



# **moulton niguel** water district

**BOARD OF DIRECTORS' MEETING  
MOULTON NIGUEL WATER DISTRICT  
26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo  
January 14, 2021  
6:00 PM  
Approximate Meeting Time: 2 Hours**

**IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND  
IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20,  
THERE WILL BE NO PUBLIC LOCATION FOR THE PUBLIC TO ATTEND THIS  
BOARD MEETING IN PERSON. MEMBERS OF THE PUBLIC MAY LISTEN AND  
PROVIDE PUBLIC COMMENT TELEPHONICALLY BY CALLING THE  
FOLLOWING NUMBER:**

**DIAL: 1-669-900-9128  
MEETING ID: 942-941-7034#  
PASSCODE: 26161#**

**1. CALL MEETING TO ORDER:**

**2. PLEDGE OF ALLEGIANCE:**

**3. PUBLIC COMMENTS:**

*Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to five minutes unless further time is granted by the Presiding Officer. Submit form to the Recording Secretary prior to the beginning of the meeting. Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.*

**PRESENTATION ITEM:**

**4. QUARTERLY INVESTMENT REPORT - CHANDLER ASSET MANAGEMENT**

**CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Administrative and Technical Committee meetings)**

*Consent items: Unless the General Manager or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote. Requests for discussion of any specific item should be made to the Presiding Officer in conjunction with the discussion of the consent motion.*

**5. MINUTES OF THE DECEMBER 10, 2020 BOARD OF DIRECTORS MEETING**

6. MINUTES OF THE DECEMBER 23, 2020 SPECIAL BOARD OF DIRECTORS MEETING
7. AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT FOR THE PLANT 3A SOLIDS HANDLING FACILITIES IMPROVEMENTS

It is recommended that the Board of Directors approve Amendment No. 1 to the Professional Services Agreement for engineering services with Hazen & Sawyer in the amount of \$321,957 for a new total contract amount of \$2,679,807; authorize the General Manager or Assistant General Manager to execute the amendment; and to approve amendments up to 10% of the total contract value.

8. CONSTRUCTION CONTRACT AMENDMENT FOR THE ELECTRICAL DISTRIBUTION EQUIPMENT REPLACEMENTS

It is recommended that the Board of Directors amend the construction services contract with Southern Contracting Company by \$45,834 for a total contract amount of \$544,334; extend the contract through November 30, 2021; and authorize the General Manager or Assistant General Manager to execute the contract change order.

9. AMENDMENT NO. 2 FOR ON-CALL INSPECTION SUPPORT SERVICES

It is recommended that the Board of Directors approve Amendment No. 2 to the On-Call Inspection Support Services Agreement with MWH Constructors in the amount of \$175,000 for a total not-to-exceed amount of \$925,000; authorize the General Manager or Assistant General Manager to execute the amendment; and to approve amendments up to 10% of the total contract value.

10. MOBILE BYPASS PUMP PURCHASE

It is recommended that the Board of Directors approve the purchase of a mobile Xylem (Godwin) Dri-Prime HL200M Bypass Pump in the amount of \$203,000.

#### **TECHNICAL MATTERS:**

11. PRETREATMENT AND SOURCE CONTROL PROGRAM ORDINANCE

It is recommended that the Board of Directors repeal Ordinance 09-2 and adopt Ordinance 21-01 for The Waste Discharge Pretreatment and Source Control Program.

#### **INFORMATION ITEMS:**

12. MONTHLY FINANCIAL REPORT
13. FISCAL YEAR 2021-22 BUDGET UPDATE

#### **LEGAL MATTERS:**

14. ELECTION OF BOARD OFFICERS

*The District By-laws require the election of Board officers every two years. These officers are the President and two Vice Presidents.*

It is recommended that the Board of Directors conduct an election for the following officers of the Board and District: President, First Vice President, and Second Vice President with office terms effective at the conclusion of the Board Meeting.

## 15. BOARD PER DIEM

**GENERAL MANAGER MATTERS:**(Brief general updates on District matters and/or brief general updates from staff - Informational purposes only.)

**PRESIDENT'S REPORT:**

**BOARD REPORTS:**

**FUTURE AGENDA ITEMS (Any items added under this section are for discussion at future meetings only.):**

**LATE ITEMS: (Appropriate Findings to be Made)**

- a. Need to take immediate action; and
- b. Need for action came to District's attention after Agenda Posting. [Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**ADJOURNMENT:**

The Board of Directors' Meeting Room is wheelchair accessible. If you require any special disability related accommodations (i.e., access to an amplified sound system, etc.), please contact the Moulton Niguel Water District Secretary's office at (949) 831-2500 at least forty-eight (48) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary at least forty-eight (48) hours prior to the scheduled meeting.

Agenda exhibits and other writings that are disclosable public records distributed to all, or a majority of, the members of the Moulton Niguel Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Office, 26880 Aliso Viejo Parkway, Suite 150, Aliso Viejo, CA ("District Office"). If such writings are distributed to members of the Board less than seventy-two (72) hours prior to the meeting, they will be available in the reception area of the District Office at the same time as they are distributed except that, if such writings are distributed immediately prior to, or during the meeting, they will be available in the Board meeting room and on the District website at [www.mnwd.com](http://www.mnwd.com).



# Moulton Niguel Water District

*Period Ending December 31, 2020*

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | [www.chandlerasset.com](http://www.chandlerasset.com)

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# Section 1 | Consolidated Information

# Objectives

## Investment Objectives

**Safety** – Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure to preservation of capital in the overall portfolio.

**Liquidity** – The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

**Return** – The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.



## Chandler Asset Management Performance Objective

The performance objective for the District is to earn a return in excess of the strategy benchmarks:

Liquid Fund: ICE BAML 3-Month US Treasury Bill Index.

Limited Maturity: ICE BAML 0-3 Yr US Treasury Index.

Operating Reserve Fund: ICE BAML 1-10 Yr US Treasury/Agency Index.

Bond Reserves: To earn a commensurate rate of return over market cycles while ensuring compliance with the District's indentured funds.



## Moulton Niguel Water District Bond Reserves

	12/31/2020 Portfolio	9/30/2020 Portfolio
<b>Average Maturity (yrs)</b>	1.32	1.57
<b>Modified Duration</b>	1.29	1.53
<b>Average Purchase Yield</b>	1.67%	1.77%
<b>Average Market Yield</b>	0.13%	0.17%
<b>Average Quality*</b>	AA+/Aaa	AA+/Aaa
<b>Total Market Value</b>	1,372,045	1,370,873

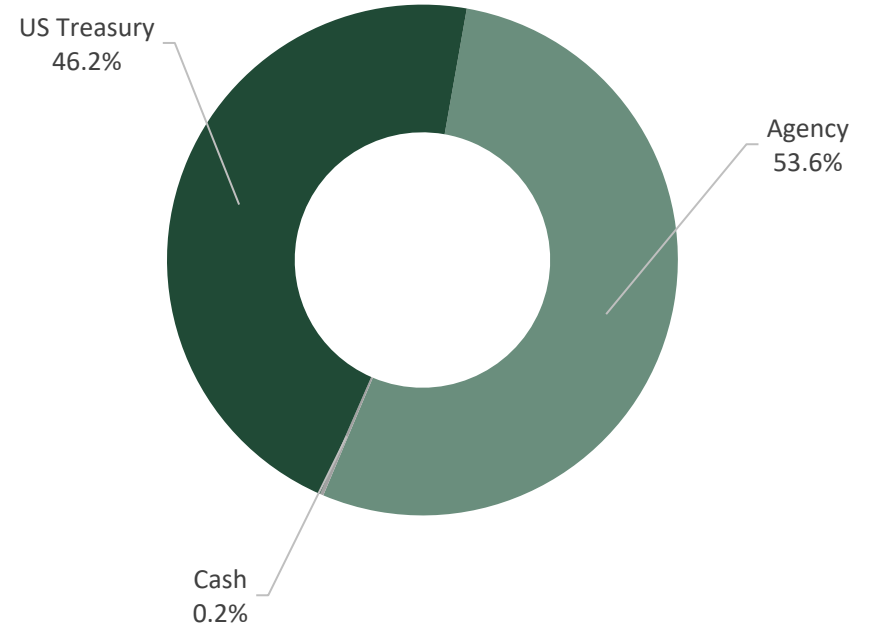
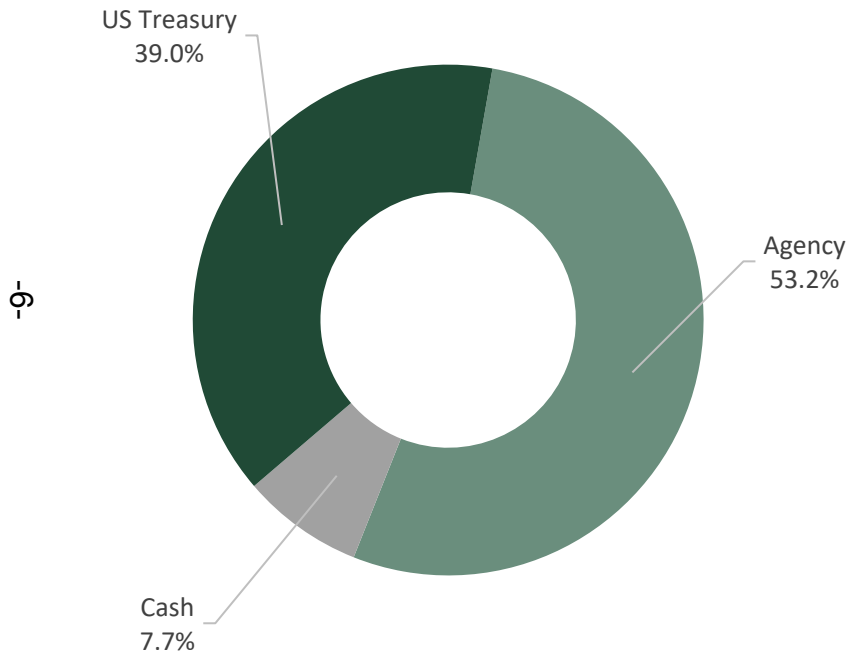
\* Portfolio is S&P and Moody's respectively.

# Sector Distribution

## Moulton Niguel Water District Bond Reserves

December 31, 2020

September 30, 2020



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## Portfolio Characteristics

As of December 31, 2020

### Moulton Niguel Water District Consolidated

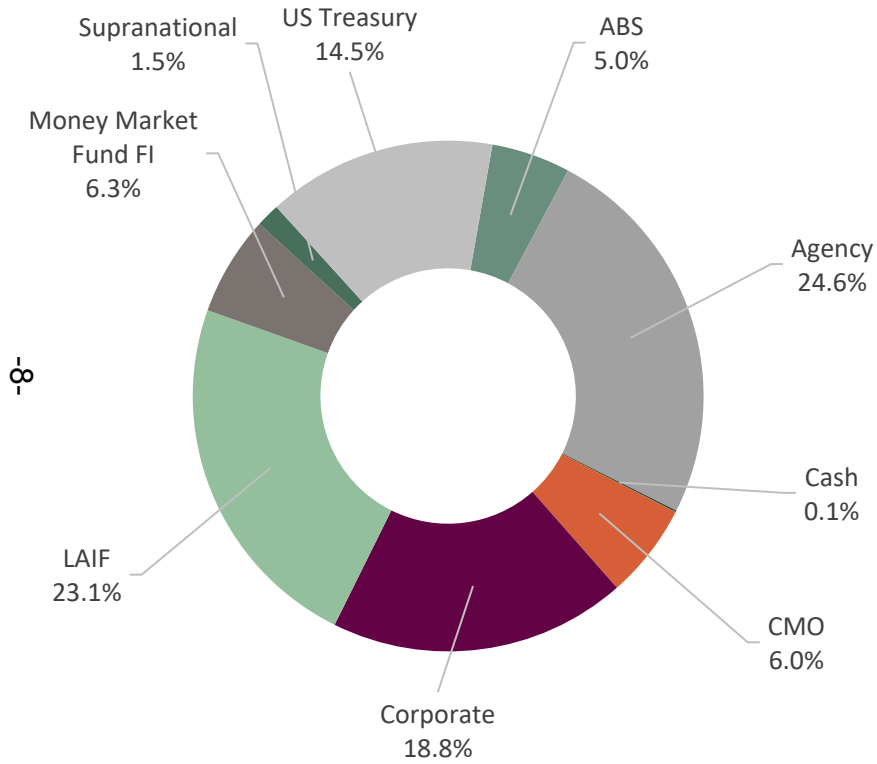
	12/31/2020 Portfolio	9/30/2020 Portfolio
<b>Average Maturity (yrs)</b>	2.66	2.56
<b>Modified Duration</b>	2.43	2.32
<b>Average Purchase Yield</b>	1.53%	1.68%
<b>Average Market Yield</b>	0.42%	0.50%
<b>Average Quality*</b>	AA/Aa1	AA/Aa1
<b>Total Market Value</b>	134,318,139	139,190,663

\* Portfolio is S&P and Moody's respectively.

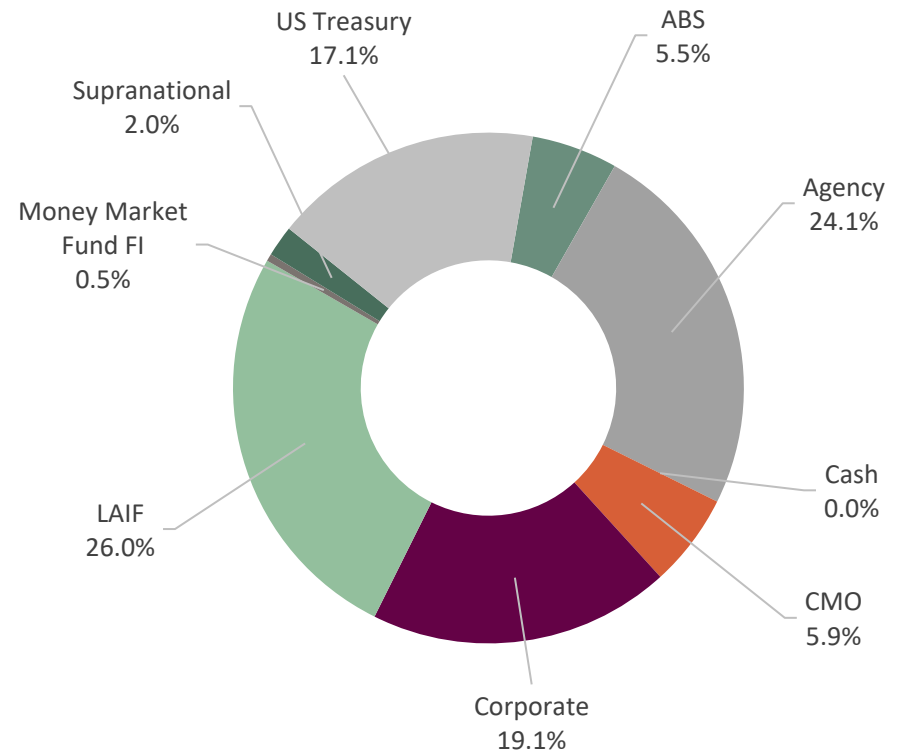
# Sector Distribution

## Moulton Niguel Water District Consolidated

December 31, 2020



September 30, 2020



## Moulton Niguel Water District Consolidated – Account #43

Issue Name	Investment Type	Avg Mkt Yield	Avg Maturity	% Portfolio
Local Agency Investment Fund	LAIF	0.52%	0.00	23.08%
Government of United States	US Treasury	0.38%	4.60	14.47%
Federal National Mortgage Association	Agency	0.43%	5.03	11.18%
Federal Home Loan Bank	Agency	0.63%	6.66	6.85%
Federal Home Loan Mortgage Corp	CMO	0.48%	2.83	6.04%
Wells Fargo Adv Govt Money Market Fund	Money Market Fund FI	0.01%	0.00	6.02%
Tennessee Valley Authority	Agency	0.36%	3.73	3.56%
Federal Home Loan Mortgage Corp	Agency	0.34%	4.34	3.04%
HSBC Holdings PLC	Corporate	1.32%	1.36	1.75%
Inter-American Dev Bank	Supranational	0.22%	1.38	1.53%
Honda ABS	ABS	0.24%	2.44	1.49%
Paccar Financial	Corporate	0.36%	1.52	1.19%
Apple Inc	Corporate	0.24%	2.27	1.03%
Oracle Corp	Corporate	0.28%	0.71	1.02%
US Bancorp	Corporate	0.57%	4.06	0.98%
State Street Bank	Corporate	0.21%	0.38	0.94%
Exxon Mobil Corp	Corporate	0.48%	0.16	0.92%
Honda Motor Corporation	Corporate	0.42%	2.71	0.91%
Wells Fargo Corp	Corporate	0.68%	3.69	0.91%
Deere & Company	Corporate	0.35%	2.07	0.87%
Charles Schwab Corp/The	Corporate	0.24%	2.07	0.87%
JP Morgan Chase & Co	Corporate	0.64%	3.56	0.82%
Toronto Dominion Holdings	Corporate	0.26%	2.55	0.82%
Bank of America Corp	Corporate	0.32%	2.03	0.80%
Royal Bank of Canada	Corporate	0.56%	3.84	0.79%
Verizon Owner Trust	ABS	0.28%	3.80	0.79%
PNC Financial Services Group	Corporate	0.30%	1.13	0.78%
Toyota Motor Corp	Corporate	0.24%	1.03	0.78%
John Deere ABS	ABS	0.31%	2.93	0.78%
Toyota ABS	ABS	0.20%	2.87	0.76%
IBM Corp	Corporate	0.13%	1.69	0.71%
Berkshire Hathaway	Corporate	0.28%	2.20	0.71%
Nissan ABS	ABS	0.42%	2.20	0.68%
Microsoft	Corporate	0.22%	0.60	0.66%
Wal-Mart Stores	Corporate	0.31%	2.48	0.57%
Hyundai Auot Receivables	ABS	0.31%	4.37	0.34%
US Bancorp	Money Market Fund FI	0.20%	0.00	0.28%
American Express ABS	ABS	0.22%	3.13	0.20%

# Issuers

## Moulton Niguel Water District Consolidated – Account #43

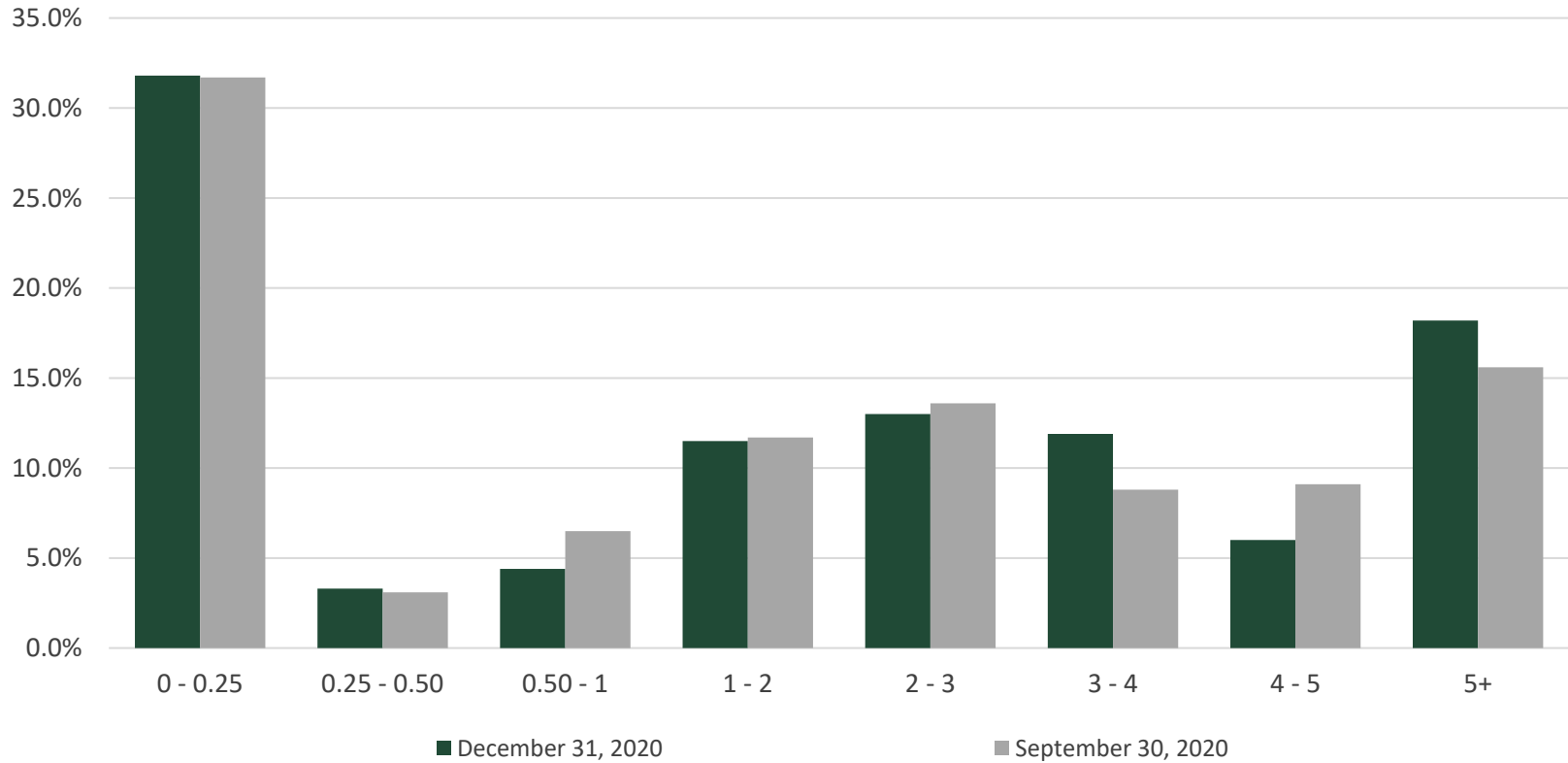
Issue Name	Investment Type	Avg Mkt Yield	Avg Maturity	% Portfolio
Bank Cash Account	Cash	0.00%	0.00	0.08%
<b>TOTAL</b>		<b>0.42%</b>	<b>2.66</b>	<b>100%</b>

# Duration Distribution

As of December 31, 2020

**Moulton Niguel Water District Consolidated**  
December 31, 2020 vs. September 30, 2020

-11-



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
12/31/20	31.8%	3.3%	4.4%	11.5%	13.0%	11.9%	6.0%	18.2%
09/30/20	31.7%	3.1%	6.5%	11.7%	13.6%	8.8%	9.1%	15.6%

## Section 2 | Account Profile



## Moulton Niguel Water District Bond Reserves

	Bond Reserves	
	12/31/2020	9/30/2020
Portfolio book value	\$1,331,395	\$1,325,419
Market value	\$1,372,045	\$1,370,873
Net Contribution/Withdrawal for the Period	\$0	--
Average book yield	1.67%	1.77%
Average maturity (yrs)	1.32	1.57
Modified duration	1.29	1.53
\$ change in value for 1% change in rates	\$17,699	\$20,974
% maturing within two years	69.0%	59.6%
Average credit quality	AA+/Aaa	AA+/Aaa

## Portfolio Characteristics

## Moulton Niguel Water District Liquid Fund

	ICE BAML 3-Month US Treasury Bill Index	Liquid Fund	
	12/31/2020	12/31/2020	9/30/2020
Portfolio book value	--	\$30,967,285	\$36,035,051
Market value	--	\$31,006,745	\$36,113,684
Net Contribution/Withdrawal for the Period	--	(\$5,150,000)	(\$3,500,000)
Average book yield	--	0.52%	0.66%
Average maturity (yrs)	0.15	0.00	0.00
Modified duration	0.16	0.00	0.00
\$ change in value for 1% change in rates	--	\$0	\$0
% maturing within one year	100%	100%	100%
Average credit quality	AAA	Not Rated	Not Rated

## Moulton Niguel Water District Limited Maturity

	ICE BAML 0-3 Yr US Treasury Index	Limited Maturity Fund	
	12/31/2020	12/31/2020	9/30/2020
Portfolio book value	--	\$12,728,813	\$12,663,816
Market value	--	\$12,740,513	\$12,720,527
Net Contribution/Withdrawal for the Period	--	--	--
Average book yield	--	0.67%	1.37%
Average maturity (yrs)	1.42	0.52	0.86
Modified duration	1.39	0.20	0.37
\$ change in value for 1% change in rates	--	\$25,481	\$47,066
% maturing within two years	68.5%	90.7%	88.6%
Average credit quality	AAA	AAA/Aa1	AA+/Aa1

# Portfolio Characteristics

## Moulton Niguel Water District Operating Reserve Fund

	ICE BAML 1-10 Yr US Treasury/Agency Index	Operating Reserve Fund	
	12/31/2020	12/31/2020	9/30/2020
Portfolio book value	--	\$82,059,728	\$81,395,118
Market value	--	\$87,017,226	\$86,804,310
Net Contribution/Withdrawal for the Period	--	(\$1,875)	--
Average book yield	--	2.05%	2.18%
Average maturity (yrs)	3.99	4.00	3.95
Modified duration	3.79	3.70	3.64
\$ change in value for 1% change in rates	--	\$3,219,637	\$3,159,677
% maturing within two years	22.9%	18.1%	21.1%
Average credit quality	AAA	AA/Aa1	AA/Aa1

## Section 3 | Economic Update

## Economic Highlights

- **Federal Open Market Committee (FOMC)**

- The FOMC kept monetary policy unchanged at their December meeting as expected, with the fed funds target rate in a range of 0.0% to 0.25%. The Fed intends to remain highly accommodative until their goals of maximum employment and higher inflation are achieved.

- **Labor Markets**

- The unemployment rate declined to 6.7% in November from 6.9% in October and has improved significantly from the peak of 14.7% in April. Workers who classified themselves as employed but absent from work in November continued to understate the unemployment rate by about 0.4%.

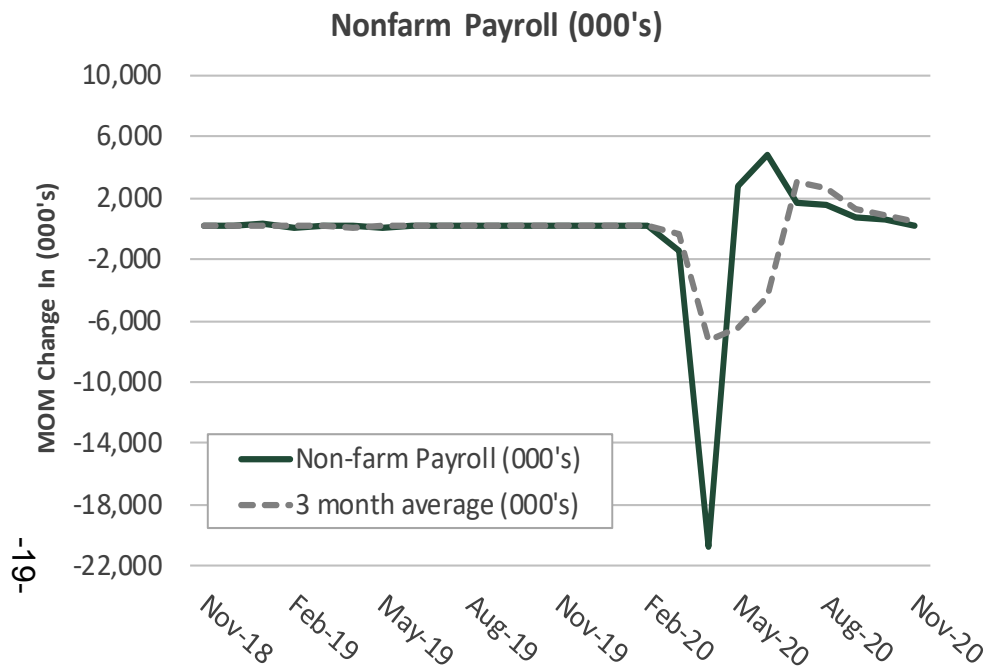
- **Inflation**

- Core Personal Consumption Expenditures (PCE), which is the Fed's primary inflation gauge, was up 1.4% year-over-year in November, versus up 1.2% year-over-year in October.

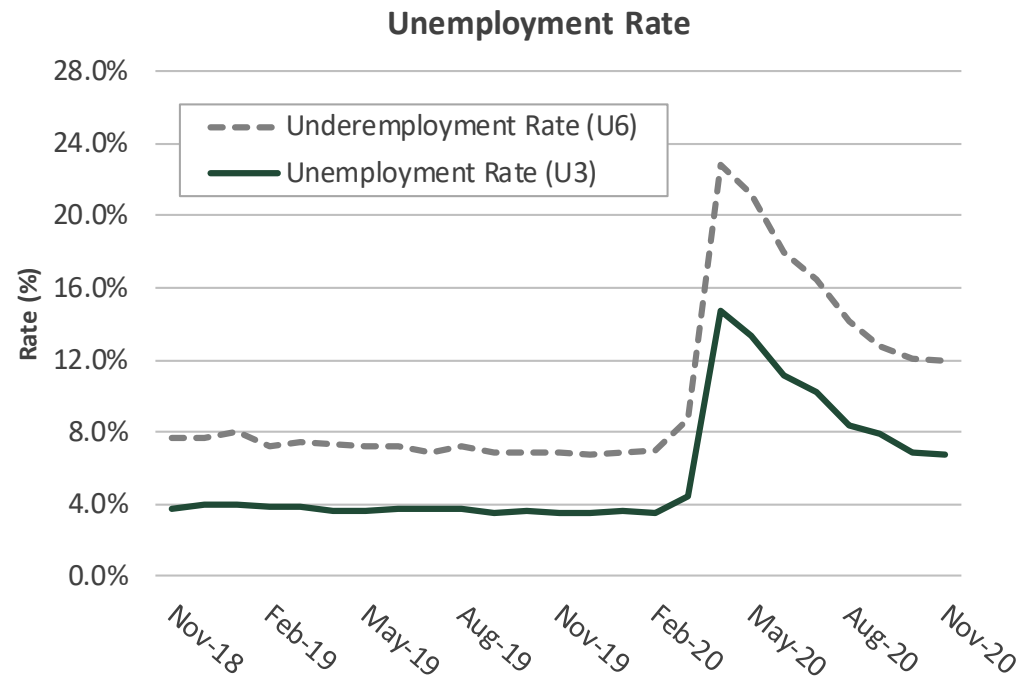
- **Economic Growth**

- According to the third estimate, real US gross domestic product (GDP) grew at an annualized rate of 33.4% in the third quarter (slightly up from the advance and second estimates), following a 31.4% annualized decline in the second quarter.

# Employment



Source: US Department of Labor

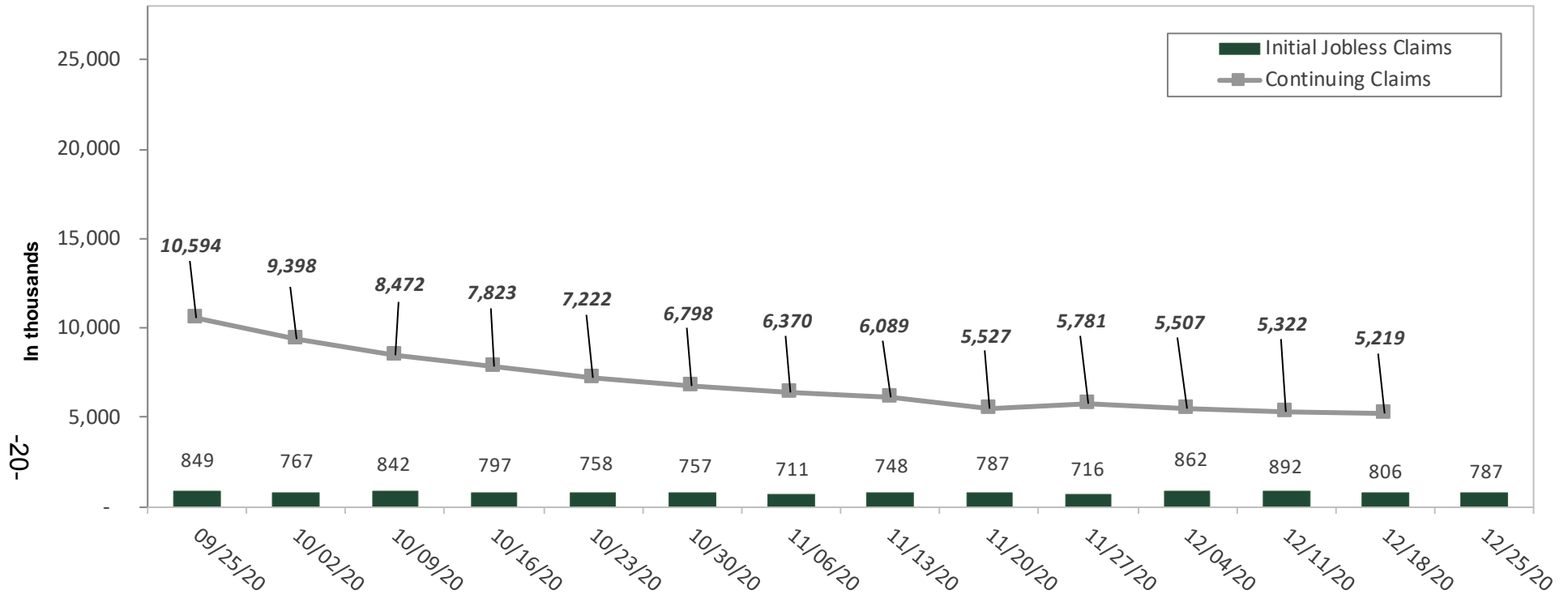


Source: US Department of Labor

The pace of job growth slowed in November, as U.S. nonfarm payrolls increased by just 245,000, following gains of 711,000 and 610,000 in September and October, respectively. On a cumulative basis, the labor market has added about 12.3 million jobs since May, more than half the 22.2 million lost in March and April. However, the labor market is still a long way from a full recovery as more than 10.7 million people remain unemployed. Nevertheless, the unemployment rate declined to 6.7% in November from 6.9% in October and has improved significantly from the peak of 14.7% in April. Workers who classified themselves as employed but absent from work in November continued to understate the unemployment rate by about 0.4%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, remained high but eased slightly to 12.0% in November from 12.1% in October. However, the labor participation rate declined to 61.5% in November from 61.7% in October, as about 400,000 people dropped out of the workforce in November. On a year-to-date basis, the size of the civilian workforce is lower by about 4.1 million participants.

# Initial Claims for Unemployment

Initial Claims For Unemployment September 25, 2020 - December 25, 2020

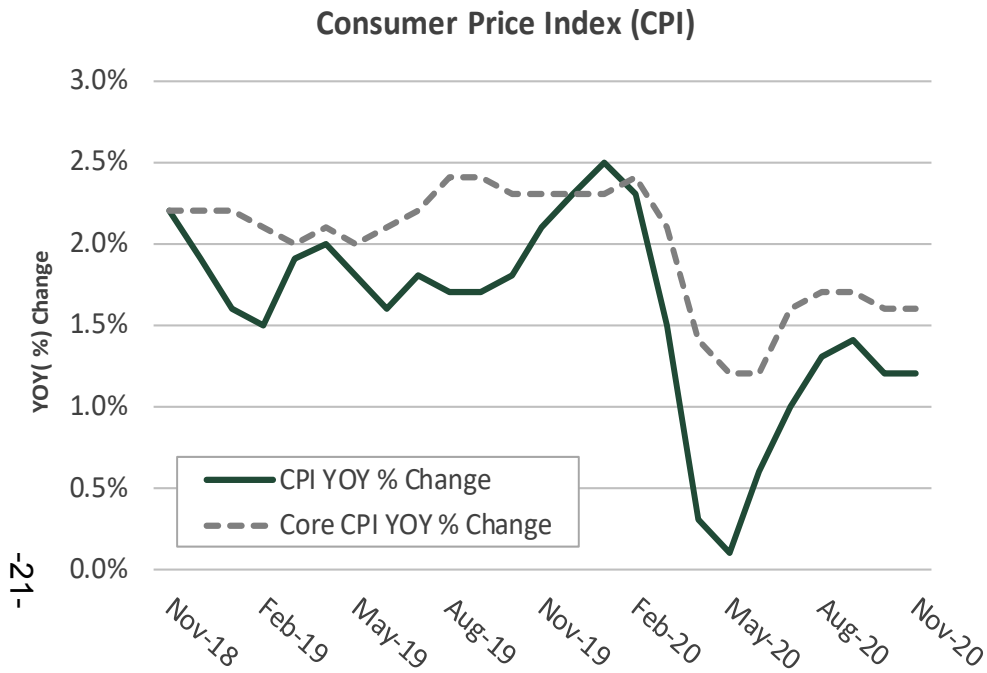


Source: US Department of Labor

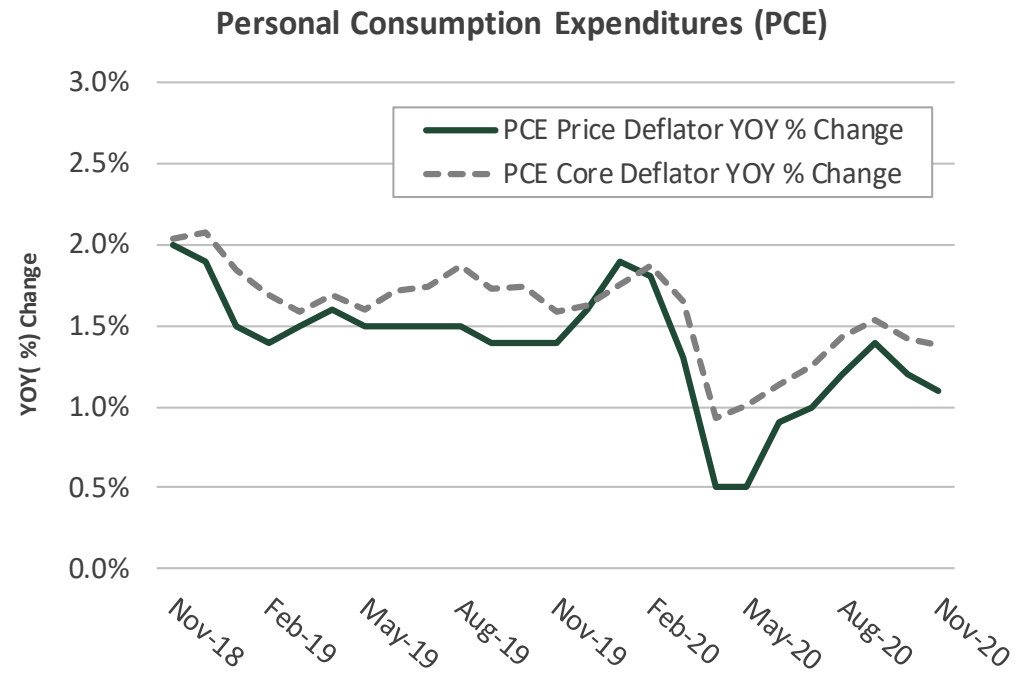
In the most recent week, the number of initial jobless claims decreased to 787,000 compared to 806,000 in the prior week. The level of continuing unemployment claims (where the data is lagged by one week) decreased to about 5.2 million from roughly 5.3 million in the prior week. Although jobless claims have declined from the early stage of the pandemic, they have remained well above the 2019 average of 1.7 million. Given the resurgence of the virus and renewed lockdown measures, we believe the labor market is likely to remain under pressure over the near term.



# Inflation



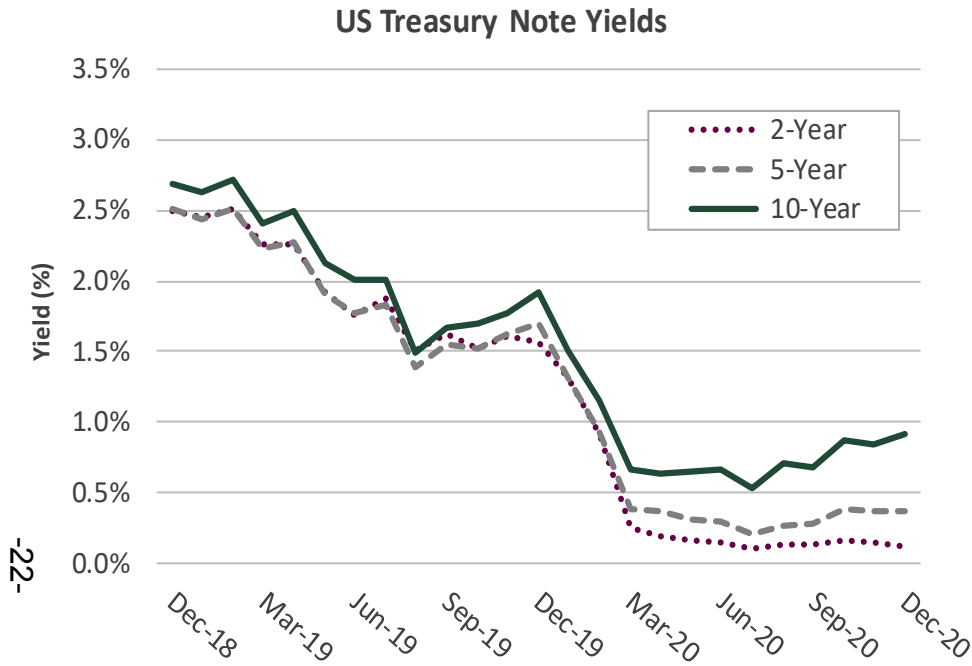
Source: US Department of Labor



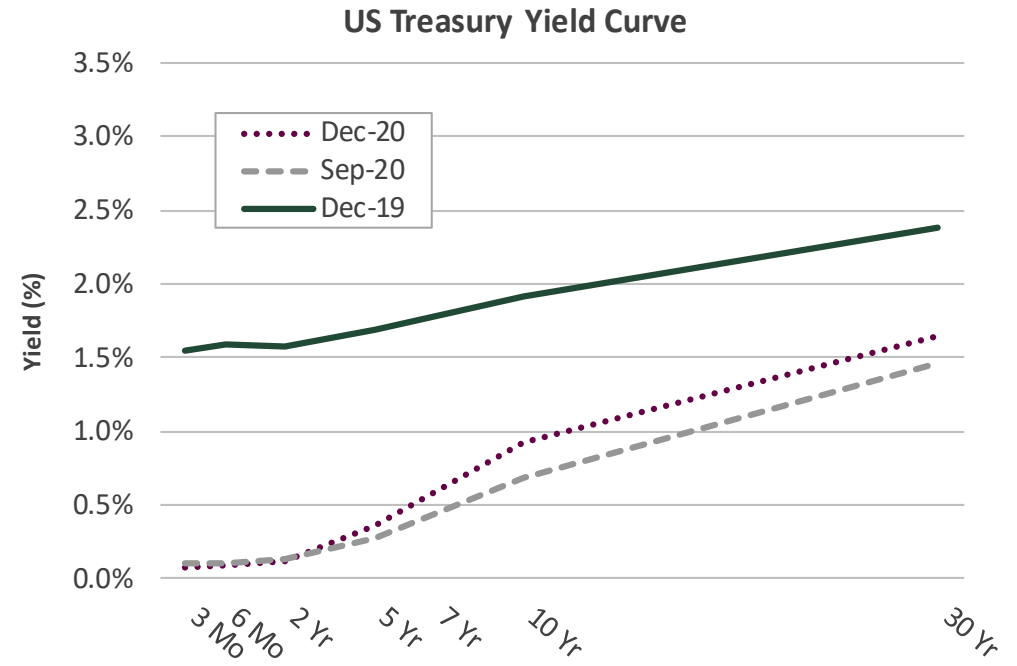
Source: US Department of Commerce

The Consumer Price Index (CPI) was up 1.2% year-over-year in November, unchanged from October. Core CPI (CPI less food and energy) was up 1.6% year-over-year in November, also unchanged from October. The Personal Consumption Expenditures (PCE) index was up 1.1% year-over-year in November, versus up 1.2% year-over-year in October. Core PCE, which is the Fed's primary inflation gauge, was up 1.4% year-over-year in November, unchanged from October. Inflation remains below the Fed's target.

# Bond Yields



Source: Bloomberg



Source: Bloomberg

Treasury yields were much lower on a year-over-year basis at 2020 year-end. The 3-month T-bill yield was down 149 basis points, the 2-year Treasury yield was down 145 basis points, and the 10-Year Treasury yield was down 100 basis points, year-over-year. Yields declined precipitously in March 2020, with the Fed cutting rates by a total of 150 basis points and a flight to safe-haven assets driving down yields across the curve. The Fed has signaled plans to keep the front end of the Treasury yield curve anchored near zero for at least the next few years.

# Important Disclosures

*As of December 31, 2020*

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Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

# Benchmark Disclosures

## ICE BAML 3-Month US Treasury Bill Index

The ICE BAML US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. (Index: G001. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)

## ICE BAML 1-10 Yr US Treasury/Agency Index

The ICE BAML 1-10 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than ten years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: G5A0. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)

## ICE BAML 1-10 Yr US Corporate/Govt Rated AAA-A Idx

The ICE BAML 1-10 AAA-AA Year US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational and corporate securities. Qualifying securities must be rated AAA through AA3 (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity and less than ten years remaining term to final maturity, at least 18 months to final maturity at point of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for US Treasuries and \$250 million for all other securities. (Index: B5B0. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)

## ICE BAML 3-5 Yr US Treasury/Agency Index

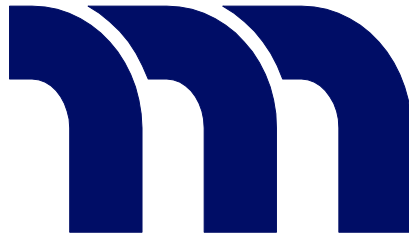
The ICE BAML 3-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least three years remaining term to final maturity and less than five years remaining term to final maturity, at least three years to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: G2A0. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)

## ICE BAML 0-3 Yr US Treasury Index\*

*The ICE BAML 0-3 Year US Treasury Index tracks the performance of US Dollar denominated Sovereign debt publicly issued by the US government in its domestic market with maturities less than three years. Qualifying securities must have at least 18 months to maturity at point of issuance, at least one month and less than three years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of \$1 billion. (Index: G1QA. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)*

*The ICE BAML 1-3 Year US Treasury Index tracks the performance of US dollar denominated sovereign debt publicly issued by the US government in its domestic market. Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of \$1 billion. Qualifying securities must have at least 18 months to final maturity at the time of issuance. (Index: G1O2. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)*





# moulton niguel water district

DRAFT

## MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT

December 10, 2020

A Regular Meeting of the Board of Directors of the Moulton Niguel Water District was held in accordance with the Governor’s Executive Order N-29-20 in an effort to prevent the spread of COVID-19 (Coronavirus). As a result, there was no public location for the public to attend in person. The Closed Session was called to order at 5:00 PM and the Open Session was called to order at 6:16 PM on December 10, 2020. There were present and participating at 26880 Aliso Viejo Pkwy, Suite 150, Aliso Viejo, CA:

**DIRECTORS**

Duane Cave	Vice President
Richard Fiore	Director
Donald Froelich	Vice President
Bill Moorhead	Director
Brian Probolsky	President
Sherry Wanninger	Director

Also present and participating were:

**STAFF MEMBERS IN-PERSON**

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Paige Gulck	Board Secretary

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC  
TELEPHONICALLY**

Rod Woods	Director of Engineering
Johnathan Cruz	Director of Financial Planning & Innovation
Gina Hillary	Director of Human Resources
Todd Novacek	Director of Operations
Jeff Ferre	Best, Best, & Krieger (General Counsel)

## #5.

Tim Bonita	Recording Secretary
Trevor Agrelius	MNWD
Matt Brown	MNWD
Todd Dmytryshyn	MNWD
Ronin Goodall	MNWD
Bryan Hong	MNWD
Medha Patel	MNWD
Laura Rocha	MNWD
Lindsey Stuvick	MNWD

### 1. **CALL MEETING TO ORDER:**

*The meeting was called to order by President Probolsky at 6:16 p.m. President Probolsky stated that the meeting was being conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor's Executive Orders in response to the COVID-19 State of Emergency. As stated on the agenda, there was no public location for attending the meeting in person. The agenda also stated that the public could listen and provide comment telephonically by calling the number listed on the agenda.*

### **CLOSED SESSION:**

#### 2. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9

Receipt of claims

Claimant: La Paz Plaza

Claimant: Ramona Gooding

*Jeff Ferre provided a report out on closed session. The Board met in closed session under Government Code Section 54956.9 for the receipt of claims.*

*In regard to the Claimant La Paz Plaza, a motion was made by Director Fiore, seconded by Director Moorhead, to approve payment of the claim as submitted, contingent upon the execution of a settlement and release agreement by the claimant. The motion passed 6-0.*

***MOTION DULY MADE BY RICHARD FIORE AND SECONDED BY BILL MOORHEAD, TO APPROVE PAYMENT OF THE CLAIM AS SUBMITTED, CONTINGENT UPON THE EXECUTION OF A SETTLEMENT AND RELEASE AGREEMENT BY THE CLAIMANT. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.***



*In regard to the Claimant Ramona Gooding, a motion was made by Director Cave, seconded by Director Fiore, to approve payment of the claim as submitted, contingent upon the execution of a settlement and release agreement by the claimant. The motion passed 6-0.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY RICHARD FIORE, TO APPROVE PAYMENT OF THE CLAIM AS SUBMITTED, CONTINGENT UPON THE EXECUTION OF A SETTLEMENT AND RELEASE AGREEMENT BY THE CLAIMANT. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.*

**3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9

One potential case

*Jeff Ferre provided a report out on closed session. The Board met in closed session under Government Code Section 54956.9 regarding anticipated litigation. A motion by Director Cave, seconded by Director Fiore, to approve entering into a Common Interest Agreement. The motion passed 6-0.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY RICHARD FIORE, TO APPROVE ENTERING INTO A COMMON INTEREST AGREEMENT. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.*

**OPEN SESSION - 6:00 PM**

**4. PLEDGE OF ALLEGIANCE:**

*Sherry Wanninger led the Pledge of Allegiance.*

**5. PUBLIC COMMENTS:**

*President Probolsky stated that as permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, public comments, on items on or off the agenda, would be taken during the Public Comment portion of the meeting. President Probolsky then asked if there was anyone on the phone who would like to provide comment. Hearing none, the Public Comment portion of the meeting was closed.*

**PRESENTATION:**

6. MOULTON NIGUEL WATER DISTRICT'S 60TH ANNIVERSARY VIDEO PRESENTATION

*Joone Lopez provided a brief introduction to the item. The Board was shown the 60<sup>th</sup> Anniversary video.*

**CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Administrative and Technical Committee meetings)**

7. MINUTES OF THE NOVEMBER 12, 2020 BOARD OF DIRECTORS MEETING

8. MINUTES OF THE NOVEMBER 17, 2020 SPECIAL BOARD OF DIRECTORS MEETING

10. MOBILE GENERATOR PURCHASE

It is recommended that the Board of Directors approve the purchase of a SG1600 Amp Sound Sensitive Generator for \$140,824.

11. RESOLUTION HONORING MR. LARRY MCKENNEY (RESOLUTION 20-16)

It is recommended that the Board of Directors approve the resolution entitled, "Honoring Mr. Larry McKenney for Service to the Metropolitan Water District of Southern California."

12. ADOPTION OF AMENDED CONFLICT OF INTEREST CODE (RESOLUTION 20-17)

It is recommended that the Board of Directors approve the resolution entitled, "Amending the Conflict of Interest Code Pursuant to the Political Reform Act of 1974."

*MOTION DULY MADE BY DONALD FROELICH AND SECONDED BY DUANE CAVE, ITEMS 7,8,10,11 AND 12 WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.*

9. CONSTRUCTION CONTRACT AWARD FOR THE SADDLEBACK AUXILIARY PUMP AND ENGINE REPLACEMENT

It is recommended that the Board of Directors award the construction services contract to Pascal & Ludwig Constructors in the amount of \$1,069,895; authorize the General Manager or Assistant General Manager to execute the contract; and to approve change

orders up to 10% of the contract value.

*This item was pulled from consent by Director Wanninger. Discussion ensued regarding the item.*

*MOTION DULY MADE BY SHERRY WANNINGER AND SECONDED BY BILL MOORHEAD, ITEM 9 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.*

**ADMINISTRATIVE MATTERS:**

**13. AUDIT REPORTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

It is recommended that the Board of Directors receive and file the following audit reports for the fiscal year ended June 30, 2020:

- Comprehensive Annual Financial Report (“CAFR”), including auditor’s opinion on the fair presentation of the financial statements
- Audit communication letter
- Article XIII-B Appropriations Limit Calculation report
- Single Audit Report, including the letter on internal control

*Matt Collings provided information on the item.*

*MOTION DULY MADE BY DUANE CAVE AND SECONDED BY SHERRY WANNINGER, ITEM 13 WAS APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.*

**INFORMATION ITEMS:**

**14. 2020 LONG-RANGE WATER RELIABILITY PLAN UPDATE**

*Matt Collings provided an update on the 2020 Long-Range Water Reliability Plan.*

**15. MONTHLY FINANCIAL REPORT**

*Trevor Agrelius presented the Monthly Financial Report.*

**CLOSED SESSION:**

**16. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Pursuant to Government Code Section 54957  
Title: General Manager

**17. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6  
Agency designated representative: Board President Brian Probolsky  
Unrepresented employee: General Manager

*The Board entered closed session at 7:06 p.m.*

**RETURN TO OPEN SESSION:**

**18. EMPLOYMENT CONTRACT FOR SERVICES AS GENERAL MANAGER AND AMENDMENT #10**

It is recommended that the Board of Directors consider, and possibly take action to adopt Amendment #10 to the Employment Contract for Services As General Manager which may include the payment of a bonus and/or other changes in compensation.

*The Board exited closed session at 8:55 p.m. and Jeff Ferre provided a report out on closed session.*

*The Board met in closed session pursuant to Government Code Section 54957 for a performance evaluation of the General Manager and also for a conference with labor negotiators in regard to the General Manager under Government Code Section 54957.7. There was no reportable action for either Item, but the Board then proceeded to Item 18 to consider an Amendment #10 to the Employment Contract for the General Manager.*

*A motion was made by Director Cave, seconded by Director Fiore, to adopt Amendment #10 to the General Manager's Employment Contract which will provide the General Manager with a one-time bonus of \$20,000.00 and a credit of 120 hours of executive leave. Any unused executive leave will not be cashed out upon employment separation and must be used by June 30, 2021. The motion passed 6-0.*

***MOTION DULY MADE BY DUANE CAVE AND SECONDED BY RICHARD FIORE, TO ADOPT AMENDMENT #10 TO THE GENERAL MANAGER'S EMPLOYMENT CONTRACT WHICH WILL PROVIDE THE GENERAL MANAGER WITH A ONE-TIME BONUS OF \$20,000 AND A CREDIT OF 120 HOURS OF EXECUTIVE LEAVE. ANY UNUSED EXECUTIVE LEAVE WILL NOT BE CASHED OUT UPON EMPLOYMENT SEPARATION, AND MUST BE USED BY JUNE 30, 2021. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD***

*FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER  
ALL VOTING 'AYE'.*

**GENERAL MANAGER MATTERS:**(Brief general updates on District matters and/or  
brief general updates from staff - Informational purposes only.)

*Joone Lopez provided a COVID-19 update.*

**PRESIDENT'S REPORT:**

*No report.*

**BOARD REPORTS:**

*Director Cave commented on his reelection and thanked everyone for the next four  
years.*

*President Probolsky echoed Director Cave's sentiments and welcomed Director  
Wanninger to the Board. He continued with noting that Director Jennings resigned from  
the Board. A special meeting will be scheduled for the end of this month to discuss next  
steps.*

*Director Fiore echoed sentiments.*

*Director Wanninger stated that she is looking forward to being part of Moulton Niguel  
Water Districts Board.*

**FUTURE AGENDA ITEMS (Any items added under this section are for discussion at  
future meetings only.):**

*None.*

**LATE ITEMS: (Appropriate Findings to be Made)**

*None.*

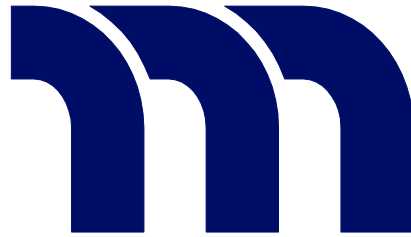
**ADJOURNMENT:**

*The meeting was adjourned at 9:06 p.m.*

Respectfully submitted,

Tim Bonita  
Recording Secretary





# moulton niguel water district

**DRAFT**  
**MINUTES OF THE SPECIAL MEETING OF THE**  
**BOARD OF DIRECTORS OF THE**  
**MOULTON NIGUEL WATER DISTRICT**

**December 23, 2020**

A Special Meeting of the Board of Directors of the Moulton Niguel Water District was held in accordance with the Governor’s Executive Order N-29-20 in an effort to prevent the spread of COVID-19 (Coronavirus). As a result, there was no public location for the public to attend in person. The meeting was called to order at 12:08 p.m. on December 23, 2020. There were present and participating telephonically:

**DIRECTORS**

Duane Cave	Vice President
Richard Fiore	Director
Donald Froelich	Vice President
Bill Moorhead	Director
Brian Probolsky	President
Sherry Wanninger	Director

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC**

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Gina Hillary	Director of Human Resources
Jeff Ferre	Best, Best, & Krieger (General Counsel)
Tim Bonita	Recording Secretary
Matt Brown	MNWD

**1. CALL MEETING TO ORDER**

*The meeting was called to order by President Probolsky at 12:08 p.m. President Probolsky stated that the meeting was being conducted by teleconference pursuant to the Brown Act waivers provided for under the Governor’s Executive Orders in response to the COVID-19 State of Emergency. As stated on the agenda, there was no public location*

## #6.

*for attending the meeting in person. The agenda also stated that the public could listen and provide comment telephonically by calling the number listed on the agenda.*

### 2. PUBLIC COMMENTS

*President Probolsky stated that as permitted under the Brown Act, and in order to provide an equal opportunity for members of the public to provide comment without everyone talking over one another, public comments, on items on or off the agenda, would be taken during the Public Comment portion of the meeting. President Probolsky then asked if there was anyone on the phone who would like to provide comment. Hearing none, the Public Comment portion of the meeting was closed.*

### **DISCUSSION ITEMS**

### 3. **DECISION TO FILL BOARD VACANCY BY APPOINTMENT AND AUTHORIZE THE POSTING OF A NOTICE OF VACANCY**

It is recommended that the Board of Directors consider the requirements and options for filling the Board vacancy and take the following actions:

- 1) Decide to fill the Board vacancy by appointment and not call a special election; and
- 2) Authorize the posting of a Notice Of Vacancy.

*Discussion ensued regarding the item. On a motion by Director Probolsky, seconded by Director Froelich, the Board decided to fill the Board vacancy by appointment and not call a special election and authorized the posting of a Notice of Vacancy with a deadline of January 8, 2020 at 5:00 pm for the submission of letters of interest or resumes. The motion passed 6-0.*

**MOTION DULY MADE BY BRIAN PROBOLSKY AND SECONDED BY DONALD FROELICH, TO FILL THE BOARD VACANCY BY APPOINTMENT AND NOT CALL A SPECIAL ELECTION AND AUTHORIZED THE POSTING OF A NOTICE OF VACANCY WITH A DEADLINE OF JANUARY 8, 2020 AT 5:00 PM FOR THE SUBMISSION OF LETTERS OF INTEREST OR RESUMES. THE VOTE WAS UNANIMOUS WITH DIRECTORS DUANE CAVE, RICHARD FIORE, DONALD FROELICH, BILL MOORHEAD, BRIAN PROBOLSKY, AND SHERRY WANNINGER ALL VOTING 'AYE'.**

### **CLOSED SESSION**

### 4. **CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6



Agency designated representative: General Manager Joone Lopez  
Employee organization: Moulton Niguel Water District Employees Association

*The Board entered closed session at 12:26 p.m. and exited at 12:45 p.m. Jeff Ferre stated that the Board met in closed session under Government Code Section 54957.6 regarding a conference with labor negotiators. The Board gave direction to the labor negotiator but there was no reportable action.*

**ADJOURNMENT**

*The meeting was adjourned at 12:46 p.m.*

Respectfully submitted,

Tim Bonita  
Recording Secretary

DRAFT





# moulton niguel water district

## STAFF REPORT

**TO:** Board of Directors                      **MEETING DATE:** January 14, 2021

**FROM:** Rod Woods, Director of Engineering  
David Larsen, Engineering Manager

**SUBJECT:** Amendment No. 1 to the Professional Services Agreement for the  
Plant 3A Solids Handling Facilities Improvements

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### SUMMARY:

Issue: Board action is required to execute an amendment to the Professional Services Agreement (PSA) for engineering services for the Plant 3A Solids Handling Facilities Improvements, Project No. 2019.302.

Recommendation: It is recommended that the Board of Directors approve Amendment No. 1 to the Professional Services Agreement for engineering services with Hazen & Sawyer in the amount of \$321,957 for a new total contract amount of \$2,679,807; authorize the General Manager or Assistant General Manager to execute the amendment; and to approve amendments up to 10% of the total contract value.

Fiscal Impact: Project No. 2019.302 is budgeted in Fund 7, Rehabilitation and Replacement with a current project budget of \$20,600,000. The proposed project budget is \$20,954,154.

Reviewed by Committee: Yes, recommended for approval at Technical Committee Meeting on January 4, 2021.

Reviewed by Legal: Yes

### BACKGROUND:

The District’s Plant 3A facility, located at 26801 Camino Capistrano, Mission Viejo was constructed in 1991 and generally included liquid treatment facilities only at that time.

## #7.

Amendment No. 1 to the PSA for the Plant 3A Solids Handling Facilities Improvements

January 14, 2021

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The solids handling facilities were added in 1997 and have been operating in the current configuration since that time.

The biosolids produced during the treatment process at Plant 3A are currently prepared for disposal through a series of 20-yard roll-off style bins, which are retrieved by a contracted service company for disposal. In August 2019, following a competitive solicitation, the Board authorized the execution of a service agreement with Holloway Environmental Solutions, LLC for the hauling and disposal of biosolids over a three-year term with the option to renew for two additional one-year terms. However, despite a significant wide-reaching effort by staff during the solicitation of these services, an extremely limited response to the District's request for proposal was received, as there are limited firms with the ability to handle this unique style of bins.

Subsequently, in August 2019, the Board approved the Professional Services Agreement for engineering services with Hazen & Sawyer in the amount of \$2,357,850 for the Plant 3A Solids Handling Facilities Improvements project. The preliminary design stage of the project is nearly complete, and the final design phase will commence shortly.

### **DISCUSSION:**

As part of the scope of engineering services for the Solids Handling Facilities Improvements project, an analysis of the feasibility to incorporate a solids load-out facility into the project was completed. These facilities would likely include a truck scale system, sludge holding silo, associated conveyor systems, and other accessory equipment.

After the feasibility analysis, staff is recommending that a solids load-out facility be incorporated into the current project. Some of the contributing factors included in this conclusion include:

- Increased response from vendors for hauling and disposal services
- Reduced hauling and biosolids disposal costs
- Reduced operational and maintenance costs
- Improved safety conditions for handling the 18-ton sludge bins prior to disposal
- Reduced environmental risk associated with staging open top sludge bins filled with biosolids on site prior to disposal
- Reduced risk associated with uncertain upcoming biosolids disposal regulations

Although it is difficult to precisely quantify the costs associated with each of these factors, staff has determined that it is in the best long-term interest of District to incorporate a solids load-out facility into the current solids handling facilities improvements project.

Staff requested a proposal from Hazen & Sawyer to incorporate these facilities into the final design and construction documents. The proposed fee for the additional design effort is \$321,957, for a new total not-to-exceed amount of \$2,679,807. It should be

Amendment No. 1 to the PSA for the Plant 3A Solids Handling Facilities Improvements  
January 14, 2021  
Page 3 of 3

noted that a significant portion of the amendment is included for coordination with Southern California Edison in the event that the existing power lines adjacent to Plant 3A are required to be relocated to allow for the construction of the solids load-out facility.

Staff performed a thorough review of Hazen & Sawyer’s proposal and determined that the level of effort is appropriate. This amendment will be performed on a time and materials not to exceed basis.

As such, staff is recommending the approval of Amendment No. 1 to the Professional Services Agreement for engineering services with Hazen & Sawyer.

It should be noted that the overall construction budget for the project will increase because of the inclusion of the solids load-out facility in the project. This budget will be reviewed and revised as appropriate as part of the FY2021-22 budget development.

SUMMARY OF PROJECT BUDGET:

	<b>Project Budget*</b>	<b>Proposed / Approved Contract</b>	<b>Proposed / Authorized Contingency</b>	<b>Total Proposed / Authorized Amount</b>
<b>Project Items</b>				
Engineering	\$2,593,634	\$2,357,850	\$235,785	\$2,593,635
Additional Engineering	\$0	\$321,957	\$32,196	\$354,153
Construction	\$15,801,366	\$15,801,366	\$0	\$15,801,366
Construction Management and Inspection	\$2,105,000	\$2,105,000	\$0	\$2,105,000
Legal, Permits, District Labor	\$100,000	\$100,000	\$0	\$100,000
<b>Totals</b>	<b>\$20,600,000</b>	<b>\$20,686,173</b>	<b>\$267,981</b>	<b>\$20,954,154</b>

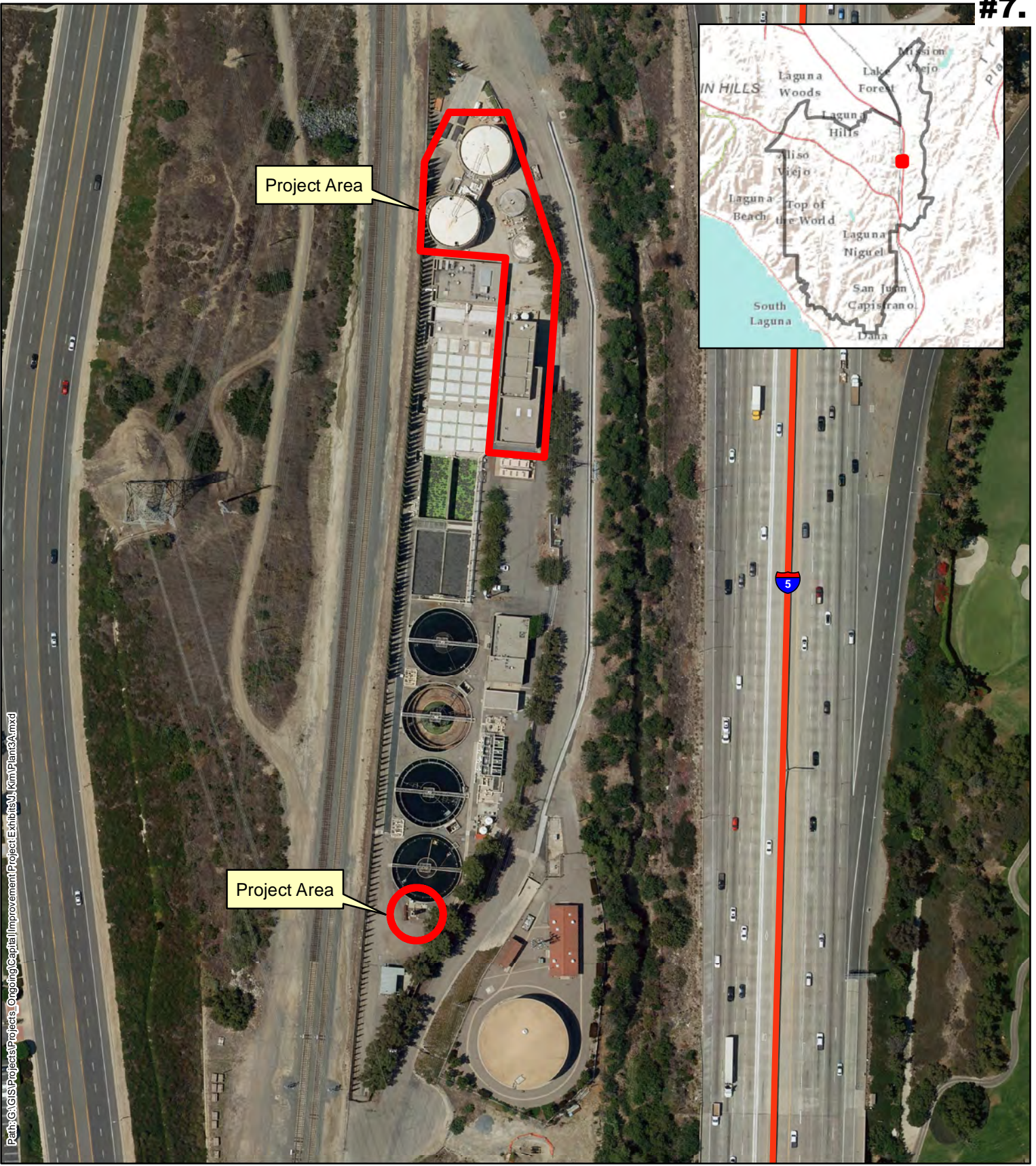
\*\$890,551 has been expended to date

 Currently Proposed Amount

Attachments:

1. Exhibit A – Location Map
2. Professional Services Agreement for Plant 3A Solids Handling Facilities Improvements
3. Amendment No. 1 to Professional Services Agreement for Plant 3A Solids Handling Facilities Improvements





Path: C:\GIS\Projects\Projects\_Ongoing\Capital Improvement Project Exhibits\Kim\Plans\A.mxd



0 50 100 200 Feet

Scale = 1:1,700

### Exhibit "A" Location Map Professional Services Agreement for the Plant 3A Solids Handling Facilities Improvements





**PROFESSIONAL SERVICES AGREEMENT  
BETWEEN  
MOULTON NIGUEL WATER DISTRICT AND  
HAZEN AND SAWYER  
MNWD PROJECT: PLANT 3A SOLIDS HANDLING FACILITIES IMPROVEMENTS  
CONTRACT NO. 2019.302**

This Agreement (the “Agreement”) is made and entered into as of August 20, 2019 (“Effective Date”) by and between the Moulton Niguel Water District (“MNWD”) and Hazen and Sawyer, a corporation with its principal place of business at 7700 Irvine Center Drive, Irvine, CA 92618 (“Consultant”). MNWD and Consultant are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

**SECTION I – PURPOSE**

Consultant shall provide certain professional services required by MNWD on the terms and conditions set forth in this Agreement. Consultant represents that it has the qualifications, experience, licenses, and facilities necessary to properly perform professional engineering services including engineering evaluations; preliminary design; final design; construction cost estimates; permit acquisition support; bid period assistance, construction engineering, commissioning services, and associated services encompassing the extent of the Plant 3A Solids Handling Facilities Improvements in a competent and professional manner.

**SECTION II – TERM**

The term of this Agreement shall be from the Effective Date to **September 30, 2022**, unless earlier terminated as provided herein.

**SECTION III – SCOPE OF SERVICES**

Section 3.1. Scope of Services. The scope of services to be provided by Consultant is set forth on Exhibit “A” attached hereto and by this reference incorporated herein (“Services”). Consultant warrants that it will perform the Services as set forth herein in a competent, professional and satisfactory manner. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules, and regulations.

Section 3.2. Schedule of Services. Consultant shall not begin work on any portion of services pursuant to this Agreement until receipt of MNWD’s written direction to proceed. Upon receipt of such notice, Consultant shall immediately commence the authorized portion of the work as described in Exhibit “A”. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines, including any schedule of services set forth in Exhibit “A.”

Section 3.3. Permits, Licenses, Fees and Other Charges. Consultant shall, in accordance with applicable laws and ordinances, obtain at his/her/its expense all permits and licenses necessary to accomplish the Services. Failure to maintain a required license or permit may result in immediate termination of this Agreement.

**SECTION IV – COMPENSATION**

Section 4.1. Payment for Services Rendered. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit “B” attached hereto and incorporated herein by reference. The total compensation shall not exceed **Two Million Three Hundred Fifty-Seven Thousand Eight Hundred Fifty Dollars (\$2,357,850)** without written approval by MNWD. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

Section 4.2. Invoices. Consultant shall submit to MNWD a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. MNWD shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

- A. Payment shall not constitute acceptance of any work completed by Consultant.
- B. The making of final payment shall not constitute a waiver of any claims by MNWD for any reason whatsoever.

Section 4.3. Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by MNWD.

Section 4.4. Extra Work. At any time during the term of this Agreement, MNWD may request that Consultant perform Extra Work. As used herein, “Extra Work” means any work which is determined by MNWD to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization by MNWD.

**SECTION V – REPRESENTATIVES OF THE PARTIES**

Section 5.1. MNWD’s Representative. MNWD hereby designates its Director of Enigneering, or his or her designee, to act as its representative for the performance of this Agreement (“MNWD’s Representative”). Consultant shall not accept direction or orders from any person other than MNWD’s Representative or his or her designee.

Section 5.2. Consultant’s Representative. Consultant hereby designates Dave Jones, or his designee, to act as its representative for the performance of this Agreement (“Consultant’s Representative”). Consultant’s Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant’s Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

**SECTION VI – RESPONSIBILITIES OF CONSULTANT**

Section 6.1. Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means,

methods and details of performing the Services subject to the requirements of this Agreement. MNWD retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of MNWD and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

Section 6.2. Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from MNWD, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein.

Section 6.3. Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of MNWD.

Section 6.4. Substitution of Key Personnel. Consultant has represented to MNWD that certain key personnel will perform and coordinate the Services under this Agreement. The key personnel for performance of this Agreement are as follows: Dave Jones, Derya Dursun, Ian Mackenzie, and Chris Thunhorst. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of MNWD. In the event that MNWD and Consultant cannot agree as to the substitution of key personnel, MNWD shall be entitled to terminate this Agreement for cause. Furthermore, any personnel who fail or refuse to perform the Services in a manner acceptable to MNWD, or who are determined by MNWD to be uncooperative, incompetent, a threat to the adequate or timely completion of the Services or a threat to the safety of persons or property, shall be promptly removed from performing Services by the Consultant at the request of MNWD.

Section 6.5. Coordination of Services. Consultant agrees to work closely with MNWD staff in the performance of Services and shall be available to MNWD's staff, consultants and other staff at all reasonable times.

Section 6.6. Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs

## #7.

arising therefrom. Consultant shall defend, indemnify and hold MNWD, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

### **SECTION VII – LABOR CODE PROVISIONS**

Section 7.1. Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on “public works” and “maintenance” projects. If the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. A copy of these prevailing wage rates are on file with the Department of Industrial Relations and can be found online with the State of California at <http://www.dir.ca.gov/dlsr/pwd>. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant’s principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold MNWD, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

Section 7.2. Registration and Labor Compliance. If the services are being performed as part of an applicable “public works” or “maintenance” project, then, in addition to the foregoing, pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations (“DIR”). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

Section 7.3. Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker’s Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

### **SECTION VIII – INDEMNIFICATION**

To the fullest extent permitted by law, Consultant shall immediately indemnify, defend, and hold MNWD, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant’s Services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys’ fees and other related

costs and expenses. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against MNWD or its directors, officials, officers, employees, volunteers and agents as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse MNWD for the cost of any settlement paid by MNWD or its directors, officials, officers, employees, agents or volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for MNWD's attorneys' fees and costs, including expert witness fees. Consultant shall reimburse MNWD and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by MNWD, its directors, officials, officers, employees, agents, or volunteers. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

### **SECTION IX – INSURANCE**

Section 9.1. Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to MNWD that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to MNWD that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for MNWD to terminate this Agreement for cause.

Section 9.2. Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

A. Commercial General Liability. Coverage for commercial general liability insurance shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001). Consultant shall maintain limits no less than \$1,000,000 per occurrence, or the full per occurrence limits of the policies available, whichever is greater, for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit or product-completed operations aggregate limit is used, including but not limited to form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit. The general liability policy shall include or be endorsed (amended) to state that: (1) MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work using as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37; and (2) the insurance coverage shall be primary insurance as respects MNWD, its directors, officials, officers, employees, agents, and volunteers using as broad a form as CG 20 01 04 13, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by MNWD, its directors, officials, officers, employees, agents, and volunteers shall be

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excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

B. Automobile Liability. Coverage shall be at least as broad as the latest version of the Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto). Consultant shall maintain limits no less than \$1,000,000 per accident for bodily injury and property damage. The automobile liability policy shall include or be endorsed (amended) to state that: (1) MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects MNWD, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by MNWD, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

C. Workers' Compensation and Employer's Liability Insurance. Consultant shall maintain Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance in an amount no less than \$1,000,000 per accident for bodily injury or disease. The insurer shall agree to waive all rights of subrogation against MNWD, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

D. Professional Liability. Consultant shall procure and maintain, and require its subconsultants to procure and maintain, for a period of five (5) years following completion of the Project, errors and omissions liability insurance appropriate to their profession covering Consultant's wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall purchase a one-year extended reporting period: i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement. Such insurance shall be in an amount not less than \$2,000,000 per claim.

E. Excess Liability (if necessary). The limits of Insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess coverage shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of MNWD (if agreed to in a written contract or agreement) before MNWD's own primary or self-Insurance shall be called upon to protect it as a named insured. The policy shall be endorsed to state that MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured at least as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37. The coverage shall contain no special limitations on the scope of protection afforded to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 9.3. All Coverages. The Consultant is required by this Agreement to state that: (i) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to MNWD; If any of the required coverages expire or cancel during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to MNWD at least ten (10) days prior to the cancellation or expiration date; and (ii) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 9.4. Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 9.5. Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by MNWD. Consultant shall guarantee that, at the option of MNWD, either: (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects MNWD, its directors, officials, officers, employees, agents, and volunteers; and insurer shall provide or be endorsed to provide that the deductibles or SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured or (ii) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

Section 9.6. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-:VII or equivalent, or as otherwise approved by MNWD.

Section 9.7. Verification of Coverage. Consultant shall furnish MNWD with certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to MNWD. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by MNWD if requested. All certificates and endorsements must be received and approved by MNWD before work commences. MNWD reserves the right to require complete, certified copies of all required insurance policies, at any time. In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

Section 9.8. Reporting of Claims. Consultant shall report to MNWD, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

## **SECTION X – TERMINATION**

Section 10.1. Grounds for Termination. MNWD may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to MNWD, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

Section 10.2. Effect of Termination. If this Agreement is terminated as provided herein, MNWD may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

Section 10.3. Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, MNWD may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

## **SECTION XI – OWNERSHIP OF MATERIALS AND CONFIDENTIALITY**

Section 11.1. Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for MNWD to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement (“Documents & Data”). All Documents & Data shall be and remain the property of MNWD, and shall not be used in whole or in substantial part by Consultant on other projects without MNWD’s express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to MNWD reproducible copies of all Documents & Data, in a form and amount required by MNWD. MNWD reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by MNWD at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to MNWD upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to MNWD any such documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to MNWD upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify MNWD and provide MNWD with the opportunity to obtain the documents.

Section 11.2. Subconsultants. Consultant shall require all subconsultants to agree in writing that MNWD is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by MNWD.

Section 11.3. Right to Use. MNWD shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at MNWD’s sole risk. If MNWD uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant’s seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the



negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to MNWD upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

Section 11.4. Intellectual Property Indemnification. Consultant shall defend, indemnify and hold MNWD, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by MNWD of the Documents & Data, including any method, process, product, or concept specified or depicted.

Section 11.5. Confidentiality. All Documents & Data, either created by or provided to Consultant in connection with the performance of this Agreement, shall be held confidential by Consultant. All Documents & Data shall not, without the prior written consent of MNWD, be used or reproduced by Consultant for any purposes other than the performance of the Services. Consultant shall not disclose, cause or facilitate the disclosure of the Documents & Data to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant that is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use MNWD's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of MNWD.

## **SECTION XII – ACCOUNTING, INSPECTION AND AUDIT**

Section 12.1. Records. Consultant shall keep and shall preserve for four (4) years after final completion of the services, accurate and detailed records of all ledgers, books of account, invoices, vouchers, cancelled checks, and other documents or records evidencing or relating to the work, services and disbursements charged to MNWD under this Agreement (collectively, "Books and Records"). Any and all Books and Records must be maintained in accordance with generally accepted accounting principles and must be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant under this Agreement. During such four (4) year period, Consultant shall give MNWD and its agents, during normal business hours, access to such Books and Records. MNWD and its agents shall have the right to make copies of any of the said Books and Records.

Section 12.2. Custody. Where MNWD has reason to believe that any of the Books and Records required to be maintained by this Article may be lost or discarded due to dissolution or termination of Consultant's business, MNWD may, by written request, require that custody of such Books and Records be given to a person or entity mutually agreed upon and such Books and Records thereafter shall be maintained by such person or entity at Consultant's expense. Access to the Books and Records shall be granted to MNWD and its Representatives.

**SECTION XIII – GENERAL PROVISIONS**

Section 13.1. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**MNWD:**

Moulton Niguel Water District  
 P.O. Box 30203  
 Laguna Niguel, CA 92607  
 Attn: Director of Engineering

**CONSULTANT:**

Hazen and Sawyer  
 7700 Irvine Center Drive  
 Irvine, CA 92618  
 Attn: Dave Jones

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

Section 13.2. Subcontracting/Subconsulting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of MNWD. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

Section 13.3. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of MNWD's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

Section 13.4. Time of Essence. Time is of the essence for each and every provision of this Agreement.

Section 13.5. MNWD's Right to Employ Other Consultants. MNWD reserves right to employ other consultants in connection with this Project.

Section 13.6. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

Section 13.7. Assignment or Transfer. Consultant shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of MNWD. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

Section 13.8. Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants

of Consultant, except as otherwise specified in this Agreement. All references to MNWD include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

Section 13.9. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

Section 13.10. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

Section 13.11. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

Section 13.12. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

Section 13.13. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with MNWD's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, MNWD shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of MNWD, during the term of his or her service with MNWD, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

Section 13.14. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

Section 13.15. Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

Section 13.16. Government Code Claim Compliance. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against MNWD. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against MNWD.

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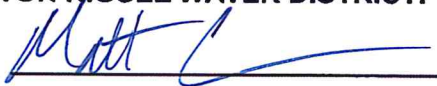
Section 13.17. Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all other costs of such action.

Section 13.18. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

Section 13.19. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

Section 13.20. Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a written amendment signed by both parties.

**MOULTON NIGUEL WATER DISTRICT:**

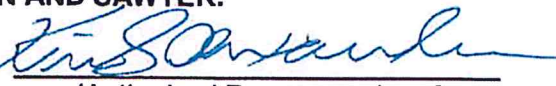
By: 

Printed Name: MATT COLLINGS

Title: ASSISTANT GENERAL MANAGER

Dated: 8/20/19

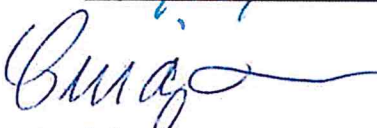
**HAZEN AND SAWYER:**

By:   
(Authorized Representative of  
Consultant)

Printed Name: Kevin L. Alexander

Title: Vice President

Dated: 8/13/19

  
CINDY MILLER  
VICE PRESIDENT  
08/14/19

## Exhibit A

### Scope of Services

*We understand MNWD’s solids handling improvement project is part of a broader vision to increase reliability, provide redundancy and future flexibility, reduce operating and energy costs and improve ease of operation of Plant 3A. Building on Hazen’s direct practical experience on similar projects, we have developed a **holistic approach** to provide best value solutions to achieve your vision.*

## Understanding and Approach

MNWD took over operation of Plant 3A in early 2019. Plant 3A was originally constructed in 1991 to treat wastewater to secondary effluent standards and the solids handling facilities were added in 1997 and have been operating in the current configuration since that time. Some system and processes components have reached the end of their useful life based on age, condition, insufficient capacity or risk of not meeting current or future regulatory requirements and some of the supporting infrastructure needs rehabilitation. MNWD has developed a 5-year plan for upgrading Plant 3A to improve the condition of the existing facilities and to provide redundancy, reliability, ease of operation and ensure adherence to regulatory requirements. The solids handling processes have been identified as the biggest risk to the reliable operation and performance of Plant 3A and thus the first to be upgraded.

A report prepared by GHD indicated that the major components of this project are replacement of the Dissolved Air Flotation Tanks (DAFT) with a new mechanical thickening system, rehabilitation of both digesters to provide full digester redundancy and replacement of the dewatering system with centrifuges or other technology, with all system components able to handle build out (6 MGD) flows and loads.

Plant 3A is a very confined space bordered by railroad tracks and a dry creek bed. This creates a number of challenges such as no room for an equalization basin, a lack of redundant systems, no room for trucks to access the dewatering facility and turnaround, requiring solids to be loaded into bins that can be transported to an area that a truck can access and little space for construction activities. The Hazen Team has considered each of these challenges and will present cost-effective, successful solutions developed by Hazen for projects with similar challenges.

While this project is focused on the solids handling systems, Hazen will take an **holistic approach** that looks forward to future changes in regulatory requirements and technology and works backwards with trigger based solutions to consider impacts and integration to other processes in the plant to ensure the best long term, reliable and cost-effective solution is delivered to MNWD.

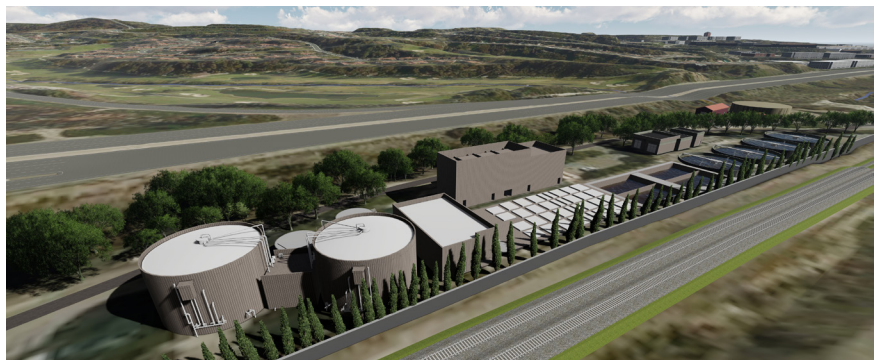


Figure 1. 3-D Aerial View of Plant 3A

The following section presents Hazen’s approach on specific tasks, identifies your project’s challenges and our proposed methodology to address them.

## Phase 1 – Evaluations and Preliminary Design

*We've crafted this technical approach to overcome the unique challenges and capitalize on opportunities, maximize input from staff and provide a transparent decision making process to designing effective solutions for Moulton Niguel Water District.*

The following discussion of scope tasks presents our understanding of specific project issues and challenges and our proposed methodology to address them. **To focus our proposal on the most important aspects of your project, we only discuss tasks that present information in addition to what's already in your RFP.** Hazen has reviewed and will comply with the scope of work in the District's RFP. Specific deliverables, including workshops and meetings, are presented in the Schedule and Budget sections of this proposal.

### Task 1.2 – Process Modeling and Capacity Analysis

GHD was tasked in late 2018 to develop a high-level BioWin model to evaluate the capacity of the facility and to assist with future planning for Plant 3A. From our discussions with MNWD, this model primarily focuses on the liquid stream. Our approach for this project will leverage this work while providing a whole plant model that includes both liquid and solid streams to holistically assess the current and future conditions, predict solids production, provide process and mass balances, MOPO guidance and to optimize the design accordingly to assure the redundancy and reliability of the proposed processes. The model will be a valuable tool to verify that future improvements will allow the plant to reliably treat 6 mgd of flow.

Hazen has successfully developed over 200 whole plant models for alternatives evaluations, process optimization and design and just as importantly training plant staff to use the model. Whole plant process model calibration starts with a detailed review of historical plant data, site visits and operator interviews to understand key issues specific to your plant. The historical data is then used for initial process simulations to check fundamental mass balances and yields, identifying potential issues with historical data and data gaps. Hazen would then recommend that supplemental sampling be conducted to determine influent wastewater characterization and plant performance. This special sampling data and reconciled historical data are used to fully calibrate and verify the whole plant process model, which can then be used with confidence for evaluations and design. This holistic approach to modeling is summarized in Figure 2.

#### Benefits of a Properly Calibrated Model

This approach provides Hazen a thorough understanding of all unique aspects of the facility and ensures the process model is calibrated properly and provides multiple benefits such as:

- Estimating solids process capacity and digester gas generation
- Evaluating performance and energy efficiency of proposed solids handling facilities
- Supporting the decisions made for maintenance of plant operations (MOPO)

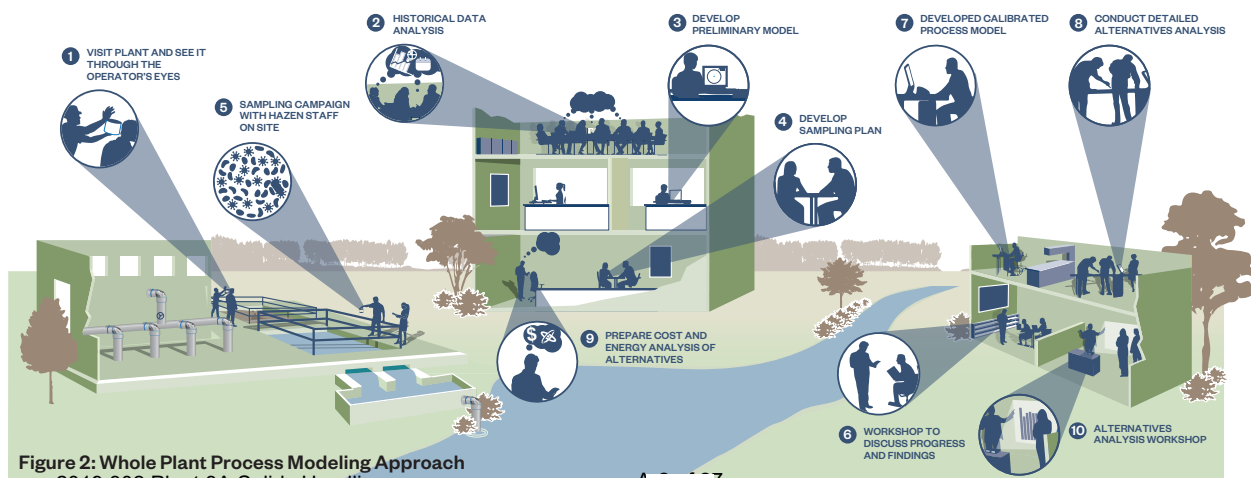


Figure 2: Whole Plant Process Modeling Approach  
2019.302 Plant 3A Solids Handling  
Hazen and Sawyer - Exhibit A

### Process Model Assessments

Based on our knowledge of this project the following scenarios should be evaluated with the process model as part of this project:

1. Evaluation of current and future conditions and high peaking factors
2. Impact of co-thickening
3. Optimization of digester operation
4. Assessment of biogas generation under various operating conditions
5. Analysis of cake production for new biosolids storage and loadout facility

We use a statistical, risk based approach to select appropriate combinations of design parameters, combined with a whole plant dynamic model, to better represent reality and determine true capacity and expected performance.

To enhance our team's knowledge of Plant 3A and be proactive in our approach, our team has developed an initial steady-state BioWin model and facility mass balance for Plant 3A (Figure 3). The model can be used as a training tool for the operations staff and for evaluating "what if" scenarios. The process model developed for this project can also be leveraged for the future planned secondary treatment improvements to assist in design, optimization and startup.

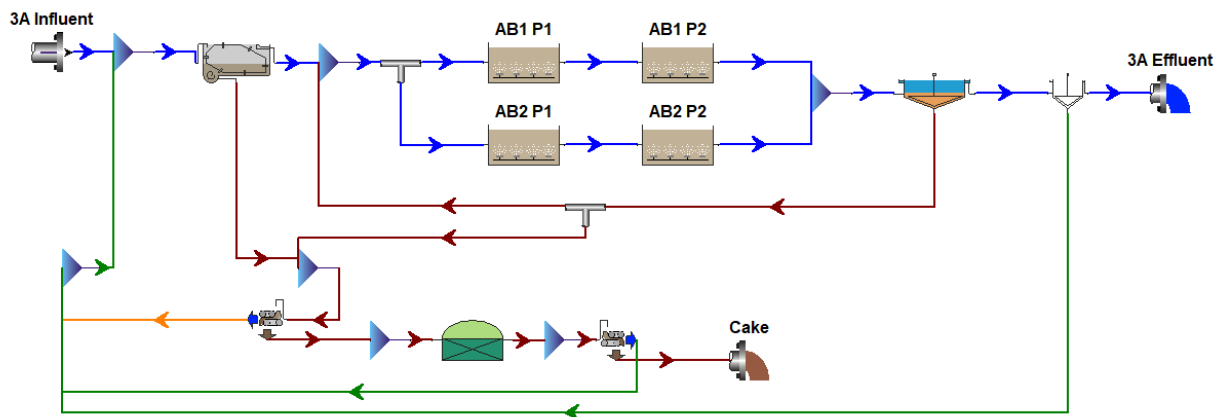


Figure 3: Preliminary Model developed for MNWD

### Task 1.3 – Technology Evaluations

Hazen takes pride in delivering the most energy efficient and environmentally friendly solutions and designs to our clients since 1951. The Hazen team will perform a detailed technology review and cost/benefit analysis of solids thickening, digestion and dewatering. The delivering paradigm of sustainability has shown us that the whole is truly greater than the sum of its parts. Using a holistic approach, we will evaluate the ability of each technology to integrate into the existing processes and the impact each technology has on upstream and downstream plant operations. **Looking forward to future requirements and working backwards process-by-process.**

Hazen will work with MNWD Staff to develop criteria and weighting for each criterion based on importance to MNWD staff for screening the technologies that will include but not be limited to:

- Capital cost
- Life cycle cost (O&M, power, chemicals, etc.)
- Footprint/layout
- Process & equipment reliability
- Ease of operation/automation
- Maintenance requirements
- Additional staff requirements
- Redundancy
- Constructability/sequencing

# #7.

## Thickening

The existing two DAFT units are to be replaced by mechanical thickening. Several mechanical thickening technologies are available for thickening the waste activated sludge (WAS) alone or combined WAS and primary sludge (PS). Various thickening technologies will be considered for Plant 3A. Specific criteria will be proposed and finalized with MNWD staff at the start of this project. The Hazen team will work with Plant 3A staff to assign weights for each criteria (Figure 4) and use scoring from 1-5 (five being the highest score) for each category to screen the technologies for the top 2 or 3 for detailed life cycle cost analysis for further consideration.

The mechanical thickening units are expected to provide 6% total solids (TS) thickened sludge. Hazen has experience designing all of the mechanical thickening devices listed and has replaced DAFT units with mechanical thickening in several facilities. For example, Hazen team members are currently working at Peppers Ferry WWTP (similar size as Plant 3A) in Virginia to replace their existing DAFT with Rotary Drum Thickeners (under construction). At the Tallahassee T. P. Smith WWTP, Hazen staff worked with plant's staff to replace DAFT with Gravity Belt Thickeners.

Site visits will be conducted for the short listed thickening technologies at two wastewater treatment facilities within southern California. Facilities that could be considered include Goleta Sanitary District Water Resource Center for screw press thickeners and Santa Margarita Water District Chiquita WRF for rotary disc thickeners. Based on feedback from Plant 3A staff, site visits, and our experience, each thickening alternative will be evaluated based on developed criteria and life cycle cost analysis (LCCA) to select the most appropriate technology for design.

### Benefits of Co-thickening WAS and Primary Sludge - Looking Forward and Working Backwards

The Hazen team will confirm the future flows and loads for sizing the mechanical thickening equipment with the calibrated BioWin model developed in Task 1.2. The mechanical thickening design will be based on meeting build out (6 MGD) Max Month flows and loads with one unit redundant. Two scenarios should be evaluated for thickening:

1. WAS alone thickening then combining with PS prior to anaerobic digestion (Figure 5)
2. Co-thickening WAS and PS prior to anaerobic digestion (Figure 6)

Hazen used the data provided in Table 3 of the Draft GHD Report titled "Plant 3A Capital Improvement Project" published December 21, 2018 to conduct a preliminary mass balance at Maximum Month future flows and loads conditions for the two thickening scenarios. Results are presented in Figures 5 and 6.

Hazen has successfully implemented co-thickening at Gwinnett County and other facilities. With co-thickening WAS and PS, a holding tank and slightly larger thickening units are needed. However, the following are the major benefits of co-thickening PS and WAS:

- **Digester redundancy.** With WAS only thickening, Plant 3A requires both digesters to be in service to meet the minimum hydraulic retention time (HRT) of 15 days to achieve Class B biosolids. No digester redundancy is available for this option. If a digester is taken out of service the HRT drops to around 7 days, which will result in digestion process failure. With co-thickening, and achieving 6% TS thickened combined sludge, Plant 3A will meet future flows and loads with one digester meeting HRT of 15 days, leaving one redundant digester.

The following technologies will be analyzed and scored for

- ✓ Ease of Operation
- ✓ Efficiency & Reliability
- ✓ Annual O&M Costs
- ✓ Footprint
- ✓ Constructibility/Sequencing
- ✓ Redundancy

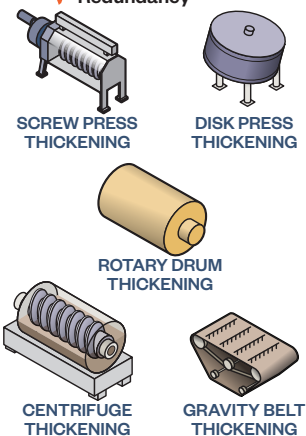


Figure 4. Screening Criteria for Thickening Technologies



### Future Max Month Flows and Loads Thickening WAS ONLY

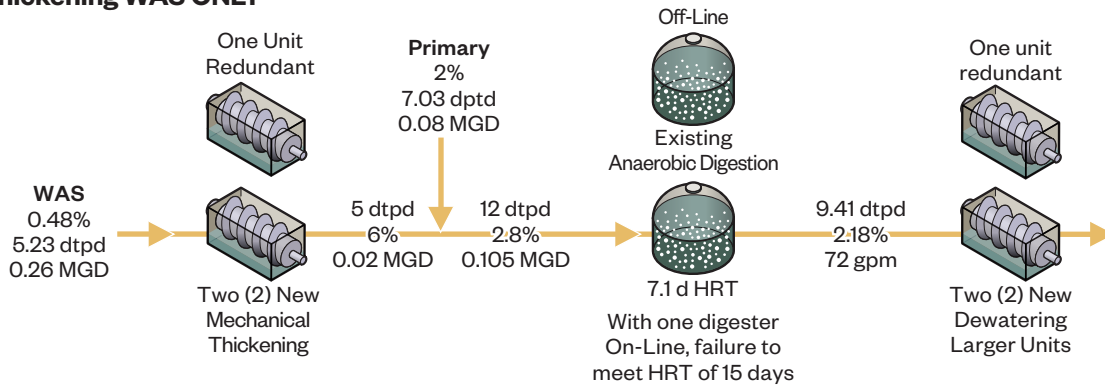


Figure 5: Preliminary Mass Balance for WAS Thickening

### Future Max Month Flows and Loads Co-thickening

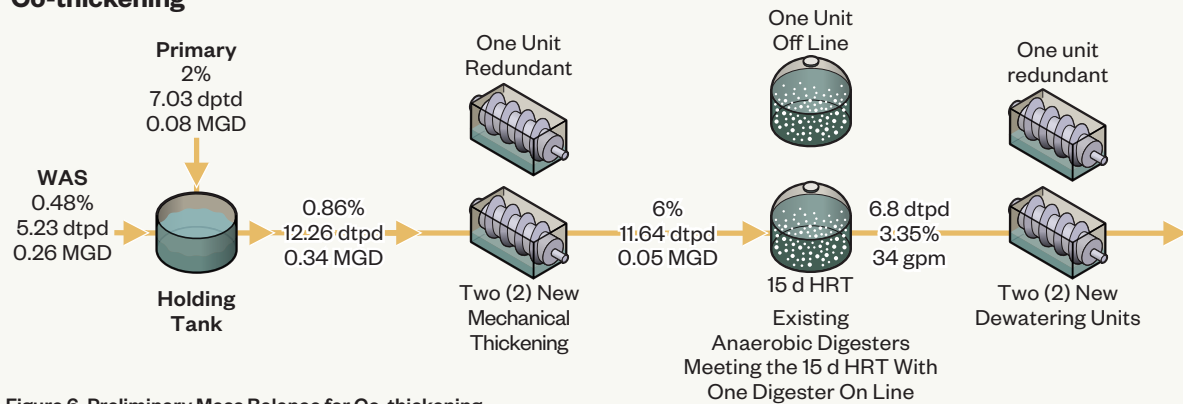


Figure 6: Preliminary Mass Balance for Co-thickening

- **Improved Performance Reliability.** Higher combined concentration of WAS and PS to co-thickening make it feasible to obtain and maintain the desired thickened sludge of 6% TS for the digestion process.
- **Reduced heat digestion requirement resulting in smaller heat exchanger and boiler.** Feeding the digestion process with thicker sludge at ~6% TS when practicing co-thickening significantly reduces the energy required to heat the sludge as compared to feeding the digestion with ~2.8% TS.
- **Smaller dewatering units.** With co-thickening, the digested biosolids flow is less than half of the WAS only thickening, with 90% of the solids loading rate. Dewatering units could be smaller.

There will be some ramifications of applying co-thickening in Plant 3A that should be noted.

- Co-thickening would require the addition of a holding/blending tank into the process which might require odor control.
- Additional pumping requirements that would need higher O&M and energy costs.
- Due to thickening both PS and WAS, the polymer requirement might be higher than the WAS thickening only option.

# #7.

## Co-Thickening Facility Location

Due to the solids processing site at Plant 3A being land-locked, the co-thickening footprint facility and ability to incorporate with existing and new facilities should be considered as the most important factor for implementation. The following are proposed locations for the co-thickening facility that will be evaluated with MNWD Staff:

- Separate new facility, either enclosed or canopy, at the location of the existing DAFTs once demolished.
- Combined with the new dewatering devices:
  - At the existing dewatering building. This option will free the space of the existing DAFTs once demolished. The Hazen team developed a 3D model (Figure 7) for the existing dewatering building showing that **the building can fit two new screw press units with one unit redundant at max month future conditions.**

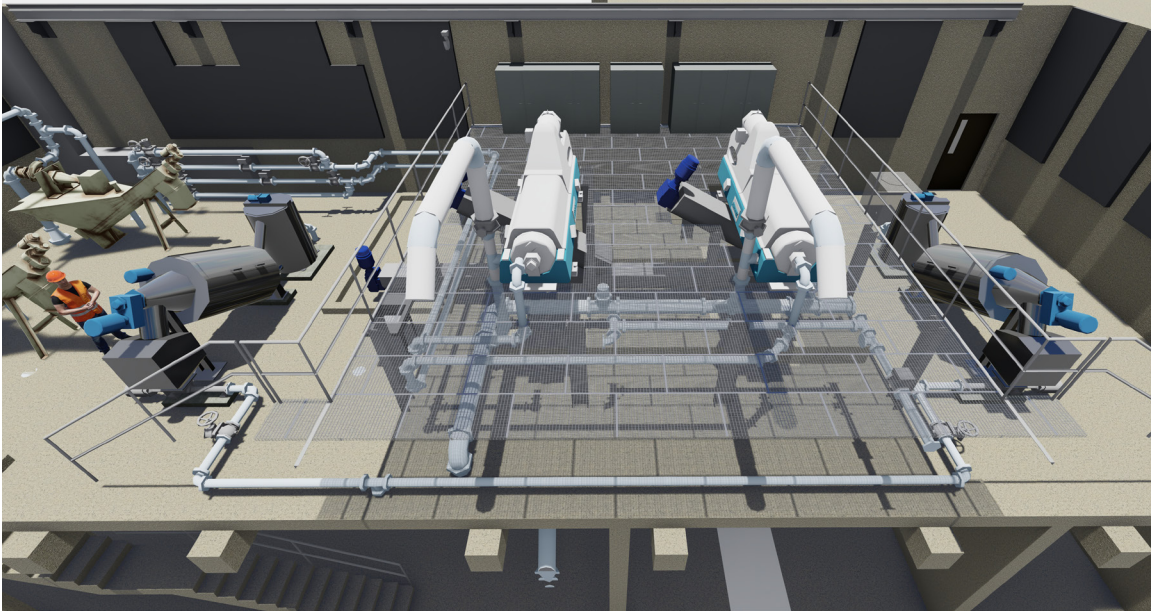


Figure 7. 3-D Model of Installing the New Thickening Technology at the Existing Dewatering Building.

- New building at the location of the existing DAFTs once demolished. This option will free the dewatering building space that could be demolished.

Detailed evaluation of siting and constructing the thickening and dewatering facilities is provided under Task 1.4 – Implementation/Construction Sequencing Plan. The Hazen team will work with MNWD staff to arrive at the best location for the sludge holding tank for co-thickening.

## Digestion

Hazen’s approach will focus on evaluating and designing all aspects of Plant 3A digesters assuring reliable operation and ease of maintenance for 20 years or more.

Hazen has extensive experience in evaluating and providing design and assistance during construction for rehabbing anaerobic digesters at more than 20 facilities; some are at similar size to Plant 3A. The rehabilitation design experience included all aspects of digestion such as structural integrity, covers, mixing systems, heat exchangers, and boilers. Our team partner, V&A, has a long history of inspecting the condition of concrete structures using the latest technology and methodologies. V&A will conduct a detailed condition assessment of the digester structure.

### Concrete Condition Assessment Methods

- Visual Assessment
- Concrete Sounding
- Concrete Penetration Testing
- Concrete Surface pH Testing
- Surface Penetrating Radar
- Dry Film Thickness
- Ultrasonic Thickness Testing

Rehabbing the two existing digesters may be done independently and allow each digester to operate as a primary digester; however, co-thickening would allow each digester tank to also operate as a secondary tank. The secondary tank would provide additional holding time of digested biosolids without the need for heating costs. This will provide more consistent feed and flow across the primary digester, provide a backup digester tank for maintenance, and serve as a holding tank for dewatering operations. This mode of operation also ensures that both digestion tanks can be operated as a primary digester and provides redundancy. Should one tank be down for maintenance, the other tank is ready for meet the needs of the plant.

Digester Covers




The existing digester covers are fixed metal lids and there are concerns with their condition due to age and potential corrosion. Evaluation of the digester structural conditions will also include review of the lid conditions. Digester No. 2 may be in satisfactory condition as it was never placed into service. The basis of design will consider replacement in kind with fixed metal lids for both digesters. A potential consideration may be to replace both lids with concrete covers which may be lower cost than metal due to the associated painting for corrosion resistance. Concrete may be internally lined as a corrosion barrier if structural concrete inspection reveals signs of concrete deterioration.

Digester Mixing

The digesters at Plant 3A are mixed using a lance gas tube and digester gas compressors. The compressed gas piping pressures are indicating insufficient gas distribution to the lance gas tube for mixing, likely due to piping corrosion and leakage. Alternatives for digester mixing will replace the internal gas mixing system. Mixing alternatives will be reviewed for application at Plant 3A with comparison of at least linear motion and hydraulic mixing. An example of the comparison for these potential systems is shown in Table 1.

Site visits for mixing technologies will be conducted at two local wastewater treatment facilities which may include San Bernardino WRP for the hydraulic nozzle mixing system and Riverside WRF for the linear motion mixing system. Based on feedback from MNWD staff after the site visits and our experience, each mixing alternative will be evaluated based on developed criteria and LCCA to select the most appropriate technology for design.

**Table 1: Comparison of Considered Digestion Mixing Technologies**

		Advantages	Disadvantages
Linear Motion Mixer	 <p>Image courtesy of OVIVO</p>	<ul style="list-style-type: none"> <li>+ Low energy use</li> <li>+ Motor outside digester</li> <li>+ Low foaming potential</li> </ul>	<ul style="list-style-type: none"> <li>- First municipal application in 2003</li> <li>- No ability to vary mixing intensity</li> <li>- Crane required for pulling unit from cover</li> </ul>
Hydraulic Nozzle Mixing	 <p>Image courtesy of Vaughan</p>	<ul style="list-style-type: none"> <li>+ No moving parts in digester tanks</li> <li>+ Chops rags and debris within digesters</li> <li>+ Longest installation history</li> <li>+ Foam control available</li> </ul>	<ul style="list-style-type: none"> <li>- High energy use</li> <li>- Space required for pumps outside digesters</li> <li>- Nozzle blockage requires entering digester</li> </ul>
Cyclix™ Nozzle Mixing	 <p>Image courtesy of Evoqua</p>	<ul style="list-style-type: none"> <li>+ Automated temperature-based control of hydraulic nozzle mixing</li> <li>+ Up to 90% energy savings over traditional hydraulic nozzle mixing</li> <li>+ Ability to vary mixing intensity</li> </ul>	<ul style="list-style-type: none"> <li>- First municipal application in 2015</li> <li>- Limited installations</li> <li>- Potential intermittent mixing risk with gas hold-up and rapid volume expansion (rapid foaming)</li> </ul>

# #7.

## Digester Heat Exchangers

A critical element of digestion performance and producing Class B biosolids is the ability to reliably maintain mesophilic conditions.

The existing external tube-in-tube heat exchanger has reached the end of its useful life and MNWD desires replacement with something more modern, efficient and easier to maintain. Evaluation of digester heating alternatives will include more common heat exchangers such as the block tube-in-tube and spiral heat exchanger.

The spiral heat exchangers provide the benefit of a much smaller footprint which increases the potential of being able to move the units inside an existing area, but the cleaning of the sludge side of the spiral slots is much tighter as compared to the sludge tubes. From efficiency standpoint, the heat exchangers size is expected to be much smaller than the existing heat exchangers, if co-thickening is practiced due to feeding thicker sludge at 6% TS.

The evaluation of digester heat exchangers will include the potential to move the heat exchangers inside as well as replacement of the digester sludge recirculation pumps to meet the new heat exchanger conditions.

## Digester Boilers

The existing Hurst, dual-fuel boiler appears to have sufficient capacity at 3.36 MMBTU input and approximately 2.8 MMBTU output (assuming 85% efficiency on digester gas) to meet the digester heating demands. However, due to age and poor condition, the boiler needs to be replaced. Our evaluation will include review of the digester historical and future heat demands to determine the appropriate boiler sizing. If co-thickening is practiced, a smaller boiler will be needed due to the lower heat demand with thicker sludge going to digestion. The boiler and digester gas burner system will be evaluated to meet SCAQMD permitting emissions requirements including a daily volume restriction, low NOx burner and flue gas recirculation.

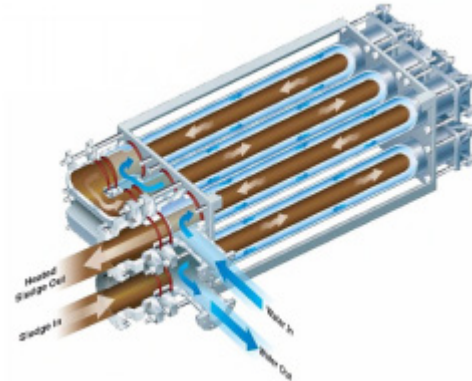


Figure 8: Tube-In-Tube Heat Exchanger  
Image courtesy of Walker

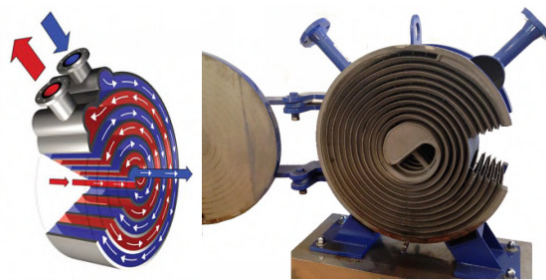


Figure 9: Spiral Heat Exchanger  
Image courtesy of Alfa Laval

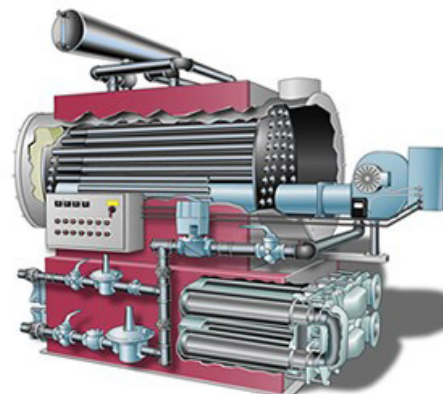


Figure 10: Combination Boiler and Burner Unit  
Image courtesy of Walker Process

Other alternatives for the boiler system pending interest by MNWD may include combination boiler and heat exchanger units (tube-in-tube style heat exchangers with scotch marine fire tube boiler mounted on top), cast iron sectional boilers (very easy to maintain, but potential corrosion concerns for sulfides attacking cast iron), and steam boilers (experience shows steam units are very efficient, but require specialized O&M, may allow for combined direct mixing and heating in one compact unit).

## Dewatering

Centrifuges have shown to be an effective technology for Plant 3A for over 20 years. However, the existing centrifuges were constructed in 1996 and are reaching the end of their useful life. They were also manufactured by a company that is no longer in business, hence maintaining the units and receiving technical support for the centrifuges have been problematic. Plant 3A has an existing dewatering building housing two centrifuges on the second floor with a screw conveyor system and a cake storage area on the ground floor.

The Hazen team will evaluate several options for installing new dewatering devices to allow easy operation for the cake loadout from the dewatering building as discussed in section 1.3.3.2. One option is the replacement of the old centrifuges with new ones in the same existing building. This would also include replacement of all mechanical, electrical and instrumentation equipment and appurtenances as required.

### Dewatering Evaluation

Hazen has evaluated and designed dewatering facilities including screw press, centrifuges, belt filter press, and rotary press for many water reclamation plants of different sizes throughout the country. Recently for Loudon Water Broad Run WRF, Hazen added another centrifuge in expansion of the facility to 16.5 mgd. The Hazen team will evaluate different dewatering technologies to ensure that centrifuge dewatering is the best alternative for Plant 3A prior to proceeding with design and unit size selection since centrifuge dewatering is more commonly practiced at large facilities. At smaller facilities such as Plant 3A rotary press, screw press or belt filter press are more common.

In our design, priority will be given to provide reliability and redundancy at Plant 3A in the smallest footprint. Ease of operation, staff access and amount of staff engagement required will also be a key consideration. Centrifuges or other technology will be sized to handle current and anticipated future flow and load conditions. Hazen's preliminary evaluations (Table 2) indicated that co-thickening primary sludge with WAS would reduce the dewatering throughput almost 50%, thus reducing the size of dewatering if not controlled by solids loading.

**Table 2: Predicted flow and load conditions to dewatering centrifuges**

Anticipated Values*		Current		Future	
		Average Annual	Maximum Month	Average Annual	Maximum Month
<b>Flow**</b>	gpm	29	53	79	143
<b>Solids loading**</b>	lbs/h	454	922	1223	2478
<b>Solids Concentration</b>	%	3.1	3.5	3.1	3.5

\*based on preliminary evaluations with co-thickening

\*\* assumes 40 hours/week operation

Assuming centrifuge technology will be selected, the new centrifuges may be replaced in the existing location on the second floor of the Dewatering Building. Currently, the existing centrifuges operate for approximately 8 hours a day, 5 days a week, Monday to Friday. Hazen will discuss with MNWD staff operating the dewatering facility for longer daily and weekly periods to reduce the size and number of the required dewatering devices. Table 3 provides an example of various operating schedules under the average annual (AA) flow condition and maximum month (MM) flow condition to achieve dewatering requirements under current and future conditions with only two centrifuges.

# #7.

**Table 3: Sample Dewatering Operating Schedule\***

Flow Conditions	Current		Future	
No. of Centrifuges on Duty + Standby	1 + 1		1 + 1	
Condition	Average Annual	Maximum Month	Average Annual	Maximum Month
Operating Days per Week	5	5	6	6
Operating Hours per Day	8	8	12	14
Total Operating Hours per Week	40	40	72	84

\* Based on a 20" Bowl Westfalia Decanter with maximum hydraulic loading rate of 110 gpm and solids loading rate of 1,100 lbs/h (at 2% solids)

### Feasibility Study for Biosolids Cake Storage and Loading

Plant 3A has limited space for cake storage bins, with half-height rolloff containers being used to accommodate the low head below screw conveyance. Hazen has performed solids loadout improvements for several facilities. At the Dry Creek WWTP, with a scenario similar to Plant 3A, Hazen evaluated solids improvements, designed new dewatering centrifuges to replace aging equipment (similar issues with lack of replacement parts) and provided a new 4-bay rolloff container loadout for easier truck access.

Hazen will evaluate with MNWD staff several loadout alternatives to reduce cake container handling. These alternatives will be integrated into our design of solids handling improvements. One preliminary concept for consideration includes:

- Modifying existing dewatering area to house thickening and dewatering in the same location, install conveyor bridge from existing dewatering north to new truck load-out facility; this alternative is shown in 3D view in Figure 11.



Figure 11. 3-D Modeling with constructing a new conveyor bridge and truck loadout facility for easy access and larger bins.

**Digester Gas Handling**

The existing digester gas handling facilities include a digester gas collection system and a flare located at the south end of the Plant 3A. Digester gas collected from Plant 3A is currently directed either to the boiler or flare for combustion. Plant 3A is located in South Coast Air Quality Management District and the existing flare is operated under Permit No G524f. Based on the permit, the flare has a capacity to operate up to 230,400 scfd (160 scfm). The existing flare and components are over 20 years old, reaching the end of it useful life and needs to be replaced.

The condition assessment of the digester gas flare system conducted in 2013 recommends a mid-term strategy focused on phasing in new Best Available Control Technology (BACT) and Lowest Achievable Emissions Rate (LAER) standard flares and all necessary auxiliary equipment by year 2021.

Recently, on January 4, 2019, SCAQMD adopted Rule 1118.1 which aims to reduce NOx and VOC emissions from flaring digester gas and to encourage alternatives to flaring. This rule applies to owners and operators of flares that require a SCAQMD permit at non-refinery facilities, including, wastewater treatment facilities, and MNWD. The applicable NOx, VOC, and carbon monoxide (CO) emission limits are specified in Table 1 – Emission Limits in Rule 1118.1 and summarized in Table 4.

Hazen’s approach to the Flare Replacement design assure compliance of Plant 3A with current and upcoming regulatory requirements. Hazen is currently working on flare replacement projects in SCAQMD and is familiar with the most recent regulatory changes in the Rule 1118.1.

As shown in Figure 12, our methodology will include six steps, some of which will be handled concurrently to accelerate analyses. The digester gas system improvements will replace all mechanical, electrical and instrumentation equipment and appurtenances. Hazen has identified specific challenges for the flare replacement and has developed approaches to successfully address these challenges (Table 5).

**Table 4. Rule 1118.1 Emission Limits**

Flare	NOx	CO	VOC
Pounds/MMBTU			
Major Facility	0.025	0.06	0.038
Minor Facility	0.06	N/A	N/A

**Table 5: Proposed Solutions to Challenges in Flare Replacement**

Issues Identified	Hazen’s Solution
Uncertainties in Digester gas flow	<ul style="list-style-type: none"> <li>• Vigilant evaluation of future conditions, high peaking factors, and upcoming projects by using whole plant process model.</li> <li>• Selection of a system with high turn-down capability to handle both current and projected future flows.</li> <li>• Review boiler demands for digester gas.</li> </ul>
Maintenance of Plant Operations (MOPO) effort	<ul style="list-style-type: none"> <li>• Parallel new flare construction to minimize the impact on existing operations.</li> <li>• Collaborate with plant operators and staff (workshop) to determine the appropriate down times.</li> </ul>
Location	<ul style="list-style-type: none"> <li>• Evaluate alternative location(s) in the proximity of existing digesters</li> <li>• Assessment of height restrictions</li> </ul>
Requirement of new gas treatment units	<ul style="list-style-type: none"> <li>• Analyze DG characterization</li> <li>• Consider the characteristics of DG in equipment selection</li> <li>• If necessary, select technologies with minimal footprint</li> </ul>
Time sensitivity	<ul style="list-style-type: none"> <li>• Consider alternative delivery and alternative equipment procurement approaches to accelerate the schedule and prepare MNWD for the procurement phase as soon as possible</li> </ul>
Uncertainties in the Regulations	<ul style="list-style-type: none"> <li>• Provide flexible design to address regulatory uncertainties.</li> <li>• Evaluate possible grant funding opportunities</li> </ul>

Besides flare replacement, the digester gas system improvements will replace all mechanical, electrical and instrumentation equipment and appurtenances.

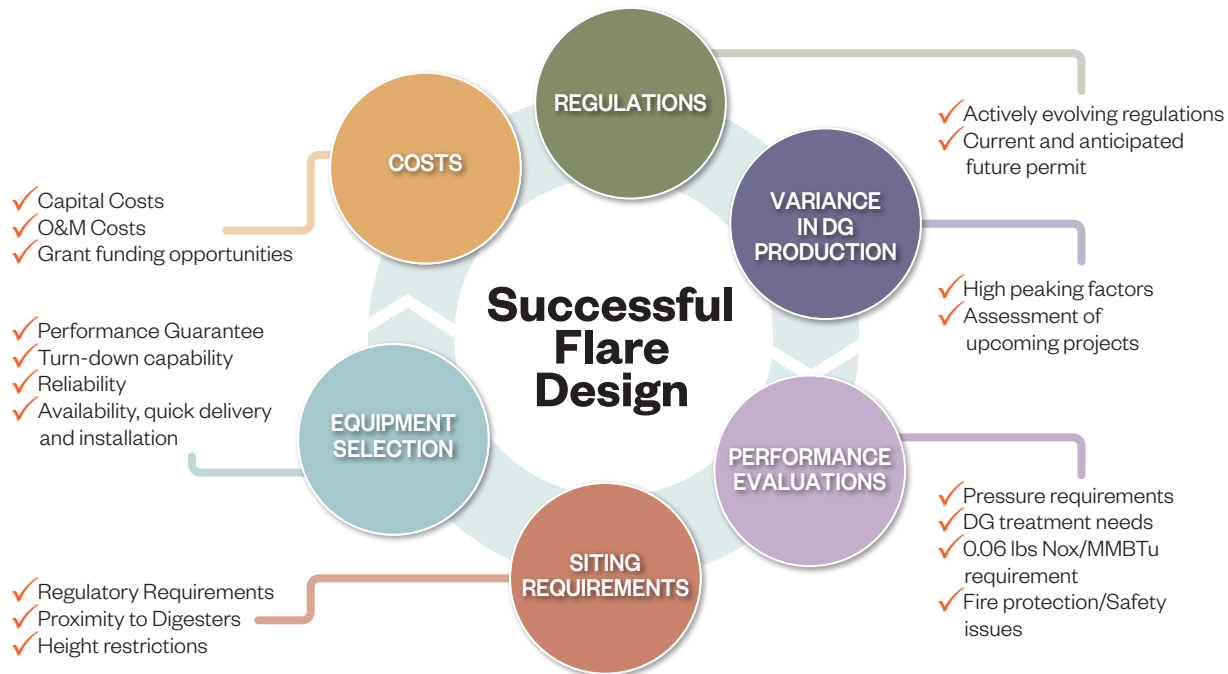


Figure 12. Hazen's six steps for successful flare design project

**Electrical and I&C**

A primary goal of this project is to restore redundancy and reliability to the solids treatment process. As part of our holistic approach, we will evaluate the electrical distribution and control systems to identify ways to improve their reliability. Our local, highly experienced electrical team is reinforced with the institutional knowledge of Darrell Meyer. Darrell gained invaluable knowledge of Plant 3A's electrical distribution system while working on the standby power needs assessment, conducted while the plant was operated by South Orange County Wastewater Authority (SOCWA).

A critical component of the plant's electrical distribution system is the main switchgear, installed in the Operations/Dewatering Building. The existing switchgear is original and the manufacturer is no longer in business, making spare parts less readily available. Our team will explore options for replacing the switchgear which will minimize downtime and improve reliability and redundancy of the distribution system by potentially reconfiguring the switchgear. We will also take into consideration provisions for integrating a standby generator in the future by reviewing the standby power assessment previously completed by Darrell.

The existing motor control centers (MCC) at Plant 3A are single-ended, each supplied from a single circuit. As part of preliminary design, we will evaluate the option of configuring the new MCCs in a main-tie-main configuration with redundant feeder circuits and loads distributed evenly such that if one of the feeders is lost, only a portion of the process will lose power. Main-tie-main configuration will also allow half of the MCC to be deenergized for maintenance, increasing the safety of maintenance staff.

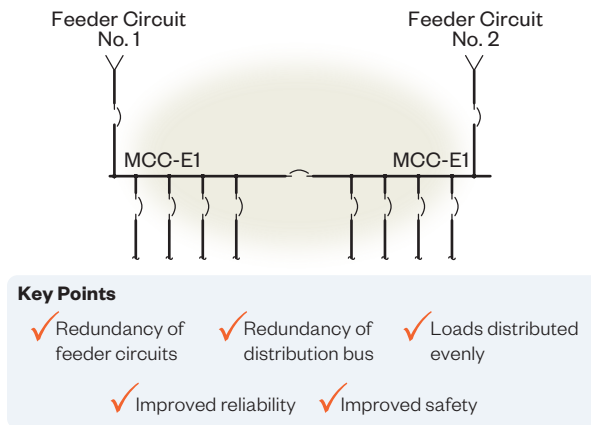


Figure 13. Main-Tie-Main Electrical Equipment Configuration



Replacing existing electrical distribution equipment while minimizing shutdowns and maintaining plant operation is a critical part of rehabilitation projects. Our electrical team has extensive experience designing replacement of major electrical distribution equipment at wastewater treatment plants including the Main Switchgear and DAF MCCs at SOCWA's Coastal Treatment Plant (CTP) and the Tertiary Effluent Pump Station MCCs at Eastern Municipal Water District's Moreno Valley Regional Water Reclamation Facility (MVRWRF). These two projects implemented two different approaches to replacing the MCCs:

#### 1. Replace the MCCs in a new location

At MVRWRF, the Hazen design included replacement of the existing MCCs in a new location. This approach is beneficial from the standpoint of maintaining plant operations because it allows the new motor controls to be installed and tested before transferring the loads to the new equipment in a sequential manner.

#### 2. Replace the MCCs in their existing location

At the SOCWA CTP, the Hazen design included replacement of the DAF MCCs in their existing location. This approach allows the existing conduits to be reused without having to extend them to a new location. At CTP, the DAF and Secondary loads were split between two MCCs. Therefore, loads could be temporarily powered from either MCC during construction.

Our team will evaluate different options for each application at Plant 3A and work closely with MNWD Staff to determine the best approach for each situation.

#### Instrumentation and Control

All existing instrumentation and control (I&C) equipment and appurtenances associated with the solids handling facilities will be replaced with new equipment and devices. All new I&C equipment provided shall be designed to be seamlessly integrated into the plant's existing SCADA system, which is currently being upgraded to the Inductive Automation Ignition platform. New PLCs required to monitor and control the new facilities will be MNWD's standard, which is Allen Bradley. The solids handling facilities will be designed with all the control logic and

I/O necessary to provide reliable and resilient operations. All PLC and SCADA programming related to the project will be performed by the Contractor/System Integrator during construction. New PLCs and associated devices will be provided with local uninterruptible power supplies (UPSs) to ensure system uptime in case of power loss.

#### Supporting and Safety Systems

Solids handling facilities, and especially the digesters, present a number of safety challenges that must be addressed with appropriate safety measures. Risks that must be addressed include:

- Falls from height on the upper levels of the digester and associated staircases and on the platforms surrounding the centrifuges;
- Poisonous, asphyxiating and explosive gases in the digester mechanical plant rooms, and the solids dewatering facilities;
- Fire and explosive hazards associated with the flare;
- Crushing and pinching hazards associated with sludges conveyors and sludge loadout facilities;
- Traffic hazards associated with backing and turning solids hauling vehicles.

All of these hazards will be assessed in the design of the facilities. Hazen's practice is to achieve safety through design. Where possible facilities will be designed to eliminate hazards. Where it is not possible to eliminate the hazard, appropriate safety features will be provided to protect personnel.

#### Task 1.4 – Implementation/ Construction Sequencing Plan

Our approach to Task 1.4 is outlined in Figure 14 on the following page.

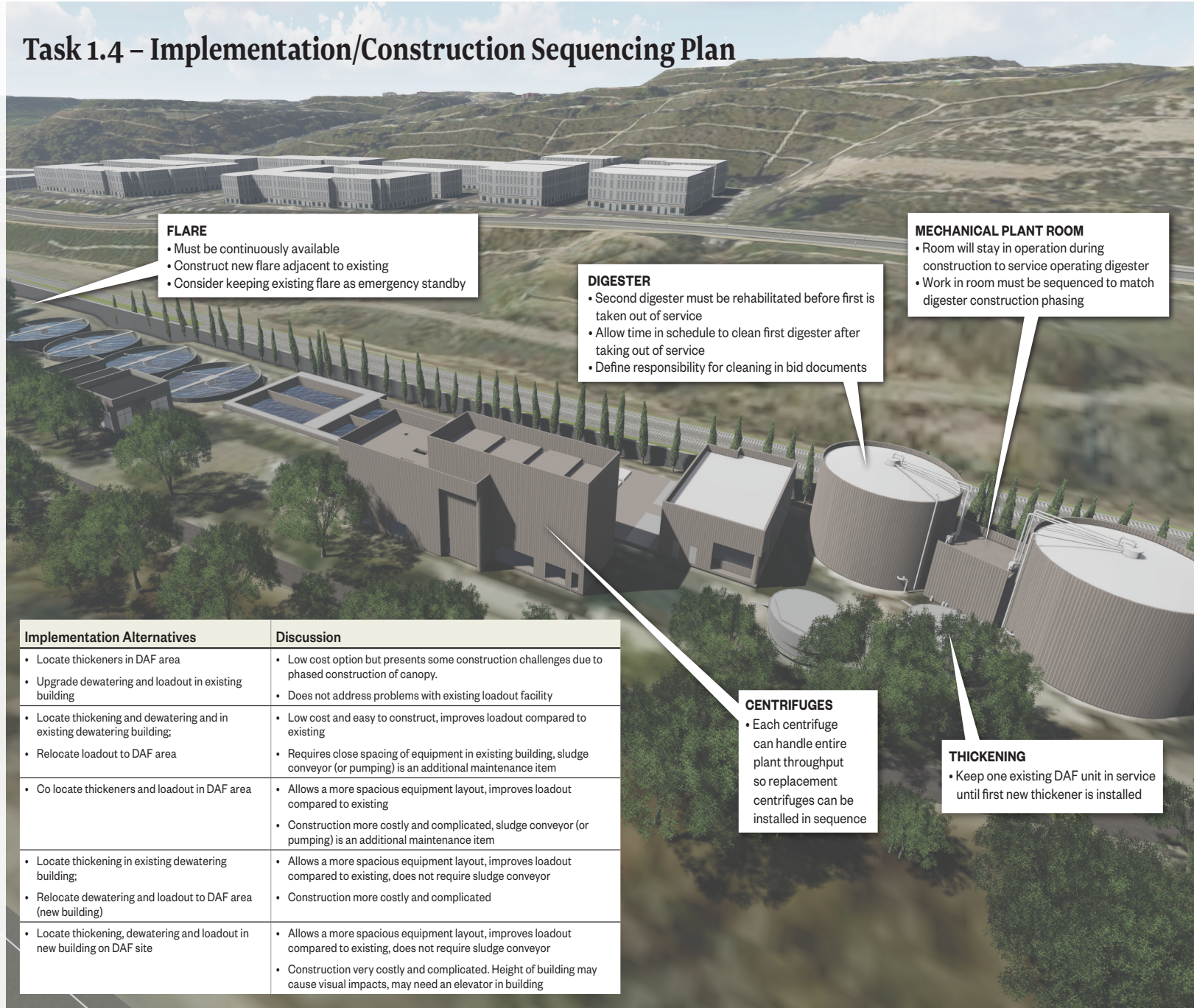
#### Task 1.6 – Workshops and Meetings for Evaluations

MNWD staff engagement & Stakeholder "Buy In" is paramount to the success of this project. Hazen and MNWD staff must work collaboratively to share a clear vision throughout the development of the preliminary and final design, construction, commissioning and

## Task 1.4 – Implementation/Construction Sequencing Plan

The solids handling improvements will be constructed within a treatment plant that is already very crowded and that includes a digestion process that must remain in continuous operation in order to function properly.

To achieve success, the interaction between construction and plant operations must be considered throughout the design process, especially during the preliminary design process when the basic configuration of the upgraded facilities is determined.



**FLARE**

- Must be continuously available
- Construct new flare adjacent to existing
- Consider keeping existing flare as emergency standby

**DIGESTER**

- Second digester must be rehabilitated before first is taken out of service
- Allow time in schedule to clean first digester after taking out of service
- Define responsibility for cleaning in bid documents

**MECHANICAL PLANT ROOM**

- Room will stay in operation during construction to service operating digester
- Work in room must be sequenced to match digester construction phasing

**CENTRIFUGES**

- Each centrifuge can handle entire plant throughput so replacement centrifuges can be installed in sequence

**THICKENING**

- Keep one existing DAF unit in service until first new thickener is installed

Implementation Alternatives	Discussion
<ul style="list-style-type: none"> <li>• Locate thickeners in DAF area</li> <li>• Upgrade dewatering and loadout in existing building</li> </ul>	<ul style="list-style-type: none"> <li>• Low cost option but presents some construction challenges due to phased construction of canopy.</li> <li>• Does not address problems with existing loadout facility</li> </ul>
<ul style="list-style-type: none"> <li>• Locate thickening and dewatering and in existing dewatering building;</li> <li>• Relocate loadout to DAF area</li> </ul>	<ul style="list-style-type: none"> <li>• Low cost and easy to construct, improves loadout compared to existing</li> <li>• Requires close spacing of equipment in existing building, sludge conveyor (or pumping) is an additional maintenance item</li> </ul>
<ul style="list-style-type: none"> <li>• Co locate thickeners and loadout in DAF area</li> </ul>	<ul style="list-style-type: none"> <li>• Allows a more spacious equipment layout, improves loadout compared to existing</li> <li>• Construction more costly and complicated, sludge conveyor (or pumping) is an additional maintenance item</li> </ul>
<ul style="list-style-type: none"> <li>• Locate thickening in existing dewatering building;</li> <li>• Relocate dewatering and loadout to DAF area (new building)</li> </ul>	<ul style="list-style-type: none"> <li>• Allows a more spacious equipment layout, improves loadout compared to existing, does not require sludge conveyor</li> <li>• Construction more costly and complicated</li> </ul>
<ul style="list-style-type: none"> <li>• Locate thickening, dewatering and loadout in new building on DAF site</li> </ul>	<ul style="list-style-type: none"> <li>• Allows a more spacious equipment layout, improves loadout compared to existing, does not require sludge conveyor</li> <li>• Construction very costly and complicated. Height of building may cause visual impacts, may need an elevator in building</li> </ul>

Figure 14. MOPO Considerations

**Additional stakeholder kick-off meetings to ensure alignment with MNWD's vision and streamline the process.**

- Technology Evaluation kick-off (combined with project kick-off)
- Preliminary Design kick-off (combined with progress meeting)
- Final Design kick-off (combined with progress meeting)

start-up of the new facilities. The decisions made during this project will have long term impacts and must have “buy in” from all stakeholders.

Given the importance of this initial Plant 3A improvements project, we propose additional stakeholder kick-off meetings designed to gain early consensus on subjective elements of the project, streamline the process and maintain MNWD staff engagement. Subsequent workshops will ensure that the direction of the preliminary and final design stays in alignment with the MNWD's objectives and our holistic approach. Our proposed workshops are shown on the proposed project schedule.

Seeing the plant from the eyes of your staff is critical towards ensuring that solutions proposed and developed can be successfully implemented. **We propose placing our senior technical team onsite at the kick-off of the project to establish a partnership and allow Hazen staff to see the facility from the eyes of your staff. This SWAT deployment of Hazen's industry experts and local delivery staff will be provided at no cost to demonstrate our commitment to MNWD.** It will not only provide fresh perspectives on your facility, but will also provide an opportunity for our partnership to identify opportunities that are unique to your situation.

It is our goal to use an objective, defensible, well documented decision making process that facilitates buy-in from stakeholders at all levels with MNWD's organization.

### **Task 1.9 – Environmental Documentation**

The Hazen team will review prior California Environmental Quality Act (CEQA) documentation and relevant regulatory permits, which will form the basis of the Project's CEQA documentation. We will conduct a preliminary review to determine if the Project meets the conditions to qualify for a Categorical Exemption (CE),

and that the CE is not barred by any of the exceptions. In our recently completed design of the Facility Improvements Project for the SOCWA Coastal Treatment Plant, we were successful in complying with CEQA by only preparing a Categorical Exemption, which saved SOCWA significant time and money. We were able to do so because all the improvements were limited to the existing plant footprint, there was no increase in permitted capacity and there were no significant impacts to the local community. We believe these same factors can also apply to your project. If selected for your project, we would like to explore this cost-saving option with you.

Should it be found through the course of the environmental analysis that the Project could have a significant effect on the environment and does not qualify for a CE, our team will proceed with preparation of an Initial Study/Mitigated Negative Declaration (IS/MND). Hazen team members will communicate the preliminary review findings to MNWD staff and recommend options for CEQA compliance. The Project's environmental documentation will rely upon MNWD-provided technical studies and new information developed through engineering tasks.

### **Task 1.10 – Project Management and Quality Assurance/Quality Control**

Effective management is the foundation of a successful project. Our goal is to develop a streamlined technical and administrative project management process that keeps the project on time and on budget. This begins with a well-written scope of work that clearly delineates responsibilities and project objectives and provides flexibility to allow for adjustment when needed. We recognize our collaborative workshop approach requires an effective communication and documentation plan to keep everyone involved current with the latest decisions and action items. To accomplish this, we will maintain a decision log, action item log, progress reports and other tracking documents on a dedicated SharePoint site with access for all MNWD and Hazen team members involved in the project.

In addition to providing the requested meetings and deliverables mentioned in the RFP, our proposed project manager, Dave Jones, is committed to delivering your project by using specific elements and tools as shown in Table 6.

**Table 6: Effective Project Management**

Element	Purpose
Project Management Plan	Serve as the “guidebook” for the overall project management organization and controls. This includes milestones, progress reporting, invoicing, workshop development procedures and deliverables.
Communication Plan and Protocols	Establish contact persons and information, deliverables format, and general correspondence protocols to ensure the right people are handling the right information Hazen proposes to develop dedicated SharePoint site to serve as a library and file sharing site for the project.
Quality Assurance / Quality Control Plan (QA/QC)	Develop a project specific plan for the completion and documentation of quality review procedures and checks.
Change Management Plan	Procedures for documenting and handling project changes especially those that impact the schedule and fee.
Monthly Reports	Project status reports for MNWD’s management staff and board.
Decision Log	Document decisions made and proactively notify MNWD of a need for a decision. Include with monthly reports.
Action Item Log	Document action items needed from Hazen and MNWD.

### Maximizing Quality Assurance/Quality Control

A Quality Culture is an attitude that touches the entire project team, establishes the quality standards the team works to and builds the quality process that guides the day-to-day work. We are passionate about the quality of our products, our people and our project delivery. We will customize our standard procedures, as necessary, for quality assurance and quality control to meet MNWD’s expectations, and we will ensure all deliverable and work processes are consistently reviewed from commencement of work to final acceptance and project completion. Quality assurance is not just relegated to review before deliverables or milestones but is an ongoing activity.

### Elements of a Successful QC Review

- ✓ Engaging QC Reviewers that are experienced and independent from the design team
- ✓ Performing a holistic inter-disciplinary review to avoid conflicts
- ✓ Making sure that the plans match the specificataions

Hazen’s Project Director, Dawn Guendert and Quality Control/Quality Assurance Manager, Michael Bullard will communicate with Team members regularly to ensure that technical and/or scope issues are addressed immediately. Hazen’s Project Manager will maintain a schedule of QA/QC reviews that is updated monthly. No deliverables will be submitted until all QA/QC comments have been addressed.

### Phases 2 and 3 – Final Design and Services During Construction

The scope presented in the RFP for all tasks under Phases 2 and 3 are thorough and well-defined. Hazen has no suggested additions or modifications and will comply with the scope for the tasks in these phases as defined in the RFP.

### Phase 4 – Commissioning Services

Tasks under this phase will be directed by Dr. Paul Pitt and Dr. Mohammed Abu-Orf (Dr. Mo). They bring extensive and specialized experience in wastewater treatment and solids handling operations. On all the projects they work for, they bring a strong operation and maintenance perspective and focus on optimizing process performance. Hazen will bring our certified treatment plant operators, who are on staff, to work directly on-site to train MNWD O&M staff and will oversee the development of the O&M manual for your project.



**Figure 15. Path to a Successfully Managed Project**

Nothing indicated in the previously outlined scope of work shall supersede the following.

## **PHASE 1 – EVALUATIONS AND PRELIMINARY DESIGN**

### **TASK 1.1 – REVIEW OF AVAILABLE INFORMATION**

CONSULTANT shall obtain, review, and assess all available information and data pertaining to the existing infrastructure, treatment processes, current regulations, and the operation of the solids handling facilities. As with any reference materials, CONSULTANT shall verify and assess the validity of the information being provided by MNWD.

### **TASK 1.2 – PROCESS MODELING AND CAPACITY ANALYSIS**

CONSULTANT shall develop a process model of the existing liquid stream and solids handling facilities at Plant 3A and calibrate it using current operational data. Once calibrated, CONSULTANT shall evaluate and define various future scenarios (minimum 5 possible scenarios) that may represent an increase in influent flows and loads, differing operational modes, and/or differing treatment levels. The process model shall be used to:

- Estimate future generation rates for biosolids and digester gas
- Determine capacity of existing and proposed solids handling facilities
- Forecast performance of the proposed solids handling facilities
- Recommend design basis for the solids handling facilities project

### **TASK 1.3 - TECHNOLOGY EVALUATIONS**

CONSULTANT shall identify and evaluate the most appropriate technologies for sludge thickening and digester mixing and heating systems as described in Section II of this document. CONSULTANT shall develop a weighting and scoring system to evaluate both economic and non-economic factors such as:

- Capital cost
- Life cycle cost (O&M, power, chemicals, etc.)
- Footprint/layout
- Process & equipment reliability
- Ease of operation/automation
- Maintenance requirements
- Additional staff requirements
- Redundancy
- Constructability/sequencing

As part of the technology evaluation for sludge thickening, CONSULTANT shall arrange site visits to facilities utilizing the proposed equipment in this project. CONSULTANT shall budget one trip involving flights and one-night lodging, and one local trip reachable by driving within a single day. CONSULTANT shall bring three team members on the out-of-area site visit.

For the technology evaluation for digester mixing, CONSULTANT shall budget two local trips, each reachable by driving within a single day.

## #7.

CONSULTANT shall provide a memorandum documenting the findings of each site visit.

### **TASK 1.4 - IMPLEMENTATION / CONSTRUCTION SEQUENCING PLAN**

CONSULTANT shall prepare detailed construction sequence and constraints for the recommended measures related to solids handling facilities improvements project. Also, a detailed construction sequencing plan shall be prepared for the electrical and instrumentation systems while the plant is in service. Any solids handling facilities shutdown requirements, including frequency and duration, shall be discussed in detail if required during the construction phase.

### **TASK 1.5 - CONSTRUCTION COST ESTIMATES**

CONSULTANT shall prepare a written opinion of the project construction cost at the end of Preliminary Design phase which is considered a 30% design submittal. Submit the estimate with the Project Summary of the Preliminary Design Report submittal.

### **TASK 1.6 - WORKSHOPS AND MEETINGS FOR EVALUATIONS**

CONSULTANT shall hold meetings and workshops as necessary to obtain MNWD input during the evaluation phase, to present CONSULTANT'S recommendations, and to assist MNWD in making key decisions. All meetings and workshops shall take place at MNWD's office.

A two-hour project kick-off meeting shall be held with MNWD staff to introduce principal members of MNWD and CONSULTANT's teams. The discussion topics shall include: MNWD responsibilities, CONSULTANT's responsibilities, CONSULTANT's Scope of Work, detailed project schedule with milestones, and MNWD confined space and other safety policy training.

As a minimum the following workshops shall be held:

- Site Visits
- Sludge Thickening Technology Alternatives Review
- Sludge Digester Condition Assessment and Mixing/Heating Technologies
- Dewatering Centrifuges Condition Assessment and Configuration Alternatives
- Electrical and I&C Systems
- Safety and Support Systems
- All Evaluation Subjects

Each workshop shall be 2 - 4 hours in length.

Meeting presentation materials prepared by CONSULTANT shall be comprehensive and convey information in sufficient detail. Similarly, following each meeting, meeting minutes shall be prepared so as to sufficiently document the information that was presented and discussed. Meeting presentation materials in conjunction with the meeting minutes and the project decision log will be used by the project to document the work completed in the evaluation phase.

**TASK 1.7 - PRELIMINARY DESIGN REPORT PRODUCTION**

Preliminary Design Report Production (PDR Production) shall consist of a series of technical memoranda, drawings, calculations, and other supporting material resulting in the Preliminary Design Report (PDR).

The following requirements apply to PDR Production:

- Each technical memorandum shall be submitted as a draft, along with any relevant associated drawings for MNWD review.
- The technical memoranda shall clearly document exact naming conventions to be used for all process equipment covered by the design memo.
- The technical memoranda shall be prepared and submitted to MNWD for review as they are completed and subsequently discussed in detail through a series of review meetings and workshops. MNWD's intention is that all significant equipment decisions are to be made before Phase 2 – Final Design. At the end of Phase 1 –

Evaluations and Preliminary Design, major design elements should be fixed and major equipment, and process pipelines should be well defined and established. The extent of the design, and the number and type of drawings should also be established.

Written comments provided by MNWD shall be incorporated into the final memoranda. CONSULTANT shall respond to all comments in writing and incorporate all comments into the final memoranda as applicable.

**Preliminary Design Report (PDR) Contents and Organization**

The PDR shall be structured as outlined below:

**Volume 1 – Technical Memoranda**

- TM 1 - Project Summary
- TM 2 - Sludge Thickening Facilities
- TM 3 - Digestion Facilities
- TM 4 - Dewatering Facilities
- TM 5 - Electrical, Instrumentation and Control
- TM 6 - Supporting and Safety Systems
- TM 7 – Implementation / Construction Sequencing Plan
- List of Proposed Specification Sections

**Volume 2 – Drawings****Volume 3 – Submittal Documentation**

- Calculations
- Equipment Data & Catalog Cuts
- Decision Log
- Action Item Log
- Design Issues Log
- Meeting Presentation Materials
- Meeting Minutes

## #7.

The Project Summary shall summarize the conclusions of the report, and also include a summary of construction sequencing requirements and a preliminary construction cost estimate per AACE International Class 3 designation.

Each TM for the process facilities shall include:

- Background and information on existing facilities
- Brief summary of the evaluation of technology alternatives performed in Task 1.3.
- Performance requirements, design criteria, and sizing parameters for the proposed process equipment.
- Process flow diagrams
- Facility location
- Facility plans and sections.
- Construction sequencing requirements
- Temporary facility requirements during construction
- Operating philosophy that describes the proposed mode of operation
- Seismic retrofit requirements for existing structures where applicable
- Safety considerations

The drawings volume in the PDR shall be prepared to represent 30% design, and, as a minimum, shall include:

- Design criteria for critical processes and equipment
- Site layout
- Major yard piping items
- Truck access routes and limits of paving work
- 3D conceptual rendering views of individual facilities
- 2D plans and sections of individual facilities
- Electrical site plan
- Single line diagrams
- Network block diagrams
- P&IDs that show one representative process train, instead of all parallel trains, for process areas

The draft PDR and final PDR shall be submitted in PDF format and hard copy.

CONSULTANT shall submit eight (8) hard copies. The following requirements apply to the labeling and organization of the PDF submittal:

- Each technical memo shall be a separate compiled file, with bookmarking to match the hard copies.
- Drawings shall be submitted as a single compiled file. In addition, the drawings should be separated into separate files by discipline. The order of drawings in the PDF file shall match the list of drawings.
- Native files shall be submitted in addition to PDF.

### **TASK 1.8 - PDR PRODUCTION WORKSHOPS AND MEETINGS**

CONSULTANT shall hold meetings and workshops as necessary to obtain MNWD input and to assist MNWD in making key decisions during the PDR production. Additional



meetings and workshops shall be conducted to review CONSULTANT's responses to MNWD's comments on draft PDR, in preparation for the final PDR.

As a minimum the following workshops shall be held, and each workshop shall be 2-4 hours in length.

- Sludge Thickening Preliminary Design
- Sludge Digester Rehabilitation and Mixing/Heating Preliminary Design
- Dewatering Preliminary Design
- Electrical and I&C Systems Preliminary Design
- Safety and Support Systems Preliminary Design
- All Technical Memo Review

### **TASK 1.9 - ENVIRONMENTAL DOCUMENTATION**

Upon completion of the Final Preliminary Design Report by CONSULTANT, and only if authorized by MNWD, CONSULTANT shall complete the California Environmental Quality Act (CEQA) documentation required for the project. For proposal purposes, CONSULTANT shall include the appropriate level of effort to fully complete an IS/MND for the project, including but not limited to the preparation of tribal consultation template letters, all biological and cultural constraints analysis and reports, development of a Mitigation Monitoring and Reporting Program, publishing to the State Clearinghouse and local newspapers, and responding to public comments.

It should be assumed that 3 hard copies of each draft report and 20 hard copies of the final reports shall be provided.

### **TASK 1.10 - PROJECT MANAGEMENT**

CONSULTANT shall be responsible for managing CONSULTANT's project execution, schedule, budget, subconsultants, and coordination with other projects.

#### **Task 1.10.1 Project Management Meetings**

CONSULTANT shall conduct biweekly project management meetings between MNWD's Project Manager and CONSULTANT's Project Manager. The purpose of the meetings shall be to review CONSULTANT's progress, the project schedule, the project decision/action item/design issues logs, and to coordinate with MNWD staff. Minutes of each meeting shall be distributed to the entire project team.

#### **Task 1.10.2 Project Schedule**

CONSULTANT shall develop and maintain a project schedule. The schedule shall include milestones for all dates listed in Section III – Project Schedule, as well as interim milestones as necessary to ensure the timely delivery of the overall project.

#### **Task 1.10.3 Project Logs**

CONSULTANT shall produce and maintain the following logs throughout the course of the project:

## #7.

**Project Decision Log.** The project decision log shall track decisions made during workshops and meetings, and as a result of MNWD review of deliverables. The log shall include the date of the decision, the title of the meeting where it was made (if applicable), a description of the decision, and a brief summary of the impacts.

**Action Item Log.** The action item log is used to track action items generated during meetings and workshops. Action items may only be assigned to members of the MNWD or CONSULTANT teams. If action is required by a different party, the action item should be assigned to the appropriate manager of the task. The action item log is not intended to include normal CONSULTANT tasks, nor to include comments on deliverables. The Action Item log should include a tracking number (typically coded to the date), a date it was created, a description of the action required, the lead person, and the date it was resolved. If action is required by more than one person, the person who will be asked to coordinate that action should be listed.

**Design Issues Log.** The Design Issues log should list general comments and concerns raised by MNWD staff during project meetings. An example of a design issue would be a request raised during Preliminary Design for a particular type of equipment to be used during construction. Such detail is not usually provided during Preliminary Design, so the comment would be tracked on the Design Issues Log to be verified prior to completion of the detailed design. This log is not intended to track MNWD comments on submittals. The log should include a very short description of how the design issue will be addressed. The Design Issues log will be used during review of major submittals to confirm that the issue has been appropriately addressed.

### **Task 1.10.4 Management of Subconsultants**

CONSULTANT shall be responsible for managing all subconsultants, including the assignment of scope, management of deliverables and schedules, reporting of progress, invoicing, and quality control.

Subconsultant services that are currently anticipated include but may not be limited to:

- Geotechnical
- Surveying
- Permitting (environmental and regulatory)
- Potholing

### **PHASE 2 – FINAL DESIGN**

CONSULTANT shall provide the following services during Phase 2 – Final Design.

#### **TASK 2.1 - CONTRACT DOCUMENTS**

CONSULTANT shall further advance the design developed from Phase 1 - Evaluations and Preliminary Design and prepare biddable plans and specifications. CONSULTANT shall provide four separate submittals of drawings and specifications to demonstrate design progress and collect MNWD's input on important design elements. The submittals shall consist of:

- 60% Design Submittal

- 90% Design Submittal
- Final Design Submittal
- Bid Set Submittal

The deliverables for each design submittal shall consist of:

- Two (2) bound full-size sets of construction plans
- Five (5) bound half-size sets of construction plans
- Five (5) bound sets of construction specifications with 11"x17" reduced construction drawings enclosed as an exhibit.
- A fully searchable PDF copy of plans and specifications

In addition to the items above, the Final Contract Document shall also include, one (1) full-size set of stamped and signed reproducible construction plans (Mylars) and one (1) unbound set of construction specifications shall be provided for District signature. Native files of all construction documents shall also be provided (including all reference files; NAD-83, State Plane Zone 6, NAVD-88 of all sheets).

Note: "Full-size" Drawings/Plans shall be 22" x 34" such that 11" x 17" prints are true half-size.

The following may be assumed for the purpose of the estimated level of effort:

- General:
  - Seismic retrofit design for bringing existing structures and facilities to current codes are not included.
  - Implementation of plant-wide ground improvements to address ground subsidence is not included. Localized application of ground improvement techniques may be required as part of rehabilitation of the solids handling facilities.
  - All front-end specifications will be provided to the CONSULTANT, who will customize the Special Conditions to be specific to the project.
  - All technical specifications will be provided by the CONSULTANT.
- Thickening Facilities
  - A new sludge thickening facility will be provided with a canopy.
  - Temporary sludge thickening equipment will not be necessary.
- Digestion Facilities
  - Existing digesters will be rehabilitated. A new digester is not needed.
  - Assume linear motion mixing will be implemented.
  - Phased construction will allow replacing existing sludge heating system in the present or nearby locations.
  - A new digester ferric chloride system will not be provided.
- Dewatering Facilities
  - Existing centrifuges will be replaced with new equipment within the existing building.
  - Conveyor systems shall be modified or replaced as necessary to provide the appropriate level of service and to accommodate the new equipment.

## #7.

- A new cake storage and loading facility is not to be included as part of the scope of this project.
- Digester Gas Handling Facilities
  - A new flare will replace existing flare and be located in close proximity to existing.
- Electrical, Instrumentation, and Controls
  - A new electrical building will not be required. Existing facilities have space in appropriate areas with climate control to accommodate new Electrical and I&C equipment.
  - A standby power system is not needed.

Drawings shall be submitted as a single compiled file. In addition, the drawings shall be separated into separate files by discipline. The order of drawings in the PDF file shall match the list of drawings. Native files shall be submitted.

### **TASK 2.2 - CONSTRUCTION COST ESTIMATES**

CONSULTANT shall prepare a written opinion of the project construction cost with the 60%, 90%, and Final Design Submittals. The final cost estimate shall be prepared in sufficient detail such that a contingency is not required.

### **TASK 2.3 - FINAL DESIGN MEETINGS AND WORKSHOPS**

CONSULTANT shall hold meetings and workshops as necessary to obtain MNWD input and to assist MNWD in making key decisions during the production of the Contract Documents. Additional meetings and workshops shall be conducted to review CONSULTANT's responses to MNWD's comments on the 60% and 90% design submittals.

### **TASK 2.4 - PERMITTING SERVICES**

CONSULTANT shall lead the efforts for procuring any regulatory permits required for the project. In addition, CONSULTANT will coordinate easement requirements with public utilities and agencies that have easement jurisdiction within or adjacent to the facility boundary.

Refer to Task 1.9 - Environmental Documentation for the required services related to CEQA.

### **TASK 2.5 - PROJECT MANAGEMENT**

CONSULTANT Project Management responsibilities during Phase 2 - Final Design shall be as specified in Phase 1 - Evaluations and Preliminary Design.

### **TASK 2.6 - BID PERIOD SUPPORT**

CONSULTANT shall provide the following services during the bid period:

- Conduct the mandatory pre-bid meeting for prospective Contractors. Prepare meeting agenda and provide meeting minutes.
- Assist MNWD in responding to technical questions received from Contractors during the bid period and in preparing all Addenda during bidding.

### **PHASE 3 – SERVICES DURING CONSTRUCTION**

CONSULTANT shall provide the following services during Phase 3 – Construction Supports.

#### **TASK 3.1 - CONFORMED DOCUMENTS**

CONSULTANT shall prepare one set of conformed contract documents electronically and five (5) hard copy sets. The electronic conformed specifications will be 8.5-inch by 11-inch PDF files, and the electronic conformed drawings will be one true half-size (11-inch by 17-inch) and one full-size PDF files. The hard copy conformed specifications will be printed on 8.5-inch by 11-inch paper and the hard copy conformed drawings will be printed on half-size and full-size bonded paper.

Note: "Full-size" Drawings/Plans shall be 22" x 34" such that 11" x 17" prints are true half-size.

#### **TASK 3.2 - MEETINGS AND SITE VISITS**

CONSULTANT shall attend meetings and perform site visits as follows:

1. Preconstruction Meeting: Project Manager and Project Engineer shall attend the preconstruction meeting for the project.
2. Monthly Meetings: Project Manager and/or Project Engineer shall attend twenty (20) meetings with MNWD and Contractor to verify construction quality and address construction issues as they relate to the intended design of the project. It is assumed that significant construction activities will take place for twenty months during construction. For the remainder of the construction duration, assume that CONSULTANT may participate by phone.
3. Site Visits: Field verification of the design will be required at various stages of the project. CONSULTANT shall provide such verifications periodically, confirming the construction of the project meets the design standards of the construction contract.

Six (6) site visits shall be assumed. These site visits are in addition to attendance at the Monthly Meetings specified above.

#### **TASK 3.3 - SUBMITTAL AND SHOP DRAWING REVIEW**

CONSULTANT shall review equipment shop drawings and other technical submittals as required by the Contract Documents. CONSULTANT shall provide an initial review and one re-submittal review of each submittal. Reviews of second re-submittals will be the financial responsibility of the Contractor. Labor hour budget is based on an assumption that 250 submittals and 250 re-submittals will be reviewed by CONSULTANT.

# #7.

## **TASK 3.4 - RESPOND TO REQUEST FOR INFORMATION**

All questions and concerns that arise during construction shall be documented using a Request for Information (RFI) format provided by MNWD. CONSULTANT shall review and respond in writing to RFI's. MNWD staff or an appointed representative of the MNWD will review some RFIs and CONSULTANT's response of the RFI, as appropriate and forward the RFI to the Contractor. Estimated labor hour budget is based on responding to 200 RFI's.

## **TASK 3.5 - REVIEW PROPOSED CHANGE ORDERS**

CONSULTANT shall provide engineering support for the review of proposed contract change orders (PCO's) submitted by the Contractor. MNWD staff or an appointed representative will review some PCOs and approve the CONSULTANT's response.

CONSULTANT's review of PCO's shall include the following items:

1. Evaluate the impact of the PCO on the design intent.
2. Provide engineering services, including calculations and sketches, when required to facilitate performance.
3. Provide independent cost estimate when required.

Estimated labor hour budget is based on reviewing 50 PCO's.

## **TASK 3.6 - RECORD DRAWINGS**

MNWD staff or an appointed representative will provide a marked up set of the construction drawings for the CONSULTANT. CONSULTANT shall prepare the final record drawings based on the same.

CONSULTANT shall provide Three (3) full size sets of draft record drawings. Upon the District's review and approval, one (1) full size set of mylars with original signatures. In addition, provide electronic files in both native (including all reference files; NAD-83, State Plane Zone 6, NAVD-88 of all sheets) and PDF formats.

## **PHASE 4 – COMMISSIONING SERVICES**

CONSULTANT shall provide the following services during Phase 3 – Services During Construction.

### **TASK 4.1 – OVERSEE DEVELOPMENT OF FACILITY START-UP PROTOCOL**

CONSULTANT shall oversee Contractor's development of a step-by-step system startup protocol for the facility prior to the functional and operation testing of the facilities. CONSULTANT shall be responsible for the oversight of the Contractor's comprehensive demonstration testing prior to the completion of the construction phase of the project. These oversight services are in addition to actual site visits as described in Task 3.2.

**TASK 4.2 - THICKENING AND DEWATERING EQUIPMENT PERFORMANCE TESTING AND OPTIMIZATION**


CONSULTANT shall provide a process expert to assist with monitoring of the equipment performance testing and with optimization of the equipment performance for thickening and dewatering equipment. The successful completion of the functional and initial performance test startup, installation check, and all specified field-testing, will be performed by the Contractor. Perform separate testing during startup to determine the optimal polymer dosages for thickening and dewatering. Laboratory testing and analysis is the responsibility of others (MNWD and/or Contractor).

**TASK 4.3 – OPERATION AND MAINTENANCE MANUAL AND TRAINING**

CONSULTANT shall prepare a detailed system Operation and Maintenance Manual (O&M) of the facilities into one comprehensive package. As a minimum, the O&M is to provide operational overview narrative, control descriptions, setpoints, troubleshooting procedures, maintenance requirements, and a copy of the approved manufacturer's individual O&M as an appendix for each sub-system of the project. Specific sections are to be included outlining the regulatory compliance points of the facility along with the appropriate testing protocols to ensure compliance thereto. A comprehensive matrix of maintenance requirements of the entire system shall also be included.

CONSULTANT shall provide comprehensive system training on all aspects of the operation of the new facilities as a whole, along with specific training relating to optimization and performance testing of each sub-system. As a minimum, training should include topics relating to operation, maintenance, calibrations, electrical, and controls for each individual piece of equipment within the system.

# Exhibit B Fee Schedule

	Hazen and Sawyer														
	Vice President	Senior Associate	Associate	Senior Principal Engineer	Principal Engineer	Engineer	Senior Designer	Designer	Senior Admin.		Hours	Labor	ODCs	Subconsultants	Total
	\$290	\$250	\$200	\$175	\$145	\$135	\$138	\$125	\$112						
<b>Task 1 - Engineering Evaluations and Preliminary Design</b>															
1.1 Review of Available Information	16	4	24	8	24	24	0	0	0	100	\$ 18,556	\$ -	\$ -	\$ -	18,556
1.2 Process Modelling and Capacity Analysis	20	0	80	240	0	0	0	0	0	340	\$ 63,795	\$ -	\$ -	\$ -	63,795
1.3 Technology Evaluations	42	36	180	56	80	0	0	0	0	394	\$ 78,569	\$ -	\$ -	\$ -	78,569
1.4 Implementation/Construction Sequencing Plan	12	16	8	0	40	0	0	0	0	76	\$ 14,877	\$ -	\$ 61,404	\$ -	76,281
1.5 Construction Cost Estimates	4	14	16	24	0	0	0	0	0	58	\$ 12,059	\$ -	\$ -	\$ -	12,059
1.6 Workshops and Meetings for Evaluations	28	16	24	16	16	0	0	8	0	108	\$ 23,033	\$ -	\$ -	\$ -	23,033
1.7 Preliminary Design Report Production	78	88	23	245	198	311	139	268	0	1350	\$ 215,462	\$ -	\$ 42,921	\$ -	258,383
1.8 PDR Production Workshops and Meetings	16	0	16	16	16	0	0	8	0	72	\$ 13,956	\$ -	\$ -	\$ -	13,956
1.9 Environmental Documentation	8	8	24	0	0	0	0	0	0	40	\$ 9,118	\$ -	\$ 44,900	\$ -	54,018
1.10 Project Management	24	28	0	0	0	0	0	0	24	76	\$ 16,642	\$ -	\$ -	\$ -	16,642
1.11 Additional Analysis as Directed by MNWD	24	28	0	0							\$ 150,000	\$ -	\$ -	\$ -	150,000
<b>TASK 1 TOTALS</b>	<b>272</b>	<b>238</b>	<b>395</b>	<b>605</b>	<b>374</b>	<b>335</b>	<b>139</b>	<b>284</b>	<b>24</b>	<b>2614</b>	<b>\$ 616,065</b>	<b>\$ 14,000</b>	<b>\$ 149,225</b>	<b>\$ -</b>	<b>\$ 779,290</b>
<b>Task 2 - Final Design</b>															
2.1 Contract Documents	168	206	55	573	462	725	323	624	0	3136	\$ 498,880	\$ -	\$ 28,909	\$ -	527,789
2.2 Construction Cost Estimates	2	16	8	40	0	0	0	0	0	66	\$ 13,179	\$ -	\$ -	\$ -	13,179
2.3 Final Design Meetings and Workshops	16	0	16	16	16	0	0	8	0	72	\$ 13,956	\$ -	\$ -	\$ -	13,956
2.4 Permitting Services	4	0	4	0	24	0	0	0	0	32	\$ 5,439	\$ -	\$ -	\$ -	5,439
2.5 Project Management	28	44	0	0	0	0	0	0	24	96	\$ 21,801	\$ -	\$ -	\$ -	21,801
2.6 Bid Period Support	8	32	24	8	40	24	0	24	0	160	\$ 28,558	\$ -	\$ -	\$ -	28,558
<b>TASK 2 TOTALS</b>	<b>226</b>	<b>298</b>	<b>107</b>	<b>637</b>	<b>542</b>	<b>749</b>	<b>323</b>	<b>656</b>	<b>24</b>	<b>3562</b>	<b>\$ 581,813</b>	<b>\$ 17,500</b>	<b>\$ 28,909</b>	<b>\$ -</b>	<b>\$ 628,222</b>
<b>Task 3 - Services During Construction</b>															
3.1 Conformed Documents	4	8	0	0	12	0	40	0	0	64	\$ 10,419	\$ -	\$ -	\$ -	10,419
3.2 Meetings and Site Visits	16	132	0	16	40	0	0	0	10	214	\$ 47,356	\$ -	\$ -	\$ -	47,356
3.3 Submittal and Shop Drawing Review	4	500	0	500	1000	0	0	0	0	2004	\$ 358,659	\$ -	\$ -	\$ -	358,659
3.4 Respond to Requests for Information	4	200	0	0	860	0	400	0	0	1464	\$ 231,059	\$ -	\$ -	\$ -	231,059
3.5 Review Proposed Change Orders	50	250	0	225	200	0	100	100	0	925	\$ 171,662	\$ -	\$ -	\$ -	171,662
3.6 Record Drawings	8	12	0	0	20	0	119	0	0	159	\$ 24,640	\$ -	\$ -	\$ -	24,640
<b>TASK 3 TOTALS</b>	<b>86</b>	<b>1102</b>	<b>0</b>	<b>741</b>	<b>2132</b>	<b>0</b>	<b>659</b>	<b>100</b>	<b>10</b>	<b>4830</b>	<b>\$ 843,795</b>	<b>\$ 25,300</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 869,095</b>
<b>Task 4 - Commissioning Services</b>															
4.1 Oversee Development of Facility Startup Protocol	40	0	40	0	80	0	0	0	0	160	\$ 31,190	\$ -	\$ -	\$ -	31,190
4.2 Thickening and Dewatering Equipment Performance	20	0	80	20	0	0	0	0	0	120	\$ 25,295	\$ -	\$ -	\$ -	25,295
4.3 Operation and Maintenance Manual and Training	8	0	48	8	40	24	0	0	0	128	\$ 22,358	\$ -	\$ -	\$ -	22,358
<b>TASK 4 TOTALS</b>	<b>68</b>	<b>0</b>	<b>168</b>	<b>28</b>	<b>120</b>	<b>24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>408</b>	<b>\$ 78,842</b>	<b>\$ 2,400</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 81,242</b>
<b>TASKS 1-4 GRAND TOTALS</b>	<b>652</b>	<b>1638</b>	<b>670</b>	<b>2011</b>	<b>3168</b>	<b>1108</b>	<b>1121</b>	<b>1040</b>	<b>58</b>	<b>11,414</b>	<b>\$ 2,120,516</b>	<b>\$ 59,200</b>	<b>\$ 178,134</b>	<b>\$ -</b>	<b>\$ 2,357,850</b>



**AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT  
BETWEEN MOULTON NIGUEL WATER DISTRICT AND  
HAZEN AND SAWYER  
MNWD PROJECT: PLANT 3A SOLIDS HANDLING FACILITIES IMPROVEMENTS  
CONTRACT NO. 2019.302**

This Amendment No. 1 (this "Amendment") is entered into and effective as of \_\_\_\_\_, amending the Professional Services Agreement dated August 20, 2019 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and Hazen and Sawyer ("Consultant") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

**RECITALS**

A. WHEREAS, on August 20, 2019, the Parties entered into the Agreement for professional services through September 30, 2022 for a total not-to-exceed amount of \$2,357,850; and

B. WHEREAS, the Parties desire to amend the Agreement's Scope of Services to be performed by Consultant under this Agreement and have negotiated and agreed to the Supplemental Scope of Services and Fees, attached hereto and incorporated herein by this reference as Exhibit "A".

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, MNWD and Consultant agree as follows:

1. The Services to be provided by Consultant shall be revised to include the Services set forth in Exhibit "A" attached hereto and incorporated by this reference.

2. All payments and services associated with this Amendment shall not exceed \$321,957.

3. The Parties agree that the total Agreement amount, including this Amendment, shall not exceed Two Million Six Hundred Seventy-Nine Thousand Eight Hundred Seven Dollars (\$2,679,807).

4. All requisite insurance policies to be maintained by the Consultant pursuant to the Agreement will include coverage for this Amendment.

5. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.

6. The individuals executing this Amendment and the instruments referenced in it on behalf of the Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Amendment.

-Signatures on following page-

**#7.**

**MOULTON NIGUEL WATER DISTRICT:**

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**HAZEN AND SAWYER:**

By: \_\_\_\_\_  
(Authorized Representative of  
Consultant)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

## Exhibit A

## Supplemental Scope of Services and Fees



Hazen and Sawyer  
7700 Irvine Center Drive, Suite 200  
Irvine, CA 92618

December 17, 2020

Mr. Jin Kim, P.E.  
Project Manager  
Moulton Niguel Water District  
26161 Gordon Rd.  
Laguna Hills, CA 92653

**Re: Plant 3A Solids Handling Facilities Improvements - Proposal for the design of a Biosolids Loadout Facility**

Dear Mr. Kim:

Hazen and Sawyer (Hazen) is pleased to present this proposal for additional engineering services for the subject project. During the initial planning and evaluation phase for the Solids Handling Facilities Improvement Project, Hazen concluded that the installation of a biosolids loadout facility is feasible at Plant 3A.

The proposed biosolids loadout facility provides a mechanism for efficiently and safely loading dewatered biosolids into trucks for hauling offsite. The components of the loadout facility include:

- A transfer conveyor to move biosolids from the dewatering building to the loadout facility
- An elevated storage hopper or silo to contain the biosolids prior to loading, the hopper will have instruments to indicate the quantity of biosolids within the hopper ;
- A distribution conveyor (“live bottom”) beneath the hopper to distribute the solids evenly in the truck
- A weigh scale underneath the hopper to ensure that the truck is fully loaded but not overloaded

This proposal is for providing the preliminary design, final design and engineering services during construction for the facility. In addition, this proposal includes engineering services to coordinate and comply with San Diego Gas & Electric Company for the relocation of power lines which will likely be required if the District elects to install the loadout facility. The scope of services we are proposing to provide is as follows:

- Preliminary design including preparation of a preliminary construction cost estimate
- Final design including preparation of a final engineer’s estimate
- Engineering services during construction
- Coordination with SDG&E for the relocation of power lines including:
  - Design of the duct bank and equipment pads for undergrounding the power service
  - Modifying the easement
  - Complying with SDG&E’s requirements including coordination and providing required engineering deliverables per SDG&E’s requests.

Our estimated fees for conducting the scope of services is presented in the attached spreadsheet. If we are authorized to proceed with this work, we can incorporate it within the schedule for our current solids handling facilities improvement design project.

Job no

#7.



Mr. Jin Kim, P.E.  
December 17, 2020

Hazen appreciates this opportunity to be of continued service to the Moulton Niguel Water District and we look forward to working with you and your staff. Should you have any questions regarding our proposal, please contact me at (916) 769-8753, or email at [DRJones@HazenandSawyer.com](mailto:DRJones@HazenandSawyer.com).

Sincerely,

A handwritten signature in blue ink that reads "Dave Jones". The signature is fluid and cursive, with a long horizontal stroke at the end of the word "Jones".

Dave Jones, PE.  
Vice President and Project Manager

MNWD Plant 3A Solids Handling Facilities Design  
 Fee Estimate for Solids Loadout Facility

Hazen	Hazen and Sawyer										Hide these columns before submitting								
	Vice President	Senior Associate	Associate	Senior Principal Engineer	Principal Engineer	Engineer	Senior Designer	Designer	Senior Administrator		Sub-consultant								
	\$290	\$255	\$205	\$175	\$145	\$135	\$138	\$125	\$112		Bush and Associates	C Below	John Robinson	Kimley Horn	V&A				
										Hours	Labor	ODCs	Subconsultants	Total					
<b>Engineering Evaluations and Preliminary Design Report</b>																			
1.5 Construction Cost Estimates	1	2	0	4	4	0	0	0	0	11	\$ 2,080	\$ -	\$ -	\$ 2,080	\$ -	\$ -	\$ -	\$ -	\$ -
1.7 Preliminary Design Report Production	11	11	6	47	49	37	22	58	0	241	\$ 37,712	\$ -	\$ -	\$ 37,712	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TASK 1 TOTALS</b>	<b>12</b>	<b>13</b>	<b>6</b>	<b>51</b>	<b>53</b>	<b>37</b>	<b>22</b>	<b>58</b>	<b>0</b>	<b>252</b>	<b>\$ 39,792</b>	<b>\$ 1,200</b>	<b>\$ -</b>	<b>\$ 40,992</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Final Design</b>																			
2.1 Contract Documents	26	26	13	109	115	87	52	134	0	563	\$ 88,380	\$ -	\$ -	\$ 88,380	\$ -	\$ -	\$ -	\$ -	\$ -
2.2 Construction Cost Estimates	1	2	0	8	4	0	0	0	0	15	\$ 2,780	\$ -	\$ -	\$ 2,780	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TASK 2 TOTALS</b>	<b>27</b>	<b>28</b>	<b>13</b>	<b>117</b>	<b>119</b>	<b>87</b>	<b>52</b>	<b>134</b>	<b>0</b>	<b>578</b>	<b>\$ 91,160</b>	<b>\$ 2,700</b>	<b>\$ -</b>	<b>\$ 93,860</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Services During Construction</b>																			
3.1 Conformed Documents	1	2	0	0	3	0	9	0	0	14	\$ 2,223	\$ -	\$ -	\$ 2,223	\$ -	\$ -	\$ -	\$ -	\$ -
3.2 Meetings and Site Visits	0	2	0	0	2	0	0	0	0	4	\$ 800	\$ -	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ -	\$ -
3.3 Submittal and Shop Drawing Review	4	18	0	24	42	0	0	0	0	88	\$ 16,040	\$ -	\$ -	\$ 16,040	\$ -	\$ -	\$ -	\$ -	\$ -
3.4 Respond to Requests for Information	4	6	0	0	26	0	12	0	0	48	\$ 8,087	\$ -	\$ -	\$ 8,087	\$ -	\$ -	\$ -	\$ -	\$ -
3.5 Review Proposed Change Orders	2	10	0	9	8	0	4	4	0	37	\$ 6,917	\$ -	\$ -	\$ 6,917	\$ -	\$ -	\$ -	\$ -	\$ -
3.6 Record Drawings	2	3	0	0	4	0	26	0	0	34	\$ 5,279	\$ -	\$ -	\$ 5,279	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TASK 3 TOTALS</b>	<b>12</b>	<b>39</b>	<b>0</b>	<b>33</b>	<b>82</b>	<b>0</b>	<b>42</b>	<b>4</b>	<b>0</b>	<b>224</b>	<b>\$ 39,345</b>	<b>\$ 1,200</b>	<b>\$ -</b>	<b>\$ 40,545</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Power Line Relocation</b>																			
4.1 Design of Duct Bank & Pads	8	52	0	80	0	0	80	0	0	220	\$ 40,620	\$ -	\$ -	\$ 40,620	\$ -	\$ -	\$ -	\$ -	\$ -
4.2 Easement Modification	6	27	0	80	40	0	0	0	0	153	\$ 28,425	\$ -	\$ -	\$ 28,425	\$ -	\$ -	\$ -	\$ -	\$ -
4.3 Coordination with SDG&E (assume 12 months)	20	133	0	150	50	0	0	0	0	353	\$ 73,215	\$ -	\$ -	\$ 73,215	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TASK 4 TOTALS</b>	<b>34</b>	<b>212</b>	<b>0</b>	<b>310</b>	<b>90</b>	<b>0</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>726</b>	<b>\$ 142,260</b>	<b>\$ 4,300</b>	<b>\$ -</b>	<b>\$ 146,560</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TASKS 1-4 GRAND TOTALS</b>	<b>85</b>	<b>292</b>	<b>19</b>	<b>511</b>	<b>344</b>	<b>124</b>	<b>196</b>	<b>196</b>	<b>0</b>	<b>1779</b>	<b>\$ 312,557</b>	<b>\$ 9,400</b>	<b>\$ -</b>	<b>\$ 321,957</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>





# moulton niguel water district

## STAFF REPORT

**TO:** Board of Directors                      **MEETING DATE:** January 14, 2021

**FROM:** Rod Woods, Director of Engineering  
Sheldon Yu, Senior Engineer

**SUBJECT:** Construction Contract Amendment for the  
Electrical Distribution Equipment Replacements

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### SUMMARY:

Issue: Board action is required to amend the construction contract for the 2017-18 Electrical Distribution Equipment Replacements, Project No. 2017.005.

Recommendation: It is recommended that the Board of Directors amend the construction services contract with Southern Contracting Company by \$45,834 for a total contract amount of \$544,334; extend the contract through November 30, 2021; and authorize the General Manager or Assistant General Manager to execute the contract change order.

Fiscal Impact: Project No. 2017.005 is budgeted in Fund 7, Rehabilitation and Replacement, with a current project budget of \$700,000. The proposed project budget is \$794,184. The overall Fiscal Year 2020-21 Fund 7 budget is \$41,393,593.

Reviewed by Committee: Yes, recommended for approval at Technical Committee Meeting on January 4, 2021.

Reviewed by Legal: Yes

### BACKGROUND:

The 2017-18 Electrical Distribution Equipment Replacements project consists of electrical equipment replacements at five of the District’s potable water pump stations: Beacon Hill, Bear Brand, Big Niguel, Pacific Island Drive No. 1, and Valencia. Each of the pump stations receive electrical utility power from San Diego Gas & Electric, with the lone exception of Big Niguel which is served by Southern California Edison.

## #8.

Construction Contract Amendment for the Electrical Distribution Equipment Replacements  
January 14, 2021  
Page 2 of 3

The Board awarded the construction contract to Southern Contracting Company in February 2020 in the amount of \$498,500, and at the same time authorized a 10% contingency in the amount of \$49,850. The review of construction shop submittals and equipment procurement has been ongoing with physical construction work scheduled to begin shortly.

### **DISCUSSION:**

In June 2020, the District completed construction of the 650 Zone Niguel Road Intertie project (Project No. 2010.001), located within Niguel Road near the intersection of Alicia Parkway in the City of Laguna Niguel. This project was completed by Ferreira Construction and installed approximately 650 linear feet of 16-inch diameter pipe, including valves and fittings, to improve operational efficiency, flexibility, and redundancy within the pressure zone, including an improved connection between the Highlands and Rancho Reservoirs within the potable water distribution system.

As a result of the 650 Zone Niguel Road Intertie project, the existing generator, load bank, fuel tank, and ancillary electrical connections supporting the Big Niguel Pump Station are no longer needed. Additionally, based on the condition and remaining useful life of the equipment, staff is recommending that Southern Contracting Company demolish and remove the equipment as a part of the current improvements within the Big Niguel Pump Station. This would reduce the District's future operation and maintenance requirements, as well as capital rehabilitation and replacement costs at the Big Niguel Pump Station.

Staff requested a cost proposal from Southern Contracting Company to demolish and remove the existing generator, load bank, fuel tank, and ancillary connections, including related concrete work, site improvements, and installation of a manual transfer switch to allow the connection of a portable generator at Big Niguel Pump Station in the event of power outages or other emergencies. A construction contract change order is required to authorize the additional funds for this work. Southern Contracting Company provided a request for change order in the amount of \$45,834 for this work. Staff performed a comprehensive review of this request and has determined that it is appropriate and reasonable. Sufficient funds are available in the approved Fund 7 CIP budget to support the increased project budget.

Staff anticipates that the current remaining contract contingency is adequate for completing the remaining construction work.



**SUMMARY OF PROJECT BUDGET:**

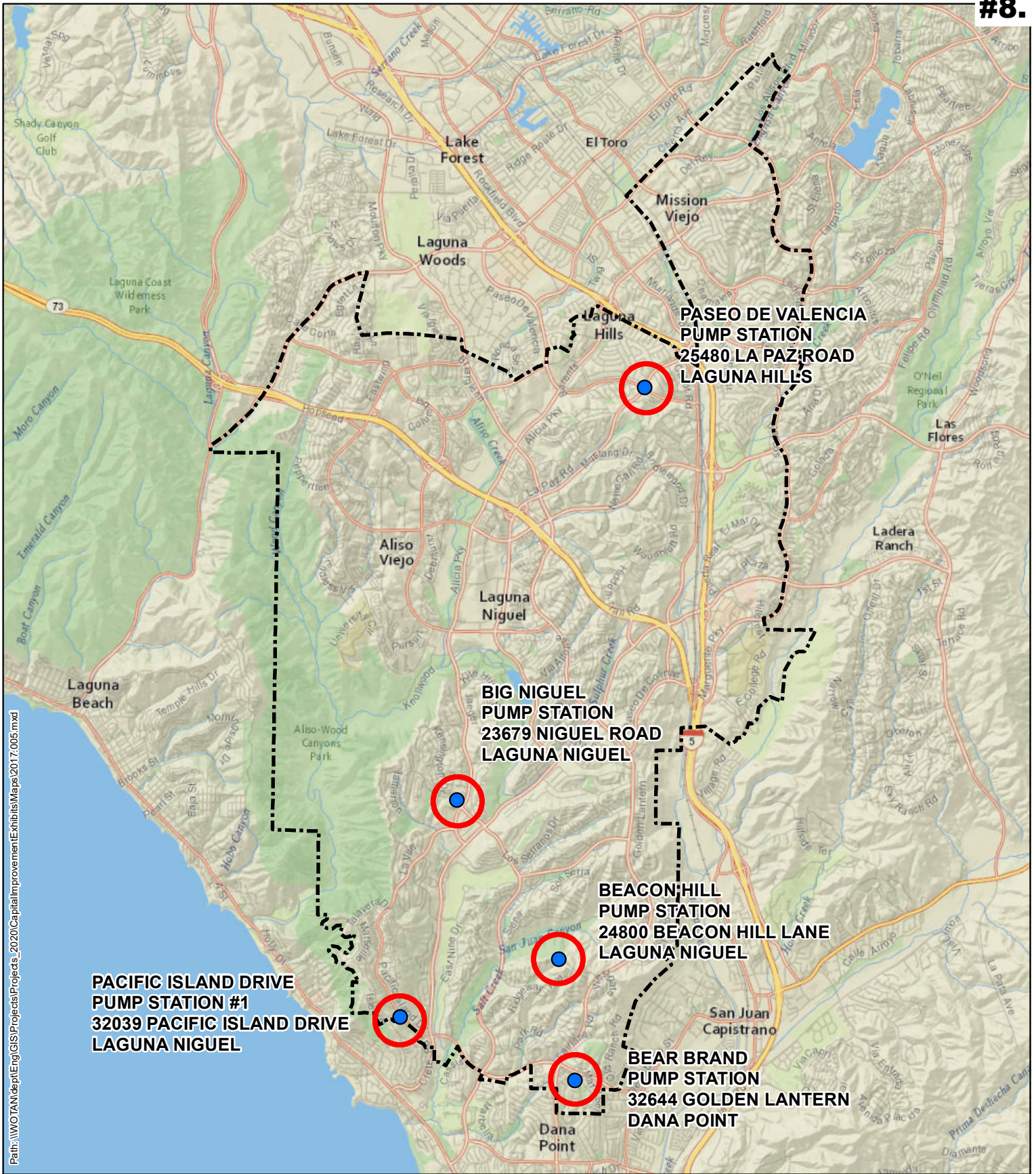
	<b>Project Budget*</b>	<b>Proposed / Approved Contract</b>	<b>Proposed / Authorized Contingency</b>	<b>Total Proposed / Authorized Amount</b>
<b>Project Items</b>				
Engineering	\$150,000	\$150,000	\$0	\$150,000
Construction Contract	\$548,350	\$498,500	\$49,850	\$548,350
Proposed Change Order Work	\$0	\$45,834	\$0	\$45,834
Specialty Inspection	\$45,000	\$45,000	\$0	\$45,000
Legal, Permits, District Labor	\$5,000	\$5,000	\$0	\$5,000
<b>Totals</b>	<b>\$748,350</b>	<b>\$744,334</b>	<b>\$49,850</b>	<b>\$794,184</b>

\*\$135,237.55 has been expended to date.

 Currently Proposed Amount

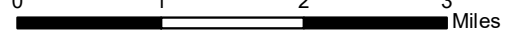
Attachment: Exhibit A – Location Map





Path: \\WOTANI\dept\Eng\GIS\Projects\Projects\_2020\CapitalImprovement\Exhibits\Maps\2017\005.mxd

● Pump Station  
 [Dashed Line] District Boundary



Scale = 1:85,000

**Exhibit "A" Location Map**  
**2017-18 Electrical Distribution**  
**Equipment Replacements**  
**Contract No. 2017.005**





# moulton niguel water district

## STAFF REPORT

**TO:** Board of Directors                      **MEETING DATE:** January 14, 2021

**FROM:** Rod Woods, Director of Engineering  
Steve Merk, Superintendent of Engineering

**SUBJECT:** Amendment No. 2 for On-Call Inspection Support Services

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### SUMMARY:

Issue: Board action is required to execute Amendment No. 2 to the On-Call Inspection Support Services Agreement with MWH Constructors.

Recommendation: It is recommended that the Board of Directors approve Amendment No. 2 to the On-Call Inspection Support Services Agreement with MWH Constructors in the amount of \$175,000 for a total not-to-exceed amount of \$925,000; authorize the General Manager or Assistant General Manager to execute the amendment; and to approve amendments up to 10% of the total contract value.

Fiscal Impact: Adequate funds are included in the FY 2020-21 Operating and Capital Budgets and will be included in FY 2021-22.

Reviewed by Committee: Yes, recommended for approval at Technical Committee Meeting on January 4, 2021.

Reviewed by Legal: Yes

### BACKGROUND:

The Engineering Department inspection staff oversees inspection services for all capital improvement, private development, and emergency repair projects. Staff also oversees the locating and marking of District facilities for Underground Service Alerts (USA). To ensure that each activity is completed in a timely manner and in accordance with District's standards, inspection support services are utilized to assist staff during peak periods of construction activity.

## #9.

### Amendment No. 2 for On-Call Inspection Support Services

January 14, 2021

Page 2 of 2

In August 2019, following a competitive solicitation, the Board awarded an On-Call Inspection Support Services contract to MWH Constructors to provide inspection in support of capital improvement program and private development projects, and to meet the District's obligations for USA response and markings.

Subsequently, in January 2020, the Board authorized Amendment No. 1 to the Agreement in the amount of \$450,000 for a not to exceed amount of \$750,000. The scope of services included in this amendment included the extension of the on-call inspection services for an additional 3-½ month period and providing construction oversight services of the ongoing CMAR contract.

#### **DISCUSSION:**

As part of an ongoing review of current and projected inspection workloads, staff has continued to meet with the cities within the District's service area to review the planned construction activities, such as road paving and underground telecommunication projects, that require USA markings. From these discussions, the associated workload of the District inspection staff was re-evaluated and it was determined that the need for additional inspection resources is anticipated. As such, staff is recommending that the existing on-call inspection support be extended through August 2021 for an additional contract amount of \$175,000.

Some factors contributing to the need for additional inspection support include:

- Additional service line and infrastructure repairs completed by on-call construction support services than historically performed
- Peaks in workload due to the execution of capital improvement projects
- Ongoing private development projects currently in construction
- Significant paving projects being completed by the cities within the District's service area

Additionally, the amendment also provides additional flexibility for the District to respond to any potential resource issues as a result of the COVID-19 pandemic. Based on the outlined needs for inspection support, Staff recommends that the Board authorize the execution of Amendment No. 2 to the On-Call Inspection Support Services Agreement with MWH Constructors in the amount of \$175,000 for a total not-to-exceed amount of \$925,000.

Attachments:

1. On-Call Inspection Support Services Agreement
2. Amendment No. 1 to the On-Call Inspection Support Services Agreement
3. Amendment No. 2 to the On-Call Inspection Support Services Agreement

**AGREEMENT BETWEEN  
MOULTON NIGUEL WATER DISTRICT AND  
MWH CONSTRUCTORS FOR  
ON-CALL INSPECTION SUPPORT SERVICES  
CONTRACT NO. OM19-20.009**

This Agreement (the "Agreement") is made and entered into this 13<sup>th</sup> day of September 2019 ("Effective Date") by and between the Moulton Niguel WATER DISTRICT ("MNWD") and MWH Constructors ("Consultant"). MNWD and Consultant are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

**SECTION I – PURPOSE**

CONSULTANT possesses specialized skills and shall utilize these skills to provide as-needed inspection support services to MNWD in connection with the implementation of MNWD projects (the "Services") on a time and material basis, as such term is defined and applied under this Agreement. This Agreement, including all attached Exhibits form the Agreement between the Parties ("Agreement").

**SECTION II – TERM**

The term of this Agreement shall be from the Effective Date and shall remain in effect for a period of one (1) year thereafter, unless earlier terminated as provided herein.

**SECTION III – SCOPE OF SERVICES**

Section 3.1. Scope of Services. The scope of services to be provided by Consultant is set forth on Exhibit "A" attached hereto and by this reference incorporated herein ("Services"). Consultant warrants that it will perform the Services as set forth herein in a competent, professional and satisfactory manner. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules, and regulations.

Section 3.2. Schedule of Services. Consultant shall complete the Services within the term of this Agreement and shall meet any other established schedules and deadlines, including any schedule of services set forth in Exhibit "A."

Section 3.3. Permits, Licenses, Fees and Other Charges. Consultant shall, in accordance with applicable laws and ordinances, obtain at his/her/its expense all permits and licenses necessary to accomplish the Services. Failure to maintain a required license or permit may result in immediate termination of this Agreement.

**SECTION IV – COMPENSATION**

Section 4.1. Payment for Services Rendered. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement on a time and material bases at a set rate of \$130 an hour. The total compensation shall not exceed **Three Hundred Thousand Dollars (\$300,000)** without written approval by MNWD. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

Section 4.2. Invoices. Consultant shall submit to MNWD a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. MNWD shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

- A. Payment shall not constitute acceptance of any work completed by Consultant.
- B. The making of final payment shall not constitute a waiver of any claims by MNWD for any reason whatsoever.

Section 4.3. Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by MNWD.

Section 4.4. Extra Work. At any time during the term of this Agreement, MNWD may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by MNWD to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization by MNWD.

#### **SECTION V – REPRESENTATIVES OF THE PARTIES**

Section 5.1. MNWD's Representative. MNWD hereby designates its Director of Engineering, or his or her designee, to act as its representative for the performance of this Agreement ("MNWD's Representative"). Consultant shall not accept direction or orders from any person other than MNWD's Representative or his or her designee.

Section 5.2. Consultant's Representative. Consultant hereby designates Jesus Sosa, or his designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

#### **SECTION VI – RESPONSIBILITIES OF CONSULTANT**

Section 6.1. Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. MNWD retains Consultant on an independent contractor basis and not as an employee. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of MNWD and shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.



Section 6.2. Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from MNWD, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein.

Section 6.3. Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of MNWD.

Section 6.4. Substitution of Key Personnel. Consultant has represented to MNWD that certain key personnel will perform and coordinate the Services under this Agreement. The key personnel for performance of this Agreement are as follows: Jesus Sosa. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of MNWD. In the event that MNWD and Consultant cannot agree as to the substitution of key personnel, MNWD shall be entitled to terminate this Agreement for cause. Furthermore, any personnel who fail or refuse to perform the Services in a manner acceptable to MNWD, or who are determined by MNWD to be uncooperative, incompetent, a threat to the adequate or timely completion of the Services or a threat to the safety of persons or property, shall be promptly removed from performing Services by the Consultant at the request of MNWD.

Section 6.5. Coordination of Services. Consultant agrees to work closely with MNWD staff in the performance of Services and shall be available to MNWD's staff, consultants and other staff at all reasonable times.

Section 6.6. Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold MNWD, its officials, directors, officers, employees, and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

## **SECTION VII – LABOR CODE PROVISIONS**

Section 7.1. Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more,

Consultant agrees to fully comply with such Prevailing Wage Laws. A copy of these prevailing wage rates are on file with the Department of Industrial Relations and can be found online with the State of California at <http://www.dir.ca.gov/dlsr/pwd>. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold MNWD, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

Section 7.2. Registration and Labor Compliance. If the services are being performed as part of an applicable "public works" or "maintenance" project, then, in addition to the foregoing, pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

Section 7.3. Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

### **SECTION VIII – INDEMNIFICATION**

To the fullest extent permitted by law, Consultant shall immediately indemnify, defend, and hold MNWD, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against MNWD or its directors, officials, officers, employees, volunteers and agents as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse MNWD for the cost of any settlement paid by MNWD or its directors, officials, officers, employees, agents or volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for MNWD's attorneys' fees and costs, including expert witness fees. Consultant shall reimburse MNWD and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by MNWD, its directors, officials, officers, employees, agents, or volunteers. Notwithstanding the foregoing, to the extent Consultant's Services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness,

or willful misconduct of the Consultant.

## **SECTION IX – INSURANCE**

Section 9.1. Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to MNWD that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to MNWD that the subconsultant has secured all insurance required under this section. Failure to provide and maintain all required insurance shall be grounds for MNWD to terminate this Agreement for cause.

Section 9.2. Minimum Requirements. Consultant shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Consultant, its agents, representatives, employees or subconsultants. Consultant shall also require all of its subconsultants to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

A. Commercial General Liability. Coverage for commercial general liability insurance shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001). Consultant shall maintain limits no less than \$1,000,000 per occurrence, or the full per occurrence limits of the policies available, whichever is greater, for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit or product-completed operations aggregate limit is used, including but not limited to form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit. The general liability policy shall include or be endorsed (amended) to state that: (1) MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Work or operations performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work using as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37; and (2) the insurance coverage shall be primary insurance as respects MNWD, its directors, officials, officers, employees, agents, and volunteers using as broad a form as CG 20 01 04 13, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by MNWD, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way.

B. Automobile Liability. Coverage shall be at least as broad as the latest version of the Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto). Consultant shall maintain limits no less than \$1,000,000 per accident for bodily injury and property damage. The automobile liability policy shall include or be endorsed (amended) to state that: (1) MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Consultant or for which the Consultant is responsible; and (2) the insurance coverage shall be primary insurance as respects MNWD, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Consultant's scheduled underlying coverage. Any insurance or self-insurance maintained by MNWD, its directors, officials, officers, employees, agents,

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and volunteers shall be excess of the Consultant's insurance and shall not be called upon to contribute with it in any way. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

C. Workers' Compensation and Employer's Liability Insurance. Consultant shall maintain Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance in an amount no less than \$1,000,000 per accident for bodily injury or disease. The insurer shall agree to waive all rights of subrogation against MNWD, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Consultant.

D. Excess Liability (if necessary). The limits of Insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess coverage shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of MNWD (if agreed to in a written contract or agreement) before MNWD's own primary or self-insurance shall be called upon to protect it as a named insured. The policy shall be endorsed to state that MNWD, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured at least as broad a form as CG 20 10 11 85 or the latest versions of both CG 20 10 and CG 20 37. The coverage shall contain no special limitations on the scope of protection afforded to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 9.3. All Coverages. The Consultant is required by this Agreement to state that: (i) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to MNWD; If any of the required coverages expire or cancel during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to MNWD at least ten (10) days prior to the cancellation or expiration date; and (ii) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 9.4. Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to MNWD, its directors, officials, officers, employees, agents, and volunteers.

Section 9.5. Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by MNWD. Consultant shall guarantee that, at the option of MNWD, either: (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects MNWD, its directors, officials, officers, employees, agents, and volunteers; and insurer shall provide or be endorsed to provide that the deductibles or SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured or (ii) the Consultant shall procure a bond guaranteeing payment of losses and related investigation costs, claims, and administrative and defense expenses.

Section 9.6. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A-:VII or equivalent, or as otherwise approved by MNWD.

Section 9.7. Verification of Coverage. Consultant shall furnish MNWD with certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory

to MNWD. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by MNWD if requested. All certificates and endorsements must be received and approved by MNWD before work commences. MNWD reserves the right to require complete, certified copies of all required insurance policies, at any time. In the event that the Consultant employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

Section 9.8. Reporting of Claims. Consultant shall report to MNWD, in addition to Consultant's insurer, any and all insurance claims submitted by Consultant in connection with the Services under this Agreement.

## **SECTION X – TERMINATION**

Section 10.1. Grounds for Termination. MNWD may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to MNWD, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

Section 10.2. Effect of Termination. If this Agreement is terminated as provided herein, MNWD may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

Section 10.3. Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, MNWD may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

## **SECTION XI – OWNERSHIP OF MATERIALS AND CONFIDENTIALITY**

Section 11.1. Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for MNWD to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). All Documents & Data shall be and remain the property of MNWD, and shall not be used in whole or in substantial part by Consultant on other projects without MNWD's express written permission. Within thirty (30) days following the completion, suspension, abandonment or termination of this Agreement, Consultant shall provide to MNWD reproducible copies of all Documents & Data, in a form and amount required by MNWD. MNWD reserves the right to select the method of document reproduction and to establish where the reproduction will be accomplished. The reproduction expense shall be borne by MNWD at the actual cost of duplication. In the event of a dispute regarding the amount of compensation to which the Consultant is entitled under the termination provisions of this Agreement, Consultant shall provide all Documents & Data to MNWD upon payment of the undisputed amount. Consultant shall have no right to retain or fail to provide to MNWD any such

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documents pending resolution of the dispute. In addition, Consultant shall retain copies of all Documents & Data on file for a minimum of fifteen (15) years following completion of the Project, and shall make copies available to MNWD upon the payment of actual reasonable duplication costs. Before destroying the Documents & Data following this retention period, Consultant shall make a reasonable effort to notify MNWD and provide MNWD with the opportunity to obtain the documents.

Section 11.2. Subconsultants. Consultant shall require all subconsultants to agree in writing that MNWD is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or its subconsultants, or those provided to Consultant by MNWD.

Section 11.3. Right to Use. MNWD shall not be limited in any way in its use or reuse of the Documents and Data or any part of them at any time for purposes of this Project or another project, provided that any such use not within the purposes intended by this Agreement or on a project other than this Project without employing the services of Consultant shall be at MNWD's sole risk. If MNWD uses or reuses the Documents & Data on any project other than this Project, it shall remove the Consultant's seal from the Documents & Data and indemnify and hold harmless Consultant and its officers, directors, agents and employees from claims arising out of the negligent use or re-use of the Documents & Data on such other project. Consultant shall be responsible and liable for its Documents & Data, pursuant to the terms of this Agreement, only with respect to the condition of the Documents & Data at the time they are provided to MNWD upon completion, suspension, abandonment or termination. Consultant shall not be responsible or liable for any revisions to the Documents & Data made by any party other than Consultant, a party for whom the Consultant is legally responsible or liable, or anyone approved by the Consultant.

Section 11.4. Intellectual Property Indemnification. Consultant shall defend, indemnify and hold MNWD, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, for any alleged infringement of any patent, copyright, trade secret, trade name, trademark, or any other proprietary right of any person or entity in consequence of the use on the Project by MNWD of the Documents & Data, including any method, process, product, or concept specified or depicted.

Section 11.5. Confidentiality. All Documents & Data, either created by or provided to Consultant in connection with the performance of this Agreement, shall be held confidential by Consultant. All Documents & Data shall not, without the prior written consent of MNWD, be used or reproduced by Consultant for any purposes other than the performance of the Services. Consultant shall not disclose, cause or facilitate the disclosure of the Documents & Data to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant that is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use MNWD's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of MNWD.

**SECTION XII – ACCOUNTING, INSPECTION AND AUDIT**

Section 12.1. Records. Consultant shall keep and shall preserve for four (4) years after final completion of the services, accurate and detailed records of all ledgers, books of account, invoices, vouchers, cancelled checks, and other documents or records evidencing or relating to the work, services and disbursements charged to MNWD under this Agreement (collectively, "Books and Records"). Any and all Books and Records must be maintained in accordance with generally accepted accounting principles and must be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Consultant under this Agreement. During such four (4) year period, Consultant shall give MNWD and its agents, during normal business hours, access to such Books and Records. MNWD and its agents shall have the right to make copies of any of the said Books and Records.

Section 12.2. Custody. Where MNWD has reason to believe that any of the Books and Records required to be maintained by this Article may be lost or discarded due to dissolution or termination of Consultant's business, MNWD may, by written request, require that custody of such Books and Records be given to a person or entity mutually agreed upon and such Books and Records thereafter shall be maintained by such person or entity at Consultant's expense. Access to the Books and Records shall be granted to MNWD and its Representatives.

**SECTION XIII – GENERAL PROVISIONS**

Section 13.1. Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**MNWD:**

Moulton Niguel Water District  
P.O. Box 30203  
Laguna Niguel, CA 92607  
Attn: Director of Engineering

**CONSULTANT:**

MWH Constructors  
300 N. Lake Ave., Suite 400  
Pasadena, CA 91101  
Attn: Randy Lovan

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

Section 13.2. Subcontracting/Subconsulting. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of MNWD. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

Section 13.3. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of MNWD's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

Section 13.4. Time of Essence. Time is of the essence for each and every provision of this Agreement.

Section 13.5. MNWD's Right to Employ Other Consultants. MNWD reserves right to employ other consultants in connection with this Project.

Section 13.6. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

Section 13.7. Assignment or Transfer. Consultant shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of MNWD. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

Section 13.8. Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to MNWD include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

Section 13.9. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

Section 13.10. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

Section 13.11. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

Section 13.12. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

Section 13.13. Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subconsultants to file, a Statement of Economic Interest with MNWD's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, MNWD shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of



MNWD, during the term of his or her service with MNWD, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

Section 13.14. Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

Section 13.15. Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

Section 13.16. Government Code Claim Compliance. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Consultant must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against MNWD. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Consultant. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Consultant shall be barred from bringing and maintaining a valid lawsuit against MNWD.

Section 13.17. Attorneys' Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and all other costs of such action.

Section 13.18. Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

Section 13.19. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

Section 13.20. Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a written amendment signed by both parties.

**MOULTON NIGUEL WATER DISTRICT: ↔ MWH CONSTRUCTORS:**

By: 

By: 

~~(Authorized Representative of  
Consultant)~~

Printed Name: Randy Lovan

Printed Name: MATT COLLINS

Title: So. CA Regional Manager

Title: ASSISTANT GENERAL MANAGER

Dated: 09/06/2019

Dated: 9/13/19

**EXHIBIT A****SCOPE OF SERVICES**

This agreement covers a range of projects and services which consist of, but are not limited to the following activities:

1. **General Inspection** – For general inspection of Capital Improvement Program projects, provide inspection support and expertise on civil, structural, mechanical, and electrical portions of the project to verify compliance with the Contract Documents as requested by the District.
  - A. Observe the jobsite for compliance with safety requirements. Inform the District of any concerns or problems observed concerning site or job safety.
  - B. Verify that all deliveries and installation of equipment and materials conform to the Contract Documents and approved shop drawings.
  - C. During welding operations, verify certifications, joint preparation, electrode types, and finished product comply with the Contract Documents.
  - D. During mechanical anchorages, verify materials and installation procedures comply with the Contract Documents, approved submittals, and manufacturer's recommendations.
  - E. Take digital photographs during key points in the construction to document the progress and submit photo files on a CD with the final report.
  - F. Locate and identify existing District facilities for Underground Service Alert.
  - G. Read and understand construction plans, prepare as-built drawings, and inspection reports, and is familiar with standard specifications for construction of domestic water, sewer, and reclaimed water facilities.
  - H. Prepare punch list for final release; receive and file appropriate construction drawings.
  - I. Assist with the review of land development projects for District's standards compliance.
  - J. Prepare record drawings, daily construction reports, and other written reports as necessary for construction activities.
  - K. Attend and conduct pre-construction meetings and any other construction related meetings.
  - L. Coordinate work with District staff and inspectors to keep them informed on the water system and how it relates to other District pipelines, facilities, and other District operations.

**AMENDMENT NO. 1 TO THE AGREEMENT  
BETWEEN MOULTON NIGUEL WATER DISTRICT AND  
MWH CONSTRUCTORS FOR  
ON-CALL INSPECTION SUPPORT SERVICES  
CONTRACT NO. OM19-20.009**

This Amendment No. 1 (this "Amendment") is entered into and effective as of January 16, 2020, amending the Services Agreement dated September 13, 2019 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and MWH Constructors ("Consultant") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

**RECITALS**

A. WHEREAS, on September 13, 2019, the Parties entered into the Agreement for on-call inspection support services through September 12, 2020 for a total not-to-exceed amount of \$300,000; and

B. WHEREAS, the Parties desire to extend Agreement term until March 31, 2021; and

C. WHEREAS, the Parties desire to amend the Agreement's Scope of Services to be performed by Consultant under this Agreement and have negotiated and agreed to also include the Supplemental Scope of Services, attached hereto and incorporated herein by this reference as Exhibit "A".

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, MNWD and Consultant agree as follows:

1. The term of the Agreement is hereby extended through March 31, 2021
2. The Services to be provided by Consultant shall be revised to also include the Services set forth in Exhibit "A" attached hereto and incorporated by this reference.
3. All payments and services associated with this Amendment shall be on a time and material basis at the rates set forth in Exhibit "B" attached hereto and incorporated by this reference, and shall not exceed \$450,000.
4. The Parties agree that the total Agreement amount, including this Amendment, shall not exceed Seven Hundred Fifty Thousand Dollars \$750,000.
5. All requisite insurance policies to be maintained by the Consultant pursuant to the Agreement will include coverage for this Amendment.
6. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.

#9.

7. The individuals executing this Amendment and the instruments referenced in it on behalf of the Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Amendment.

**MOULTON NIGUEL WATER DISTRICT:**

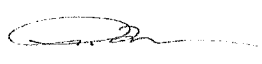
By: 

Printed Name: MATT COLLINS

Title: ASSISTANT GENERAL MANAGER

Dated: 1/16/20

**MWH CONSTRUCTORS:**

By:   
(Authorized Representative of Consultant)

Printed Name: Randy Lovan

Title: Southern CA Regional Manager

Dated: 01/16/2020

## Exhibit "A"

### Supplemental Scope of Services

#### Description of the Work

Moulton Niguel Water District (MNWD) is Currently under contract with Layton Construction Company to provide Construction Management at Risk (CMAR) Services for their Plant 2A Upgrades Projects. MNWD has retained Ware Malcolm to provide engineering and architectural support services during construction. Notice to proceed was issued to Layton Construction Company on May 29, 2019. The construction phase project duration is 550 calendar days (commencing on August 26, 2019).

The Plant 2A Upgrades consist of the following 11 improvement projects:

1. Field Maintenance Facility
2. Emergency Generator
3. Fleet Services Building
4. Equipment Storage
5. Warehouse Improvements
6. Fueling Station
7. Site Reconfiguration and Geopiers
8. Site Utilities
9. Site Improvements
10. Landscape & Irrigation
11. Administration Facility

#### Scope of Services

MWHC will be your representative and advocate during construction of your facilities. As experienced construction professionals, we help you proactively manage your project to minimize risks, prevent problems and eliminate surprises to ensure on-time and on-budget completion. We will monitor the progress of the work, from pre-construction, construction and start-up, to ensure that you get the facility you need while receiving the best value for your money. As the Owner's Representative, MWHC will provide as-needed independent third-party review, recommendations and coordination of project activities. Our core focus is the monitor and document the construction activities for each phase of the work and report any deficiency directly to MNWD's Project Manager. We will assist the MNWD's Project Manager with tracking expenditures and anticipated project costs against the budget on an ongoing basis.

During the project duration MWHC will act as the District's representative, provide clear communication and keep MNWD informed. We will assist the Moulton Niguel Project Manager in monitoring the following:

Pre-Construction Phase (with respect to Trade Contractors):

- Evaluate Project controls and procedures
- Monitor maintaining budget
- Monitor funding requirements
- Attend pre-construction conferences
- Monitor/Review/recommend progress payment requests and contract modifications

Construction Phase:

- Monitor and document on-site construction activities
- Prepare daily reports with photo documentation
- Work to resolve disputes quickly and informally
- Assist with dispute resolution actions

**#9.**



Construction Phase cont.:

- Assist with change order negotiation and payment amounts
- Monitor shop drawing submittals and RFI's for timely processing and procurement
- Prepare and distribute monthly progress reports
- Review/monitor project documentation
- Review /monitor compliance with safety plan
- Attend project meetings as needed
- Review/monitor Project Records
- Review/monitor contractor's commissioning & startup testing plans
- Assist with identification of appropriate changes in scope
- Assist with validating impact of changes
- Review/Monitor documentation of changes
- Review/monitor Contractor's as-built drawings
- Review/monitor Certification of Proper Installation (COP) from the Manufactures

Post-Construction Phase:

- Project Closeout and Warranty Phase:
- Assist with substantial completion and final acceptance
- Review contractor and vendor submission of all required documents
- Coordinate transfer of spare parts and other property to the Owner
- Ensure all COP's are validate and complete
- Ensure all warranties are submitted
- Monitor correction of punch list items



## Exhibit "B" Rate Schedule

### MWH 2020 Hourly Rate Schedule for Construction Management, Inspection and Administrative Rates

CMS Regional Director	\$225	per hour
CMS Principal - Inland Empire Area Manager	\$215	per hour
Project Manager	\$175	per hour
Construction Manager	\$155 - \$175	per hour
Resident Engineer	\$140 - \$155	per hour
Owner's Representative	\$135 - \$155	per hour
Office Engineer	\$ 110 - \$125	per hour
Construction Inspector, Specialty	*\$150 - \$140	per hour
Construction Inspector	*\$140 - \$130	per hour
Estimator / Scheduler	\$130 - \$140	per hour
Construction Administration	\$95	per hour
Vehicle and Mileage Rate	\$1,100	flat rate per month
Construction Claims Analysis & Support		
• Director Risk Management	\$275	per hour
• Manager Claims Analyst	\$195	per hour
• Commercial Claim Analyst	\$175	per hour







**AMENDMENT NO. 2 TO THE AGREEMENT  
BETWEEN MOULTON NIGUEL WATER DISTRICT AND  
MWH CONSTRUCTORS FOR  
ON-CALL INSPECTION SUPPORT SERVICES  
CONTRACT NO. OM19-20.009**

This Amendment No. 2 (this "Amendment") is entered into and effective as of \_\_\_\_\_, amending the Services Agreement dated September 13, 2019 (the "Agreement"), by and between Moulton Niguel Water District ("MNWD"), and MWH Constructors ("Consultant") (collectively, the "Parties"). Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

**RECITALS**

A. WHEREAS, on September 13, 2019, the Parties entered into the Agreement for on-call inspection support services through September 12, 2020 for a total not-to-exceed amount of \$300,000; and

B. WHEREAS, on January 16, 2020, the Parties executed Amendment No. 1 to the Agreement amending the Scope of Services and increasing the total not-to-exceed amount by \$450,000; and

C. WHEREAS, the Parties desire to amend the Agreement to increase the total not-to-exceed amount by an additional \$175,000 with the same Scope of Services and fees as in the Agreement, and extend the term through August 31, 2021.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, MNWD and Consultant agree as follows:

1. The term of the Agreement is hereby extended through August 31, 2021
2. All payments and services associated with this Amendment shall not exceed \$175,000.
3. The Parties agree that the total Agreement amount, including this Amendment, shall not exceed Nine Hundred Twenty-Five Thousand Dollars \$925,000.
4. All requisite insurance policies to be maintained by the Consultant pursuant to the Agreement will include coverage for this Amendment.
5. All other provisions of the Agreement will remain in full force and effect. In the event of any conflict or inconsistency between the Agreement and this Amendment, the terms of this Amendment shall control.
6. The individuals executing this Amendment and the instruments referenced in it on behalf of the Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions of this Amendment.

-Signatures on following page-

**#9.**

**MOULTON NIGUEL WATER DISTRICT:**

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**MWH CONSTRUCTORS:**

By: \_\_\_\_\_  
(Authorized Representative of  
Consultant)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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



# **moulton niguel** water district

## STAFF REPORT

**TO:** Board of Directors                      **MEETING DATE:** January 14, 2021

**FROM:** Todd Novacek, Director of Operations  
Ronin Goodall, Superintendent of Operations

**SUBJECT:** Mobile Bypass Pump Purchase

---

### SUMMARY:

Issue: Board action is required to authorize the purchase of a mobile bypass pump.

Recommendation: It is recommended that the Board of Directors approve the purchase of a mobile Xylem (Godwin) Dri-Prime HL200M Bypass Pump in the amount of \$203,000.

Fiscal Impact: Sufficient funds are included in the adopted Fiscal Year 2020-2021 Budget.

Reviewed by Committee: Yes, recommended for approval at Technical Committee Meeting on January 4, 2021.

Reviewed by Legal: Not applicable

### BACKGROUND:

The District regularly executes planned capital projects within various facilities throughout its service area, including the 3A Treatment Plant. With an increased number of projects within the Plant, as well as an increased number of projects within other District pump and lift stations, staff has identified the need to purchase an additional bypass pump.

### DISCUSSION:

The pump will be utilized to lower the operating levels of large tanks and basins for emergency repairs, inspections, and preventative maintenance. In the recent past, staff has utilized this type of pump to assist with the grit influent channel repair, diffuser replacements within the aeration basins, and to maintain a certain level within

# #10.

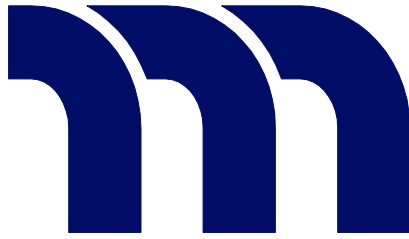
Mobile Bypass Pump Purchase

January 14, 2021

Page 2 of 2

the Advanced Water Treatment (AWT) Applied Wet Well to facilitate unforeseen downstream repairs. This new bypass pump would primarily be assigned to the Plant to support future projects and unanticipated operational interruptions. The proposed pump is consistent with the District's other existing mobile bypass pumps and can be used within the rest of the District's service area, when needed. This allows for compatibility with the suction and discharge piping and connections to ensure that all mobile bypass pumps are interchangeable and able to support the District's wastewater facilities. Xylem is the sole-source distributor for Godwin Pumps in Southern California, including parts, service, and repairs, and has an excellent reputation within the industry and track record for the District.

Staff is recommending the purchase of a mobile Xylem (Godwin) Dri-Prime HL200M Bypass Pump in the amount of \$203,000. This pricing is consistent with previous purchases and the mobile Bypass Pump will meet all District requirements.



# moulton niguel water district

## STAFF REPORT

**TO:** Board of Directors                      **MEETING DATE:** January 14, 2021

**FROM:** Rod Woods, Director of Engineering  
Mark Mountford, Principal Engineer

**SUBJECT:** Pretreatment and Source Control Program Ordinance

---

### SUMMARY:

Issue: Board action is required to adopt an amended Ordinance for the MNWD Waste Discharge Pretreatment and Source Control Program.

Recommendation: It is recommended that the Board of Directors repeal Ordinance 09-2 and adopt Ordinance 21-01 for The Waste Discharge Pretreatment and Source Control Program.

Fiscal Impact: The program is already administered by both SOCWA and MNWD staff, and the proposed revisions are not expected to result in any fiscal impact to MNWD or its customers.

Reviewed by Committee: Yes, recommended for approval at Technical Committee Meeting on January 4, 2021.

Reviewed by Legal: Yes

### BACKGROUND:

MNWD is required by state and federal laws and regulations to control the discharge of non-domestic sewage to its collection and treatment systems to prevent pollutants from upsetting the treatment systems or passing through to the environment. To comply with these requirements, MNWD has an established Waste Discharge Pretreatment and Source Control Program (Pretreatment Program). Ordinance No. 09-2 governs the Pretreatment Program for MNWD’s wastewater system. SOCWA, as the operator of the ocean outfalls, maintains its own Pretreatment Program and asks

# #11.

## Pretreatment and Source Control Program Ordinance Amendment

January 14, 2021

Page 2 of 2

agencies with systems tributary to the ocean outfalls to adopt a consistent Pretreatment Program and related ordinance. An interagency agreement between MNWD and SOCWA defines each agency's duties and responsibilities in implementing these ordinances.

The Pretreatment Ordinance primarily regulates industrial users and regulates wastewater use and discharges to the wastewater system. In compliance with applicable state and federal regulations, the Pretreatment Program establishes the quality and quantity limitations on all wastewater discharges and imposes pretreatment requirements on the degree of waste authorized to be discharged to MNWD sewage facilities. The Pretreatment Ordinance also: provides for the issuance of permits to impose additional case-by-case requirements as appropriate; establishes fees and other penalties for noncompliance and/or violations; and establishes specific facility inspection, monitoring, notification, and reporting requirements.

### **DISCUSSION:**

The Environmental Protection Agency has given authority to States to enforce the National Pollutant Discharge Elimination System (NPDES) requirements. As such, the Water Quality Control Board performs periodic audits to confirm compliance with federal standards. Amendments to these Pretreatment Programs are occasionally required from these audits to incorporate new state and federal pretreatment regulations, or to address changes in administrative procedures. A Pretreatment Compliance Audit (PCA) of the SOCWA Pretreatment Program was conducted in December 2018, with a report issued to SOCWA in November 2019. The PCA required SOCWA to add terms to its Pretreatment Ordinance regarding "Indirect Discharge" and amend terms regarding "National Pretreatment Standards" and "Slug Discharge". The PCA further required the Ordinance to reference the Enforcement Response Plan and modify language regarding Self-Monitoring and Reporting to be consistent with Federal regulations. SOCWA's proposed changes were reviewed and approved by Water Quality Control Board staff in June of this year, went through a public hearing process from August through September, and was adopted by the SOCWA Board on October 1, 2020.

In order to maintain consistency with the program, SOCWA requested its member agencies make parallel amendments to their ordinances. MNWD staff worked cooperatively with SOCWA staff to incorporate the required changes to MNWD's Pretreatment Ordinance. The changes being proposed are all non-substantive in nature. A summary of the proposed revisions to the Pretreatment Ordinance can be found in Exhibit A, and the proposed Ordinance can be found in Exhibit B.

### Attachments:

1. Exhibit A – Summary of Proposed Ordinance Revisions
2. Exhibit B – Full Proposed Pretreatment Ordinance (w/ redlines)

EXHIBIT A

SUMMARY OF REVISIONS TO  
MOULTON NIGUEL WATER DISTRICT  
WASTE DISCHARGE PRETREATMENT AND SOURCE CONTROL PROGRAM

- Page 1 Clarifying language for objective 11; required reference to Enforcement Response Plan
- Page 6 Adding definition - dry weather nuisance flow
- Page 7 Adding definition- indirect discharge  
Clarifying language for definition National Pretreatment Standards - calling out proper code of federal regulations (CFR)
- Page 8 Adding definition- non-stormwater discharge
- Page 9 Removed reference to Department of Health Services, as they no longer have governance over drinking water regulations.
- Page 10 Modified definition- slug discharge
- Page 12 Modified definition- stormwater
- Page 34 Required modification of language for self-monitoring and reporting, making consistent with Federal regulations, and fixed typographical error.
- Page 39 Required reference to Enforcement Response Plan (existing Resolution 09-30)





EXHIBIT B

**MOULTON NIGUEL WATER DISTRICT  
(MNWD)**

**WASTE DISCHARGE PRETREATMENT AND SOURCE CONTROL PROGRAM**

An Ordinance of Rules and  
Regulations for the Discharge of  
Wastewater to Sewerage Facilities of the  
Moulton Niguel Water District Service Area

Ordinance No. ~~09-2 21-~~

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THE BOARD OF DIRECTORS OF THE MOULTON NIGUEL WATER DISTRICT (MNWD)  
DOES ORDAIN AS FOLLOWS:

ARTICLE 1  
GENERAL PROVISIONS

101. INTRODUCTION

- A. The Moulton Niguel Water District (MNWD) was organized November 18, 1960 by authority of the California Water District Law (Section 34000 et. seq. of the Water Code of the State of California). The MNWD is governed by a seven member Board of Directors (Board) elected from the qualified voters in the service area. The MNWD provides water distribution and wastewater collection and treatment services to residential and commercial establishments in portions of Laguna Niguel, Aliso Viejo, Laguna Hills, Mission Viejo and Dana Point. Wastewater is treated at the MNWD's 3A Wastewater Reclamation Plant or at the South Orange County Wastewater Authority's (SOCWA) Joint Regional Plant or Jay B. Latham Treatment Plant. Treated wastewater not otherwise recycled or used is discharged to the ocean via the SOCWA ocean outfalls.
- B. SOCWA is governed by a Board of Directors with each director representing a member agency (MA). The MAs join together in various project committees to construct and operate joint sewerage facilities. The SOCWA ocean outfalls are key facilities of the SOCWA system. Treated wastewater is discharged to the outfalls from the SOCWA and the MNWD's wastewater treatment plants.
- C. SOCWA is the lead agency responsible for the implementation of the provisions contained in this ordinance. The MNWD, a MA of SOCWA, may opt to administer and enforce these provisions under SOCWA's oversight, or may contract with SOCWA to have these services provided directly to the MNWD. An interagency agreement has been adopted between the MNWD and SOCWA that defines each agency's duties and responsibilities. These interagency agreements are on file at the MNWD and SOCWA offices.

102. OBJECTIVES

- A. The objectives of this ordinance are to:
  - 1. Ensure compliance with various regulatory agencies and the National Pollutant Discharge Elimination System (NPDES) Requirements.
  - 2. Prevent the introduction of pollutants that may cause interference of sewerage facility operations.
  - 3. State the goals, objectives and procedures for complying with federal pretreatment standards.
  - 4. Prevent biosolids contamination.
  - 5. Promote the opportunity to recycle and reclaim wastewaters or biosolids from sewerage facilities.
  - 6. Encourage waste minimization and material substitution by users.
  - 7. Protect sewerage facility employees and the general public who may be affected by wastewater, biosolids and chemical hazards.
  - 8. Encourage the reuse, recycling and reduction of water, wastewater or solids that are discharged to sewerage facilities.
  - 9. Minimize the discharge of volatile organic compounds that could individually or collectively contribute to a decrease in the quality of air emission sewerage facilities.
  - 10. Establish an effective monitoring program for the control of user discharges to sewerage facilities.
  - 11. Establish an enforcement response plan (ERP) to help ensure consistent application of the provisions of this Ordinance.
  - 12. Equitably distribute costs.

# #11.

## 102. OBJECTIVES (cont)

13. Prevent the introduction of pollutants into sewerage facilities that may pass through a sewerage facility inadequately treated, into the receiving waters, or otherwise be incompatible with sewerage facilities.
14. Incorporates the necessary laws and regulations in order to implement and enforce federal, State of California (State), MNWD and SOCWA standards.
15. Seek to identify users that discharge or have the potential to discharge toxic pollutants, non-compatible or excessive amounts of compatible wastes to sewerage facilities.

## 103. PURPOSE

A. The purpose of this ordinance is to:

1. Provide for the maximum public benefit from the use of MNWD and/or SOCWA sewerage facilities. This is accomplished by regulating the use of sewerage facilities and wastewater discharges by providing equitable distribution of costs in compliance with applicable federal and State regulations and by providing procedures that will allow MNWD and/or SOCWA to comply with requirements placed upon them by other regulatory agencies. Any revenues derived from the application of this ordinance may be used to recover the cost of providing services by MNWD and/or SOCWA, which includes but are not limited to administration, monitoring, and enforcement.
2. Comply with federal and State regulations which allow MNWD and/or SOCWA to meet applicable standards for the final effluent and ocean outfall quality. This ordinance establishes quality and quantity limitations on all wastewater discharges whether or not the discharges adversely affect MNWD's and/or SOCWA's sewerage facilities, processes, ocean outfall effluent quality, or inhibit MNWD's and/or SOCWA's ability to meet its specific discharge limitations. It is the intent of this ordinance to improve the quality of wastewater being received for treatment and to encourage water conservation by all users connected to a sewerage facility. It is MNWD's and/or SOCWA's intent to discourage the increase in quantity (mass emission) of waste constituents being discharged. This ordinance also imposes pretreatment requirements on the degree of waste authorized to be discharged to MNWD's and/or SOCWA's sewerage facilities; provides for the issuance of wastewater discharge permits or other controlling mechanism to impose additional case-by-case requirements, as appropriate, and establishes fees and other penalties for noncompliance and/or violation of this ordinance.

## 104. POLICY

A. The policy of this ordinance is to be:

1. Interpreted in accordance with the definitions set forth in Article 2. The provisions of this ordinance shall apply to the discharge of all wastes carried to MNWD's and/or SOCWA's sewerage facilities, and have been liberally construed so as to effectuate the environmental purposes, objectives, and other provisions set forth herein.
2. Committed to wastewater reclamation and reuse in order to provide an alternate source of water supply. The adoption of programs for reclamation through secondary and tertiary wastewater treatment processes may necessitate more stringent quality requirements on wastewater discharges. In the event that more stringent quality requirements are necessary, this ordinance may be amended to reflect those changes.
3. Committed to the beneficial use of biosolids. The implementation of programs to land apply or provide for the marketing and distribution of biosolids may necessitate more stringent quality requirements on wastewater discharges. In the event that more stringent quality requirements are necessary, this ordinance may be amended to reflect these changes.
4. Committed to compliance with all applicable federal and State laws including the Clean Water Act in 33 United States Code 1251 et seq. and the general pretreatment regulations described in 40 CFR 403.

## 105. APPLICABILITY

This ordinance may apply to users within the MNWD service area and to users outside the MNWD service area who, by wastewater discharge permit or other controlling mechanism, make use of MNWD and/or SOCWA sewerage facilities.

**106. AVAILABILITY OF SEWERAGE FACILITIES**

If capacity in the sewerage facility as a whole is not available, MNWD and/or SOCWA may restrict discharge of existing users until sufficient capacity can be made available. MNWD and/or SOCWA may refuse immediate service to new users where their proposed quality or quantity of wastewater is unacceptable to the available sewerage facilities.

**107. NOTICE TO EMPLOYEES**

- A. The MNWD and/or SOCWA may provide one (1) copy of this ordinance to each user that has received a wastewater discharge permit, upon request.
- B. Users who are issued a wastewater discharge permit may make available to their employees copies of this ordinance.
- C. Users who are issued a wastewater discharge permit may make copies of it so as to make it available to all personnel at all times.
- D. A notice may be permanently posted in prominent places advising employees to call MNWD and/or SOCWA in the event of an uncontrolled spill or discharge as soon as possible and to submit a report as indicated in section 803 or 804 of this ordinance. The notice shall provide for necessary instruction and information, including but not limited to:
  - 1. MNWD phone numbers.
  - 2. SOCWA phone numbers.
  - 3. Recording the time of the incident.
  - 4. Name and location of user.
  - 5. Type, concentration and volume of the discharge.
  - 6. Corrective action taken.
  - 7. Name of person reporting the incident.

## ARTICLE 2 DEFINITIONS AND ABBREVIATIONS

### 201. DEFINITIONS CONTAINED IN PUBLICATION

- A. Unless otherwise defined herein, terms related to water quality shall be defined in the same manner as in the latest edition of Standard Methods for the Examination of Water and Wastewater, published jointly by the American Public Health Association (APHA), The American Water Works Association (AWWA), and the Water Environment Federation (WEF).
- B. The testing procedure for waste constituents and characteristics shall be as described in 40 CFR 136 as specified.

### 202. DEFINITION OF TERMS

- A. Words used in this ordinance in the singular may include the plural and the plural may include the singular. Use of masculine shall mean feminine and the use of feminine shall mean masculine.
- B. The definitions in this ordinance are not intended to narrow the scope of definitions set forth in federal or State regulations. Unless the context specifically indicates otherwise the following terms, or pronouns used in their place, shall be interpreted as follows:
  - 1. Act or "the Act". The Federal Water Pollution Control Act also known as the Clean Water Act (CWA) as well as any amendments, guidelines, limitation or standards promulgated by the EPA pursuant to the Act, (33 USC 1251 et seq).
  - 2. Approval Authority. Refers to the US Environmental Protection Agency (EPA), the California State Water Resources Control Board (SWRCB), or the local California Regional Water Quality Control Board (RWQCB).
  - 3. Baseline Monitoring Report (BMR). A required report for all industrial users subject to a categorical pretreatment standard. A BMR provides information that documents an industrial user's compliance status with all applicable pretreatment standards.
  - 4. Batch Dump. The discharge of pollutants or compatible wastes in a manner or method that is not approved or is prohibited by the MNWD.
  - 5. Best Available Technology (BAT). A level of technology that is based on the very best (state of the art) control and treatment measures that have been developed or are capable of being developed for a particular industrial category.
  - 6. Best Management Practices (BMPs). A set of schedules of activities, prohibitions of practices, maintenance procedures, operating procedures and other management practices used to control a user or a group of similar users' discharge to sewerage facilities. BMPs may include, but are not limited to treatment requirements, operating procedures, and practices to control plant site runoff, spillage of leaks, sludge or waste disposal, or drainage from raw materials storage.
  - 7. Best Practicable Technology (BPT). A level of technology represented by the average of the best existing wastewater treatment performance levels within an industrial category.
  - 8. Biochemical Oxygen Demand (BOD). The quantity of oxygen, utilized in the biochemical oxidation of organic matter in wastewater using appropriate testing procedure and expressed as a concentration (e.g.,mg/L).
  - 9. Biodegradable. A material that can be decomposed by a biological process.
  - 10. Biohazardous Waste. A material that is likely to transmit etiologic agents that cause, or significantly contribute to the cause of, increased morbidity or mortality of human beings as set forth by the State Medical Waste Management Act.
  - 11. Board. The Board of Directors of the Moulton Niguel Water District (MNWD).



**202. DEFINITION OF TERMS (cont)**

12. Building Sewer. The entire length of private sewage service lateral extending from the building or structure that is connected to a sewerage facility.
13. By-Pass. Any intentional diversion of waste streams around any portion of a user's pretreatment equipment.
14. Categorical Industrial User (CIU). A user subject to a federal categorical pretreatment standard or categorical standard.
15. Chain of Custody. A document used to ensure the integrity of a sample, which includes a record of each person involved in the possession of a sample, securing the sample, and final disposal of the sample.
16. Chemical Oxygen Demand (COD). The quantity of oxygen required to oxidize all compounds, both organic and inorganic, in wastewater using the appropriate testing procedures and expressed as a concentration (e.g., mg/L).
17. Class I User. Any user determined by the MNWD that meets the criteria of significant industrial user (SIU) as described in 40 CFR 403.
18. Class II User. Any user determined by the MNWD that is not a SIU and may discharge pollutants or non-compatible wastes which may impact sewerage facilities.
19. Class III User. Any user determined by the MNWD that is not a SIU and may discharge conventional pollutants or compatible wastes which may impact sewerage facilities.
20. Class IV User. Any user determined by SOCWA that may discharge or is proposing to discharge special wastewater that may contain toxic or conventional pollutants, or non-compatible or compatible wastes which may impact sewerage facilities.
21. Code of Federal Regulations (CFR). The code of the Federal Government of the United States of America, which contains all of the federal regulations including environmental regulations.
22. Company Authorized Representative (CAR). An individual designated by the user, who is responsible for signing all submittals to SOCWA and/or MA and who meets the criteria as described in 40 CFR 403.
23. Compatible Waste. Waste that does not contain toxic pollutants or non-compatible waste. This may include a combination of, but not limited to, conventional pollutants or other wastes that sewerage facilities are designed to accept and/or remove. Compatible wastes are non-compatible when discharged in quantities that have an adverse effect on sewerage facilities or NPDES Permit, or when discharged in qualities or quantities violating any National Pretreatment Standard or other discharge requirement or as determined by the MNWD and/or SOCWA.
24. Composite Sample. A collection of individual samples obtained at intervals based on an increment of either flow or time. The resulting mixture, a composite sample, forms a representative sample of the wastestream discharged during the sample period.
25. Control Authority (CA). The Moulton Niguel Water District (MNWD) and/or South Orange County Wastewater Authority (SOCWA).
26. Conventional Pollutants. Those pollutants which are designated pursuant to section 304(a)(4) of the Act which include, biochemical oxygen demand (BOD), total suspended solids (TSS), fecal coliform, pH, and oil and grease.
27. Daily Maximum. The arithmetic average of all effluent samples for a pollutant collected during a calendar day.

# #11.

## 202. DEFINITION OF TERMS (cont)

28. Daily Maximum Limit. The maximum allowable discharge limit of a pollutant during a calendar day. Where Daily Maximum Limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where Daily Maximum Limits are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the pollutant concentration derived from all measurements taken that day.
29. Discharger. Any entity which discharges or causes a discharge of wastewater that is directly or indirectly discharged to sewerage facilities. May be interchangeable with indirect discharger, industrial user, permittee, person or user.
30. Discharge Requirements. The requirements of federal, State or local public agencies having jurisdiction over the effluent discharged into sewerage facilities or the environment.
31. Dry Weather Nuisance Flow (nuisance flow) – Any water or other discharge which finds its way to storm drains from urban areas, composed primarily of runoff from lawn or landscape watering, washing of vehicles, hosing down of paved areas, storm drain infiltration, natural groundwater from sub-drain systems and a variety of other sources associated with urban activity. This nuisance flow may be high in bacteriological contamination, oil and grease, and may have high organic and inorganic mineral content. Nuisance flow does not include stormwater, as defined, unless stormwater is captured, treated, controlled (thereby becoming a non-stormwater, nuisance flow) and discharged to the sewer during dry weather. Nuisance flows may come in contact with people or the environment in undesirable ways. Nuisance flow is a component of urban runoff.
32. Disposal. A controlled release to sewerage facilities or to the environment.
33. Effluent. Usually water or wastewater discharged partially or completely treated or untreated from an industrial user or treatment plant, or part thereof.
34. Enforcement. A series of progressively more stringent actions used to seek compliance with federal, State or local laws, regulations, limitations and this ordinance, **guided by the Enforcement Response Plan, adopted as Resolution 09-30.** Any enforcement may include monetary fees, fines or penalties.
35. Environmental Protection Agency (EPA). The U.S. Environmental Protection Agency or, where appropriate, the Regional Water Management Division Director, the Regional Administrator, or other duly authorized official of said agency.
36. Existing Source. Any source of discharge that is not a “New Source.”
37. Fee. Any amount assessed to a discharger for the use of any portion of a sewerage facility which shall include, but not be limited to, connection fees, monthly sewer service, industrial wastewater discharge permit, excess capacity fee, industrial wastewater treatment, laboratory testing, industrial inspection, and monitoring fees.
38. Flow Monitoring Equipment. Equipment and/or structures provided at the user's sole expense to measure, totalize, record and/or sample incoming water to the user's site or the wastewater discharged to sewerage facilities.
39. General Manager. The individual duly designated by the Board of the MNWD to administer this ordinance.
39. Grab Sample. A sample collected from a wastestream without regard to the flow in the wastestream and over a period of time not to exceed fifteen (15) minutes.
40. Grease. Includes, but is not limited to fats, oils and grease (FOG), waxes and other non-volatile materials as determined by the appropriate testing procedures.
41. Groundwater. Water that is beneath the surface of the earth.
42. Hazardous Waste. Any waste that is potentially damaging to the environment or a person's health due to toxicity, ignitability, corrosivity, chemical reactivity or other reasons.

202. **DEFINITION OF TERMS (cont)**

44. Indirect Discharge or Discharge. [The introduction of Pollutants into a POTW from any non-domestic source regulated under section 307\(b\), \(c\), or \(d\) of the Act.](#)
43. Industrial User. Any site that discharges industrial wastewater to sewerage facilities. May be interchangeable with discharger, indirect discharger, permittee, person or user.
44. Industrial Wastewater. All liquid-carried wastes or wastewater of the community, excluding domestic wastewater, and may include all wastewater from any producing, manufacturing, processing, agricultural, or other operation or location.
45. Inspector. A person authorized by the General Manager to inspect and/or monitor any industrial user's discharge or anticipated discharge to any sewerage facility.
46. Interference. A discharge that, alone or in conjunction with a discharge or discharges from other sources, inhibits or disrupts any sewerage facilities, any treatment processes or operations, or any sludge processes, use or disposal and therefore, is a cause of violation of MNWD's or SOCWA's NPDES permits (including an increase in the magnitude or duration of a violation) or prevents lawful biosolids or treated effluent use or disposal.
47. Interjurisdictional Agreements (Also referred to as Interagency Agreements). An agreement between SOCWA and any individual or combination of MA's, or other local sewerage agency that defines the authority and responsibility to implement the pretreatment and source control program and to enforce the regulations contained in this ordinance within the individual and/or combination of MA's, or any other local sewerage agency's service area.
48. Local Limits. A set of specific discharge limits developed and enforced by the MNWD and/or SOCWA upon user sites in order to implement the general and specific discharge prohibitions as described in 40 CFR 403.
49. Local Sewering Agency. Any public agency or private company responsible for the collection, treatment or disposal of wastewater to sewerage facilities that are duly authorized under the laws of the State to construct and/or maintain sewerage facilities.
50. Lower Explosive Limit (LEL). The point where an explosive gas in an area of atmosphere that is at a sufficient concentration as to result in an explosion if a sufficient ignition source is present.
51. Mass Emission Rate. The weight of material discharged to sewerage facilities during a given time interval. Unless otherwise specified, the mass emission rate shall mean pounds per day of a particular constituent or combinations of constituents.
52. May. Permissive or discretionary.
53. Member Agency (MA). Any one, combination, or all of the individual cities or districts which are members of They are: City of Laguna Beach (CLB), City of San Clemente (CSC), City of San Juan Capistrano (CSJC), El Toro Water District (ETWD), Emerald Bay Service District (EBSD), Irvine Ranch Water District (IRWD), Moulton Niguel Water District (MNWD), Santa Margarita Water District (SMWD), South Coast Water District (SCWD) and the Trabuco Canyon Water District (TCWD).
54. Monthly Average. The sum of all "daily discharges" measured during a calendar month divided by the number of "daily discharges" measured during the month.
55. National Pollutant Discharge Elimination System (NPDES) Permit. The document issued for the control of discharges to surface waters of the United States as detailed in Section 402 of the Act.
56. National Pretreatment Standards. Includes the following terms [established pursuant to 40 CFR 403.5 and 40 CFR 403.6](#):: "Prohibited Discharges", "General Prohibitions", "Specific Prohibitions", "Local Limits", "Categorical Standards", "Categorical Pretreatment Standards", "Pretreatment Standards" and "Standards". These terms apply to any pollutant discharge regulations that are promulgated by the EPA in accordance with Section 307 (b) and (c) of the Act that limits and or prohibits the wastewater discharged by industrial users into a sewerage facility.
57. New Source. Those sources that are new as defined by 40 CFR 403.

# #11.

## 202. DEFINITION OF TERMS (cont)

58. Non-Compatible Waste. Waste that contains toxic or non-compatible pollutants that may pass-through or cause interference if discharged to sewerage facilities.
59. Non-industrial Wastewater Discharge (NIWD) Form. A form issued to users that are considered to have wastewater of no concern discharging to sewerage facilities. This form may contain BMP's.
62. Non-Stormwater Discharge – Discharges that do not immediately originate from precipitation events unless precipitation is captured and discharged after a rain event. Including but not limited to, discharges of process water, air conditioner condensate, non-contact cooling water, vehicle wash water, sanitary wastes, concrete washout water, paint wash water, irrigation water, or pipe testing water.
60. Normal Working Day. Any period of time during which production or operation is taking place or any period which discharge to sewerage facilities is occurring.
61. North American Industry Classification System (NAICS). An industry classification system that groups establishments into industries based on the activities which they are primarily engaged.
62. Nuisance. Anything which may be injurious to health or is indecent or offensive to the senses or an obstruction to the free use of property so as to interfere with the comfort or enjoyment of life or property or which affects at the same time an entire community or neighborhood or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.
63. Ordinance. The document entitled "An Ordinance of Regulations for the Discharge of Wastewater to Sewerage Facilities of the Moulton Niguel Water District Service Area" containing MNWD's requirements, conditions and limitations for discharging to sewerage facilities, as may be amended and modified.
64. Pass Through. A discharge from a user which exits sewerage facilities into waters of the United States in quantities or concentrations which, alone or in conjunction with any discharge from other sources, is a cause of a violation of any requirement of SOCWA's NPDES permit, including an increase in the magnitude or duration of a violation.
65. Permittee. A discharger who has received a permit to discharge wastewater into MNWD's and/or SOCWA's sewerage facilities subject to the requirements and conditions established by MNWD's and/or SOCWA's. May be interchangeable with discharger, indirect discharger, industrial user, person or user.
66. Person. Any individual, partnership, copartnership, firm, company, corporation, association, joint stock company, trust, estate, tenant, lessee, renter, governmental entity, or any other legal entity; or their legal representatives, agents or assigns. This definition includes all federal, State and local government entities and may be interchangeable with discharger, indirect discharger, industrial user, permittee or user.
67. Pesticides. Those compounds classified as such under Federal or State law or regulations including, but not limited to, DDT (dichlorodiphenyltrichloroethane, both isomers), DDE (dichlorodiphenylethylene), DDD (dichlorodiphenyldichloroethane), Aldrin, Benzene Hexachloride (alpha, beta and gamma isomers), Chlordane, Endrin, Endrin aldehyde, TCDD (2,3,7,8-tetrachlorodibenzo-p-dioxin), Toxaphene, Alpha-endosulfan, Beta-endosulfan, Endosulfan sulfate, Heptachlor, Heptachlor Epoxide, Dieldrin, Demeton, Guthion, Malathion, Methoxychlor, Merex and Parathion.
68. pH. A measure of the acidity or alkalinity of a solution, expressed in standard units.
69. Pollutant. Any substance, constituent, compound or characteristic of wastewaters on which a discharge limitation may be imposed either by the MNWD, SOCWA, or the regulatory agencies empowered to regulate the MNWD and SOCWA.
70. Polychlorinated Biphenyls (PCBs). Those compounds classified as such under Federal and State law including, but not limited to Aroclors 1016, 1221, 1228,1232, 1242, 1248, 1254, 1260 and 1262.

**202. DEFINITION OF TERMS (cont)**

71. Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to, or in lieu of, introducing such pollutants into sewerage facilities. This reduction, elimination or alteration of pollutants can be obtained by physical, chemical, or biological process, by process changes or by other means except as described by 40 CFR 403.
72. Pretreatment Equipment. Any equipment, structures or devices used for the treatment or flow limitation of industrial wastewater prior to discharge to sewerage facilities.
73. Pretreatment Requirements. Any substantive or procedural requirement related to pretreatment imposed on a user other than a national pretreatment standard.
74. Prohibited Discharges. Any prohibitions against the discharge of certain substances. These prohibitions appear in Article 5.
75. Public Agency. The State and any city, county, district, agency, other local authority or public body of or within this State.
76. Rainwater. Water resulting from precipitation which directly falls upon any surface.
77. Regulatory Agencies. Those Agencies having jurisdiction over the operation of the MNWD and/or SOCWA, including, but not limited to, the following:
- a. Department of Health Services (DOHS).
    - a. California Environmental Protection Agency (Cal-EPA)
    - b. State Water Resources Control Board (SWRCB).
    - c. Regional Water Quality Control Board (RWQCB).
    - d. South Coast Air Quality Management District (SCAQMD).
    - e. United States Environmental Protection Agency
78. Representative Sample Point. A location set forth in the user's wastewater discharge permit or other control mechanism from which wastewater can be collected that is as nearly identical in content and consistency as possible to that of the entire flow of wastewater being sampled. For categorical dischargers, this point shall be at the end of each regulated process, and for all other dischargers shall be determined on a case-by-case basis.
79. Resource Conservation and Recovery Act (RCRA). The RCRA Act of 1976 (42 U.S.C. 6901, et seq.) to implement the conservation and recovery of used or spent resources and as amended.
80. Routine Sampling. Any sampling conducted by the MNWD or SOCWA to verify compliance of a user's discharge to sewerage facilities. Sampling may consist of either grab or composite samples or a combination of both.
81. Sampling Equipment. Equipment or structure provided at the user's sole expense for MNWD, SOCWA or the user to measure and record wastewater constituents, collection of samples or provide access to plug or terminate the discharge.
82. Scum. Any layer of matter or combination of air and matter that forms on or rises to the surface of a liquid or body of water.
83. Sewage. Wastewater.

# #11.

## 202. DEFINITION OF TERMS (cont)

84. Sewerage Facilities. Any and all systems used for collecting, conveying, pumping, reclamation, recycling, reuse, storage, transportation, treatment or disposal of sewage, industrial waste of a liquid nature, wastewater, sludge or biosolids that is owned and operated by the MNWD, SOCWA, or other public agency which is tributary to systems operated by the MNWD or SOCWA. This definition includes, but is not limited to, publicly owned treatment works (POTW's) as defined by Section 212 of the Act (33 U.S.C. Section 1292), public sewers, trunk lines, sewer mains, wet wells, treatments plants and ocean outfalls which are owned by the MNWD or SOCWA.
85. Shall. Mandatory.
86. Significant Industrial User (SIU). A user as defined by 40 CFR 403.(f)(2)(viii), except as provided in paragraphs c and d of this definition, which includes the following:
- a. An industrial user subject to categorical pretreatment standards; or
  - b. An industrial user that: discharges an average of twenty-five thousand (25,000) gallons per day or more of process wastewater to MNWD or SOCWA (excluding sanitary, noncontact cooling and boiler blowdown wastewater); contributes a process wastestream which makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of MNWD's or SOCWA's sewerage facilities; or is designated as such by the MNWD or SOCWA on the basis that the industrial user has a reasonable potential for adversely affecting the MNWD's or SOCWA's operation or for violating any pretreatment standard or requirement.
  - c. The MNWD or SOCWA may determine that an industrial user subject to categorical pretreatment standards is a Non-Significant Categorical Industrial User (NSCIU) rather than a Significant Industrial User on a finding that the industrial user never discharges more than 100 gallons per day (gpd) of total categorical wastewater (excluding sanitary, noncontact cooling and boiler blowdown wastewater, unless specifically included in the Pretreatment Standard) and the following conditions are met:
    - i. The industrial user, prior to MNWD's or SOCWA's finding, has consistently complied with all applicable categorical pretreatment standards and requirements;
    - ii. The industrial user annually submits the certification statement required in 40 CFR 403.12(q) together with any additional information necessary to support the certification statement; and
    - iii. The industrial user never discharges any untreated concentrated wastewater.
  - d. Upon a finding that an industrial user meeting the criteria in paragraph b above of this definition has no reasonable potential for adversely affecting MNWD's or SOCWA's operation or for violating any pretreatment standard or requirement, MNWD or SOCWA may at any time, on its own initiative or in response to a petition received from a industrial user, and in accordance with 40 CFR 403.8(f)(6), determine that such industrial user should not be considered a significant industrial user.

**202. DEFINITION OF TERMS (cont)**

87. Significant Non-Compliance. A violation by a SIU (or any IU which violates paragraphs c, d, or h of this definition) as described in 40 CFR 403.8(f)(2)(viii)(A-H) which meets one or more of the following criteria:
- a. Chronic violations of wastewater discharge limits, defined here as those in which sixty-six percent (66%) or more of all of the measurements taken for the same pollutant parameter during a six (6) month period exceed (by any magnitude) a numeric pretreatment standard or requirement, including instantaneous limits, as described in 40 CFR 403.3(l);
  - b. Technical Review Criteria (TRC) violations, defined here as those in which thirty-three percent (33%) or more of all of the measurements taken for the same pollutant parameter during a six (6) month period equal or exceed the product of the numeric pretreatment standards or requirement including instantaneous limits, as described in 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);
  - c. Any other violation of a pretreatment standard or requirement as defined in 40 CFR 403.3(l) (daily maximum, long-term average, instantaneous limit, or narrative standard) that MNWD or SOCWA determines has caused, alone or in combination with other discharges, interference or pass through, including endangering the health of MNWD or SOCWA personnel or the general public;
  - d. Any discharge of pollutant that has caused imminent endangerment to human health, welfare or to the environment, or has resulted in MNWD's or SOCWA's exercise of its emergency authority under 40 CFR 403.8(f)(1)(vi)(B) to halt or prevent such a discharge;
  - e. Failure to meet, within ninety (90) days after the scheduled date, a compliance schedule milestone contained in a wastewater discharge permit, other control mechanism or enforcement order for starting construction, completing construction, or attaining final compliance;
  - f. Failure to provide within forty-five (45) days after the due date, required reports including, but not limited to, baseline monitoring reports, 90-day compliance reports, periodic self-monitoring reports, and reports on compliance with compliance schedules;
  - g. Failure to accurately report noncompliance;
  - h. Any other violation or group of violations, which may include a violation of Best Management Practices, which MNWD or SOCWA determines will adversely affect the operation or implementation of the local pretreatment program.
88. Sludge. Any solid, semi-solid or liquid decant, supernate, or supernate from an industrial manufacturing process, utility service or pretreatment equipment.
89. Slug Discharge. Any discharge of a non-routine, episodic nature, that may exceed the standards and prohibitions contained in Article 5 of this ordinance and significantly exceeds the usual industrial user flow or pollutant loading, either mass or concentration including but not limited to an accidental spill or a non-customary batch discharge, which has a reasonable potential to cause interference or pass through, or in any other way violate the regulations, local limits or permit conditions associated with sewerage facilities.
90. Solvent. Any substance that is used to dissolve another substance in it.
91. South Orange County Wastewater Authority. The Joint Powers Agency (JPA) which is formed by the participating MAs. The MAs individually and/or collectively use SOCWA's sewerage facilities. SOCWA is the holder of the NPDES permits, which states the pretreatment and waste discharge requirements for the sewerage facilities.
92. Spent Solutions. Any concentrated industrial wastewater.
93. Spill Containment. Any protection equipment provided and installed at the user's sole expense to prohibit the discharge of non-compatible wastes to sewerage facilities.

# #11.

## 202. DEFINITION OF TERMS (cont)

94. Standard Methods. Procedures described in the current edition of Standard Methods for the Examination of Water and Wastewater, as published jointly by the American Public Health Association, the American Water Works Association and the Water Environment Federation.
95. Stormwater. Any flow occurring during or following any form of natural precipitation, ~~including snowmelt~~, which runs off, or travels over the ground surface to a drainage area or channel ~~or: drains uncontrolled to a municipal storm drain system for disposal in a river, stream, lake or creek and ultimately to the Pacific Ocean.~~
96. Street Drainage. Water resulting from surface runoff generated by rainwater, stormwater or other sources.
97. Subsurface Drainage. A method of draining that is situated under the ground (e.g., leachate control system).
98. Surface Runoff. Runoff other than that which is caused by rainfall, stormwater, or street drainage (e.g., car wash runoff, washdown runoff) originating from a user.
99. Total Organic Carbon (TOC). The measure of total organic carbon in domestic or other wastewater as determined by the appropriate testing procedure.
100. Total Suspended Solids. Any insoluble material contained as a component of wastewater and capable of separation from the liquid portion by laboratory filtration as determined by the appropriate testing procedures and expressed in terms of milligrams per liter (mg/L).
101. Toxic Pollutant. Any pollutant or combination of pollutants listed as toxic by the EPA under the provisions of CWA Section 307(a) of the Act or other acts or that can harm human health, aquatic life or the biological treatment processes.
102. Unpolluted Water. Water to which no constituent has been added either intentionally or accidentally.
103. Upset. Any upset that meets the criteria as described in 40 CFR 403.
104. User. Any person or entity which discharges or causes a discharge of wastewater to a sewerage facility, as defined by EPA regulations. May be interchangeable with discharger, indirect discharger, industrial user, permittee or person.
105. Volatile. Natural (plant or animal origin) or synthetic substances that is capable of being evaporated or changed to vapor at relatively low temperatures.
106. Waste. Sewage and any other waste substances, liquid, solid, gaseous or radioactive.
107. Waste Manifest. A receipt which is retained by the generator of hazardous wastes as required by the State or the United States Government pursuant to RCRA or the California Hazardous Materials Act or that receipt which is retained by the generator for recyclable wastes or liquid non-hazardous wastes as required by the MNWD.
108. Wastewater. Liquid and water-carried industrial wastes and sewage from residential dwellings, commercial buildings, industrial and manufacturing, and institutions, weather treated or untreated, which are discharged into permitted to enter sewerage facilities.
109. Wastewater Constituents and Characteristics. The individual chemical, physical, bacteriological, radiological, volume, flow rate and such other parameters that serve to define, classify or measure the quality and quantity of wastewater.
110. Wastewater Discharge (WD) Permit. The form of authorization from the MNWD and SOCWA issued to an industrial user for the discharge of wastewater. This wastewater discharge permit sets forth the limits and conditions under which the industrial user shall be able to discharge wastewater into sewerage facilities.



**203. ABBREVIATION**

A. The following abbreviations shall have the designated meanings:

1.	<u>"BAT"</u>	Best Available Technology
2.	<u>"BMP"</u>	Best Management Practice
3.	<u>"BMR"</u>	Baseline Monitoring Report
4.	<u>"BOD"</u>	Biochemical Oxygen Demand
5.	<u>"BPT"</u>	Best Practicable Technology
6.	<u>"CA"</u>	Control Authority
7.	<u>"CAR"</u>	Company Authorized Representative
8.	<u>"CFR"</u>	Code of Federal Regulation
9.	<u>"CIU"</u>	Categorical Industrial User
10.	<u>"COD"</u>	Chemical Oxygen Demand
11.	<u>"CWF"</u>	Combined Wastestream Formula
12.	<u>"DO"</u>	Dissolved Oxygen
13.	<u>"EPA"</u>	Environmental Protection Agency
14.	<u>"ERP"</u>	Enforcement Response Plan
15.	<u>"FOG"</u>	Fats, Oils and Grease
16.	<u>"FROG"</u>	Fats, Roots, Oils and Grease
17.	<u>"gpd"</u>	Gallons per Day
18.	<u>"gpm"</u>	Gallons per Minute
19.	<u>"IU"</u>	Industrial User
20.	<u>"lb/day"</u>	Pounds Per Day
21.	<u>"JPA"</u>	Joint Powers Authority
22.	<u>"LEL"</u>	Lower Explosive Limit
23.	<u>"MA"</u>	Member Agency
24.	<u>"MGD"</u>	Million Gallons per Day
25.	<u>"MNWD"</u>	Moulton Niguel Water District
26.	<u>"MSDS"</u>	Material Safety Data Sheet
27.	<u>"NAICS"</u>	North America Industry Classification System
28.	<u>"NPDES"</u>	National Pollutant Discharge Elimination System
29.	<u>"NSCIU"</u>	Non-Significant Categorical Industrial User
30.	<u>"O&amp;G"</u>	Oil and Grease
31.	<u>"PCBs"</u>	Polychlorinated Biphenyls
32.	<u>"POTW"</u>	Publicly Owned Treatment Works
33.	<u>"PSES"</u>	Pretreatment Standards for Existing Sources
34.	<u>"PSNS"</u>	Pretreatment Standards for New Sources
35.	<u>"RCRA"</u>	Resource Conservation and Recovery Act
36.	<u>"RWQCB"</u>	Regional Water Quality Control Board
37.	<u>"SOCWA"</u>	South Orange County Wastewater Authority
38.	<u>"SIU"</u>	Significant Industrial User
39.	<u>"SNC"</u>	Significant Non-Compliance
40.	<u>"SWRCB"</u>	State Water Resources Control Board
41.	<u>"TDS"</u>	Total Dissolved Solids
42.	<u>"TOC"</u>	Total Organic Carbon
43.	<u>"TOMP"</u>	Toxic Organic Management Plan
44.	<u>"TRC"</u>	Technical Review Criteria
45.	<u>"TSS"</u>	Total Suspended Solids
46.	<u>"TTO"</u>	Total Toxic Organics
47.	<u>"U.S.C"</u>	United States Code
48.	<u>"mg/L"</u>	Milligrams per Liter (0.001)
49.	<u>"ug/L"</u>	Micrograms per Liter (0.000001)
50.	<u>"ng/L"</u>	Nanograms per Liter (0.000000001)
51.	<u>"pg/L"</u>	Picograms per Liter (0.000000000001)

**ARTICLE 3  
AUTHORITIES AND POWERS**

**301. AUTHORITY**

- A. The MNWD is regulated by agencies of the United States Federal Government and the State under provisions of federal and State Law. Federal law requires the MNWD and SOCWA, and the state grants the MNWD the authority to regulate and/or prohibit by adoption of ordinances, resolutions, and issuance of wastewater discharge permits or other control mechanisms, the discharge of any waste, directly or indirectly, to the MNWD's sewerage facilities. That authority includes, but is not limited to, the right to establish local limits, conditions, prohibitions, flow rates, prohibit flows discharged to the MNWD's sewerage facilities, and enforce federal, State and local requirements. This may require the implementation of compliance schedules for the installation of flow monitoring equipment by users and for the MNWD to take all actions necessary to enforce its authority, whether within or outside MNWD's service area, including those users that are tributary to the MNWD or within areas for which the MNWD has contracted to provide sewerage facility services.
- B. The MNWD has the authority under California Water Code Sections 35501, 35506 and 35508, and/or California Health and Safety Codes 5471 and 5474 to prescribe, revise, and collect all regulatory fees and to charge for services and sewerage facilities furnished by the MNWD either within or without its service area.
- C. Administration and enforcement of the pretreatment program may be carried out on a daily basis by any individual and/or combination of MNWD personnel as granted by an interjurisdictional agreement under the oversight of SOCWA. However, SOCWA retains the authority to assume, at any time, administrative and enforcement powers of the pretreatment program requirements within the MNWD jurisdiction.
- D. The MNWD shall have the authority to seek compliance with 40 CFR 403, its NPDES permit and the provisions of this ordinance by, but not limited to, the following:
  - 1. Issue WD Permits.
  - 2. Require the installation of pretreatment equipment.
  - 3. Require the installation of monitoring and/or sampling equipment and/or structures.
  - 4. Require self-monitoring and reporting of the user's discharge.
  - 5. Require the implementation of spill containment plans equipment or structures.

**302. DELEGATION OF AUTHORITY**

Whenever any authority or power is granted to or a duty imposed upon the General Manager, that authority or power may be exercised or that duty may be performed by a person authorized by the General Manager.

**303. ENFORCEMENT POWERS**

- A. Enforcement action against a user for being in non-compliance with the provision of this ordinance shall include, but is not limited to, the following:
  - 1. Issuing a Warning Notice of Non-compliance letter.
  - 2. Issuing a Notice of Non-compliance (NON) form.
  - 3. Issuing a Notice of Violation (NOV) form.
  - 4. Issuing an administrative order (AO) which may also include, but are not limited to, the following:
    - a. Probation Order (PO).
    - b. Show Cause Order (SCO).
    - c. Cease and Desist Order (CDO).
  - 5. Petition the courts for injunction or civil penalties.
  - 6. Signing criminal complaints.
  - 7. Suspension or revocation of an issued wastewater discharge permits or other control mechanism.
  - 8. Termination of services.
  - 9. Administrative complaints.
- B. The issuance of an enforcement action shall not be a bar against, or a prerequisite for, taking any other enforcement action against the user.

**ARTICLE 4  
ADMINISTRATION****401. MOULTON NIGUEL WATER DISTRICT (MNWD)**

- A. The MNWD may implement pretreatment and source control programs in accordance with federal, State, MNWD and SOCWA regulations, the provisions of this ordinance, and any interjurisdictional agreements.
- B. If the MNWD desires to perform its own pretreatment and source control program, it shall do so pursuant to an interjurisdictional agreement with SOCWA, under the oversight of SOCWA.
- C. The MNWD, when operating its own pretreatment and source control program, shall keep SOCWA apprised of all activities on a regular and consistent basis. This may be accomplished by, but not limited to, correspondence, meetings, and submittal of periodic reports.
- D. The MNWD shall have the authority to use fees and charges provided for within this ordinance when a user is in non-compliance.
- E. The MNWD shall provide SOCWA any and all information and submittals by users for review and central filing.
- F. The MNWD, which operates its own sewerage facilities, shall coordinate with SOCWA the establishment of technically based local limits. These limits shall be established in accordance with Section 402. H. of this ordinance. These limits are to ensure that any user's effluent that is discharged to sewerage facilities does not cause, but is not limited to, the following:
  - 1. Upset, pass through or interference of the biological treatment process.
  - 2. Upset, pass through or interference of the sludge digestion process.
  - 3. Reclaimed or recycled water or generated biosolids to be unable to meet regulatory standards for beneficial reuse or unlimited distribution as defined by regulatory agencies.
  - 4. Violation of any MNWD or SOCWA NPDES permit limitations.
  - 5. Pass-through or interference causing the MNWD or SOCWA to violate any discharge limits of the SOCWA ocean outfalls.

**402. SOCWA**

- A. SOCWA has the authority to implement pretreatment and source control programs in accordance with federal and State regulations and the provisions of this ordinance, SOCWA's pretreatment and source control program ordinance, and interjurisdictional agreements with the MAs.
- B. SOCWA has the authority to approve all forms used in the pretreatment and source control programs.
- C. SOCWA has the authority to, at any time, assume administration and enforcement of this ordinance within the service area of the MNWD.
- D. SOCWA has the authority to locate and terminate any non-compliant discharge that is not discontinued, upon notification that a non-compliant discharge is occurring.
- E. SOCWA has the authority to review all applications, wastewater discharge permits, other control mechanism and any enforcement actions that have been taken.
- F. SOCWA has the authority to review all ordinances pertaining to pretreatment and source control programs before adoption or implementation by the MNWD.
- G. The MNWD, when performing its own pretreatment program, shall be subject to audit by SOCWA.
- H. SOCWA shall oversee the establishment of technically based local limits for the MNWD. A review of the local limits may be conducted every five years or in conjunction with the renewal of SOCWA's NPDES Permits.

**403. PROGRAM ENFORCEMENT**

- A. The MNWD shall have first priority to enforce the regulations contained within this ordinance in accordance with, but not limited to, the following:
  - 1. The MNWD, when performing its own program, shall inform SOCWA of all program activity.
  - 2. The MNWD, when performing its own program, shall conduct routine sampling of permitted users for constituents the industry must sample and analyze for as part of their self-monitoring program, and inform SOCWA of such activity.
  - 3. SOCWA shall conduct the pretreatment and source control program for the MNWD unless otherwise directed by the interjurisdictional agreement with the MNWD.

**404. APPLICATIONS**

All applications for wastewater discharge permits may be reviewed by the MNWD and SOCWA.

**405. WASTEWATER DISCHARGE (WD) PERMITS**

- A. All proposed WD Permits may be reviewed by the MNWD and SOCWA before being issued to the user.
- B. All issued WD Permits shall be signed, identified and/or numbered by the MNWD or SOCWA.

**406. INSPECTIONS, MONITORING AND ENFORCEMENT**

- A. SOCWA shall be notified by the MNWD when inspecting, monitoring, or enforcement activities will or have already occurred. This may be done by, but not limited to, the following:
  - 1. Phone contact or correspondence.
  - 2. Submittal of written schedule reports or status reports.
- B. Emergency enforcement actions by the MNWD shall be reported to SOCWA by phone within twenty-four (24) hours during weekdays and within seventy-two (72) hours during weekends, and by written report within five (5) days of following notice to the user.

**407. FUNDING**

- A. The MNWD may establish a schedule of wastewater discharge permit application fees, annual fees, sample analysis charges, and any other fees or charges required to recover reasonable costs of implementing a pretreatment and source control program.
- B. Costs incurred by the MNWD for its pretreatment activity may be collected by, but not limited to, invoicing directly to the industrial user.

**408. APPEALS**

- A. The MNWD shall have first priority to handle appeals in accordance with the provisions of this ordinance.
  - 1. Appeals on staff action shall be directed to the General Manager.
  - 2. Appeals on the General Manager action shall be directed to the Board.
  - 3. Actions by the Board shall be final.
- B. SOCWA shall have the authority to handle appeals where the MNWD has no jurisdiction, or fails to enforce against a user in accordance with the provision of this ordinance or the interjurisdictional agreements.

**ARTICLE 5  
GENERAL DISCHARGE PROHIBITIONS AND LIMITATIONS**

**501. PROHIBITED DISCHARGES**

- A. These prohibitions apply to all users of sewerage facilities whether or not they are subject to categorical pretreatment standards or any other national, State or local pretreatment standard or requirement.
- B. No user shall discharge directly or indirectly a quality or quantity of wastes, solids, viscous substances, ~~or~~ wastewater or pollutants to sewerage facilities, either alone or by interaction with other substances, which cause or will cause:
  - 1. Obstruction of flow.
  - 2. Pass through or interference.
  - 3. Inhibition of biological activity.
  - 4. The final effluent to fail a toxicity test.
  - 5. Corrosive or physical structural damage to sewerage facilities.
  - 6. Danger to life and/or safety of any person.
  - 7. Impairment of the effective maintenance or operation of any sewerage facility.
  - 8. A fire or explosion hazard based upon a closed cup flashpoint of less than 140 degrees Fahrenheit (60°C) using the test method specified in 40 CFR 261.21.
  - 9. The presence of toxic gases, vapors, ~~or~~ fumes, or poisonous, noxious or malodorous gas producing substances that may cause acute worker health and safety problems.
  - 10. Any product of any sewerage facility including, but not limited to, the final biosolids, residue, sludge, or scum to be unsuitable for reclamation, reuse, or disposal.
  - 11. Discoloration or any other condition which affects the quality of the final effluent in such a manner that discharge requirements established by regulatory agencies cannot be met.
  - 12. Conditions which violate any statute, rule, regulation, or ordinance of any public agency or regulatory agency having jurisdiction over the discharge of wastewater through sewerage facilities.
  - 13. The discharge of petroleum oil, nonbiodegradable cutting oil, or products of mineral oil origin which cause interference or pass through.

**502. PROHIBITION ON DILUTION**

Except where expressly authorized to do so by an applicable standard, no user shall discharge directly or indirectly to sewerage facilities an increase in the use of water to attempt to dilute a waste being discharged, as a partial or complete substitute for treatment to achieve compliance with this ordinance a wastewater discharge permit, other control mechanism or to establish an artificially high flow rate for mass emission rates.

**503. PROHIBITION ON BIOHAZARDOUS WASTE**

No user shall discharge directly or indirectly to sewerage facilities a biohazardous waste to the sewer without rendering it non-biohazardous prior to discharge if the biohazardous waste is deemed by the MNWD or SOCWA to pose any threat to public health and safety or will result in any violation of applicable waste discharge requirements.

**504. PROHIBITION ON TOXIC OR HAZARDOUS WASTE**

No user shall discharge directly or indirectly to sewerage facilities, any substance that is defined as a toxic or hazardous waste by regulatory agencies, except those wastes which meet the requirements of 40 CFR 403.

**505. PROHIBITION ON WARFARE AGENTS**

No user shall discharge directly or indirectly to sewerage facilities any radiological, chemical, or biological warfare agent.

**506. LIMITATIONS ON DISPOSAL OF SPENT SOLUTIONS AND SLUDGES**

- A. Any spent solutions, sludges, and/or other wastes generated by the user that are a hazardous waste and not treated on site shall be hauled by a registered hazardous waste transporter. The user shall complete and maintain a hazardous waste manifest that documents the removal and transport of the waste.
- B. All hazardous waste manifests shall be retained for a minimum of three (3) years and shall be made available to the MNWD upon request. The MNWD may require a longer period of retention if litigation is being considered.
- C. No user shall batch dump to sewerage facilities without written approval from the MNWD.

**507. LIMITATIONS ON THE USE OF GRINDERS**

Wastes from industrial or commercial grinders shall not be discharged into sewerage facilities, except wastes generated in packing or preparing food or food products on a case by case bases as approved by the MNWD. Such grinders must shred the waste to a degree that all particles will be carried freely under normal flow conditions prevailing in the sewerage facilities.

**508. LIMITATION ON RAINWATER, STORMWATER, AND STREET DRAINAGE**

No user shall discharge or cause to be discharged directly or indirectly into sewerage facilities any rainwater, stormwater, or street drainage that exceeds the first one-tenth (1/10) of an inch of precipitation from any storm event.

**509. LIMITATIONS ON GROUNDWATER AND SUBSURFACE DRAINAGE**

- A. Groundwater and subsurface drainage shall not be discharged directly or indirectly to sewerage facilities except as provided herein.
- B. The MNWD may approve the discharge of such water, by wastewater discharge permit or other control mechanism only, when no alternate method of disposal is reasonably available or to mitigate an environmental risk or health hazard.
- C. The discharge of such water shall require the following:
  - 1. A Class IV Special Wastewater Discharge Permit or other control mechanism issued by the MNWD, and
  - 2. Documentation from the user or user's consultant that all other alternate methods of disposal have been exhausted, and
  - 3. User shall pay all applicable fees and charges and shall meet any other conditions as required by the MNWD.

**510. LIMITATIONS ON TRUCKED OR HAULED WASTES**

- A. No user shall discharge trucked or hauled wastes directly or indirectly to sewerage facilities without written approval from the MNWD and SOCWA. Written approval may be in the form of an individual special wastewater discharge permit or other control mechanism.
- B. No user shall transport waste from one location to another for the purpose of treating or discharging it directly or indirectly to sewerage facilities without written approval from the NMWD and SOCWA. Written approval may be in the form of an individual special wastewater discharge permit or other control mechanism.

# #11.

## 511. LIMITATIONS ON POINT OF DISCHARGE

No user shall discharge any wastewater directly or indirectly into a manhole or other opening in a sewerage facility other than through an approved building sewer unless approved in writing by the MNWD.

## 512. LIMITATIONS ON RADIOACTIVE WASTES

- A. No user shall discharge directly or indirectly to sewerage facilities any radioactive waste except as provided herein:
  - 1. When the user is authorized to use radioactive materials by the State Department of Health or other governmental agency empowered to regulate the use of radioactive materials, and
  - 2. When the waste is discharged in strict conformity with current California Radiation Control Regulations (Cal. Adm. Code Title 17) for safe disposal, and
  - 3. When the user is in compliance with all other rules and regulations of all other applicable regulatory agencies.

## 513. LIMITATION ON UNPOLLUTED WATER

- A. Unpolluted water such as deionized, steam waste, distilled, single pass cooling water in excess of laboratory usage, blow-down or bleed water from cooling towers, or other evaporating coolers, or commercial swimming pool water drainage shall not be discharged directly or indirectly to sewerage facilities except as provided herein.
- B. The MNWD may approve the discharge of such water when no alternate method of disposal or reuse is reasonably available or there is need to mediate an environmental risk or health hazard.
- C. The discharge of such water shall require the following:
  - 1. A Class IV Special Wastewater Discharge Permit or other control mechanism, and
  - 2. Documentation from the user or user's consultant that all other alternate methods of disposal have been exhausted, and
  - 3. User shall pay all applicable fees and charges and shall meet any other conditions as required by the MNWD.

## 514. MASS EMISSION LIMIT DETERMINATION

- A. Mass emission limits for compatible and non-compatible wastes that are present or anticipated in the user's wastewater discharge may be set for each user and made an applicable part of each user's wastewater discharge permit or other control mechanism. These limits shall be based on Table I, local limits or national pretreatment standards and the user's average daily wastewater discharge for the past three (3) years, the most recent representative data, or other data acceptable by the MNWD.
- B. To verify the user's operating data, the user may be required to submit an inventory of all wastewater streams and production data.
- C. The MNWD may revise local limit concentration limits or mass emission limits previously established in the user's wastewater discharge permit or other control mechanism at any time, based on current and/or anticipated operating data, the ability to meet NPDES Limits, and/or changes in the requirements of regulatory agencies.
- D. The increased use of water to establish an artificially high flow rate database for mass emission limit determinations is prohibited.



**515. WASTEWATER STRENGTHS AND CHARACTERISTICS**

- A. No user shall discharge wastewater directly or indirectly to sewerage facilities with the following strengths and characteristics:
1. Having a temperature higher than 140 degrees Fahrenheit (60 degrees centigrade) or which causes the temperature at the influent to a wastewater treatment plant to exceed 104 degrees Fahrenheit (40 degrees centigrade).
  2. Containing substances that may precipitate, solidify, or become viscous at temperatures between 50 degrees Fahrenheit (10 degrees centigrade) and 104 degrees Fahrenheit (40 degrees centigrade).
  3. Containing materials which will readily settle or cause an obstruction to flow in sewerage facilities or be detrimental to the proper operation of a sewerage facility. These materials may include, but are not limited to, asphalt, dead animals, offal ashes, sand, mud, straw, industrial process shavings, metal, glass, rags, feathers, tar, plastics, wood, whole blood, bones, hair, coffee grounds, egg shells, flashings, diatomaceous earth, seafood shells, and paper products not intended for use in sewerage facilities.
  4. Producing a gaseous mixture that is ten percent (10%) or greater of the lower explosive limit (LEL). Prohibited materials include, but are not limited to, gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, ketones, and alcohols.
  5. Having a pH less than 5.0 or greater than 11.0.
  6. Containing recognizable portions of human or animal anatomy.
  7. Containing excessive flow, constituents or other materials, including but not limited to, biological oxygen demand, chemical oxygen demand, total organic carbon, toxic pollutants, suspended solids, grease and oil of animal or vegetable origin, total dissolved solids, detergents, surface active agents, phenolic compounds or other substances that are released in a discharge at a flow rate and/or concentration which will cause problems, pass-through or interference with sewerage facilities.
  8. Containing PCBs in excess of 0.01 mg/L as a daily maximum.
  9. Containing pesticides in excess of 0.01 mg/L as a daily maximum.
  10. Violation of any applicable national pretreatment standards, State standards, or other local regulations covering wastewater disposal.

# #11.

## 516. SPECIFIC LOCAL LIMITS

- A. MNWD in coordination with SOCWA is authorized to establish local limits pursuant to 40 CFR 403.
- B. No user shall discharge directly or indirectly a quality or quantity of wastes or wastewater containing toxic pollutants, non-compatible or compatible wastes in excess of Table I, Specific Local Limits. All local limits for the metal pollutants are for "total" amount analyzed, unless indicated otherwise.

Table I  
Specific Local Limits

Pollutant	Limit (mg/L)
Arsenic	3.4
Cadmium	0.93
Chromium	4.9
Copper	7.2
Lead	4.9
Mercury	0.19
Nickel	9.5
Silver	2.8
Zinc	7.9
Cyanide	4.3
Oil and Grease	300

- C. Local limits are subject to more stringent standards as established by national pretreatment standards. Local limits are deemed to be pretreatment standards for the purposes of Section 307(d) of the Act and are enforceable under Section 309 of the Act, potentially subjecting an industrial user to a penalty of \$25,000 per day for each violation.
- D. MNWD may place more stringent standards within any wastewater discharge permit or other control mechanism issued to a user at any time, based on current and/or anticipated operating conditions presented in the wastewater discharge permit application, the ability to meet NPDES limits, and/or changes in the requirements of regulatory agencies.
- E. MNWD may develop Best Management Practices (BMP's) for use in any wastewater discharge permit or other control mechanism to implement local limits and the requirements contained in this ordinance.

## 517. STATE REQUIREMENTS

Upon the adoption of any State requirements on user discharges that are more stringent than federal requirements or the limitations contained in this ordinance, that state standard shall then immediately supersede the federal standard and the limitations of this ordinance.

## 518. FEDERAL REQUIREMENTS

- A. Upon adoption of a national pretreatment standard more stringent than those contained in this ordinance, the federal standard shall immediately supersede the limitations listed in this ordinance and the affected significant industrial users shall be notified of the new standards and applicable reporting requirements.
- B. The significant industrial user shall comply with the national pretreatment standard within the time provided in the federal regulations that establish such standards even if their wastewater discharge permit has not yet been modified to incorporate the new requirement or standards.
- C. The significant industrial user shall comply with any applicable requirements under Sections 204(b) and 405 of the Act and Subtitles C and D of the RCRA.

ARTICLE 6  
WASTEWATER DISCHARGE PERMITS

601. **WRITTEN AUTHORIZATION**

- A. Users may be required to obtain written authorization to use sewerage facilities. This written authorization may be in the form of a wastewater discharge permit or other control mechanism issued by the MNWD. No vested right shall be given or be granted by issuance of wastewater discharge permits or other control mechanism as provided for in this ordinance.
- B. When written authorization is granted, all the types of wastewater discharge permits and any other control mechanisms shall be expressly subject to all provisions of this ordinance and all other regulations, charges for use and fees established by the MNWD. The requirements contained in wastewater discharge permits or other control mechanisms are subject to enforcement under this ordinance and under State and federal law.
- C. All users that have obtained written authorization shall discharge their process wastewater only as provided for by their wastewater discharge permit or other control mechanism.
- D. Compliance with wastewater discharge permit or other control mechanism provisions does not relieve the user from complying with any other applicable federal, State or local requirement.

602. **TYPES OF WASTEWATER DISCHARGE PERMITS**

- A. The wastewater discharge permit may be in one of four (4) types and is dependent upon process, volume and pollutant characteristics of the users discharge. The four types of wastewater discharge permits are:
  - 1. Class I – Wastewater Discharge (WD) Permit.
  - 2. Class II – Wastewater Discharge (WD) Permit.
  - 3. Class III – Wastewater Discharge (WD) Permit
  - 4. Class IV – Special Wastewater Discharge (SWD) Permit.

603. **TRANSFER PROHIBITION**

Wastewater discharge permits issued under this ordinance are for a specific user, for a specific operation at a specific location. Wastewater discharge permits shall not be transferred for an operation at a different location.

604. **CHANGE OF OWNERSHIP**

- A. Upon the sale or transfer of ownership of any business operating under a wastewater discharge permit issued by the MNWD, the user shall notify the MNWD in writing prior to the change of ownership. The successor owner shall be required to apply for a new wastewater discharge permit prior to the sale or transfer of ownership.
- B. In the event that the original owner fails to notify the MNWD of the sale or transfer of ownership than said original owner may be jointly liable for any charges incurred by the new owner.
- C. This does not relieve the new owner of any liability for non-compliance with any federal, State, or local regulations or the provisions of this ordinance.

605. **EXCESS CAPACITY REGULATORY FEE**

New users or existing users that expand operations that require substantial sewerage facility capacity may be subject to an excess capacity sewerage facility regulatory fee in an amount and method to be solely determined by the MNWD on a case-by-case basis.

# #11.

## 606. OUT OF REGION WASTEWATER DISCHARGE PERMITS

Wastewater discharge permits for users located outside of the MNWD's service area but tributary to the MNWD's sewerage facilities shall only be issued after approval by the MNWD. Inspection and sampling of the user's discharge to determine compliance with discharge regulations will be made under a coordinated plan developed by the MNWD, SOCWA and the local sewerage agency. The more stringent discharge regulations and effluent limitations of affected agencies shall apply to the user. The fees for use shall be determined by the MNWD and set forth in an interjurisdictional agreement.

## 607. REQUIRED INFORMATION

- A. To provide for the equitable use of MNWD sewerage facilities, the MNWD shall have the right to require a user to provide all information necessary to maintain compliance with the provisions of this ordinance, including treatability studies to determine whether the wastewater would be compatible with all sewerage facilities. This information shall include, but is not limited to the following:
1. Wastewater discharge flow rates, peak flow rates and volume over any period of time.
  2. Physical, chemical or bacteriological analysis of wastewater.
  3. Information on raw materials, processes and products.
  4. Quantity, disposition and waste manifests of specific liquids, sludge, oil, solvent or other materials.
  5. Details of any pretreatment facilities.
  6. Details of systems to prevent and control the loss of material through spills slug discharges.
  7. Review of all types of water bills.

## 608. CONFIDENTIAL INFORMATION

All user information and data on file shall be available to the public and governmental agencies without restriction, unless the user specifically requests and is able to demonstrate to the satisfaction of the MNWD that the release of such information would divulge information, processes or methods which would be detrimental to the user's competitive position. The demonstration of the need for confidentiality made by the user must meet the burden necessary for withholding such information from the general public under applicable State and federal law. Any such claim must be made at the time of submittal of the information by marking "Confidential Business Information" on each page containing such information within the submittal. Information, which is demonstrated to be confidential, shall not be transmitted to any governmental agency without prior notification to the user. Information concerning wastewater quality and quantity shall not be recognized as confidential information and shall be available to the public without reservation.

## 609. CLASS I – WASTEWATER DISCHARGE (WD) PERMIT

No user requiring a Class I WD Permit shall discharge wastewater without obtaining a Class I WD Permit. A Class I user, as determined by the MNWD, proposing to discharge directly or indirectly into a sewerage facility shall obtain a WD Permit by filing an application and paying any applicable fees before discharging.

## 610. CLASS II – WASTEWATER DISCHARGE (WD) PERMIT

No user requiring a Class II WD Permit shall discharge wastewater without obtaining a Class II WD Permit. A Class II user, as determined by the MNWD, proposing to discharge directly or indirectly into a sewerage facility shall obtain a WD Permit by filing an application and paying any applicable fees before discharging.

**611. CLASS III – WASTEWATER DISCHARGE (WD) PERMIT**

No user requiring a Class III WD Permit shall discharge wastewater without obtaining a Class III WD Permit. A Class III user, as determined by the MNWD, proposing to discharge directly or indirectly into a sewerage facility shall obtain a WD Permit by filing an application and paying any applicable fees before discharging.

**612. CLASS IV – SPECIAL WASTEWATER DISCHARGE (SWD) PERMIT**

- A. No user requiring a Class IV SWD Permit shall discharge wastewater without obtaining a Class IV SWD Permit. A Class IV user, as determined by the MNWD, proposing to discharge directly or indirectly into a sewerage facility shall obtain a SWD Permit by filing an application and paying any applicable fees before discharging.
- B. The SWD Permit may be issued when no alternative method of disposal is reasonably available or to mitigate an environmental risk or health hazard.
- C. A user proposing to discharge diverted urban nuisance water may be issued a nuisance special wastewater discharge (NSWD) Permit only after they have completed the requirements contained in the MNWD and SOCWA “Nuisance Flow Diversion Policy.”
- D. A user proposing to discharge trucked or hauled wastes may be issued a hauled special wastewater discharge (HSWD) Permit only after they have completed all requirements set forth by the MNWD on a case by case basis. All trucked or hauled waste users shall comply with the terms, conditions and limitation set forth in a HSWD Permit as determined by the MNWD to be necessary to protect sewerage facilities. A trucked or hauled waste user proposing to discharge waste into a MNWD or SOCWA sewerage facility may be required to obtain both a valid Orange County Health Department permit (where applicable) and a HSWD Permit prior to any discharge.

**613. NON-INDUSTRIAL WASTEWATER DISCHARGE (NIWD) FORM**

- A. At the sole discretion of the MNWD, any user that is considered to have wastewater of no concern discharging to sewerage facilities may be classified as an NIWD user and issued an NIWD form.
- B. Any user that has had a Class I, II, or III WD Permit that no longer has a discharge containing noncompatible wastes to the MNWD's sewerage facilities may be classified as an NIWD user and issued an NIWD form.
- C. The main functions of the NIWD form are to assist in maintaining the MNWD's user survey data base and to track and verify by inspection any user that is considered to have wastewater of no concern discharging to sewerage facilities.

**614. APPLICATION FOR WASTEWATER DISCHARGE PERMIT**

- A. Users required to obtain a WD Permit shall complete and file with the MNWD, prior to commencing discharge, if applicable, an application on a form prescribed by the MNWD.
- B. Users seeking a WD Permit may be required to submit, in unit and terms appropriate for evaluation, the following information:
  - 1. Name, address of the site, NAICS numbers (if applicable), and a description of the manufacturing process or service activity.
  - 2. Name, address of any and all, (whichever is applicable) principals/owners/major share holders of company; articles of incorporation; most recent report of the Secretary of State and business license.
  - 3. Flow, volume, time, duration and types of wastewater to be discharged.
  - 4. Name, address and contact information of the individual who shall serve as the CAR.
  - 5. Name and address of property owner, landlord and/or manager of the property.
  - 6. Water supplier and water account numbers.

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## 614. APPLICATION FOR WASTEWATER DISCHARGE PERMIT (cont)

7. Wastewater constituents and characteristics as required or deemed necessary by the MNWD, including but not limited to, those mentioned in this ordinance. These constituents and characteristics shall be determined by a laboratory of the discharger approved by the MNWD.
  8. Number of employees and average hours of work per employee per day.
  9. Waste minimization, best management practices and water conservation practices.
  10. All production records, if applicable.
  11. Waste manifests, if applicable.
  12. Tons of cooling tower capacity, if applicable.
  13. List of other environmental control permits and EPA Hazardous Waste Generator number, if applicable.
  14. Application signed by the CAR of the user and contains the certification statement in Section 802.E.
  15. Any other information as specified.
- C. Users may be required to submit site, floor, mechanical, plumbing, toxic organic management, and spill containment plans for evaluation.
- D. After evaluation of the data furnished, The MNWD may issue a WD Permit, a NIWD Form or other control mechanism subject to the terms and conditions set forth in this ordinance and as otherwise determined by the General Manager to be necessary to protect sewerage facilities.
- E. The WD Permit application may be denied if the user fails to establish to SOCWA's satisfaction that adequate pretreatment equipment is included within the user's plans to ensure that the discharge limits will be met or if the user has, in the past demonstrated an inability to comply with applicable discharge limits or has in the past demonstrated an inability to keep current with invoices for items such as WD Permit fees, non-compliance fees, civil penalties, administrative civil penalties or charges for use.

## 615. APPLICATION FOR SPECIAL WASTEWATER DISCHARGE PERMIT

- A. Users required to obtain a SWD Permit shall complete and file with the MNWD, prior to commencing discharge, if applicable, an application on a form prescribed by the MNWD.
- B. Users seeking a SWD Permit may be required to submit, in unit and terms appropriate for evaluation, the following information:
1. Name, address and a description of the wastewater to be discharged.
  2. Name, address and contact information of the individual who shall serve as the CAR.
  3. Volume, time and duration of wastewater to be discharged.
  4. Construction and plumbing plans if applicable.
  5. Detailed analysis of the alternatives for wastewater disposal if applicable.
  6. Wastewater constituents and characteristics as required or deemed necessary by SOCWA, including but not limited to, those mentioned in this ordinance. These constituents and characteristics shall be determined by a laboratory selected by the user acceptable to SOCWA.
  7. Any other data as specified.

**615. APPLICATION FOR SPECIAL WASTEWATER DISCHARGE PERMIT (cont)**

- C. Users may be required to submit site, mechanical, plumbing, toxic organic management, and spill containment plans for evaluation if applicable.
- D. After evaluation of the information furnished, the MNWD may issue a SWD Permit or other control mechanism subject to the terms and conditions set forth in this ordinance and as otherwise determined by the General Manager to be necessary to protect sewerage facilities.
- E. In the case of diverted urban nuisance water, after evaluation of the information furnished, the MNWD may issue a NSWD Permit, subject to the terms and conditions set forth in this ordinance and the "Nuisance Flow Diversion Policy" as otherwise determined by the General Manager to be necessary to protect sewerage facilities.
- F. The SWD Permit application may be denied if the user fails to establish to the MNWD's satisfaction that adequate pretreatment equipment is included within the user's plans to ensure that the discharge limits will be met or if the user has, in the past demonstrated an inability to comply with applicable discharge limits or has in the past demonstrated an inability to keep current with invoices for items such as SWD Permit fees, non-compliance fees, civil penalties, administrative civil penalties or charges for use.

**616. APPLICATION FOR NON-INDUSTRIAL WASTEWATER DISCHARGE (NIWD) FORM**

- A. Users meeting the criteria for a NIWD form, may be asked to complete and file with the MNWD an application on a form prescribed by the MNWD.
- B. Information on users that meet the criteria for a NIWD form may be obtained solely by the MNWD during site inspections or by other means.
- C. After evaluation of the data furnished by the user or from information collected solely by the MNWD an NIWD form may be issued.

**617. WASTEWATER DISCHARGE PERMIT TERMS, CONDITIONS, AND LIMITATIONS**

- A. All wastewater discharge permits shall be expressly subject to all terms, conditions, and limitations of this ordinance, other regulatory agencies, Best Management Practices, charges for use, and fees established by the MNWD. The terms, conditions, and limitations in a wastewater discharge permits are subject to enforcement by the MNWD in accordance with this ordinance, and applicable State and federal regulations. Any wastewater discharge permit violation shall be a violation of this ordinance.
- B. The terms, conditions, and limitations of any issued wastewater discharge permit may be subject to modification and changes by the MNWD during the life of the wastewater discharge permit based on:
  - 1. The discharger's current or anticipated operating data.
  - 2. The MNWD's current or anticipated operating data.
  - 3. Changes in the requirements of regulatory agencies.
- C. Users may request a modification to the terms, conditions, and limitations of an issued wastewater discharge permit. The request shall be in writing stating the requested change, and the reasons for the change. The MNWD shall review the request, make a determination and respond in writing. A request for a wastewater discharge permit modification does not relieve a user from complying with its existing wastewater discharge permit terms, conditions or limitations.
- D. Any changes to the terms, conditions, limitations in a wastewater discharge permit shall include a reasonable time schedule for compliance where allowed under applicable federal, State and local law.

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## 617. WASTEWATER DISCHARGE PERMIT TERMS, CONDITIONS, AND LIMITATIONS (cont)

- E. A wastewater discharge permits may contain any, but is not limited to, the following terms, conditions and limitations:
1. Effluent limits, including mass emission rates, concentration limits or best management practices based on applicable pretreatment standards for regulating pollutants.
  2. Discharge limits based upon the combined wastestream formula (CWF).
  3. Limits on rate and time of discharge or requirements for flow regulation and equalization.
  4. Requirements for the user to make notification in writing prior to the physical expansion or any change to any wet processes. Notification is also required in the event of changes in production if production-based limits are being applied.
  5. Requirements for the user to construct and maintain, at the user's own expense, pH control, flow monitoring and/or sampling equipment and/or structures.
  6. Requirements for submission of technical reports, discharge reports and waste manifests.
  7. Location of sampling point(s) and the requirements to self-monitor.
  8. Requirements for maintaining plant records relating to wastewater discharge and waste manifests as specified by the MNWD.
  9. Predetermined rates or values for wastewater strength characteristics.
  10. Requirements to submit copies of water bills.
  11. Other provisions which may be applicable to ensure compliance with this ordinance.
  12. Other terms, conditions, and limitations determined by the MNWD to be necessary to protect sewerage facilities.
  13. Predetermined rate or value for BOD and suspended solids.
  14. Requirements for notification of bypass discharges.
  15. Requirements for notification of any new introduction of wastewater constituents or any substantial change in the volume or character of wastewater constituents.
  16. Requirements to meet compliance schedules.
  17. Requirements for the user to control slug discharges by developing and implementing a slug discharge control plan if determined by the MNWD to be necessary as described in 40 CFR 403.8(f)(1)(iii)(B)(6).
  18. Requirements for the user to control toxic organic discharges by developing and implementing a toxic organics management plan if determined by the MNWD to be necessary.

## 618. WASTEWATER DISCHARGE PERMIT DURATION

All wastewater discharge permits shall not exceed a duration of five (5) years. Any wastewater discharge permit may be issued for a shorter period of time at the sole discretion of the MNWD.



**619. WASTEWATER DISCHARGE PERMIT RENEWAL**

- A. The user may file a new application prior to the expiration date of any existing wastewater discharge permit for renewal.
- B. Discharge after the termination date of a wastewater discharge permit is prohibited except:
  - 1. If the user filed a timely renewal application which is complete, and:
  - 2. The MNWD, through no fault of the user, does not issue a new wastewater discharge permit with an effective date on or before the expiration date of the previous wastewater discharge permit.

**620. MNWD'S RIGHT OF REVISION**

- A. MNWD reserves the right to establish, by ordinance, or by wastewater discharge permits or by Best Management Practices, or by any other control mechanism more stringent standards or requirements on the discharge of users to sewerage facilities.
- B. The terms, conditions and limitations contained in any wastewater discharge permit, Best Management Practices or other control mechanism may be modified by the MNWD at any time. This modification shall be by written notification to the user.

## ARTICLE 7 PRETREATMENT EQUIPMENT REQUIREMENTS

### 701. PRETREATMENT

- A. All pretreatment equipment or devices may be reviewed by the MNWD. Such review shall not absolve the user of any responsibility of meeting prohibitions, limitations, requirements, standards and local limits on discharges.
- B. User shall provide wastewater treatment as necessary which may include, but is not limited to, the use of best available technology (BAT) or best practicable technology (BPT) concepts to comply with this ordinance and shall achieve compliance with all prohibitions, limitations, standards and local limits before discharging to any sewerage facility. Any equipment required to pretreat, sample, control or transport wastewater shall be provided and maintained in proper operating condition at all times at the user's sole expense.
- C. User may be required to submit waste analysis plans, contingency plans, and meet other requirements to ensure proper operation of pretreatment equipment and compliance with their wastewater discharge permit limits and this ordinance.
- D. No user shall increase the use of water or in any other manner attempt to dilute a discharge as a partial or complete substitute for treatment to achieve compliance with this ordinance a wastewater discharge permit or other control mechanism.

### 702. SPILL CONTAINMENT

- A. Each user shall provide spill containment for protection against the discharge of prohibited materials or other wastes regulated by this ordinance. This protection shall be designed in accordance with reasonable engineering standards to secure the discharges and to prevent them from entering into a sewerage facility. This equipment shall be provided and maintained at the user's sole expense.
- B. If it can be shown that a user's spill containment equipment did not prevent a discharge which caused the MNWD to violate its requirements, incur additional operational expenses, or suffer loss or damage to sewerage facilities, that user shall be responsible for any costs or expenses, including assessment by other agencies or any costs incurred by the MNWD.
- C. A notice may be permanently posted on the user's bulletin board or other prominent place advising employees who to call in the event of a prohibited discharge. Employers shall ensure that all employees who may cause or suffer such a prohibited discharge to occur are advised of the emergency notification procedure.

### 703. MONITORING AND METERING EQUIPMENT

- A. The user may be required to construct and maintain in proper operating condition at the user's sole expense, flow and/or constituent monitoring and/or sampling equipment.
- B. Any sample taken from a user's sample point shall be considered to be representative of the discharge to sewerage facilities.
- C. Monitoring or metering equipment may be required to include a security enclosure that can be locked with a MNWD provided lock during any sampling and monitoring periods.
- D. Location of the monitoring or metering equipment shall be subject to approval by the MNWD.
- E. The MNWD shall be provided clear and uninterrupted access to monitoring or metering locations.
- F. When one or more users discharge into a sewerage facility, those users may be required to install a separate monitoring location for each user. Also in the judgment of the MNWD, if there is a significant difference in wastewater constituents and characteristics produced by different operations of a single user, that user may be required to install separate monitoring locations for each operation. Separate monitoring may also be required for different processes subject to categorical pretreatment standards.

**703. MONITORING AND METERING EQUIPMENT (cont)**

- G. Users with the potential to discharge flammable solutions may be required to install and maintain at their sole expense a combustible gas detection meter.
- H. All wastewater samples shall be representative of the user's discharge. Wastewater monitoring and flow measurement equipment shall be operated, kept clean, and maintained in good working order at all times. Failure by the user to keep its monitoring equipment in good working order shall not be grounds for the user to claim that sample results are unrepresentative of its discharge.

**704. DRAWING SUBMITTALS**

- A. Detailed plans of any proposed construction of pretreatment, spill containment, monitoring and metering equipment and operating procedures shall be submitted for review by the due date contained within a written request from the MNWD. The review of the plans and procedures shall in no way relieve the user of the responsibility of modifying the equipment or procedures in the future as necessary to meet the requirements of this ordinance or any other requirement of other regulatory agencies.
- B. All drawings shall include:
  - 1. North arrow.
  - 2. Scale size.
  - 3. User name and address.
  - 4. Date drawn or revised.
  - 5. Location of proposed pretreatment, spill containment, monitoring and metering equipment.
- C. The MNWD may require drawings to scale depicting the manufacturing process (waste generating source), spill containment, pretreatment, and/or monitoring or metering equipment.
- D. The MNWD may require a schematic drawing of the pretreatment, spill containment, monitoring and metering equipment.
- E. The MNWD may require the drawings be prepared by a California registered chemical, mechanical, or civil engineer.

**705. WASTE MINIMIZATION, RECYCLING, AND TREATMENT**

- A. User shall provide waste minimization plans to conserve water, investigate product and/or materials substitution, maintain inventory control records and implement employee education, and other steps as necessary to minimize waste produced by the due date contained within a written request from the MNWD.
- B. Waste minimization, recycling and treatment shall be demonstrated wherever feasible in the following priority:
  - 1. Source reduction which includes, but is not limited to, substitution of less hazardous materials, spill prevention and control measures, proper storage and handling of chemicals and raw materials.
  - 2. Recovery and reuse which includes, but is not limited to, substitution of less hazardous materials, spill prevention and control measures, proper storage and handling of chemicals and raw materials.
  - 3. Treatment which includes, but is not limited to, pretreatment techniques as to render hazardous wastes harmless or suitable for disposal to sewerage facilities.

**ARTICLE 8  
INSPECTION, MONITORING, SAMPLING,  
NOTIFICATION, AND REPORTING REQUIREMENTS**

**801. INSPECTION AND MONITORING**

- A. The MNWD may inspect and sample the wastewater generating and disposal equipment of any user's site to ascertain whether the requirements of this ordinance are being met and the user is complying with all requirements.
- B. Where a user has instituted security measures requiring proper identification and clearance before entry onto the premises, the user shall make all necessary arrangements with its security in order that the inspectors of the MNWD shall be allowed to enter the premises without delay for the purpose of performing their authorized duties.
- C. The MNWD shall have the right to set up on the user's property or any other locations, as determined by the MNWD, such devices as are necessary to conduct sampling or metering operations of the user's discharge to sewerage facilities.
- D. In order for the MNWD to determine the wastewater characteristics of a discharge for compliance with this ordinance, wastewater discharge permit, or other control mechanism requirements, the user may be required to make available for inspection and copying all records including, but not limited to, production records, required self-monitoring and chain of custody records, any additional records of information obtained pursuant to monitoring activities undertaken by the user independent of such requirements, documents associated with Best Management Practices and waste manifests without restriction, but subject to the confidential provisions set forth in this ordinance. All records shall be maintained by users for a minimum of three (3) years. This period shall be automatically extended for the duration of any litigation concerning the user, or where the user has been notified by written request from the MNWD. Such records shall be made available to the MNWD upon request.
- E. Any temporary or permanent obstruction to safe and easy access to the user's site to be inspected and/or sampled shall be promptly removed by the user at the written or verbal request of the MNWD and shall not be replaced. The costs of cleaning such access shall be at the sole expense of the user.
- F. Inspection and/or sampling of any user's site shall be conducted at any time, by any means, in any amount, at any location, on any limit, requirement or pollutant in a manner and frequency as determined at the sole discretion of the MNWD.

**802. SELF-MONITORING AND REPORTING**

- A. Self-monitoring of wastewater pollutants, constituents and characteristics of the user needed for determining compliance with any limitations and requirements as specified in the user's wastewater discharge permit, federal regulations, or this ordinance may be required. The self-monitoring requirement, frequency, forms and reporting shall be set forth in the user's wastewater discharge permit or other control mechanism. These reports may include, but are not limited to, the following:
  - 1. Baseline monitoring reports (BMR's).
  - 2. Compliance schedule progress reports.
  - 3. 90-day compliance reports.
  - 4. Self-monitoring reports containing monitoring and analysis to demonstrate continued compliance as described in 40 CFR 403.12(g)(1-6).
  - 5. Other reports as required by the MNWD, other regulatory agencies or applicable law.

802. SELF-MONITORING AND REPORTING (cont)

- B. Failure by the user to perform any self-monitoring or reporting required by the MNWD shall be a violation of this ordinance, and is deemed to be a violation for each parameter and each day in the time period for which monitoring was required, and cause for the MNWD to initiate all necessary tasks and analysis to determine the wastewater pollutants, constituents and characteristics for any limitations and requirements specified in the user's wastewater discharge permit or in this ordinance. The user shall be responsible for any and all expenses incurred by the MNWD in undertaking such monitoring analysis and preparation of reports.
- C. All users required to sample and analyze their wastewater shall use the sampling methods and the sampling locations as set forth in their wastewater discharge permit. For each sample collected and analyzed, the user shall maintain a record of:
  - 1. Date, exact place, method and time of sampling and the name of the person taking the sample.
  - 2. Date analysis performed.
  - 3. Identity and address of the person who performed the analysis.
  - 4. The analytical methods used.
  - 5. Results of the analysis.
- D. Samples taken shall be representative of conditions occurring during the reporting period. Users shall submit all monitoring data, even if user samples more frequently than required by its wastewater discharge permit. User is required to provide advance notice of any substantial change in the volume or character of pollutants in their discharge.
- E. When required, all submitted applications and user reports shall be signed by the CAR as defined in this ordinance. Each application and any required user report shall contain 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."

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

User Name: \_\_\_\_\_

User Site:  
Address: \_\_\_\_\_

User Mailing:  
Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Permit No: \_\_\_\_\_

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## 802. SELF-MONITORING AND REPORTING (cont)

- F. Self-monitoring reports shall be subject to the provisions of 18 U.S.C. Section 1001 relating to false statements and fraud and the provisions of Section 309(c)(2) of the Act governing false statements.
- G. The analysis of a user's wastewater pollutants, constituents and characteristics shall be done by a laboratory approved by the MNWD.
- H. If self-monitoring indicates a violation the user shall notify the MNWD within 24 hours of becoming aware of the violation. The user shall repeat the sampling and analysis and submit the results of the repeat analysis to the MNWD within 30 days after ~~becoming aware of the violation~~the repeat sampling event. Resampling by a user is not required if the MNWD performs the sampling at the user's site at least once a month, or if the MNWD performs sampling at the user between the time when the initial sampling was conducted and the time when the user or the MNWD receives the results of the sampling, or if the MNWD has ~~performed~~performed the sampling and analysis in lieu of the user.
- I. The analysis of wastewater pollutants, constituents and characteristics and the preparation of the self-monitoring report shall be done at the sole expense of the user.
- J. The user shall establish and maintain a sample point on each discharge line at a location representative of the discharge to sewerage facilities. The maintenance of any sample point equipment shall be done at the sole expense of the user. Any sampling location shall be set forth in the user's wastewater discharge permit.
- K. Any user subject to the reporting requirements of this ordinance shall retain all records of monitoring activities and results for a minimum of three (3) years and shall make them available to the MNWD upon request. The MNWD may require a longer period of retention if litigation is being considered or has resulted.
- L. Any user subject to self-monitoring reporting requirements may be required to submit self-monitoring reports on forms approved by the MNWD.
- M. Any user determined to be a non-significant categorical industrial user (NSCIU) by the MNWD pursuant to Section 202.B.86.c. and 808.B shall annual submit the following certification statement signed by the CAR as defined in this ordinance. This certification shall accompany an alternative report required by the MNWD:

"Based on my inquiry of the person or persons directly responsible for managing compliance with categorical pretreatment standards under 40 CFR \_\_\_\_, I certify that, to the best of my knowledge and belief that during the period from January 1, \_\_\_\_ to December 31, \_\_\_\_:

(a) The facility described as \_\_\_\_\_ met the definition of non-significant categorical industrial user as described in Section 202.B.86.c.;

(b) The facility complied with all applicable pretreatment standards and requirements during this reporting period; and (c) the facility never discharged more than 100 gallons of total categorical wastewater on any given day during this reporting period.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

This compliance certification is based on the following information.

\_\_\_\_\_  
\_\_\_\_\_

**803. REPORT OF SPILL, SLUG DISCHARGE, BATCH DUMPING OR UPSET**

- A. In the event the user is unable to comply with any of the wastewater discharge permit conditions due to a breakdown of equipment, accidents caused by human error, or intentional action by any party, or acts of God, or any other cause, the discharger shall notify the MNWD as soon as possible of any spill, slug discharge, batch dumping or upset.
- B. Confirmation of this notification shall be made in writing within five (5) working days of the original notification, unless waived by the MNWD. The written notification shall contain:
  - 1. Date of the incident.
  - 2. Reason for the spill, slug discharge, batch dumping or upset.
  - 3. The steps that were taken to immediately correct the problem.
  - 4. The steps that are being taken to prevent the problem from recurring.
  - 5. Any other information the MNWD deems relevant.
- C. Such notification shall not relieve the user of any expense, loss, damage, liability or fees which may be incurred as a result of damage or loss to sewerage facilities or any damage or loss to persons or property. Such notification shall never relieve the user from any fees or liability which may be imposed by this ordinance, other regulatory agencies or other applicable law.
- D. Significant industrial users shall notify SOCWA immediately of any changes at its site affecting the potential for a slug discharge.

**804. REPORTING OF BY-PASS**

- A. By-pass of industrial wastewater through pretreatment equipment to the sewerage facilities is prohibited. Enforcement action may be taken against the user, unless:
  - 1. By-pass was unavoidable to prevent loss of life, personal injury, or severe property damage, and
  - 2. There were no feasible alternatives to the by-pass, such as the use of auxiliary treatment equipment, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgement to prevent a by-pass which occurred during normal periods of equipment downtime or preventative maintenance, and
  - 3. The user submitted notice as required by this ordinance, or;
  - 4. The bypass did not exceed user discharge limits and was required for essential maintenance.
- B. If a user knows in advance of the need for a by-pass, it shall submit prior notice to the MNWD at least ten (10) days before the date of the by-pass.
- C. The MNWD may approve an anticipated by-pass after considering its adverse effects, if the MNWD determines that it will meet the conditions listed within this section.

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## 804. REPORTING OF BY-PASS (cont)

- D. A user shall submit notice of an unanticipated by-pass that exceeds their wastewater discharge permit limitation to the MNWD within 24 hours from the time the user becomes aware of the by-pass. A written report shall also be provided within five (5) working days of the time the permittee becomes aware of the by-pass. The report shall contain:
1. Description of the by-pass and its cause.
  2. Duration of the by-pass, including exact dates and times.
  3. Anticipated time it is expected to continue if the by-pass has not been corrected.
  4. Steps taken or planned to reduce, eliminate, and prevent recurrence of the by-pass.
- E. Failure to submit notice and/or written report may be grounds for wastewater discharge permit suspension or revocation. Failure to provide timely notice under Section 804 D. is deemed a waiver of the bypass defense for the user violation.
- F. Such notification shall not relieve the user of any expense, loss, damage, or other liability which may be incurred as a result of damage or loss to sewerage facilities or any other damage or loss to person or property. Such notification shall never relieve the user from any fees or liability that may be imposed by this ordinance, other regulatory agencies or other applicable law.

## 805. BASELINE MONITORING REPORTS (40 CFR 403.12(b))

- A. Within either one hundred eighty (180) days after the effective date of a categorical standard or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, an existing categorical industrial user currently discharging to or scheduled to discharge shall submit to the MNWD a report containing the information listed below. At least ninety (90) days prior to commencement of discharge, new sources, and sources that become categorical industrial users subsequent to the promulgation of an applicable categorical standard shall submit to the MNWD a report containing the information listed below. A new source shall report the method of pretreatment it intends to use to meet applicable categorical standards. A new source also shall give estimates of its anticipated flow and quantity of pollutants to be discharged. The baseline monitoring report shall include, but is not limited to, the following:
1. Identifying information. The name and address of the site, including the name of the operator and owner.
  2. Permits. A list of any environmental control permits held by or for the site.
  3. Description of Operations. A brief description of the nature, average rate of production, and standard industrial classification of the operation(s) carried out by such industrial user. This description should include a schematic process diagram which indicates points of discharge to sewerage facilities from the regulated processes.
  4. Flow Measurements. Information showing the measured average daily and maximum daily flow, in gpd, to sewerage facilities from regulated process streams and other streams as necessary.
  5. Measurement of Pollutants. The categorical pretreatment standards applicable to each regulated process and the results and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the MNWD, of regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum, and long-term average concentrations, or mass where required, shall be reported. The sample shall be representative of daily operations. In cases where the standards requires compliance with a BMP or pollution prevention alternative, the industrial user shall submit documentation as required by the MNWD or the applicable standards to determine compliance with the standard.
  6. Certification. A statement, reviewed by the user's CAR and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the pretreatment standards and requirements.



**805. BASELINE MONITORING REPORTS (40 CFR 403.12(b)) (cont)**

- 7. Compliance schedule. If additional pretreatment and/or O&M will be required to meet the pretreatment standards, the shortest schedule by which the industrial user will provide such additional pretreatment and/or O&M The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard.
- 8. Signature and certification. All monitoring reports shall be signed and certified in accordance with Section 802 E. of this ordinance.

**806. REPORT ON PROGRESS IN MEETING COMPLIANCE SCHEDULES (40 CFR 403.12(c))**

- A. All Class I users required to submit compliance schedules shall report their progress no later than fourteen (14) days after each due date contained in their compliance schedule.
- B. The schedule shall contain increments of progress in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the user to comply with the applicable pretreatment standards.
- C. No increment referred to above shall exceed nine (9) months.
- D. In no event shall more than nine (9) months elapse between progress reports to the MNWD.

**807. REPORT ON COMPLIANCE WITH CATEGORICAL PRETREATMENT STANDARDS DEADLINE (40 CFR 403.12(d))**

- A. Within ninety (90) days following the date for final compliance with the applicable categorical standards or within ninety (90) days of the introduction of wastewater into the sewerage facilities, the affected user shall submit a report containing the information listed below. This report shall include, but is not limited to the following:
  - 1. Flow Measurements. Information showing the measured average daily and maximum daily flow, in gallons per day, to sewerage facilities from regulated process streams and other streams.
  - 2. Measurement of Pollutants. The categorical pretreatment standards applicable to each regulated process and the results and analysis identifying the nature and concentration, and/or mass, where required by the standard or by the MNWD, of regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum, and long-term average concentrations, or mass where required, shall be reported. The sample shall be representative of daily operations.
  - 3. Certification. A statement, reviewed by the user's CAR and certified by a qualified professional, indicating whether pretreatment standards are being met on a consistent basis, and if not, whether additional operation and maintenance (O&M) and/or additional pretreatment is required to meet the pretreatment standards and requirements.
  - 4. Signature and certification. All monitoring reports shall be signed and certified in accordance with Section 802 E. of this ordinance.

**808. PERIODIC COMPLIANCE REPORT**

- A. All Class I users subject to federal pretreatment standards (except a non-significant categorical user) as a minimum shall submit reports containing the information required in 40 CFR 403.12 during the months of June and December, or as required in their wastewater discharge permit or other control mechanism.
- B. A Class I user determined to be a non-significant categorical industrial user by the MNWD or SOCWA pursuant to Section 202.B.86.c. shall annually submit a report containing information as required in their wastewater discharge permit or other control mechanism.
- C. All users may be required to submit periodic compliance reports containing information as required in their wastewater discharge permit, other control mechanism or as required by the MNWD.

# #11.

## 809. RIGHT OF ENTRY

MNWD shall have the right to enter the premises of any user to determine whether the user is complying with the requirements of this ordinance and any individual wastewater discharge permit, other control mechanism or order issued hereunder. Users shall allow SOCWA ready access to all parts of the premises for the purpose of inspection, sampling, records examination and copying, and the performance of any other duties.

## 810. ANALYTICAL REQUIREMENTS

All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136 and amendments thereto, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, or where the EPA determines that the Part 136 sampling and analytical techniques are inappropriate for the pollutant in question, sampling and analyses shall be performed by using validated analytical methods or any other applicable sampling and analytical procedures, including procedures suggested by SOCWA or other parties approved by the EPA.

## 811. SAMPLE COLLECTION

- A. Samples collected by the user to satisfy reporting requirements contained in this ordinance, their wastewater discharge permit or other control mechanism shall be based on data obtained through appropriate sampling and analysis performed during the period covered by the report, based on data that is representative of conditions occurring during the reporting period.
- B. Except as indicated in Section 811.C. and 811.D. below, the user shall collect wastewater samples using 24-hour flow-proportional composite sampling techniques, unless time-proportional composite sampling or grab sampling is authorized by the MNWD. Where time-proportional composite sampling or grab sampling is authorized by the MNWD, the samples shall be representative of the discharge. Using protocols specified in 40 CFR 136 and appropriate EPA guidance, multiple grab samples collected during a 24-hour period may be composited prior to the analysis as follows: for cyanide, total phenols and sulfides the samples may be composited in the laboratory or in the field; for volatile organics and oil and grease, the samples may be composited in the laboratory. Composite samples for other parameters unaffected by the compositing procedures as documented in approved EPA methodologies may be authorized by the MNWD, as appropriate. In addition, grab samples may be required at any time to show compliance with instantaneous discharge limits.
- C. Samples for analysis of oil and grease, temperature, pH, cyanide, total phenols, sulfides, and volatile organic compounds shall be obtained using grab sample collection techniques.
- D. For sampling required in support of baseline monitoring and 90-day compliance reports required by this ordinance and 40 CFR 403.12(b) and (d), a minimum of four (4) grab samples shall be used for pH, cyanide, total phenols, oil and grease, sulfide and volatile organic compounds for users for which historical sampling data do not exist; for users for which historical sampling data are available, MNWD may authorize a lower minimum. For reports required by this ordinance and 40 CFR 403.12(e) and (h), the user shall collect the number of grab samples necessary to assess and assure compliance with applicable pretreatment standards and requirements.

## 812. TIMING

Reports shall be deemed to have been submitted on the date postmarked. For reports that are not mailed or delivered with postage prepaid the date of receipt of the report shall govern.

## 813. NOTIFICATION OF CHANGED DISCHARGE

All users that have been issued a wastewater discharge permit shall notify the MNWD in advance of any substantial change in the volume or character of pollutants in their discharge in accordance with 40 CFR 403.12(j)

**814. NOTIFICATION OF THE DISCHARGE OF HAZADOUS WASTE (40 CFR 403.12(p)(1))**

- A. The industrial user shall notify the MNWD, the EPA Regional Waste Management Division Director, and State hazardous waste authorities in writing of any discharge into sewerage facilities of a substance, which, if otherwise disposed of, would be a hazardous waste under 40 CFR part 261. Such notification must include the name of the hazardous waste as set forth in 40 CFR Part 261, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). If the industrial user discharges more than one hundred (100) kilograms of such waste per calendar month to sewerage facilities, the notification shall also contain the following information to the extent such information is known and readily available to the industrial user: An identification of the hazardous constituents contained in the wastes, an estimation of the mass and concentration of such constituents in the wastestream discharged during that calendar month, and an estimation of the mass of constituents in the wastestream expected to be discharged during the following twelve (12) months. All notifications must take place no later than one hundred and eighty (180) days after a discharge to sewerage facilities commences. Any notification under this section need be submitted only once for each hazardous waste discharged. However, notifications of changed discharges must be submitted under Section 813 of this ordinance and as listed in 40 CFR 403.12(j). The notification requirement in this section does not apply to pollutants already reported under the self-monitoring requirements of Sections 805, 807 and 808 of this ordinance and as listed in 40 CFR 403.12(b), (d), and (e).
- B. Dischargers are exempt from the requirements of Section 814. A., above, during a calendar month in which they discharge no more than fifteen (15) kilograms of hazardous wastes, unless the wastes are acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e). Discharge of more than fifteen (15) kilograms of non-acute hazardous wastes in a calendar month, or of any quantity of acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e), requires a one-time notification. Subsequent months during which the industrial user discharges more than such quantities of any hazardous waste do not require additional notification.
- C. In the case of any new regulations under Section 3001 of RCRA identifying additional characteristics of hazardous waste or listing any additional substance as a hazardous waste, the industrial user must notify the MNWD, the EPA Regional Waste Management Waste Division Director, and State hazardous waste authorities of the discharge of such substance within ninety (90) days of the effective date of such regulations.
- D. In the case of any notification made under this section, the industrial user shall certify that it has a program in place to reduce the volume and toxicity of hazardous wastes generated to the degree it has determined to be economically practical.
- E. This section does not create a right to discharge any substance not otherwise permitted to be discharged by this ordinance, a permit issued thereunder, or any applicable Federal or State law.

## ARTICLE 9 ENFORCEMENT

### 901. ENFORCEMENT SCOPE

- A. The MNWD finds that in order for it to comply with the laws, regulations, and rules imposed upon it by regulatory agencies and to ensure that sewerage facilities and treatment processes are protected and are able to operate with the highest efficiency, specific enforcement provisions must be adopted to regulate discharges from industrial users.
- B. The MNWD is willing to cooperate with all users on improvements in wastewater quality, yet must be in a position to ensure that uncooperative users shall comply with this ordinance and any conditions set forth in a wastewater discharge permit.
- C. The MNWD intends to ensure that all interested parties are afforded due process of law and that any noncompliance or violation is resolved as soon as possible. **Enforcement shall be guided by the ERP, adopted by MNWD as Resolution No. 09-30.**
- D. All users have a right of appeal pursuant to the procedures set forth in this ordinance.
- E. Each non-compliance or violation per day and each day of noncompliance or violation shall be taken as a separate noncompliance or violation for determining the amount of fees, charges, fines or penalties and/or which enforcement actions may be taken. A violation of a weekly average is considered seven (7) days of violation for that parameter and a violation of a monthly average is based upon the number of days in that month. A violation of multiple parameters caused by a single operational upset is considered one violation.
- F. The issuance or exercise of any type of an enforcement action provided for under this ordinance shall not be a bar against, or a prerequisite for, taking any other or additional enforcement action against a user under this ordinance or any other local, State or federal law. The remedies provided for in this ordinance are not exclusive and the MNWD is empowered to take more than one enforcement action against any noncompliant user.

### 902. NOTICE OF NONCOMPLIANCE (NON)

- A. In the event that it is determined that a user is in noncompliance with any provision of this ordinance, or the terms, conditions and limitations of its wastewater discharge permit, the MNWD may issue a NON form, whereby the user shall comply with all directives, conditions and requirements therein within the time prescribed.
- B. The issuance of a NON form may contain terms and conditions including, but not limited to, installation of pretreatment equipment, sampling structures, submittal of drawings or technical reports, payment of fees or administrative fines, limits on rate and time of discharge or any other provisions to ensure compliance with this ordinance and the user's wastewater discharge permit. This action is not a prerequisite to taking other or more severe enforcement actions.

### 903. NOTICE OF VIOLATION (NOV)

- A. In the event that it is determined that a user has not responded to a NON form that was previously issued to them or that noncompliance of any pretreatment standards requires their immediate attention, the MNWD may issue a NOV form, whereby the user shall comply with all directives, conditions and requirements therein within the time prescribed.
- B. The issuance of a NOV form may contain terms and conditions including, but not limited to, installation of pretreatment equipment and facilities, submittal of drawings or technical reports, payment of fees, administrative fines, limits on rate and time of discharge or any other provisions to ensure compliance with this ordinance. This action is not a prerequisite to taking other or more severe enforcement actions.

**904. ADMINISTRATIVE ORDER (AO)**

- A. The AO is an enforcement document from the MNWD directing the noncompliant user to undertake or to cease specific activities required to bring the user into compliance with this ordinance or the terms, conditions and limitation of a wastewater discharge permit as determined by the MNWD. The terms and conditions of the AO are not negotiable by the user. The circumstances of a user's noncompliance may dictate which theme the administrative order takes to achieve the earliest possible return to compliance by the user. AOs may include administrative complaints. Types of AOs may include, but are not limited to, the following:
1. Probation Order (PO)
    - a. The PO directs the noncompliant user to achieve compliance by a date specified in the order. The PO is usually issued when a user is in non-compliance of this ordinance, or the terms, conditions and limitations of its wastewater discharge permit or other enforcement action, or has not made payment of all amounts owed to the MNWD which include, but are not limited to, any fees, charges, fines and/or penalties. This action is not a prerequisite to taking other or more severe enforcement actions.
  2. Show Cause Order (SCO)
    - a. The SCO directs the noncompliant user to appear at a formal meeting, usually at a MNWD location, to explain its noncompliance, and to show cause why more severe enforcement actions against the user should not go forward. This action is not a prerequisite to taking other or more severe enforcement actions.
  3. Cease and Desist Order (CDO)
    - a. The CDO directs the noncompliant user to cease illegal or unauthorized discharges immediately, or to terminate its discharge altogether. A CDO may be issued in situations where a particular discharge could cause interference or pass through, or threaten human safety or the environment. The CDO may be issued immediately upon discovery of the problem. In an emergency, a CDO may be issued by any means, however, such an order should be followed by a written CDO on the user,. If necessary, the MNWD may order immediate cessation of any discharge to a sewerage facility, regardless of the user's compliance status. If a user fails to comply with the CDO, the MNWD may take any independent action to halt the discharge. This action is not a prerequisite to taking other or more severe enforcement actions.

**905. WASTEWATER DISCHARGE PERMIT SUSPENSION OR REVOCATION**

- A. Grounds
1. The MNWD may suspend or revoke any wastewater discharge permit, but is not limited to the following, when it is determined that a user:
    - a. Violated an administrative order.
    - b. Provided a false statement, representation, record, report or other document to the MNWD.
    - c. Refused to provide records, reports, plans or other documents required to determine wastewater discharge permit terms, conditions, or limitations, discharge compliance, or compliance with this ordinance.
    - d. Discharged effluent that causes pass-through or interference with sewerage facilities.
    - e. Falsified, tampered with, or knowingly rendered inaccurate any monitoring device or sample collection method.
    - f. Discharged effluent that endangers human health or the environment.
    - g. Failed to report significant changes in operations or wastewater constituents and characteristics.
    - h. Failed to comply with the terms and conditions of any enforcement action.
    - i. Refused reasonable access to the permittee's premises for the purpose of inspection and monitoring.

# #11.

## 905. WASTEWATER DISCHARGE PERMIT SUSPENSION OR REVOCATION (cont)

- j. Failed to make timely payment of any fees, charges, fines or penalties owed to the MNWD.
- k. Violated any conditions or limitations of its wastewater discharge permit or any provision of this ordinance.
- l. Discharged batch dumps to sewerage facilities not authorized or permitted by the MNWD.

### B. Notice of Wastewater Discharge Permit Suspension/Revocation

- 1. When the MNWD has reason to believe that grounds exist for suspension/revocation of a wastewater discharge permit, written notice shall be given by certified mail to the permittee setting forth a statement of facts and grounds deemed to exist together with a description of the time and place where the charge shall be heard by the General Manager. The hearing date shall not be less than fifteen (15) days nor more than sixty (60) days after the mailing of such notice.

### C. Hearing on Wastewater Discharge Permit Suspension/Revocation

- 1. At the wastewater discharge permit suspension/revocation hearing, the user shall have an opportunity to respond to the allegations set forth in the notice. The hearing shall be conducted in accordance with procedures established by the General Manager and approved by the MNWD's General Counsel.
- 2. After the hearing, the General Manager's designee shall submit a written report to the General Manager setting forth a brief statement of facts found to be true, a determination of the issues presented, conclusions, and a recommendation.
- 3. Upon receipt of the written report, the General Manager shall make his determination. Should he find that the grounds exist for suspension/revocation of the wastewater discharge permit, he shall issue his decision and order, in writing within thirty (30) days after the hearing by his designee. A copy of the written decision shall be sent by personal delivery or certified mail to the user.

### D. Effect of Wastewater Discharge Permit Suspension

- 1. Upon the issuance of an order of suspension by the General Manager, the user shall have no right to discharge any industrial wastewater, directly or indirectly to sewerage facilities for the duration of the suspension. All costs for physically terminating and reinstating service shall be paid by the user.
- 2. An order of wastewater discharge permit suspension issued by the General Manager shall be deemed final upon delivery to the user, unless appealed to the Board as specified in Section 913 of this ordinance.

### E. Effect of Wastewater Discharge Permit Revocation

- 1. On the effective date of a wastewater discharge permit revocation being final, the user shall permanently lose all rights to discharge any industrial wastewater directly or indirectly to sewerage facilities. All costs for physical termination shall be paid by the user.
- 2. Each owner and employee of the user shall be bound by the order of wastewater discharge permit revocation.
- 3. Any future application from any user subject to an order of wastewater discharge permit revocation will only be considered by the MNWD after fully reviewing the records of revocation. Such records may be the basis for denial of a new wastewater discharge permit.
- 4. An order of permit revocation issued by the General Manager shall be deemed final upon delivery to the user, unless appealed to the Board as specified in Section 913 of this ordinance.

**906. TERMINATION OF SERVICE**

The MNWD may physically terminate water or sewer service to any user that violates or continues to violate the provisions of this ordinance, a term of any order of suspension or revocation of a wastewater discharge permit or other control mechanism. All costs for physical termination shall be paid for by the user as well as all costs for reinstating services. Service may commence only after the user has satisfactorily demonstrated its ability to comply.

**907. EMERGENCY SUSPENSION**

- A. The MNWD may suspend sewer service when such suspension is necessary, in order to stop an actual or impending discharge which presents or may present an imminent or substantial endangerment to the health and welfare of persons, to the environment, cause interference to sewerage facilities, or cause the MNWD to violate any State or federal law or regulation.
- B. An emergency suspension order is final and has no right of appeal.

**908. INJUNCTION**

Whenever a discharge of wastewater is in violation of the provisions of this ordinance, the MNWD may petition the superior court for the issuance of a preliminary or permanent injunction, or both, as may be appropriate to restrain the continuance of such discharge.

**909. CIVIL FINES AND PENALTIES**

- A. Authority.
  - 1. All users of sewerage facilities are subject to administrative or judicial enforcement actions by the MNWD, EPA, State Regional Water Quality Control Board or the Attorney of Orange County. Actions may be taken pursuant to the authority and provisions of several laws, including but not limited to:
    - a. Federal Water Pollution Control Act (Clean Water Act).
    - b. California Porter-Cologne Water Quality Act (California Water Code).
    - c. California Hazardous Waste Control Law.
    - d. Resource Conservation and Recovery Act (RCRA).
- B. Recovery of Fines or Penalties.
  - 1. Payment of fines or penalties by the MNWD due to enforcement actions of other regulatory agencies based upon a violation by the MNWD whose cause can be established as the discharge of any user which is in violation of any provisions of this ordinance or a wastewater discharge permit shall entitle the MNWD to recover from the user all cost and expenses, including, but not limited to the full amount of fines and penalties which the MNWD has been subjected to.
  - 2. Each violation shall constitute a new and separate violation and shall be subject to the fines and penalties contained herein.
- C. Civil Liability
  - 1. Pursuant to the authority of California Government Code Sections 54739-54740, any user, permittee, discharger or other person who violates any provision of this ordinance, any wastewater discharge permit condition, prohibition or effluent limitation, or any order, compliance schedule, suspension or revocation shall be civilly liable for a sum not to exceed twenty-five thousand dollars (\$25,000) per violation for each day in which such violation occurs.

# #11.

## 909. CIVIL FINES AND PENALTIES (cont)

2. Pursuant to the authority of the Act, 33 U.S.C. Section 1251 et seq., any user, permittee, discharger or other person who violates any provision of this ordinance, any wastewater discharge permit condition, prohibition or effluent limitation, or any order, compliance schedule, wastewater discharge permit suspension or revocation shall be civilly liable for a sum not to exceed twenty-five thousand dollars (\$25,000) per violation for each day in which such violation occurs.
3. The MNWD may petition the superior court to impose, assess and recover penalties or other such penalties as the MNWD may impose, assess and recover pursuant to federal and/or State legislative authorization.
4. Notwithstanding any other provisions of law, all civil penalties imposed by the court for a violation of this ordinance shall be distributed to the MNWD.
5. Remedies under this section are in addition to and do not supersede or limit any and all other remedies, civil or criminal, but no liability shall be recovered under this section for any violation for which liability is recovered under Section 909 D. of this ordinance.

### D. Administrative Complaint

1. Pursuant to the authority of California Government Code Sections 54740.5 and 54740.6, the MNWD may issue an administrative complaint to any user, permittee, discharger or other person who violates any provision of this ordinance, any wastewater discharge permit condition, prohibition or effluent limitation, or any administrative, suspension or revocation order or other control mechanism.
2. The administrative complaint shall be served by personal delivery or certified mail on such person and shall inform the person that a hearing shall be conducted, within sixty (60) days following service. The administrative complaint will allege the act or failure to act that constitutes the violation(s), set forth the provisions of law authorizing civil liability to be imposed and the proposed civil penalty. The matter shall be heard by the General Manager or his designee. The person to whom an administrative complaint has been issued may waive the right to a hearing, in which case a hearing shall not be conducted.
3. At the hearing, the person shall have an opportunity to respond to the allegations set forth in the administrative complaint by presenting written or oral evidence. The hearing shall be conducted in accordance with the procedures established by the General Manager and approved by the MNWD's General Counsel.
4. After the conclusion of the hearing, the General Manager's designee shall submit a written report to the General Manager setting forth a brief statement of the facts found to be true, a determination of the issues presented, conclusions and a recommendation. Upon receipt of the written report, the General Manager shall make his determination and should he find that grounds exist for assessment of a civil penalty, he shall issue his decision and order in writing within thirty (30) calendar days after the conclusion of the hearing. If not appealed, the order shall be final thirty-one (31) days after it is served on the person.
5. A person dissatisfied with the decision of the General Manager may appeal to the Board pursuant to Section 913 of this ordinance within thirty (30) days of notice of the General Manager's decision.
6. If, after the hearing or appeal, if any, it is found that the person has violated reporting or discharge requirements or other provisions of the this ordinance, the General Manager or Board may assess a civil penalty against that person.
7. In the determination of the amount of the civil penalty, all relevant circumstances may be taken into consideration, including, but not limited to, the extent of harm caused by the violation, the economic benefit derived through any non-compliance, the nature and persistence of the violations, the length of time over which the violation occurs and the corrective action(s), if any, attempted or taken by the person.



**909. CIVIL FINES AND PENALTIES (cont)**

8. Civil penalties may be assessed as follows:
  - a. In an amount which shall not exceed two thousand dollars (\$2,000) for each day for failing or refusing to furnish technical or monitoring reports.
  - b. In an amount which shall not exceed three thousand (\$3,000) for each day for failing or refusing to timely comply with any compliance schedule
  - c. In an amount which shall not exceed five thousand dollars (\$5,000) per violation for each day for discharges in violation of any waste discharge limitation, wastewater discharge permit condition, other control mechanism or requirement issued, reissued or adopted by the MNWD.
  - d. In an amount which does not exceed ten dollars (\$10) per gallon for discharges in violation of any suspensions, cease and desist order or other orders, or prohibition issued, reissued or adopted by the MNWD.
9. Payment of civil penalties shall be due within thirty (30) days of the date of the order assessing the penalties becomes final. The amount of any administrative civil penalties imposed which have remained delinquent for a period of sixty (60) days from the date they are due shall constitute a lien against the real property of the discharger from which the discharge resulting in the imposition of the penalty originated. The lien shall have no force and effect until recorded with the county recorder and when recorded shall have the force and effect and priority of a judgment lien and continue for ten (10) years and be renewable in accordance with law.
10. Copies of the administrative order shall be served by personal service or by registered mail upon the party served with the administrative complaint and upon other persons who appeared at the hearing and requested a copy of the order.
11. Any party aggrieved by a final order issued by the Board after granting review of the order of the General Manager may obtain review of the order of the Board in the Superior Court, by filing in the court a petition for writ or mandate within thirty (30) days following the service of a copy of the decision and order issued by the Board.
12. Any party aggrieved by a final order issued by the General Manager, for which the Board denies review, may obtain review of the order of the General Manager in the Superior Court, by filing in the court a petition for writ of mandate within thirty (30) days following service of a copy of a decision and order denying review by the Board.
13. No administrative civil penalties shall be recoverable under this section for any violation for which civil liability is recovered under Section 909 C. of this ordinance.

**910. CRIMINAL PENALTIES**

- A. Any person who violates any provision of this ordinance is guilty of a misdemeanor, which upon conviction is punishable by a fine not to exceed one thousand dollars (\$1,000) or imprisonment for not more than thirty (30) days or both.
- B. Each violation shall constitute a new and separate violation and shall be subject to the penalties contained herein.

**911. PUBLIC NUISANCE**

- A. Discharge of wastewater in a manner that is in noncompliance or violation of this ordinance or of any order issued by the MNWD, in accordance with this ordinance, shall hereby be declared a public nuisance and shall be corrected or abated as directed by the MNWD.
- B. Any person creating a public nuisance is guilty of a misdemeanor and is subject to the criminal penalties identified in Section 910 of this ordinance.

# #11.

## 912. APPEALS TO THE GENERAL MANAGER

### A. General

1. Any user affected by a decision, action or determination made by MNWD staff may file with the General Manager a written request for an appeal hearing.
2. Request must be made within fifteen (15) days of the mailing of the original decision.
3. Request for hearing shall set forth details of all facts supporting the appellant's request for hearing.

### B. Notice

1. The General Manager shall, within fifteen (15) days of receiving the request for appeal provide written notice to the user of the hearing date, time, and place.
2. The hearing time shall not be more than thirty (30) days from the mailing of such notice by certified mail to the appellant unless a later date is agreed to by the appellant.
3. If the hearing is not held within the time set due to actions of the appellant, then the MNWD's decision shall be deemed final.

### C. Hearing

1. The appellant shall have the opportunity to present information supporting its position concerning the MNWD's original decision, action or determination.
2. The hearing shall be conducted in accordance with procedures established by the General Manager and approved by the MNWD's General Counsel.

### D. Written Determination

1. After the hearing the General Manager shall make a determination whether to uphold, modify or reverse original decision, action or determination as issued by MNWD staff.
2. This decision shall be put into writing within a brief statement of facts found to be true, the determination of the issues presented, and the findings.
3. The final determination of the General Manager upon his approval shall be executed as the order.
4. A copy shall be mailed or delivered to the appellant.
5. The order of the General Manager shall be final in all respects fifteen (15) days after it is mailed to the appellant, unless appealed under Section 913 of this ordinance.

### E. Wastewater Discharge Permit Suspension/Revocation Appeals

1. Appeals regarding wastewater discharge permit suspension or revocation are covered under Section 905 and Section 913 as specified in this ordinance.

**913. APPEALS TO THE BOARD****A. General**

1. The user may, within thirty (30) days after the date of notification of the General Manager's order upholding the MNWD's determination, file a written appeal to the Board.
2. A fee of one hundred dollars (\$100) shall accompany the written appeal which shall be refunded if the Board reverses or modifies the order of the General Manager.
3. A request for appeal to the Board shall set forth details of the past record and that new arguments cannot be raised on appeal to the Board that could have been, but were not, raised in the prior appeal to the General Manager.
4. Pending the hearing on appeal, the user shall not be entitled to discharge into sewerage facilities beyond the effective date of the original order determined by the General Manager, unless it has been determined by the General Manager that the user is pursuing good faith arguments and approves such discharge.

**B. Notice**

1. The Board Secretary, within fifteen (15) days of receiving the request for appeal, will provide written notice to the user of the hearing date, time and place.
2. The hearing date shall not be more than forty-five (45) days from the mailing of such notice by certified mail to the appellant unless a later date is agreed to by the appellant.
3. If the hearing is not held within the time set due to action of the appellant, the General Manager's decision shall be deemed final.

**C. Hearing**

1. The appellant shall have the opportunity to present information supporting its position concerning the General Manager's determination.
2. The hearing shall be conducted in accordance with procedures established by the Board and approved by the MNWD's General Counsel.

**D. Written Determination**

1. After the hearing, the Board shall make a determination whether to uphold, modify or reverse the original decision, action or determination as ordered by the General Manager.
2. The decision of the Board shall be reduced to writing within thirty (30) days after the hearing.
3. It shall contain a brief statement of facts found to be true, the determination of the issues presented, and the findings. The decision shall be submitted to the appellant.
4. The order of the Board shall be final upon its adoption.

# #11.

## 914. JUDICIAL REVIEW

### A. Purpose and Effect

1. Pursuant to Section 1094.6 of the California Code of Civil Procedure, the time in which a user may bring an administrative mandamus action shall be limited to ninety (90) days following the final decision in the adjudicative administrative hearing in question.

### B. Time Limit for Judicial Review

1. Judicial review of any decision of the MNWD's Board may be made pursuant to Section 1094.5 of the California Code of Civil Procedure only if the petition for writ of mandate is filed no later than ninety (90) days following the date on which any decision becomes final.

### C. Preparation of Records

1. The complete record of the proceedings shall be prepared by the MNWD and shall be delivered or mailed to the petitioner within one hundred-ninety (190) days after they have filed a written request.
2. The MNWD shall recover from the petitioner its actual costs for preparing and transcribing the record.

### D. Extension

1. If the petitioner files a request for the record within ten (10) days after the date the decision becomes final, the time within which a petition may be filed, pursuant to Section 1094.5 of the California Code of Civil Procedures, shall be extended to no later than thirty (30) days following the date on which the record is delivered or mailed, by the MNWD, to the petitioner or the petitioner's attorney of record, if appropriate.

### E. Notice

1. In making a final decision, the MNWD shall provide notice to the user whose wastewater discharge permit has been denied, suspended or revoked, that the time in which judicial review must be sought is governed by Section 1094.6 of the California Code of Civil Procedures.

### F. This section does not apply to action taken under Section 909 of this ordinance.

## 915. PAYMENT AND COLLECTION OF FEES AND CHARGES

- A. Except as otherwise provided, all fees and charges are due and payable upon receipt of an invoice or notice thereof. All such amounts are delinquent if unpaid forty-five (45) days after date of invoice or notice.

B. Any invoice or notice that becomes delinquent may have added to it an assessment in accordance with the following:

1. Forty-six (46) days after the date of invoice or notice, an assessment of ten percent (10%) of the base amount, not to exceed a maximum of \$1,000.
2. Ninety (90) days after the date of invoice or notice, a total of twenty-five percent (25%) of the base amount, not to exceed a maximum of \$2,500.

C. Any invoice or notice that is outstanding and unpaid after ninety (90) days may be cause for immediate initiation of wastewater discharge permit revocation proceedings or immediate wastewater discharge permit suspension.

D. Delinquent assessments under this section may not accrue to those invoices or notices successfully appealed, provided the MNWD received written notice of appeal prior to the payment due date.

E. Payment of disputed fees and charges are still required by the due date during review of any appeal submitted by permittee.

F. This section does not apply to Section 909 of this ordinance.

**916. RECOVERY OF ENFORCEMENT COSTS**

In the event a user fails to comply with any of the terms and conditions of this ordinance, wastewater discharge permit, administrative order, wastewater discharge permit suspension or revocation, other control mechanism or any other enforcement action, the MNWD shall be entitled to reasonable attorney's fees and costs which may be incurred during enforcement of any terms and conditions with or without filing proceedings in court.

**917. FINANCIAL SECURITY CONDITIONS****A. Compliance Deposit**

1. Users that have been subject to enforcement actions and/or fees, charges, penalties or fines may be required to deposit with the MNWD an amount determined by the General Manager as necessary to guarantee payment of all charges, fees, costs and expenses that may be incurred in the future.
2. A compliance deposit shall be received by the MNWD before the MNWD either issues a wastewater discharge permit, other control mechanism or grants the user permission for further discharge to sewerage facilities.

**B. Delinquent Accounts**

1. Any user who fails to make payment in full of all fees, charges, penalties or fines assessed by the MNWD including reconciliation amounts, delinquency fees, and other costs, may be required to obtain the issuance of an amendment to their wastewater discharge permit.

**C. Bankruptcy**

1. Any user filing any legal action in any court of competent jurisdiction, including the United States Bankruptcy Court, for purposes of discharging its financial debts or obligations or seeking court-ordered protection from its creditors, shall within ten (10) days of filing such action, apply for and obtain the issuance of an amendment to its wastewater discharge permit by the MNWD.

**D. Wastewater Discharge Permit Amendments**

1. An amendment issued to the user's wastewater discharge permit shall be in accordance with the provision of this ordinance.

**E. Security Deposit**

1. An amendment to a wastewater discharge permit issued in accordance with this ordinance may be conditional upon the user depositing financial security in an amount equal to the total fees and charges from the preceding year.
2. Such a deposit shall be used to guarantee payment of all fees and charges incurred for future services and sewerage facilities provided by the MNWD and shall not be used by the MNWD to recover outstanding fees and charges incurred prior to the user filing and receiving protection from creditors in the United States Bankruptcy Court.

**F. Return of Security Deposit**

1. If the user makes full payment in time of all fees and charges incurred over a period of two (2) years following the issuance of an amendment to the user's wastewater discharge permit prescribed by this ordinance, the user's security deposit shall be returned or credited to the user's account.

# #11.

## 918. REPORT OF ANALYSIS

All collected data from inspection and monitoring sampling conducted by the MNWD may be reported to the user. This data, if given to the user, shall be kept by the user and the MNWD and made available during inspections by the MNWD or any other regulatory agency.

## 919. DAMAGE TO FACILITIES OR INTERRUPTION OF NORMAL OPERATIONS

- A. When a discharger of wastes causes an obstruction, interference, damage, or other impairment to sewerage facilities or to the operation of sewerage facilities, the MNWD may assess the costs against the user for the work required to clean, replace or repair the sewerage facility together with expenses incurred to resume normal operations. This shall also be grounds for wastewater discharge permit revocation. A service charge of twenty-five percent (25%) of costs shall be added to the costs and charges to cover the MNWD's overhead, including administrative personnel and record keeping. The total amount shall be payable within forty-five (45) days of invoicing by the MNWD.
- B. If it can be shown that the discharge of any user is the cause of the MNWD violating its NPDES permit and pretreatment requirements established by any regulatory agency or incurring additional expenses or suffering losses or damage to MNWD sewerage facilities, then that user shall be responsible for any costs, expenses, or assessments incurred by the MNWD, made by other agencies or a court.
- C. Where two or more dischargers cause a single and indivisible harm to sewerage facilities, each is jointly and severally liable for the damages. The burden of proof is on the dischargers to demonstrate that the harm is divisible.

## 920. INDUSTRIAL WASTE PASS THROUGH

- A. If an industrial waste discharge results in a "pass through" event in sewerage facilities, all costs associated with the event, including but not limited to treatment costs, fines, regulatory fines, and other indirect costs may be charged against the user.
- B. The user shall submit plans which prevent future recurrences to the satisfaction of the MNWD.
- C. A second occurrence shall be grounds for wastewater discharge permit revocation without the right of appeal.

## 921. BATCH DUMPS

- A. When the MNWD determines that a user has discharged concentrated noncompatible wastes into sewerage facilities in a manner or method that is not approved by the MNWD, any enforcement action may be taken as set forth in this ordinance.
- B. The user shall be subject to wastewater discharge permit suspension or revocation in accordance with this ordinance as well as any other legal enforcement penalties or remedies available to the MNWD.

## 922. PUBLICATION OF USERS IN SIGNIFICANT NONCOMPLIANCE (SNC)

- A. To comply with the requirements of 40 CFR 403, the MNWD shall annually publish the names of all industrial users that are in SNC of federal pretreatment standards.
- B. Publication of this SNC notice shall be in the newspaper of general circulation that provides meaningful public notice within the MNWD service areas.
- C. The determination of SNC is based upon the definition set forth in Section 202 A. 87. of this ordinance.

**ARTICLE 10  
FEES AND CHARGES**

**1001. APPLICATION FEE**

- A. All application fees shall be in an amount as established by the MNWD.
- B. Payment of the application fee must be received before the issuance of a new or renewal of a wastewater discharge permit.
- C. User shall pay any delinquent invoices in full, prior to the wastewater discharge permit renewal.

**1002. ANNUAL WASTEWATER DISCHARGE PERMIT FEES**

- A. The annual wastewater discharge permit fees shall be in an amount as established by the MNWD.
- B. The annual wastewater discharge permit fees shall be due on or before the date set by the MNWD.

**1003. INSPECTION, MONITORING AND SAMPLING CHARGES**

- A. Any and all costs incurred by the MNWD to inspect, monitor and sample a user for the purpose of assuring compliance with this ordinance, the user's wastewater discharge permit, other control mechanism or other regulations, shall be paid for by the user only upon receipt of an invoice or bill from the MNWD or its representative.

**1004. DELINQUENCY FEES**

- A. Any fees that become delinquent may have added to it an amount as set forth in Section 915 of this ordinance.
- B. Any delinquent fees and all assessments including court costs and legal fees thereon may be collected by lawsuit in the name of the MNWD.

**1005. ADDITIONAL FEES AND CHARGES**

- A. The user will be required to pay all applicable additional fees and charges that are established by the MNWD only upon receipt of an invoice or bill.
- B. Any wastewater discharge permit issued for a location where the user is not the property owner, may be conditioned upon depositing financial security to guarantee payment of all additional fees and charges to be incurred, in accordance with the provisions of Section 917 of this ordinance.

**1006. RECORDING OF FEES AND CHARGES**

- A. The MNWD may keep a permanent record and account of all fees and charges received under this ordinance.
- B. Record information shall include, but is not limited to:
  - 1. Name and address of user.
  - 2. Date and amount of fee or charge.
  - 3. Purpose for which fees or charges were paid.

# #11.

## ARTICLE 11 SEVERABILITY; AMENDMENT

### 1101. SEVERABILITY

- A. If any provisions of this ordinance or the application thereof to any users or circumstances is held invalid, unenforceable, or unconstitutional by any court of competent jurisdiction, the remainder of this ordinance or the application of such provision to other users or other circumstances shall not be affected.
- B. If any section, subsection, clause or phrase of this ordinance is for any reason held to be invalid, unenforceable or unconstitutional by any court of competent jurisdiction, such decision shall not affect the remaining portions of this ordinance. The Board declares that they would have passed said ordinance by section, subsection, sentence, clause or phrase thereof.

### 1102. AMENDMENT

- A. This ordinance, or any of the terms or provisions thereof, may be amended, and any amendments to this ordinance shall become effective thirty (30) days after adoption.

## ARTICLE 12 REPEAL

### 1201. REPEAL

- A. All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed to the extent that they are inconsistent with the provisions of this ordinance.
- B. Ordinance No. ~~4997-1-09-2~~ entitled "An Ordinance of Rules and Regulations for the Discharge of Wastewater to Sewerage Facilities of the Moulton Niguel Water District Service Area" is hereby repealed.

## ARTICLE 13 EFFECTIVE DATE

### 1301. EFFECTIVE DATE

- A. This ordinance shall become effective thirty (30) days after adoption.



**MOULTON NIGUEL WATER DISTRICT**  
**Summary of Financial Results**  
**January 14, 2021**

Year to date unaudited results of operations as of November 30, 2020, are summarized below.

Total operating revenues were \$32.3 million for the month ended, which came in at 47% of the budget. Total operating expenses ended at \$32.4 million, which amounted to 40% of the approved budget. Total net loss for the period ended was \$4.2 million. The District has historically recorded a net loss at this point in the fiscal year as most property tax allotments are received in December and April each year. Through November, the District received \$6.0 million, or 20% of the \$30.7 million budget for property taxes.

With the award of the \$2.8 million grant from the California Governor's Office of Emergency Services (Cal-OES), the District has been awarded over \$4.5 million in federal grants since June 2017.

The District currently has \$3.6 million available in the Water Efficiency Fund for new projects, rebate applications or additional programs. The remaining balance considers \$2.0 million in approved water efficiency program commitments, as well as \$1.4 million in capital spending this fiscal year, and future expected grant reimbursements for the Smart Meter project.

The District's total unrestricted cash and investments balance at November 30, 2020, was \$125.0 million. The District also holds \$3.5 million in cash that is deposited with the District's fiscal agent. The \$2.2 million deposited in the 2019 revenue bonds account was from the former reserve and will be used to pay future scheduled debt service payments. The District is meeting the only current reserve requirement of \$0.9 million for the 2015 Revenue Refunding Bonds. The excess funds over the reserve will be used to pay future scheduled debt service payments as well.

Based on the approved fiscal year 2020-21 Budget, the Board had established a target reserve level of \$69.8 million, and as of the end of this period, the District held \$69.8 million in reserves. Additionally, the District has \$29.8 million available in the funds designated for capital projects. As property taxes are received, the District will transfer sufficient funds into the designated for capital projects funds in accordance with the adopted Budget.

**Moulton Niguel Water District**  
**All Funds - Budget Comparison Report**  
**Year To Date Totals November 30, 2020**

	1	2	3	=3-1	=1/3
Description	Fiscal Year to Date Actuals	Prior Fiscal Year to Date Actuals	Current Year Approved Budget	Current Year Budget Balance	% of Actuals to Budget
<b>ALL FUNDS</b>					
<u>Operating Revenues</u>					
Water Sales	\$ 14,968,821	\$ 13,910,762	\$ 31,438,154	\$ 16,469,333	48%
Recycled Water Sales	3,048,340	2,957,889	5,941,355	2,893,015	51%
Sewer Sales	11,417,915	10,902,981	25,446,037	14,028,122	45%
Water Efficiency	2,741,477	2,405,046	4,587,175	1,845,698	60%
Other Operating Income	91,003	174,007	1,079,522	988,519	8%
<b>A Total Operating Revenue</b>	<b>32,267,556</b>	<b>30,350,685</b>	<b>68,492,243</b>	<b>36,224,687</b>	<b>47%</b>
<u>Operating Expenses</u>					
Salaries <sup>1</sup>	5,904,601	5,840,042	16,159,959	10,255,358	37%
PERs Employer Contributions <sup>1</sup>	1,263,051	1,042,397	2,824,211	1,561,160	45%
Defined Contribution 401A <sup>1</sup>	106,134	103,156	294,546	188,412	36%
Educational Courses	17,175	15,468	81,360	64,185	21%
Travel & Meetings	20,942	161,818	391,501	370,558	5%
Recruitment & Employee Relations	2,288	3,622	98,055	95,767	2%
General Services	109,454	91,808	528,874	419,420	21%
Annual Audit	19,782	18,850	55,000	35,218	36%
Member Agencies O&M	62,523	117,717	515,520	452,997	12%
Dues & Memberships	64,916	99,666	208,647	143,731	31%
Election Expenses	-	-	180,000	180,000	0%
Consulting Services	719,894	906,394	3,277,000	2,557,106	22%
Equipment Rental	16,430	24,799	63,010	46,580	26%
District Fuel	89,539	113,086	330,000	240,461	27%
Insurance - District	277,889	211,782	558,300	280,411	50%
Insurance - Personnel	208,555	191,322	402,638	194,083	52%
Insurance - Benefits <sup>1</sup>	1,870,293	1,483,828	3,535,028	1,664,735	53%
Legal Services - Personnel	4,095	1,228	50,000	45,905	8%
Legal Services - General	58,797	70,408	620,000	561,203	9%
District Office Supplies	202,970	342,442	1,093,053	890,083	19%
District Operating Supplies	328,540	566,097	1,159,250	830,710	28%
Repairs & Maintenance - Equipment	340,299	470,907	1,406,595	1,066,296	24%
Repairs & Maintenance - Facilities	1,067,310	1,371,433	4,359,324	3,292,014	24%
Safety Program & Compliance Requirements	108,949	153,870	363,787	254,838	30%
Wastewater Treatment	4,687,609	4,574,770	9,374,975	4,687,366	50%
Special Outside Assessments	31,186	27,290	153,967	122,781	20%
Utilities	1,242,990	1,154,521	3,079,533	1,836,543	40%
Water Purchases	13,337,341	12,516,732	28,637,921	15,300,580	47%
Water Efficiency	195,749	610,668	1,850,000	1,654,251	11%
<b>B Total Operating Expenses</b>	<b>32,359,301</b>	<b>32,286,119</b>	<b>81,652,053</b>	<b>49,292,752</b>	<b>40%</b>
<b>A-B Operating Income (Loss)</b>	<b>(91,745)</b>	<b>(1,935,434)</b>	<b>(13,159,810)</b>	<b>(13,068,065)</b>	
<u>Non-Operating Revenues (Expenses)</u>					
Property Tax Revenue	6,035,894	5,548,318	30,744,255	24,708,361	20%
Investment Income <sup>2</sup>	266,414	1,368,636	2,469,486	2,203,072	11%
Property Lease Income	724,438	735,444	1,943,911	1,219,473	37%
Interest Expense	(1,731,570)	(1,399,829)	(4,945,081)	(3,213,511)	35%
Misc. Non-Operating Income (Expense)	19,688	(141,859)	245,312	225,624	8%
Capacity and Demand Offset Fees	8,805	47,119	420,384	411,579	2%
<b>C Total Non-Operating Revenue (Expenses)</b>	<b>5,323,670</b>	<b>6,157,830</b>	<b>30,457,883</b>	<b>25,134,213</b>	<b>17%</b>
<b>A-B+C Change in All Funds</b>	<b>\$ 5,231,926</b>	<b>\$ 4,222,396</b>	<b>\$ 17,298,073</b>	<b>\$ 12,066,147</b>	
<u>Other Non Cash Expenses</u>					
Depreciation and amortization	9,417,533	8,845,758	-	(9,417,533)	n/a
<b>D Total Change in Net Position</b>	<b>(4,185,608)</b>	<b>(4,623,362)</b>	<b>17,298,073</b>	<b>21,483,681</b>	

Note: Totals may not sum due to rounding.

- The District has capitalized \$718,121 in salaries and benefits year-to-to date related to time spent on capital projects.
- Investment income is comprised of realized income of \$1,218,433 and unrealized income of (\$952,019).

**Moulton Niguel Water District  
All Funds - Budget Comparison Report  
Year To Date Totals November 30, 2020  
Legal Services - General**

Firm	Water Use		Capital <sup>2</sup>	Total
	General <sup>1</sup>	Efficiency <sup>1</sup>		
Alvarado Smith APC	\$ 8,970	\$ -	\$ -	\$ 8,970
Best Best & Krieger LLP	47,885	1,943	8,000	57,828
<b>Total</b>	56,855	1,943	8,000	66,798
<b>Budget Amount</b>	600,000	20,000	-	620,000
<b>Budget Balance</b>	\$ 543,145	\$ 18,057	n/a	\$ 561,202

Note: Totals may not sum due to rounding.

1. Legal Services - General on the previous page is made up of the General balance of \$56,855 and the \$1,943 Water Use Efficiency balance, for a total of \$58,797.
2. Capital legal services represent legal services rendered during construction and are capitalized by the District as part of the project. Each project has a separate budget for legal expenses and those individual budgets are not included as part of this schedule.

**Consulting Services - Grant Administration**

Firm	YTD	Overall
Nossaman LLP	\$ -	\$ 85,250
West Yost Associates <sup>3</sup>	11,615	185,948
Grants Received <sup>4</sup>	-	(4,585,430)
<b>Totals</b>	\$ 11,615	\$ (4,314,233)

3. West Yost compiled the AMI WaterSmart final closeout documents for Phase I and II and prepared documents for additional grant applications, including the AMI Phase II and III projects, and two additional Cal OES grant applications.

4. The District has received two grants from the US Bureau of Reclamation since the start of the grant administration program, totalling \$1.8 million, and one grant from the California Governor's Office of Emergency Services (Cal-OES) for \$2.8 million for the potable steel reservoir seismic retrofit project. Additionally, the District has received over \$0.7 million in grants from the Metropolitan Water District of Southern California and MWDOC that are not included in this schedule as those grants were received and awarded utilizing internal staff only.

Moulton Niguel Water District  
General Fund - Budget Comparison Report  
Year To Date Totals November 30, 2020

	1	2	=1-2	=2/1
Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
<b>GENERAL FUND</b>				
<b><u>Operating Revenues</u></b>				
Water Sales	\$ 31,438,154	\$ 14,968,821	\$ 16,469,333	48%
Recycled Water Sales	5,941,355	3,048,340	2,893,015	51%
Sewer Sales	25,446,037	11,417,915	14,028,122	45%
Other Operating Income	1,079,522	91,003	988,519	8%
<b>A Total Operating Revenue</b>	<b>63,905,068</b>	<b>29,526,079</b>	<b>34,378,989</b>	<b>46%</b>
<b><u>Operating Expenses</u></b>				
Salaries	14,531,475	5,372,696	9,158,779	37%
PERs Employer Contributions	2,610,595	1,165,335	1,445,260	45%
Defined Contribution 401A	263,876	96,307	167,569	36%
Educational Courses	80,360	13,581	66,779	17%
Travel & Meetings	340,301	19,257	321,043	6%
Recruitment & Employee Relations	98,055	2,288	95,767	2%
General Services	528,874	109,454	419,420	21%
Annual Audit	55,000	19,782	35,218	36%
Member Agencies O&M	515,520	62,523	452,997	12%
Dues & Memberships	131,147	63,494	67,653	48%
Election Expenses	180,000	-	180,000	0%
Consulting Services	1,799,000	510,351	1,288,649	28%
Equipment Rental	63,010	16,430	46,580	26%
District Fuel	330,000	89,539	240,461	27%
Insurance - District	558,300	277,889	280,411	50%
Insurance - Personnel	371,257	195,236	176,021	53%
Insurance - Benefits	3,216,962	1,725,275	1,491,687	54%
Legal Services - Personnel	50,000	4,095	45,905	8%
Legal Services - General	600,000	56,854	543,146	9%
District Office Supplies	706,803	120,186	586,617	17%
District Operating Supplies	1,158,250	326,621	831,629	28%
Repairs & Maintenance - Equipment	1,381,595	336,647	1,044,948	24%
Repairs & Maintenance - Facilities	4,359,324	1,067,310	3,292,014	24%
Safety Program & Compliance Requirements	361,137	108,244	252,893	30%
Wastewater Treatment	9,374,975	4,687,609	4,687,366	50%
Special Outside Assessments	153,967	31,186	122,781	20%
Utilities	3,079,533	1,242,990	1,836,543	40%
Water Purchases	28,637,921	13,337,341	15,300,580	47%
<b>B Total Operating Expenses</b>	<b>75,537,237</b>	<b>31,058,521</b>	<b>44,478,715</b>	<b>41%</b>
<b>A-B Operating Income (Loss)</b>	<b>(11,632,169)</b>	<b>(1,532,442)</b>	<b>(10,099,726)</b>	
<b><u>Non-Operating Revenues (Expenses)</u></b>				
Property Tax Revenue	30,744,255	6,035,894	24,708,361	20%
Investment Income	2,464,629	107,665	2,356,964	4%
Property Lease Income	1,943,911	724,438	1,219,473	37%
Misc. Non-Operating Income (Expense)	250,812	79,271	171,541	32%
<b>C Total Non-Operating Revenue (Expenses)</b>	<b>35,403,607</b>	<b>6,947,268</b>	<b>28,456,340</b>	<b>20%</b>
<b>A-B+C Change in General Fund</b>	<b>\$ 23,771,439</b>	<b>\$ 5,414,826</b>	<b>\$ 18,356,613</b>	<b>25%</b>
<b><u>Other Non Cash Expenses</u></b>				
Depreciation	-	9,417,533	(9,417,533)	n/a
<b>D Total Change in Net Position</b>	<b>\$ 23,771,439</b>	<b>\$ (4,002,708)</b>	<b>\$ 27,774,146</b>	

Note: Totals may not sum due to rounding.

Moulton Niguel Water District  
 Water Efficiency Fund - Budget Comparison Report  
 Year To Date Totals November 30, 2020

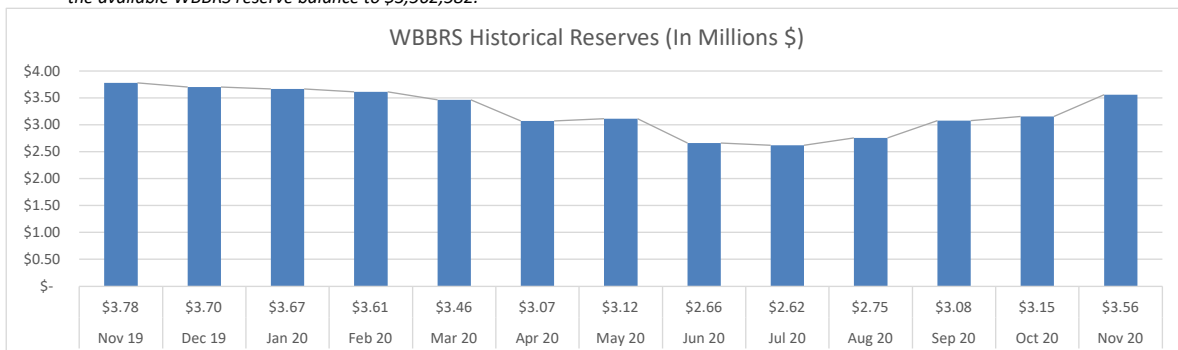
	1	2	=1-2	=2/1
Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance	% of Actuals to Budget
<b>WATER EFFICIENCY FUND</b>				
<b>Projected Operating Revenue</b>				
Water Efficiency	\$ 4,587,175	\$ 2,741,477	\$ 1,845,698	60%
<b>A Projected Total Operating Revenue</b>	<b>4,587,175</b>	<b>2,741,477</b>	<b>1,845,698</b>	<b>60%</b>
<b>Projected Operating Expenses</b>				
Labor	2,222,217	797,785	1,424,432	36%
Educational Courses	6,000	3,594	2,406	60%
Travel & Meetings	51,200	1,685	49,515	3%
Dues & Memberships	77,500	1,422	76,078	2%
Consulting Services	1,473,000	209,542	1,263,458	14%
Legal Services	20,000	1,943	18,057	10%
Conservation supplies	387,250	84,703	302,547	22%
Repairs and Maintenance - Equipment	25,000	3,652	21,348	15%
Safety Program & Compliance Requirements	2,650	705	1,945	27%
Water Efficiency	1,850,000	195,749	1,654,251	11%
<b>B Projected Total Operating Expenses</b>	<b>6,114,817</b>	<b>1,300,780</b>	<b>4,814,037</b>	<b>21%</b>
<b>A-B Projected Operating Income (Loss)</b>	<b>(1,527,642)</b>	<b>1,440,697</b>	<b>(2,968,339)</b>	
<b>Projected Non-Operating Revenue</b>				
Demand offset fees	96,079	10,885	85,194	11%
Investment Income	4,857	9,511	(4,654)	196%
<b>C Projected Total Non-Operating Revenue</b>	<b>100,936</b>	<b>20,397</b>	<b>80,539</b>	<b>20%</b>
<b>A-B+C Projected Change in Water Efficiency Fund</b>	<b>\$ (1,426,706)</b>	<b>\$ 1,461,094</b>	<b>\$ (2,887,800)</b>	

Note: Totals may not sum due to rounding.

Water Efficiency Available Net Position<sup>1</sup>

Description	Approved Budget	Fiscal Year to Date Actuals	Budget Balance
Fund Net Position, Beginning of Year	\$ 5,436,059	\$ 5,436,059	\$ 5,436,059
Projected Change in Water Efficiency Fund	(1,426,706)	1,461,094	(2,887,800)
Project Commitments		\$ (1,958,219)	
Capital Spending	(3,350,000)	(1,376,352)	
Fund Net Position, Year To Date Totals November 30, 2020	\$ 659,353	\$ 3,562,582	

1. In addition to realized expenditures, there is approximately \$1,958,219 in project commitments, and \$1,376,352 in capital spending, reducing the available WBBRS reserve balance to \$3,562,582.



**#12.**

**MOULTON NIGUEL WATER DISTRICT  
STATEMENT OF NET POSITION**

	(Unaudited)	
	November 30, 2020	June 30, 2020
<b>CURRENT ASSETS:</b>		
Cash and investments	\$ 40,958,113	\$ 40,782,802
Accounts receivables:		
Water and sanitation charges	5,048,577	3,958,988
Property taxes	-	400,257
Grant Reimbursements	98,352	166,772
Other accounts receivable	305,646	1,215,292
Interest receivable	442,351	719,157
Inventory	1,443,493	1,440,862
Prepaid expenses	2,365,272	761,434
<b>TOTAL CURRENT ASSETS</b>	<b>50,661,804</b>	<b>49,445,564</b>
<b>NONCURRENT ASSETS:</b>		
Investments	84,031,657	108,942,276
Restricted cash and investments with fiscal agent	3,542,357	11,373,458
Retrofit loans receivable	465,569	474,808
Lease receivable	15,175,090	15,175,090
Regulated assets	940,930	961,382
Intangible asset - right to use leased asset	1,880,958	1,880,958
Capital assets, net of accumulated depreciation	375,428,486	384,122,951
Capital assets not being depreciated:		
Land	1,091,910	1,091,910
Construction in progress	70,737,512	48,266,048
<b>TOTAL NONCURRENT ASSETS</b>	<b>553,294,469</b>	<b>572,288,881</b>
<b>TOTAL ASSETS</b>	<b>603,956,273</b>	<b>621,734,445</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>		
Deferred Charges on Refunding	277,001	317,736
Deferred Items related to Pension	5,559,108	5,559,108
Deferred Items related to OPEB	717,051	717,051
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<b>6,553,160</b>	<b>6,593,895</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOW OF RESOURCES \$</b>	<b>610,509,433</b>	<b>\$ 628,328,340</b>

**MOULTON NIGUEL WATER DISTRICT**  
**STATEMENT OF NET POSITION**

	(Unaudited)	
	November 30, 2020	June 30, 2020
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 7,839,882	\$ 17,225,841
Interest payable	1,230,493	1,686,771
Unearned Revenue	79,499	697,186
Compensated absences	1,117,772	1,042,996
Current portion of long-term debt:		
Bonds payable	2,085,000	1,990,000
Certificates of participation	1,215,000	910,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>13,567,646</b>	<b>23,552,794</b>
<b>LONG-TERM LIABILITIES</b>		
Compensated absences	372,591	347,665
Long-term debt:		
Bonds payable	53,095,000	55,180,000
Certificates of participation	62,445,000	63,660,000
Net Pension Liability	22,455,803	22,455,803
Net OPEB Liability	1,275,305	1,275,305
Present value of future lease payments	2,216,088	2,216,088
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>141,859,787</b>	<b>145,134,861</b>
Bond Discount/Premium	13,968,593	14,341,646
<b>TOTAL LIABILITIES</b>	<b>169,396,025</b>	<b>183,029,301</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>		
Deferred Items related to Pension	1,490,997	1,490,997
Deferred items related to OPEB	326,759	326,759
Present value of future lease receipts	15,175,090	15,175,090
<b>TOTAL DEFERRED INFLOW OF RESOURCES</b>	<b>16,992,846</b>	<b>16,992,846</b>
<b>NET POSITION:</b>		
Net investment in capital assets	318,874,473	309,716,709
Restricted for capital projects	35,973	295,848
Unrestricted	105,210,116	118,293,636
<b>TOTAL NET POSITION</b>	<b>424,120,562</b>	<b>428,306,193</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND NET POSITION</b>	<b>\$ 610,509,433</b>	<b>\$ 628,328,340</b>

*Note: Totals may not sum due to rounding.*

# #12.

**MOULTON NIGUEL WATER DISTRICT**  
**RESTRICTED CASH AND INVESTMENTS WITH FISCAL AGENT**  
**As of November 30, 2020**

	Reserve Requirement	(Unaudited) Balance 11/30/2020	Over (Under) Requirement	Balance 6/30/2020	Outstanding Debt Balance 11/30/2020
<b>Restricted Cash and Investments:</b>					
2015 Refunding Bonds Reserve	\$ 856,500	\$ 1,365,344	\$ 508,844	\$ 1,364,449	\$ 6,575,000
2019 Revenue Bonds	-	2,177,012	2,177,012	3,382,611	48,605,000
2019 Certificates of Participation	-	-	-	6,626,398	63,660,000
<b>Total Restricted Trust Accounts</b>	<b>\$ 856,500</b>	<b>\$ 3,542,357</b>	<b>\$ 2,685,857</b>	<b>\$ 11,373,458</b>	<b>\$ 118,840,000</b>

Note: Totals may not sum due to rounding.

FY	Remaining Payoff Schedule		
	Principal	Interest	Totals
2021*	\$ -	\$ 2,483,916	\$ 2,483,916
2022	3,300,000	4,812,831	8,112,831
2023	3,465,000	4,643,706	8,108,706
2024	3,640,000	4,466,081	8,106,081
2025	3,460,000	4,288,581	7,748,581
2026	3,630,000	4,111,331	7,741,331
2027	3,815,000	3,925,206	7,740,206
2028	4,005,000	3,728,806	7,733,806
2029	4,210,000	3,524,331	7,734,331
2030	4,415,000	3,308,706	7,723,706
2031	4,640,000	3,082,331	7,722,331
2032	4,865,000	2,854,581	7,719,581
2033	5,090,000	2,646,406	7,736,406
2034	5,280,000	2,448,097	7,728,097
2035	5,485,000	2,238,513	7,723,513
2036	5,705,000	2,010,088	7,715,088
2037	5,945,000	1,768,925	7,713,925
2038	6,185,000	1,522,738	7,707,738
2039	6,440,000	1,265,613	7,705,613
2040	6,700,000	995,594	7,695,594
2041	2,490,000	819,600	3,309,600
2042	2,565,000	743,775	3,308,775
2043	2,645,000	665,625	3,310,625
2044	2,725,000	585,075	3,310,075
2045	2,805,000	502,125	3,307,125
2046	2,890,000	416,700	3,306,700
2047	2,975,000	328,725	3,303,725
2048	3,065,000	238,125	3,303,125
2049	3,155,000	144,825	3,299,825
2050	3,250,000	48,750	3,298,750
	<b>\$ 118,840,000</b>	<b>\$ 64,619,706</b>	<b>\$ 183,459,706</b>

\* Thus far this year the District has made \$5.4M in debt service payments, consisting of \$2.9M in principal and \$2.5M in interest



**MOULTON NIGUEL WATER DISTRICT**  
**NET POSITION**  
**As of November 30, 2020**

	<u>Reserve Target</u>	(Unaudited)		<u>Balance</u>
		<u>Balance</u>	<u>Net Change</u>	
<b>Adopted Reserve Targets <sup>1</sup></b>				
Designated for Self Insurance Reserve	\$ 250,000	\$ 253,892	\$ 20,490	\$ 233,402
Designated for Rate Stabilization	15,372,127	15,398,324	333,518	15,064,806
Designated for Emergency Reserves	35,300,000	35,300,000	-	35,300,000
Designated for Operating Reserves <sup>2</sup>	18,884,259	18,884,259	(29,527,618)	48,411,877
<b>Total Adopted Reserve Targets</b>	<b>\$ 69,806,386</b>	<b>\$ 69,836,475</b>	<b>\$ (29,173,610)</b>	<b>\$ 99,010,085</b>
	<b>FY Capital</b>			
	<b>Budget <sup>4</sup></b>			
<b>Designated for Capital Projects <sup>3</sup></b>				
Designated for Replacement and Refurbishment	\$ 41,393,593	19,677,594	\$ 6,139,936	\$ 13,537,658
Designated for Water Supply Reliability	100,000	99,432	90,275	9,157
Designated for Planning and Construction	21,048,504	10,005,991	9,705,314	300,677
<b>Total Designated for Capital Projects</b>	<b>\$ 62,542,097</b>	<b>\$ 29,783,016</b>	<b>\$ 15,935,524</b>	<b>\$ 13,847,492</b>
<b>Other amounts</b>				
Designated for Water Efficiency (WBRS)		\$ 5,590,624	\$ 154,565	\$ 5,436,059
Restricted for Capital Facilities (Projects)		35,973	(259,875)	295,848
Net Investment in Capital Assets <sup>5</sup>		318,874,473	9,157,764	309,716,709
<b>Total Other amounts</b>		<b>\$ 324,501,071</b>	<b>\$ 9,052,455</b>	<b>\$ 315,448,616</b>
<b>Total Net Position</b>		<b>\$ 424,120,562</b>	<b>\$ (4,185,631)</b>	<b>\$ 428,306,193</b>

Note: Totals may not sum due to rounding.

1. Board designated balances represent available cash in that fund.

2. General Operating Reserves include the unrestricted, undesignated balance, and other general District accrued cash flows. This amount includes the remaining total cash balance of \$38,595,205.

3. Balances in the Capital Project Funds represent available and designated cash to fund identified CIP projects.

4. FY Budget also includes capital expenses of \$1,690,404 and \$3,350,000 in Funds 1 and 6, respectively, bringing the total CIP budget to \$67,582,501.

5. Net Investment in Capital Assets calculated as follows:

Total capital assets and regulated assets	\$ 449,138,866
Less capital related debt	(132,808,593)
Add deferred charges related to debt	277,001
Add leases receivable and regulated assets	16,116,020
Less leases payable and lease deferred outflows	(17,391,178)
Add fiscal agent cash	3,542,357
<b>Total Net Investment in Capital Assets</b>	<b>\$ 318,874,473</b>

# #12.

## MOULTON NIGUEL WATER DISTRICT SUMMARY OF DISBURSEMENTS FOR THE MONTH OF DECEMBER

### Summary of Disbursements in December:

General Fund Disbursements		<b>7,938,465</b>
<u>Other Fund Disbursements:</u>		
Self Insurance Fund	39,633	
Water Efficiency Fund	1,848,537	
Replacement & Refurbishment Fund	619,529	
Planning & Construction Fund	212,030	<b>2,719,729</b>
<b>Total Disbursements for all Funds</b>		<b>10,658,193</b>

### Detail of Major Expenditures in December:

1. Municipal Water District of Orange County (MWDOC)		
October Water Purchases 2476.2 AF	2,418,760	
October Readiness To Service Adjustment	115,136	
November and October WaterSmart Residential Rebate Programs	42,475	
October Capacity Charge	28,851	
October SCP and SAC Operation Surcharges	11,343	<b>2,616,566</b>
2. Aqua-Metric Sales, Co.		
15,516 MXU Single Ports for AMI project	1,604,975	
195 Potable Meters and Parts	31,835	<b>1,636,810</b>
3. Layton Construction Co.		
CMAR Construction Phase Services, progress payment #19		<b>1,617,992</b>
4. Ferreira Construction Co. Inc.		
Emergency repair on multiple locations	174,349	
C#2016022 Camino Capistrano Yard Improvement, progress payment #11	46,825	<b>221,175</b>
5. South Coast Water District (SCWD)		
FY 20/21 Semi-Annual Payment to LAFCO, 1st Installment	194,877	
TR 12366 Agreement, December 2020 Sewer Sales	7,281	<b>202,158</b>
6. Santa Margarita Water District (SMWD)		
FY 20/21 Q1 Allocation for Joint Owned Facilities		<b>152,744</b>
7. Paulus Engineering		
Water Service Line Replacements on multiple locations		<b>137,321</b>



moulton niguel water district

# Fiscal Year 2021-22 Budget Update

*Board of Directors Meeting*

*January 14, 2021*

# Agenda

1. Budget Background & Development
2. FY 2020-21 Budget Summary
3. FY 2021-22 Budget Objectives
4. Timeline

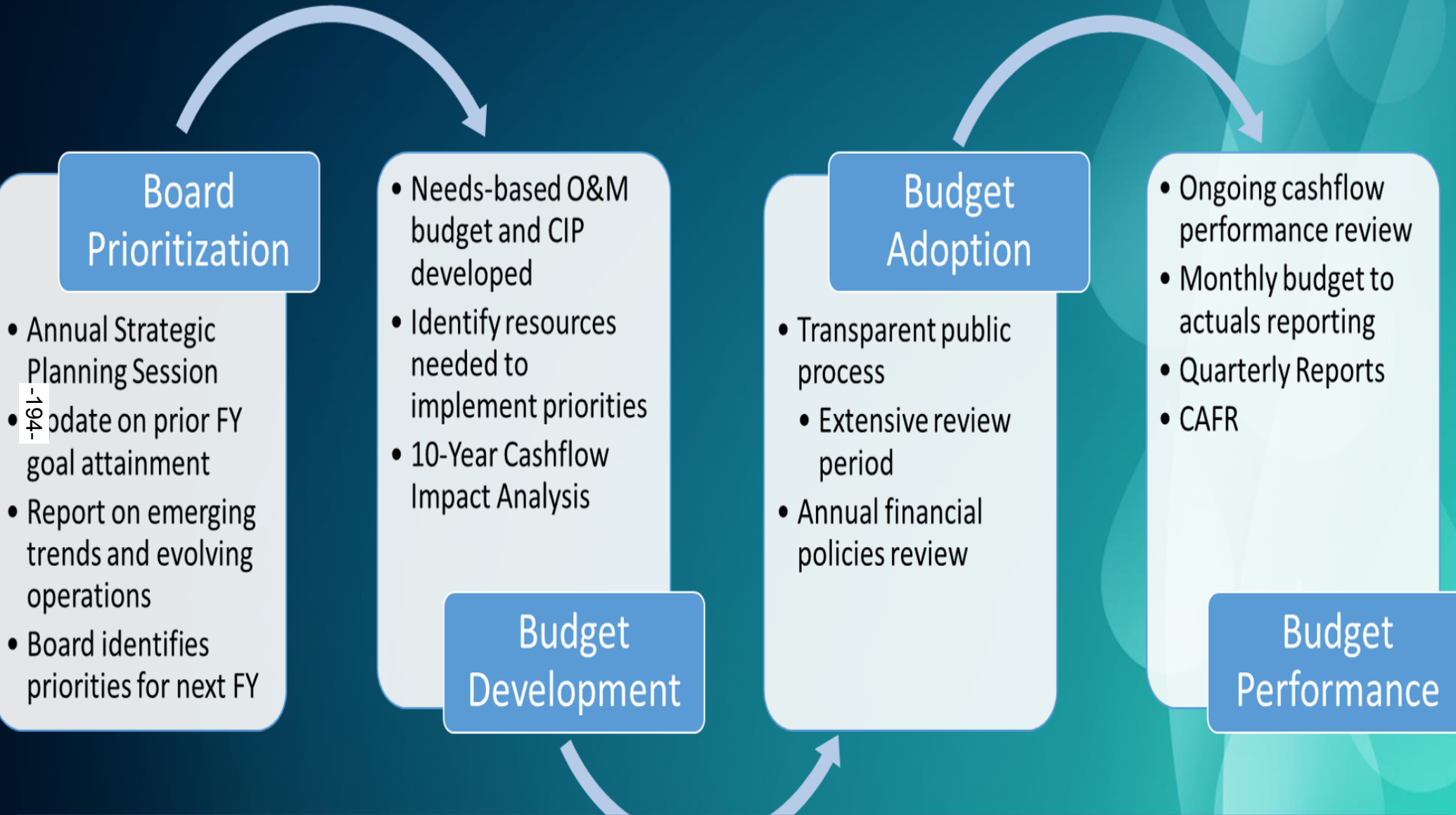
# Budget Background

- Serves as plan for next fiscal year
  - Identifies anticipated resource needs
- Integrated into 10-year cashflow
- Annually Review Financial Policies:
  - Debt Management
  - Capitalization
  - Purchasing
  - Investments
  - Reserves
  - Grant Management

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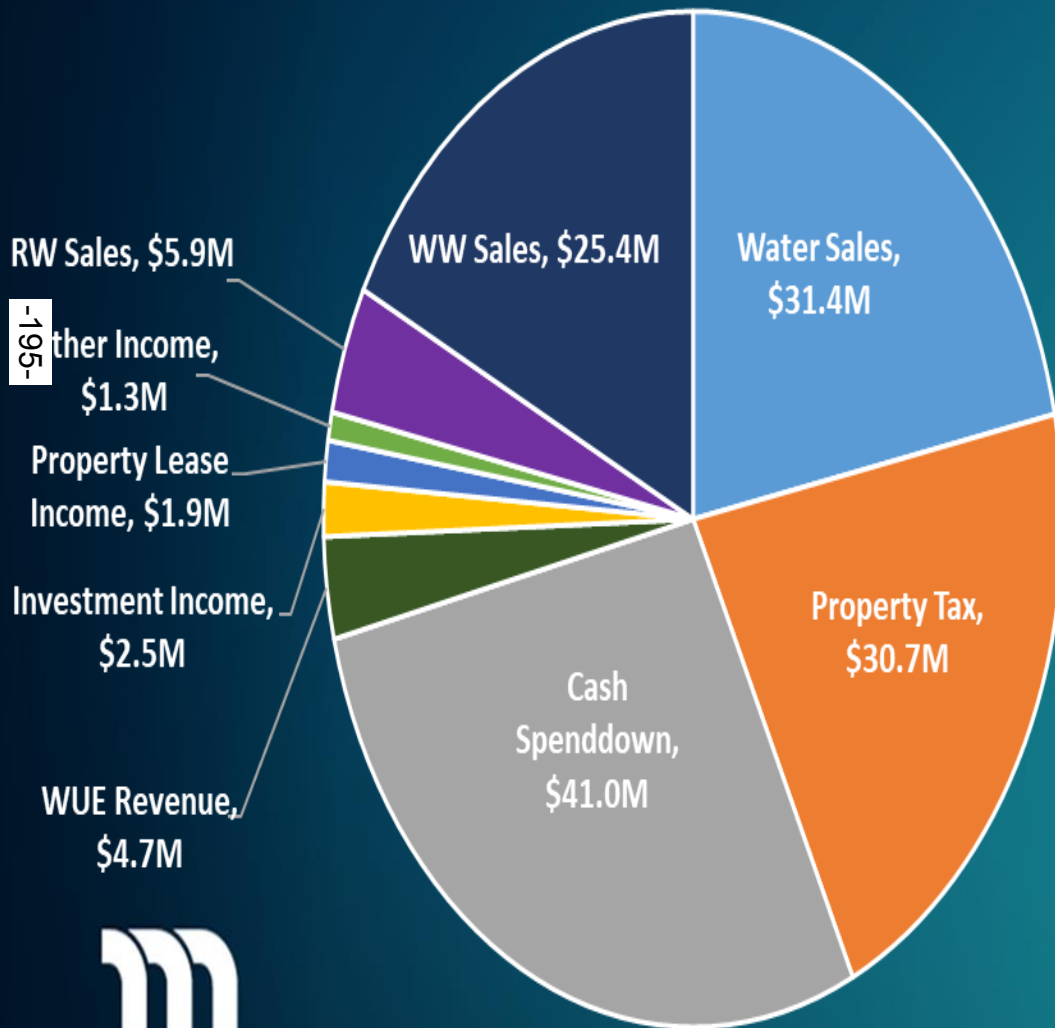
# Budget Development and Tracking



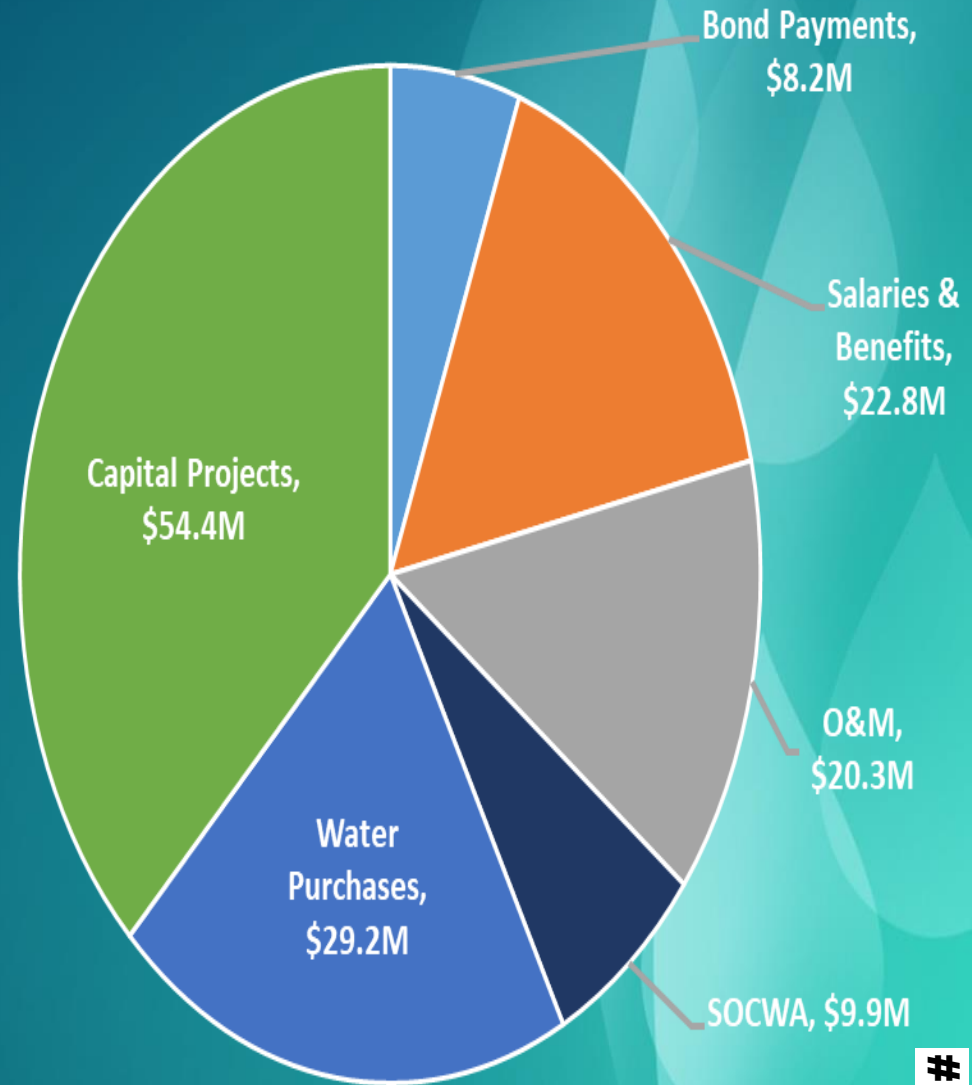
Integrated 10-Year Cashflow Projections & GFOA Best Practices

# FY 2020-21 District Budget Summary

Source of Funds = \$144.8M



Use of Funds = \$144.8M



# FY 2021-22 Budget Objectives

- Advance the District's strategic initiatives
- Review and update financial policies
- Consistency w/ Financial Plan
  - MOU development
  - 2021 Cost of Service Study
- Earn GFOA Distinguished Budget Award

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# Timeline



