and would not result in a perceptible increase in traffic noise levels at sensitive receptors in the Project vicinity, which are located approximately 1,350 ft southeast of the site. While traffic noise may increase on other roadway segments within the immediate vicinity of the site, land uses in this area consist of a variety of light industrial (e.g., warehousing), retail, and office uses, which would not be sensitive to increased traffic noise levels. Therefore, Project-related vehicle noise would be considered less than significant.

The Specific Plan EIR determined that the maximum noise level increase would be less than 1 dB in any location, and impacts were considered to be less than significant. Similar to the Specific Plan, the proposed Project would not result in a doubling of traffic volumes on nearby roadways and would not result in a perceptible increase in traffic noise levels at sensitive receptors in the Project vicinity. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

Stationary Source Noise. Operation of the proposed Project would contribute new noise sources that would incrementally increase noise levels. The noise sources that may be present during operation of the Project include delivery and trash trucks, mechanical equipment, and typical parking lot activities.

The closest sensitive receptors to the proposed Project include the single-family residences located approximately 1,350 ft southeast of the Project site along Alabama Circle. These sensitive receptors are located further than those identified in the Specific Plan EIR (nearest residences include the Adobe River Avenue Neighborhood, located approximately 75 ft west of the Specific Plan area). As such, due to noise attenuation based on the increased distance from the nearest sensitive receptors, noise levels from Project-related stationary noise sources would remain a less than significant impact on off-site sensitive receptors.

The Specific Plan EIR determined that implementation of the Specific Plan would result in less than significant impacts associated with stationary noise sources. Similarly, noise levels from the proposed Project stationary noise sources would be a less than significant impact on off-site sensitive receptors, due to their greater distance from the proposed Project site. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project increase exposure of persons to or generation of excessive ground-borne vibration or ground-borne noise levels?

Construction of the proposed Project would occur in phases that would include demolition, site preparation, grading, building construction, and architectural coating. During construction, ground-borne vibration would be generated from various types of construction equipment such as loaded trucks, jack hammers, and bulldozers.

The Specific Plan EIR determined that there are no fragile historic structures in the Specific Plan area that could be affected by construction vibration. In addition, the Specific Plan EIR identified that ground-borne vibration from construction activities could potentially be felt by surrounding sensitive uses; however, vibration levels at the closest sensitive receptors would not exceed the threshold of 0.1 inches per second. The closest sensitive receptors to the proposed Project are located further than those identified in the Specific Plan EIR (nearest residences include the Adobe River Avenue Neighborhood, located approximately 75 ft west of the Specific Plan area). As such, due to noise attenuation based on the increased distance from the nearest sensitive receptors, ground-borne vibration impacts would remain less than significant for the proposed Project.

The Specific Plan EIR determined that vibration levels at the closest sensitive receptors would not exceed the threshold of 0.1 inches per second. The proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR as the closest sensitive receptors to the proposed Project are located further than those identified in the Specific Plan EIR. No new mitigation measures are required.

c. Would the Project result in a substantial permanent increase in ambient noise levels in the Project vicinity above levels existing without the Project?

Please refer to Response 4.13 (a), above. Audible increases in noise levels generally refer to a change of 3 dB or more, as this level has been found to be barely perceptible to the human ear in outdoor environments. Implementation of the proposed Project would not result in substantial increases in traffic noise levels on local roadways in the Project vicinity or operational noise at sensitive receptor locations. Therefore, Project-related noise increases and impacts associated with permanent increases in noise levels would be a less than significant impact.

The Specific Plan EIR determined that impacts associated with permanent increases in noise levels would be less than significant. Similarly, the proposed Project, which would not result in substantial increases in traffic noise levels or operational noise, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

d. Would the Project result in a substantial temporary or periodic increase in ambient noise levels in the Project vicinity above levels existing without the Project?

Refer to Response 4.13 (a), above. Project-related construction activities could result in high intermittent noise levels but would be reduced to a less than significant level with implementation of Mitigation Measure MM N-1, which requires mobile equipment to be muffled and the use of BMPs for hauling activities. In order to reduce construction noise to the maximum extent feasible, Mitigation Measure MM N-1 would also be applicable to the proposed Project.

The Specific Plan EIR determined that construction of the Specific Plan could result in a temporary increase in noise levels during construction. Similarly, construction of the proposed Project could result in a temporary increase in noise levels during construction. However, the proposed Project would not subject sensitive receptors to construction noise exceeding exterior noise standards for residential zones. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

e. For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the Project expose people residing or working in the Project area to excessive noise levels?

The Project site is approximately 6 miles west of John Wayne Airport in Santa Ana. According to the Airport Land Use Commission, the Project site does not fall within the John Wayne Airport Planning Area. The Project would not expose employees or visitors of the proposed office uses to aviation-related noise levels different than that which would occur under existing conditions. Further, the Project site is not in the 2016 Annual 60 to 75 Community Noise Equivalent Level Noise Contours area for John Wayne Airport. Therefore, no aviation-related noise impacts would occur.

The Specific Plan project area is not located within an airport land use plan or within 2 miles of a public airport and would not expose residents or employees to excessive aviation-related noise levels. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

f. For a project within the vicinity of a private airstrip, would the Project expose people residing or working in the Project area to excessive noise levels?

No private airfields are located in the vicinity of the Project site. Therefore, the proposed Project would not result in noise impacts associated with a private airfield.

The Specific Plan project area is not located within the vicinity of a private airstrip and would not expose residents or employees to excessive aviation-related noise levels. The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

4.13.3.1 Mitigation Measures

Based on the analysis and information above, Mitigation Measure MM N-1 included in the Specific Plan EIR would be applicable to the proposed Project.

MM N-1 **Construction Noise Management Plan.** A Construction Noise Management Plan shall be prepared by the Applicant and approved by the City prior to Grading Permit issuance. The Plan would address noise and vibration impacts and outline measures

that would be used to reduce impacts. Measures would include but not be limited to:

- To the extent that they exceed the applicable construction noise limits, excavation, foundation-laying, and conditioning activities shall be restricted to between the hours of 7:00 a.m. and 8:00 p.m. Monday through Friday, and 9:00 a.m. and 8:00 p.m. Saturdays, in accordance with Section 6.28.070 of the Fountain Valley Municipal Code.

- The Applicant's construction contracts shall require implementation of the following construction best management practices (BMPs) by all construction contractors and subcontractors working in or around the Project area to reduce construction noise levels:

    - The Applicant and its contractors and subcontractors shall ensure that all construction equipment, fixed or mobile, is properly muffled according to manufacturer's specifications or as required by the City's Building and Safety Division, whichever is the more stringent.

    - The Applicant and its contractors and subcontractors shall place noise-generating construction equipment and locate construction staging areas away from sensitive uses, where feasible, to the satisfaction of the Building and Safety Division.

    - The Applicant and its contractors and subcontractors shall implement noise attenuation measures which may include, but are not limited to, noise barriers or noise blankets to the satisfaction of the City's Building and Safety Division.

- The Applicant's contracts with its construction contractors and subcontractors shall include the requirement that construction staging areas, construction worker parking, and the operation of earthmoving equipment within the Project area, are located as far away from vibration- and noise-sensitive sites as possible. Contract provisions incorporating the above requirements shall be included as part of the Project's construction documents, which shall be reviewed and approved by the City.

- The Applicant shall require by contract specifications that heavily loaded trucks used during construction shall be routed away from residential streets to the extent possible. Contract specifications shall be included in the proposed Project's construction documents, which shall be reviewed by the City prior to issuance of a grading permit.

- Property owners and occupants located within 500 feet of the boundary of a construction project occurring under the Specific Plan shall be sent a notice, at

least 15 days prior to commencement of construction of each phase, regarding the construction schedule of the Project. A sign, legible at a distance of 50 feet, shall be posted at the construction site. All notices and signs shall be reviewed and approved by the City prior to mailing or posting and shall indicate the dates and duration of construction activities, as well as provide a contact name and a telephone number where residents can inquire about the construction process and register complaints.

4.13.4 Findings Related to Noise

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Noise, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Noise that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Noise requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Noise. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measure that is applicable to the proposed Project is listed in Section 4.13.3.1. Potential Project impacts related to Noise would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

4.14 POPULATION AND HOUSING

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☒
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☒
c. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	☐	☐	☒

4.14.1 Existing Setting

According to the Specific Plan EIR, the City's population in 2010 totaled 55,313 people, while Orange County had a population of 3,010,232. In 2010, the City's unemployment rate equaled 8 percent. Jobs and housing are considered to be balanced when there are an equal number of employed residents and jobs within a given area, with a ratio of approximately 1.0. The City has approximately 1.5 jobs for every employed resident, which is comparable to the ratio for Orange County and suggests that the City is a net importer of labor. An estimated 18.0 percent and 84.1 percent of the City's employed residents work within the City and County, respectively.

According to the Specific Plan EIR, the City currently has a housing stock of 19,167 units. Between 1990 and 1999, the City's housing stock increased 4.8 percent. Between 2000 and 2010, the City's housing stock grew approximately 3.7 percent, which is lower than that experienced County-wide (8.2 percent). To address the need for additional housing in the community, the City has adopted a Housing Plan as part of the 2014 Housing Element for its General Plan, which establishes goals, policies, and programs to facilitate development of more housing within the City. Although the Specific Plan area does not currently support a residential population or residential uses, residential neighborhoods are located to the north and west of the Specific Plan area.

4.14.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Population and Housing impacts on pages 3.9-1 through 3.9-18.

The Specific Plan is intended to guide future land use changes occurring within the Specific Plan area through adoption of development standards and policies, including provisions for new housing and employment opportunities. The Specific Plan EIR determined that implementation of the Specific Plan would facilitate approximately 258,010 sf of net new development and 491 new housing units within the Specific Plan area.

Consistent with the goals and policies of the City's General Plan and the adopted Housing Element, projected housing development within the Specific Plan area would involve creating more housing opportunities and minimizing impacts to existing neighborhoods. In addition, the Specific Plan

contains objectives to support the City's commitment to providing adequate housing for families and individuals of all economic levels. Although the estimated increase in housing would be insignificant relative to the existing number of housing units in the City, the Specific Plan would adhere to City policies to provide adequate housing. Therefore, housing impacts are considered less than significant.

The Specific Plan EIR determined that the addition of 491 housing units would result in a net population increase of approximately 1,444 residents. However, population growth associated with implementation of the Specific Plan is considered incremental relative to the existing population in the Specific Plan area. In addition, implementation of the Specific Plan would result in the creation of approximately 2,063 jobs. Similar to population growth, employment growth associated with implementation of the Specific Plan is considered incremental relative to the existing jobs in the Specific Plan area. Employment growth would be consistent with the Specific Plan's goals to create a sustainable economy through development of a broad mix of retail, entertainment, office, and light industrial uses in the Specific Plan area. Therefore, potential impacts related to population and employment growth are considered less than significant.

The Specific Plan EIR concluded that land use changes occurring in the Specific Plan area would have no impact on existing housing or people. The Specific Plan area is fully developed and the proposed land use changes would be integrated within the existing industrial uses. The Specific Plan area does not currently support residential uses, and no demolition of residential uses is anticipated upon implementation of the Specific Plan. Conversely, the overall housing stock of the City would increase with implementation of the Specific Plan. The Specific Plan does not identify land uses changes in residential areas or the conversion of residential neighborhoods to non-residential uses, and therefore, it is not anticipated that housing or people would be displaced. Impacts related to the displacement of housing or people would be less than significant.

4.14.3 Analysis of Project Impacts

a. Would the Project induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

The proposed Project would not provide new housing opportunities or extend roads or other infrastructure to areas not previously served. The Project would include demolition of the five existing industrial warehouse buildings and construction and operation of a new three-story administration building and surface parking lot on the Project site. OCSD's existing administrative functions and personnel will be shifted from Plant No. 1 to the new headquarters facility. In addition, a pedestrian bridge would connect the Project site to OCSD's Plant No. 1 site south of Ellis Avenue. Thus, the Project would not represent a net increase in businesses or jobs because the administrative use would provide work space for existing OCSD personnel. Therefore, impacts to population growth would be less than significant as it is unlikely the Project would create new jobs in the area.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not induce substantial population growth in the area because increases in the number of housing units,

population, and jobs in the Specific Plan area would be considered incremental relative to existing levels. The proposed Project would similarly not increase population or job growth as it will serve the existing employees from the established Plant No. 1 facility. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

The proposed Project would not displace any existing housing, and there are no existing or proposed residential uses on the Project site. Therefore, there would be no impacts related to the displacement of substantial numbers of housing.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not displace substantial numbers of existing housing because the Specific Plan area does not currently contain and is not planned for residential uses. Similarly, the proposed Project would not displace any existing housing and would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

c. Would the Project displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

There are no existing or proposed residential uses on the Project site. The proposed Project would not displace housing and would not, therefore, displace a substantial number of people, necessitating the construction of replacement housing elsewhere. Therefore, there would be no impacts related to the displacement of substantial numbers of people.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not displace a substantial number of people because the Specific Plan area does not support residential populations and is not planned for residential uses. Similarly, the proposed Project, which is located within the Specific Plan area, would not displace housing or result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

4.14.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to population and housing. No additional mitigation measures would be required for the proposed Project.

4.14.4 Findings Related to Population and Housing

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts

related to Population and Housing, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Population and Housing that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Population and Housing requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Population and Housing. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.15 PUBLIC SERVICES

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:			
i. Fire protection?	☐	☐	☒
ii. Police protection?	☐	☐	☒
iii. Schools?	☐	☐	☒
iv. Other public facilities?	☐	☐	☒

4.15.1 Existing Setting

The City provides public services that serve the Specific Plan area. The City has two fire stations, both located approximately 1.0 mile from the Specific Plan area, that provide the community with emergency response services. Neither of these stations is located within the Specific Plan area. The Fountain Valley Police Department (FVPD) operates out of a central location at City Hall and provides police protection to the community. The Fountain Valley School District (FVSD) includes seven elementary schools, and three middle schools. Fountain Valley High School, located within the City, is part of the Huntington Beach Union High School District (HBUHSD). The City's Recreation and Community Services Division operates a total of 20 parks within the City. The City includes additional public services, such as the library and recreational facilities. However, these services are located outside of the Specific Plan area.

4.15.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Public Services impacts on pages 3.10-1 through 3.10-16.

Implementation of the Specific Plan would result in a net increase of approximately 258,010 sf of new development and construction of approximately 491 new residential units. As described in Section 4.14, Population and Housing, build out of the Specific Plan would result in an increase in service demands from an estimated 2,063 new employees, 1,444 new residents, and customers of commercial and retail businesses. In addition, the Specific Plan EIR determined the associated increase in demand for fire protection and emergency services within the Specific Plan area could potentially impact operational services of fire protection and emergency medical providers. Although the Specific Plan does not contain any specific development standards that address fire protection services, the City's General Plan (1995) contains fire protection goals and associated policies (Goal PS-6.4, Policy PS-6.4.1, and Policy PS-6.4.2) to ensure that equipment and facilities are provided and maintained to meet reasonable standards of safety, dependability, and efficiency. Pursuant to the City's Fire Code, all new structures built within the Specific Plan area would be

required to meet standard fire code requirements and be subject to review by the City Fire Marshal, ensuring that the Project would provide adequate infrastructure for firefighting services. Therefore, compliance with the City's General Plan and Fire Code would ensure less than significant impacts to fire and emergency medical services.

Similar to fire services, the increase in population from new employees, residents, and customers in the Specific Plan area could generate an increased need for police services and additional patrol. Although the Specific Plan does not contain specific development standards addressing police protection, Section 2.0.3.E states that all developments shall comply with applicable regulations, including the City's Municipal Code and development review procedures. As part of the City's development review and approval process, the City of Fountain Valley Planning and Building Department would review proposed developments in the Specific Plan area and provide specific recommendations related to security features and opportunities to reduce crime. Further, the City's General Plan contains police service and law enforcement goals and associated policies (Goal PS-6.6, Policy PS-6.6.1, and Policy PS-6.6.3) to ensure that the City provides effective and rapid response to all emergencies. The Specific Plan EIR concluded that an increase in the number of residents and employees generated by Specific Plan build out would not be expected to significantly decrease adequate service levels or response times. Based on City growth projections, the FVPD does not currently anticipate the need for additional resources, and therefore, potential impacts to police services are considered less than significant.

Similar to fire and police services, the increase in population from new employees and residents in the Specific Plan area could generate increased enrollment at schools in the FVSD and HBUHSD. To account for these increases in demand for public school services, FVSD and HBUHSD require the payment of development fees for both residential, and non-residential development within the City. These fees are calculated on a per-square-foot basis on new development and would be collected for the 491 housing units and commercial development projects based on their square footage. As a result of payment of these required fees, potential impacts to schools resulting from development under the Specific Plan are considered less than significant.

Similarly to other public services discussed above, the increase in population from new employees and residents in the Specific Plan area could incrementally increase the demand for other public facilities, including libraries. Although there are no library facilities located within the Specific Plan area, increased demand would not exceed existing service capabilities of the nearby Fountain Valley Library or other nearby libraries. The Orange County Public Libraries (OCPL) System allows access to materials from all branches. Therefore, the incremental increase in demand for library services would not result in the need for new or physically altered facilities or additional staff, and potential impacts to library services are considered less than significant.

4.15.3 Analysis of Project Impacts

a. i. Would the Project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant

environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for fire protection?

The proposed Project would result in the demolition of the five existing industrial warehouse buildings on the Project site, and construction and operation of a new three-story administration building and surface parking lot on the Project site. In addition, a pedestrian bridge would connect the Project site to OCSD's Plant No. 1 south of Ellis Avenue. The proposed Project would relocate the existing administrative uses from Plant No. 1 to the Project site north of Ellis Avenue. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. As such, the Project would not result in an increase in jobs or employment beyond what currently exists at Plant No. 1.

The FVFD is responsible for providing emergency response, fire prevention, education, and emergency medical services to citizens and visitors to the City of Fountain Valley. The Project may result in limited effects on fire services during the construction period (such as any potential calls for service FVFD may receive regarding conditions at the Project site), but these effects would be temporary in nature and would cease following completion. As stated in Section 4.14, Population and Housing, new development proposed as part of the Project would not represent a net increase in businesses or jobs because the administrative use would provide work space for existing OCSD personnel currently located at OCSD's Plant No. 1. Consequently, operation of the administration building would not result in increased demand for fire services in the Project vicinity compared to existing conditions. Further, the Project intends to comply with policies related to fire and emergency medical services in the City's General Plan and Fire Code, ensuring minimal impacts to public services. Therefore, the Project would not result in adverse impacts to fire services.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not result in adverse impacts related to provision of fire services because development under the Specific Plan would comply with the General Plan and the Fire Code. Similarly, the proposed Project intends to comply with the General Plan and the Fire Code, thereby reducing impacts to fire services. Therefore, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

a. ii. Would the Project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for police protection?

As stated previously, the proposed Project would relocate the existing administrative uses from Plant No. 1 to the Project site north of Ellis Avenue. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is

characterized as a relocation, rather than an expansion, of existing operations. As such, the Project would not result in an increase in jobs or employment beyond what currently exists at Plant No. 1.

The FVPD is responsible for the prevention, detection, and investigation of crime in the City. Similar to Response 4.14 (a), construction and operation of the proposed Project may result in increased demand for police protection services. Although the Project site would be fenced during construction, construction activities may result in temporary effects on police services, including any potential calls for service FVPD may receive regarding conditions at the Project site. As stated in Section 4.14, Population and Housing, new development proposed as part of the Project would not represent a net increase in businesses or jobs because the administrative use would provide work space for existing OCSD personnel currently working on the OCSD Plant No. 1 site. Consequently, operation of the administration building would not result in increased demand for police services in the Project vicinity compared to existing conditions. Further, the Project intends to comply with policies related to police services in the City's General Plan and Municipal Code, ensuring minimal impacts to public services. Therefore, the Project would not result in adverse impacts to police services.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not result in adverse impacts related to provision of police services because development under the Specific Plan would comply with the General Plan and the Fire Code. Similarly, the proposed Project intends to comply with the General Plan and Municipal Code, thereby reducing impacts to police services. Therefore, the proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

a. iii. Would the Project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for schools?

The proposed Project does not include any residential uses and, as such, would not induce population growth that would generate an increased demand for schools. The schools nearest to the Project site are Gisler Elementary School and Cox Elementary School, approximately 0.5 mile to the southwest and 0.8 mile to the north, respectively. The relocation of OCSD employees and functions from the existing Plant No. 1 to the Project site is not expected to result in substantial population growth because the Project would not increase the number of staff employed by the OCSD. Therefore, the proposed Project would have a less than significant impact on school services and facilities.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not result in adverse impacts related to schools because residential and commercial development would be required to pay development fees to FVSD and HBUHSD. The proposed Project does not

involve residential or commercial development and, therefore, would not be subject to such development fees. Further, the Project would not impact school enrollment because it would not result in a substantial increase in population. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

a. iv. Would the Project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for other public facilities?

As stated previously, the proposed Project would relocate the existing administrative uses from Plant No. 1 to the Project site north of Ellis Avenue. Implementation of the proposed Project would not result in an increase in OCSD employees because the Project is characterized as a relocation, rather than an expansion, of existing operations. As such, the Project would not require an increase in jobs or employment beyond what currently exists at Plant No. 1. Refer to Section 4.16, Recreation, for the discussion on Project impacts related to parks.

The proposed Project does not include any residential uses and, as such, would not induce substantial population growth that would generate an increased demand for public facilities (e.g., libraries). In addition, the Project would not increase the number of OCSD employees. While it is possible employees may use libraries or other public facilities in Fountain Valley during lunch breaks or after-work hours, the Project would not increase the number of employees and would not, therefore, increase the existing use of libraries or other public facilities or contribute to substantial physical deterioration of those facilities. Therefore, the proposed Project would not impact other public facilities in Fountain Valley.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not result in adverse impacts related to libraries or other public facilities because the incremental increase in demand for library services would not result in the need for new or physically altered facilities or additional staff. Similarly, the proposed Project would not impact libraries because it would not result in a substantial increase in population. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.15.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to public services. No additional mitigation measures would be required for the proposed Project.

4.15.4 Findings Related to Public Services

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Public Services, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Public Services that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Public Services requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Public Services. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.16 RECREATION

Would the Project:	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
a. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☒
b. Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☒

4.16.1 Existing Setting

According to the Specific Plan EIR, the City's Recreation and Community Services Division operates a total of 20 parks within the City. There are no parks or recreational facilities within the Specific Plan area. The nearest parks are Los Alamos Park, located at 17901 Los Alamos Street (approximately 0.25 mile northwest of the Specific Plan area) and Ellis Park, located at 10301 Ellis Avenue (approximately 0.25 mile west of the Specific Plan area). Mile Square Park, located at 16801 Euclid Street, is the largest park within the City at one square mile in size. It contains golf courses and other recreational and athletic facilities, as well as two lakes and a 20-acre urban nature area planted with California native plants. The City's Recreation Center and Sports Park, located at 16400 Brookhurst Street, is a multi-purpose recreational facility featuring a gym, a playground, and multiple sports fields and courts. While the Specific Plan area itself does not contain any parks, it provides access to an unimproved segment of the Santa Ana River Trail, which contains recreational opportunities for hikers, bicyclists, and equestrians.

4.16.2 Impacts Identified in the Specific Plan EIR

Recreation impacts were discussed on pages 50 through 51 of the Initial Study and the topic was scoped out. However, the Specific Plan EIR analyzed the Specific Plan's potential Public Services impacts, including impacts to Recreation, on pages 3.10-1 through 3.10-16.

The Specific Plan does not include recreational facilities or require the construction or expansion of recreational facilities. Implementation of the Specific Plan would result in a net increase of approximately 258,010 sf of new development and construction of approximately 491 new residential units. As described in Section 4.14, Population and Housing, build out of the Specific Plan would result in an increase in population associated with approximately 2,063 new employees, 1,444 new residents, and customers of commercial and retail businesses. Build out of the Specific Plan would increase the density of commercial uses and introduce new residential uses, thereby increasing the total population of the Specific Plan area. The Specific Plan EIR determined that the addition of new employees and residents in the Specific Plan area could increase demands on area parks and recreational facilities; however, while there are no parks within the Specific Plan area, there are multiple parks and recreational opportunities within the City that could accommodate the increase in population. Therefore, impacts to recreational opportunities would be less than significant.

The Specific Plan EIR found that the City currently surpasses the National Recreation and Park Association's recommended parkland-to-resident ratio of 4 to 6 acres of parkland per 1,000 residents. In addition, the Specific Plan includes open space requirements and bicycle network improvements to satisfy increased demand and to allow better connectivity to recreational facilities and adjacent land uses. Pursuant to the Quimby Act and the City's Municipal Code Chapter 21.78.070, development of the 491 residential units proposed under the Specific Plan would contribute to the park dedication fee of 5 acres of park for every 1,000 new residents. This fee would contribute to development of park areas within the City, thereby further reducing potential impacts from the Specific Plan on parks and recreation facilities in the City. Although build out of the Specific Plan would incrementally increase demand for parks and recreational facilities, new or physically altered facilities would not be necessary because the Specific Plan includes open space requirements. In addition, the payment of a park dedication fee would address impacts on existing parkland. As a result, potential impacts from the Specific Plan on local and regional parks would be less than significant.

4.16.3 Analysis of Project Impacts

a. Would the Project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

No existing parks or other recreation uses are located adjacent to the Project site. The nearest parks are Moon Park, approximately 0.2 mile east of the Project site on the opposite side of the Santa Ana River, and Ellis Park, approximately 0.3 mile west of the Project site. The Project does not propose any residential uses and, therefore, would not increase the population near those parks. As discussed in Section 4.14, Population and Housing, the Project is not anticipated to result in the creation of new jobs and employees in the area. Although it is possible employees might use Moon Park, Ellis Park, or other parks in Fountain Valley during lunch breaks or after-work hours, the proposed Project would not increase the number of employees in the immediate area and would not, therefore, increase the use of those parks or contribute to substantial physical deterioration of those facilities. Further, the proposed Project intends to comply with development standards outlined in the Specific Plan, which require the provision of 100 sf of public open space per 1,000 sf building area. Therefore, the Project would not impact existing neighborhood and regional parks and recreational facilities.

The Specific Plan EIR also concluded that implementation of the Specific Plan would not result in adverse impacts related to parks and recreational facilities because the incremental increase in demand for parks can be accommodated by existing City facilities. Similarly, the proposed Project would not impact parks and recreational facilities because it would not result in an increase in population. In addition, the Project intends to provide open space as part of the development standards outlined in the Specific Plan. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

Refer to Response 4.16.3 (a), above. The proposed Project would not include recreational facilities or require the construction or expansion of recreational facilities.

The Specific Plan does not include recreational facilities or require the construction or expansion of recreational facilities. The Specific Plan EIR concluded that implementation of the Specific Plan would not result in adverse impacts related to recreational facilities because the incremental increase in demand for parks can be accommodated by existing City facilities. Similarly, the proposed Project would not include recreational facilities or require the construction or expansion of recreational facilities. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.16.3.1 Mitigation Measures

The Specific Plan EIR does not include mitigation related to recreation. No additional mitigation measures would be required for the proposed Project.

4.16.4 Findings Related to Recreation

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Recreation, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Recreation that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Recreation requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. The proposed Project would not result in any potentially significant impacts related to Recreation. CEQA does not require consideration of alternatives to the Project or consideration of additional mitigation measures because there would not be any significant impacts to avoid or reduce related to this topic, and no mitigation is required.

4.17 TRANSPORTATION/TRAFFIC

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	☐	☐	☒
b. Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	☐	☐	☒
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location which results in substantial safety risks?	☐	☐	☒
d. Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☒
e. Result in inadequate emergency access?	☐	☐	☒
f. Substantially disrupt alternative transportation, including pedestrian, bicycle, and transit facilities?	☐	☐	☒

4.17.1 Existing Setting

The Project site for the new Administration Headquarters complex is located in Fountain Valley, California. The proposed Project site is bordered by industrial uses to the north, Pacific Street to the east, industrial uses and Bandilier Circle to the west, and Ellis Avenue and OCSD's Plant No. 1 site to the south. As mentioned in the Project Description, the Project site is in the Fountain Valley Crossings Specific Plan area, which the City of Fountain Valley adopted on January 23, 2018. The Project site is designated Industrial (Commercial Manufacturing) in the City's General Plan and is zoned as Specific Plan (SP) – FVCSP Mixed Industry District.

4.17.1.1 Existing Roadways

Access to OCSD Plant No. 1 is currently provided as the south leg of the I-405/Ellis Avenue-Euclid Avenue intersection. Access to the Project site is currently available from either Bandilier Circle or Pacific Street. Regional access to the site is primarily provided via I-405 and local traffic uses Ellis Avenue to reach the Project site.

- **Ellis Avenue:** Ellis Avenue is a four-lane arterial divided by a striped median with dedicated left-turn lanes for local streets. Ellis Avenue is located directly adjacent to the Project site. According to the City's Circulation Plan, Ellis Avenue is designated as a Secondary Arterial. The posted speed limit is 45 miles per hour. On-street parking is prohibited, and no bicycle facilities are

provided. Sidewalks are provided on both sides of the roadway. Ellis Avenue is serviced by Orange County Transportation Authority Bus Route 37, which provides service between La Habra and Fountain Valley via Euclid Avenue.

- **Bandilier Circle:** Bandilier Circle is a two-lane undivided local street that provides access to warehouse, office, and retail uses, including direct access to the Project site. On-street parking is permitted. No bicycle or pedestrian facilities are provided on this roadway.

- **Pacific Street:** Similar to Bandilier Circle, Pacific Street is a two-lane undivided local street that provides access to warehouse, office, and retail uses, including direct access to the Project site. On-street parking is permitted. No bicycle or pedestrian facilities are provided on this roadway.

4.17.1.2 Existing Intersections

The upstream and downstream signalized intersections adjacent to the Project site on Ellis Avenue (i.e., Ward Street/Ellis Avenue and I-405 southbound ramps/Ellis Avenue-Euclid Street) were recently evaluated in the Fountain Valley Crossings Specific Plan Transportation Impact Analysis (TIA) (Fehr & Peers, August 2017). According to the existing intersection level of service (LOS) analysis, Ward Street/Ellis Avenue operates at LOS C in the a.m. peak hour and LOS B in the p.m. peak hour, while I-405 southbound ramps/Ellis Avenue-Euclid Street operates at LOS C in the a.m. peak hour and at unsatisfactory LOS F during the p.m. peak hour.

4.17.2 Impacts Identified in the Specific Plan EIR

The Fountain Valley Crossings Specific Plan TIA evaluated the effects of the proposed land use plan on the surrounding circulation system, including intersections and freeway segments, in accordance with the Orange County Congestion Management Plan guidelines and the Fountain Valley General Plan. According to the Specific Plan EIR, the following impacts from implementation of the Specific Plan related to Transportation/Traffic were identified in Table 3.11-8 and in Table 3.11-10.

Construction activities anticipated to occur under the proposed Fountain Valley Crossings Specific Plan would potentially create short-term traffic impacts due to congestion from construction vehicles (e.g., construction trucks, construction worker vehicles, and equipment, etc.), traffic lane and sidewalk closures, and loss of on-street parking. With implementation of a Construction Impact Mitigation Plan (identified as Mitigation Measure MM T-1 in the Specific Plan EIR), construction impacts would be less than significant with mitigation.

Under existing with Project conditions, increased traffic generated by build out of the Specific Plan would increase congestion at 3 of the 20 study intersections. While implementation of the Specific Plan would include transit, pedestrian, and bike improvements and a Transportation Demand Management (TDM) Program to minimize new vehicle trips, potential peak-period congestion would still exceed existing City and California Department of Transportation (Caltrans) LOS thresholds. Intersection impacts to Euclid Street and Newhope Street/Northbound I-405 Ramps (Intersection No. 15) and Ellis Avenue/Euclid Street and Southbound I-405 Ramps (Intersection No. 19) would be temporarily significant and unavoidable. With implementation of intersection improvements,

intersection impacts to all other impacted intersections would be less than significant with implementation of mitigation.

Increased traffic generated by build out of the proposed Fountain Valley Specific Plan under existing conditions would increase congestion at 11 freeway facilities, resulting in significant and unavoidable impacts.

Increases in traffic would incrementally increase delays at the intersections of residential roads with local arterials in the Specific Plan area, degrading the effectiveness and performance of the circulation system. However, such increases in delays at residential side streets would be incremental and would not exceed established thresholds under existing conditions. Therefore, impacts would be adverse but less than significant.

Implementation of the Specific Plan would not substantially disrupt alternative transportation, and impacts would be less than significant without mitigation.

Buildout of the Specific Plan area would contribute towards potential cumulative short-term traffic impacts due to congestion from construction vehicles (e.g., construction trucks, construction worker vehicles, and equipment, etc.), traffic lane and sidewalk closures, and loss of on-street parking. With implementation of a Construction Impact Mitigation Plan, construction impacts would be less then significant with mitigation.

Under Future Year (2035) cumulative conditions, increased traffic would contribute considerably to increased congestion at 4 of the 20 study intersections. While multiple improvements to transportation facilities, including transit, pedestrian, and bike facilities are assumed to be completed by 2035, potential peak-period congestion would still exceed City and Caltrans LOS thresholds. Intersection impacts to MacArthur Boulevard and Harbor Boulevard (Intersection No. 13) would be significant and unavoidable. Impacts at Euclid Street and Newhope Street/Northbound I-405 Ramps (Intersection No. 15) would be temporarily significant and unavoidable before implementation of planned roadway improvements. Impacts at Intersection No. 15 would be reduced to less than significant once planned improvements by other agencies have been implemented. With implementation of additional intersection improvements, all other impacted intersections would be improved to less than significant with mitigation.

Under cumulative conditions, traffic from build out of the Specific Plan would cumulatively contribute to congestion at seven freeway facilities. Operational conditions at freeway facilities in the Specific Plan area and surrounding vicinity would be depleted beyond thresholds. Therefore, impacts to freeway facilities would be a significant and unavoidable impact.

4.17.3 Analysis of Project Impacts

a. Would the Project conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?

The proposed Project includes moving the existing operations of an administrative office building across Ellis Avenue to the proposed Project site. There will not be an increase in the number of employees and the existing administrative building will not be reoccupied. Therefore, this Project will only result in a redistribution of vehicular traffic; no new trips will be added to the surrounding circulation system. The proposed Project would be consistent with the findings from the Specific Plan, and the project would not result in any new or more severe impacts that were not previously identified in the Specific Plan.

As such, the results of the Fountain Valley Crossings Specific Plan TIA are still considered valid and can be maintained for the majority of the study area intersections and all freeway segments. One difference from the approved TIA would be the redistribution of peak-hour volumes at I-405 southbound ramps/Ellis Avenue-Euclid Street, in which the south leg is the OCSD main driveway serving the existing administrative building. Operationally, the redistribution of project trips (southbound through to southbound right-turn, northbound through to eastbound left-turn, northbound right-turn to eastbound through, and the removal of northbound left-turns) may improve the operation of this intersection. It should be noted that this intersection is subject to Caltrans' jurisdiction and has been identified by Orange County Transportation Authority (OCTA) as one of the improvements for the I-405 Improvement project.

The Project includes improvements to pedestrian circulation with the construction of a 128 ft long pedestrian bridge across Ellis Avenue to connect Plant No. 1 with the new Administration Headquarters complex on the Project site. The Project will not modify the roadway to affect existing bicycle, transit, or vehicular travel.

The Specific Plan EIR concluded that impacts to any applicable plans, ordinances, or policies establishing measures of effectiveness for the performance of the circulation system as a result of traffic would be significant and unavoidable. The proposed Project, which is located within the Specific Plan TIA study area, would not add additional traffic trips to the circulation system, and would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required. Mitigation Measure T-1, from the Specific Plan EIR is applicable to the proposed Project and is described below. However, Mitigation Measures T-2a, T-2b, and T-7, from the Specific Plan EIR are not applicable to the proposed Project, as no new additional trips are generated. Mitigation measures T-2a, T-2b, and T-7 identified in the Specific Plan EIR are not applicable to the proposed Project. As previously mentioned, the proposed Project would not add additional traffic trips to the circulation system, and would not result in any new significant impacts beyond those identified in the Specific Plan EIR. As such, the proposed Project would not be subject to mitigation measures associated with fair-share payments of improvements located within the Specific Plan study area.

b. Would the Project conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?

As the Congestion Management Agency (CMA) for Orange County, the OCTA is responsible for establishing, implementing, and monitoring the County's Congestion Management Program (CMP). Through its implementation of the CMP, the OCTA works to ensure that roadways operate at acceptable LOS and reviews development proposals to ensure that transportation impacts are minimized. OCTA has established a threshold of 2,400 or more daily trips for projects adjacent to the CMP Highway System. The Project is not located near a CMP monitoring facility.

As described in Response 4.17 (a), the proposed Project will not add any new trips to the surrounding circulation system. Therefore, the proposed Project is not expected to conflict with the applicable CMP, and there is no substantial change from the conclusions in the Specific Plan EIR.

The Specific Plan EIR concluded that conflict with an applicable CMP established by the County CMA for the I-405 freeway segments as a result of traffic would be significant and unavoidable. The proposed Project, which is located within the Specific Plan TIA study area and would not add additional traffic trips to the circulation system, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required. No feasible mitigation was identified in the Specific Plan EIR.

c. Would the Project result in a change in air traffic patterns, including either an increase in traffic levels or a change in location which results in substantial safety risks?

The proposed Project would not interfere with air traffic patterns, nor would it increase traffic levels. There would be no impacts related to air traffic.

The Specific Plan EIR concluded that the build out of the Specific Plan would have no impact on air traffic patterns because there are no airport facilities in the Specific Plan area and implementation of the proposed Specific Plan would not substantially impacts surrounding airports (e.g., John Wayne Airport). The proposed Project, which is located within the Specific Plan area, would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

d. Would the Project substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

The proposed Project will consolidate the six existing driveways on the project frontage of Bandilier Circle into one driveway (providing access to employee and public parking) and consolidate the five existing driveways on Pacific Street into two driveways (one for bus and large vehicle access and one for employee and public parking). Consolidation of the driveways along both streets will remove turning-movement conflicts as a result of driveways currently being spaced too closely. The proposed Project will not make any further physical changes to the surrounding circulation system.

The Specific Plan EIR concluded that the implementation of the Specific Plan would have a less than significant impact on the increase of hazards due to design features or incompatible uses. The proposed Project would remove the existing turning-movement conflicts and would not include design features that would increase hazards. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

e. Would the Project result in inadequate emergency access?

The Construction Impact Mitigation Plan (Mitigation Measure MM T-1 of the EIR) shall ensure adequate emergency access is maintained throughout the duration of all construction activities. Direct access for emergency vehicles would be provided via all three project driveways on Pacific Street and Bandilier Circle. The proposed Project would not alter the existing roadway network and would provide one vehicular access driveway on Bandilier Circle and two vehicular access driveways on Pacific Street. The proposed Project would comply with all applicable codes and ordinances for emergency vehicle access.

The Specific Plan EIR concluded that implementation of the Specific Plan would have a less than significant impact on emergency access. Because the proposed Project would comply with applicable codes and ordinances for emergency vehicle access, it would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation measures are required.

f. Would the Project substantially disrupt alternative transportation, including pedestrian, bicycle, and transit facilities?

Pedestrian access to the Project site will be possible by existing sidewalks on Ellis Avenue. The Project will provide direct pedestrian access between the existing OCSD Plant No. 1 and the Project site by constructing an approximately 128 ft long pedestrian bridge over Ellis Avenue.

There are no designated bicycle routes in the City's Bicycle Master Plan adjacent to the Project site; however, bicyclists may share the roadway with vehicles on Ellis Avenue in order to reach the Class II Bike Path network via Ward Street and Ellis Avenue west of Ward Street. In addition, bicyclists may share the roadway with vehicles up to MacArthur Boulevard to reach the Class I Santa Ana River Trail. The proposed Project does not alter the existing roadways and would not conflict with this planned project.

OCTA operates Bus Line 37 with stops along Ellis Avenue in the Project vicinity. Employees are able to utilize the Bus Line 37 service to access the existing OCSD Plant No. 1 site and the proposed Project site. As the proposed Project would not increase the number of employees, no new transit trips are anticipated to be generated.

Because the Project is consistent with existing and planned pedestrian, bicycle, and transit facilities, implementation of the proposed Project would not conflict with any adopted policies, plans, or programs regarding bicycle or pedestrian facilities.

The Specific Plan EIR concluded that implementation of the Specific Plan would not substantially disrupt alternative transportation, and impacts would be less than significant. The proposed Project, which is located within the Specific Plan area and is consistent with existing and planned pedestrian, bicycle, and transit facilities, would, therefore, not result in new significant impacts beyond those identified in the Specific Plan EIR. No new mitigation measures are required.

4.17.3.1 Mitigation Measures

The TIA outlined improvement measures for all impacted intersections to bring project operations back to acceptable or pre-project conditions. All intersections were able to be mitigated back to a less than significant level with the exception of Harbor Boulevard/MacArthur Boulevard at which the impact is considered significant and unavoidable due to the fact that the intersection is shared with the Cities of Costa Mesa and Santa Ana and the City of Fountain Valley cannot guarantee the implementation of mitigation measures. The TIA explains in detail why improvements to freeway segments are not considered feasible at this time; therefore, all identified impacts to the freeway system are considered significant and unavoidable.

Based on the analysis and information above, the one mitigation measure (MM T-1) listed below from the Specific Plan EIR would be applicable to the proposed Project. No additional mitigation measures related to transportation/traffic beyond those identified in the Specific Plan EIR are required.

MM T-1 **Construction Impact Mitigation Plan.** Future development occurring under the proposed Fountain Valley Crossings Specific Plan shall be required to prepare a Construction Impact Mitigation Plan for review and approval prior to issuance of a grading or building permit to address and manage traffic during construction and shall be designed to:

- Prevent traffic impacts on the surrounding roadway network;
- Minimize parking impacts both to public parking and access to private parking to the greatest extent practicable;
- Ensure safety for both those constructing the project and the surrounding community; and
- Prevent substantial truck traffic through residential neighborhoods.

The Construction Impact Mitigation Plan shall be subject to review and approval by the following City departments: Planning & Building, Public Works, and Police to ensure that the Construction Impact Mitigation Plan has been designed in accordance with this mitigation measure. Additionally, the plan shall be prepared and implemented in coordination with any affected agencies such as OCTA and Caltrans. The review of the plan shall occur prior to issuance of grading or building permits. It shall, at a minimum, include the following:

Ongoing Requirements throughout the Duration of Construction.

- A detailed Construction Impact Mitigation Plan for work zones shall be maintained. At a minimum, this shall include parking and travel lane configurations; warning, regulatory, guide, and directional signage; and area sidewalks, bicycle lanes, and parking lanes. The Construction Impact Mitigation Plan shall include specific information regarding the project's construction activities that may disrupt normal pedestrian and traffic flow and the measures to address these disruptions. Such plans shall be reviewed and approved by the Planning & Building and Public Works Departments prior to commencement of construction and implemented in accordance with this approval.
- Work within the public right-of-way, deliveries, haul trips, and construction employee trips shall be performed during off-peak vehicular traffic hours. No construction work would be permitted on Sundays and national holidays that City offices are closed. Construction work includes, but is not limited to dirt and demolition material hauling and construction material delivery. Work within the public right-of-way outside of these hours shall only be allowed after the issuance of an after-hours construction permit. Exceptions may be made for time sensitive construction activities (e.g., pouring concrete).
- "Flagger" construction personnel shall be required at construction site entrances.
- The closure of major arterials shall be limited to non-peak vehicular traffic hours only.
- Streets and equipment shall be cleaned in accordance with established Public Works requirements.
- Trucks shall only travel on a City-approved truck routes. Limited queuing may occur on the construction site itself.
- Materials and equipment shall be minimally visible to the public; the preferred location for materials is to be on-site, with a minimum amount of materials within a work area in the public right-of-way, subject to a current Use of Public Property Permit.
- Any requests for work before or after normal construction hours within the public right-of-way shall be subject to review and approval through the After Hours Permit process administered by the Building and Safety Division.
- Provision of off-street parking for construction workers, which may include the use of a remote location with shuttle transport to the site, if determined necessary by the City.
- The Construction Impact Mitigation Plan shall ensure adequate emergency access is maintained throughout the duration of all construction activities. Consistent with the requirements and regulations of the MUTCD, adequate emergency access shall be ensured through measures such as coordination with

local emergency services, training for flagmen for emergency vehicles traveling through the work zone, temporary lane separators that have sloping sides to facilitate crossover by emergency vehicles, and vehicle storage and staging areas for emergency vehicles.

Project Coordination Elements That Shall Be Implemented Prior to Commencement of Construction.

- The traveling public shall be advised of impending construction activities which may substantially affect key roadways or other facilities (e.g., information signs, portable message signs, media listing/notification, Hotline number, and implementation of an approved Construction Impact Mitigation Plan) in a manner appropriate to the scale and type of projects.
- A Use of Public Property Permit, Excavation Permit, Sewer Permit, or Oversize Load Permit, as well as any Caltrans permits required for any construction work requiring encroachment into public rights-of-way, detours, or any other work within the public right-of-way shall be obtained.
- Timely notification of construction schedules shall be provided to all affected agencies (e.g., Police Department, Fire Department, Public Works Department, and Community Development Department) and to all owners and residential and commercial tenants of property within a radius of 500 feet.
- Construction work shall be coordinated with affected agencies in advance of start of work. Approvals may take up to two weeks per each submittal.
- Planning & Building and Public Works Departments approval of any haul routes for earth, concrete, or construction materials and equipment hauling shall be obtained.

4.17.4 Findings Related to Transportation/Traffic

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Transportation/Traffic, and there is not substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Transportation/Traffic that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant impact not reported in that document might occur. Based on the

information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Transportation/Traffic requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Fountain Valley Crossings Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Transportation/Traffic. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measure that is applicable to the proposed Project is listed in Section 4.17.3.1. The potential Project impact related to Transportation/Traffic would be reduced below a level of significance with implementation of applicable the mitigation measure from the Specific Plan EIR. The proposed Project would not contribute to the significant unavoidable impacts identified in the Specific Plan EIR.

4.18 TRIBAL CULTURAL RESOURCES

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:			
i. Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k).	☐	☐	☒
ii. A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☐	☐	☒

4.18.1 Existing Setting

According to the Specific Plan EIR, the City is located in the Santa Ana Valley-Capistrano Valley Province, which is a lowland strip separating the coastal hills from the Santa Ana Mountains. This province dominates the inner portion of Orange County and includes the flood plain in the Santa Ana River in the northern segment near the City. The moderate climate, fertile soils, and abundant natural resources made southern California, including Orange County and the Fountain Valley area, ideal for human habitation, which may have begun in the area as much as 11,000 years ago. During the late prehistoric period, the Gabrieleño and the Juaneño groups occupied Orange County. The Gabrieleño inhabited a large area of the Los Angeles Basin including the watersheds of Los Angeles, San Gabriel, and Santa Ana Rivers, several streams in the Santa Monica and Santa Ana Mountains, the coast from Aliso Creek to Topanga Creek, and the islands of San Clemente, San Nicholas, and Santa Catalina. The Juaneño territory extended from Northern San Diego County to the San Joaquin Hills along Orange County's central coast, and inland from the Pacific Ocean into the Santa Ana Mountains. Both groups lived in residential villages along the County's rivers and traveled to seasonal camps for hunting, fishing, shellfish collecting, and hard seed processing. Initial Spanish settlement in the Orange County region came in the late 1500s, and the Mission San Juan Capistrano was established in Orange County in 1775. Prior to Spanish migration, the native population had been decimated by diseases, likely spread via coastal stopovers by early Spanish maritime explorers. Additionally, multiple epidemics took a great toll on Native American populations between approximately 1800 and the early 1860s, along with the cultural and political upheavals that came with European, Mexican, and American settlement. The mission period was followed by the Mexican period as colonists moved into California and occupied land granted to them by the Mexican

government. By the end of the Mexican period and as California moved towards statehood in 1850, the populations of Native Americans in California as a whole declined.

According to the Specific Plan EIR, the Fountain Valley area was inundated by large areas of wetlands from the 1880s to the early 1900s. Early settlers constructed drainage canals to drain the land and make it usable for agriculture and other development. Agriculture dominated the area in the early 1900s. The City was incorporated in 1957. The large population growth that the City experienced in the 1960s took place within the framework of a Master Plan adopted before any developments had begun. The Project area was developed primarily in the 1970s with a range of public and private structures and industrial areas.

No known archaeological resources are within the boundaries of the Specific Plan area. However, the Specific Plan area has some potential for undiscovered Native American archaeological resources, as well as other known regional resources, to occur. There are four recorded archaeological sites within the vicinity of the Specific Plan area. The potential for such subsurface resources, which may not have been evaluated during original development of the Specific Plan area, may exist.

4.18.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Tribal Cultural Resources impacts on pages 3.14-1 through 3.14-8.

The Specific Plan EIR explained that seven unique groups and/or individuals were contacted under Senate Bill (SB) 18 and Assembly Bill (AB) 52 (including one tribe that was included on both AB 52 and SB 18 notification lists), and only one response was received. Mr. Andrew Salas of the Gabrieleño Band of Mission Indians-Kizh Nation responded via email on October 25, 2015. Mr. Salas did not request consultation with the City, or identify any tribal cultural resources in the Specific Plan area, but did request that a tribal monitor from the Gabrieleño Band of Mission Indians-Kizh Nation be present during ground-disturbing construction work. This request was considered, and protocols for inadvertent discovery, including the retention of a qualified Native American Monitor, were incorporated into Mitigation Measure MM TRC-1b. In addition to Native American consultation, the City submitted a request for review of the Native American Heritage Commission (NAHC) Sacred Lands Inventory File on November 12, 2015. The NAHC responded to the City's request on December 8, 2015, and identified four recorded archaeological sites within the United States Geological Survey (USGS) quadrangle in which the Specific Plan area is located. Review of these sites was conducted, and it was concluded that all known sites are located outside the City and, thus, are also outside of the Specific Plan area.

The Specific Plan EIR determined that there have been no previously identified tribal cultural resources within the boundaries of the Specific Plan area or in the immediate vicinity. Additionally, given the developed nature of the site and that development activities associated with the Specific Plan would occur in previously disturbed areas, it is unlikely that tribal cultural resources would be encountered within the Specific Plan area. Additionally, none of the Native American tribes contacted through the SB 18 and AB 52 processes described above identified any tribal cultural resources in the Specific Plan area. However, the Specific Plan area vicinity was a favorable

environment for Native American settlement. The Gabrieleño Band of Mission Indians-Kizh Nation noted in a response to the City's consultation process that the area is considered sensitive. Therefore, it is possible that the Specific Plan area contains buried tribal cultural resources, which could be preserved beneath the existing industrial warehouse buildings and paved surfaces. Effects on tribal cultural resources are highly dependent on the individual project site conditions and the characteristics of future projects that may be proposed with the Specific Plan area. If such resources were discovered, any activity that would cause a substantial adverse change in the significance of a tribal cultural resource would be a significant impact. However, with the implementation of Mitigation Measures MM TCR-1a, MM TCR-1b, and MM TCR-1c, which require procedures to be taken in the event unknown cultural resources are discovered during construction, impacts to tribal cultural resources would be less than significant. The mitigation measures are outlined in further detail at the end of Section 4.18.3, below.

4.18.3 Analysis of Project Impacts

a. i. Would the Project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k).

Chapter 532, Statutes of 2014 (i.e., AB 52), requires that lead agencies evaluate a project's potential to impact "tribal cultural resources." Such resources include sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are eligible for inclusion in the California Register of Historical Resources or included in a local register of historical resources (PRC, Section 21074). AB 52 also gives lead agencies the discretion to determine, supported by substantial evidence, whether a resource falling outside of the definition stated above nonetheless qualifies as a "tribal cultural resource."

Also per AB 52 (specifically PRC Section 21080.3.1), OCSD must consult with California Native American tribes that are traditionally and culturally affiliated with the geographic area of the proposed Project and have previously requested that OCSD provide the tribe with notice of such projects.

In compliance with AB 52, letters were distributed on September 28, 2017, to local Native American tribes who have previously requested to be notified of future projects proposed by OCSD. The letters notified each tribe of the opportunity to consult with OCSD regarding the proposed Project, which included the Gabrieleño Band of Mission Indians – Kizh Nation, the Juaneño Band of Mission Indians/Acjachemen Nation, and the San Gabriel Band of Mission Indians. In compliance with AB 52, tribes have 30 days from the date of receipt of notification to request consultation on the proposed Project. No responses or requests for consultation were received from the Juaneño Band of Mission Indians/Acjachemen Nation or the San Gabriel Band of Mission Indians during the 30-day period. On October 5, 2017, Andrew Salas,

Chairman of the Gabrieleño Band of Mission Indians – Kizh Nation, sent a letter to OCSD stating that the proposed Project lies within a sensitive area for tribal cultural resources. He requested to be consulted on the Project. OCSD responded to the request via email on October 5, 2017, and October 24, 2017, to arrange a meeting with the Gabrieleño Band of Mission Indians – Kizh Nation, to which Mr. Salas has not responded. Due to the length of time since receiving any additional response from the Gabrieleño Band of Mission Indians – Kizh Nation, the AB 52 consultation process is considered closed.

The Project site is fully developed with five one- to two-story industrial warehouse buildings and surface parking lots. It is possible that the Project site contains unknown buried tribal cultural resources, which could be preserved beneath the existing buildings and paved surfaces. The proposed Project would involve the demolition of five existing on-site industrial warehouse buildings and the construction and operation of a new three-story administration building, surface parking lot, and pedestrian bridge connecting the Project site to the OCSD Plant No. 1 site south of Ellis Avenue. If such resources were discovered during construction activities, any activity that would cause a substantial adverse change in the significance of a tribal cultural resource would be considered a significant impact. However, with the implementation of Mitigation Measures MM TCR-1a, MM TCR-1b, and MM TCR-1c, which were included in the Specific Plan EIR, impacts to tribal cultural resources would be reduced to a less than significant level. Mitigation Measure MM TCR-1a would require pre-construction training prior to any grading or other development activities associated with Project implementation. In the event of inadvertent discovery of tribal cultural resources during Project construction, Mitigation Measure MM TCR-1b would require retention of a qualified registered professional archaeologist (RPA) and a qualified Native American Monitor to evaluate the significance of the discovery pursuant to the Cultural Resources Treatment Plan procedures, which are outlined in Mitigation Measure MM TCR-1c. Therefore, implementation of Mitigation Measures MM TCR-1a, MM TCR-1b, and MM TCR-1c would require procedures to be taken in the event unknown tribal cultural resources are discovered during Project construction, and impacts to tribal cultural resources would be reduced to a less than significant level.

The Specific Plan concluded that impacts related to tribal cultural resources would be less than significant with mitigation. Similarly, the Project is located within the Specific Plan area and would incorporate the same mitigation to reduce impacts to tribal cultural resources. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no additional mitigation measures are required. Applicable mitigation measures are outlined at the end of Section 4.18.3, below.

a. ii. Would the Project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is a resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of

Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

See Response 4.18.3 (a) (i), above. With the implementation of Mitigation Measures MM TCR-1a, MM TCR-1b, and MM TCR-1c, included in the Specific Plan EIR, impacts to tribal cultural resources would be reduced to a less than significant level.

The Specific Plan concluded that impacts related to tribal cultural resources would be less than significant with mitigation. Similarly, the Project is located within the Specific Plan area and would incorporate mitigation to reduce impacts to tribal cultural resources. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no additional mitigation measures are required. Applicable mitigation measures are outlined below.

4.18.3.1 Mitigation Measures

Based on the analysis and information above, Mitigation Measures MM TCR-1a, MM TCR-1b, and MM TCR-1c, included in the Specific Plan EIR, would be applicable to the proposed Project.

MM TRC-1a **Pre-Construction Training:** For individual discretionary development projects, pre-construction training for construction personnel shall be conducted prior to commencement of any grading or other development activities. A qualified archaeologist, meeting the Secretary of the Interior's Professional Qualifications Standards for archaeology (2008) and approved by the City, shall conduct tribal cultural resources identification and protocol training prior to site disturbance activities. Construction personnel shall be informed of the types of archaeological or tribal cultural resources that may be encountered, and of the proper protocols for agency notification. Construction personnel shall attend the training and shall retain documentation demonstrating attendance.

MM TRC-1b **Inadvertent Discovery:** In the event of any inadvertent discovery of archaeological or tribal cultural resources during construction, ground-disturbing activities shall be suspended until an evaluation is performed. The Applicant shall retain a qualified registered professional archaeologist (RPA) and a qualified Native American Monitor selected by the City. The City's selection of a Native American Monitor will be based on cultural affiliation with the Project area, which may include consultation with the NAHC. In the event of discovery, construction personnel shall notify the City, the RPA, and Native American Monitor. The RPA and Native American Monitor shall evaluate the significance of the discovery pursuant to the Treatment Plan procedures outlined in MM TCR-1c, below. Work shall not resume until authorization is received from the City. If human remains are found, in compliance with California Health and Safety Code Section 7050.5, all ground disturbances must cease and the County Coroner must be contacted to determine the nature of the remains. In the event the remains are determined to be Native American in origin by

the Coroner, the Coroner is required to contact the NAHC within 24 hours to relinquish jurisdiction.

MM TCR-1c **Archaeological Data Recovery:** If cultural resources are encountered during development activities, the City shall implement a Cultural Resources Treatment Plan to address resource identification, significance evaluation, and any necessary mitigation. The Treatment Plan shall be prepared by a City-approved RPA and a City-approved Native American Monitor, and at a minimum shall include:

- A review of historic maps, photographs, and other pertinent documents to predict the locations of former buildings, structures, and other historical features and sensitive locations within and adjacent to the specific development area;
- A context for evaluating resources that may be encountered during construction;
- A research design outlining important prehistoric and historic-period themes and research questions relevant to the known or anticipated sites in the study area;
- Specific and well-defined criteria for evaluating the significance of discovered remains; and
- Data requirements and the appropriate field and laboratory methods and procedures to be used to treat the effects of the Project on significant resources.

The City, in its discretion and supported by substantial evidence, may also determine that resource is significant pursuant to criteria set forth in subdivision (c) of PRC Section 5024.1. If the RPA determines that the find may qualify for listing in the California Register, the site shall be avoided or the resource preserved in place, or if avoidance or preservation in place is not determined feasible, a data recovery plan shall be developed. The preferred mitigation shall be to avoid the resource or preserve in place. Any required testing or data recovery shall be directed by a qualified RPA and Native American Monitor prior to construction being resumed in the affected area. The Treatment Plan shall also include submission of a final technical report, funded by the developer and approved by the City.

4.18.4 Findings Related to Tribal Cultural Resources

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Tribal Cultural Resources, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Tribal Cultural Resources that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Tribal Cultural Resources requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Tribal Cultural Resources. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measures that are applicable to the proposed Project are listed in Section 4.18.3.1. Potential Project impacts related to Tribal Cultural Resources would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

4.19 UTILITIES AND SERVICE SYSTEMS

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
Would the Project:			
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	☐	☐	☒
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☒
c. Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	☐	☐	☒
d. Reduce sufficient water supplies available to serve the Project from existing entitlements and resources, or require new or expanded entitlements?	☐	☐	☒
e. Result in a determination by the wastewater treatment provider which serves or may serve the Project that it has adequate capacity to serve the Project's projected demand in addition to the provider's existing commitments?	☐	☐	☒
f. Be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal needs?	☐	☐	☒
g. Conflict with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☒

4.19.1 Existing Setting

The Specific Plan area is served by a network of utility lines, including sewer lines, water mains, and storm drains that were generally constructed during the 1970s and 1980s; this infrastructure was sized and installed to accommodate development anticipated at that time.

According to the Specific Plan EIR, the City receives its water from three main sources: (1) the Lower Santa Ana River Groundwater Basin (Orange County Groundwater Basin), which is managed by the Orange County Water District (OCWD); (2) imported Colorado River and State Water Project (SWP) water delivered by the Metropolitan Water District of Southern California (MWD) through the Municipal Water District of Orange County (MWDOC); and (3) recycled water from the OCWD's Green Acres Project (GAP). MWDOC is Orange County's wholesale supplier and is a member agency of the MWD. The City's water supply is comprised of 60 percent groundwater, 24 percent imported water, and 14 percent recycled water. Water distribution service within the Project area is provided by the Fountain Valley Water Utility, which operates as a division of the City Public Works Department.

Wastewater collection and treatment service in the Specific Plan area is provided by the OCSD. OCSD currently operates two wastewater treatment facilities that accommodate wastewater from residential, commercial, and industrial sources. The City owns, operates, and maintains the sewer collection system within the City limits and its sphere of influence. The sewer system comprises

approximately 133 miles of collection and transmission pipe that sends City effluent to the OCSD for treatment and disposal. Wastewater generated within the Specific Plan area is conveyed to Plant No. 1, located directly south of the Specific Plan area south of Ellis Avenue. Existing wastewater facilities servicing the Specific Plan area were constructed in the late 1960s and early 1970s. No known deficiencies exist with the system, and the existing wastewater collection system adequately services the Specific Plan area.

According to the Specific Plan EIR, the City contracts Rainbow Environmental Services to collect solid waste generated throughout the City, including the Specific Plan area. Rainbow Environmental Services provides waste collection, recycling, and disposal services for residential customers with trash can service. Rainbow Environmental Services provides a Materials Recovery Facility (MRF) to ensure compliance with State laws regarding waste stream diversion and ensuring that a minimum of 75 percent of solid waste is diverted from landfills into reuse and recycling under AB 341. Solid waste generated from the City is transported to a MRF within the City of Huntington Beach approximately 3 miles northwest of the Specific Plan area, where solid waste is manually and mechanically separated into recyclable and non-recyclable materials. Non-recyclable materials and solid waste are then transported to Frank R. Bowerman Landfill, a 725-acre, non-hazardous, municipal solid waste landfill located within the City of Irvine, approximately 13.5 miles east of the Specific Plan area. The Frank R. Bowerman Landfill is permitted to receive 11,500 tons per day (tpd) of solid waste and receives a daily average of approximately 6,800 tpd; this landfill is scheduled to close in the year 2053. It is subject to regular inspection by State regulatory agencies such as the California Department of Resource Recycling and Recovery (CalRecycle), the California Regional Water Quality Control Board (RWQCB), and the South Coast Air Quality Management District (SCAQMD) to ensure compliance with applicable plans, policies, and regulations.

4.19.2 Impacts Identified in the Specific Plan EIR

The Specific Plan EIR analyzed the Specific Plan's potential Utilities impacts on pages 3.12-1 through 3.12-29.

According to the Specific Plan EIR, the RWQCB, in connection with the implementation of the National Pollutant Discharge Elimination System (NPDES) program, has imposed requirements on the treatment of wastewater and its discharge into local water bodies, including the Santa Ana River. Wastewater produced by new land uses and development in the Specific Plan area would meet these requirements through treatment at the OCSD Plant No. 1. In addition, the implementation of wastewater low impact development (LID) designs and best management practices (BMPs) required by the Specific Plan would also help meet wastewater quality treatment standards. Therefore, RWQCB wastewater treatment requirements would not be exceeded, and potential impacts are considered less than significant.

The Specific Plan area is currently fully developed and existing wastewater flows are treated within the capacity of OCSD. The Specific Plan EIR determined that implementation of the Specific Plan would result in an increase in current wastewater flows by approximately 0.13 percent, and increases in wastewater flows would be fully treatable by existing facilities. The OCSD Reclamation Plant No. 1 would have sufficient capacity to serve the Specific Plan area demand in addition to the

provider's existing commitments. Therefore, impacts in regard to wastewater generation are considered less than significant.

The Specific Plan EIR concluded that wastewater collection and conveyance systems within the Specific Plan area are currently sufficient in terms of size and age to service existing Specific Plan area development. Due to existing available capacity to treat wastewater existing and future wastewater in the City, construction or expansion of wastewater treatment facilities would not be required. However, it is possible that new development within the Specific Plan area would require on-site upgrades to serve the proposed new uses. For future development, individual development projects occurring under the Specific Plan would be reviewed to determine whether site-specific infrastructure improvements would be required as part of Specific Plan approval. Further, implementation of the Specific Plan would generate increased sewage flows within the existing sewer system. Development of land uses under the Specific Plan would incrementally trigger the need for expansion or replacement of individual sewer line segments, resulting in potentially significant impacts. Implementation of MM UT-3 and compliance with existing local regulations would ensure the funding of necessary improvements to the wastewater system to serve future land uses anticipated to occur under the Specific Plan. With assurance of adequate funds to finance the capital improvements necessary as provided for in MM UT-3, impacts would be reduced to less than significant levels with mitigation. Therefore, potential impacts to wastewater infrastructure would be reduced to less than significant with mitigation.

According to the Specific Plan EIR, additional commercial, industrial, office, retail, and residential uses to be developed under the Specific Plan would increase water demand. Based on water demand factors for the City and other service areas within the County, water demand resulting from implementation of the Specific Plan is expected to increase by approximately 499,855 gallons per day (gpd) (560.3 acre-feet per year [acre-ft/yr]). The increased demand for water would have the potential to result in the need for additional water supply infrastructure. Currently, the Specific Plan area is largely developed and is served by an existing water supply system which provides sufficient service. Development under the Specific Plan would occur within the existing developed spaces of the Specific Plan area and is not expected to require substantial alterations to the existing water system given the incremental and limited increase in water demand from the Specific Plan. However, new land uses anticipated to occur under the Specific Plan could nonetheless result in the need for construction of new water facilities or expansion of existing infrastructure such as upsizing of certain pipeline segments. However, the individual development projects would be reviewed to determine any necessary alterations to existing infrastructure to serve the development site. As part of development review of individual projects, additional CEQA review may be required that would analyze potential effects including the alteration of existing systems or construction of additional infrastructure. The construction or implementation of necessary on-site infrastructure improvements would occur in conformance with applicable State and City development codes and regulations. Due to the limited increase in water demand associated with the Specific Plan, as well as conformance to mandated water supply infrastructure regulations and standards, and with assurance of adequate funds to finance the capital improvements necessary for the Specific Plan as described in MM UT-3, impacts to the environment due to potential construction or expansion of water supply facilities are considered less than significant with mitigation.

Implementation of the Specific Plan would result in partial redevelopment of the Specific Plan area for increased retail, commercial, industrial, warehouse, office, and residential uses. As the Specific Plan area is largely developed with impermeable surfaces, redevelopment under the Specific Plan would primarily involve replacement rather than expansion of impermeable surfaces. Any potential increased development of impermeable surfaces and building square footage may result in increased stormwater and urban runoff that enters the City's storm drainage system. Storm drain infrastructure within the Specific Plan area presently accommodates and conveys stormwater flows adequately, and additional development under the Specific Plan is not expected to impede stormwater conveyance. However, it is possible that new development within the Specific Plan area would require on-site upgrades to serve the proposed new uses. Necessary improvements to site hydrology may be required to accommodate redevelopment and would be identified as part of review of proposed projects. While the location and extent of stormwater system improvements necessary to service individual development projects is presently undetermined, specific information regarding the improvement or construction of these facilities would be determined prior to approval of a proposed project. Any construction of necessary facilities would be subject to applicable State and City development codes and regulations. As part of the development review of individual projects, additional CEQA review may be required, which would analyze potential effects including the potential alteration of the existing system. The Specific Plan EIR concluded that build out of the Specific Plan would not have significant adverse effects to the environment resulting from the construction of additional storm drain infrastructure, and impacts are considered less than significant.

Commercial, industrial, and residential uses anticipated to occur under Specific Plan implementation would incrementally increase water demand throughout the development of the Specific Plan area. The Specific Plan EIR determined that the increased demand for water in the Specific Plan area would have the potential to result in the need for new or expanded water infrastructure and/or water supplies. While redevelopment of the Specific Plan area would result in a projected net increase in water demand by approximately 560.3 acre-ft/yr, the MWDOC and the City currently project an estimated 11,800 acre-ft/yr of potable water will be available at the time of build out of the Specific Plan, approximately 1,025 acre-feet more than current demands. Individual developments within the Specific Plan area would be required to obtain a Will Serve letter from the district prior to planning approval. As such, the MWD, MWDOC, and the City anticipate their ability to meet full-service demands through 2040 during both normal, dry, and multiple dry years. Further, increasing reliance on recycled water, City-mandated water efficiency requirements, water conservation measures, and implementation of higher efficiency systems would contribute to decreased water demands within the Specific Plan area. Therefore, while implementation of the Specific Plan would result in an increase in water demand, impacts to existing and projected City water supply are considered less than significant.

Under implementation of the Specific Plan, redevelopment of the Specific Plan area is expected to result in a net increase of approximately 258,010 sf of retail, industrial, commercial, warehouse, and office development and 491 residential units. This would result in an increase in solid waste generation and a subsequent need for waste disposal. According to the Specific Plan, the estimated potential net increase in solid waste generation in the Specific Plan area is 4,828.76 pounds (lbs) of solid waste per day, equating to 2.41 tpd. Assuming the required diversion rate of 75 percent is

applied, this would result in up to an additional 1.81 tpd of non-recyclable waste that would need to be disposed in a landfill. It is not anticipated that an additional net 258,010 sf of development would substantially strain Rainbow Environmental Services' ability to service the Specific Plan area. In addition, the MRF has available capacity to receive and process an additional 1,000 tpd of solid waste under their existing permit. As such, the MRF possesses adequate capacity to receive an estimated 2.41 tpd of additional waste, or approximately 0.006 percent of the facility's permitted daily capacity. Furthermore, disposal of approximately 1.81 tpd of non-recyclable solid waste at the Frank R. Bowerman Landfill would incrementally contribute to the facility's typical daily intake and would not result in exceedance of the facility's total daily capacity. Therefore, impacts resulting from additional solid waste generation under the Specific Plan are considered less than significant.

California State law AB 341 requires that at least 75 percent of solid waste be diverted from landfills. As previously discussed, solid waste generated by the Specific Plan area would be transported to an MRF that separates and sorts solid waste to ensure a minimum of 75 percent is diverted for recycling and reuse before being transported to the Frank R. Bowerman Landfill. In addition, development under the Specific Plan would be required to comply with all applicable City solid waste regulations, permitting processes, and policies in effect at the time of operation, including the policies and regulations described under the City's Municipal Code Chapter 6.08, Solid Waste. According to the Specific Plan EIR, as the City is in compliance with applicable State, federal, and local regulations and implementation of the Specific Plan would not conflict with regulations related to solid waste, no impact would occur.

4.19.3 Analysis of Project Impacts

a. Would the Project exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

OCSD would be the wastewater treatment provider for the proposed Project. The proposed Project would involve the operation of a new administration building, and as such, would result in the generation of wastewater. However, as discussed in Section 4.14.3, the Project would not represent a net increase in population or employees within the Specific Plan area. Because the number of employees would not increase, there would be no net difference in wastewater generation within the Specific Plan area compared to existing conditions. Wastewater produced by the Project would meet NPDES requirements through treatment at the OCSD Plant No. 1 site. In addition, the implementation of wastewater LID designs and BMPs required by the Specific Plan would help meet wastewater quality treatment standards. Therefore, RWQCB wastewater treatment requirements would not be exceeded, and potential impacts related to the proposed Project are considered less than significant.

The Specific Plan concluded that impacts related to exceedance of RWQCB wastewater treatment requirements would be less than significant. Similarly, the Project is located within the Specific Plan area and would not exceed RWQCB wastewater treatment requirements. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

b. Would the Project require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

The proposed Project would involve the operation of a new administration building, and as such, would result in the generation of wastewater. However, as discussed in Section 4.14.3, the Project would not represent a net increase in population or employees within the Specific Plan area because the administrative use would relocate existing OCSD personnel from OCSD Plant No. 1 to the Project site. Because the number of employees would not increase, there would be no net difference in wastewater generation within the Specific Plan area compared to existing conditions. The Specific Plan EIR determined that build out of the Specific Plan, including the Project site, would result in an increase in current wastewater flows by approximately 0.13 percent, and increases in wastewater flows would be fully treatable by existing facilities. Because the Project would not increase regional wastewater flows and OCSD Reclamation Plant No. 1 would have sufficient capacity to serve the Specific Plan area and Project demand in addition to the provider's existing commitments, the Project would not require expansion of existing wastewater treatment facilities or construction of new facilities.

Although the project would not increase the total wastewater generated in the Specific Plan area, the relocation of existing OCSD personnel from Plant No. 1 to the Project site would have a potential to increase wastewater generated on the Project site. Therefore, implementation of the Project could generate increased sewage flows within the existing sewer system on and adjacent to the Project site. Further, development of land uses under the Specific Plan could incrementally trigger the need for expansion or replacement of individual sewer line segments, resulting in potentially significant impacts. Implementation of MM UT-3 and compliance with existing local regulations would ensure the funding of necessary improvements to the wastewater system to serve future land uses anticipated to occur under the Specific Plan. With assurance of adequate funds to finance the capital improvements necessary as provided for in MM U-3, impacts would be reduced to less than significant with mitigation. Therefore, while implementation of the Project would result in an increase in wastewater generation, the Project would not necessitate new wastewater treatment facilities or expansion of existing facilities, and impacts are considered less than significant with mitigation.

The proposed Project would involve the operation of a new administration building, and as such, would require water use. However, as discussed in Section 4.14.3, the Project would not represent a net increase in population or employees within the Specific Plan area because the administrative use would relocate existing OCSD personnel from OCSD Plant No. 1 to the Project site. Because the number of employees would not increase, there would be no net difference in water use within the Specific Plan area compared to existing conditions.

Although the Project would not increase the total water demand in the Specific Plan area, the relocation of existing OCSD personnel from Plant No. 1 to the Project site would have a potential to increase water demand on the Project site as compared to the existing on-site uses. The new administration building proposed as part of the Project would have the potential to increase water demand as compared to warehouse uses due to the greater number of people working at

the Project site, as well as the general increase in land use intensity that would occur. The increased demand for water would have the potential to result in the need for additional water supply infrastructure on and adjacent to the Project site. The Project could result in the need for construction of new water facilities or the expansion of existing infrastructure such as upsizing of certain pipeline segments. Due to the limited increase in water demand associated with the Project, as well as conformance to mandated water supply infrastructure regulations and standards, and with assurance of adequate funds to finance the capital improvements necessary for the Project as described in MM UT-3, impacts to the environment due to potential construction or expansion of water supply facilities are considered less than significant with mitigation. Therefore, while implementation of the Project would result in an increase in water demand, the Project would not necessitate new water treatment facilities or expansion of existing facilities, and impacts are considered less than significant with mitigation.

The Specific Plan concluded that impacts related to construction of new water or wastewater treatment facilities or expansion of existing facilities would be less than significant with mitigation. Similarly, the Project is located within the Specific Plan area and would not require construction of new water or wastewater treatment facilities or expansion of existing facilities, but would nonetheless incorporate the same Specific Plan mitigation to reduce impacts. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no additional mitigation measures are required. Applicable mitigation measures are outlined at the end of Section 4.19.3, below.

c. Would the Project require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

The proposed Project would decrease impervious surface area on the Project site, which can provide more opportunities for infiltration on the Project site. However, because the infiltration potential of on-site soils is low, any increase in infiltration would be minimal. Additionally, the Project would include drainage features that would continue to convey stormwater runoff to the existing municipal storm drain system. In addition, the County MS4 Permit requires the installation of landscaped areas or other pervious surfaces and implementation of LID and stormwater BMPs to minimize and treat stormwater runoff. The proposed Project includes bioretention basins in compliance with this requirement. Therefore, because the Project would decrease stormwater runoff from the project site by reducing impervious surface area and including BMPs, the Project would not necessitate new stormwater drainage facilities or expansion of existing facilities, and impacts are considered less than significant.

The Specific Plan concluded that impacts related to exceedance of the capacity of stormwater drainage facilities would be less than significant. Similarly, the Project is located within the Specific Plan area and would not exceed the capacity of stormwater drainage facilities. The proposed Project requires implementation of drainage features and BMPs to minimize runoff and flooding and would, therefore, not result in new significant impacts beyond those identified

in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation measures are required.

d. Would the Project reduce sufficient water supplies available to serve the Project from existing entitlements and resources, or require new or expanded entitlements?

Refer to Response 4.19.3 (b), above. The proposed Project would require water use related to the operation of a new administration building. As discussed previously, new development proposed as part of the Project would not represent a net increase in population because the administrative use would provide work space for existing OCSD personnel. Consequently, the Project would not increase water demand in the Specific Plan area compared to existing conditions. Therefore, the Project would not result in the need for expanded or new water supplies. As discussed in the Specific Plan EIR, the MWD, the MWDOC, and the City anticipate their abilities to meet full-service demands through 2040 during both normal, dry, and multiple dry years. Further, increasing reliance on recycled water, City-mandated water efficiency requirements, water conservation measures, and implementation of higher efficiency systems would contribute to decreased water demands within the Specific Plan area. In addition, the Project would be required to obtain a Will Serve letter from OCWD prior to planning approval. Therefore, while the Project would result in an increase in water demand, impacts to existing and projected City water supply are considered less than significant.

The Specific Plan concluded that impacts related to water supply would be less than significant. Similarly, the Project is located within the Specific Plan area and sufficient water supplies are available to serve the Project from existing entitlements and resources. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

e. Would the Project result in a determination by the wastewater treatment provider which serves or may serve the Project that it has adequate capacity to serve the Project's projected demand in addition to the provider's existing commitments?

Refer to Response 4.19.3 (b), above. OCSD Reclamation Plant No. 1 would have sufficient capacity to serve the Specific Plan area and Project demand in addition to the provider's existing commitments. As discussed previously, new development proposed as part of the Project would not represent a net increase in population because the administrative use would provide work space for existing OCSD personnel. Because the number of employees would not increase, there would be no net difference in wastewater generation within the Specific Plan area compared to existing conditions. Therefore, because implementation of the Project would not result in an increase in wastewater generation, the Project would not exceed the capacity of wastewater treatment facilities, and impacts are considered less than significant.

The Specific Plan concluded that impacts related to wastewater treatment providers would be less than significant with mitigation. The Project is located within the Specific Plan area, and wastewater flows from the Project site can be accommodated by the existing wastewater plant.

Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no additional mitigation measures are required. Applicable mitigation measures are outlined in at the end of Section 4.19.3, below.

f. Would the Project be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal needs?

Refer to Response 4.19.3 (a), above. The operation of a new administration building as part of the proposed Project would result in the generation of solid waste. During construction, waste generation would increase as a result of the Project. As discussed previously, new development proposed as part of the Project would not represent a net increase in population because the administrative use would provide work space for existing OCSD personnel. Consequently, during operation, waste generation would not be anticipated to increase compared to existing conditions. Although construction of the Project would result in an increase in solid waste generation and a subsequent need for waste disposal, the Specific Plan EIR concluded that Rainbow Environmental Services would be able to adequately serve the Specific Plan area's waste disposal needs. Thus, it is not anticipated that waste disposal required for the administration building, one development within the Specific Plan area, would substantially strain Rainbow Environmental Services' ability to service the Project. Therefore, impacts resulting from additional solid waste generation under the Project are considered less than significant.

The Specific Plan concluded that impacts related to landfills would be less than significant. Similarly, the Project is located within the Specific Plan area and would be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal needs. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

g. Would the Project conflict with federal, state, and local statutes and regulations related to solid waste?

Refer to Response 4.19.3 (a), above. The operation of a new administration building as part of the proposed Project would result in the generation of solid waste. The Project would comply with all applicable City solid waste regulations, permitting processes, and policies in effect at the time of operation, including the policies and regulations described under the City's Municipal Code Chapter 6.08, Solid Waste. According to the Specific Plan EIR, as the City is in compliance with applicable State, federal, and local regulations. Therefore, the Project would not conflict with regulations related to solid waste, and no impact would occur.

The Specific Plan concluded that impacts related to solid waste would be less than significant. Similarly, the Project is located within the Specific Plan area and would not conflict with federal, State, and local statutes and regulations related to solid waste. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a

substantial increase in the severity of previously identified significant impacts, and no new mitigation measures are required.

4.19.3.1 Mitigation Measures

Based on the analysis and information above, Mitigation Measure MM UT-3, included in the Specific Plan EIR, would be applicable to the proposed Project.

MM UT-3 **FVCSP Utility Infrastructure Financing Program:** The City shall ensure adequate financing for funding of infrastructure improvements to serve the FVCSP through implementation of the FVCSP Utility Infrastructure Financing Program, including preparation of an AB 1600 fee justification study, for the FVCSP area. The Financing Program shall be developed prior to the approval of the first entitlements for a development within the Project area, following adoption of the Project. All new development within the FVCSP shall be conditioned to be subject to payment of its fair share of any impact fees identified under this program. The City shall determine the costs of and establish a funding program for the following capital improvements to upgrade water and wastewater delivery as needed to serve the demands of new land uses anticipated to occur under the FVCSP.

The Program shall also:

a. Identify the cost of improvements to or replacement of undersized water and wastewater lines within the FVCSP area needed to serve the Project.

b. Clearly apportion existing and projected demand on these facilities and costs between existing users, the City, and proposed future development.

c. Identify potential funding mechanisms for sewer and water line construction, including the equitable sharing of costs between new development, the City and existing users, including development impact fees, grants, assessments, etc.

d. Identify development impact fees for all residential and non-residential development to ensure that development pays its fair share of public infrastructure costs.

e. Include a regular fee update schedule, consistent with the City's Capital Improvement Program.

4.19.4 Findings Related to Utilities and Service Systems

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Utilities and Service Systems, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Utilities and Service Systems that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Utilities and Service Systems requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Utilities and Service Systems. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measure that is applicable to the proposed Project is listed in Section 4.19.3.1. Potential Project impacts related to Utilities and Service Systems would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

4.20 MANDATORY FINDINGS OF SIGNIFICANCE

	New Significant Impact	More Severe Impact	No Substantial Change from Previous Analysis
a. Does the Project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☐	☒
b. Does the Project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☐	☒
c. Does the Project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☒

4.20.1 Analysis of Project Impacts

a. Does the Project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

As discussed in Section 4.4 Biological Resources, of this Initial Study/Addendum, the Project site is partially developed and is located in an urban area. The Project site does not contain an open body of water that could serve as natural habitat in which fish could exist. The Project site does not support any special-status wildlife or plant species or their habitats because the site is currently developed and lacks natural habitat. The existing landscaping trees on the Project site may, however, provide suitable habitat for nesting migratory birds. The removal of trees on the Project site has the potential to impact active bird nests if vegetation and trees are removed during the nesting season. However, Project construction would comply with the requirements of the Migratory Bird Treaty Act (MBTA) to avoid impacts to active nests during the breeding season. With compliance with the MBTA, impacts to nesting birds would be less than significant. For these reasons, the Project does not have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, or substantially reduce the number or restrict the range of a rare or endangered plant or animal.

The Specific Plan EIR concluded that implementation of the Specific Plan would result in less than significant impacts to biological resources because the Specific Plan area is fully urbanized and does not contain potential natural habitats for sensitive species and other natural

communities. Similarly, the Project would result in less than significant impacts to biological resources because the Project site is located within the Specific Plan area and is fully urbanized and developed. Neither the Specific Plan nor the proposed Project has the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, or substantially reduce the number or restrict the range of a rare or endangered plant or animal. As such, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR, and no new mitigation is required.

As discussed in Section 4.5, Cultural Resources, of this Initial Study/Addendum, the Project site has been previously disturbed and significantly altered as a result of past construction activities on the site. Due to the developed nature of the site and surrounding area, it is likely that any unknown archaeological or paleontological resources would have been unearthed at the time of previous activities on the Project site. However, in the event that previously unknown cultural resources are encountered, Project construction would comply with standard conditions required by the City of Fountain Valley, detailed in Section 4.5, to ensure proper handling and recovery of these resources. With compliance with standard conditions regulating the handling and treatment of cultural resources, the Project would not have the potential to eliminate important examples of the major periods of California history or prehistory.

The Specific Plan EIR concluded that, based on the limited potential for undiscovered cultural resources to exist within the Specific Plan area and existing procedures and requirements regulating the discovery of buried resources, impacts on cultural resources would be less than significant. The Project site is located within the Specific Plan area and has limited potential for cultural resources to exist on-site. In the event that unknown resources are discovered, Project construction would comply with standard conditions required by the City of Fountain Valley regulating the discovery of buried resources that would ensure impacts would be less than significant. Neither the Specific Plan nor the proposed Project has the potential to eliminate important examples of the major periods of California history or prehistory. As such, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts, and no new mitigation is required.

b. Does the Project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

The proposed Project would redevelop the Project site to replace the five existing industrial warehouse buildings with an administration building and associated parking. Based on the Project Description and the preceding responses, impacts related to the proposed Project are less than significant or can be reduced to less than significant levels with incorporation of mitigation measures. The proposed Project's contribution to any significant cumulative impacts would be less than cumulatively considerable.

Cumulative impacts for Agricultural and Forestry Resources, Biological Resources, Cultural Resources, or Mineral Resources were not specifically discussed in the Specific Plan EIR because implementation of the Specific Plan would have no impact or a less than significant impact on these resources. However, because there would be no impact or impacts would be less than significant for these resources, the Specific Plan would not result in significant cumulative impacts related to these environmental topics.

The Specific Plan EIR concluded that Cumulative Impacts would be less than significant for Aesthetics, Air Quality, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Waste, Hydrology and Water Quality, Land Use, Operational Noise, Population and Housing, Public Services, Utilities and Service Systems, Energy Conservation, and Tribal Cultural Resources.

The Specific Plan EIR concluded that cumulative construction noise impacts and cumulative construction traffic impacts would be less than significant with implementation of Mitigation Measures MM N-1 and MM T-1, respectively.

Implementation of the Specific Plan EIR would result in significant and unavoidable impacts at MacArthur Boulevard and Harbor Boulevard because the required improvements to mitigate this impact would be infeasible due to the location within another jurisdiction. Cumulatively considerable impacts to the intersection of Euclid Street and Newhope Street/Northbound I-405 Ramps could be addressed through implementation of standard Caltrans' intersection monitoring and periodic signal timing updates and would reduce impacts to this intersection to less than significant levels once implemented. However, because the City has no control over the timing and implementation of such improvements, the Specific Plan EIR concluded that impacts to this intersection would be cumulatively considered temporarily significant and unavoidable. Traffic impacts at all other intersections were concluded to be less than significant or would be reduced to less than significant with mitigation.

As stated above, impacts related to the proposed Project are less than significant or can be reduced to less than significant levels with incorporation of mitigation measures, and the Project contribution to any significant cumulative impacts would be less than cumulatively considerable. As detailed in the preceding sections, the proposed Project would not increase the severity of impacts or result in new impacts beyond those analyzed in the Specific Plan EIR. Therefore, the proposed Project would not result in new significant cumulative impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation is required.

c. Does the Project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

The Project site is currently developed and is located in an urban area. The proposed Project would redevelop the Project site to replace the five existing industrial warehouse buildings with an administration building and associated parking. The design of the proposed Project would be consistent with the existing City zoning and General Plan designations for the site and the

development standards of the Specific Plan. Based on the Project Description and the preceding responses, development of the proposed Project would not cause substantial adverse effects on human beings related to air quality, greenhouse gas emissions, hazardous materials, and noise, because all potentially significant impacts of the Revised Project can be mitigated to a less than significant level. Therefore, the proposed Project would not result in new significant impacts beyond those identified in the Specific Plan EIR or a substantial increase in the severity of previously identified significant impacts. No new mitigation is required.

4.20.1.1 Mitigation Measures

No mitigation is required beyond those specified in Sections 4.1 through 4.19.

4.20.2 Findings Related to Mandatory Findings of Significance

No New Significant Effects Requiring Major Revisions to the Specific Plan EIR. Based on the foregoing analysis and information, there is no evidence that the proposed Project requires a major change to the Specific Plan EIR. The Project will not result in new significant environmental impacts related to Mandatory Findings of Significance, and there is no substantial increase in the severity of impacts described in the Specific Plan EIR.

No Substantial Change in Circumstances Requiring Revisions to the Specific Plan EIR. There is no information in the record or otherwise available that indicates that there are substantial changes in circumstances pertaining to Mandatory Findings of Significance that would require major changes to the Specific Plan EIR.

No New Information Showing Greater Significant Effects than the Specific Plan EIR. This Initial Study/Addendum has analyzed all available relevant information to determine whether there is new information that was not available at the time the Specific Plan EIR was adopted, which would indicate that a new significant effect not reported in that document might occur. Based on the information and analyses above, there is no substantial new information indicating that there would be a new significant impact related to Mandatory Findings of Significance requiring major revisions to the Specific Plan EIR.

No New Information Showing Ability to Reduce Significant Effects in the Specific Plan EIR. This Addendum has analyzed all available relevant information and has determined that there is no new information of substantial importance that was unknown and could not have been known with the exercise of reasonable diligence at the time the Specific Plan EIR was certified indicating that: (1) mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the Project, but the Project proponent declines to adopt the mitigation measures or alternatives; or (2) mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the Project proponent declines to adopt the mitigation measures or alternatives.

As discussed above, the proposed Project would result in a potentially significant impact related to Mandatory Findings of Significance. Mitigation was included in the Specific Plan EIR and adopted at the time the EIR was certified. The mitigation measures that are applicable to the proposed Project are listed in Sections 4.13.3.1 and 4.17.3.1. Potential Project impacts related to Mandatory Findings of Significance would be reduced below a level of significance with implementation of the applicable mitigation measures, none of which the Project proponent is declining to adopt.

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APPENDIX A

CALEEMOD OUTPUT SHEETS

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APPENDIX B

SUMMARY OF MITIGATION MEASURES

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AESTHETICS

The Specific Plan EIR does not include mitigation related to aesthetics. No mitigation would be required for the proposed Project.

AGRICULTURE AND FORESTRY RESOURCES

The Specific Plan EIR does not include mitigation related to agricultural and forestry resources. No mitigation would be required for the proposed Project.

AIR QUALITY

Based on the analysis and information contained in the Initial Study/Addendum, Mitigation Measures MM AQ-5a, MM AQ-5b, and MM AQ-5d through MM AQ-5f included in the Specific Plan EIR would not be applicable to the proposed Project because the proposed Project would not include new sensitive receptors within 500 ft of the I-405 freeway, would not include any distribution center, rail yard, refinery, chrome plater, dry cleaning operation, or gas station uses, and would not impact any existing off-site sensitive receptors to TACs associated with the proposed Project.

Based on the analysis contained in the Initial Study/Addendum, Mitigation Measure MM AQ-5c, included in the Specific Plan EIR, would be applicable to the proposed Project. No additional mitigation measures related to air quality beyond those identified in the Specific Plan EIR are required.

MM AQ-5c **Placement of Air System Intake.** When considering placement and direction of air intakes, the direction of prevailing winds shall be considered and the most logical decision shall be made. Design of the proposed development shall face air systems intakes appropriately, so as to reduce highly concentrated air pollution intake, considering placement on the opposite side of the building from the pollutant source. Development and HVAC system design shall be reviewed and approved by the City Planning and Building Department prior to issuance of a building permit. Monitoring and maintenance of HVAC systems and air intakes shall be conducted by the Applicant on a semiannual basis to ensure efficiency of the systems for development permits involving land uses that include or potentially affect sensitive populations.

BIOLOGICAL RESOURCES

The Specific Plan EIR does not include mitigation related to biological resources. No mitigation would be required for the proposed Project**.**

CULTURAL RESOURCES

The Specific Plan EIR does not include mitigation related to cultural resources. No mitigation would be required for the proposed Project.

ENERGY CONSERVATION

The Specific Plan EIR does not include mitigation related to energy conservation. No mitigation would be required for the proposed Project.

GEOLOGY AND SOILS

The Specific Plan EIR does not include mitigation related to geology and soils. No mitigation would be required for the proposed Project.

GREENHOUSE GAS EMISSIONS

The Specific Plan EIR does not include mitigation related to GHG emissions. No mitigation would be required for the proposed Project.

HAZARDS AND HAZARDOUS MATERIALS

Based on the analysis contained in the Initial Study/Addendum, Mitigation Measure MM HAZ-1 included in the Specific Plan EIR, would be applicable to the proposed Project. No additional mitigation measures related to hazards and hazardous materials beyond those identified in the Specific Plan EIR are required.

MM HAZ-1 **Phase I ESA**. Prior to demolition of a building or structure and/or excavation of subsurface improvements, project applicants of site specific development projects in the Project area shall prepare a Phase I ESA. Consistent with local, state and federal regulations, the Phase I ESA shall be subject to City review and address the following:

- **ACM, LBP, and PCBs**. Prior to the issuance of any demolition or excavation permit, the Applicant shall conduct a comprehensive survey of ACM, LBP, and PCBs. If such hazardous materials are found to be present, the Applicant shall follow all applicable local, state, and federal codes and regulations, as well as applicable best management practices, related to the treatment, handling, and disposal of ACM, LBP, and PCBs to ensure public safety.

- **Potential On-Site Hazardous Materials or Conditions**. A visual survey and reconnaissance-level investigation of the existing site shall be conducted to determine if there are any structures or features within or near the buildings that are used to store, contain, or dispose of hazardous materials or waste. For any development within the Project area that has not been subject to a Phase I ESA or successful remediation efforts in the past, a Phase I ESA shall be performed to determine the likelihood of contaminants in areas beyond what has already been assessed in accordance with USEPA ASTM Practice E 1527-05 as may be amended. If the Phase I ESA finds that contaminated soil or other hazardous materials or waste are suspected to be present within the area, the Applicant shall follow all applicable local, state and federal codes and

regulations, as well as applicable best management practices, related to the treatment, handling, and disposal of each hazardous material or waste.

HYDROLOGY AND WATER QUALITY

The Specific Plan EIR does not include mitigation related to hydrology and water quality. No mitigation would be required for the proposed Project.

LAND USE AND PLANNING

Based on the analysis and information contained in the Initial Study/Addendum, Specific Plan EIR Mitigation Measures MM N-1, MM T-1, MM T-2a through b, and MM T-7a (refer to Noise and Transportation/Traffic, below) would be applicable to the proposed Project.

MINERAL RESOURCES

The Specific Plan EIR does not include mitigation related to mineral resources. No mitigation would be required for the proposed Project.

NOISE

Based on the analysis and information contained in the Initial Study/Addendum, Mitigation Measure MM N-1 included in the Specific Plan EIR would be applicable to the proposed Project.

MM N-1 **Construction Noise Management Plan.** A Construction Noise Management Plan shall be prepared by the Applicant and approved by the City prior to Grading Permit issuance. The Plan would address noise and vibration impacts and outline measures that would be used to reduce impacts. Measures would include but not be limited to:

- To the extent that they exceed the applicable construction noise limits, excavation, foundation-laying, and conditioning activities shall be restricted to between the hours of 7:00 a.m. and 8:00 p.m. Monday through Friday, and 9:00 a.m. and 8:00 p.m. Saturdays, in accordance with Section 6.28.070 of the Fountain Valley Municipal Code.

- The Applicant's construction contracts shall require implementation of the following construction best management practices (BMPs) by all construction contractors and subcontractors working in or around the Project area to reduce construction noise levels:

    - The Applicant and its contractors and subcontractors shall ensure that all construction equipment, fixed or mobile, is properly muffled according to manufacturer's specifications or as required by the City's Building and Safety Division, whichever is the more stringent.

- The Applicant and its contractors and subcontractors shall place noise-generating construction equipment and locate construction staging areas away from sensitive uses, where feasible, to the satisfaction of the Building and Safety Division.

- The Applicant and its contractors and subcontractors shall implement noise attenuation measures which may include, but are not limited to, noise barriers or noise blankets to the satisfaction of the City's Building and Safety Division.

- The Applicant's contracts with its construction contractors and subcontractors shall include the requirement that construction staging areas, construction worker parking, and the operation of earthmoving equipment within the Project area, are located as far away from vibration- and noise-sensitive sites as possible. Contract provisions incorporating the above requirements shall be included as part of the Project's construction documents, which shall be reviewed and approved by the City.

- The Applicant shall require by contract specifications that heavily loaded trucks used during construction shall be routed away from residential streets to the extent possible. Contract specifications shall be included in the proposed Project's construction documents, which shall be reviewed by the City prior to issuance of a grading permit.

- Property owners and occupants located within 500 feet of the boundary of a construction project occurring under the Specific Plan shall be sent a notice, at least 15 days prior to commencement of construction of each phase, regarding the construction schedule of the Project. A sign, legible at a distance of 50 feet, shall be posted at the construction site. All notices and signs shall be reviewed and approved by the City prior to mailing or posting and shall indicate the dates and duration of construction activities, as well as provide a contact name and a telephone number where residents can inquire about the construction process and register complaints.

POPULATION AND HOUSING

The Specific Plan EIR does not include mitigation related to population and housing. No mitigation would be required for the proposed Project.

PUBLIC SERVICES

The Specific Plan EIR does not include mitigation related to public services. No mitigation would be required for the proposed Project.

RECREATION

The Specific Plan EIR does not include mitigation related to recreation. No mitigation would be required for the proposed Project.

TRANSPORTATION/TRAFFIC

Based on the analysis and information contained in the Initial Study/Addendum, Mitigation Measure MM T-1 would be applicable to the proposed Project. No additional mitigation measures related to transportation/traffic beyond those identified in the Specific Plan EIR are required.

MM T-1 **Construction Impact Mitigation Plan.** Future development occurring under the proposed Fountain Valley Crossings Specific Plan shall be required to prepare a Construction Impact Mitigation Plan for review and approval prior to issuance of a grading or building permit to address and manage traffic during construction and shall be designed to:

- Prevent traffic impacts on the surrounding roadway network;
- Minimize parking impacts both to public parking and access to private parking to the greatest extent practicable;
- Ensure safety for both those constructing the project and the surrounding community; and
- Prevent substantial truck traffic through residential neighborhoods.

The Construction Impact Mitigation Plan shall be subject to review and approval by the following City departments: Planning & Building, Public Works, and Police to ensure that the Construction Impact Mitigation Plan has been designed in accordance with this mitigation measure. Additionally, the plan shall be prepared and implemented in coordination with any affected agencies such as OCTA and Caltrans. The review of the plan shall occur prior to issuance of grading or building permits. It shall, at a minimum, include the following:

Ongoing Requirements throughout the Duration of Construction

- A detailed Construction Impact Mitigation Plan for work zones shall be maintained. At a minimum, this shall include parking and travel lane configurations; warning, regulatory, guide, and directional signage; and area sidewalks, bicycle lanes, and parking lanes. The Construction Impact Mitigation Plan shall include specific information regarding the project's construction activities that may disrupt normal pedestrian and traffic flow and the measures to address these disruptions. Such plans shall be reviewed and approved by the Planning & Building and Public Works Departments prior to commencement of construction and implemented in accordance with this approval.

- Work within the public right-of-way, deliveries, haul trips, and construction employee trips shall be performed during off-peak vehicular traffic hours. No construction work would be permitted on Sundays and national holidays that City offices are closed. Construction work includes, but is not limited to dirt and demolition material hauling and construction material delivery. Work within the public right-of-way outside of these hours shall only be allowed after the issuance of an after-hours construction permit. Exceptions may be made for time sensitive construction activities (e.g., pouring concrete).

- "Flagger" construction personnel shall be required at construction site entrances.

- The closure of major arterials shall be limited to non-peak vehicular traffic hours only.

- Streets and equipment shall be cleaned in accordance with established Public Works requirements.

- Trucks shall only travel on a City-approved truck routes. Limited queuing may occur on the construction site itself.

- Materials and equipment shall be minimally visible to the public; the preferred location for materials is to be on-site, with a minimum amount of materials within a work area in the public right-of-way, subject to a current Use of Public Property Permit.

- Any requests for work before or after normal construction hours within the public right-of-way shall be subject to review and approval through the After Hours Permit process administered by the Building and Safety Division.

- Provision of off-street parking for construction workers, which may include the use of a remote location with shuttle transport to the site, if determined necessary by the City.

- The Construction Impact Mitigation Plan shall ensure adequate emergency access is maintained throughout the duration of all construction activities. Consistent with the requirements and regulations of the MUTCD, adequate emergency access shall be ensured through measures such as coordination with local emergency services, training for flagmen for emergency vehicles traveling through the work zone, temporary lane separators that have sloping sides to facilitate crossover by emergency vehicles, and vehicle storage and staging areas for emergency vehicles.

Project Coordination Elements That Shall Be Implemented Prior to Commencement of Construction

- The traveling public shall be advised of impending construction activities which may substantially affect key roadways or other facilities (e.g., information signs, portable message signs, media listing/notification, Hotline number, and implementation of an approved Construction Impact Mitigation Plan) in a manner appropriate to the scale and type of projects.

- A Use of Public Property Permit, Excavation Permit, Sewer Permit, or Oversize Load Permit, as well as any Caltrans permits required for any construction work requiring encroachment into public rights-of-way, detours, or any other work within the public right-of-way shall be obtained.

- Timely notification of construction schedules shall be provided to all affected agencies (e.g., Police Department, Fire Department, Public Works Department, and Community Development Department) and to all owners and residential and commercial tenants of property within a radius of 500 feet.

- Construction work shall be coordinated with affected agencies in advance of start of work. Approvals may take up to two weeks per each submittal.

- Planning & Building and Public Works Departments approval of any haul routes for earth, concrete, or construction materials and equipment hauling shall be obtained.

TRIBAL CULTURAL RESOURCES

Based on the analysis and information contained in the Initial Study/Addendum, Mitigation Measures MM TCR-1a, MM TCR-1b, and MM TCR-1c, included in the Specific Plan EIR, would be applicable to the proposed Project.

MM TRC-1a **Pre-Construction Training:** For individual discretionary development projects, pre-construction training for construction personnel shall be conducted prior to commencement of any grading or other development activities. A qualified archaeologist, meeting the Secretary of the Interior's Professional Qualifications Standards for archaeology (2008) and approved by the City, shall conduct tribal cultural resources identification and protocol training prior to site disturbance activities. Construction personnel shall be informed of the types of archaeological or tribal cultural resources that may be encountered, and of the proper protocols for agency notification. Construction personnel shall attend the training and shall retain documentation demonstrating attendance.

MM TRC-1b **Inadvertent Discovery:** In the event of any inadvertent discovery of archaeological or tribal cultural resources during construction, ground-disturbing activities shall be suspended until an evaluation is performed. The Applicant shall retain a qualified registered professional archaeologist (RPA) and a qualified Native American Monitor selected by the City. The City's selection of a Native American Monitor will be based on cultural affiliation with the Project area, which may include consultation with the

NAHC. In the event of discovery, construction personnel shall notify the City, the RPA, and Native American Monitor. The RPA and Native American Monitor shall evaluate the significance of the discovery pursuant to the Treatment Plan procedures outlined in MM TCR-1c, below. Work shall not resume until authorization is received from the City. If human remains are found, in compliance with California Health and Safety Code Section 7050.5, all ground disturbances must cease and the County Coroner must be contacted to determine the nature of the remains. In the event the remains are determined to be Native American in origin by the Coroner, the Coroner is required to contact the NAHC within 24 hours to relinquish jurisdiction.

MM TCR-1c **Archaeological Data Recovery:** If cultural resources are encountered during development activities, the City shall implement a Cultural Resources Treatment Plan to address resource identification, significance evaluation, and any necessary mitigation. The Treatment Plan shall be prepared by a City-approved RPA and a City-approved Native American Monitor, and at a minimum shall include:

- A review of historic maps, photographs, and other pertinent documents to predict the locations of former buildings, structures, and other historical features and sensitive locations within and adjacent to the specific development area;
- A context for evaluating resources that may be encountered during construction;
- A research design outlining important prehistoric and historic-period themes and research questions relevant to the known or anticipated sites in the study area;
- Specific and well-defined criteria for evaluating the significance of discovered remains; and
- Data requirements and the appropriate field and laboratory methods and procedures to be used to treat the effects of the Project on significant resources.

The City, in its discretion and supported by substantial evidence, may also determine that resource is significant pursuant to criteria set forth in subdivision (c) of PRC Section 5024.1. If the RPA determines that the find may qualify for listing in the California Register, the site shall be avoided or the resource preserved in place, or if avoidance or preservation in place is not determined feasible, a data recovery plan shall be developed. The preferred mitigation shall be to avoid the resource or preserve in place. Any required testing or data recovery shall be directed by a qualified RPA and Native American Monitor prior to construction being resumed in

the affected area. The Treatment Plan shall also include submission of a final technical report, funded by the developer and approved by the City.

UTILITIES AND SERVICE SYSTEMS

Based on the analysis and information contained in the Initial Study/Addendum, Mitigation Measure MM UT-3, included in the Specific Plan EIR, would be applicable to the proposed Project.

MM UT-3 **FVCSP Utility Infrastructure Financing Program:** The City shall ensure adequate financing for funding of infrastructure improvements to serve the FVCSP through implementation of the FVCSP Utility Infrastructure Financing Program, including preparation of an AB 1600 fee justification study, for the FVCSP area. The Financing Program shall be developed prior to the approval of the first entitlements for a development within the Project area, following adoption of the Project. All new development within the FVCSP shall be conditioned to be subject to payment of its fair share of any impact fees identified under this program. The City shall determine the costs of and establish a funding program for the following capital improvements to upgrade water and wastewater delivery as needed to serve the demands of new land uses anticipated to occur under the FVCSP.

The Program shall also:

a. Identify the cost of improvements to or replacement of undersized water and wastewater lines within the FVCSP area needed to serve the Project.

b. Clearly apportion existing and projected demand on these facilities and costs between existing users, the City, and proposed future development.

c. Identify potential funding mechanisms for sewer and water line construction, including the equitable sharing of costs between new development, the City and existing users, including development impact fees, grants, assessments, etc.

d. Identify development impact fees for all residential and non-residential development to ensure that development pays its fair share of public infrastructure costs.

e. Include a regular fee update schedule, consistent with the City's Capital Improvement Program.

MANDATORY FINDINGS OF SIGNIFICANCE

No mitigation is required beyond measures specified above.

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PART A
CONTRACT AGREEMENT

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CONTRACT AGREEMENT

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CONTRACT AGREEMENT

ORANGE COUNTY SANITATION DISTRICT

CONTRACT NO. P1-128C

HEADQUARTERS COMPLEX SITE PREPARATION

THIS AGREEMENT is made and entered into, to be effective, this June 24, 2020, by and between Resource Environmental, Inc., hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OCSD".

WITNESSETH

That for and in consideration of the promises and agreements hereinafter made and exchanged, OCSD and CONTRACTOR agree as follows:

SECTION – 1 GENERAL CONDITIONS

CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the Work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR's investigation of all such matters and is in no way relying upon any opinions or representations of OCSD. It is agreed that this Contract represents the entire agreement. It is further agreed that the Contract Documents are each incorporated into this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its Subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the Work covered by this Contract.

A. Contract Documents Order of Precedence

"Contract Documents" refers to those documents identified in the definition of "Contract Documents" in the General Conditions – Definitions.

1. In the event of a conflict between one Contract Document and any of the other Contract Documents, the provisions in the document highest in precedence shall be controlling. The order of precedence of the Contract Documents is as follows:
    a. Supplemental Agreements – the last in time being the first in precedence
    b. Addenda issued prior to opening of Bids – the last in time being the first in precedence
    c. Contract Agreement
    d. Permits and other regulatory requirements
    e. Special Provisions
    f. General Conditions (GC)
    g. Notice Inviting Bids and Instruction to Bidders
    h. Geotechnical Baseline Report (GBR), if attached as a Contract Document
    i. Plans and Specifications – in these documents the order of precedence shall be:
        i. Specifications (Divisions 01-17)
        ii. Plans
        iii. General Requirements (GR)
        iv. Standard Drawings and Typical Details
    j. CONTRACTOR's Bid
2. In the event of a conflict between terms within an individual Contract Document, the conflict shall be resolved by applying the following principles as appears applicable:
    a. Figured dimensions on the Contract Documents shall govern. Dimensions not specified shall be as directed by the ENGINEER. Details not shown or specified shall be the same as similar parts that are shown or specified, or as

directed. Full-size details shall take precedence over scale Drawings as to shape and details of construction. Specifications shall govern as to material and workmanship.

b. The Contract Documents calling for the higher quality material or workmanship shall prevail. Materials or Work described in words, which so applied, have a well known technical or trade meaning shall be deemed to refer to such recognized standards. In the event of any discrepancy between any Drawings and the figures thereon, the figures shall be taken as correct.

c. Scale Drawings, full-size details, and Specifications are intended to be fully complementary and to agree. Should any discrepancy between Contract Documents come to the CONTRACTOR's attention, or should an error occur in the efforts of others, which affect the Work, the CONTRACTOR shall notify the ENGINEER, in writing, at once. In the event any doubts or questions arise with respect to the true meaning of the Contract Documents, reference shall be made to the ENGINEER whose written decision shall be final. If the CONTRACTOR proceeds with the Work affected without written instructions from the ENGINEER, the CONTRACTOR shall be fully responsible for any resultant damage or defect.

d. Anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to OCSD's ENGINEER, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR's own risk and expense. The decision of the ENGINEER shall be final.

In all matters relating to the acceptability of material, machinery or plant equipment; classifications of material or Work; the proper execution, progress or sequence of the Work; and quantities interpretation of the Contract Documents, the decision of the ENGINEER shall be final and binding, and shall be a condition precedent to any payment under the Contract, unless otherwise ordered by the Board of Directors.

B. Definitions

Capitalized terms used in this Contract are defined in the General Conditions, Definitions. Additional terms may be defined in the Special Provisions.

SECTION – 2 MATERIALS AND LABOR

CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by OCSD, to construct and complete the Project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, OCSD may settle such claims by making demand upon the Surety to this Contract. In the event of the failure or refusal of the Surety to satisfy said claims, OCSD may settle them directly and deduct the amount of payments from the Contract Price and any amounts due to CONTRACTOR. In the event OCSD receives a stop payment notice from any laborer or material supplier alleging non-payment by CONTRACTOR, OCSD shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

SECTION – 3 PROJECT

The Project is described as:

CONTRACT NO. P1-128C

HEADQUARTERS COMPLEX SITE PREPARATION

SECTION – 4 PLANS AND SPECIFICATONS

The Work to be done is shown in a set of Plans and Specifications entitled:

CONTRACT NO. P1-128C

HEADQUARTERS COMPLEX SITE PREPARATION

Said Plans and Specifications and any revision, amendments and addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference.

SECTION – 5 TIME OF COMMENCEMENT AND COMPLETION

CONTRACTOR agrees to commence the Project within 15 calendar days from the date set forth in the "Notice to Proceed" sent by OCSD, unless otherwise specified therein and shall diligently prosecute the Work to completion within three hundred and two (302) calendar days from the date of the "Notice to Proceed" issued by OCSD, excluding delays caused or authorized by OCSD as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions. The time for completion includes five (5) calendar days determined by OCSD likely to be inclement weather when CONTRACTOR will be unable to work.

In addition, CONTRACTOR shall accomplish such milestones within the periods of performance set forth in Appendix A of the Special Provisions entitled "Work Completion Schedule."

SECTION – 6 TIME IS OF THE ESSENCE

Time is of the essence of this Contract. As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR's Work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the Work covered by this Contract with that of all other contractors, subcontractors and of OCSD, in a manner that will facilitate the efficient completion of the entire Work and accomplish the required milestone(s), if any, by the applicable deadline(s) in accordance with

Section 5 herein. OCSD shall have the right to assert complete control of the premises on which the Work is to be performed and shall have the right to decide the time or order in which the various portions of the Work shall be installed or the priority of the work of subcontractors, and, in general, all matters representing the timely and orderly conduct of the Work of CONTRACTOR on the premises.

SECTION – 7 EXCUSABLE DELAYS

CONTRACTOR shall only be excused for any delay in the prosecution or completion of the Project as specifically provided in General Conditions, “Extensions for Delay”, and the General Requirements, “By CONTRACTOR or Others – Unknown Utilities during Contract Work”. Extensions of time and extra compensation arising from such excusable delays will be determined in accordance with the General Conditions, “Extension of Time for Delay” and “Contract Price Adjustments and Payments”, and extensions of time and extra compensation as a result of incurring undisclosed utilities will be determined in accordance with General Requirements, “By CONTRACTOR or Others – Unknown Utilities during Contract Work”. OCSD’s decision will be conclusive on all parties to this Contract.

SECTION – 8 EXTRA WORK

The Contract Price as set forth in Section 11, includes compensation for all Work performed by CONTRACTOR, unless CONTRACTOR obtains a Change Order signed by a designated representative of OCSD specifying the exact nature of the Extra Work and the amount of extra compensation to be paid all as more particularly set forth in Section 9 hereof and the General Conditions, “Request for Change (Changes at CONTRACTOR’s Request)”, “OWNER Initiated Changes”, and “Contract Price Adjustments and Payments”.

In the event a Change Order is issued by OCSD pursuant to the Contract Documents, OCSD shall extend the time fixed in Section 5 for completion of the Project by the number of days, if

any, reasonably required for CONTRACTOR to perform the Extra Work, as determined by OCSD's ENGINEER. The decision of the ENGINEER shall be final.

SECTION – 9 CHANGES IN PROJECT

OCSD may at any time, without notice to any Surety, by Change Order, make any changes in the Work within the general scope of the Contract Document, including but not limited to changes:

1. In the Specifications (including Drawings and designs);
2. In the time, method or manner of performance of the Work;
3. In OCSD-furnished facilities, equipment, materials, services or site; or
4. Directing acceleration in the performance of the Work.

No change of period of performance or Contract Price, or any other change in the Contract Documents, shall be binding until the Contract is modified by a fully executed Change Order.

All Change Orders shall be issued in accordance with the requirements set forth in the General Conditions, "Request for Change (Changes at CONTRACTOR's Request)" and "OWNER Initiated Changes".

SECTION – 10 LIQUIDATED DAMAGES FOR DELAY

Liquidated Damages shall be payable in the amounts and upon the occurrence of such events or failure to meet such requirements or deadlines as provided in the Special Provisions, "Liquidated Damages."

SECTION – 11 CONTRACT PRICE AND METHOD OF PAYMENT

A. OCSD agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any additions or deductions as provided in approved Change Orders, the sum of One Million Five Hundred Fifty-Five Thousand Dollars ($1,555,000) as itemized on the Attached Exhibit "A".

Upon satisfaction of the conditions precedent to payment set forth in the General Requirements, Additional General Requirements and General Conditions (including but not limited to Sections entitled “Mobilization Payment Requirements” and “Payment Itemized Breakdown of Contract Lump Sum Prices”), there shall be paid to the CONTRACTOR an initial Net Progress Payment for mobilization. OCSD shall issue at the commencement of the job a schedule which shows:

1. A minimum of one payment to be made to the CONTRACTOR for each successive four (4) week period as the Work progresses, and
2. The due dates for the CONTRACTOR to submit requests for payment to meet the payment schedule.

After the initial Net Progress Payment, and provided the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule, the CONTRACTOR shall be paid a Net Progress Payment on the corresponding monthly payment date set forth in the schedule.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the ENGINEER, stating that the Work for which payment is demanded has been performed in accordance with the terms of the Contract Documents, and that the amount stated in the certificate is due under the terms of the Contract. Payment applications shall also be accompanied with all documentation, records, and releases as required by the Contract, Exhibit A, Schedule of Prices, and General Conditions, “Payment for Work – General”. The Total amount of Progress Payments shall not exceed the actual value of the Work completed as certified by OCSD’s ENGINEER. The processing of payments shall not be considered as an acceptance of any part of the Work.

B. As used in this Section, the following defined terms shall have the following meanings:

1. **"Net Progress Payment"** means a sum equal to the Progress Payment less the Retention Amount and other qualified deductions (Liquidated Damages, stop payment notices, etc.).

2. **"Progress Payment"** means a sum equal to:

   a. the value of the actual Work completed since the commencement of the Work as determined by OCSD;

   b. plus the value of material suitably stored at the worksite, treatment plant or approved storage yards subject to or under the control of OCSD since the commencement of the Work as determined by OCSD;

   c. less all previous Net Progress Payments;

   d. less all amounts of previously qualified deductions;

   e. less all amounts previously retained as Retention Amounts.

3. **"Retention Amount"** for each Progress Payment means the percentage of each Progress Payment to be retained by OCSD to assure satisfactory completion of the Contract. The amount to be retained from each Progress Payment shall be determined as provided in the General Conditions –"Retained Funds; Substitution of Securities."

SECTION – 12 SUBSTITUTION OF SECURITIES IN LIEU OF RETENTION OF FUNDS

Pursuant to Public Contract Code Section 22300 et seq., the CONTRACTOR may, at its sole expense, substitute securities as provided in General Conditions – "Retained Funds; Substitution of Securities."

SECTION – 13 COMPLETION

Final Completion and Final Acceptance shall occur at the time and in the manner specified in the General Conditions, “Final Acceptance and Final Completion”, “Final Payment” and Exhibit A - Schedule of Prices.

Upon receipt of all documentation, records, and releases as required by the Contract from the CONTRACTOR, OCSD shall proceed with the Final Acceptance as specified in General Conditions.

SECTION – 14 CONTRACTOR’S EMPLOYEES COMPENSATION

A. Davis-Bacon Act:

CONTRACTOR will pay and will require all Subcontractors to pay all employees on said Project a salary or wage at least equal to the prevailing rate of per diem wages as determined by the Secretary of Labor in accordance with the Davis-Bacon Act for each craft or type of worker needed to perform the Contract. The provisions of the Davis-Bacon Act shall apply only if the Contract is in excess of Two Thousand Dollars ($2,000.00) and when twenty-five percent (25%) or more of the Contract is funded by federal assistance. If the aforesaid conditions are met, a copy of the provisions of the Davis-Bacon Act to be complied with are incorporated herein as a part of this Contract and referred to by reference.

B. General Prevailing Rate:

OCSD has been advised by the State of California Director of Industrial Relations of its determination of the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime Work in the locality in which the Work is to be performed for each craft or type of Work needed to execute this Contract, and copies of the same are on file in the Office of the ENGINEER of OCSD. The CONTRACTOR

agrees that not less than said prevailing rates shall be paid to workers employed on this public works Contract as required by Labor Code Section 1774 of the State of California. Per California Labor Code 1773.2, OCSD will have on file copies of the prevailing rate of per diem wages at its principal office and at each job site, which shall be made available to any interested party upon request.

C. Forfeiture for Violation:

CONTRACTOR shall, as a penalty to OCSD, forfeit Two Hundred Dollars ($200.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any Subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the Work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.

D. Apprentices:

Sections 1777.5, 1777.6, 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices are applicable to this Contract and the CONTRACTOR shall comply therewith if the prime contract involves Thirty Thousand Dollars ($30,000.00) or more.

E. Workday:

In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him hereunder except as provided in paragraph (B) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Section 1810 et seq.) of the Labor Code of the State of California and shall forfeit to OCSD as a penalty, the sum of Twenty-five Dollars ($25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any Subcontractor for each calendar day during which any worker is

required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.

F. Registration; Record of Wages; Inspection:

CONTRACTOR shall comply with the registration requirements of Labor Code Section 1725.5. Pursuant to Labor Code Section 1771.4, the Work is subject to compliance monitoring by the California Department of Industrial Relations. CONTRACTOR shall maintain accurate payroll records and shall submit payroll records to the Labor Commissioner pursuant to Labor Code Section 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

CONTRACTOR shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations Section 16461(e).

SECTION – 15 SURETY BONDS

CONTRACTOR shall, before entering upon the performance of this Contract, furnish Bonds approved by OCSD's General Counsel – one in the amount of one hundred percent (100%) of the Contract amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Contract amount to guarantee payment of all claims for labor and materials furnished. As changes to the Contract occur via approved Change Orders, the CONTRACTOR shall assure that the amounts of the Bonds are adjusted to maintain 100% of the Contract Price. This Contract shall not become effective until such Bonds are supplied to and approved by OCSD. Bonds must be issued by a Surety authorized by the State Insurance Commissioner to do business in California. The Performance Bond shall remain in full force and effect through the warranty period, as specified in Section 19 below. All Bonds required to be submitted relating to this Contract must comply with California Code of

Civil Procedure Section 995.630. Each Bond shall be executed in the name of the Surety insurer under penalty of perjury, or the fact of execution of each Bond shall be duly acknowledged before an officer authorized to take and certify acknowledgments, and either one of the following conditions shall be satisfied:

A. A copy of the transcript or record of the unrevoked appointment, power of attorney, by-laws, or other instrument, duly certified by the proper authority and attested by the seal of the insurer entitling or authorizing the person who executed the Bond to do so for and on behalf of the insurer, is on file in the Office of the County Clerk of the County of Orange; or

B. A copy of a valid power of attorney is attached to the Bond.

SECTION – 16 INSURANCE

CONTRACTOR shall purchase and maintain, for the duration of the Contract, insurance against claims for injuries to persons, or damages to property which may arise from or in connection with the performance of the Work hereunder, and the results of that Work by CONTRACTOR, its agents, representatives, employees, or Subcontractors, in amounts equal to the requirements set forth below. CONTRACTOR shall not commence Work under this Contract until all insurance required under this Section is obtained in a form acceptable to OCSD, nor shall CONTRACTOR allow any Subcontractor to commence Work on a subcontract until all insurance required of the Subcontractor has been obtained. CONTRACTOR shall maintain all of the foregoing insurance coverages in force through the point at which the Work under this Contract is fully completed and accepted by OCSD pursuant to the provisions of the General Conditions, “Final Acceptance and Final Completion”. Furthermore, CONTRACTOR shall maintain all of the foregoing insurance coverages in full force and effect throughout the warranty period, commencing on the date of Final Acceptance. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of OCSD by

CONTRACTOR under Section 17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, inclusive of all changes to the Contract Documents made in accordance with the provisions of the General Conditions, "Request for Change (Changes at CONTRACTOR's Request)" and/or "OWNER Initiated Changes", the following insurance in amounts not less than the amounts specified. OCSD reserves the right to amend the required limits of insurance commensurate with the CONTRACTOR's risk at any time during the course of the Project. No vehicles may enter OCSD premises/worksite without possessing the required insurance coverage.

CONTRACTOR's insurance shall also comply with all insurance requirements prescribed by agencies from whom permits shall be obtained for the Work and any other third parties from whom third party agreements are necessary to perform the Work (collectively, the "Third Parties"), The Special Provisions may list such requirements and sample forms and requirements from such Third Parties may be included in an attachment to the General Requirements. CONTRACTOR bears the responsibility to discover and comply with all requirements of Third Parties, including meeting specific insurance requirements, that are necessary for the complete performance of the Work. To the extent there is a conflict between the Third Parties' insurance requirements and those set forth by OCSD herein, the requirement(s) providing the more protective coverage for both OSCD and the Third Parties shall control and be purchased and maintained by CONTRACTOR.

A. Limits of Insurance

1. General Liability: Two Million Dollars ($2,000,000) per occurrence and a general aggregate limit of Four Million Dollars ($4,000,000) for bodily injury, personal injury and property damage. Coverage shall include each of the following:

a. Premises-Operations.

b. Products and Completed Operations, with limits of at least Two Million Dollars ($2,000,000) per occurrence and a general aggregate limit of Four Million Dollars ($4,000,000) which shall be in effect at all times during the warranty period set forth in the Warranty section herein, and as set forth in the General Conditions, “Warranty (CONTRACTOR’s Guarantee)”, plus any additional extension or continuation of time to said warranty period that may be required or authorized by said provisions.

c. Broad Form Property Damage, expressly including damage arising out of explosion, collapse, or underground damage.

d. Contractual Liability, expressly including the indemnity provisions assumed under this Contract.

e. Separation of Insured Clause, providing that coverage applies separately to each insured, except with respect to the limits of liability.

f. Independent CONTRACTOR’s Liability.

To the extent first dollar coverage, including defense of any claim, is not available to OCSD or any other additional insured because of any SIR, deductible, or any other form of self insurance, CONTRACTOR is obligated to assume responsibility of insurer until the deductible, SIR or other condition of insurer assuming its defense and/or indemnity has been satisfied. CONTRACTOR shall be responsible to pay any deductible or SIR.

g. If a crane will be used, the General Liability insurance will be endorsed to add Riggers Liability coverage or its equivalent to cover the usage of the crane and exposures with regard to the crane operators, riggers and others involved in using the crane.

h. If divers will be used, the General Liability insurance will be endorsed to cover marine liability or its equivalent to cover the usage of divers.

2. Automobile Liability: The CONTRACTOR shall maintain a policy of Automobile Liability Insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limits of liability coverage:

   Either (1) a combined single limit of One Million Dollars ($1,000,000) and a general aggregate limit of Two Million Dollars ($2,000,000) for bodily injury, personal injury and property damage;

   Or alternatively, (2) One Million Dollars ($1,000,000) per person for bodily injury and One Million Dollars ($1,000,000) per accident for property damage.

3. Umbrella Excess Liability: The minimum limits of general liability and automobile liability insurance required, as set forth above, shall be provided for either in a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Excess liability coverage shall be issued with limits of liability which, when combined with the primary insurance, will equal the minimum limits for general liability and automobile liability.

4. Drone Liability Insurance: If a drone will be used, drone liability insurance must be maintained by CONTRACTOR in the amount of One Million Dollars ($1,000,000) in a form acceptable by OCSD.

   Worker's Compensation/Employer's Liability: CONTRACTOR shall provide such Worker's Compensation Insurance as required by the Labor Code of the State of California, including employer's liability with a minimum limit of One Million Dollars ($1,000,000) per accident for bodily injury or disease. If an exposure to Jones Act

liability may exist, the insurance required herein shall include coverage with regard to Jones Act claims.

Where permitted by law, CONTRACTOR hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OCSD, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OCSD in connection with the planning, development and construction of the Project. In all its insurance coverages related to the Work, CONTRACTOR shall include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against OCSD, its or their officers, agents, or employees, or any other contractor or subcontractor performing Work or rendering services at the Project. Where permitted by law, CONTRACTOR shall require similar written express waivers and insurance clauses from each of its Subcontractors of every tier. A waiver of subrogation shall be effective as to any individual or entity, even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

5. Pollution Liability Insurance: CONTRACTOR shall purchase and maintain insurance for pollution liability covering bodily injury, property damage (including loss of use of damaged property or property that has not been physically injured or destroyed), cleanup costs, and defense costs (including costs and expenses for investigation, defense, or settlement of claims). Coverage shall carry limits of at least Two Million Dollars ($2,000,000) and shall apply to sudden and non-sudden pollution conditions

(including sewage spills), both at the site or needed due to migration of pollutants from the site, resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants.

If CONTRACTOR provides coverage written on a claims-made basis, OCSD has the right to approve or reject such coverage in its own discretion. If written on a claims-made basis, the CONTRACTOR warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract, and that continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two years beginning from the time that the Project under this Contract is completed.

6. Limits are Minimums: If CONTRACTOR maintains higher limits than the minimums shown in this Section, OCSD requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by OCSD. At the option of OCSD, either: the Insurer shall reduce or eliminate such deductibles or self-insured retentions as respects OCSD, its Directors, officers, agents, CONSULTANTS, and employees; or CONTRACTOR shall provide a financial guarantee satisfactory to OCSD guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

C. Other Insurance Provisions

1. Each such policy of General Liability Insurance and Automobile Liability Insurance shall be endorsed to contain, the following provisions:

a. OCSD, its Directors, officers, agents, CONSULTANTS, and employees, and all public agencies from whom permits will be obtained, and their Directors, officers, agents, and employees are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of CONTRACTOR at or from any of the sites of OCSD in connection with this Contract, or acts and omissions of the additional insured in connection with its general supervision or inspection of said operations related to this Contract.

b. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by OCSD shall be excess only and not contributing with insurance provided under this policy.

2. Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, and that coverage shall not be cancelled for non-payment of premium except after ten (10) days prior written notice by certified mail, return receipt requested. Should there be changes in coverage or an increase in deductible or SIR amounts, CONTRACTOR undertakes to procure a manuscript endorsement from its insurer giving 30 days prior notice of such an event to OCSD, or to have its insurance broker/agent send to OCSD a certified letter describing the changes in coverage and any increase in deductible or SIR amounts. The certified letter must be sent Attention: Risk Management and shall be received not less than twenty (20) days prior to the effective date of the change(s). The letter must be signed by a Director or Officer of the broker/agent and must be on company letterhead, and may be sent via e-mail in pdf format.

3. Coverage shall not extend to any indemnity coverage for the active negligence of any additional insured in any case where an agreement to indemnify the additional insured would be invalid under California Civil Code Section 2782(b).

4. If required by a public agency from whom permit(s) will be obtained, each policy of General Liability Insurance and Automobile Liability Insurance shall be endorsed to specify by name the public agency and its legislative members, officers, agents, CONSULTANTS, and employees, to be additional insureds.

D. Acceptability of Insurers

Insurers must have an "A-", or better, Policyholder's Rating, and a Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best Rating Guide. OCSD recognizes that State Compensation Insurance Fund has withdrawn from participation in the A.M. Best Rating Guide process. Nevertheless, OCSD will accept State Compensation Insurance Fund for the required policy of worker's compensation insurance, subject to OCSD's option, at any time during the term of this Contract, to require a change in insurer upon twenty (20) days written notice. Further, OCSD will require CONTRACTOR to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within twenty (20) days of written notice to CONTRACTOR by OCSD or its agent.

E. Verification of Coverage

CONTRACTOR shall furnish OCSD with original certificates and mandatory endorsements affecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by OCSD before Work commences. OCSD reserves the right to require complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these Specifications at any time.

F. Subcontractors

CONTRACTOR shall be responsible to establish insurance requirements for any Subcontractors hired by CONTRACTOR. The insurance shall be in amounts and types reasonably sufficient to deal with the risk of loss involving the Subcontractor's operations and work. OCSD and any public agency issuing permits for the Project must be named as "Additional Insured" on any General Liability or Automobile Liability policy obtained by a Subcontractor. The CONTRACTOR must obtain copies and maintain current versions of all Subcontractors' policies, Certificate of Liability and mandatory endorsements effecting coverage. Upon request, CONTRACTOR must furnish OCSD with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

a.	Certificate of Liability	Form 25

2. Required Insurance Services Office, Inc. Endorsements (when alternative forms are shown, they are listed in order of preference)

In the event any of the following forms are cancelled by Insurance Services Office, Inc. (ISO), or are updated, the ISO replacement form or equivalent must be supplied.

a.	Commercial General Liability	Form CG-0001 10 01
b.	Additional Insured Including Products-Completed Operations	Form CG-2010 10 01 **and** Form CG-2037 10 01
c.	Waiver of Transfer of Rights of Recovery Against Others to Us/ Waiver of Subrogation	Form CG-2404 11 85; **or** Form CG-2404 10 93

3. Required State Compensation Insurance Fund Endorsements

a.	Waiver of Subrogation	Endorsement No. 2570
b.	Cancellation Notice	Endorsement No. 2065

4. Additional Required Endorsements

a. Notice of Policy Termination Manuscript Endorsement

5. Pollution Liability Endorsements

There shall be a Separation of Insured Clause or endorsement, providing that coverage applies separately to each insured, except with respect to the limits of liability. There shall also be an endorsement or policy language containing a waiver of subrogation rights on the part of the insurer.

OCSD, its directors, officers, agents, CONSULTANTS and employees and all public agencies from whom permits will be obtained as well as their directors, officers, agents, and employees shall be included as insureds under the policy. Any additional insured endorsement shall contain language at least as broad as the coverage language contained in ISO form CG 20 10 11 85 or alternatively in both CG 20 10 10 01 and CG 20 37 10 01 together.

SECTION – 17 RISK AND INDEMNIFICATION

All Work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR shall save, indemnify, defend, and keep OCSD and others harmless as more specifically set forth in General Conditions, “General Indemnification”.

SECTION – 18 TERMINATION

This Contract may be terminated in whole or in part in writing by OCSD in the event of substantial failure by the CONTRACTOR to fulfill its obligations under this Agreement, or it may be terminated by OCSD for its convenience provided that such termination is effectuated in a manner and upon such conditions set forth more particularly in General Conditions, “Termination for Default” and/or “Termination for Convenience”, provided that no termination may be effected unless proper notice is provided to CONTRACTOR at the time and in the

manner provided in said General Conditions. If termination for default or convenience is effected by OCSD, an equitable adjustment in the price provided for in this Contract shall be made at the time and in the manner provided in the General Conditions, “Termination for Default” and “Termination for Convenience”.

SECTION – 19 WARRANTY

The CONTRACTOR agrees to perform all Work under this Contract in accordance with the Contract Documents, including OCSD’s designs, Drawings and Specifications.

The CONTRACTOR guarantees for a period of at least one (1) year from the date of Final Acceptance of the Work, pursuant to the General Conditions, “Final Acceptance and Final Completion” that the completed Work is free from all defects due to faulty materials, equipment or workmanship and that it shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs of any damage to other parts of the system resulting from such defects. OCSD shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, OCSD may do so and charge the CONTRACTOR the cost incurred. The CONTRACTOR’s warranty shall continue as to any corrected deficiency until the later of (1) the remainder of the original one-year warranty period; or (2) one year after acceptance by OCSD of the corrected Work. The Performance Bond and the Payment Bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR’s obligations under this clause are in addition to the CONTRACTOR’s other express or implied assurances under this Contract, including but not limited to specific manufacturer or other extended warranties specified in the Plans and Specifications, or state law and in no way diminish any other rights that OCSD may have against the CONTRACTOR for faulty materials, equipment or Work.

SECTION – 20 ASSIGNMENT

No assignment by the CONTRACTOR of this Contract or any part hereof, or of funds to be received hereunder, will be recognized by OCSD unless such assignment has had prior written approval and consent of OCSD and the Surety.

SECTION – 21 RESOLUTION OF DISPUTES

OCSD and the CONTRACTOR shall comply with the provisions of California Public Contract Code Section 20104 et. seq., regarding resolution of construction claims for any Claims which arise between the CONTRACTOR and OCSD, as well as all applicable dispute and Claims provisions as set forth in the General Conditions and as otherwise required by law.

SECTION – 22 SAFETY & HEALTH

CONTRACTOR shall comply with all applicable safety and health requirements mandated by federal, state, city and/or public agency codes, permits, ordinances, regulations, and laws, as well as these Contract Documents, including but not limited to the General Requirements, Section entitled “Safety” and Exhibit B OCSD Safety Standards.

SECTION – 23 NOTICES

Any notice required or permitted under this Contract shall be sent by certified mail, return receipt requested, at the address set forth below. Any party whose address changes shall notify the other party in writing.

TO OCSD:	Orange County Sanitation District 10844 Ellis Avenue Fountain Valley, California 92708-7018 Attn: Clerk of the Board
Copy to:	Orange County Sanitation District 10844 Ellis Avenue Fountain Valley, California 92708-7018 Attn: Construction Manager Bradley R. Hogin, Esquire Woodruff, Spradlin & Smart 555 Anton Boulevard Suite 1200 Costa Mesa, California 92626
TO CONTRACTOR:	Resource Environmental, Inc. 6634 Schilling Avenue Long Beach, CA 90805
Copy to:	Cynthia Skiff, Vice-President Resource Environmental, Inc. 6634 Schilling Avenue Long Beach, CA 90805

IN WITNESS WHEREOF, the parties hereto have executed this Contract Agreement as the date first hereinabove written.

CONTRACTOR: Resource Environmental, Inc.
6634 Schilling Avenue
Long Beach, CA 90805

By_____

_____
Printed Name

Its_____

CONTRACTOR's State License No. 864417 (Expiration Date – 9/30/2021)

OCSD: Orange County Sanitation District

By_____
David John Shawver
Board Chairman

By_____
Kelly A. Lore
Clerk of the Board

By_____
Ruth Zintzun
Purchasing & Contracts Manager

EXHIBIT A
SCHEDULE OF PRICES

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SCHEDULE OF PRICES

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EXHIBIT A
SCHEDULE OF PRICES

EXA-1 BASIS OF COMPENSATION

CONTRACTOR will be paid the Contract Price according to the Schedule of Prices, and all other applicable terms and conditions of the Contract Documents.

EXA-2 PROGRESS PAYMENTS

Progress payments will be made in accordance with all applicable terms and conditions of the Contract Documents, including, but not limited to:

1. Contract Agreement – Section 11 – “Contract Price and Method of Payment;”
2. General Conditions – “Payment – General”;
3. General Conditions – “Payment – Applications for Payment”;
4. General Conditions – “Payment – Mobilization Payment Requirements;”
5. General Conditions – “Payment – Itemized Breakdown of Contract Lump Sum Prices”;
6. General Conditions – "Contract Price Adjustments and Payments”;
7. General Conditions – “Suspension of Payments”;
8. General Conditions – “OCSD’s Right to Withhold Certain Amounts and Make Application Thereof”; and
9. General Conditions – “Final Payment.”

EXA-3 RETENTION AND ESCROW ACCOUNTS

A. Retention:

OCSD shall retain a percentage of each progress payment to assure satisfactory completion of the Work. The amount to be retained from each progress payment shall be determined as provided in General Conditions – “Retained Funds; Substitution of Securities”. In all contracts between CONTRACTOR and its Subcontractors and/or Suppliers, the retention may not exceed the percentage specified in the Contract Documents.

B. Substitution of Securities:

CONTRACTOR may, at its sole expense, substitute securities as provided in General Conditions – “Retained Funds; Substitution of Securities.” Payment of Escrow Agent:

In lieu of substitution of securities as provided above, the CONTRACTOR may request and OCSD shall make payment of retention earned directly to the escrow agent at the expense of the CONTRACTOR. At the expense of the CONTRACTOR, the CONTRACTOR may direct the investment of the payments into securities consistent with Government Code §16430 and the CONTRACTOR shall receive the interest earned on the investments upon the same terms provided for in this article for securities deposited by the CONTRACTOR. Upon satisfactory completion of the Contract, the CONTRACTOR shall receive from the escrow agent all securities, interest and payments received by the escrow agent from OCSD, pursuant to the terms of this article. The CONTRACTOR shall pay to each Subcontractor, not later than twenty (20) calendar days after receipt of the payment, the respective amount of interest earned, net of costs attributed to retention withheld from each Subcontractor, on the amount of retention withheld to ensure the performance of the Subcontractor. The escrow agreement used by the escrow agent pursuant to this article shall be substantially similar to the form set forth in §22300 of the California Public Contract Code.

C. Release of Retention:

Upon Final Acceptance of the Work, the CONTRACTOR shall submit an invoice for release of retention in accordance with the terms of the Contract.

D. Additional Deductibles:

In addition to the retentions described above, OCSD may deduct from each progress payment any or all of the following:

1. Liquidated Damages that have occurred as of the date of the application for progress payment;

2. Deductions from previous progress payments already paid, due to OCSD’s discovery of deficiencies in the Work or non-compliance with the Specifications or any other requirement of the Contract;

3. Sums expended by OCSD in performing any of the CONTRACTOR’S obligations under the Contract that the CONTRACTOR has failed to perform, and;

4. Other sums that OCSD is entitled to recover from the CONTRACTOR under the terms of the Contract, including without limitation insurance deductibles and assessments.

The failure of OCSD to deduct any of the above-identified sums from a progress payment shall not constitute a waiver of OCSD's right to such sums or to deduct them from a later progress payment.

EXA-4 STOP PAYMENT NOTICE

In addition to other amounts properly withheld under this article or under other provisions of the Contract, OCSD shall retain from progress payments otherwise due the CONTRACTOR an amount equal to one hundred twenty-five percent (125%) of the amount claimed under any stop payment notice under Civil Code §9350 et. seq. or other lien filed against the CONTRACTOR for labor, materials, supplies, equipment, and any other thing of value claimed to have been furnished to and/or incorporated into the Work; or for any other alleged contribution thereto. In addition to the foregoing and in accordance with Civil Code §9358 OCSD may also satisfy its duty to withhold funds for stop payment notices by refusing to release funds held in escrow pursuant to public receipt of a release of stop payment notice executed by a stop payment notice claimant, a stop payment notice release bond, an order of a court of competent jurisdiction, or other evidence satisfactory to OCSD that the CONTRACTOR has resolved such claim by settlement.

EXA-5 PAYMENT TO SUBCONTRACTORS

Requirements

1. The CONTRACTOR shall pay all Subcontractors for and on account of Work performed by such Subcontractors, not later than seven (7) days after receipt of each progress payment as required by the California Business and Professions Code §7108.5. Such payments to Subcontractors shall be based on the measurements and estimates made pursuant to article progress payments provided herein.

2. Except as specifically provided by law, the CONTRACTOR shall pay all Subcontractors any and all retention due and owing for and on account of Work performed by such Subcontractors not later than seven (7) days after CONTRACTOR'S receipt of said retention proceeds from OCSD as required by the California Public Contract Code §7107.

EXA-6 PAYMENT OF TAXES

Unless otherwise specifically provided in this Contract, the Contract Price includes full compensation to the CONTRACTOR for all taxes. The CONTRACTOR shall pay all federal, state, and local taxes, and duties applicable to and assessable against any Work, including but not limited to retail sales and use, transportation, export, import, business, and special taxes. The CONTRACTOR shall ascertain and pay the taxes when due. The CONTRACTOR will maintain auditable records, subject to OCSD reviews, confirming that tax payments are current at all times.

EXA-7 FINAL PAYMENT

After Final Acceptance of the Work, as more particularly set forth in the General Conditions, “Final Acceptance and Final Completion”, and after Resolution of the Board authorizing final payment and satisfaction of the requirements as more particularly set forth in General Conditions – “Final Payment”, a final payment will be made as follows:

1. Prior to Final Acceptance, the CONTRACTOR shall prepare and submit an application for Final Payment to OCSD, including:

    a. The proposed total amount due the CONTRACTOR, segregated by items on the payment schedule, amendments, Change Orders, and other bases for payment;

    b. Deductions for prior progress payments;

    c. Amounts retained;

    d. A conditional waiver and release on final payment for each Subcontractor (per Civil Code Section 8136);

    e. A conditional waiver and release on final payment on behalf of the CONTRACTOR (per Civil Code Section 8136);

    f. List of Claims the CONTRACTOR intends to file at that time or a statement that no Claims will be filed,

    g. List of pending unsettled claims, stating claimed amounts, and copies of any and all complaints and/or demands for arbitration received by the CONTRACTOR; and

    h. For each and every claim that resulted in litigation or arbitration which the CONTRACTOR has settled, a conformed copy of the Request for Dismissal with prejudice or other satisfactory evidence the arbitration is resolved.

2. The application for Final Payment shall include complete and legally effective releases or waivers of liens and stop payment notices satisfactory to OCSD, arising out of or filed in connection with the Work. Prior progress payments shall be subject to correction in OCSD’s review of the application for Final Payment. Claims filed with the application for Final Payment must be otherwise timely under the Contract and applicable law.

3. Within a reasonable time, OCSD will review the CONTRACTOR’S application for Final Payment. Any recommended changes or corrections will then be forwarded to the CONTRACTOR. Within ten (10) calendar days

after receipt of recommended changes from OCSD, the CONTRACTOR will make the changes, or list Claims that will be filed as a result of the changes, and shall submit the revised application for Final Payment. Upon acceptance by OCSD, the revised application for Final Payment will become the approved application for Final Payment.

4. If no Claims have been filed with the initial or any revised application for Final Payment, and no Claims remain unsettled within thirty-five (35) calendar days after Final Acceptance of the Work by OCSD, and agreements are reached on all issues regarding the application for Final Payment, OCSD, in exchange for an executed release, satisfactory in form and substance to OCSD, will pay the entire sum found due on the approved application for Final Payment, including the amount, if any, allowed on settled Claims.

5. The release from the CONTRACTOR shall be from any and all Claims arising under the Contract, except for Claims that with the concurrence of OCSD are specifically reserved, and shall release and waive all unreserved Claims against OCSD and its officers, directors, employees and authorized representatives. The release shall be accompanied by a certification by the CONTRACTOR that:

    a. It has resolved all Subcontractors, Suppliers and other Claims that are related to the settled Claims included in the Final Payment;

    b. It has no reason to believe that any party has a valid claim against the CONTRACTOR or OCSD which has not been communicated in writing by the CONTRACTOR to OCSD as of the date of the certificate;

    c. All warranties are in full force and effect, and;

    d. The releases and the warranties shall survive Final Payment.

6. If any claims remain open, OCSD may make Final Payment subject to resolution of those claims. OCSD may withhold from the Final Payment an amount not to exceed one hundred fifty percent (150%) of the sum of the amounts of the open claims, and one hundred twenty-five percent (125%) of the amounts of open stop payment notices referred to in article entitled stop payment notices herein.

7. The CONTRACTOR shall provide an unconditional waiver and release on final payment from each Subcontractor and Supplier providing Work under the Contract (per Civil Code Section 8138) and an unconditional waiver and release on final payment on behalf of the CONTRACTOR (per Civil Code Section 8138) within thirty (30) days of receipt of Final Payment.

EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT

Notwithstanding OCSD's acceptance of the application for Final Payment and irrespective of whether it is before or after Final Payment has been made, OCSD shall not be precluded from subsequently showing that:

1. The true and correct amount payable for the Work is different from that previously accepted;
2. The previously-accepted Work did not in fact conform to the Contract requirements, or;
3. A previous payment or portion thereof for Work was improperly made.

OCSD also shall not be stopped from demanding and recovering damages from the CONTRACTOR, as appropriate, under any of the foregoing circumstances as permitted under the Contract or applicable law.

ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT

I hereby certify under penalty of perjury as follows:

That the claim for payment is in all respects true, correct; that the services mentioned herein were actually rendered and/or supplies delivered to OCSD in accordance with the Contract.

I understand that it is a violation of both the federal and California False Claims Acts to knowingly present or cause to be presented to OCSD a false claim for payment or approval.

A claim includes a demand or request for money. It is also a violation of the False Claims Acts to knowingly make use of a false record or statement to get a false claim paid. The term "knowingly" includes either actual knowledge of the information, deliberate ignorance of the truth or falsity of the information, or reckless disregard for the truth or falsity of the information. Proof of specific intent to defraud is not necessary under the False Claims Acts. I understand that the penalties under the Federal False Claims Act and State of California False Claims Act are non-exclusive, and are in addition to any other remedies which OCSD may have either under contract or law.

I hereby further certify, to the best of my knowledge and belief, that:

1. The amounts requested are only for performance in accordance with the Specifications, terms, and conditions of the Contract;

2. Payments to Subcontractors and Suppliers have been made from previous payments received under the Contract, and timely payments will be made from the proceeds of the payment covered by this certification;

3. This request for progress payments does not include any amounts which the prime CONTRACTOR intends to withhold or retain from a Subcontractor or Supplier in accordance with the terms and conditions of the subcontract; and

4. This certification is not to be construed as Final Acceptance of a Subcontractor's performance.

_____
Name

_____
Title

_____
Date

ATTACHMENT 2 – SCHEDULE OF PRICES

See next pages for Bid Submittal Forms (Resource Environmental, Inc.)

BF-14 SCHEDULE OF PRICES, Page 1 - 2

Bid Submitted By: Resource Environmental, Inc.

(Name of Firm)

BF-14 SCHEDULE OF PRICES

INSTRUCTIONS

A. General

For Unit Prices, it is understood that the following quantities are approximate only and are solely for the purpose of estimating the comparison of Bids, and that the actual value of Work will be computed based upon the actual quantities in the completed Work, whether they be more or less than those shown. CONTRACTOR's compensation for the Work under the Contract Documents will be computed based upon the lump sum amount of the Contract at time of award, plus any additional or deleted costs approved by OCSD via approved Change Orders, pursuant to the Contract Documents.

Bidder shall separately price and accurately reflect costs associated with each line item, leaving no blanks. Any and all modifications to the Bid must be initialed by an authorized representative of the Bidder in accordance with the Instructions to Bidders, Preparation of Bid.

Bidders are reminded of Instruction to Bidders, Discrepancy in Bid Items, which, in summary, provides that the total price for each item shall be based on the Unit Price listed for each item multiplied by the quantity; and the correct Total Price for each item shall be totaled to determine the Total Amount of Bid.

All applicable costs including overhead and profit shall be reflected in the respective unit costs and the TOTAL AMOUNT OF BID. The Bid price shall include all costs to complete the Work, including profit, overhead, etc., unless otherwise specified in the Contract Documents. All applicable sales taxes, state and/or federal, and any other special taxes, patent rights or royalties shall be included in the prices quoted in this Bid.

B. Basis of Award

AWARD OF THE CONTRACT WILL BE MADE ON THE BASIS OF THE LOWEST RESPONSIVE AND RESPONSIBLE BID.

Note 1: Base Bid. Includes all costs necessary to furnish all labor, materials, equipment and services for the construction of the Project per the Contract Documents.

Bid Submitted By: Resource Environmental, Inc.
(Name of Firm)

EXHIBIT A
SCHEDULE OF PRICES

BASE BID ITEMS (Refer to Note 1 in the Instructions):

Item No.	Description	Unit of Measurement	Extended Price
1.	**Mobilization** as described in Division 01, Section 01 15 50 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	$100,000.00
2.	**Demolition Activities and All Other Contract Work**: Furnish all labor, materials, and equipment necessary for the completion of the Demolition Activities and all other Contract Work, except for the Work specified in Bid Items 1, 3, and 4, as described in Division 01, Section 01 15 50 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	$1,415,000.00
3.	**Demobilization** as described in Division 01, Section 01 15 50 and in conformance with the Contract Documents for a lump sum price of...	Lump Sum	$25,000.00
4.	**SWPPP Maintenance (ALLOWANCE)** as described in Division 01, Section 01 15 50 and in conformance with the Contract Documents for an allowance of ...	Allowance	$15,000.00

TOTAL AMOUNT OF BID (BASIS OF AWARD) $1,555,000.00

Orange County Sanitation District

OPERATIONS COMMITTEE

Agenda Report

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

File #: 2020-1108 **Agenda Date:** 6/24/2020 **Agenda Item No:** 9.

FROM: James D. Herberg, General Manager
Originator: Kathy Millea, Director of Engineering

SUBJECT:

HEADQUARTERS COMPLEX SITE PREPARATION, PROJECT NO. P1-128C

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

A. Approve a Professional Construction Services Agreement with HDR, Inc. to provide construction support services for Headquarters Complex Site Preparation, Project No. P1-128C, for a total amount not to exceed $178,000; and

B. Approve a contingency of $17,800 (10%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) is replacing the existing Administration Building and other buildings at Plant No. 1 with a new Headquarters Building north of Ellis Avenue across from Plant No. 1.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Comply with California Government Code Section 4526 to engage the best qualified firm "on the basis of demonstrated competence and qualifications" and negotiate fair and reasonable fees"

PROBLEM

Existing buildings on the site north of Ellis Avenue need to be demolished for construction of the Headquarters Complex. The main construction project will take longer to complete if these buildings are not demolished in advance.

This project requires the design consultant to provide as-needed services during construction including submittal review, responding to Contractor's requests for information, reviewing construction change orders, participating in meetings, site visits, and preparing record drawings.

PROPOSED SOLUTION

Award a Professional Construction Services Agreement for Headquarters Complex Site Preparation, Project No. P1-128C, with the design consultant HDR, Inc.

TIMING CONCERNS

Engineering support services will be required at the start of construction. Construction is anticipated to start in July 2020.

RAMIFICATIONS OF NOT TAKING ACTION

The engineering support services needed to facilitate and review construction activities would not be available by the Engineer of Record, which may negatively impact the contract execution.

PRIOR COMMITTEE/BOARD ACTIONS

June 2016 - Approved a Professional Design Services Agreement with HDR, Inc. to provide engineering design services for the architectural and engineering design services for the Headquarters Complex, Site and Security, and Entrance Realignment Program, Project No. P1-128, for an amount not to exceed $11,785,709, and approved a contingency of $1,178,571 (10%).

ADDITIONAL INFORMATION

HDR, Inc. has successfully furnished engineering services for the design of this project and their support services during construction will provide continuity through the completion of the project. Staff negotiated with HDR, Inc. for these support services in accordance with the Sanitation District's adopted policies and procedures. A review of the proposed price was conducted using estimated quantities of requests for information, submittals, meetings, site visits, change order review, and design revisions, as well as the level of effort for preparing record drawings. Based on this review, staff determined the negotiated fee to be fair and reasonable for these services.

CEQA

On January 23, 2018, the City of Fountain Valley certified the Program Environmental Impact Report for the Fountain Valley Crossings Specific Plan (State Clearinghouse No. 2015101042) that evaluated the total buildout of the Specific Plan area with a goal of revitalizing the existing light industrial use.

Following that, the Sanitation District prepared an Initial Study/Addendum for the Administrative Headquarters Building, Project No. P1-128, dated December 2019, to the City's Program Environmental Impact Report. The addendum concluded that no further environmental review was required. (Public Resources Code Section 21166; CEQA Guidelines Sections 15162 and 15164.)

A Notice of Determination will be filed with the Orange County Clerk-Recorder after the Sanitation District Board approval of the construction contract for the Headquarters Complex Site Preparation, Project No. P1-128C.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted (FY 2019-20 Budget Update, Appendix A, Page A-8, Headquarters Complex, Project No. P1-128) and the budget is sufficient for this action.

ATTACHMENT

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

- Professional Construction Services Agreement

TG:dm:gc

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PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT

This PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT (Agreement), is made and entered into to be effective the 24th day of June, 2020 by and between the ORANGE COUNTY SANITATION DISTRICT, hereinafter referred to as "SANITATION DISTRICT", and HDR Engineering, Inc., hereinafter referred to as "CONSULTANT".

WITNESSETH:

WHEREAS, the SANITATION DISTRICT desires to engage a CONSULTANT to provide Construction Support Services for **Contract No. P1-128C, Headquarters Complex Site Preparation**; and

WHEREAS, CONSULTANT is qualified to provide the necessary services for Construction Support Services in connection with these requirements; and

WHEREAS, the SANITATION DISTRICT has adopted procedures in accordance with the SANITATION DISTRICT's Purchasing Ordinance Section 4.03(B) for the continuation of services and has proceeded in accordance with said procedures to perform this work; and

WHEREAS, at its regular meeting on June 24, 2020 the Board of Directors, by Minute Order, accepted the recommendation of the Operations Committee to approve this Agreement between the SANITATION DISTRICT and CONSULTANT.

NOW, THEREFORE, in consideration of the promises and mutual benefits, which will result to the parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

1. SCOPE OF WORK

CONSULTANT agrees to furnish necessary professional and technical services to accomplish those project elements outlined in the Scope of Work attached hereto as "Attachment A", and by this reference made a part of this Agreement.

A. The CONSULTANT shall be responsible for the professional quality, technical accuracy, completeness, and coordination of all design, drawings, specifications, and other services furnished by the CONSULTANT under this Agreement, including the work performed by its Subconsultants. Where approval by the SANITATION DISTRICT is indicated, it is understood to be conceptual approval only and does not relieve the CONSULTANT of responsibility for complying with all laws, codes, industry standards and liability for damages caused by errors, omissions, noncompliance with industry standards, and/or negligence on the part of the CONSULTANT or its Subconsultants.

B. CONSULTANT is responsible for the quality of work prepared under this Agreement and shall ensure that all work is performed to the standards of best engineering practice for clarity, uniformity, and completeness.

C. In the event that work is not performed to the satisfaction of the SANITATION DISTRICT and does not conform to the requirements of this Agreement or any applicable industry standards, the CONSULTANT shall, without additional compensation, promptly correct or revise any errors or deficiencies in its designs, drawings, specifications, or other services within the timeframe specified by the Project Engineer/Project Manager. The SANITATION DISTRICT may charge to CONSULTANT all costs, expenses and damages associated with any such corrections or revisions.

D. All CADD drawings, figures, and other work shall be produced by CONSULTANTS and Subconsultants using the SANITATION DISTRICT standard software. Conversion of CADD work from any other non-standard CADD format to the SANITATION DISTRICT format shall not be acceptable in lieu of this requirement.

Electronic files shall be subject to an acceptance period of thirty (30) calendar days during which the SANITATION DISTRICT shall perform appropriate acceptance tests. CONSULTANT shall correct any discrepancies or errors detected and reported within the acceptance period at no additional cost to the SANITATION DISTRICT.

E. All professional services performed by the CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, and estimates compiled or composed by the CONSULTANT, pursuant to this Agreement, are for the sole use of the SANITATION DISTRICT, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of the SANITATION DISTRICT. This provision does not apply to information that (a) was publicly known, or otherwise known to the CONSULTANT, at the time that it was disclosed to the CONSULTANT by the SANITATION DISTRICT, (b) subsequently becomes publicly known to the CONSULTANT other than through disclosure by the SANITATION DISTRICT.

2. COMPENSATION

Total compensation shall be paid to CONSULTANT for services in accordance with the following provisions:

A. Total Compensation

Total compensation shall be in an amount not to exceed One Hundred Seventy-eight Thousand Dollars ($178,000). Total compensation to CONSULTANT including burdened labor (salaries plus benefits), overhead, profit, direct costs, and Subconsultant(s) fees and costs shall not exceed the sum set forth in Attachment “E” - Fee Proposal.

B. Labor

As a portion of the total compensation to be paid to CONSULTANT, the SANITATION DISTRICT shall pay to CONSULTANT a sum equal to the burdened salaries (salaries plus benefits) actually paid by CONSULTANT charged on an hourly-rate basis to this project and paid to the personnel of

CONSULTANT. Upon request of the SANITATION DISTRICT, CONSULTANT shall provide the SANITATION DISTRICT with certified payroll records of all employees' work that is charged to this project.

C. Overhead

As a portion of the total compensation to be paid to CONSULTANT, the SANITATION DISTRICT shall compensate CONSULTANT and Subconsultants for overhead at the rate equal to the percentage of burdened labor as specified in Attachment "E" - Fee Proposal.

D. Profit

Profit for CONSULTANT and Subconsultants shall be a percentage of consulting services fees (Burdened Labor and Overhead). When the consulting or subconsulting services amount is $250,000 or less, the maximum Profit shall be 10%. Between $250,000 and $2,500,000, the maximum Profit shall be limited by a straight declining percentage between 10% and 5%. For consulting or subconsulting services fees with a value greater than $2,500,000, the maximum Profit shall be 5%. Addenda shall be governed by the same maximum Profit percentage after adding consulting services fees.

As a portion of the total compensation to be paid to CONSULTANT and Subconsultants, the SANITATION DISTRICT shall pay profit for all services rendered by CONSULTANT and Subconsultants for this project according to Attachment "E" - Fee Proposal.

E. Subconsultants

For any Subconsultant whose fees for services are greater than or equal to $100,000 (excluding out-of-pocket costs), CONSULTANT shall pay to Subconsultant total compensation in accordance with the Subconsultant amount specified in Attachment "E" - Fee Proposal.

For any Subconsultant whose fees for services are less than $100,000, CONSULTANT may pay to Subconsultant total compensation on an hourly-rate basis and as specified in the Scope of Work. The SANITATION DISTRICT shall pay to CONSULTANT the actual costs of Subconsultant fees and charges in an amount not to exceed the sum set forth in Attachment "E" - Fee Proposal.

F. Direct Costs

The SANITATION DISTRICT shall pay to CONSULTANT and Subconsultants the actual costs of permits and associated fees, travel, and licenses for an amount not to exceed the sum set forth in Attachment "E" - Fee Proposal. The SANITATION DISTRICT shall also pay to CONSULTANT actual costs for equipment rentals, leases or purchases with prior approval of the SANITATION DISTRICT. Upon request, CONSULTANT shall provide to the SANITATION

DISTRICT receipts and other documentary records to support CONSULTANT's request for reimbursement of these amounts, see Attachment "D" – Allowable Direct Costs. All incidental expenses shall be included in overhead pursuant to Section 2 - COMPENSATION above.

G. Other Direct Costs

Other Direct Costs incurred by CONSULTANT and its Contractor due to modifications in scope of work resulting from field investigations and field work required by Contract. These items may include special equipment, test equipment and tooling and other materials and services not previously identified. Refer to attachment "D" Allowable Direct Costs for payment information.

H. Reimbursable Direct Costs

The SANITATION DISTRICT will reimburse the CONSULTANT for reasonable travel and business expenses as described in this section and further described in Attachment "D" - Allowable Direct Costs to this Agreement. The reimbursement of the above-mentioned expenses will be based on an "accountable plan" as considered by Internal Revenue Service (IRS). The plan includes a combination of reimbursements based upon receipts and a "per diem" component approved by IRS. The most recent schedule of the per diem rates utilized by the SANITATION DISTRICT can be found on the U.S. General Service Administration website at http://www.gsa.gov/portal/category/104711#.

The CONSULTANT shall be responsible for the most economical and practical means of management of reimbursable costs inclusive but not limited to travel, lodging and meals arrangements. The SANITATION DISTRICT shall apply the most economic and practical method of reimbursement which may include reimbursements based upon receipts and/or "per diem" as deemed the most practical.

CONSULTANT shall be responsible for returning to the SANITATION DISTRICT any excess reimbursements after the reimbursement has been paid by the SANITATION DISTRICT.

Travel and travel arrangements – Any travel involving airfare, overnight stays or multiple day attendance must be approved by the SANITATION DISTRICT in advance.

Local Travel is considered travel by the CONSULTANT within the SANITATION DISTRICT general geographical area which includes Orange, Los Angeles, Ventura, San Bernardino, Riverside, San Diego, Imperial, and Kern Counties. Automobile mileage is reimbursable if CONSULTANT is required to utilize personal vehicle for local travel.

Lodging – Overnight stays will not be approved by the SANITATION DISTRICT for local travel. However, under certain circumstances overnight stay may be allowed at the discretion of the SANITATION DISTRICT based on reasonableness of

meeting schedules and the amount of time required for travel by the CONSULTANT. Such determination will be made on a case-by-case basis and at the discretion of the SANITATION DISTRICT.

Travel Meals – Per-diem rates as approved by IRS shall be utilized for travel meals reimbursements. Per diem rates shall be applied to meals that are appropriate for travel times. Receipts are not required for the approved meals.

Additional details related to the reimbursement of the allowable direct costs are provided in the Attachment "D" - Allowable Direct Costs of this Agreement.

I. Limitation of Costs

If, at any time, CONSULTANT estimates the cost of performing the services described in CONSULTANT's Proposal will exceed the not-to-exceed amount of the Agreement, including approved additional compensation, CONSULTANT shall notify the SANITATION DISTRICT immediately, and in writing. This written notice shall indicate the additional amount necessary to complete the services. Any cost incurred in excess of the approved not-to-exceed amount, without the express written consent of the SANITATION DISTRICT's authorized representative shall be at CONSULTANT's own risk. This written notice shall be provided separately from, and in addition to any notification requirements contained in the CONSULTANT's invoice and monthly progress report. Failure to notify the SANITATION DISTRICT that the services cannot be completed within the authorized not-to-exceed amount is a material breach of this Agreement.

3. REALLOCATION OF TOTAL COMPENSATION

The SANITATION DISTRICT, by its Director of Engineering, shall have the right to approve a reallocation of the incremental amounts constituting the total compensation, provided that the total compensation is not increased.

4. PAYMENT

A. Monthly Invoice: CONSULTANT shall include in its monthly invoice, a detailed breakdown of costs associated with the performance of any corrections or revisions of the work for that invoicing period. CONSULTANT shall allocate costs in the same manner as it would for payment requests as described in this Section of the Agreement. CONSULTANT shall warrant and certify the accuracy of these costs and understand that submitted costs are subject to Section 11 - AUDIT PROVISIONS.

B. CONSULTANT may submit monthly or periodic statements requesting payment for those items included in Section 2 - COMPENSATION hereof in the format as required by the SANITATION DISTRICT. Such requests shall be based upon the amount and value of the work and services performed by CONSULTANT under this Agreement and shall be prepared by CONSULTANT and accompanied by such supporting data, including a detailed breakdown of all costs incurred and project element work performed during the period covered by the statement, as may be required by the SANITATION DISTRICT.

Upon approval of such payment request by the SANITATION DISTRICT, payment shall be made to CONSULTANT as soon as practicable of one hundred percent (100%) of the invoiced amount on a per-project-element basis.

If the SANITATION DISTRICT determines that the work under this Agreement or any specified project element hereunder, is incomplete and that the amount of payment is in excess of:

i. The amount considered by the SANITATION DISTRICT's Director of Engineering to be adequate for the protection of the SANITATION DISTRICT; or

ii. The percentage of the work accomplished for each project element.

He may, at his discretion, retain an amount equal to that which insures that the total amount paid to that date does not exceed the percentage of the completed work for each project element or the project in its entirety.

C. CONSULTANT may submit periodic payment requests for each 30-day period of this Agreement for the profit as set forth in Section 2 - COMPENSATION above. Said profit payment request shall be proportionate to the work actually accomplished to date on a per-project-element basis. In the event the SANITATION DISTRICT's Director of Engineering determines that no satisfactory progress has been made since the prior payment, or in the event of a delay in the work progress for any reason, the SANITATION DISTRICT shall have the right to withhold any scheduled proportionate profit payment.

D. Upon satisfactory completion by CONSULTANT of the work called for under the terms of this Agreement, and upon acceptance of such work by the SANITATION DISTRICT, CONSULTANT will be paid the unpaid balance of any money due for such work, including any retained percentages relating to this portion of the work.

E. Upon satisfactory completion of the work performed hereunder and prior to final payment under this Agreement for such work, or prior settlement upon termination of this Agreement, and as a condition precedent thereto, CONSULTANT shall execute and deliver to the SANITATION DISTRICT a release of all claims against the SANITATION DISTRICT arising under or by virtue of this Agreement other than such claims, if any, as may be specifically exempted by CONSULTANT from the operation of the release in stated amounts to be set forth therein.

F. Pursuant to the California False Claims Act (Government Code Sections 12650-12655), any CONSULTANT that knowingly submits a false claim to the SANITATION DISTRICT for compensation under the terms of this Agreement may be held liable for treble damages and up to a ten thousand dollars ($10,000) civil penalty for each false claim submitted. This Section shall also be binding on all Subconsultants.

A CONSULTANT or Subconsultant shall be deemed to have submitted a false claim when the CONSULTANT or Subconsultant: a) knowingly presents or causes to be presented to an officer or employee of the SANITATION DISTRICT a false claim or request for payment or approval; b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the SANITATION DISTRICT; c) conspires to defraud the SANITATION DISTRICT by getting a false claim allowed or paid by the SANITATION DISTRICT; d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to the SANITATION DISTRICT; or e) is a beneficiary of an inadvertent submission of a false claim to the SANITATION DISTRICT, and fails to disclose the false claim to the SANITATION DISTRICT within a reasonable time after discovery of the false claim.

5. CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) REGISTRATION AND RECORD OF WAGES

A. To the extent CONSULTANT's employees and/or Subconsultants who will perform Work during the design and preconstruction phases of a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, CONSULTANT and Subconsultants shall comply with the registration requirements of Labor Code Section 1725.5. Pursuant to Labor Code Section 1771.4, the Work is subject to compliance monitoring and enforcement by the DIR.

B. The CONSULTANT and Subconsultants shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776 and shall submit payroll records to the Labor Commissioner pursuant to Labor Code Section 1771.4(a) (3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

C. Pursuant to Labor Code Section 1776, the CONSULTANT and Subconsultants shall furnish a copy of all certified payroll records to SANITATION DISTRICT and/or general public upon request, provided the public request is made through SANITATION DISTRICT, the Division of Apprenticeship Standards or the Division of Labor Enforcement of the Department of Industrial Relations.

D. The CONSULTANT and Subconsultants shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

6. DOCUMENT OWNERSHIP – SUBSEQUENT CHANGES TO PLANS AND SPECIFICATIONS

A. Ownership of Documents for the Professional Services performed.

All documents, including but not limited to, original plans, studies, sketches, drawings, computer printouts and disk files, and specifications prepared in connection with or related to the Scope of Work or Professional Services, shall be the property of the SANITATION DISTRICT. The SANITATION DISTRICT's ownership of these documents includes use of, reproduction or reuse of and all

incidental rights, whether or not the work for which they were prepared has been performed. The SANITATION DISTRICT ownership entitlement arises upon payment or any partial payment for work performed and includes ownership of any and all work product completed prior to that payment. This Section shall apply whether the CONSULTANT's Professional Services are terminated: a) by the completion of the Agreement, or b) in accordance with other provisions of this Agreement. Notwithstanding any other provision of this paragraph or Agreement, the CONSULTANT shall have the right to make copies of all such plans, studies, sketches, drawings, computer printouts and disk files, and specifications.

B. CONSULTANT shall not be responsible for damage caused by subsequent changes to or uses of the plans or specifications, where the subsequent changes or uses are not authorized or approved by CONSULTANT, provided that the service rendered by CONSULTANT was not a proximate cause of the damage.

7. INSURANCE

A. General

i. Insurance shall be issued and underwritten by insurance companies acceptable to the SANITATION DISTRICT.

ii. Insurers must have an "A-" Policyholder's Rating, or better, and Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best's Guide Rating. However, the SANITATION DISTRICT will accept State Compensation Insurance Fund, for the required policy of Worker's Compensation Insurance subject to the SANITATION DISTRICT's option to require a change in insurer in the event the State Fund financial rating is decreased below "B". Further, the SANITATION DISTRICT will require CONSULTANT to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within twenty (20) days of written notice to CONSULTANT, by the SANITATION DISTRICT or its agent.

iii. Coverage shall be in effect prior to the commencement of any work under this Agreement.

B. General Liability

The CONSULTANT shall maintain during the life of this Agreement, including the period of warranty, Commercial General Liability Insurance written on an occurrence basis providing the following minimum limits of liability coverage: Two Million Dollars ($2,000,000) per occurrence with Four Million Dollars ($4,000,000) aggregate. Said insurance shall include coverage for the following hazards: Premises-Operations, blanket contractual liability (for this Agreement), products liability/completed operations (including any product manufactured or assembled), broad form property damage, blanket contractual liability, independent contractors liability, personal and advertising injury, mobile equipment, owners and contractors protective liability, and cross liability and severability of interest clauses. A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement(s). If requested by

SANITATION DISTRICT and applicable, XCU coverage (Explosion, Collapse and Underground) and Riggers/On Hook Liability must be included in the General Liability policy and coverage must be reflected on the submitted Certificate of Insurance.

C. Umbrella Excess Liability

The minimum limits of general liability and Automotive Liability Insurance required, as set forth herein, shall be provided for through either a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Umbrella excess liability coverage shall be issued with limits of liability which, when combined with the primary insurance, will equal the minimum limits for general liability and automotive liability.

D. Automotive/Vehicle liability Insurance

The CONSULTANT shall maintain a policy of Automotive Liability Insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limits of liability coverage: Combined single limit of One Million Dollars ($1,000,000) or alternatively, Five Hundred Thousand Dollars ($500,000) per person for bodily injury and Five Hundred Thousand Dollars ($500,000) per accident for property damage. A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement.

E. Drone Liability Insurance

If a drone will be used, drone liability insurance must be maintained by CONSULTANT in the amount of one million dollars ($1,000,000) in form acceptable to the SANITATION DISTRICT.

F. Worker's Compensation Insurance

The CONSULTANT shall provide such Workers' Compensation Insurance as required by the Labor Code of the State of California in the amount of the statutory limit, including Employer's Liability Insurance with a minimum limit of One Million Dollars ($1,000,000) per occurrence. Such Worker's Compensation Insurance shall be endorsed to provide for a waiver of subrogation in favor of the SANITATION DISTRICT. A statement on an insurance certificate will not be accepted in lieu of the actual endorsements unless the insurance carrier is State of California Insurance Fund and the identifier "SCIF" and endorsement numbers 2570 and 2065 are referenced on the certificate of insurance. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage for Jones Act claims.

G. Errors and Omissions/Professional Liability

CONSULTANT shall maintain in full force and effect, throughout the term of this Agreement, standard industry form professional negligence errors and omissions insurance coverage in an amount of not less than Two Million Dollars

($2,000,000) with limits in accordance with the provisions of this Paragraph. If the policy of insurance is written on a "claims made" basis, said policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of five (5) years from the date of the completion of the services hereunder.

In the event of termination of said policy during this period, CONSULTANT shall obtain continuing insurance coverage for the prior acts or omissions of CONSULTANT during the course of performing services under the term of this Agreement. Said coverage shall be evidenced by either a new policy evidencing no gap in coverage or by separate extended "tail" coverage with the present or new carrier.

In the event the present policy of insurance is written on an "occurrence" basis, said policy shall be continued in full force and effect during the term of this Agreement or until completion of the services provided for in this Agreement, whichever is later. In the event of termination of said policy during this period, new coverage shall be obtained for the required period to insure for the prior acts of CONSULTANT during the course of performing services under the term of this Agreement.

CONSULTANT shall provide to the SANITATION DISTRICT a certificate of insurance in a form acceptable to the SANITATION DISTRICT indicating the deductible or self-retention amounts and the expiration date of said policy, and shall provide renewal certificates not less than ten (10) days prior to the expiration of each policy term.

H. Proof of Coverage

The CONSULTANT shall furnish the SANITATION DISTRICT with original certificates and amendatory endorsements effecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by the SANITATION DISTRICT before work commences. The SANITATION DISTRICT reserves the right to require complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required, at any time. The following are approved forms that must be submitted as proof of coverage:

• Certificate of Insurance	ACORD Form 25 (5/2010) or equivalent.
• Additional Insurance (General Liability)	(ISO Form) CG2010 11 85 or The combination of (ISO Forms) CG 2010 10 01 and CG 2037 10 01 All other Additional Insured endorsements must be submitted for approval by the SANITATION DISTRICT, and the SANITATION DISTRICT may reject alternatives that provide different or less coverage to the SANITATION DISTRICT.

• Additional Insured (Auto Liability)	Submit endorsement provided by carrier for the SANITATION DISTRICT approval.
• Waiver of Subrogation	State Compensation Insurance Fund Endorsement No. 2570 or equivalent.
• Cancellation Notice	State Compensation Insurance Fund Endorsement No. 2065 or equivalent.

I. Cancellation Notice

Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days' prior written notice. The Cancellation Section of ACORD Form 25 (5/2010) shall state the required thirty (30) days' written notification. The policy shall not terminate, nor shall it be cancelled, nor the coverage reduced until thirty (30) days after written notice is given to the SANITATION DISTRICT except for nonpayment of premium, which shall require not less than ten (10) days written notice to the SANITATION DISTRICT. Should there be changes in coverage or an increase in deductible or SIR amounts, the CONSULTANT and its insurance broker/agent shall send to the SANITATION DISTRICT a certified letter which includes a description of the changes in coverage and/or any increase in deductible or SIR amounts. The certified letter must be sent to the attention of Risk Management, and shall be received by the SANITATION DISTRICT not less than thirty (30) days prior to the effective date of the change(s) if the change would reduce coverage or increase deductibles or SIR amounts or otherwise reduce or limit the scope of insurance coverage provided to the SANITATION DISTRICT.

J. Primary Insurance

All liability policies shall contain a Primary and Non-Contributory Clause. Any other insurance maintained by the SANITATION DISTRICT shall be excess and not contributing with the insurance provided by CONSULTANT.

K. Separation of Insured

All liability policies shall contain a "Separation of Insureds" clause.

L. Non-Limiting (if applicable)

Nothing in this document shall be construed as limiting in any way, nor shall it limit the indemnification provision contained in this Agreement, or the extent to which CONSULTANT may be held responsible for payment of damages to persons or property.

M. Deductibles and Self-Insured Retentions

Any deductible and/or self-insured retention must be declared to the SANITATION DISTRICT on the Certificate of Insurance. All deductibles and/or self-insured retentions require approval by the SANITATION DISTRICT. At the option of the

SANITATION DISTRICT, either: the insurer shall reduce or eliminate such deductible or self-insured retention as respects the SANITATION DISTRICT; or the CONSULTANT shall provide a financial guarantee satisfactory to the SANITATION DISTRICT guaranteeing payment of losses and related investigations, claim administration and defense expenses.

N. Defense Costs

Liability policies shall have a provision that defense costs for all insureds and additional insureds are paid in addition to and do not deplete any policy limits.

O. Subconsultants

The CONSULTANT shall be responsible to establish insurance requirements for any Subconsultant hired by the CONSULTANT. The insurance shall be in amounts and types reasonably sufficient to deal with the risk of loss involving the Subconsultant's operations and work.

P. Limits Are Minimums

If the CONSULTANT maintains higher limits than any minimums shown above, then SANITATION DISTRICT requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT.

8. SCOPE CHANGES

In the event of a change in the Scope of Work, requested by SANITATION DISTRICT, the parties hereto shall execute an amendment to this Agreement setting forth with particularity all terms of the new Agreement, including but not limited to any additional CONSULTANT's fees.

9. PROJECT TEAM AND SUBCONSULTANTS

CONSULTANT shall provide to SANITATION DISTRICT, prior to execution of this Agreement, the names and full description of all Subconsultants and CONSULTANT's project team members anticipated to be used on this project by CONSULTANT. CONSULTANT shall include a description of the scope of work to be done by each Subconsultant and each CONSULTANT's project team member. CONSULTANT shall include the respective compensation amounts for CONSULTANT and each Subconsultant on a per-project-element basis, broken down as indicated in Section 2 - COMPENSATION.

There shall be no substitution of the listed Subconsultants and CONSULTANT's project team members without prior written approval by the SANITATION DISTRICT.

10. ENGINEERING REGISTRATION

The CONSULTANT's personnel are comprised of registered engineers and a staff of specialists and draftsmen in each department. The firm itself is not a registered engineer but represents and agrees that wherever in the performance of this Agreement requires the services of a registered engineer, such services hereunder will be performed under the direct supervision of registered engineers.

11. AUDIT PROVISIONS

A. SANITATION DISTRICT retains the reasonable right to access, review, examine, and audit, any and all books, records, documents and any other evidence of procedures and practices that the SANITATION DISTRICT determines are necessary to discover and verify that the CONSULTANT is in compliance with all requirements under this Agreement. The CONSULTANT shall include the SANITATION DISTRICT's right as described above, in any and all of their subcontracts, and shall ensure that these rights are binding upon all Subconsultants.

B. SANITATION DISTRICT retains the right to examine CONSULTANT's books, records, documents and any other evidence of procedures and practices that the SANITATION DISTRICT determines are necessary to discover and verify all direct and indirect costs, of whatever nature, which are claimed to have been incurred, or anticipated to be incurred or to ensure CONSULTANT's compliance with all requirements under this Agreement during the term of this Agreement and for a period of three (3) years after its termination.

C. CONSULTANT shall maintain complete and accurate records in accordance with generally accepted industry standard practices and the SANITATION DISTRICT's policy. The CONSULTANT shall make available to the SANITATION DISTRICT for review and audit, all project related accounting records and documents, and any other financial data within 15 days after receipt of notice from the SANITATION DISTRICT. Upon SANITATION DISTRICT's request, the CONSULTANT shall submit exact duplicates of originals of all requested records to the SANITATION DISTRICT. If an audit is performed, CONSULTANT shall ensure that a qualified employee of the CONSULTANT will be available to assist SANITATION DISTRICT's auditor in obtaining all project related accounting records and documents, and any other financial data.

12. LEGAL RELATIONSHIP BETWEEN PARTIES

The legal relationship between the parties hereto is that of an independent contractor and nothing herein shall be deemed to make CONSULTANT an employee of the SANITATION DISTRICT.

13. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid.

Notices shall be mailed to the SANITATION DISTRICT at:

ORANGE COUNTY SANITATION DISTRICT
10844 Ellis Avenue
Fountain Valley, CA 92708-7018
Attention: Digna Olmos, Principal Contracts Administrator
Copy: Tom Grant, Project Manager

Notices shall be mailed to CONSULTANT at:

HDR Engineering, Inc.
3230 El Camino Real, Suite 200
Irvine, CA 92602
Attention: Aaron Meilleur, Principal in Charge
Copy: Janelle Moyer, Project Manager

All communication regarding the Scope of Work, will be addressed to the Project Manager. Direction from other SANITATION DISTRICT's staff must be approved in writing by the SANITATION DISTRICT's Project Manager prior to action from the CONSULTANT.

14. TERMINATION

The SANITATION DISTRICT may terminate this Agreement at any time, without cause, upon giving thirty (30) days written notice to CONSULTANT. In the event of such termination, CONSULTANT shall be entitled to compensation for work performed on a prorated basis through and including the effective date of termination.

CONSULTANT shall be permitted to terminate this Agreement upon thirty (30) days written notice only if CONSULTANT is not compensated for billed amounts in accordance with the provisions of this Agreement, when the same are due.

Notice of termination shall be mailed to the SANITATION DISTRICT and/or CONSULTANT in accordance with Section 13 - NOTICES.

15. DOCUMENTS AND STUDY MATERIALS

The documents and study materials for this project shall become the property of the SANITATION DISTRICT upon the termination or completion of the work. CONSULTANT agrees to furnish to the SANITATION DISTRICT copies of all memoranda, correspondence, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by the SANITATION DISTRICT.

16. COMPLIANCE

A. Labor

CONSULTANT certifies by the execution of this Agreement that it pays employees not less than the minimum wage as defined by law, and that it does not discriminate in its employment with regard to race, color, religion, sex or

national origin; that it is in compliance with all federal, state and local directives and executive orders regarding non-discrimination in employment; and that it agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Air Pollution

CONSULTANT and its subconsultants and subcontractors shall comply with all applicable federal, state, and local air pollution control laws and regulations.

17. AGREEMENT EXECUTION AUTHORIZATION

Both the SANITATION DISTRICT and CONSULTANT do covenant that each individual executing this document by and on behalf of each party is a person duly authorized to execute agreements for that party.

18. DISPUTE RESOLUTION

In the event of a dispute arising between the parties regarding performance or interpretation of this Agreement, the dispute shall be resolved by binding arbitration under the auspices of the Judicial Arbitration and Mediation Service (“JAMS”), or similar organization or entity conducting alternate dispute resolution services.

19. ATTORNEY'S FEES, COSTS AND NECESSARY DISBURSEMENTS

If any action at law or in equity 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 it may be entitled.

20. PROGRESS REPORTS

Monthly progress reports shall be submitted for review by the tenth day of the following month and must include as a minimum: 1) current activities, 2) future activities, 3) potential items that are not included in the Scope of Work, 4) concerns and possible delays, 5) percentage of completion, and 6) budget status.

21. WARRANTY

CONSULTANT shall perform its services in accordance with generally accepted industry and professional standards. If, within the 12-month period following completion of its services, the SANITATION DISTRICT informs CONSULTANT that any part of the services fails to meet those standards, CONSULTANT shall, within the time prescribed by the SANITATION DISTRICT, take all such actions as are necessary to correct or complete the noted deficiency(ies).

22. INDEMNIFICATION

To the fullest extent permitted by law, CONSULTANT shall indemnify, defend (at CONSULTANT's sole cost and expense and with legal counsel approved by the SANITATION DISTRICT, which approval shall not be unreasonably withheld), protect and hold harmless the SANITATION DISTRICT and all of SANITATION DISTRICT's officers, directors, employees, consultants, and agents (collectively the "Indemnified Parties"), from and against any and all claims, damages, liabilities, causes of action, suits, arbitration awards, losses, judgments, fines, penalties, costs and expenses including without limitation, attorneys' fees, disbursements and court costs, and all other professional, expert or consultants fees and costs and the SANITATION DISTRICT's general and administrative expenses (individually, a "Claim", or collectively, "Claims") which may arise from or are in any manner related, directly or indirectly, to any work performed, or any operations, activities, or services provided by CONSULTANT in carrying out its obligations under this Agreement to the extent of the negligent, recklessness and/or willful misconduct of CONSULTANT, its principals, officers, agents, employees, CONSULTANT's suppliers, consultants, subconsultants, subcontractors, and/or anyone employed directly or indirectly by any of them, regardless of any contributing negligence or strict liability of an Indemnified Party. Notwithstanding the foregoing, nothing herein shall be construed to require CONSULTANT to indemnify the Indemnified Parties from any Claim arising from:

(A) the sole or active negligence or willful misconduct of the Indemnified Parties; or

(B) a natural disaster or other act of God, such as an earthquake; or

(C) the independent action of a third party who is neither one of the Indemnified Parties nor the CONSULTANT, nor its principal, officer, agent, employee, nor CONSULTANT's supplier, consultant, subconsultant, subcontractor, nor anyone employed directly or indirectly by any of them.

Exceptions (A) through (B) above shall not apply, and CONSULTANT shall, to the fullest extent permitted by law, indemnify the Indemnified Parties, from Claims arising from more than one cause if any such cause taken alone would otherwise result in the obligation to indemnify hereunder.

CONSULTANT's liability for indemnification hereunder is in addition to any liability CONSULTANT may have to the SANITATION DISTRICT for a breach by CONSULTANT of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit CONSULTANT's indemnification obligation or other liability hereunder.

The terms of this Agreement are contractual and the result of negotiation between the parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement.

23. DUTY TO DEFEND

The duty to defend hereunder is wholly independent of and separate from the duty to indemnify and such duty to defend shall exist regardless of any ultimate liability of CONSULTANT and shall be consistent with Civil Code Section 2782.8. Such defense obligation shall arise immediately upon presentation of a Claim by any person if, without regard to the merit of the Claim, such Claim could potentially result in an obligation to indemnify one or more Indemnified Parties, and upon written notice of such Claim being provided to CONSULTANT. Payment to CONSULTANT by any Indemnified Party or the payment or advance of defense costs by any Indemnified Party shall not be a condition precedent to enforcing such Indemnified Party's rights to indemnification hereunder. In the event a final judgment, arbitration, award, order, settlement, or other final resolution expressly determines that the claim did not arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT, to any extent, then the DISTRICT will reimburse CONSULTANT for the reasonable costs of defending the Indemnified Parties against such claims.

CONSULTANT's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until such time as action against the Indemnified Parties for such matter indemnified hereunder is fully and finally barred by the applicable statute of limitations.

24. CONSULTANT PERFORMANCE

The CONSULTANT's performance shall be evaluated by the SANITATION DISTRICT. A copy of the evaluation shall be sent to the CONSULTANT for comment. The evaluation, together with the comments, shall be retained by the SANITATION DISTRICT and may be considered in future CONSULTANT selection processes.

25. COMPLIANCE WITH SANITATION DISTRICT POLICIES AND PROCEDURES

CONSULTANT shall comply with all SANITATION DISTRICT policies and procedures including the OCSD Safety Standards, as applicable, all of which may be amended from time to time.

26. CLOSEOUT

When the SANITATION DISTRICT determines that all Work authorized under the Agreement is fully complete and that the SANITATION DISTRICT requires no further work from CONSULTANT, or the Agreement is otherwise terminated or expires in accordance with the terms of the Agreement, the SANITATION DISTRICT shall give the Consultant written notice that the Agreement will be closed out. CONSULTANT shall submit all outstanding billings, work submittals, deliverables, reports or similarly related documents as required under the Agreement within thirty (30) days of receipt of notice of Agreement closeout.

Upon receipt of CONSULTANT's submittals, the SANITATION DISTRICT shall commence a closeout audit of the Agreement and will either:

i. Give the CONSULTANT a final Agreement Acceptance: or

ii. Advise the CONSULTANT in writing of any outstanding item or items which must be furnished, completed, or corrected at the CONSULTANT's cost.

CONSULTANT shall be required to provide adequate resources to fully support any administrative closeout efforts identified in this Agreement. Such support must be provided within the timeframe requested by the SANITATION DISTRICT.

Notwithstanding the final Agreement Acceptance the CONSULTANT will not be relieved of its obligations hereunder, nor will the CONSULTANT be relieved of its obligations to complete any portions of the work, the non-completion of which were not disclosed to the SANITATION DISTRICT (regardless of whether such nondisclosures were fraudulent, negligent, or otherwise); and the CONSULTANT shall remain obligated under all those provisions of the Agreement which expressly or by their nature extend beyond and survive final Agreement Acceptance.

Any failure by the SANITATION DISTRICT to reject the work or to reject the CONSULTANT's request for final Agreement Acceptance as set forth above shall not be deemed to be acceptance of the work by the SANITATION DISTRICT for any purpose nor imply acceptance of, or agreement with, the CONSULTANT's request for final Agreement Acceptance.

27. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all previous negotiations between them pertaining to the subject matter thereof.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, this Agreement has been executed in the name of the SANITATION DISTRICT, by its officers thereunto duly authorized, and CONSULTANT as of the day and year first above written.

CONSULTANT: HDR ENGINEERING, INC.

By _____
Date

_____
Printed Name & Title

ORANGE COUNTY SANITATION DISTRICT

By _____
David John Shawver Date
Board Chairman

By _____
Kelly A. Lore Date
Clerk of the Board

By _____
Ruth Zintzun Date
Purchasing & Contracts Manager

Attachments: Attachment “A” – Scope of Work
Attachment “D” – Allowable Direct Costs
Attachment “E” – Fee Proposal Form
Attachment “I” – Cost Matrix & Summary
Attachment “L” – OCSD Safety Standards

DO:ms

ATTACHMENT “A”

SCOPE OF WORK

HEADQUARTERS COMPLEX SITE PREPARATION

CONTRACT NO. P1-128C

PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT
REQUEST FOR PROPOSAL

ATTACHMENT A – SCOPE OF WORK

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Task 6.1 – Final Inspection and Punch Lists 7
Task 6.2 – Record Drawings 7

IV. STAFF ASSISTANCE **8**

I. SUMMARY

Provide construction engineering support services for the construction and installation, commissioning, and closeout phases of this project.

II. PROJECT SCHEDULE

The schedule for the services specified in this Scope of Work shall be provided per the construction contract schedule, and the following schedule constraints:

Task(s)	Period of Performance
Submittals	As described under Task 4.3 titled "Submittal Reviews"
Requests for Information	As described under Task 4.4 titled "Requests for Information (RFIs)"
Record Drawings	Draft Record Drawings shall be submitted to OCSD within 60 days of receipt from OCSD of the approved Contractor's As-Built Drawings. The final Record Drawings shall be submitted within 21 days of receipt of OCSD comments on the Draft Record Drawings.

III. PROJECT IMPLEMENTATION

All Orange County Sanitation District (OCSD) projects are divided into six phases. CONSULTANT shall provide engineering support services for Phase 4 Construction and Installation Services, Phase 5 Commissioning, and Phase 6 Closeout.

Phase 1 – Project Development – *Completed*
Phase 2 – Preliminary Design – *Completed*
Phase 3 – Final Design – *Completed*
Phase 4 – Construction and Installation Services
Phase 5 – Commissioning Services – Not Used
Phase 6 – Closeout

PHASE 4 – CONSTRUCTION AND INSTALLATION SERVICES

OCSD will administer and provide field inspection for construction contract. Construction and support services shall be provided by the CONSULTANT as requested by OCSD.

CONSULTANT shall provide the key management personnel as described in their proposal on this project. CONSULTANT shall not reassign the key project personnel without prior approval of OCSD. OCSD may request reassignment of any of the CONSULTANT's or their subconsultant's personnel, based on that individual's performance.

For all services, CONSULTANT shall refer to Engineering Design Guidelines, Chapter 01 for detailed requirements.

Quality Assurance/Quality Control (QA/QC): CONSULTANT shall administer a program of QA/QC procedures for producing quality work and shall effectively manage and control the work. Specific procedures shall include but not be limited to planning, coordination, tracking, checking, reviewing, and scheduling the work. CONSULTANT shall subject all work products prepared by the CONSULTANT to the CONSULTANT's in-house QA/QC procedures prior to

submittal to Orange County Sanitation District (OCSD). QA/QC hours and costs shall be incorporated into other tasks within this Scope of Work.

Task 4.1 – Project Management

CONSULTANT shall be responsible for detailed management of the project, including managing its subconsultants, and shall keep OCSD apprised of the status of the project.

CONSULTANT shall not reassign the key personnel without prior acceptance by OCSD. OCSD may request reassignment of any of the CONSULTANT's personnel, based on that individual's poor performance.

CONSULTANT shall conduct monthly project management meetings with OCSD's Project Manager. These meetings shall be attended by OCSD's Project Manager and CONSULTANT's Project Manager at a mutually agreeable time. The purpose of the meetings shall be to review the CONSULTANT Project Manager's progress report and the status of the project scope, budget, and any issues which may affect completion of the project. Meetings should be arranged so that the progress report can be submitted shortly prior to or at each meeting.

CONSULTANT shall prepare and submit monthly invoices to OCSD no later than the second Wednesday of the following month. The invoices shall document the hours and billing rate for each person that works on the project for each task in the WBS. Overhead, profit, and any direct costs shall also be shown for each task. As part of the summary section of the invoice, CONSULTANT shall also include the following information:

- Budget
- Current billing period invoicing
- Previous billing period "total invoiced to date"
- Budget amount remaining
- Current billing period "total percent invoice to date"
- Current billing period "total percent completed to date"

The monthly progress report and project schedule shall be submitted with the project invoice as part of the monthly request for payment.

CONSULTANT shall also provide the percent budget spent for each of OCSD's WBS cost codes (i.e. by work package and phase). OCSD shall provide a list of cost codes by phase to the CONSULTANT.

CONSULTANT shall also provide a summary of progress and expenditures to date.

OCSD will provide a sample invoice structure to CONSULTANT at the beginning of the project.

Task 4.2 – Initial Project Meetings

4.2.1 - Construction Hand-Off Workshop

CONSULTANT shall participate in a one-hour construction hand-off workshop. The purpose of the workshop is for the CONSULTANT and OCSD design teams to transfer project-specific knowledge to the OCSD construction management and inspection staff who will be managing and monitoring construction. Topics that might be covered in this meeting include the following:

- Overview of objective of the project
- Review of project elements

- Review of sequencing constraints
- Key issues to be addressed during construction
- Identification of risks and discussions of contingency plans

The workshop will be led by OCSD's Project Engineer and CONSULTANT's Project Discipline Leads. CONSULTANT shall include its Project Manager, and Project Engineer, and one other discipline lead.

4.2.2 - PMWeb Procedures Meeting and Submittal Review Procedures

CONSULTANT shall participate in a one-hour PMWeb procedure meeting and Submittal Procedure Meeting. The purpose of this meeting is to review the roles and logistics for review and approval of construction contract documents and Contractor Submittals. The CONSULTANT's Project Manager and Project Engineer shall attend in person.

The project will utilize PMWeb as the web-based Project Control Management System (PCMS). The PCMS shall be utilized for Project communication, tracking, and management. PCMS utilization is to facilitate the electronic exchange of information, the automation of key processes, and the overall management of the contract. When required by the OCSD, paper documents shall also be provided. In the event of discrepancy between the electronic version and paper documents, the electronic documents within PCMS shall govern.

4.2.3 - Preconstruction Conference

CONSULTANT shall participate in a one-hour Preconstruction Conference attended by OCSD staff, CONSULTANT, the Contractor, subcontractors, and vendors. This meeting will be scheduled and presided over by OCSD. In this meeting, OCSD's Resident Engineer will describe CONSULTANT's role in the project as the Design Engineer and the services CONSULTANT shall provide during construction. OCSD will prepare meeting minutes and CONSULTANT shall review and comment on the minutes.

Task 4.3 – Submittal Reviews

OCSD will receive and log-in all submittals from the Contractor. OCSD will forward copies of selected shop drawing and submittals requiring CONSULTANT review. CONSULTANT shall review the shop drawings and submittals for conformance with the requirements of the Contract Documents and return the submittal review comments to OCSD within ten calendar days after receipt of submittal. CONSULTANT shall return comments to OCSD allowing enough time for OCSD to incorporate all comments into a combined review comment set that OCSD will return to the Contractor. CONSULTANT shall accommodate occasional expedited reviews for time sensitive submittals. Submittals shall include but not be limited to shop drawings, vendor tests, certifications, and test reports. All submittals will be made available electronically (PDF) through PMWeb.

See Section V - "Quantitative Assumptions" in this Scope of Work for the estimated number of submittals.

Task 4.4 – Request for Information (RFIs)

OCSD will log in and forward to CONSULTANT certain RFIs generated by the Contractor or OCSD. CONSULTANT shall return written responses to OCSD as soon as possible or within three calendar days of receipt of RFI, clarifying the requirements of the Contract Documents. CONSULTANT shall generate necessary sketches, figures, and modifications to the drawings

for clarifications. When required to avoid schedule delay or additional construction-related costs, CONSULTANT shall expedite the review of time sensitive RFIs.

If any changes to the Contract Drawings are required, the CONSULTANT shall prepare these drawings and submit them as PDF files to OCSD. The CONSULTANT shall update all AutoCAD drawings and specifications upon OCSD acceptance of any changes resulting from RFIs and change orders.

CONSULTANT shall also allocate time for required efforts to analyze and provide input on issues that may arise on a weekly basis.

See Section V- "Quantitative Assumptions" in this Scope of Work for the estimated number of RFIs.

Task 4.5 – Contract Document Modifications, Design Changes and Change Orders

If the Contract Documents require modifications due to changed conditions, OCSD requested changes, omissions, or design errors; CONSULTANT shall prepare preliminary Request for Proposal (RFP) documents and forward them to OCSD, as needed. OCSD shall review the RFP and request CONSULTANT to incorporate any changes. OCSD will issue the change order documents in a formal Request for Proposal (RFP) or Field Change Order (FCO) to the Contractor. CONSULTANT shall forward design calculations and other design backup documents as necessary to OCSD.

Any Contract Document that requires changes shall be identified with date of change and reference (RFI number, RFP number, FCO number, etc.) shown on the document. Changes shown on drawings shall be clearly marked and "clouded" for accurate identification of the scope of change by the Contractor and inspection staff. CONSULTANT shall maintain up-to-date Contract Documents. When a change is required on a Contract Drawing that has previously undergone a change, the updated drawing showing the previous change shall be used as the base document to identify new changes.

CONSULTANT shall submit complete change documentation to OCSD for use in RFIs, RFPs, and FCOs. This change documentation shall include plan drawings, schematics, details, schedules, and specifications, as required.

CONSULTANT shall prepare cost estimates for the changes when requested by OCSD.

See Section V- "Quantitative Assumptions" in this Scope of Work for the estimated number of hours.

Task 4.6 – Construction Progress Meetings and Site Visits

CONSULTANT shall attend construction progress meetings, as requested by the OCSD's Resident Engineer. The scope shall include time for meeting preparation, travel time, follow-up, and review of meeting minutes. Progress meeting minutes will be prepared by OCSD.

CONSULTANT shall attend or be available by phone for an internal one-hour construction weekly progress meetings.

CONSULTANT shall make field visits to assist in field problem resolution and design clarification/verification to help resolve construction issues as they arise and as requested by OCSD. CONSULTANT shall report the nature of the field site visits, the problem resolved, and identify staff requesting the site visit in CONSULTANT's monthly project report. OCSD will provide project inspection, except as required in other sections of this scope.

See Section V- “Quantitative Assumptions” in this Scope of Work for the estimated number of hours.

Task 4.7 – Specialty Services

4.7.1 Geotechnical Engineering Services

CONSULTANT shall provide field personnel to provide field geotechnical engineering services as they may be needed during the course of the project.

See Section V- “Quantitative Assumptions” in this Scope of Work for the estimated number of hours.

PHASE 5 – COMMISSIONING SERVICES – NOT USED

PHASE 6 – CLOSEOUT

Closeout tasks include completion of punch list work by the Contractor, final inspection, completion of record drawings, and electronic data. CONSULTANT shall submit a final invoice at the completion of the project.

Task 6.1 – Final Inspection and Punch Lists

CONSULTANT’s construction coordinator shall attend the final inspection job walk with the Contractor and OCSD staff. CONSULTANT shall make recommendations on the completion of the work including, but not limited to, completion of punch list items, site cleanup, and SWPPP.

CONSULTANT shall assist OCSD in developing punch lists of items required to be completed prior to final acceptance of the project by OCSD.

Task 6.2 – Record Drawings

When requested by OCSD, CONSULTANT shall attend preliminary as-built meetings with OCSD and Contractor and shall inspect the Contractor’s as-built drawings to verify that the Contractor has included all relevant information from approved change orders and RFIs. As part of the review process, CONSULTANT shall verify that the Contractor’s as-built set correctly reflects the information included in the approved shop drawings, RFIs, approved Field Change Orders, plan clarifications, plan changes, and other deviations from the conformed drawings, and that the information in the set is complete. CONSULTANT shall allow for four (4) meetings/visits per year to review CONTRACTOR’s as-built/markup drawings. CONSULTANT shall transpose the As-Built set to a CAD ready set after each meeting.

After Final Completion of the project OCSD will transmit to CONSULTANT the Final Field Markup Set of drawings. At that time, the CONSULTANT shall meet with OCSD’s inspectors and Resident Engineer to review the Contractor’s Final Field Markup Set.

CONSULTANT shall prepare Draft Record Drawings based on the Final Field Markup Set for all drawings in accordance with the requirements in the CAD Manual. The CONSULTANT shall submit the Draft Record Drawings to the OCSD Resident Engineer. The Draft Record Drawings will be reviewed for content and CAD compliance by OCSD staff. A comment log will be returned to the CONSULTANT and, if any comments are generated, the CONSULTANT shall revise the record drawings and resubmit to the RE for review of the changes and acceptance of the record drawings.

When no additional comments are identified, CONSULTANT shall prepare the Final Record Drawings and submit them along with the Contractor's field markup set to the Project Manager. All record drawings shall contain a stamp indicating:

> "Record Drawings
>
> These record drawings have been prepared based on information provided by others. The Engineer has not verified the accuracy of this information and shall not be responsible for any errors or omissions which may be herein as a result."

The stamp shall optimally be placed in the bottom right-hand corner of the border and may be included via x-ref. If importing the stamp via x-ref interferes with content in the bottom right hand corner, the stamp may also be placed in other open space along the bottom of the border. In addition, a note shall be placed over the engineer's seal stating that "This drawing was originally approved for construction by [name of engineer] on [date] and sealed by [name of engineer] a licensed professional engineer in the State of California No. [License number] ". CONSULTANT shall submit an electronic copy of the record drawings to OCSD for review and approval. The acceptance of the record drawings shall be deemed a condition for completion of work.

Contractor-generated drawings described in the Design Guidelines and the shop drawings will not be updated by CONSULTANT.

The format and quantities for delivery of the submittals shall be listed below:

Contents	Draft Record Drawings	Final Record Drawings
Hard Copy Sets	None	None
All related electronic files, including CAD and compiled PDFs	Transmit Electronic Files to OCSD	Transmit Electronic Files to OCSD

IV. STAFF ASSISTANCE

OCSD staff member or designee assigned to work with CONSULTANT on the construction phase of this project is Tom Grant at (714) 593-7287, e-mail to: tgrant@ocsd.com

V. QUANTITATIVE ASSUMPTIONS

The assumptions listed in the following table below shall be the basis for the assumed level of effort.

Task	Description	Assumption
4.1	Project Management	10 months duration from construction NTP to construction completion
4.3	Submittals	30 original submittals 15 resubmittals 10 2nd and later resubmittals
4.4	Requests for Information	40 RFIs
4.4	Weekly Assistance	80 hrs (2 hours/week during active construction)
4.5	Contract Document Modifications, Design changes and Change Orders	120 hrs
4.6	On-Site Meetings & Site Visits (not including meetings specified in Task 4.2)	10 visits @ 2 hours each 25 progress Meetings @ 1 hour each
4.7.1	Geotechnical Engineering Support	80 hours

ATTACHMENT “D”

ALLOWABLE DIRECT COSTS

ATTACHMENT D
ALLOWABLE DIRECT COSTS

LONG DISTANCE TELEPHONE CHARGES	All long distance telephone charges incurred will be reimbursed as direct costs. Telephone charges to area codes serving Los Angeles, Orange, Riverside, and San Bernardino Counties will not be reimbursed.
FACSIMILE TRANSMISSION CHARGES	Facsimile transmission charges will not be reimbursed, except the long distance toll charges, as described above.
REPRODUCTION AND PRINTING CHARGES	In-house reproduction of records and documents will not be reimbursed by the SANITATION DISTRICT. Use of an outside copy service for specialty items and volume reproduction will be reimbursed at direct cost. Use of a professional printing service will be reimbursed at actual cost.
OVERNIGHT MAIL DELIVER AND MESSENGER SERVICE	Use of Federal Express, Express Mail, UPS, or such similarly-related service, as well as a messenger service, will be reimbursed at direct cost only when necessary.
POSTAGE	Incidental postage will not be reimbursed by the SANITATION DISTRICT.
FILM PROCESSING	Film processing will be reimbursed at actual cost.
COMPUTER USAGE	Computer use by Consultant and/or support staff will not be reimbursed.
MILEAGE	Per mile reimbursement will be at the current rate set by the Internal Revenue Service.
TEMPORARY STAFF	The use of outside temporary support staff will be reimbursed at direct cost with prior approval of the SANITATION DISTRICT.
OFFICE SUPPLIES	The purchase of office supplies by Consultant will not be reimbursed.
LODGING	The cost of lodging including room and all applicable taxes will be reimbursed on a per diem basis as an allowable maximum as established by U.S. General Service Administration. Lodging incidentals as defined by IRS are included in the per diem rates. Lodging personal incidentals including movies, internet, laundry service, valet service, room service, etc., will not be reimbursed. Receipts must be provided for the actual incurred cost. Cancellations of the hotel reservations by the Consultant must be per the hotel policy. Late cancellations, early or late departure will not be reimbursed by the SANITATION DISTRICT.
GROUND TRANSPORTATION	The cost of ground transportation for taxi, shuttle, train, etc., will be reimbursed. Limousine service will not be reimbursed. The Consultant shall use the most economic and practical mode of transportation that is reasonably available.

AIRFARE	Airline ticket cost including one bag will be reimbursed only if pre-approved by the SANITATION DISTRICT. First class tickets will not be reimbursed unless pre-approved by the SANITATION DISTRICT. Membership dues for corporate card frequent user programs or the cost of airline club membership will not be reimbursed.
AUTO RENTAL	Rental car cost for intermediate or standard model, mid-size car (Class “C”) or the smaller car compatible with the specific need and rental car gas will be reimbursed. Receipts must be provided to substantiate requested reimbursements.
PARKING FEE	Parking fees for hotel, airport, rail station, etc. will be reimbursed. Consultant shall use the most economic and practical parking location as reasonably available. Excessive parking fees that are deemed unreasonable by the SANITATION DISTRICT will not be reimbursed.
TRAVEL MEALS	Travel meals will be reimbursed on a per diem basis as established by U.S. General Service Administration. Per diem rates include gratuities (tips) and will not be separately reimbursed by the SANITATION DISTRICT. Personal expenses such as cost of alcoholic beverages will not be reimbursed. No receipts are required for the approved meals. The daily total reimbursement for meals shall not exceed the SANITATION DISTRICT per diem rate which is available upon request.
PER DIEM DAILY RATE FOR LODGING AND MEALS	The SANITATION DISTRICT may utilize per diem daily rate that includes lodging, meals and incidentals (M&IE) as established by IRS and U.S. General Service administration for pre-approved travel when reasonable.
RENTAL EQUIPMENT	Consultant will be reimbursed at actual cost, no mark-up.
OTHER DIRECT COSTS	OCSD may authorize other items that may be necessitated due to modifications in scope of work resulting from field investigations and field work required by Contract. These items may include special equipment, test equipment and tooling and other materials and services not previously identified. These items will be reimbursed based on actual cost incurred. A one-time mark-up of 15% for additional equipment rentals, materials and outside services required for field work and investigations may be allowed, as applicable, if justified. No additional markup is allowed by Consultant on other direct costs resulting from work performed by its Contractors.
MISCELLANEOUS	Cost of miscellaneous personal items such as, but not limited to newspapers, toiletries, shoeshine, tobacco products, pay TV, movies, valet services, health club charges, in-room mini bars, clothing and footwear will not be reimbursed. ATM/bank fees incurred by Consultant while traveling will not be reimbursed. Costs for project team lunches will not be reimbursed unless pre-approved by the SANITATION DISTRICT.

ATTACHMENT “E”

FEE PROPOSAL FORM

ATTACHMENT "E"
FEE PROPOSAL FORM

Submitted by: HDR Inc.
(Name of Firm)

Consultant Name:		HDR Inc.			
Raw Labor		$ 58,169			
Fringe Costs	49.85%	$ 28,997			
		Burdened Labor (Raw Labor + Fringe)		$ 87,166	
		Overhead	81.56%	$ 71,093	
				Subtotal (Burdened labor + OH)	**$ 158,259**
Note: Round all values to nearest dollar.				Profit (% of Subtotal) 10.00%	$ 15,826
				Total Direct Costs, not to exceed	$ 3,915
TOTAL - "Consultant" Not to Exceed					**$ 178,000**

Major Subconsultant A Name:					
Raw Labor					
Fringe Costs		$ -			
		Burdened Labor (Raw Labor + Fringe)		$ -	
		Overhead		$ -	
				Subtotal (Burdened labor + OH)	**$ -**
Note: Round all values to nearest dollar.				Profit (% of Subtotal) 10.00%	$ -
				Total Direct Costs, not to exceed	
TOTAL - Major Subconsultant A Not to Exceed					**$ -**

ATTACHMENT "E"
FEE PROPOSAL FORM

Submitted by: HDR Inc.
(Name of Firm)

Major Subconsultant B Name:					
Raw Labor					
Fringe Costs		$ -			
		Burdened Labor (Raw Labor + Fringe)		$ -	
		Overhead		$ -	
Note: Round all values to nearest dollar.			**Subtotal** (Burdened labor + OH)		**$ -**
			Profit (% of Subtotal)	10.00%	$ -
			Total Direct Costs, not to exceed		
TOTAL - Major Subconsultant B Not to Exceed					**$ -**

Major Subconsultant C Name:					
Raw Labor					
Fringe Costs		$ -			
		Burdened Labor (Raw Labor + Fringe)		$ -	
		Overhead		$ -	
Note: Round all values to nearest dollar.			**Subtotal** (Burdened labor + OH)		**$ -**
			Profit (% of Subtotal)	10.00%	$ -
			Total Direct Costs, not to exceed		
TOTAL - Major Subconsultant C Not to Exceed					**$ -**

ATTACHMENT "E"
FEE PROPOSAL FORM

Submitted by: HDR Inc.
(Name of Firm)

Subconsultants Under $100,000		
Subconsultant 1		
Subconsultant 2		
Subconsultant 3		
Subconsultant 4		
Subconsultant 5		
TOTAL - Subconsultants Under $100,000		**$ -**

SUMMARY	
Consultant	$ 178,000
Major Subconsultant A	$ -
Major Subconsultant B	$ -
Major Subconsultant C	$ -
Subconsultants Under $100,000	$ -
GRAND TOTAL - Not to Exceed	**$ 178,000**

ATTACHMENT “I”

COST MATRIX & SUMMARY

HEADQUARTERS COMPLEX SITE PREPARATION, Contract No. P1-128C
PCSA
Attachment I - Cost Matrix and Summary

Project Element 1 Headquarters Complex Task Item	Labor hours															Total Hours	Raw Labor	Fringe Costs	Burdened Labor	Overhead	Burdened Labor & Overhead	Profit	Total Subs	Allowable Direct Costs	Total Fees
	Principal	Project Manager	Senior Project Engineer	Electrical Engineer	Staff Engineer	Lead Structural Engineer	Senior Geotech Engineer	Geotech Engineer	Geologist	Engineering Technician	Senior Project Architect	Project Architect	BIM/CADD Technician	Accounting Manager	Admin. Support											
Average Actual Salary	130.00	76.00	80.00	53.00	39.00	70.00	90.00	50.00	53.00	33.00	63.00	56.00	43.00	59.00	34.00			49.85%		81.56%		10.00%			
Fully Burdened Hourly Rate (includes payroll costs, OH, and Profit)																									
PHASE 4 - CONSTRUCTION AND INSTALLATION SERVICES																									
4.1 Project Management	16	106												32	16	170	12,568.00	6,265.15	18,833.15	15,360.32	34,193.46	3,419.35	0.00	1,250.00	38,862.81
4.2 Initial Project Meetings																0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.2.1 Construction Handoff Meeting		1	1													2	156.00	77.77	233.77	190.66	424.43	42.44	0.00	0.00	466.87
4.2.2 PMWeb Procedures Meeting & Submittal Review Procedures		4	4							4						12	756.00	376.87	1,132.87	923.97	2,056.83	205.68	0.00	0.00	2,262.51
4.2.3 Preconstruction Conference		1	1													2	156.00	77.77	233.77	190.66	424.43	42.44	0.00	0.00	466.87
4.3 Submittal Reviews	16	50	32	12	42				8	48	22					230	14,108.00	7,032.84	21,140.84	17,242.47	38,383.31	3,838.33	0.00	560.00	42,781.64
4.4 Request for Information (RFIs)	20	50	36	12	40	16			8	26	28		14			250	16,244.00	8,097.63	24,341.63	19,853.04	44,194.67	4,419.47	0.00	700.00	49,314.14
4.5 Contract Document Mods, Design Changes and Change Orders	8	4	12	4	32				4	8		20	28			120	6,564.00	3,272.15	9,836.15	8,022.37	17,858.52	1,785.85	0.00	300.00	19,944.37
4.6 Construction Progress Meetings and Site Visits		9	36													45	3,564.00	1,776.65	5,340.65	4,355.84	9,696.49	969.65	0.00	200.00	10,866.14
Subtotal - Phase 4 Construction and Installation Services	**60**	**225**	**122**	**28**	**114**	**16**	**0**	**0**	**20**	**86**	**50**	**20**	**42**	**32**	**16**	**831**	**54,116.00**	**26,976.83**	**81,092.83**	**66,139.31**	**147,232.13**	**14,723.21**	**0.00**	**3,010.00**	**164,965.35**
PHASE 6 - CLOSEOUT																									
6.2 Record Drawings	2	2	10		10								57			81	4,053.00	2,020.42	6,073.42	4,953.48	11,026.90	1,102.69	0.00	905.00	13,034.59
Subtotal - Phase 6 Closeout	**2**	**2**	**10**	**0**	**10**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**57**	**0**	**0**	**81**	**4,053.00**	**2,020.42**	**6,073.42**	**4,953.48**	**11,026.90**	**1,102.69**	**0.00**	**905.00**	**13,034.59**
TOTAL - PHASES 2 AND 3	**62**	**227**	**132**	**28**	**124**	**16**	**0**	**0**	**20**	**86**	**50**	**20**	**99**	**32**	**16**	**912**	**58,169.00**	**28,997.25**	**87,166.25**	**71,092.79**	**158,259.04**	**15,825.90**	**0.00**	**3,915.00**	**177,999.94**
Rounded - Use for Attach E - Fee Proposal Form																	**58,169.00**	**28,997.00**	**87,166.00**	**71,093.00**	**158,259.00**	**15,826.00**	**0.00**	**3,915.00**	**178,000.00**

Profit Calculations		
Min Threshold	250,000	10%
Max Threshold	2,500,000	5%
Proposed Burdened Labor & Overhead	158,259.04	10.00%

ATTACHMENT “L”

OCSD SAFETY STANDARDS

Orange County Sanitation District

ADMINISTRATION COMMITTEE

Agenda Report

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

File #: 2020-1116 **Agenda Date:** 6/24/2020 **Agenda Item No:** 10.

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

SUBJECT:

ENVIRONMENTAL REGULATORY REPORTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

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 19th of every year.

2. Annual and Semi-Annual Pretreatment Program Reports required by the Sanitation District's NDPES permit. Due October 31st and March 31st, 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 10th 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 15th 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, NOx, SOx, 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_2), methane (CH_4), and nitrous oxide (N_2O). 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_2 emissions, while Plant No. 2 reported approximately 34,920 metric tons of CO_2 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) 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)*

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Orange County
Sanitation District

Semi-Annual Pretreatment Program Report

Resource Protection Division

JULY - DECEMBER
Fiscal Year 2019/2020

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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:\dept\es\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,
R9pretreatment@epa.gov, and NPDES_Wastewater@waterboards.ca.gov

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

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

Permit / Certification Type	New Issuance	Deactivated	Effective During Reporting Period
Class I (SIU)	6	7	325
Class I Categorical (CIU)	*4*	*5*	*180*
Class I Non-Categorical	*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
TOTAL	23	24	522

chapter 2

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 1st – December 31st, 2019, and whether the violation(s) exceeded Federal Categorical Standard (FCS) Limits, OCSD Local Limits, or both.

TABLE 2.1 - INDUSTRIES WITH DISCHARGE VIOLATIONS July 1 - December 31, 2019
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		√

TABLE 2.1 - INDUSTRIES WITH DISCHARGE VIOLATIONS July 1 - December 31, 2019 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 17th and 19th, 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, Aluma 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, 2 019**. 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.

<u>July 1 – December 31, 2019</u>

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. O**n 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 208, 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 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 re-iterated 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 wastehauled 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 Hixon'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 Hixon'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, Hixon 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 conveyorized 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-methlpyrrolidone 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-smeared 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 wastehauled 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.

chapter 3

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 MG 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 bine 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 OCSD, 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.

TABLE 3.1 Summary of SAWPA and Member/Contract Agency Permittees in Significant Noncompliance (SNC), July 1 – December 31, 2019

EMWD, IEUA, JCSD, SBMWD, Valley District, SAWPA, & WMWD Permittees		
Company Name	**Permit No.**	**Reporting or Discharge Violation**
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

	July 19		August 19		September 19		Quarterly Average	
Average Daily Flow in MGD	10.6457		10.2861		11.0311		10.6543	
Pollutant	**mg/L**	**lb/day**	**mg/L**	**lb/day**	**mg/L**	**lb/day**	**mg/L**	**lb/day**
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
Total Metals	**0.0642**	**5.6956**	**0.0472**	**4.0491**	**0.0617**	**5.6733**	**0.0569**	**5.0526**
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
****= 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

	October 19		November 19		December 19		Quarterly Average	
Average Daily Flow in MGD	11.5526		11.3947		10.2591		11.0688	
Pollutant	**mg/L**	**lb/day**	**mg/L**	**lb/day**	**mg/L**	**lb/day**	**mg/L**	**lb/day**
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
Total Metals	**0.0491**	**4.7339**	**0.0674**	**6.4051**	**0.0952**	**8.1454**	**0.0675**	**6.2312**
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. Irvine, CA 92614	339114	471.14(a)	1	-	-		
9W Halo Western opCo, L.P.	1-600378	1575 N. Case St. Orange, CA 92867	812332	403.5(d)	2	10	2		
A & G Electropolish	1-531422	18330 Ward St. 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 Santa Ana, CA 92704	332812	403.5(d)	2	12	2		
A & R Powder Coating, Inc.	1-021088	1198 N. Grove St. Unit B Anaheim, CA 92806	332812	433.17(a)	3	12	3		
Access Business Group, LLC	1-531435	5600 Beach Blvd. Buena Park, CA 90621	325412	439.47	2	6	4		
Accurate Circuit Engineering	1-011138	3019 Kilson Drive Santa Ana, CA 92707	334412	433.17(a)	2	15	3		
Active Plating, Inc.	1-011115	1411 E. Pomona St. Santa Ana, CA 92705	332813	433.17(a)	2	17	29		
ADS Gold, Inc.	Z-321851	3843 E. Eagle Drive Anaheim, CA 92807	331410	433.17(a)	-	-	-		
Advance Tech Plating, Inc.	1-021389	1061 N. Grove St. Anaheim, CA 92806	332813	433.17(a)	3	27	6	Zinc	
Advanced Plating Technology	Z-371321	1765 N. Batavia St. Orange, CA 92865	332813	433.17(a)	1	-	-		
Air Industries Company, A PCC Company (Chapman)	1-031013	7100 Chapman Ave. Garden Grove, CA 92841	332722	403.5(d)	2	-	-		
Air Industries Company, A PCC Company (Knott)	1-531404	12570 Knott St. 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. Stanton, CA 90680	325611	417.166, 417.176, 417.36	2	12	2		
Alexander Oil Company	1-581185	19065 Stewart St. Huntington Beach, CA 92648	211111	403.5(d)	2	10	2		
All Metals Processing of O.C., Inc.	1-031110	8401 Standustrial St. Stanton, CA 90680	332813	433.17(a)	2	13	9		
Alliance Medical Products, Inc.	1-541182	9342 Jeronimo Road Irvine, CA 92618	325412	439.47	2	12	5		

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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		
Ameripec, 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		

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Andres Technical Plating	1-521798	1055 Ortega Way Unit C Placentia, CA 92870	332813	433.17(a)	2	9	10		
AnoChem Coatings	1-600295	1102 East Washington Ave. Santa Ana, CA 92701	332813	433.17(a)	2	15	5		
Anodyne, Inc.	1-511389	2230 S. Susan St. 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. 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 Anaheim, CA 92807	31193	403.5(d)	2	5	5		
Astech Engineered Products, Inc.	1-571295	3030 Red Hill Ave. Santa Ana, CA 92705	336412	433.17(a)	2	13	9		
Astech Engineered Products, Inc. # 2	Z-371320	3030 Red Hill Ave. 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. Costa Mesa, CA 92626	336413	433.17(a)	2	11	2		
Avid Bioservices, Inc.	1-571332	14191 Myford Road Tustin, CA 92780	325414	439.17, 439.27	1	2	2		
B&B Enameling, Inc.	Z-331432	17591 Sampson Ln. Huntington Beach, CA 92647	332812	433.17(a)	-	-	-		
B. Braun Medical, Inc. (East/Main)	1-071054	2525 Mcgaw Ave. Irvine, CA 92614	325412	439.47, 463.26, 463.36	2	12	5		

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B. Braun Medical, Inc. (North/Alton)	1-600382	2206 Alton Parkway Irvine, CA 92614	325412	439.47	2	8	5		
B. Braun Medical, Inc. (West/Lake)	1-541183	2525 Mcgaw Ave. Irvine, CA 92614	325412	439.47, 463.16, 463.26, 463.36	2	11	5		
Basic Electronics, Inc.	1-031094	11371 Monarch St. Garden Grove, CA 92841	334412	433.17(a)	2	11	2		
Bazz Houston Co.	1-031010	12700 Western Ave. Garden Grove, CA 92841	33211	403.5(d)	2	13	6		
Beckman Coulter, Inc.	1-521824	200 S. Kraemer Blvd. Brea, CA 92821	334516	433.17(a)	2	9	3		
Beo-Mag Plating	1-511370	3313 W. Harvard St. Santa Ana, CA 92704	332813	433.17(a)	2	8	12		
Bimbo Bakeries Usa, Inc.	1-521838	500 S. Placentia Ave. Placentia, CA 92870	311812	403.5(d)	2	11	2		
Black Oxide Industries, Inc.	1-021213	1735 N. Orangethorpe Park Anaheim, CA 92801	332812	433.17(a)	2	9	3		
Blue Lake Energy	1-521785	5837 Casson Drive Yorba Linda, CA 92886	211111	403.5(d)	2	9	2		
Bodycote Thermal Processing	1-031120	7474 Garden Grove Blvd. Westminster, CA 92683	332811	403.5(d)	3	34	2	Molybdenum	
Boeing Company (Graham)	1-111018	15400 Graham St. Huntington Beach, CA 92649	33641	433.17(a)	2	17	3		
Brasstech, Inc	1-600316	1301 E. Wilshire Ave. Santa Ana, CA 92705	332813	433.17(a)	2	9	4		
Brea Power II, LLC	1-521837	1935 Valencia Ave. Brea, CA 92823	221112	403.5(d)	3	13	1	pH	
Bridge Energy, LLC	1-600398	2744 Valencia Ave. Brea, CA 92821	211111	403.5(d)	2	11	3		
Bridgemark Corporation	1-521844	2930 E. Frontera St. Unit A Anaheim, CA 92806	211111	403.5(d)	1	1	2		
Brindle/Thomas - Bradley	1-531428	221 1st St. Huntington Beach, CA 92648	211111	403.5(d)	2	14	2		

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Brindle/Thomas - Brooks & Kohlbush	1-531429	18462 Edwards St. Huntington Beach, CA 92648	211111	403.5(d)	2	17	2		
Brindle/Thomas - Catalina & Copeland	1-531430	18851 Stewart Ln. Huntington Beach, CA 92648	211111	403.5(d)	2	13	2		
Brindle/Thomas-Dabney & Patton	1-531427	19192 Stewart Ln. Huntington Beach, CA 92648	211111	403.5(d)	2	14	2		
Bristol Industries	1-021226	630 E. Lambert Road Brea, CA 92821	332722	433.17(a), 467.36(c), 471.35(dd), 471.35(ee), 471.35(ff), 471.35(i), 471.35(r), 471.35(s), 471.35(t), 471.35(u), 471.35(v)	4	62	54	Cadmium, CN, CN amen., Nickel, Silver	
Broncs, Inc., dba WesCoast Textiles, Inc.	1-600519	12641 Industry St. Garden Grove, CA 92841	313310	403.5(d)	2	7	-		Class 1 Permit Deactivated on 12/16/2019
Brothers International Desserts (North)	1-600583	1682 Kettering St. Irvine, CA 92614-5614	311520	403.5(d)	3	10	2	pH	
Brothers International Desserts (West)	1-600582	1682 Kettering St. Irvine, CA 92614-5614	311520	403.5(d)	2	10	2		
Burlington Engineering, Inc.	1-521770	220 W. Grove Ave. Orange, CA 92865	332811	433.17(a)	2	7	2		
Cadillac Plating, Inc.	1-021062	1147 W. Struck Ave. Orange, CA 92867	332813	433.17(a)	4	27	25		
Cal-Aurum Industries, Inc.	1-111089	15632 Container Ln. Huntington Beach, CA 92649	332813	433.17(a)	2	15	15		
California Faucets	Z-331431	5271 Argosy Huntington Beach, CA 92649	332812	433.17(a)	1	-	-		
California Gasket and Rubber Corporation	1-521832	533 W. Collins Ave. Orange, CA 92867	339991	428.66(a)	2	5	2		
Cargill, Inc.	1-031060	600 N. Gilbert St. Fullerton, CA 92833	311225	403.5(d)	3	12	6		
Catalina Cylinders, A Div. of APP	1-031021	7300 Anaconda Ave. Garden Grove, CA 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. Costa Mesa, CA 92627	332911	433.15(a)	1	-	-		
Coast to Coast Circuits, Inc.	1-111129	5332 Commercial St. Huntington Beach, CA 92649	334412	433.17(a)	3	21	9	pH	
Coastline High Performance Coatings, LTD	1-600812	7181 Orangewood Ave. 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 Garden Grove, CA 92841	332813	433.17(a)	2	11	8		
Coca-Cola Company -Anaheim Water Plant	1-021392	2121 E. Winston Road Anaheim, CA 92806	312112	403.5(d)	1	6	1		
Columbine Associates	1-521784	4660 San Antonio Road Direction E. on B St Yorba Linda, CA 92886	211111	403.5(d)	2	9	2		
Continuous Coating Corporation	1-021290	520 W. Grove Ave. Orange, CA 92865	332812	433.17(a), 465.15	2	15	9		
Cooper and Brain, Inc.	1-031070	1390 Site Drive Brea, CA 92821	211111	403.5(d)	2	7	2		
Corru-Kraft Buena Park	1-600806	6200 Caballero Blvd. Buena Park, CA 90620	322211	403.5(d)	3	11	6	pH	
CP-Carrillo, Inc. (Armstrong)	1-600920	17401 Armstrong Ave. 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. Irvine, CA 92614	336310	403.5(d)	2	9	3		Previously listed as CP-Carrillo, Inc.
CPPG, Inc.	Z-321813	3911 E. Miraloma Ave. Anaheim, CA 92806	332813	433.17(a)	-	-	-		
Crest Coating, Inc.	1-021289	1361 S. Allec St. Anaheim, CA 92805	332812	433.17(a)	2	13	3		
CRH California Water, Inc.	1-011051	502 S. Lyon St. Santa Ana, CA 92701	561990	403.5(d)	1	1	2		
Custom Enamelers, Inc.	1-021297	18340 Mount Baldy Circle 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. 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. Santa Ana, CA 92704	334112	433.17(a)	2	9	2		
Electro Metal Finishing Corporation	1-021158	1194 N. Grove St. Anaheim, CA 92806	332812	433.17(a)	2	9	3		
Electrolurgy, Inc.	1-071162	1121 Duryea Ave. Irvine, CA 92614	332813	433.17(a)	3	12	30	Silver	
Electron Plating Inc.	1-021336	13932 Enterprise Drive Garden Grove, CA 92843	332813	433.17(a)	2	13	9		
Electronic Precision Specialties, Inc.	1-021337	537 Mercury Ln. Brea, CA 92821	332813	433.17(a)	2	12	9		
Electrorack Products Co., Inc.	Z-321092	1443 S. Sunkist St. Anaheim, CA 92806	332999	433.17(a)	1	-	-		
Embee Processing (Anodize)	1-600456	2148 S. Hathaway St. 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. 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 Placentia, CA 92870	334412	433.17(a)	2	13	27		
Expo Dyeing and Finishing, Inc.	1-031322	1365 Knollwood Circle Anaheim, CA 92801	313310	403.5(d)	2	11	6		
Fabrica International, Inc.	1-011278	3201 S. Susan St. Santa Ana, CA 92704	314110	428.46	2	8	6		
Fabrication Concepts Corporation	1-011068	1800 E. Saint Andrew Place Santa Ana, CA 92705	332114	433.17(a)	2	16	4		
Fineline Circuits & Technology, Inc.	1-021121	594 Apollo St. Brea, CA 92821-3134	334412	433.17(a)	2	13	3		
FMH Aerospace Corp.	1-600585	17072 Daimler St. Irvine, CA 92614	332912	433.17(a)	2	15	26		
Fullerton Custom Works, Inc.	Z-331424	1165 E. Elm Ave. Fullerton, CA 92831	332813	433.17(a)	2	-	-		
Gaffoglio Family Metalcrafters	1-600443	11161 Slater Ave. Fountain Valley, CA 92708	336111	426.66	2	8	1		
Gallade Chemical, Inc.	1-011257	1230 E. Saint Gertrude Place Santa Ana, CA 92707-3030	422690	403.5(d)	2	1	2		

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Facility Name	Permit No.	Physical Address	NAICS Code	Regulation	No. of Inspections	Agency Samples	SMR Samples	Pollutant(s) in Discharge Violation	Comment
Gemini Industries, Inc.	1-071172	2311 Pullman St. Santa Ana, CA 92705	331492	415.24, 421.265(a)	2	18	9	Molybdenum	
General Container Corporation	1-031042	5450 Dodds Ave. Buena Park, CA 90621	322211	403.5(d)	2	6	2		
GKN Aerospace Transparency Systems	1-531401	12122 Western Ave. Garden Grove, CA 92841	336413	403.5(d)	1	7	2		
Gomtech Electronics, Inc.	1-021352	990 N. Enterprise St. Unit M Orange, CA 92867	334412	433.17(a)	2	10	3		
Goodwin Company	1-031043	12361 Monarch St. 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. Buena Park, CA 90620	325612	417.166, 417.176	2	13	2		
Harbor Truck Bodies, Inc.	1-021286	255 Voyager Ave. Brea, CA 92821	336370	433.17(a)	2	2	9		
Harry's Dye & Wash, Inc.	1-521746	1015 E. Orangethorpe Ave. Anaheim, CA 92801	313310	403.5(d)	2	9	6		
Hartwell Corporation	1-021381	900 Richfield Road 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 Placentia, CA 92870	334412	433.17(a)	2	11	3		
Hightower Plating & Manufacturing Co.	1-021185	2090 N. Glassell Orange, CA 92865-3911	332813	433.17(a)	2	17	9		
Hixson Metal Finishing	1-061115	829 Production Place 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. Costa Mesa, CA 92626	333515	403.5(d)	2	9	2		
La Habra Bakery	1-031029	850 S. Cypress St. La Habra, CA 90631	311812	403.5(d)	2	10	6		
La Habra Plating Co., Inc.	Z-331399	900 S. Cypress La Habra, CA 90631	332813	433.17(a)	1	-	-		
Lightning Diversion Systems LLC	1-600338	16572 Burke Ln. Huntington Beach, CA 92647	334412	433.17(a)	2	11	3		
Linco Industries, Inc.	1-021253	528 S. Central Park Ave. Direction West Anaheim, CA 92802	332812	403.5(d)	2	16	7	Zinc	
LM Chrome Corporation	1-511361	654 Young St. Santa Ana, CA 92705	332813	433.17(a)	3	16	14		
Logi Graphics, Inc.	1-031049	17592 Metzler Ln. Huntington Beach, CA 92647	334412	433.17(a)	2	15	1		
M.S. Bellows	1-111007	5322 Mcfadden Ave. Huntington Beach, CA 92649	332813	433.17(a)	2	11	3		
Magma Finishing Corp.	Z-321810	2294 N. Batavia St. Suite D Orange, CA 92865	332813	433.17(a)	1	-	-		
Magnetic Metals Corporation	1-531391	2475 W. La Palma Ave. Anaheim, CA 92801	335311	433.17(a)	2	10	3		
Manufactured Packaging Products	1-521793	3200 Enterprise St. Brea, CA 92821	322211	403.5(d)	2	9	1		
Manufactured Packaging Products (MPP Fullerton)	1-021681	1901 E. Rosslynn Ave. Fullerton, CA 92831	322211	403.5(d)	2	7	2		
Markland Manufacturing, Inc.	1-011046	1111 E. Mcfadden Ave. Santa Ana, CA 92705	332813	433.17(a)	2	13	14		
Maruchan, Inc. (Deere)	1-071024	1902 Deere Ave. Irvine, CA 92606	311824	403.5(d)	2	4	2		
Maruchan, Inc. (Laguna Cyn)	1-141015	15800 Laguna Canyon Road Irvine, CA 92618	311824	403.5(d)	2	4	4		
Marukome USA, Inc.	1-141023	17132 Pullman St. 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	
Merical, 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. Anaheim, CA 92806	332812	433.17(a)	2	13	3		
Petroprize Corporation	1-581180	319 20th St. Huntington Beach, CA 92648	211111	403.5(d)	2	9	2		
Pier Oil Company, Inc.	1-581178	201 2nd St. Huntington Beach, CA 92648	211111	403.5(d)	1	7	2		
Pioneer Circuits, Inc.	1-011262	3010 S. Shannon St. Santa Ana, CA 92704	334412	433.17(a)	3	17	9		
Platinum Surface Coating, Inc.	1-521852	1173 N. Fountain Way Anaheim, CA 92806	332813	433.17(a)	2	9	4		
Plegel Oil Company (Blattner/Joe Johnson)	1-521864	900 Mammoth Way Placentia, CA 92870	211111	403.5(d)	2	7	2		
Plegel Oil Company - (A.H.A.)	1-021176	16801 Rumson St. Yorba Linda, CA 92886	211111	403.5(d)	1	4	2		
Porter Powder Coating	Z-321817	514 S. Rose St. Anaheim, CA 92805	332813	433.17(a)	-	-	-		
Powdercoat Services, LLC (Bldg E / Plant 1)	1-600167	800 N. State College Blvd. Fullerton, CA 92831	332812	433.17(a)	2	9	3		
Powdercoat Services, LLC (Bldg J / Plant 3)	1-600168	237 N. Euclid Way Building J Anaheim, CA 92801	332812	433.17(a)	2	9	3		
Power Distribution, Inc.	1-511400	4011 W. Carriage Drive Santa Ana, CA 92704	335311	403.5(d)	2	11	2		
Powerdrive Oil & Gas Company, LLC (16th)	1-600246	613 16th St. Huntington Beach, CA 92648	211111	403.5(d)	2	-	-		
Powerdrive Oil & Gas Company, LLC (2nd)	1-600248	120 2nd St. Huntington Beach, CA 92648	211111	403.5(d)	2	6	1		
Powerdrive Oil & Gas Company, LLC (Surveyor)	1-600245	21632 Surveyor Circle Huntington Beach, CA 92646	211111	403.5(d)	2	-	-		
Precious Metals Plating Co., Inc.	1-011265	2635 Orange Ave. Santa Ana, CA 92707	332813	433.17(a)	2	17	3		
Precision Anodizing & Plating, Inc.	1-521809	1601 N. Miller St. Anaheim, CA 92806	332813	433.17(a)	2	13	9		

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Precision Circuits West, Inc.	1-011008	3310 W. Harvard St. Santa Ana, CA 92704-3920	334412	433.17(a)	2	15	3		
Precision Resource, California Division	1-111002	5803 Engineer St. Huntington Beach, CA 92649	332710	403.5(d)	2	12	4		
Precon, Inc.	1-021581	3131 E. La Palma Ave. Anaheim, CA 92806	332721	403.5(d)	2	31	11		
Prima-Tex Industries Inc.	1-031036	6237 Descanso Circle Buena Park, CA 90620	313310	403.5(d)	2	10	3		
Prudential Overall Supply	1-071235	16901 Aston St. Irvine, CA 92606	812332	403.5(d)	2	12	4		
Pulmuone Wildwood, Inc.	1-531397	2315 Moore Ave. Fullerton, CA 92833	311991	403.5(d)	2	11	6		
Q-Flex Inc.	1-600337	1301 E. Hunter Ave. Santa Ana, CA 92705	334418	433.17(a)	2	14	5		
Quality Aluminum Forge, LLC (Cypress North)	1-521833	814 N. Cypress St. Orange, CA 92867	332112	467.45	3	13	2		
Quality Aluminum Forge, LLC (Cypress South)	1-600272	794 N. Cypress St. Orange, CA 92867-6606	332112	467.46	2	14	2		
Quikturn Professional Screenprinting	1-521858	567 S. Melrose St. Placentia, CA 92870	333249	403.5(d)	2	9	2		
Rayne Dealership Corporation	1-571303	17835 Sky Park Circle Suite M Irvine, CA 92614	454390	403.5(d)	2	9	1		
RBC Transport Dynamics Corp.	1-011013	3131 W. Segerstrom Ave. Santa Ana, CA 92704	336413	433.17(a)	2	8	2		
Reid Metal Finishing	1-511376	3110 W. Harvard St. Santa Ana, CA 92704	332813	433.17(a)	2	12	14		
Remora Operating CA, LLC	1-581192	219 1st St. Huntington Beach, CA 92648	211111	403.5(d)	2	11	2		
Republic Waste Services	1-521827	2727 Coronado St. 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. 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. Costa Mesa, CA 92626	334413	469.18(a)	2	12	5		
Serrano Water District	1-021137	5454 Taft Ave. Orange, CA 92867	221310	403.5(d)	2	-	5		
SFPP, LP	1-021619	1350 N. Main St. Orange, CA 92867	493190	403.5(d)	1	-	-		
Shepard Bros., Inc.	1-031034	503 S. Cypress St. La Habra, CA 90631	325611	417.166, 417.176	2	11	2		
Shur-Lok Company	1-600297	2541 White Road Irvine, CA 92614	332722	433.17(a)	2	-	-		
Simply Fresh, LLC	1-600709	6535 Caballero Blvd. Buena Park, CA 90620	311421	403.5(d)	2	7	6		
Sirco Industrial, Inc.	1-600706	5312 System Drive Huntington Beach, CA 92649	423830	403.5(d)	2	10	4		
Soldermask, Inc.	1-031341	17905 Metzler Ln. Huntington Beach, CA 92647	334412	433.17(a)	2	13	9		
South Coast Baking, LLC	1-600565	1711 Kettering St. Irvine, CA 92614-5615	311821	403.5(d)	2	10	2		
South Coast Circuits, Inc. (Bldg 3500 A)	1-011069	3500 W. Lake Center Drive Building A Santa Ana, CA 92704	334412	433.17(a)	2	13	9		
South Coast Circuits, Inc. (Bldg 3506 A)	1-011030	3506 W. Lake Center Drive Building A Santa Ana, CA 92704	334412	433.17(a)	2	12	3		
South Coast Circuits, Inc. (Bldg 3512 A)	1-511365	3512 W. Lake Center Drive Building A Santa Ana, CA 92704	334412	433.17(a)	2	13	9		
South Coast Circuits, Inc. (Bldg 3524 A)	1-011054	3524 W. Lake Center Drive Building A Santa Ana, CA 92704	334412	433.17(a)	2	13	3		
South Coast Water	1-511405	401 S. Santa Fe St. Santa Ana, CA 92705	333318	403.5(d)	2	9	2		
Southern California Edison #1 (Mt)	1-031014	7301 Fenwick Ln. Westminster, CA 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 Placentia, CA 92870	334412	433.17(a)	3	18	3	Nickel	
Tayco Engineering, Inc.	1-031012	10874 Hope St. Cypress, CA 90630	334513	433.17(a)	2	9	3		
Taylor-Dunn Manufacturing Company	1-021123	2114 Ball Road Anaheim, CA 92804	333924	433.17(a)	2	12	2		
Teva Parenteral Medicines, Inc.	1-141007	19 Hughes Irvine, CA 92618	325412	439.47	2	7	5		
Thermal-Vac Technology, Inc.	1-021282	1221 W. Struck Ave. Orange, CA 92867	332410	433.17(a)	2	11	8		
Thompson Energy Resources, LLC	1-521773	3351 E. Birch St. Brea, CA 92821-6251	211111	403.5(d)	4	25	3	O&G min.	
Timken Bearing Inspection, Inc.	1-531415	4422 Corporate Center Drive Los Alamitos, CA 90720	336412	433.17(a)	2	10	5		
Tiodize Company, Inc.	1-111132	15701 Industry Ln. Huntington Beach, CA 92649	332813	433.17(a)	2	15	9		
Toyota Racing Development	1-071059	335 Baker St. Costa Mesa, CA 92626	336310	403.5(d)	2	9	10		
Transline Technology, Inc.	1-021202	1106 S. Technology Circle Anaheim, CA 92805	334412	433.17(a)	2	13	3		
Tropitone Furniture Co., Inc.	1-141163	5 Marconi Irvine, CA 92618	337124	433.17(a)	2	15	4		
TTM Technologies North America, LLC. (Coronado)	1-521859	3140 E. Coronado St. Anaheim, CA 92806	334412	433.17(a)	2	14	8		
TTM Technologies North America, LLC. (Croddy)	1-511366	2645 Croddy Way Santa Ana, CA 92704	334412	433.17(a)	2	18	8		
TTM Technologies North America, LLC. (Harbor)	1-511359	2640 S. Harbor Blvd. Santa Ana, CA 92704	334412	433.17(a)	2	17	8		
Ultra-Pure Metal Finishing, Inc.	1-021703	1764 N. Case St. Orange, CA 92865	332813	433.17(a)	2	13	9		
United Pharma, LLC	1-531418	2317 Moore Ave. Fullerton, CA 92833	325412	403.5(d)	3	12	2		
Universal Alloy Corp.	1-021706	2871 La Mesa Ave. Anaheim, CA 92806	331318	467.35(c)	2	12	5		
Universal Molding Co.	1-521836	1551 E. Orangethorpe Ave. 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. Rosslynn 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/ Contract Agency	Direct / Indirect Discharger	Permit No.	Physical Address	NAICS Code	Classification	Regulation	TTO Waiver Issued	No. of Inspections	Agency Samples	SMR Samples	Pollutant(s) in Discharge Violation	SNC Status	Comment
Anita B. Smith Treatment Facility	WMWD	Direct	D1074-3.1	2100 Fleetwood Drive Jurupa Valley, CA 92509	221310	SIU	403.5(d)	-	2	4	2			
Aramark Uniform & Career Apparel, LLC	WMWD	Direct	D1004-1	1135 Hall Avenue Riverside, CA 92509	812332	SIU	403.5(d)	-	1	7	5			New Permit Issued 10/29/2019
C.C. Graber Company	IEUA	Indirect	I1005-2.1	315 E. 4th Street Ontario, CA 91764	311421	CIU	407.64	-	1	0	0			Permit Closed 8/22/2019
California Institution for Men	IEUA	Direct	D1006-3	5997 Edison Avenue Chino, CA 91710	922140	SIU	403.5(d)	-	2	7	14			
Chino I Desalter	SAWPA	Direct	D1081-4	6905 Kimball Avenue Chino, CA 91709	221310	SIU	403.5(d)	-	2	4	2			
Chino II Desalter	SAWPA	Direct	D1010-4	11251 Harrel Street Jurupa Valley, CA 91752	221310	SIU	403.5(d)	-	2	8	4			
City of Colton - Agua Mansa Power Plant	VALLEY	Direct	D1002-4	2040 W. Agua Mansa Road Colton, CA 92324	221122	SIU	403.5(d)	-	1	8	10			
City of Corona Ion Exchange Treatment Plant	WMWD	Direct	D1125-2	410 Rimpau Avenue Corona, CA 92882	221310	SIU	403.5(d)	-	2	4	2			
City of Corona's Water Reclamation Facility No.1	WMWD	Direct - Emergency	E1013-2.1	2205 Railroad Street Corona, CA 92880	221320	SIU	403.5(d)	-	0	0	0			
Dart Container Corporation	WMWD	Direct	D1019-3	150 S. Maple Street Corona, CA 92880	326140	SIU	403.5(d)	-	2	12	2			
Del Real, LLC	JCSD	Direct	D1021-3	11041 Inland Avenue Jurupa Valley, CA 91752	311991	SIU	403.5(d)	-	3	17	14			
EMWD Collection Station	SAWPA	Direct	D1055-2.2	29541 Murrieta Road Menifee, CA 92586	221320	SIU	403.5(d)	-	1	2	2			Permit Closed 11/5/2019
EMWD Energy Dissipater	SAWPA	Direct - Emergency	E1068-2.1	636 Minthorn Street Lake Elsinore, CA 92530	221320	SIU	403.5(d)	-	1	0	0			
EMWD Perris & Menifee Desalination Facility	SAWPA	Direct	D1061-3	29541 Murrieta Road Menifee, CA 92586	221310	SIU	403.5(d)	-	2	4	2			
EMWD Railroad Canyon Pipeline	SAWPA	Direct - Emergency	E1067-3.1	Railroad Canyon Road Canyon Lake, CA 92587	221320	SIU	403.5(d)	-	1	0	0			
IEUA Collection Station	SAWPA	Direct	D1035-3.1	16400 El Prado Road Chino, CA 91710	221320	SIU	403.5(d)	-	1	2	0			Permit Closed 11/5/2019
IEUA Los Serranos	SAWPA	Direct - Emergency	E1037-2.1	6075 Kimball Avenue Chino, CA 91708	221320	SIU	403.5(d)	-	1	0	0			
Infineon Technologies Americas Corporation	EMWD	Indirect	I1039-3	41915 Business Park Drive Temecula, CA 92590	334413	CIU	469.18	Y	2	4	4			
Inland Empire Energy Center	EMWD	Direct	D1036-3	26226 Antelope Road Menifee, CA 92585	221112	CIU	423.17	-	2	11	10			
JCSD Archibald Metering Station	SAWPA	Direct - Emergency	E1041-2.1	6990 Archibald Avenue Eastvale, CA 92880	221320	SIU	403.5(d)	-	1	0	0			
JCSD Celebration Metering Station	SAWPA	Direct - Emergency	E1042-2.1	5972 Hamner Avenue Eastvale, CA 92880	221320	SIU	403.5(d)	-	1	0	0			
JCSD Chandler Lift Station	SAWPA	Direct - Emergency	E1043-2.1	14087 Chandler Street Eastvale, CA 92880	221320	SIU	403.5(d)	-	1	0	6			
JCSD Etiwanda Metering Station	SAWPA	Direct	D1044-4	Etiwanda Avenue and N. of Bellegrave Avenue	221320	SIU	403.5(d)	-	2	16	8			
JCSD Hamner Lift Station	SAWPA	Direct - Emergency	E1046-2.3	7302 Hamner Avenue Eastvale, CA 92880	221320	SIU	403.5(d)	-	1	0	0			
JCSD Hamner Metering Station	SAWPA	Direct	D1045-4	5410 Hamner Avenue Eastvale, CA 91752	221320	SIU	403.5(d)	-	2	7	10			
JCSD Harrison Metering Station	SAWPA	Direct - Emergency	E1047-2.3	6998 Harrison Avenue Eastvale, CA 92880	221320	SIU	403.5(d)	-	1	0	0			
JCSD Roger D. Teagarden Ion Exchange Water Treatment Plant	SAWPA	Direct	D1070-4	4150 Etiwanda Avenue Jurupa Valley, CA 91752	221310	SIU	403.5(d)	-	2	0	5			
JCSD Scholar Way Metering Station	SAWPA	Direct - Emergency	E1113-1.1	6980 Scholar Way Eastvale, CA 92880	221320	SIU	403.5(d)	-	1	0	0			
JCSD Wineville Metering Station	SAWPA	Direct	D1048-4	5101 Wineville Avenue Jurupa Valley, CA 91752	221320	SIU	403.5(d)	-	2	8	8			
JSCD Wells 17 & 18 Ion Exchange Treatment Facility	SAWPA	Direct	D1040-3.1	3474 De Forest Circle Jurupa Valley, CA 91752	221310	SIU	403.5(d)	-	2	6	5			
Metal Container Corporation	JCSD	Direct	D1056-3	10980 Inland Avenue Jurupa Valley, CA 91752	332431	CIU	465.45(d)	-	2	16	12			

Facility Name	Member/ Contract Agency	Direct / Indirect Discharger	Permit No.	Physical Address	NAICS Code	Classification	Regulation	TTO Waiver Issued	No. of Inspections	Agency Samples	SMR Samples	Pollutant(s) in Discharge Violation	SNC Status	Comment
Mission Linen Supply	IEUA	Direct	D1057-3.1	5400 Alton Street Chino, CA 91710	812332	SIU	403.5(d)	-	2	24	21			
Mountainview Generating Station	VALLEY	Direct	D1058-2	2492 W. San Bernardino Ave. Redlands, CA 92374	221112	CIU	423.17	-	2	11	12			
OLS Energy - Chino	IEUA	Direct	D1059-3	5601 Eucalyptus Avenue Chino, CA 91710	221112	CIU	423.17	-	2	17	28			
Rayne Water Conditioning	SBMWD	Indirect	I1066-2.1	939 W. Reece Street San Bernadino, CA 92411	561990	SIU	403.5(d)	-	3	13	4			
Repet, Inc.	IEUA	Direct	D1069-3.1	14207 Monte Vista Avenue Chino, CA 91710	423930	SIU	403.5(d)	-	2	19	19			
SBMWD Collection Station	SAWPA	Direct	D1076-3.1	399 Chandler Place San Bernardino, CA 92408	221310	SIU	403.5(d)	-	1	2	2			Permit Closed 11/5/2019
SBMWD Water Reclamation Plant	SAWPA	Direct - Emergency	E1075-2.2	399 Chandler Place San Bernardino, CA 92408	221320	SIU	403.5(d)	-	1	0	0			
ShawCor Pipe Protection, LLC	IEUA	Indirect	I1077-3	14000 San Bernardino Ave. Fontana, CA 92335	332812	CIU	433.17	-	2	5	12			
Stringfellow Pretreatment Facility	SAWPA	Direct	D1079-3	3400 Pyrite Street Jurupa Valley, CA 92509	562910	SIU	403.5(d)	-	2	16	137			
Temescal Desalter	WMWD	Direct	D1012-3	755 Public Safety Way Corona, CA 92880	221310	SIU	403.5(d)	-	2	4	2			
WMWD Arlington Desalter	SAWPA	Direct	D1088-4	11611 Sterling Avenue Riverside, CA 92503	221310	SIU	403.5(d)	-	2	4	2			
WMWD Collection Station	SAWPA	Direct	D1087-3.1	2205 Railroad Street Corona, CA 92880	221320	SIU	403.5(d)	-	1	2	0			Permit Closed 11/5/2019
WRCRWA South Regional Pumping Station	SAWPA	Direct - Emergency	E1089-2.1	671 N. Lincoln Avenue Corona, CA 92883	221320	SIU	403.5(d)	-	1	0	0			
YVWD Henry Wochholz Regional Water Recycling Facility	SAWPA	Direct	D1090-3	880 W. County Line Road 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
Covered CO2 equivalent emissions:	**2,384.749756 Metric Tons**
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

Subpart C: General Stationary Fuel Combustion

Gas Information Details

Gas Name	**Gas Quantity** (Metric Tons)
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:	**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:	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
Covered CO2 equivalent emissions:	**3,234.891398 Metric Tons**
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

Gas Name	**Gas Quantity** (Metric Tons)
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 [Note: EGU/EGS must always be separated from other unit types]:	Boiler

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

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**

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 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**

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 Application : Air Dried - Repair / Touch Up	Misc.	23.500000	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

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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**

Storage Tanks Process List Overview

AER Device ID	Permit Device ID	A/N	Process ID	Equipment	Product	Throughput	Units		Criteria Pollutant Units	ROG	SPOG	NOx	SOx	CO	PM
ES91			P1	Storage tank and Dispensing	Distillate fuel oil no. 2	1.500000	M gal	EF	lbs/ M gal	0.028000					
								Emissions	lbs	0.04					
								Total Emissions	lbs	0.04					
								Total Emissions	tons	0.00	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 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 : Metal Part : Abrasive Blasting : Other Material	45.600000	hour	EF	lbs/ hour						0.042000	
							Emissions	lbs						1.92	
ES90		520794	P1	Miscellaneous Operations and Services : POTW : Government : Entire Plant	119.100000	MMgal/day	EF	lbs/ 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	

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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 (tons)	SPOG (tons)	NOx (tons)	NOx RECLAIM (tons)	SOx (tons)	SOx RECLAIM (tons)	CO (tons)	PM (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
Total Permitted Emissions	**15.05**	**0.00**	**4.77**	**0.00**	**0.05**	**0.00**	**6.44**	**0.67**

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Annual Emission Report

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Facility Id: **17301**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

Criteria Pollutants Non-Permitted Emissions Summary

	VOC (tons)	SPOG (tons)	NOx (tons)	NOx RECLAIM (tons)	SOx (tons)	SOx RECLAIM (tons)	CO (tons)	PM (tons)
External Combustion	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Internal Combustion	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Spray Coating/ Spray Booth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Use of Organics	0.03	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	0.00	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
Total Non-Permitted Emissions	**0.03**	**0.00**	**0.00**	**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**

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**

Print Date: **03/16/2020**

Facility Id: **17301**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

Total Emissions and Fees

Submittal Date: No later than March 24 2020	Total Permitted Emissions (tons)	Total Non-Permitted Emissions (tons)	Total RECLAIM Emissions (tons)	Total Emission (tons)	Total Emissions/ Subject To Fee (tons)	Emissions 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

TAC Fees Breakdown	
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
8. AMOUNT DUE	**$6,329.90**

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**

Electronic Certification Sheet

Information

NAICS code:	221320
AB2588 Filing Period:	Yes
RECLAIM:	No
Facility Operating Status:	Operating
Classified As Small Business:	No

Business Operating Hours

Hours/Day;	24
Days/Week:	7
Weeks/Year:	52

AB2588 Receptor Distance

Worker (ft): 682

Residential(ft): 1332

Brief Description of Operation

Equipment Location Address

Facility Name:
ORANGE COUNTY SANITATION DISTRICT
10844 ELLIS AVE
FOUNTAIN VALLEY, CA 92708 7018

Mailing Information

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.

[x] I acknowledge that I have read the South Coast AQMD Certification Statement.*

[x] 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

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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	lbs/ MMgal/day	219.000000						
							Emissions	lbs	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 (tons)	SPOG (tons)	NOx (tons)	NOx RECLAIM (tons)	SOx (tons)	SOx RECLAIM (tons)	CO (tons)	PM (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
Total Permitted Emissions	**8.79**	**0.00**	**8.04**	**0.00**	**0.09**	**0.00**	**8.37**	**2.05**

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 Non-Permitted Emissions Summary

	VOC (tons)	SPOG (tons)	NOx (tons)	NOx RECLAIM (tons)	SOx (tons)	SOx RECLAIM (tons)	CO (tons)	PM (tons)
External Combustion	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Internal Combustion	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Spray Coating/ Spray Booth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Use of Organics	0.07	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	0.00	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
Total Non-Permitted Emissions	**0.07**	**0.00**	**0.00**	**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: **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**

Print Date: **03/16/2020**

Facility Id: **29110**

Facility Name **ORANGE COUNTY SANITATION DISTRICT**

Facility Type: **WasteWater Treatment - Municipal**

Total Emissions and Fees

Submittal Date: No later than March 24 2020	Total Permitted Emissions (tons)	Total Non-Permitted Emissions (tons)	Total RECLAIM Emissions (tons)	Total Emission (tons)	Total Emissions/ Subject To Fee (tons)	Emissions 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

TAC Fees Breakdown	
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
8. AMOUNT DUE	**$12,511.17**

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

NAICS code:	221320
AB2588 Filing Period:	Yes
RECLAIM:	No
Facility Operating Status:	Operating
Classified As Small Business:	No

Business Operating Hours

Hours/Day;	24
Days/Week:	7
Weeks/Year:	52

AB2588 Receptor Distance

Worker (ft): 1100

Residential(ft): 810

Brief Description of Operation

Equipment Location Address

Facility Name:
ORANGE COUNTY SANITATION DISTRICT
22212 BROOKHURST ST
HUNTINGTON BEACH, CA 92646 8457

Mailing Information

Facility Name:
ORANGE COUNTY SANITATION DISTRICT
10844 Ellis Avenue
Fountain Valley, CA 92708

Contact Information

Name:	Randa Abushaban	Phone:	714 593-7413 Ext. 7413
Title:	Regulatory Specialist	Fax:	
E-mail:	rabushaban@ocsd.com		

Preparer Information

Name:	Randa Abushaban	Phone:	714 593-7413 Ext. 7413
Title:	Regulatory Specialist	Fax:	
E-mail:	rabushaban@ocsd.com		

Authorized Person Information

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.

[x] I acknowledge that I have read the South Coast AQMD Certification Statement.*

[x] 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

Agenda Report

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

File #: 2020-1117 **Agenda Date:** 6/24/2020 **Agenda Item No:** 11.

FROM: James D. Herberg, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

COMPLETE FIELD INSTRUMENT CALIBRATION SOLUTION

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

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.

CRITERION	WEIGHT
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

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first reviewed and scored the proposals based upon the criteria listed above. The proposal was accompanied by a sealed cost proposal.

Rank	Proposer	Criterion 1	Criterion 2	Criterion 3	Presentation	Cost	Total Weighted Score
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) with the complete agenda package:

- Professional Services Agreement

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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 Beamex, Inc. with a principal business at 2152 Northwest Parkway, Suite A, Marietta, Georgia 30067 (hereinafter referred to as "Consultant") collectively referred to as the "Parties".

W I T N E S S E T H

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 their Proposal on March 5, 2020; and

WHEREAS, OCSD has chosen Consultant to conduct Services in accordance with Ordinance No. OCSD-52; and

WHEREAS, on June 24, 2020, the Board of Directors of OCSD, by minute order, authorized execution of this Agreement between OCSD and Consultant.

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 Including Cost Proposal
Exhibit "B-1"	Consultant's Software License Terms
Exhibit "B-2"	Yearly Maintenance and Support Agreement Details
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 Two Hundred Fifty-Seven Thousand, Seven Hundred Fourteen Dollars ($257,714.00).

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 Exhibits "A" and "B".

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. Notwithstanding the foregoing, OCSD may refrain from acceptance only if Consultant's Services, tasks or deliverables are in non-conformance with what has been mutually agreed to in this Agreement. If OCSD does not notify Consultant of non-conformance within 14 days from Consultant's provision of Services, performance of tasks, or delivery of deliverables relating to a specific milestone, the Services, tasks or deliverables of that milestone are deemed to be accepted by OCSD.

6. Invoices

6.1 Itemized invoices shall be submitted for receipt and approval by OCSD Project Manager or designee, 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-2020-1102 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 responsibility for damages to property and/or injuries to persons, including accidental death, regardless of whether such damage or injury shall accrue or be discovered before or after the termination of the Agreement, but only to the extent such damage, injury or death is caused by Consultant's (or by Consultant's subconsultant(s) or by anyone directly or indirectly employed by Consultant) willful misconduct or negligence in the performance of the Agreement. Except as to the 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 liabilities, damages or expenses of any nature, (including reasonable attorneys' fees) resulting from claims presented or brought against OCSD: (a) for injury to or death of any person or damage to property or interference with the use of property, but only to the extent caused by Consultant's willful misconduct or negligence in the performance of this Agreement, and/or (b) on account of claims that Consultant's deliverables to OCSD violate third party intellectual property rights. Unless otherwise provided herein, 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. For the avoidance of doubt, Section 18 (Infringement) of this Agreement relates to third party intellectual property infringement claims only.

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 subconsultant(s) or personnel of subconsultant(s) 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 All intellectual property rights relating to Services, software and other deliverables provided by Consultant to OCSD shall remain Consultant's exclusive property, unless otherwise provided herein or agreed between the Parties. OCSD is granted a non-exclusive license to use Consultants intellectual property rights in its internal operations, to the extent they are embedded or incorporated in the Services, software or other materials or deliverables provided by Consultant to OCSD. If Consultant delivers software to OCSD, the intellectual property ownership rights of the software shall remain the property of Consultant or the applicable third party owner and OCSD receives a license to use the software in accordance with Consultant's standard software license incorporated herein by reference as Exhibit B-1.

Notwithstanding the foregoing, intellectual property rights relating to new deliverables or materials created by Consultant solely to OCSD's specifications (hereinafter referred to as "New Developments") shall belong exclusively and transfer to OCSD upon payment. For the avoidance of doubt, (1) products, software or other deliverables, which Consultant has developed prior to this Agreement or outside the scope of this Agreement, as well as (2) Consultant's standard products, software and other deliverables it offers generally to its customers, are not considered New Developments.

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, workers' 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 its 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 it 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 it 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.

44. ***No Liability for Indirect Damages; Liability Cap*.** Notwithstanding anything to the contrary in these terms and conditions, in no event shall Consultant be liable to OCSD, or to any of the other indemnitees described in this Agreement, or to any third party for any consequential, incidental, indirect, exemplary, special or punitive damages, including any damages for business interruption, loss of use, data, revenue or profit, whether arising out of breach of contract, tort or otherwise, regardless of whether such damages were foreseeable and whether or not OCSD was advised of the possibility of such damages. Liability Cap: Notwithstanding anything to the contrary in these terms and conditions, the liability of Consultant to OCSD (including any other indemnitee described in these terms and conditions) in respect of any claim for loss, damage, cost, expense or indemnity of any nature shall in no circumstances exceed in the aggregate the total amount paid by OCSD for Services to Consultant pursuant this Agreement.

45. ***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:	Kandace Peterson Regional Account Manager Beamex, Inc. 2152 Northwest Parkway, Suite A Marietta, GA 30067

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

ORANGE COUNTY SANITATION DISTRICT

Dated: _____ By: _____
David John Shawver
Board Chairman

Dated: _____ By: _____
Kelly A. Lore
Clerk of the Board

Dated: _____ By: _____
Ruth Zintzun
Purchasing & Contracts Manager

BEAMEX, INC.

Dated: _____ By: _____

_____
Print Name and Title of Officer

_____
IRS Employer's I.D. Number

Orange County Sanitation District

ADMINISTRATION COMMITTEE

Agenda Report

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

File #: 2020-1118 **Agenda Date:** 6/24/2020 **Agenda Item No:** 12.

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:

Adopt Resolution No. OCSD 20-02, 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 XIIIB, 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) with the complete agenda package:

- Resolution No. OCSD 20-02

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RESOLUTION NO. OCSD 20-02

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:

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 20-02 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 COMMITTEE

Agenda Report

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

File #: 2020-1119 **Agenda Date:** 6/24/2020 **Agenda Item No:** 13.

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:

Adopt Resolution No. OCSD 20-03, 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) with the complete agenda package:

- Resolution No. OCSD 20-03

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RESOLUTION NO. OCSD 20-03

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:

_____
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 20-03 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

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

File #: 2020-1120 **Agenda Date:** 6/24/2020 **Agenda Item No:** 14.

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:

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) with the complete agenda package:

N/A

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

File #: 2020-1121 **Agenda Date:** 6/24/2020 **Agenda Item No:** 15.

FROM: James D. Herberg, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

2020-21 PROPERTY - LIABILITY INSURANCE RENEWALS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

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	$ 1,151,935
Excess General Liability Insurance - Not to Exceed	$ 745,336
Excess Workers' Compensation Insurance - Not to Exceed	$ 207,000
Earthquake Insurance - Not to Exceed	$ 100,000
TOTAL	**$ 2,204,271**

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 $2,204,271, an increase of $579,209 (36%).

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 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 Sanitation 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 dollars for most perils other than flood, and a $150MM flood limit for buildings located in Zones A&V and $300 million dollars 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 dollars 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 dollars 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.

The estimated increase cost for All-Risk Property and Flood is $1,151,935, an increase of $346,591 (43%).

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2) **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 dollar 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 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 limits are provided by three carriers in a layered structure, Security National, Berkley National and Great American. See the attached Insurance Summary May 2020 list of carriers that our broker is currently engaged with in the renewal marketing process.

The estimated cost for Excess General Liability is $745,356, an increase of $229,965 (45%).

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 purchases a separate earthquake policy with limits of $25MM on specific buildings valued at ~$160MM 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 so as to not put an excessive burden on the budget. From time to time, usually annually, OCSD considers adding structures to the earthquake insurance schedule.

The estimated cost Earthquake insurance is $100,000, an increase of $13,415 (15%).

RELEVANT STANDARDS

- Protect Orange County Sanitation District assets

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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 four 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) with the complete agenda package:

- June 2020 Insurance Quotes
- Insurance Summary May 2020

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PROPERTY AND LIABILITY INSURANCE RENEWAL - SUMMARY

Program	2019-20	2020-21	Change	Percent Chg
Excess Workers' Compensation Insurance	$ 217,762	$ 207,000	$ (10,762)	- 5%
Earthquake Insurance	$ 86,585	$ 100,000	$ 13,415	15%
Property and Boiler & Machinery	$ 805,344	$1,151,935	$346,591	43%
Excess General Liability Insurance	$ 515,371	$ 745,336	$229,965	45%
TOTAL	**$1,625,062**	**$2,204,271**	**$579,209**	**36%**

PROPERTY INSURANCE RENEWAL OPTIONS

	Expiring Policy	Option 1 Expiring Policy	Option 2	Option 3	Option 4	Option 5
Property/Boiler/Machinery	$1 BILLION	$500 MILLION	$500 MILLION	$500 MILLION	$500 MILLION	$500 MILLION
Flood - Zones A&V	$150 MILLION	$150 MILLION	$ 25 MILLION	$ 25 MILLION	$10 MILLION	$10 MILLION
Flood - All Other Zones	$300 MILLION	$300 MILLION	$100 MILLION	$100 MILLION	$50 MILLION	$50 MILLION
Retention (Deductible)	$500 THOUSAND	$500 THOUSAND	$500 THOUSAND	$1 MILLION	$500 THOUSAND	$1 MILLION
Premium Estimates	$805,344	$3,853,410	**$1,151,935**	1,134,292	$1,005,671	$994,292

EXCESS GENERAL LIABILITY INSURANCE RENEWAL OPTIONS

	2019		2020 Estimates					
	Expiring		Expiring					
	Expiring		Option 1	Option 2	Option 3	Option 4	CSRMA	PRISM
Limit	$40,000,000		$40,000,000	$40,000,000	$40,000,000	$40,000,000	$25,000,000	$25,000,000
Self-Insured Retention (Deductible)	$500,000		$500,000	$250,000	**$750,000**	$1,000,000	$500,000	$500,000
Layers								
$10MM - Great American National	$337,271		$452,870	$621,782	$342,237	$282,004	Included	Included
$20MM - Berkley Custom	$141,400		$264,620	$264,620	$264,620	$264,620	Included	Included
$5MM - Arch Part of Berkley $20MM	N/A		$ 53,174	$ 53,174	$ 53,174	$ 53,174		
$10MM - Great American Custom	$ 36,700		$ 85,305	$ 85,305	$ 85,305	$ 85,305	Included	Included
Estimated Total Cost	**$ 515,371**		**$ 855,969**	**$ 1,024,881**	**$ 745,336**	**$ 685,103**	**$1,356,804**	**$1,683,589**

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
1,000,000	2,173,424,381	$767,128	0.035
Dollar Change	-	**($38,216)**	(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, OCSD has always been one.

A review of the material supplied reveals that OCSD 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 OCSD 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, OCSD 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:

Workers Comp Cost Item	**OCSD 2019-2020 Program Cost Estimate**	**CSRMA Program 2020-21 Cost Estimate**
Retained Layer Funding *	1,456,560	N/A
Pool Deposit	N/A	1,826,929
Excess Insurance	217,762	Included
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 - 500k Ret. - **$40MM** Limit	CSRMA 2020 - Est. $500k Ret. **$25M** Limit
Funding for Retained Layer*	571,589	571,589
Pool Deposits/Overhead	N/A	75,000
Excess Ins. Expense**	515,371	710,215
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

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.

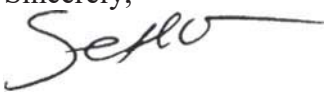
Conclusion

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 in 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

cc: Greg Baatrup, President CSRMA
Dennis Mulqueeney, 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 GL1at OCSD's current retention would be as follows:

Excess Liability Cost	OCSD 2019 - 500k Ret. - **$40MM** Limit	PRISM - 2020 Est. $500k Ret. **$25M** Limit
Est. Funding for Retained Layer*	571,589	571,589
Program Overhead	N/A	Incl.
Excess Ins. Expense**	515,371	1,112,000
Total:	1,086,960	1,683,589

*From latest BRS Actuarial Study - Discounted at 80% CL
**Excess Ins. Expense at 2019 for OCSD, projected 2020 for PRISM

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

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; Financial Size Category 15; $2,000,000,000 to greater (As of 10/11/18)	A+ (As of 06/25/18)	Non-Admitted
Aspen Insurance UK Limited	084806	A, Excellent; Financial Size Category 15; $2,000,000,000 or greater (As of 03/01/19)	A (As of 06/26/18)	Non-Admitted
Chubb European Group Limited	086485	A++ , Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 12/13/18)	AA (As of 06/24/16)	Non-Admitted
Endurance Worldwide Insurance Limited	083234	A+, Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 07/20/18)	A+ (As of 04/26/18)	Non-Admitted
Evanston Insurance Co.	003759	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/19/18)	A (As of 07/27/17)	Non-Admitted
Hallmark Specialty Insurance Co.	010838	A-, Excellent; Financial Size Category 8; $100,000,000 to $250,000,000 (As of 08/23/18)	Not Rated (As of 04/22/19)	Non-Admitted
Homeland Insurance Company of New York	010604	A+, Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 03/08/19)	Not Rated (As of 04/22/19)	Non-Admitted
Interstate Fire and Casualty Ins. Co.	02267	A+, Superior; Financial Size Category 15; $2,000,000,000 or greater (As of 08/30/18)	AA (As of 03/17/16)	Non-Admitted
Ironshore Specialty Insurance Company	013866	A, Excellent; Financial Size Category 15; $2,000,000,000 or greater (As of 05/16/18)	A (As of 05/02/17)	Non-Admitted
Lancashire Insurance Company (UK) Ltd.	078390	A, Excellent; Financial Size Category 12; $1,000,000,000 to $1,250,000,000 (As of 10/24/18)	A- (As of 02/28/18)	Non-Admitted
Landmark American Insurance Co.	012619	A+, Superior; Financial Size Category 14; $1,500,000,000 to $2,000,000,000 (As of 11/02/18)	A+ (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; Financial Size Category 15; $2,000,000,000 or Greater (As of 06/20/18)	A+ (As of 06/06/17)	Non-Admitted
Liberty Mutual Fire Insurance Company	002282	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 05/16/18)	A (As of 06/17/14)	Admitted
Lloyd's of London	085202	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 07/12/18)	A+ (As of 10/12/17)	Non-Admitted
Maxum Indemnity Company	012563	A+, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 08/02/18)	Not Rated (As of 04/22/19)	Non-Admitted
PartnerRe Ireland Insurance Ltd.	088621	A, Excellent Financial Size Category 15; $2,000,000,000 or Greater (As of 06/15/18)	A+ (As of 09/07/16)	Non-Admitted
QBE Specialty Insurance Company	012562	A, Excellent; Financial Size Category 15; $2,000,000,000 or Greater (As of 06/13/18)	A+ (As of 06/30/18)	Non-Admitted
Westchester Surplus Lines Insurance Company	004433	A++, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/13/18)	AA (As of 06/24/16)	Non-Admitted
Westport Insurance Corporation	000347	A+, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/13/18)	AA- (As of 10/28/11)	Admitted
XL Insurance America Inc.	002423	A+, Superior; Financial Size Category 15; $2,000,000,000 or Greater (As of 12/06/18)	AA- (As of 11/19/18)	Admitted
United Specialty Insurance Company	013105	A, Excellent; Financial Size Category 9; $250,000,000 to 500,000,000 (As of 12/19/18)	Not Rated (As of 04/30/19)	Non-Admitted

Alliant National Municipal Liability Program
2020-2021 Policy Year
Schedule of Insurers Approached

Excess Casualty Markets	
Great American	ProSight
Markel	Sompo / Endurance
Canopius (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

STEERING COMMITTEE

Agenda Report

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

File #: 2020-1131 **Agenda Date:** 6/24/2020 **Agenda Item No:** 16.

FROM: James D. Herberg, General Manager

SUBJECT:

GENERAL MANAGER'S FY 2019-2020 WORK PLAN YEAR-END UPDATE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Receive and file the General Manager's FY 2019-2020 Work Plan Year-End Update.

BACKGROUND

Each year, the General Manager prepares a work plan of activities supporting Orange County Sanitation District's strategic goals and initiatives to be accomplished during the fiscal year. The General Manager's FY 2019-2020 work plan was reviewed with the Steering Committee in September 2019 and a mid-year update was provided in January 2020. Attached is the year-end update for the General Manager's FY 2018-2019 work plan.

RELEVANT STANDARDS

- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Plan for and execute succession, minimizing vacant position times
- Cultivate a highly qualified, well-trained, and diverse workforce
- Maintain and adhere to appropriate internal planning documents (Biosolids, Odor, and Energy Master Plans)
- Use all practical and effective means for resource recovery

PRIOR COMMITTEE/BOARD ACTIONS

January 2020 - Board of Directors received and filed the mid-year update of the General Manager's FY 2019-2020 Work Plan.

September 2019 - Board of Directors received and filed the General Manager's FY 2019-2020 Work Plan.

August 2019 - Board of Directors received and filed the General Manager's Fiscal Year 2019-2020 Draft Work Plan.

ADDITIONAL INFORMATION

The General Manager's work plan includes 20 goals for the fiscal year. Fifteen items in the work plan have been completed, four are on-schedule for on time completion, and one item remains in progress.

FINANCIAL CONSIDERATIONS

All items included in the General Manager's Work Plan were budgeted in the FY 2019-2020 Budget.

ATTACHMENT

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

- General Manager's FY 2019-2020 Work Plan Year-End Update

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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

June 24, 2020

TO: Chairman and Members of the Board of Directors

FROM: James D. Herberg, General Manager

SUBJECT: **General Manager's FY 2019-2020 Work Plan Year-End Report**

I am pleased to present the year-end report for my Fiscal Year 2019-20 Work Plan. The Work Plan has 20 individual goals organized under the five focus areas of safety and security, succession planning, resource recovery, reliability, and operational optimization. This Work Plan was reviewed and approved by the Steering Committee and Board of Directors in August and September 2019 and a mid-year update was provided in January 2020.

1. **Safety and Security**
   - **Emergency Preparedness** – Develop and conduct an external emergency response and recovery drill by June 30, 2020 that tests the Integrated Emergency Response Plan (IERP).

     UPDATE: Complete. The Great Shakeout Exercise was conducted on October 17, 2019 to test the IERP. The exercise included Care Ambulance as external evaluators to provide feedback on any areas of opportunity for improvement, which will be folded into our current plan.

   - **Safety Engineering Solutions** – Complete six of the remaining eight Safety Improvement Construction Projects by June 30, 2020.

     UPDATE: On-schedule. Six of the eight Safety Improvement Construction Projects will be completed by June 30, 2020. Two of the remaining projects are on schedule to be completed in Fiscal Year 2020-2021.

   - **Voluntary Protection Program (VPP) Certification** – Apply for the VPP certification for Plant No. 1 by June 30, 2020.

     UPDATE: On-schedule. Staff continues to prepare for OCSD's forthcoming VPP application which will be submitted to Cal/OSHA by June 30, 2020. In preparation, staff has assessed and addressed VPP Gap Analysis items and met with our VPP mentor site, Eastern Municipal Water District. Additionally, staff attended a Cal/OSHA VPP

Workshop in December 2019 to obtain updates on the application process.

- **Physical Security Plan** – Complete the development and implementation of a Physical Security Plan by June 30, 2020.

  UPDATE: Complete. Risk Management staff worked with a consultant to develop OCSD's Physical Security Plan. The plan will be reviewed by the Executive Management Team and implemented by June 30, 2020.

- **Cyber Security Plan** – Complete the development and implementation of a Cyber Security Plan by June 30, 2020.

  UPDATE: Complete. The Cyber Security Strategic Plan was completed in February 2020. The plan identified several risk factors, four strategic goals and a series of projects to implement over the next four years to meet those goals and minimize risk. The plan is meant as a guide to be continuously refined to keep pace with the changing threat environment.

2. **Succession Planning**
   - **Leadership Development** – Provide at least two specialized trainings tailored to the Supervisory Level and one for the EMT/ Managers by June 30, 2020.

     UPDATE: Complete. Staff developed and conducted a *Return to Work Training* for all management staff in September 2019. A second training for management entitled "Navigating Public Sector Employment" took place on June 16; this virtual training provided the tools and resources needed for supervisors and managers to navigate oversight of employees in the public sector and in a union environment.

3. **Resource Recovery**
   - **Groundwater Replenishment System (GWRS) Final Expansion** – Meet the following milestones to support the final expansion of GWRS:
     - Advertise for Construction of Project P2-122, Headworks Modifications at Plant No. 2 for GWRS Expansion by January 31, 2020.

       UPDATE: Complete. The Headworks Modification at Plant No. 2 Project advertised for Construction on October 10, 2019, two weeks ahead of its original schedule.

- Issue Construction Contract Notice to Proceed for Project P2-122, Headworks Modifications at Plant No. 2 for GWRS Expansion by June 30, 2020.

  UPDATE: Complete. The Headworks Modification at Plant No. 2 Project Construction Contract Notice to Proceed was issued on March 2, 2020.

- **Emerging Contaminants** – Work with industry, academic, and agency partners to develop science-based regulations and an adaptive plan by June 30, 2020 to address the potential impact of PFAS to OCSD.

  UPDATE: **Complete.** PFAS regulations continue to be under development at the federal and state levels for water, wastewater, solids waste, and biosolids. OCSD has actively collaborated with industry partners to track and comment on these regulations, develop analytical methods for non-potable water samples, advocate for greater recognition for wastewater treatment facilities as passive receivers of PFAS, and develop cost effective strategies for reducing the potential impact of PFAS on OCSD's operation. Currently, OCSD is applying USEPA's Interim Groundwater Cleanup Screening Levels for evaluating non-residential episodic discharge requests to mitigate PFAS contributions to OCSD. In addition, OCSD has prepared resources to respond to a pending State investigation order – expected to be issued in 2020.

- **Food Waste Digestion Pricing Policy** – Present a draft policy and pricing plan to the Board of Directors by June 30, 2020.

  UPDATE: **Complete.** Staff presented a draft policy and pricing plan to the Board of Directors at the Operations and Administrative Committees in May 2020.

4. <u>Reliability</u>

- **Asset Management Plan** – Develop an Asset Management Plan by December 31, 2019 that includes an inventory of critical assets for each process area and the collection system; an evaluation of their condition and performance; and an implementation plan to maintain, rehabilitate, and replace these assets to meet the required levels of service at the lowest life cycle cost and at an acceptable level of risk.

  UPDATE: **Complete.** The Asset Management Plan was finalized in December 2019 and was presented to the Operations and Administration Committees in March 2020.

- **Central Generation Engines** – Implement an in-house heavy mechanical maintenance team and award a contract by December 31, 2019 to overhaul two Central Generation Engines.

  UPDATE: **Complete**. Heavy Mechanical Maintenance team implemented in October 2019. Contract to overhaul two Central Generation Engines was awarded in November 2019.

- **Pump Station Bypass Exercises** – Bypass the flow of two Pump Stations to prove emergency readiness and use the exercise to do critical valve and electrical maintenance at those Pump Stations by June 30, 2020.

  UPDATE: **On-schedule**. MacArthur Pump Station was bypassed on August 3, 2019 to replace a failed force main valve. Contract services were utilized to perform the bypass operation due to the long run of temporary pipe installation. Crystal Cove Pump Station will be bypassed the week of June 15, 2020 to perform electrical maintenance and testing for arc flash incident energy identification and reduction efforts.

5. <u>Operational Optimization</u>

- **OCSD Headquarters Building** – Advertise for the construction of Headquarters Complex Site Preparation, Contract No. P1-128C by February 29, 2020. Obtain City of Fountain Valley approvals for the Headquarters Building by June 30, 2020.

  UPDATE: Progress continues. The Headquarters Site Preparation Project P1-128C advertised for construction on January 30, 2020. The Development Plan Review application for the new Headquarters was submitted to the City of Fountain Valley on March 27, 2020. Staff continues to work with the city to obtain approvals.

- **Document Management** – Complete Records Management and Trusted System Needs Assessment by November 30, 2019.

  UPDATE: **Complete.** The Records Management and Trusted System Needs Assessment was completed in January 2020. A recommendation to move Records Management to Board Services has been implemented. Next steps include the selection of a Records Information Management System and the implementation of the system.

- **Communications Audit** – Complete the audit and provide a report to the Legislative and Public Affairs Committee by March 30, 2020.

UPDATE: **Complete.** The Communications Audit was completed; a report was provided, and a presentation was made to the Legislative and Public Affairs Committee in March 2020.

- **Capital Project Delivery** – Complete a formal design review framework by June 30, 2020. Complete a framework for regular updates of engineering policies and procedures, design guidelines, and engineering standards by June 30, 2020.

  UPDATE: **Complete.** Formal implementation plans for a design review framework and standard for maintaining policies and procedures, design guidelines, and engineering standards was finalized in March 2020.

- **Solids Handling Optimization** – Complete commissioning and optimize performance of new solids handling facilities at each plant by December 31, 2019.

  UPDATE: **Complete.** The new solids handling facilities at both facilities were commissioned and optimized in December 2019.

- **Strategic Plan** – Complete new Strategic Plan for adoption by the Board of Directors by November 30, 2019.

  UPDATE: **Complete.** The Strategic Plan was finalized and adopted by the Board of Directors on November 20, 2019.

- **Two Year Budget** – Complete new two-year budget for adoption by the Board of Directors on June 24, 2020.

  UPDATE: On-schedule. The two-year budget process for Fiscal Years 2020-21 and 2021-2022 began in January 2020 and will be presented to the Board of Directors for adoption on June 24, 2020.

Orange County Sanitation District

BOARD OF DIRECTORS

Agenda Report

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

File #: 2020-1089 **Agenda Date:** 6/24/2020 **Agenda Item No:** FC-1

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

SUBJECT:

APPROVAL OF MINUTES - FINANCING CORPORATION

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Approve Minutes of the Regular Meeting of the Orange County Sanitation District Financing Corporation of June 26, 2019.

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) with the complete agenda package:

- Minutes of the Orange County Sanitation District Financing Corporation meeting held June 26, 2019

Orange County Sanitation District

MINUTES

FINANCING CORPORATION

MEETING

June 26, 2019

Administration Building
10844 Ellis Avenue
Fountain Valley, California 92708-7018

ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION

CALL TO ORDER:

Chair Shawver called the Board of Directors, Orange County Sanitation District Financing Corporation meeting to order at 7:03 p.m.

Kelly Lore, Secretary of the Financing Corporation, declared a quorum present as follows:

ACTIVE DIRECTORS		ALTERNATE DIRECTORS	
X	David Shawver, Chair		Carol Warren
A	Brad Avery		Joy Brenner
X	Allan Bernstein		Chuck Puckett
X	Doug Chaffee		Michelle Steel
X	Robert Collacott		Chad Zimmerman
X	James M. Ferryman		Bob Ooten
A	Phil Hawkins		Brooke Jones
X	Cecilia Iglesias		David Penaloza
X	Steven Jones		John O'Neill
X	Peter Kim		Marshall Goodman
X	Lucille Kring		Denise Barnes
X	Sandra Massa-Lavitt		Schelly Sustarsic
A	Mark Murphy		Kim Nichols
X	Richard Murphy		Dean Grose
A	Steve Nagel		Patrick Harper
X	Andrew Nguyen		Al Krippner
X	Glenn Parker		Steven Vargas
X	Erik Peterson		Mike Posey
X	Tim Shaw		Tom Beamish
	Christina Shea	X	Anthony Kuo
X	Jesus J. Silva		Jan Flory
X	Fred Smith		Sunny Park
A	Chad Wanke		Ward Smith
X	John Withers		Douglas Reinhart
X	Mariellen Yarc		Stacy Berry

Kelly Lore, Secretary of the Financing Corporation, announced that the members of the Orange County Sanitation District Board of Directors are each being compensated $212.50 for the Board of Directors Meeting; there is no additional compensation for the Financing Corporation Meeting.

APPROVAL OF MINUTES:

FC-1. **APPROVAL OF MINUTES** (Secretary of the Financing Corporation)

Hearing no corrections or amendments made, the minutes for the meeting held on June 27, 2018 were deemed approved as so ordered by the Chair.

INFORMATION ITEM:

FC-2. **ANNUAL STATUS REPORT OF THE ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION** (Lorenzo Tyner)

Assistant General Manager Lorenzo Tyner provided a verbal overview of the annual status report.

MOVED SECONDED AND DULY CARRIED TO: Receive and File the Annual Status Report of the Orange County Sanitation District Financing Corporation.

AYES:	Bernstein; Chaffee; Collacott; Ferryman; Iglesias; S. Jones; Kim; Kring; Kuo (Alternate); Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Silva; F. Smith; Withers and Yarc
NOES:	None
ABSTENTIONS:	None
ABSENT:	Avery; Hawkins; M. Murphy; Nagel and Wanke

Chair Shawver adjourned the meeting of the Board of Directors, Orange County Sanitation District Financing Corporation at 7:04 p.m.

Submitted by:

Kelly A. Lore, MMC
Clerk of the Board

Orange County Sanitation District

BOARD OF DIRECTORS

Agenda Report

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

File #: 2020-1088 **Agenda Date:** 6/24/2020 **Agenda Item No:** FC-2

FROM: James D. Herberg, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

ANNUAL STATUS REPORT OF THE ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Receive and file the Annual Status Report of the Orange County Sanitation District Financing Corporation.

BACKGROUND

Per Section 2.05 of the Orange County Sanitation District (Sanitation District) Financing Corporation, the Board of Directors will conduct at least one annual meeting where staff shall provide an activity report and conduct other business as necessary.

As of June 30, 2020, the Sanitation District has approximately $940 million in outstanding debt that is scheduled to be paid off prior to June 30, 2044.

The Sanitation District did not issue any new money debt during the 2019-20 Fiscal Year and no new money debt issuances are planned for the 2020-21 Fiscal Year.

A summary of the Sanitation District debt history is provided later in this agenda report.

RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Ensure that investment proposals and decisions are based on clearly defined standards
- Sound engineering and accounting practices, complying with local, state and federal laws
- Produce appropriate financial reporting

ADDITIONAL INFORMATION

The Sanitation District began issuing Certificates of Participation (COPs) in 1990. These COPs were part of the long-term financing plan that included both variable interest rate and traditional fixed rate borrowing. Following are the current outstanding debt issues of the Sanitation District:

Outstanding Debt History

In May 2010, the Sanitation District issued $80 million of fixed rate Build America Bonds (BABs), Series 2010A at a true interest cost of 3.68 percent for the issue. $80 Million Outstanding

In December 2010, the Sanitation District issued $157 million of fixed rate BABs, Series 2010C at a true interest cost of 4.11 percent for the issue. $157 Million Outstanding

In October 2011, the Sanitation District issued $148 million of fixed rate COPs, Series 2011A refunding a portion of the Series 2000 variable rate debt and a portion of the Series 2003 fixed rate debt. The true interest cost for the issue is 2.61 percent. $75 Million Outstanding

In March 2012, the Sanitation District issued $101 million of fixed rate COPs, Series 2012A refunding the Series 2003 fixed rate debt. The true interest cost for the issue is 3.54 percent. $101 Million Outstanding

In August 2012, the Sanitation District issued $66 million of fixed rate COPs, Series 2012B refunding the Series 2000 variable rate debt. The true interest cost for the issue is 1.50 percent. $26 Million Outstanding. With the issuance of Series 2012B, there remains no variable interest rate COPs at the Sanitation District.

In August 2014, the Sanitation District issued $85 million of fixed rate COPs, Series 2014A, refunding a portion of Series 2007B debt. The true interest cost for the issue is 2.34 percent. $64 Million Outstanding

In February 2015, the Sanitation District issued $128 million of fixed rate COPs, Series 2015A, refunding $152,990,000 of the Series 2007B debt. The true interest cost for the issue is 3.30 percent. $128 Million Outstanding

In March 2016, the Sanitation District issued $146 million of fixed rate certificate anticipation notes (CANs), Series 2016A, refunding a portion of the Series 2009A. The true interest cost for the issue is 3.02 percent. $141 Million Outstanding

In February 2017, the Sanitation District issued $66 million of fixed rate COPs, Series 2017A, refunding $92 million of the Series 2007A debt. The true interest cost for this issue is 2.55 percent. $66 Million Outstanding

In November 2018, the Sanitation District issued $102 million of fixed rate CANs, Series 2018A, refunding the Series 2016B CANs. The true interest cost for the issue is 2.02 percent. $102 Million Outstanding

ATTACHMENT

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

N/A

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Orange County Sanitation District

ADMINISTRATION COMMITTEE

Agenda Report

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

File #: 2020-1122 **Agenda Date:** 6/24/2020 **Agenda Item No:** 17.

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:

A. Reduce the approved Fiscal Year 2020-2021 Single Family Residential (SFR), Multi-Family Residential (MFR) rates, and Industrial Dischargers Charge for Use (see attachment) as follows:

	SFR* Approved	MFR Approved	SFR* Proposed	MFR Proposed
July 1, 2020	$343.00	$240.10	$339.00	$237.30
July 1, 2021	$347.00	$242.90	$343.00	$240.10
July 1, 2022	$351.00	$245.70	$347.00	$242.90

*The SFR is the underlying rate for the Sanitation District's primary rate structure and as such other components of the rate structure will be adjusted accordingly.

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

	FY 2020-21	FY 2021-22
Net Operating	$ 174,315,516	$ 174,470,159
Self-Insurance - Workers' Comp	$ 780,000	$ 800,000
Self-Insurance - Property & Gen. Liability	$ 2,080,000	$ 2,140,000
Net Capital Improvement Program	$ 147,562,000	$ 240,846,000
Debt/COP Service (1)	$ 72,838,369	$ 168,936,869
Intra-District Joint Equity Purchase/Sale(2)	$ 3,500,000	$ 3,500,000
Total	**$ 401,075,885**	**$ 590,693,028**

(1) Includes $102,200,000 in maturing debt
(2) Cash to/from Revenue Area 14 (RA14) in exchange for capital assets to/from Consolidated Revenue Area 15 (RA15)

BACKGROUND

The Orange County Sanitation District (Sanitation District) FY 2020-21 and FY 2021-22 Proposed Budget is enclosed for the Board's consideration. The Budget has been presented to the Operations and Administration Committees at their regular June meetings in order to allow each Committee an opportunity to review the proposal prior to the June Board meeting.

Although each Committee had an opportunity to review the proposal, it remains the responsibility of the Administration Committee to recommend approval.

The Administration Committee recommended approval of the budget with no user fee increase for FY 2020-21, eliminating the 1.2% user fee increase included in the original budget proposal.

RELEVANT STANDARDS

- Produce Operating and CIP budgets every two years, with annual update

PROBLEM

The 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, has been finalized and is presented to the Board for adoption.

RAMIFICATIONS OF NOT TAKING ACTION

The Sanitation District will not be able to carry out its financial fiduciary duties beyond June 30, 2020.

ADDITIONAL INFORMATION

The second year of the two-year budget is being proposed at $591 million, or approximately $190 million more than the first-year proposed amount of $401 million. This increase is primarily due to potentially paying off $102 million in 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.

The Administration Committee recommended approval of the budget with no user fee increase for FY 2020-21, eliminating the 1.2% user fee increase included in the original budget proposal. Foregoing

the FY 2020-21 user fee increase and resuming annual 1% rate adjustments in 2021-22 will result in a $71 million loss in revenue to the Sanitation District over the next ten years.

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. Therefore, staff recommends addressing this revenue loss by removing the planned early debt repayment from the budget and continuing 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) with the complete agenda package:

- Agenda Report - Administration Committee 06/10/2020
- Budget Presentation - FY 2020-21 & FY 2021-22 Administration Committee 06/10/2020
- Proposed FY 2020-21 & FY 2021-22 Executive Budget Summary
- Proposed FY 2020-21 & FY 2021-22 Budget *(separate electronic file)*

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Orange County Sanitation District

ADMINISTRATION COMMITTEE

Agenda Report

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

File #: 2020-1093 **Agenda Date:** 6/10/2020 **Agenda Item No:** 9.

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) 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

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Orange County Sanitation District
Consolidated Cash Flow Projections

Cashflow from the 2020-21 and 2021-22 Proposed Budget

Ref	Description	Preliminary 20-21	Preliminary 21-22	Preliminary 22-23	Preliminary 23-24	Preliminary 24-25	Preliminary 25-26
	Revenues:						
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	**Revenues**	**488,253,290**	**497,348,752**	**495,741,631**	**503,492,564**	**510,832,265**	**521,850,220**
	Requirements:						
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 Liabilites	-	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	**Requirements**	**400,220,885**	**661,483,028**	**537,478,000**	**549,551,000**	**511,045,000**	**555,696,000**
19	**Revenues-Requirements**	**88,032,405**	**(164,134,276)**	**(41,736,369)**	**(46,058,436)**	**(212,735)**	**(33,845,780)**
	Accumulated Funds:						
20	Beginning of Year	843,125,661	931,158,066	767,023,790	725,287,421	679,228,985	679,016,250
21	**End of Year**	931,158,066	767,023,790	725,287,421	679,228,985	679,016,250	645,170,470
22	**Consolidated Reserve Policy**	534,393,000	532,731,000	512,983,000	515,109,000	517,099,000	519,155,000
23	**Over (Under) Reserve Policy***	**396,765,066**	**234,292,790**	**212,304,421**	**164,119,985**	**161,917,250**	**126,015,470**
	Sewer Service User Fees:						
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	Outstanding COPs	$940,050,000	$909,620,000	$707,360,000	$677,555,000	$646,415,000	$613,760,000
	Reserve Policy						
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	Total	534,393,000	532,731,000	512,983,000	515,109,000	517,099,000	519,155,000
	COP Ratios						
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 26-27	Preliminary 27-28	Preliminary 28-29	Preliminary 29-30	10-Year Total
	Revenues:					
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	**Revenues**	**535,889,000**	**544,329,000**	**553,583,000**	**561,400,000**	**5,212,719,722**
	Requirements:					
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 Liabilites	-	-	-	-	173,855,000
17	Other Requirements	2,480,000	2,480,000	2,480,000	2,480,000	31,730,000
18	**Requirements**	**608,493,000**	**594,795,000**	**587,528,000**	**514,893,000**	**5,521,182,913**
19	**Revenues-Requirements**	**(72,604,000)**	**(50,466,000)**	**(33,945,000)**	**46,507,000**	**(308,463,191)**
	Accumulated Funds:					
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	**Consolidated Reserve Policy**	521,009,000	521,215,000	487,808,000	526,274,000	526,274,000
23	**Over (Under) Reserve Policy***	**51,557,470**	**885,470**	**347,470**	**8,388,470**	**8,388,470**
	Sewer Service User Fees:					
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	Outstanding COPs	$579,775,000	$547,925,000	$510,330,000	$470,860,000	
	Reserve Policy					
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 v	-	(2,000,000)	(37,000,000)	-	
37	Total	521,009,000	521,215,000	487,808,000	526,274,000	
	COP Ratios					
38	Sr Lien Coverge, 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 20-21	Preliminary 21-22	Preliminary 22-23	Preliminary 23-24	Preliminary 24-25	Preliminary 25-26
	Revenues:						
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	**Revenues**	**484,378,790**	**493,941,679**	**492,788,507**	**499,464,219**	**505,707,075**	**515,605,530**
	Requirements:						
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	**Requirements**	**400,220,885**	**589,828,028**	**540,345,000**	**552,417,000**	**513,911,000**	**558,562,000**
19	**Revenues-Requirements**	**84,157,905**	**(95,886,349)**	**(47,556,493)**	**(52,952,781)**	**(8,203,925)**	**(42,956,470)**
	Accumulated Funds:						
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	**Consolidated Reserve Policy**	534,393,000	532,748,000	513,036,000	514,679,000	516,191,000	517,758,000
23	**Over (Under) Reserve Policy***	**392,963,638**	**298,722,289**	**270,877,796**	**216,282,015**	**206,566,090**	**162,042,620**
	Sewer Service User Fees:						
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	Outstanding COPs	$940,050,000	$909,620,000	$707,360,000	$677,555,000	$646,415,000	$613,760,000
	Reserve Policy						
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	Total	534,393,000	532,748,000	513,036,000	514,679,000	516,191,000	517,758,000
	COP Ratios						
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 20-21	Preliminary 21-22	Preliminary 22-23	Preliminary 23-24	Preliminary 24-25	Preliminary 25-26
	Revenues:						
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	**Revenues**	**484,378,790**	**493,941,679**	**492,788,507**	**499,464,219**	**505,707,075**	**515,605,530**
	Requirements:						
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	**Requirements**	**400,220,885**	**589,828,028**	**540,345,000**	**552,417,000**	**513,911,000**	**558,562,000**
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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	Total	534,393,000	532,748,000	513,036,000	514,679,000	516,191,000	517,758,000
	COP Ratios						
38	Sr Lien Coverge, Min 1.25	3.99	4.48	4.59	4.60	4.61	4.68

Proposed Budget Summary

Fiscal Years 2020-21 and 2021-22

Presenter: Wally Ritchie, Controller

Administration Committee
June 10, 2020

CELEBRATING 65 YEARS
ORANGE COUNTY SANITATION DISTRICT

Budget Presentations

February – Budget Assumptions

March – Revenues

April – Expenditures

May – Capital Improvement Program

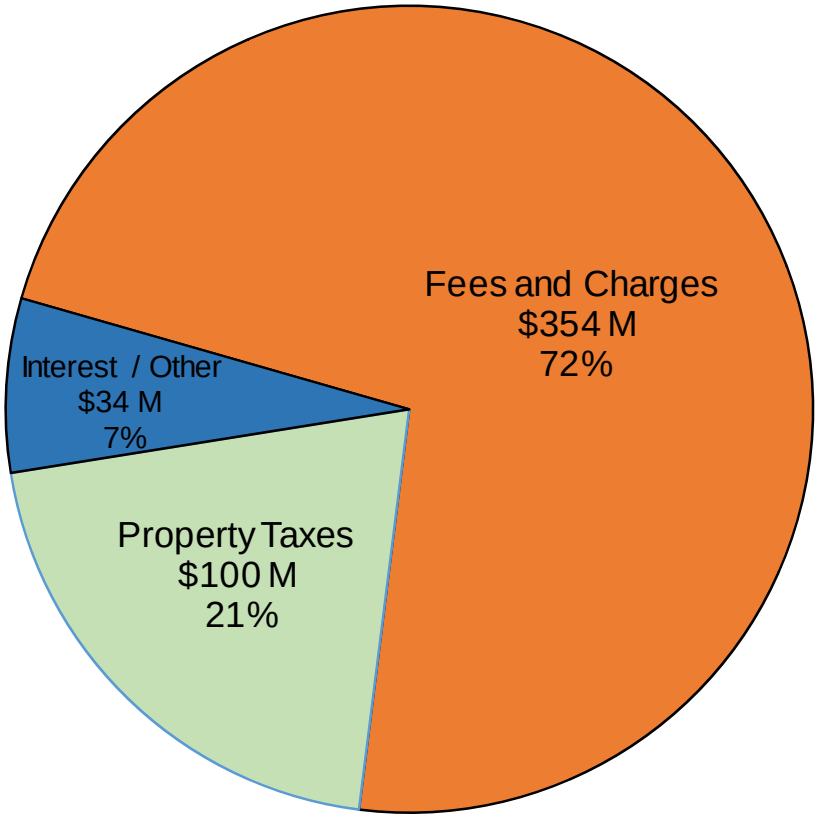
June – Budget Overview

Proposed Budget Summary

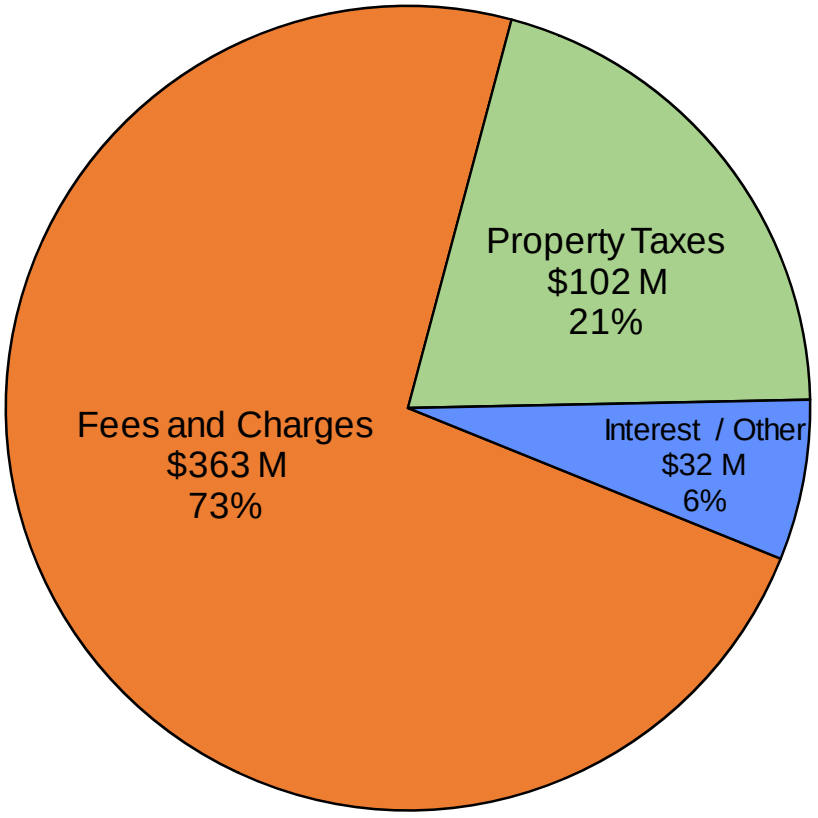
Revenues	FY 20-21	FY 21-22
Fees and Charges	$ 354 M (72%)	$ 363 M (73%)
Property Taxes	$ 100 M (21%)	$ 102 M (21%)
Interest/Other	$ 34 M (7%)	$ 32 M (6%)
Total Revenues	**$ 488 M**	**$ 497 M**

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%)
Total Outlays	**$ 400 M**	**$ 662 M**

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
Total Fees & Charges	**$ 354 M**	**$ 363 M**

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
Total General Income	**$ 134 M**	**$ 134 M**

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
Total Outlays	**$ 400 M**	**$ 662 M**

Proposed Operating Expense Summary

Description	Proposed FY 20-21	Proposed 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)
Subtotal Net Operating Requirements	**173.9 M**	**174.1 M**
Self-Insurance	2.4 M	2.4 M
Total Net Operating Requirements	**$ 176.3 M**	**$ 176.5 M**

Salaries and Benefits

	Proposed FY 20-21	Proposed FY 21-22
SALARIES & BENEFITS	$ 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	Proposed 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	Proposed 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

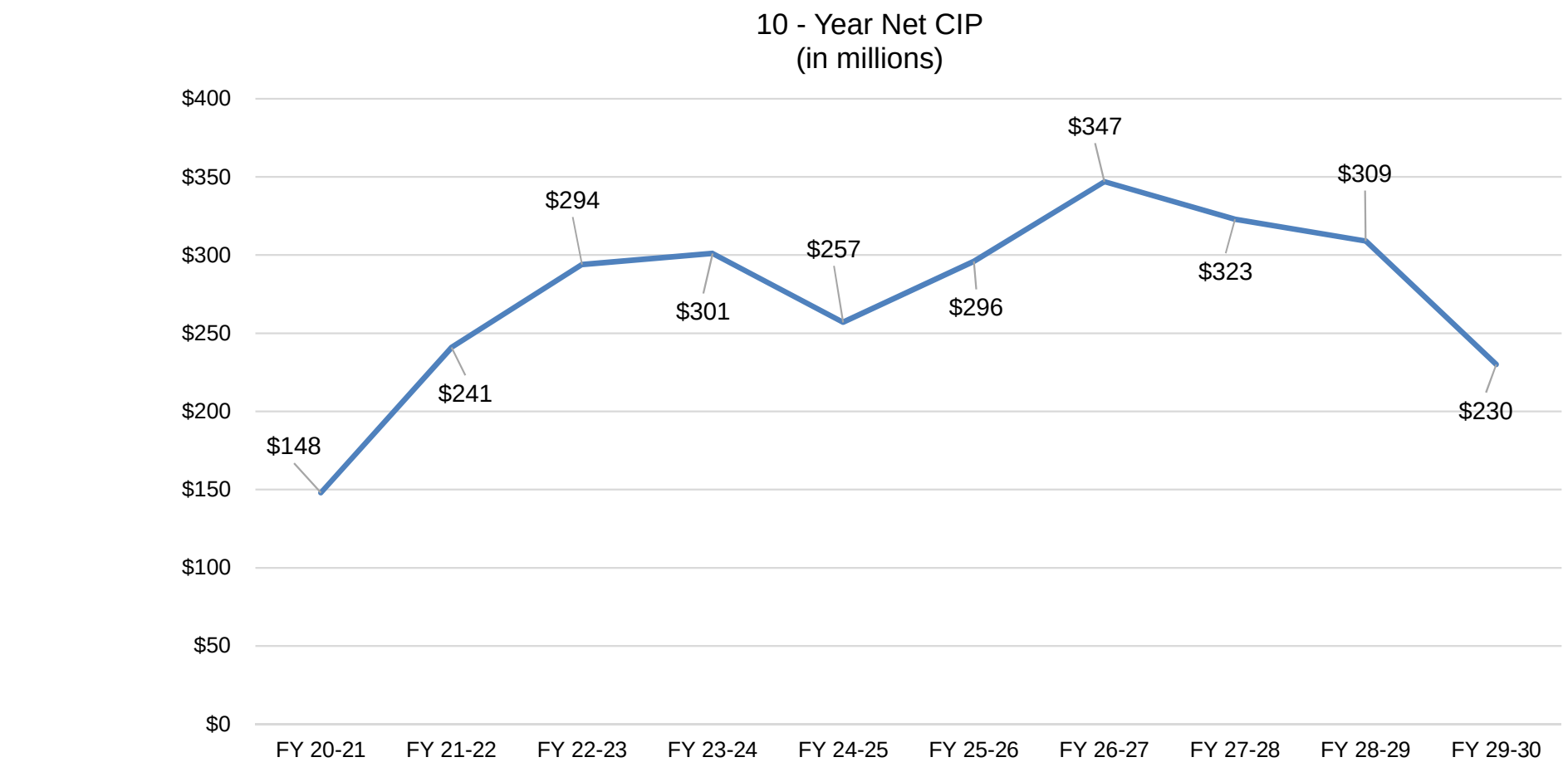
Departmental Operating Summary

Department	FY 20-21 Budget	FY 21-22 Budget	FY 20-21 FTEs	FY 21-22 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
Total	**$ 173.9 M**	**$ 174.1 M**	**639**	**639**

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
Total Authorized Outlay	**$ 165 M**	**$ 262 M**
Savings & Deferrals	**($ 17 M)**	**($ 21 M)**
Total Projected Net CIP	**$ 148 M**	**$ 241 M**

CIP Program



* 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
Total Debt Service	**$ 73 M**	**$ 240 M**

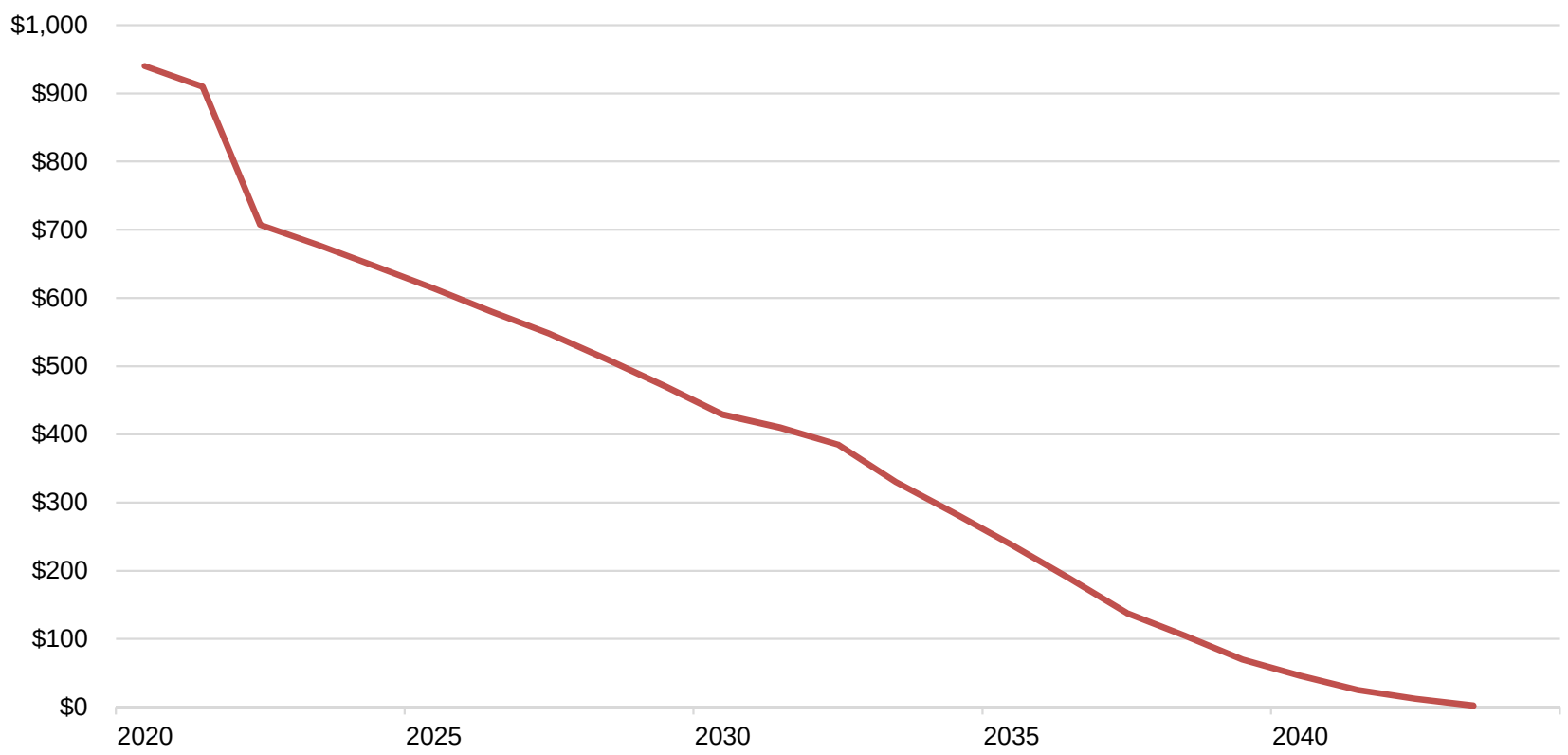
* FY 21-22 -

$ 72 M 2012A Refunding is callable

$102 M 2018A Refunding matures

$174 M callable or matures

Future Debt Service



Questions?

CELEBRATING 65 YEARS
ORANGE COUNTY SANITATION DISTRICT

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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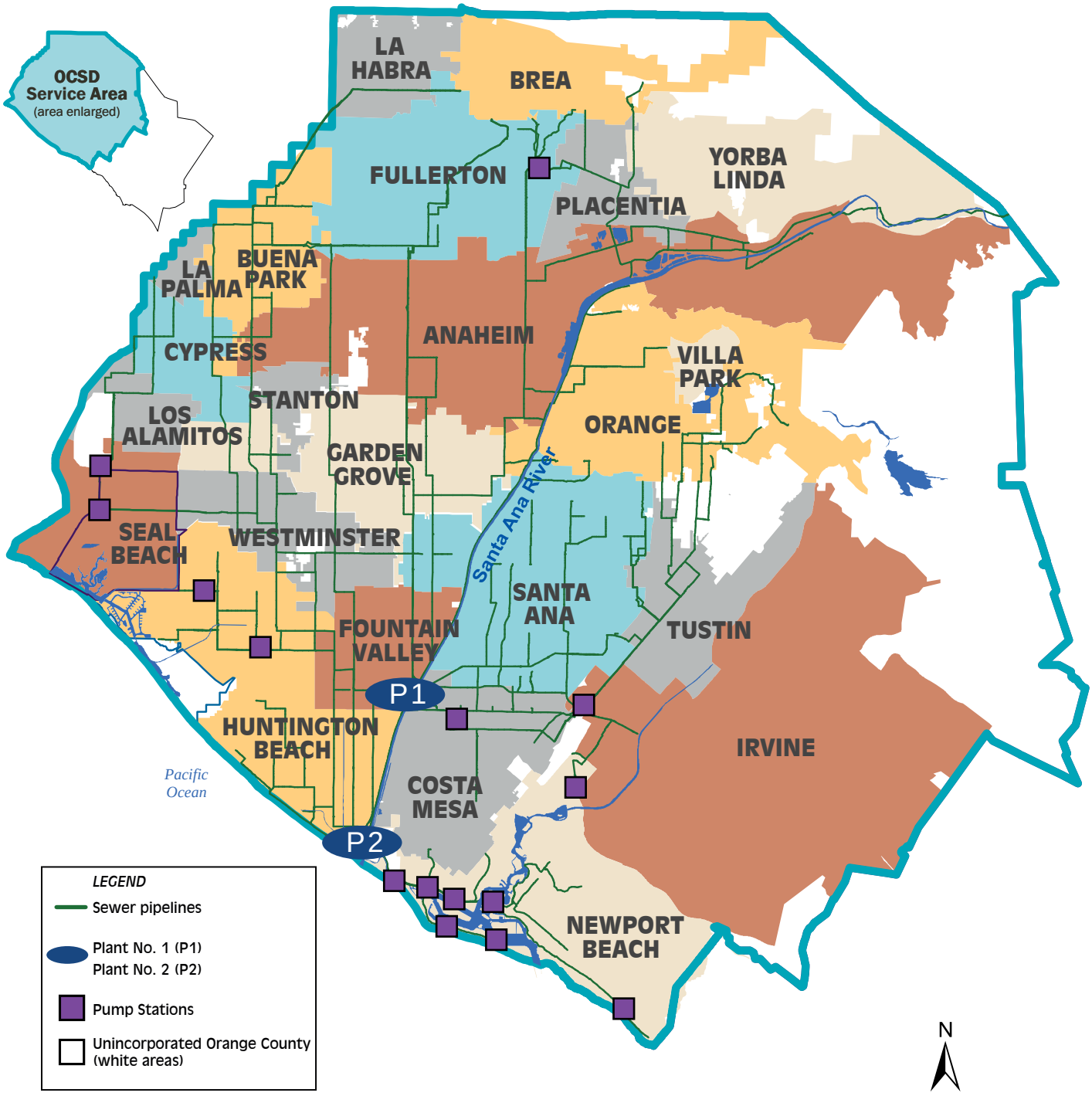
Wastewater Treatment Process Diagram

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)

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)

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)
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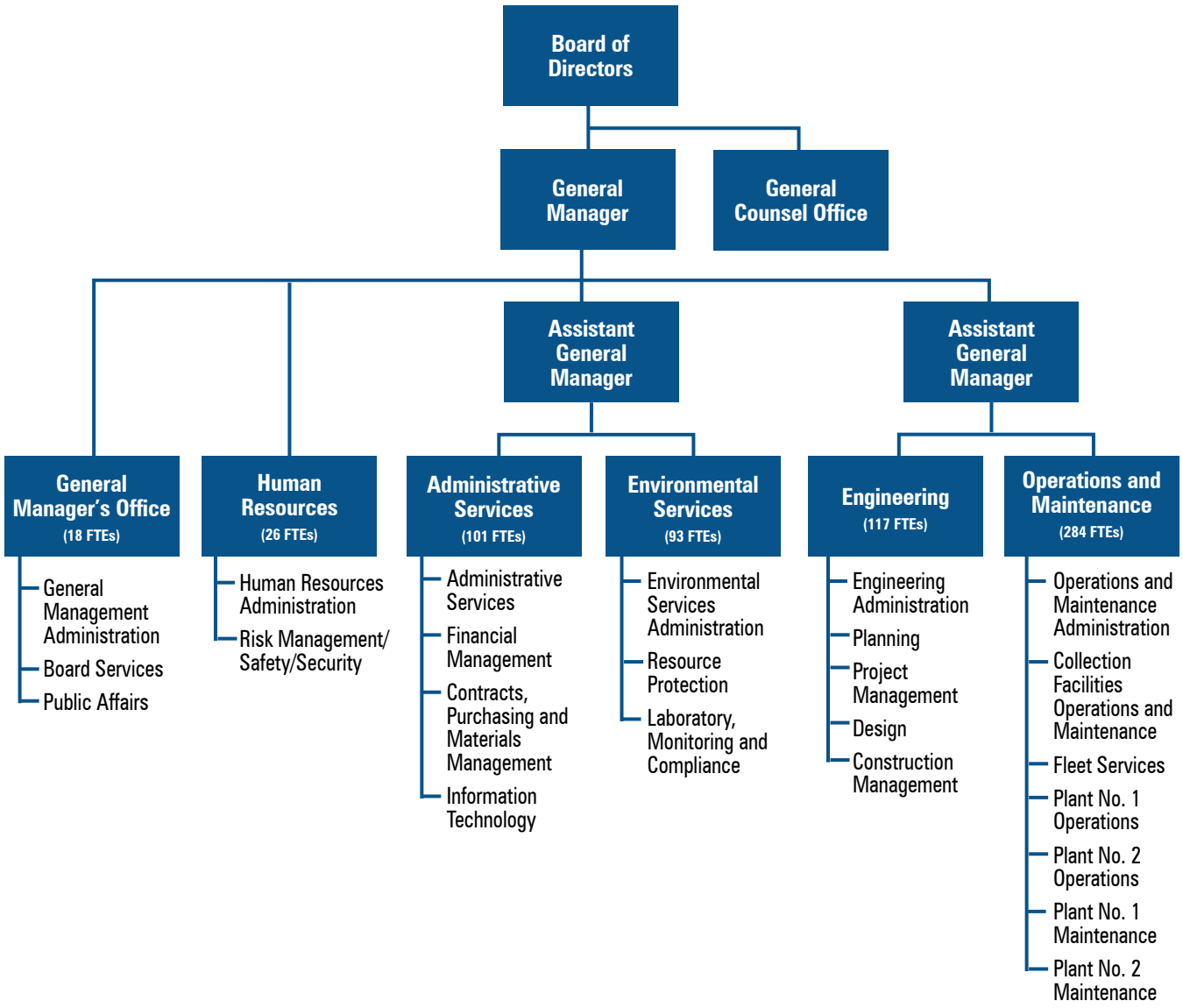
ORGANIZATION CHART



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

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.

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

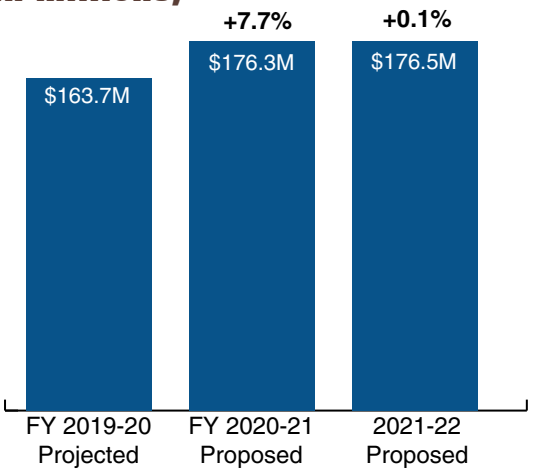
This expense category includes parts and services for repairing aging treatment plant and collection facilities and reflects base budgets for equipment maintenance as well as out-sourced annual service contracts and maintenance agreements.

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)

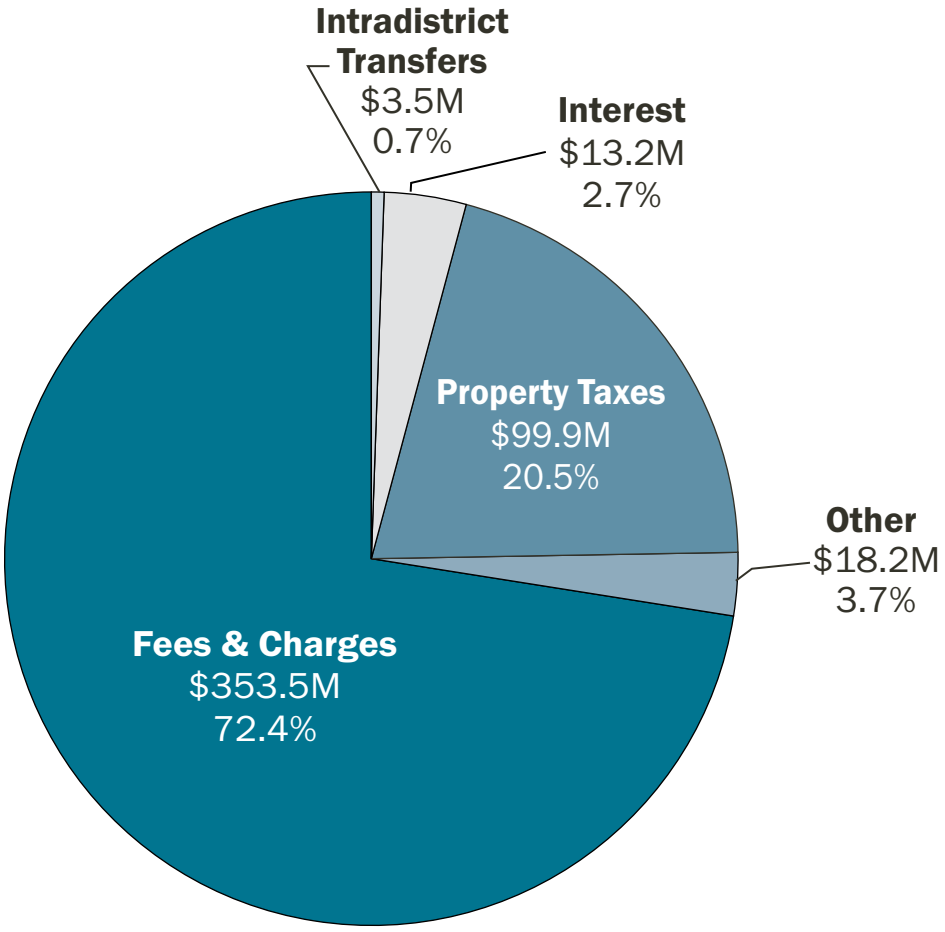


Operating expenses increase $12.6 million (7.7%) in FY 2020-21 and increase $0.2 million 0.1% in FY 2021-22.

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 Actual	2019-20 Projected	2020-21 Proposed	2021-22 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
Total Funding Sources	$498.1	$476.9	$488.3	$497.3

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.

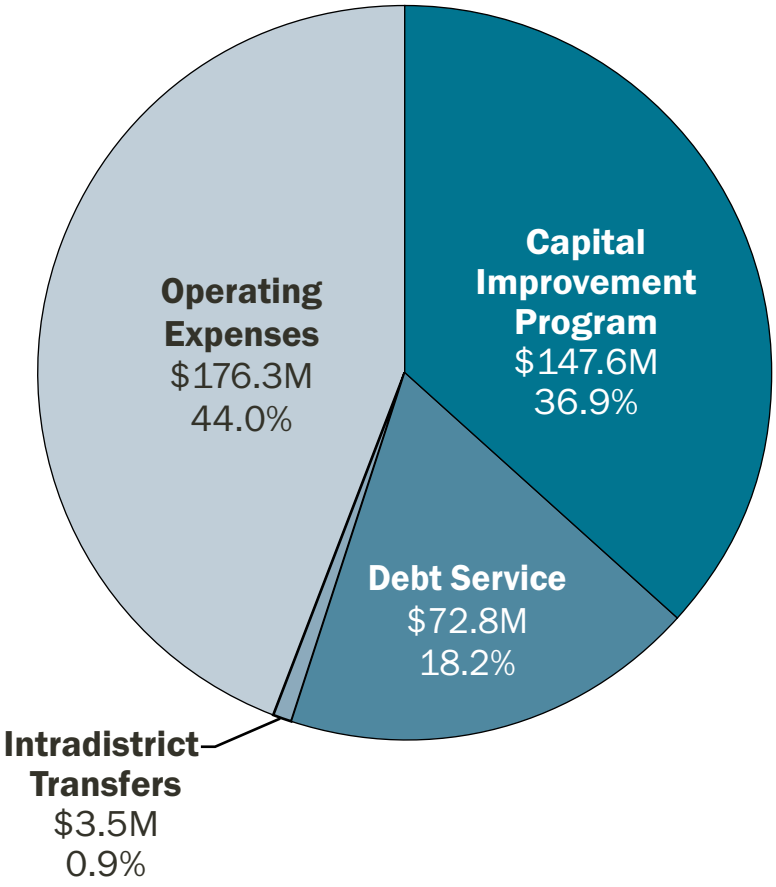
No new money debt issuances are being proposed over the next two fiscal years as the $2.7 billion in future replacement, rehabilitation, and refurbishment projects anticipated over the next ten years will be adequately funded through current sewer service fee charges and existing reserves.

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 Actual	2019-20 Projected	2020-21 Proposed	2021-22 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
Total Funding Uses	$425.9	$394.3	$400.2	$661.5

**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 dying. 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
  - o Budget Control and Fiscal Discipline
  - o Asset Management
  - o Cybersecurity
  - o Property Management
- Environmental Stewardship
  - o Energy Independence
  - o Climate and Catastrophic Event Resiliency
  - o Food Waste Treatment
  - o Water Reuse
  - o Environmental Water Quality, Stormwater Management and Urban Runoff
- Wastewater Management
  - o Chemical Sustainability
  - o Biosolids Management
  - o Constituents of Emerging Concern
- Workplace Environment
  - o Resilient Staffing
  - o 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

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.

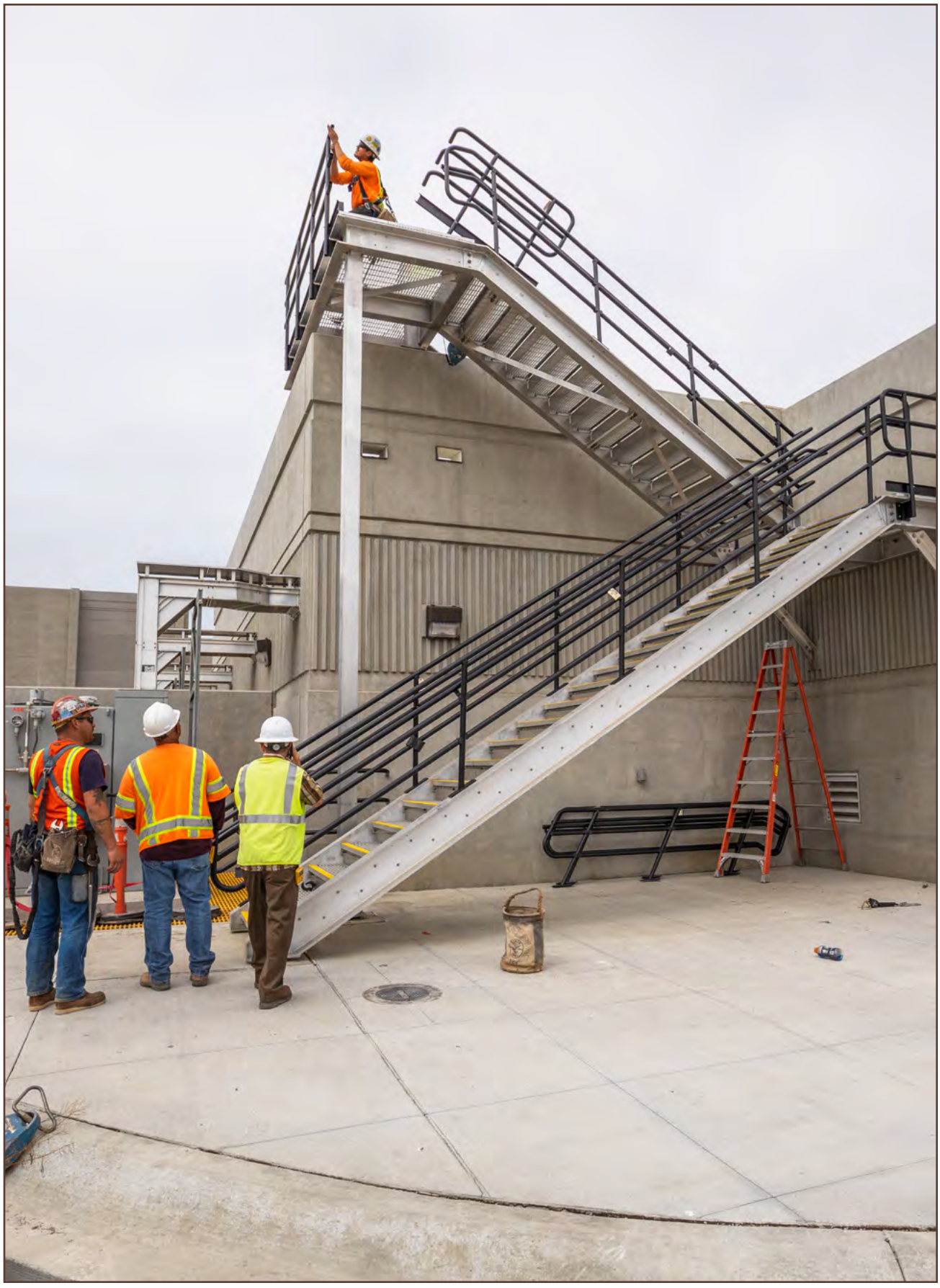
This medium to long-term planning is important for several reasons. By moving away from narrowly focused projects to solve individual problems, to more comprehensive projects refurbishing entire processes, OCSD benefits by having less operational disruption and more efficient project delivery, better 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

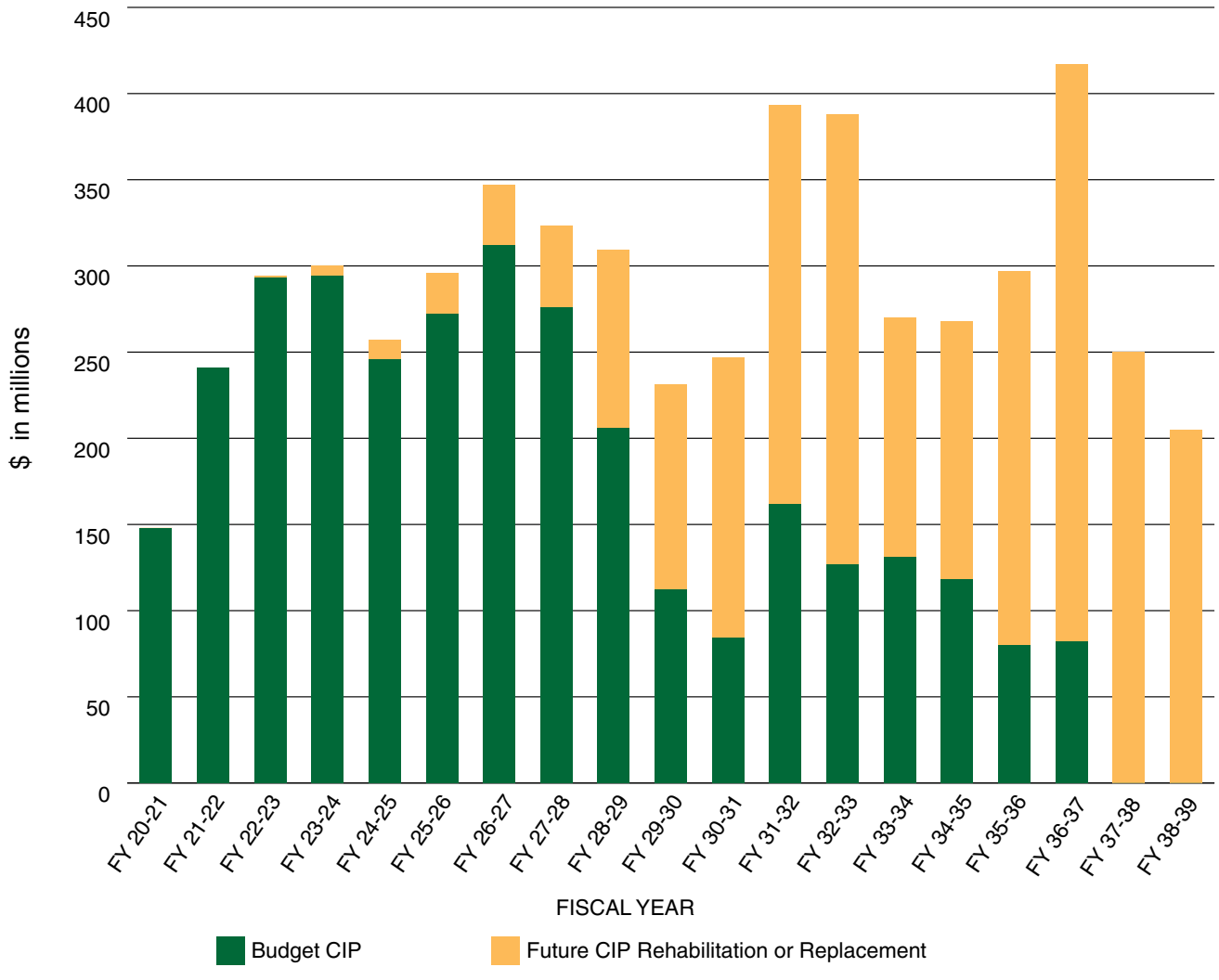
The replacement valuation for all of OCSD's assets has been updated in 2018 as part of the 2017 Facilities Master Plan project. The table below presents the current replacement and depreciated values of OCSD's assets. The replacement value represents the cost in 2018 dollars to completely rebuild all 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.

Planned CIP Outlays

Valuation	Plants	Collection	Total
Replacement Value (in billions)	$7.18	$3.56	$10.74
Depreciated Value (in billions)	$2.88	$0.76	$3.64

The chart below shows the 20-year net CIP outlay which includes current and projected future Capital Improvement Program projects.

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.

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 OCSD 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,

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

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

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 20 17 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:

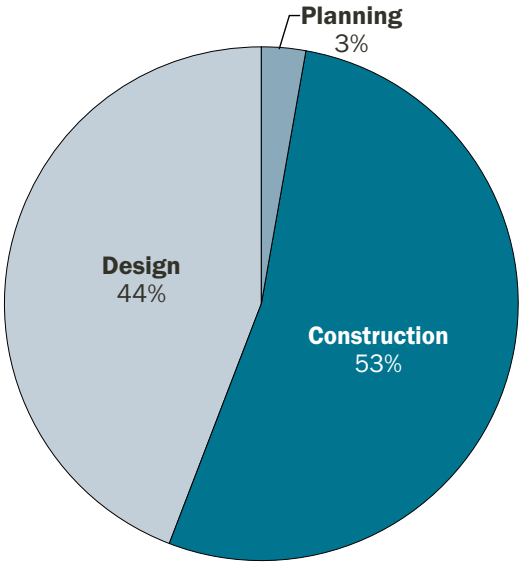
Description	FY 2020-21 CIP Budget
Capital Improvement Program (CIP)	$164.8 M
Less: Savings and Deferrals	($17.3 M)
Net CIP Outlay	$147.6 M

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.

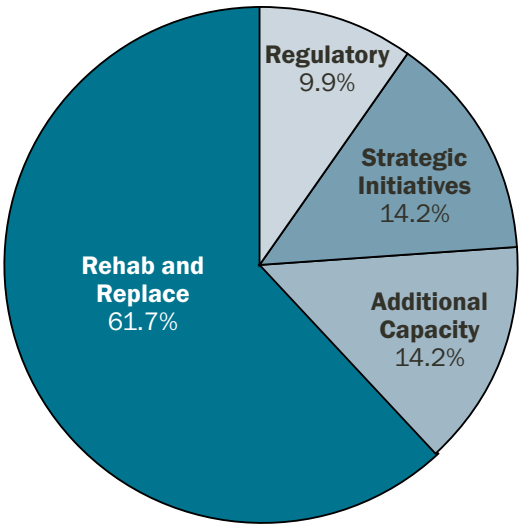
The proposed net CIP outlays can also be categorized by project phase or status. The following chart shows the net CIP outlays of projects in the Planning, Design and Construction phases for FY 2020-21.

Projected FY20-21 Net CIP Outlay by Project Status

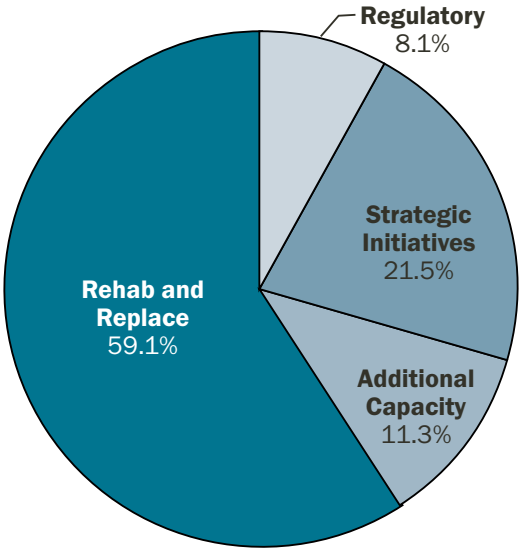


CAPITAL IMPROVEMENT PROGRAM

Fiscal Year 2020-21 Capital Improvement Authority by CIP Driver Total = $164.8 Million



Fiscal Year 21-22 Capital Improvement Authority by CIP Driver Total = $261.9 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 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 Actual	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total Operating Expenses	$160.7	$163.7	$176.3	$176.5

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.

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,

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 2019-20	Proposed 2020-21	Percent Change	Proposed 2021-22	Percent Change
Administration Units:					
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%
Sub-Total	*$34.0*	*$38.2*	*12.4%*	*$39.5*	*3.4%*
Operating Units:					
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%)
Sub-Total	*$134.2*	*$135.7*	*1.1%*	*$134.6*	*(0.8%)*
Total	$168.2	$173.9	3.4%	$174.1	0.1%

Staffing by Department (FTEs)

Department	Authorized 2019-20	Proposed 2020-21	Percent Change	Proposed 2021-22	Percent Change
Administration Units					
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%
Sub-Total	*143.00*	*145.00*	*1.4%*	*145.00*	*0.0%*
Operating Units					
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%
Sub-Total	*497.00*	*494.00*	*(0.6%)*	*494.00*	*0.0%*
Total FTEs	640.00	639.00	(0.2%)	639.00	0.0%

**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

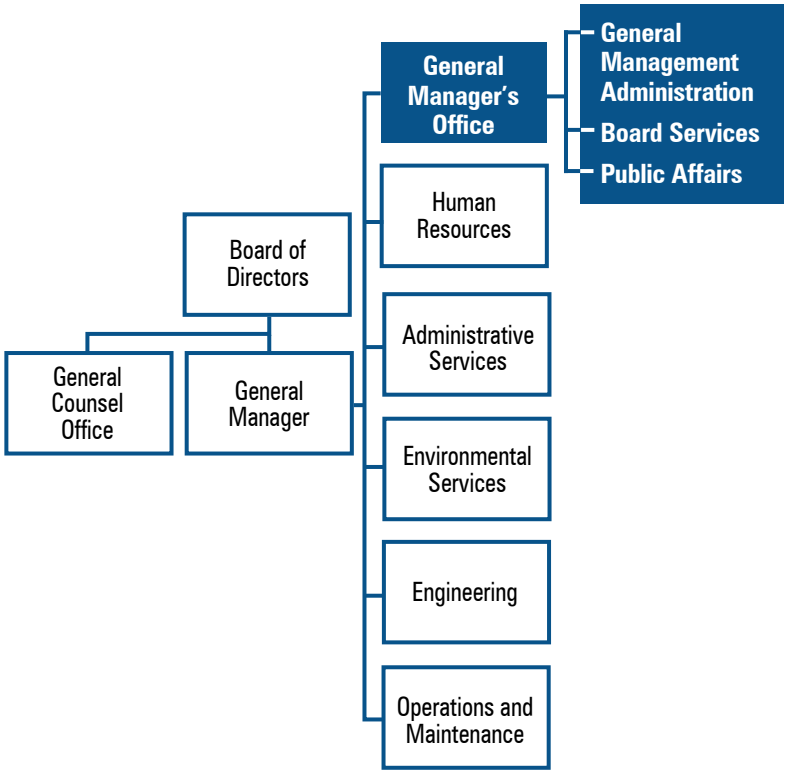
The Engineering Department is responsible for the planning and execution of the OCSD's capital improvement program and asset management program.

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.

Operating Expense

Category	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total	$3,599,166	$4,905,740	$3,891,276	$4,289,610	$4,352,170

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.

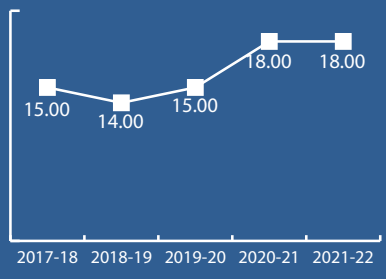
Authorized FTE Positions

Managers..... 4.00
Supervisors /Professionals 7.00
Administrative /Clerical..... 7.00

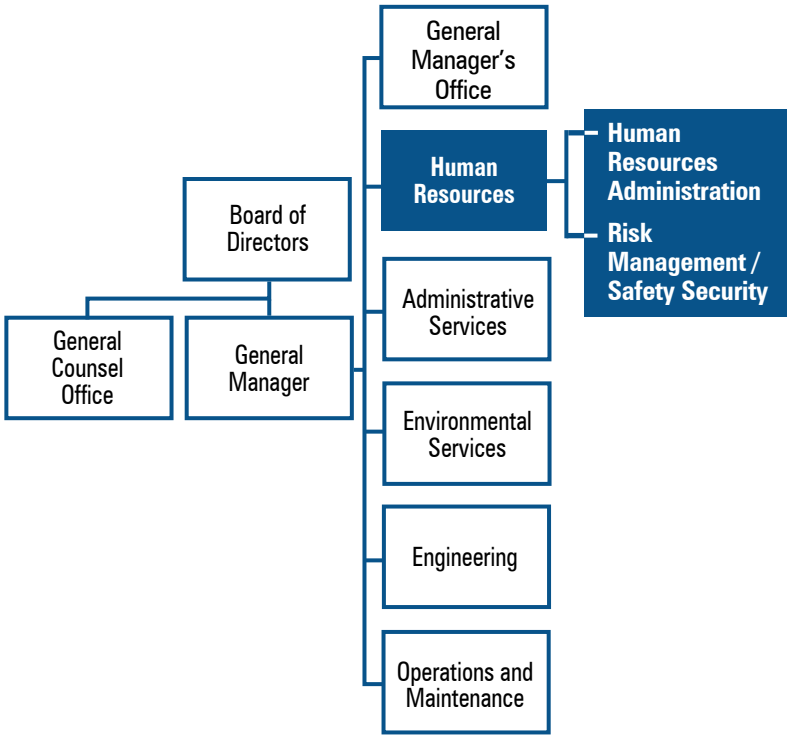
Total 18.00

**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

Operating Expense

Category	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total	$8,861,073	$9,438,380	$8,560,435	$6,599,267	$6,977,325

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

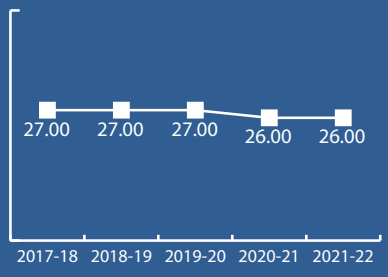
- Continue with development and implementation of effective workforce planning/development and succession planning strategies.
- Continue with a recruitment plan that reduces vacancies and time-to-fill.
- Review all training requirements and support departments in meeting the training level of service 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

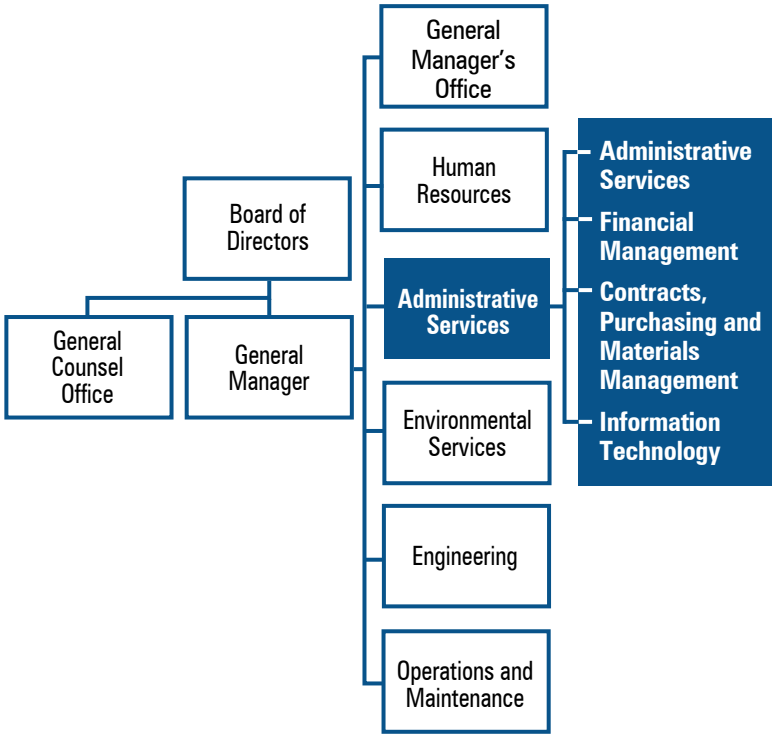
Managers..... 2.00
Supervisors /Professionals ... 21.00
Administrative /Clerical..... 3.00

Total 26.00

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.

C**ontracts, 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.

Operating Expense

Category	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total	$19,756,169	$19,692,840	$19,656,835	$27,344,204	$28,130,911

Budget Overview

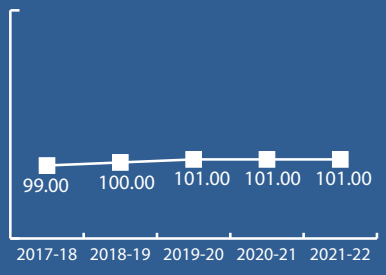
The fiscal year 2020-21 budget for the Administrative Services Department reflects a 38.9 percent increase from the current budget. The increase is primarily due centralizing OCSD wide expenses in Administrative Services and increases in personnel costs, small computer items, property tax fees, groundskeeping 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.

Authorized FTE Positions

Managers..... 3.00
Supervisors /Professionals ... 64.00
Administrative /Clerical..... 34.00

Total 101.00

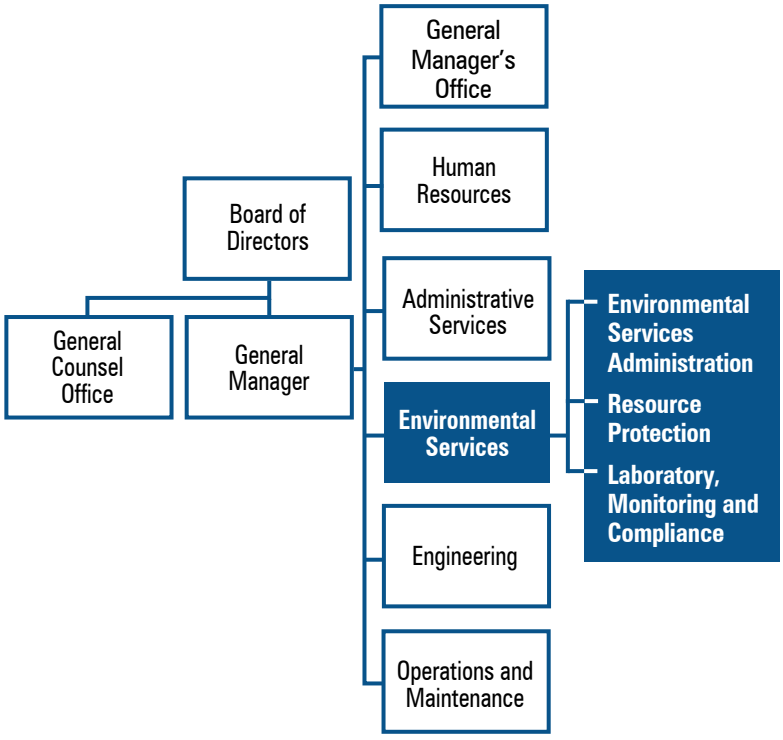
Staffing Trends



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.

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

Operating Expense

Category	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total	$18,734,975	$17,790,620	$18,308,160	$19,289,907	$20,259,898

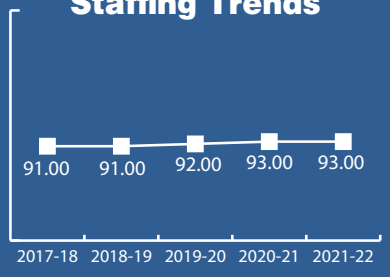
Budget Overview

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.

Authorized FTE Positions

Managers	3.00
Supervisors /Professionals	65.00
Administrative /Clerical	9.00
Technical	16.00
Total	93.00

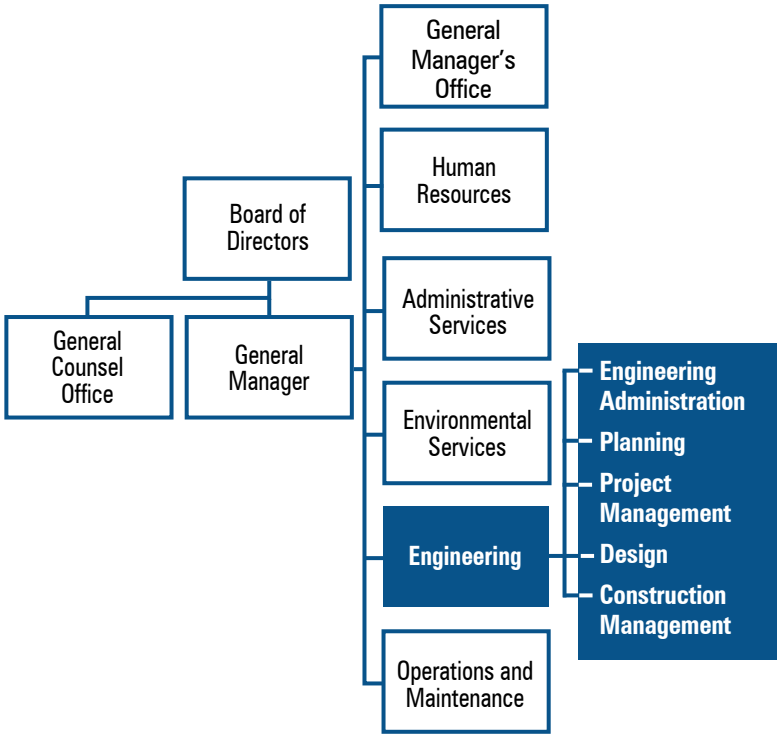
Staffing Trends



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.

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.

Operating Expense

Category	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total	$5,827,418	$6,652,275	$5,346,111	$5,573,785	$5,627,120

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

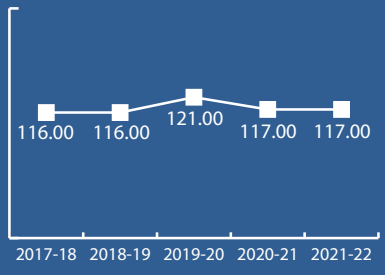
- Expend 90 to 105 percent of project annual Capital Improvement Program cash flows.
- Manage operating expenditures to within 90 to 100 percent of the approved budget.
- Ensure that reporting divisions achieve 90 percent of individual performance objectives.
- Prepare and maintain a 20-year District-wide capital plan coordinating condition assessment, regulatory requirements, changing levels of science, and projected capacity requirements.

Authorized FTE Positions

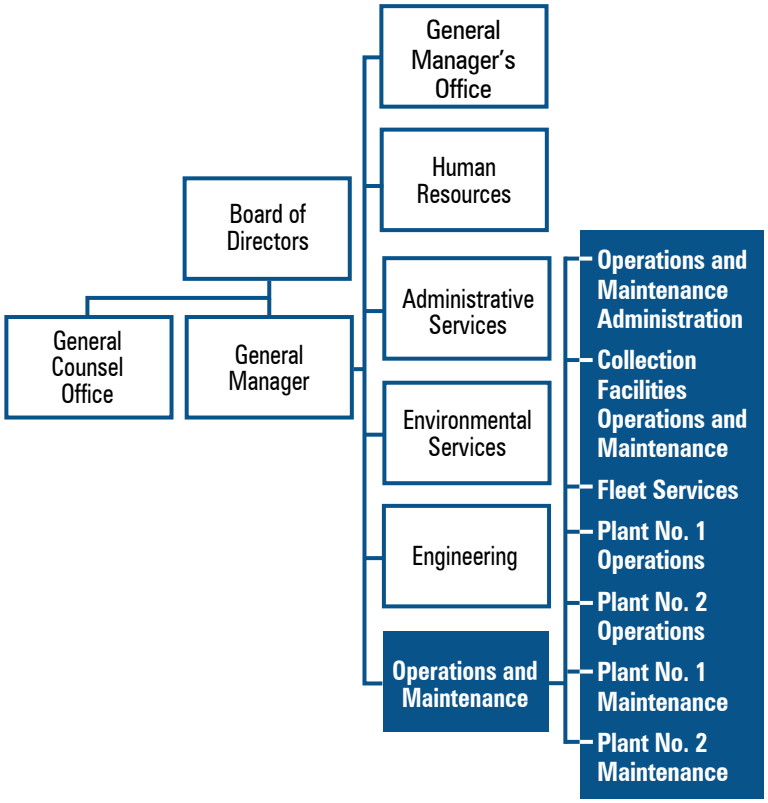
Managers..... 5.00
Supervisors /Professionals ... 81.00
Administrative /Clerical..... 31.00

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

Operating Expense

Category	2018-19 Actual	2019-20 Budget	2019-20 Projected	2020-21 Proposed	2021-22 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)
Total	$101,877,102	$109,736,632	$105,641,519	$110,813,743	$108,717,735

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

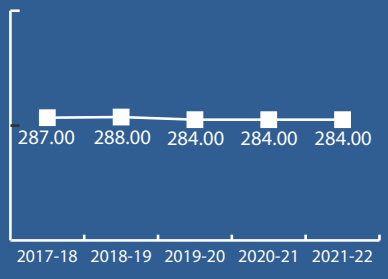
- Achieve 100 percent compliance with water, solids, air, and energy permits.
- Achieve a compliance level of 90 to 100 percent of the O&M performance measurement targets.
- Manage operating expenditures to within 96 to 100 percent of the approved budget.

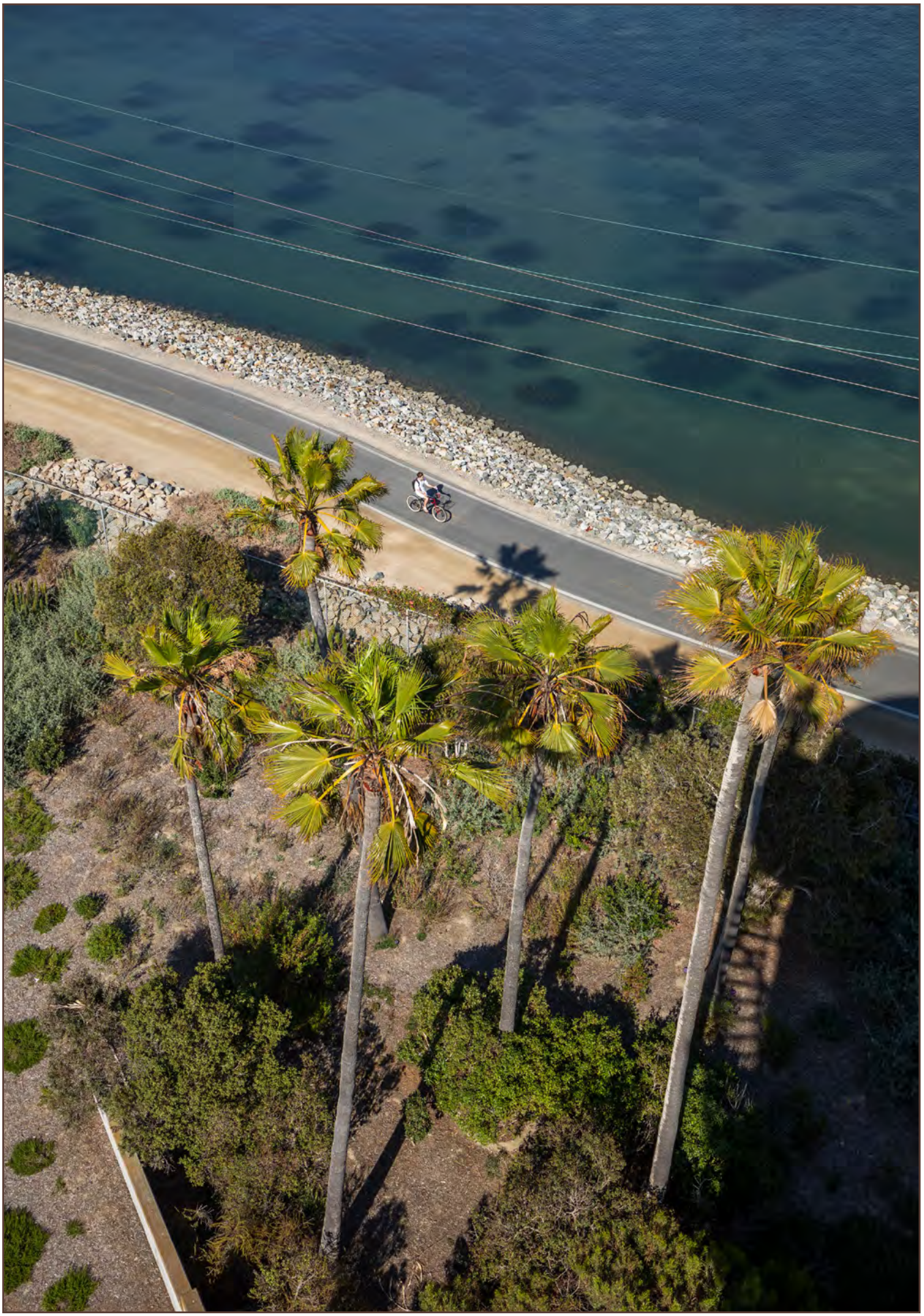
Authorized FTE Positions

Managers..... 5.00
Supervisors /Professionals ... 63.00
Administrative /Clerical..... 5.00
Technical..... 1.00
Operations & Maintenance .. 210.00

Total..... 284.00

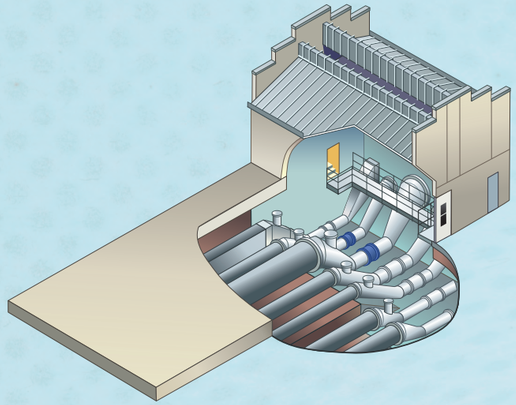
Staffing Trends



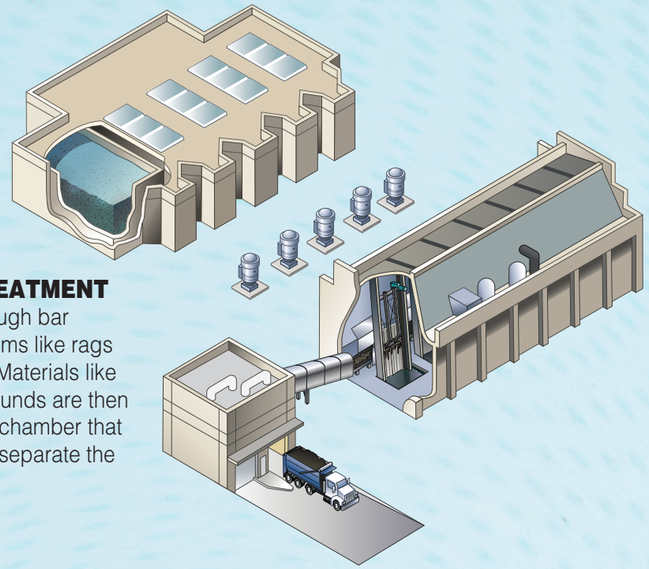


Orange County Sanitation District

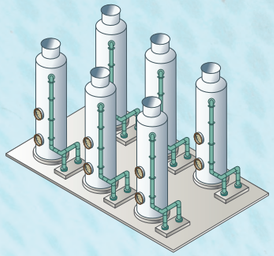
Wastewater Treatment Process



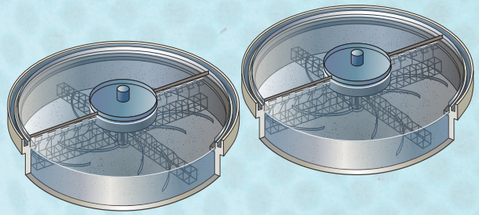
1. METERING AND DIVERSION
Wastewater enters our plant at 2.5 - 5 mph through pipes up to 10 feet in diameter. High tech equipment monitors the temperature, pH, conductivity, and flow of the incoming wastewater.



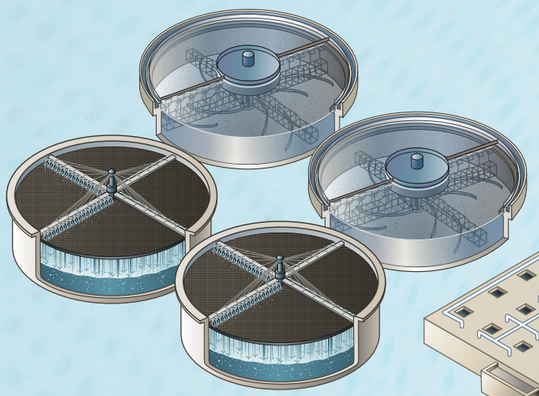
2. PRELIMINARY TREATMENT
Raw sewage passes through bar screens that trap large items like rags that cannot be recycled. Materials like egg shells and coffee grounds are then removed through the grit chamber that uses high pressure air to separate the gritty material.

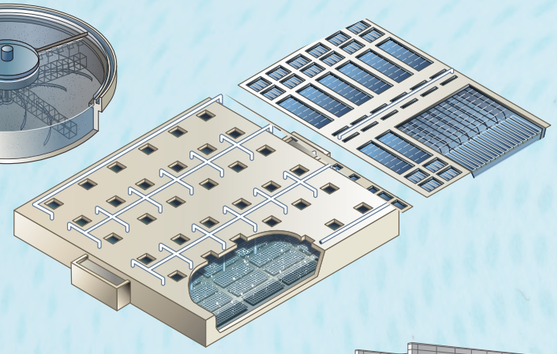


3. AIR SCRUBBER
Hydrogen sulfide (foul air) is captured throughout the process and funneled into large silos. It passes through a plastic medium and mixes with caustic soda and bleach. Causing the odorous compounds to be neutralized.



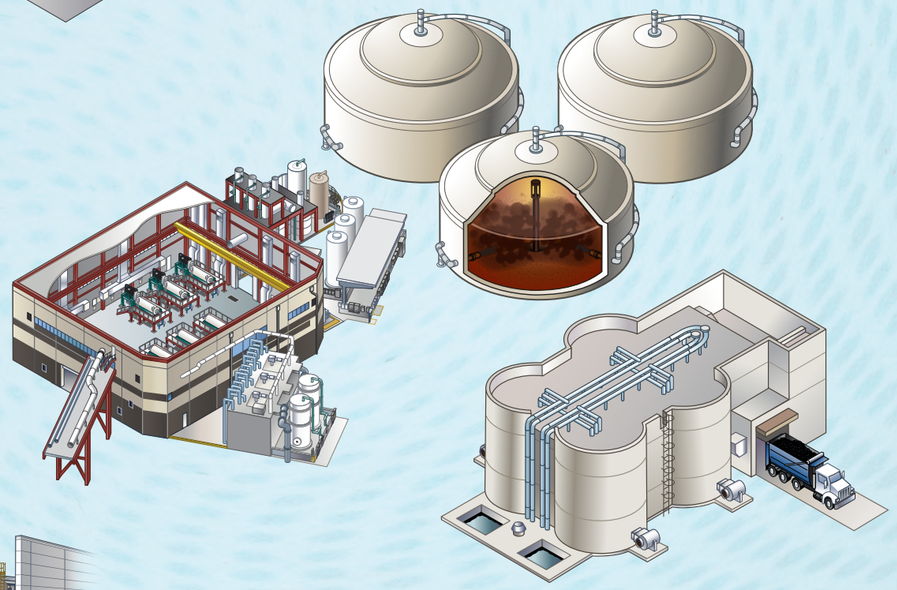
4. PRIMARY TREATMENT
Primary clarifiers or settling basins, slow the water down to allow the solids in the wastewater that readily settle or float to be separated from the water being treated. Collector arms that move along the top and the bottom remove over 80 percent of the influent wastewater solids. Solids are then sent to the digesters for processing.



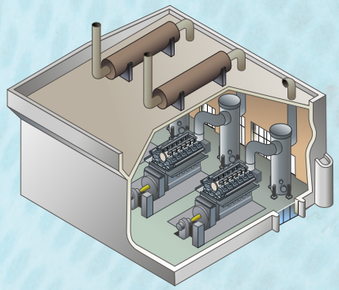


5. SECONDARY TREATMENT
Trickling filters and aeration basins are used to further clean the water. In trickling filters the water is sprayed over a honeycomb type material upon which aerobic bacteria grow. As the water trickles down, the microorganisms consume the solids that were not removed through 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.

6. GROUNDWATER REPLENSMENT 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.



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 OCSD 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.

PA 03/2019

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 were 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 though 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** for more information and to sign up for periodic biosolids program newsletters.

G | W | R | S

GROUNDWATER REPLENISHMENT SYSTEM

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.

WHAT 2 FLUSH®.com

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** 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
Website: ocsd.com

Orange County Sanitation District
10844 Ellis Avenue
Fountain Valley
Calilfornia, 92708-7018
714.962.2411
www.ocsd.com

06/2020

Orange County Sanitation District

BOARD OF DIRECTORS

Agenda Report

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

File #: 2020-1018 **Agenda Date:** 6/24/2020 **Agenda Item No:** CS-1

FROM: James D. Herberg, General Manager

SUBJECT:

CONFERENCE WITH LEGAL COUNSEL RE ANTICIPATED LITIGATION - GOVERNMENT CODE SECTION 54956.9(D)(4)

RECOMMENDATION: Convene in Closed Session:

Number of Potential Cases: 1

Initiation of litigation regarding development fees and conditions at Project OCSD Headquarters Building: City of Fountain Valley

BACKGROUND

During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chairperson may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters.

Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

RELEVANT STANDARDS

- Government Code Sections 54956.8, 54956.9, 54957, or 54957.6, as noted

ATTACHMENT

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

- Memo from General Counsel

WOODRUFF, SPRADLIN & SMART
A Professional Corporation

555 ANTON BOULEVARD, SUITE 1200
COSTA MESA, CA 92626-7670
(714) 558-7000

MEMORANDUM

TO: Hon. Chair and Members of the Orange County Sanitation District Board of Directors

FROM: Bradley R. Hogin, Esq.
General Counsel

DATE: June 16, 2020

RE: Closed Session Items

The Board of Directors desires to hold a closed session on June 24, 2020 for the purpose of conferring with its legal counsel regarding potential litigation. Based on existing facts and circumstances, the Board is deciding whether to initiate litigation against another party. The closed session will be held pursuant to the authority of California Government Code Section 54956.9(d)(4). The facts and circumstances are as follows: a dispute has arisen between the City of Fountain Valley and the District regarding fees and conditions that the City seeks to impose on the District's construction of a new headquarters building. In the view of the District, these fees and conditions are unlawful.

Respectfully submitted,

By _____
Bradley R. Hogin, General Counsel

ORANGE COUNTY SANITATION DISTRICT
COMMON ACRONYMS

ACWA	Association of California Water Agencies	**LOS**	Level Of Service	**RFP**	Request For Proposal
APWA	American Public Works Association	**MGD**	Million Gallons Per Day	**RWQCB**	Regional Water Quality Control Board
AQMD	Air Quality Management District	**MOU**	Memorandum of Understanding	**SARFPA**	Santa Ana River Flood Protection Agency
ASCE	American Society of Civil Engineers	**NACWA**	National Association of Clean Water Agencies	**SARI**	Santa Ana River Interceptor
BOD	Biochemical Oxygen Demand	**NEPA**	National Environmental Policy Act	**SARWQCB**	Santa Ana Regional Water Quality Control Board
CARB	California Air Resources Board	**NGOs**	Non-Governmental Organizations	**SAWPA**	Santa Ana Watershed Project Authority
CASA	California Association of Sanitation Agencies	**NPDES**	National Pollutant Discharge Elimination System	**SCADA**	Supervisory Control And Data Acquisition
CCTV	Closed Circuit Television	**NWRI**	National Water Research Institute	**SCAP**	Southern California Alliance of Publicly Owned Treatment Works
CEQA	California Environmental Quality Act	**O & M**	Operations & Maintenance	**SCAQMD**	South Coast Air Quality Management District
CIP	Capital Improvement Program	**OCCOG**	Orange County Council of Governments	**SOCWA**	South Orange County Wastewater Authority
CRWQCB	California Regional Water Quality Control Board	**OCHCA**	Orange County Health Care Agency	**SRF**	Clean Water State Revolving Fund
CWA	Clean Water Act	**OCSD**	Orange County Sanitation District	**SSMP**	Sewer System Management Plan
CWEA	California Water Environment Association	**OCWD**	Orange County Water District	**SSO**	Sanitary Sewer Overflow
EIR	Environmental Impact Report	**OOBS**	Ocean Outfall Booster Station	**SWRCB**	State Water Resources Control Board
EMT	Executive Management Team	**OSHA**	Occupational Safety and Health Administration	**TDS**	Total Dissolved Solids
EPA	US Environmental Protection Agency	**PCSA**	Professional Consultant/Construction Services Agreement	**TMDL**	Total Maximum Daily Load
FOG	Fats, Oils, and Grease	**PDSA**	Professional Design Services Agreement	**TSS**	Total Suspended Solids
gpd	gallons per day	**PFAS**	Per- and Polyfluoroalkyl Substances	**WDR**	Waste Discharge Requirements
GWRS	Groundwater Replenishment System	**PFOA**	Perfluorooctanoic Acid	**WEF**	Water Environment Federation
ICS	Incident Command System	**PFOS**	Perfluorooctanesulfonic Acid	**WERF**	Water Environment & Reuse Foundation
IERP	Integrated Emergency Response Plan	**POTW**	Publicly Owned Treatment Works	**WIFIA**	Water Infrastructure Finance and Innovation Act
JPA	Joint Powers Authority	**ppm**	parts per million	**WIIN**	Water Infrastructure Improvements for the Nation Act
LAFCO	Local Agency Formation Commission	**PSA**	Professional Services Agreement	**WRDA**	Water Resources Development Act

ORANGE COUNTY SANITATION DISTRICT
GLOSSARY OF TERMS

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.

PERFLUOROOCTANOIC ACID (PFOA) – An ingredient for several industrial applications including carpeting, upholstery, apparel, floor wax, textiles, sealants, food packaging, and cookware (Teflon).

PERFLUOROOCTANESULFONIC 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.

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.