



# Orange County Sanitation District

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

## Agenda Report

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**FROM:** Robert Thompson, General Manager  
Originator: Wally Ritchie, Director of Finance

**SUBJECT:**

**DISPOSITION OF UNCOLLECTIBLE DEBT - GOLDEN STATE PUMPING, LLC**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Approve the discharge of uncollectible debt owed by Golden State Pumping, LLC in the amount of \$126,722.18.

**BACKGROUND**

In November 2020, Golden State Pumping, LLC ceased operations because of local municipal code violations. Orange County Sanitation District (OC San) negotiated a settlement of obligations for Golden State Pumping, LLC wastehauler charges in the amount of \$5,000. Golden State Pumping, LLC paid the \$5,000 settlement. The settlement agreement included the balance of the wastehauler charges and did not include the charges for the Class II Wastewater Discharge permit.

At the time of the business closure, the account balance for the Class I permit was \$38,188.23. The final reconciliation invoices were invoiced in May of 2021, bringing the total delinquent amount to \$126,722.18. The invoices processed after 12/1/2020 were for a Notice of Violation, the 2nd Quarter Estimated Usage for the period prior to the shutdown, and the final reconciliation for the closed account. The final invoices were delayed due to business closure and failure for the company to submit the close of business form. According to the original settlement, all the equipment was being sold and Golden State Pumping, LLC requested a settlement due to limited availability of funds while closing the business.

**RELEVANT STANDARDS**

- Sound engineering and accounting practices, complying with local, state and federal laws
- Protect OC San assets

**PROBLEM**

OC San has been unable to collect the delinquent funds.

## **PROPOSED SOLUTION**

Forgive the uncollectible debt owed by Golden State Pumping, LLC.

## **TIMING CONCERNS**

N/A

## **RAMIFICATIONS OF NOT TAKING ACTION**

The debt will remain unsettled if action is not taken.

## **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 OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Discharge Status of Class I Permit Notification Dated 11-25-2020
- Order to Cease Discharge Notification Dated 12-1-2020
- Golden State Pumping Outstanding Invoices
- Settlement of Obligations by Golden State Pumping LLC Dated 1-11-2021