



AGENDA

18700 Ward St.
Fountain Valley, CA 92708
(714) 378-3200

WATER ISSUES COMMITTEE MEETING
WITH BOARD OF DIRECTORS *
ORANGE COUNTY WATER DISTRICT
Wednesday, April 9, 2025 12:00 p.m., Boardroom

*The OCWD Water Issues Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of strict compliance with the Brown Act and it provides an opportunity for all Directors to hear presentations and participate in discussions. Directors receive no additional compensation or stipend as a result of simultaneously convening this meeting. Items recommended for approval at this meeting will be placed on the **April 16** Board meeting Agenda for approval.

This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Computer Audio: Join the Zoom Webinar by clicking on the following link:

<https://ocwd.zoom.us/j/98592928069>

Webinar ID: 985 9292 8069

Telephone Audio: (213) 338 8477

Teleconference Sites:
10382 Bonnie Drive, Garden Grove
20 Civic Center, Santa Ana
11 Nanuku Drive, Pacific Harbour, Fiji Islands
303 W. Commonwealth, Fullerton
No. 219-2, Section 1, Fuxing S Rd, Da'an District, Taipei, Taiwan
1454 Madison Street, Tustin
1502 North Broadway, Santa Ana

* Members of the public may attend and participate at all locations.

PLEDGE OF ALLEGIANCE

ROLL CALL

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

RECOMMENDATION: Adopt resolution determining need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda (requires two-thirds vote of the Board members present, or, if less than two-thirds of the members are present, a unanimous vote of those members present.)

VISITOR PARTICIPATION

Time has been reserved at this point in the agenda for persons wishing to comment for up to three minutes to the Board of Directors on any item that is not listed on the agenda, but within the subject matter jurisdiction of the District. By law, the Board of Directors is prohibited from taking action on such public comments. As appropriate, matters raised in these public comments will be referred to District staff or placed on the agenda of an upcoming Board meeting.

At this time, members of the public may also offer public comment for up to three minutes on any item on the Consent Calendar. While members of the public may not remove an item from the Consent Calendar for separate discussion, a Director may do so at the request of a member of the public.

CONSENT CALENDAR (ITEMS NO. 1 – 6)

All matters on the Consent Calendar are to be approved by one motion, without separate discussion on these items, unless a Board member or District staff request that specific items be removed from the Consent Calendar for separate consideration.

1. **MINUTES OF WATER ISSUES COMMITTEE MEETING HELD MARCH 12, 2025**

RECOMMENDATION: Approve minutes as presented

2. **REJECT BID PROTEST AND AWARD CONTRACT SB-2025-1 BOND BASIN SLOPE REPAIR TO INNOVATIVE CONSTRUCTION SOLUTIONS AUTHORIZE AMENDMENT NO. 2 TO ENGEIO AND ESTABLISH PROJECT BUDGET**

RECOMMENDATION: Agendize for April 16 Board meeting:

- 1) Receive and file Affidavit of Publication of Notice Inviting Bids for Contract SB-2025-1 Bond Basin Slope Repair Project;
- 2) Ratify issuance of Addenda 1-2;
- 3) Reject the bid protest of Empire Equipment Service, Inc, (Empire) and accept bid and authorize award of contract SB-2025-1 to the lowest responsive bid and responsible bidder, Innovative Construction Solutions, in the amount of \$3,199,190.00;
- 4) Authorize Amendment No. 2 to Agreement No. 1555 with ENGEIO a not-to-exceed amount of \$59,800.00 for engineering construction support services; and
- 5) Establish project budget in the amount of \$3,778,290

3. **TERMINATE THE INACTIVE CONJUNCTIVE USE PROGRAM STORAGE AGREEMENT WITH METROPOLITAN WATER DISTRICT**

RECOMMENDATION: Agendize for April 16 Board meeting: Terminate the Conjunctive Use Program Storage Agreement with the Metropolitan Water District

4. **EXECUTION OF ACCESS AGREEMENTS FOR EXISTING MONITORING WELL SITES SCS-3, -4, -8 AND OM-8 ON COUNTY OF ORANGE PROPERTY**

RECOMMENDATION: Agendize for April 16 Board meeting: Authorize the General Manager to finalize and execute a no-cost 10-year term license agreement with the Orange County Flood Control District for continued access to existing monitoring wells SCS-3, SCS-4, and SCS-8 and a no-cost 10-year term entry permit agreement with the County of Orange for continued access to existing monitoring well site OM-8

5. **FIELD HEADQUARTERS ABOVEGROUND GASOLINE STORAGE TANK PROJECT BUDGET INCREASE**

RECOMMENDATION: Agendize for April 16 Board meeting: Increase project budget by \$35,000 for a total project budget of \$155,000

6. REQUEST FOR QUALIFICATION ON-CALL ENVIRONMENTAL SERVICES

RECOMMENDATION: Agendize for April 16 Board meeting: Authorize issuance of a Request for Qualifications for On-Call Environmental Consultants

END OF CONSENT CALENDAR

MATTERS FOR CONSIDERATION

7. AMENDMENT TO AGREEMENT WITH CITY OF SANTA ANA AND MOULTON NIGUEL WATER DISTRICT

RECOMMENDATION: Agendize for April 16 Board meeting: Authorize execution of Amendment to Agreement with the city of Santa Ana and the Moulton Niguel Water District

8. REQUEST FOR PROPOSALS FOR STORMWATER CREDIT BANKING FEASIBILITY STUDY

RECOMMENDATION: Agendize for April 16 Board Meeting: Authorize issuance of a Request for Proposals for a feasibility study on stormwater credit banking, with a budget not to exceed \$150,000

INFORMATIONAL ITEM

9. PROPOSED FISCAL YEAR 2025-26 CAPITAL IMPROVEMENT PROGRAM BUDGET

CHAIR DIRECTION AS TO ITEMS IF ANY TO BE AGENDIZED AS MATTERS FOR CONSIDERATION AT THE APRIL 16 BOARD MEETING

DIRECTORS' ANNOUNCEMENTS/REPORTS

GENERAL MANAGER'S ANNOUNCEMENTS/REPORTS

ADJOURNMENT

WATER ISSUES COMMITTEE MEMBERS

Committee Members

Cathy Green – Chair
Erik Weigand – Vice Chair
Roger Yoh
Van Tran
Dina Nguyen

Alternates

Valerie Amezcua
Fred Jung
Natalie Meeks
Steve Sheldon
Denis Bilodeau

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted at the guard shack entrance and in the main lobby of the Orange County Water District, 18700 Ward Street, Fountain Valley, CA and on the OCWD website not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the District Secretary. Backup material for the Agenda is available at the District offices for public review and can be viewed online at the District's website: www.ocwd.com

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation in order to participate in a meeting, including auxiliary aids or services, may request such modification or accommodation from the District Secretary at (714) 378-3234, by email at cfuller@ocwd.com by fax at (714) 378-3373. Notification 24 hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda and can be reviewed at www.ocwd.com. Copies of these materials and other disclosable public records distributed to all or a majority of the members of the Board of Directors in connection with an open session agenda item are also on file with and available for inspection at the Office of the District Secretary, 18700 Ward Street, Fountain Valley, California, during regular business hours, 8:00 am to 5:00 pm, Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Orange County Water District office.

MINUTES OF BOARD OF DIRECTORS MEETING
WATER ISSUES COMMITTEE
ORANGE COUNTY WATER DISTRICT
March 12, 2025, @ 12:00 p.m.

Director Green called the Water Issues Committee meeting to order at 12:00 p.m. in the District Boardroom. Public access was also provided via Zoom webinar. The Secretary called the roll and reported a quorum as follows:

Committee Members

Cathy Green
Erik Weigand
Roger Yoh
Van Tran
Dina Nguyen0

Alternates

Valerie Amezcua
Fred Jung
Natalie Meeks (arrived 12:10 p.m.)
Steve Sheldon (arrived 12:04 p.m.)
Denis Bilodeau

OCWD

John Kennedy – General Manager
Chris Olsen – Executive Director of Engineering/Water Resources
Mehul Patel – Executive Director of Operations
Jason Dadakis – Executive Director of Water Quality & Technical Resources
Roy Herndon – Chief Hydrogeologist
Bill Leever – Principal Hydrogeologist
Adam Hutchinson – Recharge Planning Manager
Megan Plumlee – Director of Research
Pat Versluis – Director of Water Quality
Randy Fick – Treasurer/CFO
Ryan Bouley – Director of Engineering
Shawn Neville – Principal Planner
Kevin O’Toole – Senior Planner
Alex Waite – Principal Engineer
Jeremy Jungreis – General Counsel
Leticia Villarreal – Assistant District Secretary

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Weigand, seconded by Director Amezcua and carried [5-0], as follows:

Ayes: Green, Weigand, Yoh, Tran, Amezcua

1. Minutes of Water Issues Committee Meeting

The Minutes of the Water Issues Committee meeting held February 12, 2025, were approved as presented.

2. Request for Proposals: 2025 Asphalt Pavement Rehabilitation Design

Recommended for approval at March 19 Board meeting: Authorize issuance of a Request for Proposals for the 2025 Asphalt Pavement Rehabilitation Design.

3. Emergency Repair Work Order Ratifications

Recommended for approval at March 19 Board meeting:

1. **Ratify Work Order No. 7 of Agreement No. 1451 and payment to W.A. Rasic, Inc. for emergency repairs totaling \$29,258; and**
2. **Ratify Work Order No. 10 of Agreement No. 1451 and payment to W.A. Rasic, Inc. for emergency repairs totaling \$25,563**

4. Contract SB-2025-1, Bond Basin Slope Repair Project: Request for Proposals for Construction Management and Inspection Services

Recommended for approval at March 19 Board meeting: Authorize issuance of RFP for Construction Management and Inspection Services for Contract No. SB-2025-1, Bond Basin Slope Repair Project

5. City of Anaheim Wells 39 and 47 PFAS Treatment Systems Project: Engineer's Report and Categorical Exemption

Recommended for approval at March 19 Board meeting:

1. **Approve the Engineer's Report for the City of Anaheim Wells 39 and 47 PFAS Treatment Systems Project and determine the project feasible, necessary and beneficial to the lands of the District; and**
2. **Authorize filing of a Categorical Exemption for the City of Anaheim Wells 39 and 47 PFAS Treatment Systems Project in compliance with the California Environmental Quality Act (CEQA) guidelines**
6. City of Anaheim Wells 48 and 53 PFAS Treatment Systems Project: Engineer's Report and Categorical Exemption

Recommended for approval at March 19 Board meeting:

1. **Approve the Engineer's Report for the City of Anaheim Wells 48 and 53 PFAS Treatment Systems Project and determine the project feasible, necessary and beneficial to the lands of the District; and;**
2. **Authorize filing of a Categorical Exemption for the City of Anaheim Wells 48 and 53 PFAS Treatment Systems Project in compliance with the California Environmental Quality Act (CEQA) guidelines**
7. City of Santa Ana PFAS Treatment at John Garthe Reservoir: Engineer's Report and Categorical Exemption

Recommended for approval at March 19 Board meeting:

1. **Approve the Engineer's Report for the City of Santa Ana PFAS Treatment at John Garthe Reservoir Project and determine the project feasible, necessary and beneficial to the lands of the District; and;**
2. **Authorize filing of a Categorical Exemption for the City of Santa Ana PFAS Treatment at John Garthe Reservoir Project in compliance with the California Environmental Quality Act (CEQA) guidelines**
8. Authorize Amendment No. 1 to Work Order to Environmental Science Associates for Archeological Monitoring at SA-2023-1

Recommended for approval at March 19 Board meeting: Authorize Amendment No. 1 for Work Order 12 to Agreement 1135 with ESA, in the amount of \$59,198, to conduct archeological monitoring during new ground disturbance activities for the construction of City of Santa Ana PFAS Water Treatment Plant Well Nos. 27 & 28

9. Multispectral Aerial Imagery and Light Detection Ranging (LIDAR) Data Acquisition of Prado Basin RFP

Recommended for approval at March 19 Board meeting: Authorize issuance of request for proposals for multispectral aerial imagery and LiDAR data acquisition of Prado Basin

10. Golden State Water Company La Jolla Plant and Fern Plant PFAS Treatment Systems Project: Engineer's Report and Categorical Exemption

Recommended for approval at March 19 Board meeting:

1. **Approve the Engineer's Report for the Golden State Water Company La Jolla Plant and Fern Plant PFAS Treatment Systems Project and determine the project feasible, necessary and beneficial to the lands of the District; and**
 2. **Authorize filing of a Categorical Exemption for the Golden State Water Company La Jolla Plant and Fern Plant PFAS Treatment Systems Project in compliance with the California Environmental Quality Act (CEQA) guidelines**
11. Award Contract No. FUL-2024-1 Fullerton Kimberly Well 2 PFAS Water Treatment Plant to R C Foster Corporation

Recommended for approval at March 19 Board meeting:

1. **Receive and file Affidavit of Publication of Notice Inviting Bids for Contract FUL-2024-1 Fullerton Kimberly Well 2 PFAS Water Treatment Plant;**
2. **Ratify issuance of Addenda 1-2;**
3. **Accept bid and award contract FUL-2024-1 to the lowest responsive bid and responsible bidder, R C Foster Corporation, in the amount of \$7,071,100; and**
4. **Establish the Fullerton Kimberly Well 2 PFAS Water Treatment Plant Project budget in the amount of \$10,888,160**

MATTER FOR CONSIDERATION

12. Evaluation of Land Subsidence History and Potential in the Orange County Groundwater Basin

Chief of Hydrogeology Roy Herndon presented an overview of historic and potential future land subsidence and the potential of expanding the groundwater basin operating range. He shared that expanding the basin could provide additional drought resilience and reduce underflow to LA County but the risks of increased seawater intrusion and subsidence need to be evaluated. He explained that objectives of the evaluation would be to identify areas and magnitude of historical subsidence, identify areas that may be more susceptible to subsidence and identify data gaps that prevent more definitive subsidence evaluation.

Upon motion by Director Weigand, seconded by Director Green and carried [5-0], the Committee Recommended for approval at the March 19 Board meeting: Authorize issuance of a professional services agreement to GSI Environmental in an amount not to exceed \$34,333 to evaluate land subsidence in the Orange County groundwater basin.

Ayes: Green, Weigand, Yoh, Amezcua, Meeks

**CHAIR DIRECTION AS TO ITEMS IF ANY TO BE AGENDIZED AS MATTERS FOR
CONSIDERATION AT THE MARCH 19 BOARD MEETING**

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:43 p.m.

Cathy Green, Chair

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: R. Bouley/L. Esguerra

Budgeted: Partially

Budgeted Amount: \$3,000,000

Cost Estimate: \$3,199,190

Funding Source: R&R Fund

Program/Line Item No.: R22028

General Counsel Approval: N/A

Engineers/Feasibility Report: NA

CEQA Compliance: Cat. Ex.

Subject: REJECT BID PROTEST AND AWARD CONTRACT SB-2025-1 BOND BASIN SLOPE REPAIR TO INNOVATIVE CONSTRUCTION SOLUTIONS AUTHORIZE AMENDMENT NO. 2 TO ENGEO AND ESTABLISH PROJECT BUDGET

SUMMARY

A total of four construction bids were received on March 27, 2025, for the Bond Basin Slope Repair Project, Contract SB-2025-1 (the "Project"). Based on a review of the bids received, staff recommend awarding a contract to Innovative Construction Solutions as the responsible bidder submitting the lowest responsive bid, in the amount of \$3,199,190. Staff additionally recommends authorizing Amendment No. 2 to Agreement No. 1555 with ENGEO in the amount of \$59,800 for engineering construction support services and establishing a total project budget of \$3,778,290.

Attachment(s):

- Affidavit of Publication for Notice Inviting Bids for Contract SB-2025-1
- Empire Equipment Service, Inc.'s Bid Protest for Bond Basin Slope Repair project dated April 2, 2025.

RECOMMENDATION

Agendize for April 16 Board meeting recommending that the Board:

1. Receive and file Affidavit of Publication of Notice Inviting Bids for Contract SB-2025-1 Bond Basin Slope Repair Project;
2. Ratify issuance of Addenda 1-2;
3. Reject the bid protest of Empire Equipment Service, Inc, (Empire) and accept bid and authorize award of contract SB-2025-1 to the lowest responsive bid and responsible bidder, Innovative Construction Solutions, in the amount of \$3,199,190.00;
4. Authorize Amendment No. 2 to Agreement No. 1555 with ENGEO a not-to-exceed amount of \$59,800.00 for engineering construction support services; and

5. Establish project budget in the amount of \$3,778,290.

DISCUSSION

Bond Basin is part of the Santiago Basins recharge system as shown in Figure 1. The southeasterly corner of the basin contains a City of Orange storm drain. Over the past few years, the supporting slope and storm drain failed causing significant erosion to the area. Due to the complicated history of ownership and maintenance of the storm drain, the City and District have agreed to share in the cost to repair the slope and storm drain. Emergency repair work to construct a soil nail wall with rip rap placement was completed in January 2023 (See Figure 2). Final design of the permanent slope repair and storm drain pipeline relocation was completed in January 2025.

Figure 1 – Project Location



Figure 2 – Soil Nail Wall at corner of Bond Basin



The Project was advertised for Bid on February 21, 2025 and Addenda No. 1 and 2 were issued to revise the project plans and specifications, provide additional reference materials, and to provide responses to potential bidder's questions. Four construction bids were received on March 27, 2025, and a summary of these bids are shown below in Table 1.

Table 1: SB-2025-1 Bond Basin Slope Repair Project Bid Summary

Contractor	Bid Price
Innovative Construction Solutions	\$3,199,190.00
Empire Equipment Service	\$3,390,431.09
Bosco Constructors Inc.	\$3,881,300.00
Clarke Contracting Corporation	\$4,495,550.00

Staff reviewed the bid of Innovative Construction Solutions and found it to be responsive in all material ways. Staff also checked Innovative Construction Solutions' references, and confirmed that their contractor's license is current, active, and in good standing with the State of California. Staff recommends awarding the construction contract to Innovative Construction Solutions as the lowest responsible bidder that submitted a responsive bid in the amount of \$3,199,190.

On April 2, 2025 Staff received a formal Bid Protest from Empire Equipment Service, Inc. (Empire) (attached) of the apparent low bidder, Innovative Construction Solutions. Our legal counsel is reviewing the protest and staff/counsel will share their analysis of the bid protest and recommendations with the Committee during the April 9th Water Issues Committee Meeting after receiving a response from Innovative Construction Solutions to Empire's bid protest. Staff will share Innovative Construction Solutions' response to Empire's protest with the Committee as soon as it is received (anticipated by Tuesday, April 8). However, staff and counsel's initial determination based upon information

provided to date is that the defects identified by Empire are not material and did not provide an unfair competitive advantage to the low bidder. Thus, the OCWD Board may, but is not required to, waive non-material defects in Innovative Construction Solutions' bid, which is staff's recommended course of action.

As to the additional authorization sought herein for the Project, ENGEO performed good work and completed design of the permanent slope repair within the existing budget. Therefore, Staff recommends authorizing Amendment No. 2 to Agreement No. 1555 to ENGEO for a not-to-exceed amount of \$59,800 to provide engineering construction support services for the Project. The project budget for the Bond Basin Slope Repair Project, Contract SB-2025-1, is summarized in Table 2.

**Table 2: SB-2025-1 Bond Basin Slope Repair Project
Budget Summary**

Description	Budget
Design and Construction Management	
Design Agreement 1555 – (ENGEO)	\$46,800
Amendment 1	\$42,500
Amendment 2	\$59,800
Construction Management and Inspection –	\$250,000
Design and CM&I Subtotal	\$399,100
Construction	
Contract SB-2025-1	\$3,199,190
Permits and Advertisement Costs	\$20,000
Construction Subtotal	\$3,219,190
Project Contingency (5% of Contract Amount)	\$160,000
Total Project Budget	\$3,778,290
City of Orange Contribution	\$1,889,145
Total Cost to OCWD	\$1,889,145

The expected project schedule is shown below in Table 3.

**Table 3: SB-2025-1 Bond Basin Slope Repair Project
Schedule Summary**

Description	Date
Design	Oct 2023 – Jan 2025
Construction Contract SB-2025-1	June 2025 – Jan 2026

PREVIOUS BOARD ACTIONS

3/19/25, R25-X-XX: Authorize issuance of RFP for Construction Management and Inspection Services for Contract SB-2025-1, Bond Basin Slope Repair Project.

2/19/25, R25-2-15: Authorize filing of a Categorical Exemption in compliance of CEQA and authorize publication of Notice Inviting Bids for Contract SB-2025-1, Bond Basin Slope Repair Project.

3/20/24, R24-3-17: Authorize issuance of an Amendment to Agreement No. 1555 with ENGEO for final design services of Bond Basin slope repair and storm drain realignment for an amount not to exceed \$42,500.

10/18/23, R23-10-140: Authorize issuance of a Professional Services Agreement to ENGEO for design services for the permanent Bond Basin slope repair and storm drain extension for an amount not to exceed \$46,800.

11/16/22, R22-11-153: Ratify the emergency slope repair contract for Bond Basin in an amount of \$992,000 to Access Limited Construction and ratify an amendment issued to ENGEO Incorporated for testing, construction inspection and reporting for \$76,400.

10/5/22, R22-10-141: Authorized the General Manager to negotiate and execute a 50/50 cost share agreement with the city of Orange.

THE ORANGE COUNTY
REGISTER

1920 Main Street, Suite 209
Irvine, California 92614
(714) 796-7000
legals@inlandnewspapers.com

Orange County Water District
18700 Ward Street
Fountain Valley, California 92708

<i>Account Number:</i>	5179533
<i>Ad Order Number:</i>	0011720923
<i>Customer's Reference/PO Number:</i>	
<i>Publication:</i>	The Orange County Register
<i>Publication Dates:</i>	02/21/2025
<i>Total Amount:</i>	\$1696.25
<i>Payment Amount:</i>	\$0.00
<i>Amount Due:</i>	\$1696.25
<i>Notice ID:</i>	qd1S5mHq3mXDk1rtMacF
<i>Invoice Text:</i>	

0011720923

Orange County Water District
18700 Ward Street
Fountain Valley, California 92708

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
County of Orange**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not party to or interested in the above-entitled matter. I am the principal clerk of the printer of The Orange County Register, a newspaper of general circulation, printed and published in the City of Irvine*, County of Orange, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of County of Orange, State of California, under the date of November 19, 1905, Case No.A-21046. The notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

02/21/2025

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Irvine, California

On this 21st day of February, 2025.



Signature

**NOTICE INVITING BIDS
BOND BASIN SLOPE REPAIR**

CONTRACT NO. SB-2025-1

PLEASE TAKE NOTICE that sealed bids will be received at the office of the Contracts Administrator of the Orange County Water District ("District"), 18700 Ward Street, Fountain Valley, CA 92708 (mailing address: P.O. Box 8300, Fountain Valley, CA 927288300), until 2:00pm PT, local time on Thursday, March 27, 2025 at which time the bids will be publicly opened and read aloud for performing all work and furnishing all labor, materials and equipment for:

The Bond Basin Slope Repair Project generally consists of repairing erosion along the southeast corner slope of Bond Basin. The work includes the following major components.

1. Construction Access: Construction and maintenance of temporary access road(s) and work area(s) within the basin to the work area.
2. Slope Repair: The work includes excavating existing landslide debris to firm native subgrade. Approximately 10,000 CYs of approved filled material shall be keyed and benched into the existing slope. Fill shall be reinforced with geotextile fabric. The cavity below the existing soil nail wall shall be backfilled with approximately 500 CYs of control density fill. Approximately 1,200 CYs of usable fill material is stockpiled on-site and approximately 8,800 CYs of approved material shall be procured and transported to the site.
3. Storm Drain Relocation: The work includes relocating an existing 60-inch storm drain outlet conveying stormwater into the basin. Approximately 270 linear feet of 60-inch reinforced concrete pipe and three storm drain manholes shall be constructed within District property connecting the existing 60-inch storm drain to the proposed swale and plunge pool. Work includes abandonment of the existing 60-inch storm drain outlet in place.
4. Concrete Swale and Plunge Pool: The work includes construction of a concrete headwall, grade beam, and piers connected to the 60-inch storm drain. Construction of a 10-foot wide concrete swale with 10 foot by 4 foot section of ¼ to ½ ton graded riprap placed on each side. The swale discharges to the plunge pool consisting of ½ to ¾ ton riprap and 105 to 300 pound rock.

NON-MANDATORY PREBID CONFERENCE: A pre-bid conference and on-site job walk will be held at the Project Site on Thursday, March 6, 2025, at 10:00 am PT. Attendees shall enter the site through the gate at the corner of North Prospect Street and Collins Avenue in Orange, CA. Any potential bidder that does not attend the pre-bid conference will be charged with knowledge of all information that was available at the pre-bid conference.

PROJECT ADMINISTRATION: All questions regarding the Bid must be submitted in writing before the deadline due date of Tuesday, March 18, 2025 at 4:00 pm PT. Questions received after the questions due date may not be considered. All questions relative to this project prior to the opening of bids shall be directed, in writing, to OCWD:
ORANGE COUNTY WATER DISTRICT Mailing Address:
18700 Ward Street P.O. Box 8300
Fountain Valley, CA 92708 Fountain Valley, CA 92728-8300

Attention: Laurence Esguerra, Project Manager
Telephone: (714) 378-3330
Email: procurement@ocwd.com

COMPLETION OF WORK AND LIQUIDATED DAMAGES: All Work must be substantially completed within Two Hundred Twenty (220) consecutive calendar days from the date of the Notice to Proceed issued by the District. Failure to complete the Work within the time set forth herein will result in the imposition of liquidated damages for each day of delay, in the amount set forth in the Information for Bidders.

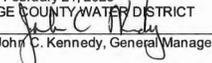
OBTAINING CONTRACT DOCUMENTS: Plans and specifications and all contract documents must be purchased through HB Digital at www.ocwdplanroom.com. Payment will not be refunded and the plans and specifications and contract documents are not required to be returned.

BID GUARANTEE: Each Bid shall be accompanied by one of the following: a certified or cashier's check, or bid bond in an amount not less than ten percent (10%) of the total bid price, payable to the Orange County Water District, as a guarantee that the Bidder, if its Bid is accepted, shall promptly execute the Agreement, furnish a satisfactory Faithful Performance Bond in an amount not less than one hundred percent (100%) of the total bid price, furnish a Labor and Material Bond in an amount not less than one hundred percent (100%) of the total bid price, and furnish certificates evidencing that the required insurance is in effect in the amounts set forth in the Insurance Conditions. The Faithful Performance Bond shall remain in full force and effect through the guarantee period as specified in the General Provisions. All surety companies shall be admitted surety insurers and shall comply with the provisions of Code of Civil Procedure Section 995.630.

DISTRICT'S RIGHTS RESERVED: The Orange County Water District reserves the right to reject any or all bids, and to waive any informality in any bid.

Dated: February 21, 2025

ORANGE COUNTY WATER DISTRICT

By: 
John C. Kennedy, General Manager

The Orange County Register
Published: 2/21/25



SMTD LAW LLP

SALAMIRAD • MORROW • TIMPANE • DUNN

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Irvine, CA 92614
(949) 537-3800
(949) 537-3822 (f)

April 2, 2025

**VIA EMAIL (procurement@ocwd.com) &
CERTIFIED MAIL**

Laurence Esguerra
Project Manager
ORANGE COUNTY WATER DISTRICT
18700 Ward Street
Fountain Valley, CA 92728

**Re: Empire Equipment Service, Inc.'s Bid Protest For Bond Basin Slope
Repair Project**

Dear Mr. Esguerra:

This firm represents Empire Equipment Service, Inc. ("Empire"), the lowest responsive and responsible bidder on the Bond Basin Slope Repair Project ("Project") for the Orange County Water District ("District"). This letter shall constitute Empire's formal protest of the bid of the apparent low bidder, Innovative Construction Solutions ("ICS"). Empire requests that the District reject the bid from ICS and award the Project to Empire, the lowest responsive and responsible bidder. Empire submits this protest on the grounds that ICS failed to submit proof of its subcontractors' DIR registrations with their sealed bid as explicitly required by the Bid Documents.

This letter is intended to be:

1. A protest against any award of the contract to a bidder other than Empire.
2. A request under for written notice of all meetings of the District at which any issues pertaining to the award of that contract are on the agenda for the meeting. If there is any fee for this service, please telephone that information to us immediately, so we can promptly pay the fee.
3. A request to be informed (by telephone or fax) as soon as any staff reports or recommendations concerning any issues pertaining to the award of that contract are available to the public, so we can immediately inspect those reports or recommendations.
4. A request to address the District before or during consideration of any issues pertaining to the award of that contract.

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If this letter is not sufficient to accomplish any of these purposes, please let us know immediately what else is required, so we can comply. If we do not hear from you, we will proceed on the basis that this letter is sufficient.

I. THE DISTRICT CANNOT AWARD THE PROJECT TO A CONTRACTOR THAT DID NOT SUBMIT A RESPONSIVE BID.

The potential for abuse in the letting of public contracts requires close judicial scrutiny. (*Schram Construction, Inc. v. Regents of University of California*, (2010) 187 Cal.App.4th 1040, 1052.) California law mandates that public entities must competitively bid public works contracts and award the contract to the lowest responsible bidder that submits a responsive bid. (*MCM Construction, Inc. v. City and County of San Francisco*, (1998) 66 Cal.App.4th 359, 368.) These requirements are strictly enforced to protect taxpayers by inviting competition, which helps “guard against favoritism, improvidence, extravagance, fraud and corruption,” and serves “to secure the best work or supplies at the lowest price practicable.” (*Domar Electric, Inc. v. City of Los Angeles*, (1994) 9 Cal.4th 161, 173.) When evaluating a bid, a public entity must follow the requirements of the Public Contract Code and **any additional requirements it mandates in the bid documents**. (*Pozar v. Department of Transp.*, (1983) 145 Cal.App.3d 269.)

To be responsive, a bid must conform to the material terms of the bid documents. (*City of Inglewood v. Los Angeles County Civic Center Authority*, (1972) 7 Cal.3d 861, 867; *Konica Business Machines v. Regents of the University of California*, (1988) 206 Cal.App.3d 449, 456-57.) Whether a bid is responsive typically is “determined from the face of the bid without outside investigation or information.” (*Valley Crest Landscape, Inc. v. City Council*, (1996) 41 Cal.App.4th 1432, 1438.) Bids that differ materially from the bid specifications must be rejected, and public entities may only waive minor or inconsequential irregularities in a bid. (*Stimson v. Hanley* (1907) 151 Cal. 379; *Ghilotti Construction Co. v. Richmond*, (1996) 45 Cal. App. 4th 897, 904.) Typically, the material terms of a bid are those that affect price, quantity, quality, or delivery, along with **those terms that the bid package clearly identifies as mandatory**. (*Konica Business Machines, supra*, (1988) 206 Cal.App.3d at 454-45.) These terms may not be waived. (*Id.*)

A bid fails to comply with the bid package if it gives a bidder an unfair competitive advantage over other bidders. (*Ghilotti Construction Company, supra*, (1996) 45 Cal.App.4th at 904; *Konica Business Machines, supra*, (1988) 206 Cal.App.3d at 456-57; *Menefee v. County of Fresno*, (1985) 163 Cal.App.3d 1175, 1180-81.) Notably, unfair advantages include those errors and omissions which would allow a contractor to withdraw its bid without forfeiting its bid bond or other penalty. (*Valley Crest Landscape, Inc., supra*, (1996) 41 Cal.App.4th at 1442.) These errors include the kinds of mistakes “made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans and specifications” that allows a bidder to withdraw its bid without penalty. (Pub. Cont. Code, § 5103, subd. (d).) By allowing a contractor to withdraw its bid without penalty, such errors confer a material advantage to bidders and therefore

public entities must reject any such bid that is not withdrawn voluntarily. (*Valley Crest Landscape, Inc., supra*, (1996) 41 Cal.App.4th at 1442.)

In this matter, ICS not only failed to comply with the mandatory requirements of the Bid Documents, but its errors, if waived by the District, would result in an unfair competitive advantage and result in the very appearance of impropriety that the competitive bidding laws were enacted to prevent. Under any reasoned analysis, ICS's bid must be rejected.

II. ICS'S BID IS NONRESPONSIVE BECAUSE IT DID NOT SUBMIT PROOF OF DIR REGISTRATIONS AS REQUIRED BY THE BID DOCUMENTS.

The Bid Documents require that all "Bids shall be submitted on the prescribed Bid forms, completed in full. All bid items and statements shall be properly filled out." (I-2.) The Bid Documents further require all bidders to provide proof that the bidder, and all of its proposed subcontractors, are currently registered with the DIR and therefore entitled to provide construction services on public works projects. According to the Instructions to Bidders,

BIDDER REGISTRATION REQUIREMENT: In accordance with Labor Code Section 1771.1., a Bid *shall not be accepted* and a contract for this Work shall not be entered into without *proof of the Bidder's and all proposed subcontractors' current registration* to perform public work pursuant to Labor Code Section 1725.5.

(I-3 [emphasis added].) This requirement is echoed on the List of Subcontractors form that all bidders were required to include with their sealed bids. The instructions for the List of Subcontractors first requires bidders to list a variety of information regarding the subcontractors that they will use if awarded the Project. This required information includes the DIR Registration Number for each subcontractor. The instructions for the List of Subcontractors adds a second requirement. In addition to listing the DIR Registration Number on the List of Subcontractors, however,

[t]he Bidder shall provide *proof of each listed Subcontractor's current registration* to perform public work pursuant to Section 1725.5 of the Labor Code of the State of California.

(P-12 [emphasis added].) This is a separate obligation from the obligation to list the DIR Registration Number of the List of Subcontractors.

Empire complied with these requirements by submitting information from the DIR website showing that the DIR registrations are current for it, and for all of its listed subcontractors. (See Exhibit A, Empire Bid, p. 40-54.) ICS's bid does not comply with these requirements. It appears that ICS submitted a form showing that it is currently registered with the DIR.

Laurence Esguerra
Orange County Water District
April 2, 2025
Page 4 of 4

(See Exhibit B, ICS Bid, p. 22.) This suggests that ICS recognized the Bid Documents required bidders to provide proof that the bidder's DIR registration is current, not just their DIR Registration Number. Yet ICS did not submit similar information for any of its listed subcontractors. This failure renders ICS's bid nonresponsive.

Those terms that the bid package clearly identifies as mandatory are material terms that cannot be waived by the public agency. (*Konica Business Machines, supra*, (1988) 206 Cal.App.3d at 454-45.) By specifying that bids "shall not" be accepted with providing proof of the current registration status as part of the sealed bid, the District made the submission of this proof a mandatory obligation for bidders to complete that cannot be waived. (See *Thomas v. Pridham* (1915) 171 Cal. 98, 100; *Move Eden Housing v. City of Livermore* (2024) 100 Cal.App.5th 263, 275.) If the District were to waive this requirement, it would be abusing its discretion under the competitive bidding laws.

Moreover, if a bidder's failure to comply with the bid package gives that bidder an unfair competitive advantage, the public agency is obligated to reject the bidder's bid. (*Ghilotti Construction Company, supra*, (1996) 45 Cal.App.4th at 904; *Konica Business Machines, supra*, (1988) 206 Cal.App.3d at 456-57; *Menefee, supra*, (1985) 163 Cal.App.3d at 1180-81.) Here ICS gained a material advantage by not submitting the proof of their subcontractor's DIR registration along with their sealed bid. Not only did ICS save time during the bid preparation process, giving it more time to focus on the rest of their bid, but their failure to include the proof of DIR registration is the kind of clerical mistake that could justify their withdrawal of their bid after opening without forfeiting their bid bond under Public Contract Code section 5103. This has been recognized to confer a material advantage to bidders and require public entities to reject any such bid that is not withdrawn voluntarily. (*Valley Crest Landscape, Inc., supra*, (1996) 41 Cal.App.4th at 1442.)

III. EMPIRE REQUESTS THAT ITS BID PROTEST BE GRANTED AND THAT IT BE AWARDED THE CONTRACT FOR THE PROJECT.

Based upon the foregoing, Empire requests that the District grant Empire's bid protest, reject the nonresponsive bid from ICS, and award the Project contract to Empire, the lowest responsive and responsible bidder on the Project. Empire looks forward to partnering with the District to complete this important Project.

Sincerely,

SMTD LAW LLP



Joshua P. Hardy

Exhibit A



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Empire Equipment Service, Inc

Customer Account Lookup

Name

Empire Equipment Service, Inc

Customer Account

 Empire Equipment Service, Inc

Type

Contractor

Website

(empty)



Email

clarissa@empireequipmentservice.com

Address 1

5271 Agate Street

Address_2

City

Riverside

State

CA

Zip

92509

Contractor Status

DIR Approved

CSLB

Legal Name

Empire Equipment Service, Inc

Business Structure

-- None --

Business Phone

9161234567

Registration Number

President

Clarissa Young

PWCR

1000455119

Registration Start Date

2022-07-01

Registration End Date

2025-06-30

Doing Business As (DBA)

Crafts

Legacy Registration Date

2022-07-01

Legacy Registration Expiration

2025-06-30

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UNDERGROUND MANHOLES

Customer Account Lookup

Name

Customer Account

Type

Website

(empty)



Email

office@undergroundmanholes.com

Address 1

7639 McKinley Avenue

Address_2

City

SAN BERNARDINO

State

CA

Zip

92410

Contractor Status

DIR Approved

CSLB

659134

Legal Name

UNDERGROUND BUILDERS, INC.

Business Structure

-- None --

Business Phone

9095349642

Registration Number

President

Robert Williams

PWCR

1000010700

Registration Start Date

2023-07-01

Registration End Date

2025-06-30

Doing Business As (DBA)

UNDERGROUND MANHOLES

Crafts

Laborer and Related Classifications

Laborer and Related Classifications (Building Construction)

Legacy Registration Date

2023-07-01

Legacy Registration Expiration

2025-06-30

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INTEGRITY REBAR PLACERS

Customer Account Lookup

Name

INTEGRITY REBAR PLACERS

Customer Account

 INTEGRITY REBAR PLACERS

Type

Contractor

Website

(empty)



President

Ken Negrete

PWCR

1000005302

Registration Start Date

2024-07-01

Registration End Date

2025-06-30

Doing Business As (DBA)

INTEGRITY REBAR PLACERS

Crafts

Iron Worker

Legacy Registration Date

2024-07-01

Legacy Registration Expiration

2025-06-30

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Condon-Johnson & Associates, Inc

Customer Account Lookup

Name

Condon-Johnson & Associates, Inc

Customer Account

 Condon-Johnson & Associates, Inc

Type

Contractor

Website

(empty)



Email

jlingad@condon-johnson.com

Address 1

480 Roland Way, Suite 200

Address_2

City

Oakland

State

Default

Zip

94621

Contractor Status

DIR Approved

CSLB

300068

Legal Name

Condon-Johnson & Associates, Inc.

Business Structure

-- None --

Business Phone

5106362100

Registration Number

President

James Johnson

PWCR

1000004443

Registration Start Date

2024-07-01

Registration End Date

2027-06-30

Doing Business As (DBA)

Crafts

General Engineering

Legacy Registration Date

2014-12-29

Legacy Registration Expiration

2027-06-30

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Exhibit B

Contractor Information

Legal Entity Name
INNOVATIVE CONSTRUCTION SOLUTIONS
Legal Entity Type
Corporation
Status
Active
Registration Number
106003068
Registration effective date
07/01/22
Registration expiration date
06/30/25
Mailing Address
575 ANTON BLVD, SUITE 850 COSTA MESA 92626 CA United States of America
Physical Address
575 ANTON BLVD, SUITE 850 COSTA MESA 92626 CA United States of America
Email Address
info@iccs.com
Trade Name/DBA
INNOVATIVE CONSTRUCTION SOLUTIONS
License Number (s)
CSLB:764815
CSLB:764815

Registration History

Effective Date	Expiration Date
06/21/18	06/30/19
06/13/17	06/30/18
06/14/16	06/30/17
06/28/15	06/30/16
12/16/14	06/30/15
01/01/19	06/30/22
07/01/22	06/30/25

Legal Entity Information

Corporation Entity Number: C2162261
Federal Employment Identification Number: 954745040
President Name: Hiram Emadi
Vice President Name: John R. White
Treasurer Name: Hiram Emadi
Secretary Name: John R. White
CEO Name: Tom Kieran

Agency for Service:
Agent of Service Name: John R. White
Agent of Service Mailing Address: 575 Anton Blvd, Suite 850 COSTA MESA 92626 CA United States of America

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: C. Olsen

Budgeted: N/A

Proposed Budget: N/A

Cost Estimate: N/A

Funding Source: N/A

Program/Line Item No.: N/A

General Counsel Approval: N/A

Engineers Report: N/A

CEQA Compliance: N/A

Subject: TERMINATE THE INACTIVE CONJUNCTIVE USE PROGRAM STORAGE AGREEMENT WITH METROPOLITAN WATER DISTRICT

SUMMARY

The Metropolitan Water District (MWD) and OCWD Conjunctive Use Program (CUP) Agreement was initiated in 2003 and is set to expire in 2028. The agreement allows MWD to store up to 66,000 acre-feet of water in the groundwater basin. MWD is now requesting to terminate the CUP Agreement and staff concurs with that request.

Attachment: MWD Board submittal recommending termination of six inactive CUP agreements

RECOMMENDATION

Agendize for April 16 Board Meeting: Terminate the Conjunctive Use Program Storage Agreement with the Metropolitan Water District.

BACKGROUND/ANALYSIS

In November 2000, MWD released a request for proposals for the CUP Program. Nine CUP programs were selected and approved by the Board and received funding from Prop 13 in the amount of \$45 million and Metropolitan in the amount of \$27 million. These CUP programs included: the Chino Basin, Compton, Elsinore, Foothill Area, Live Oak, Long Beach, Long Beach Expansion into Lakewood, OCWD, and Upper Claremont CUPs. Each CUP agreement has a term of 25 years with termination between 2027 and 2031, depending upon when the agreement was executed.

Each agreement also included provisions for capital facilities needed to perform for the program such as treatment facilities, new wells, conveyance systems, and recharge facilities. OCWD's Agreement specifically included eight new groundwater wells for Producers along with other amenities in exchange for MWD storing 66,000 acre-feet of water in the OCWD basin.

The benefits of the CUP Agreement for OCWD were additional wells constructed in the OCWD service area which provided greater reliability and flexibility benefits to the Producers, the additional wells were also used for programs such as transferring groundwater production inland away from the coast; OCWD received lower TDS replenishment water supplies directly from the Diemer Filtration plant; groundwater

levels were higher in the basin with the program; OCWD received funding to assist in the construction of additional Talbert Barrier injection wells along with an annual administrative fee; and OCWD could deliver the water into storage via a coastal in-lieu program.

The benefits of the CUP Agreement for MWD were storing 66,000 acre-feet of excess imported water supplies in the OCWD groundwater basin for later use during a drought period; MWD helped to drought proof the area while reducing its dependence upon imported water during dry years; OCWD Producers maintained the necessary wells to deliver the stored water during a drought; and MWD stored surplus water supplies, which were later sold at the treated non-interruptible rate minus the producers energy and O&M cost.

MWD has not used the program for several years as it has developed larger storage programs behind Lake Mead and in groundwater basins in the California central valley. Termination of the inactive agreement will reduce MWD's administrative and O&M costs. There is no cost for early termination which would become effective June 30, 2025. Staff recommends terminating the inactive CUP agreement with MWD.

PRIOR RELEVANT BOARD ACTION(S)

N/A



- **Board of Directors**
One Water and Adaptation Committee

3/11/2025 Board Meeting

7-5

Subject

Authorize the General Manager to terminate six inactive Conjunctive Use Program agreements; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Staff recommends that the Board of Directors (Board) authorize the General Manager to enter into agreements to terminate six inactive Conjunctive Use Program (CUP) agreements. The six inactive agreements include Compton, Foothill Area, Live Oak Basin, Long Beach, Long Beach Expansion into Lakewood, and Orange County CUPs. The six programs have been inactive for a variety of reasons, including lack of local agency support, groundwater contamination concerns, or leadership changes. Staff has coordinated with the member agencies involved with the listed projects, and the consensus of both member agencies and staff is to terminate the agreements. This action will reduce Metropolitan costs in the current biennium by approximately \$1.3 million, with \$512,000 due to the elimination of administrative fee payments and up to \$829,000 due to reduced Operations and Maintenance (O&M) and power credit payments that would be made by Metropolitan if the agreements remain in effect. In addition, this action will increase revenue by \$9.3 million in this biennium due to the full-service lump-sum sale of the remaining 6,678 acre-feet in the Long Beach CUP account in this biennium instead of spreading out the sale until fiscal year 2027. The remaining CUP programs will remain active. A summary of the CUP programs is provided in **Attachment 1**.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize the General Manager to terminate six inactive CUP agreements.

Fiscal Impact: Cost savings in the amount of \$1.3 million and increased revenue of \$9.3 million.

Business Analysis: This action will reduce Metropolitan costs in the current biennium by approximately \$512,000 due to the elimination of administrative fee payments and \$829,000 due to reduced O&M and power credit payments that would have been made by Metropolitan if the agreements had remained in effect. In addition, this action will increase revenue by \$9.3 million in this biennium due to the full-service lump-sum sale of the remaining 6,678 acre-feet in the Long Beach CUP.

Option #2

Do not authorize the General Manager to terminate six inactive CUP agreements, which would allow the six agreements to terminate on their current schedule.

Fiscal Impact: Cost savings and revenue will not be achieved.

Business Analysis: Not terminating now will leave these agreements on their original schedules, and no cost savings or increased revenue will be realized in this biennium. Revenue generation would be deferred to 2027.

Alternatives Considered

None

Applicable Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Water District Administrative Code Section 4209: Contracts

Metropolitan Water District Administrative Code Section 4507: Billing and Payment of Water Deliveries

By Minute Item 43514, dated April 13, 1999, the Board adopted the Water Surplus and Drought Management Plan

By Minute Item 43860, dated Jan. 11, 2000, the Board approved strategies for implementing Groundwater Storage Programs within Metropolitan's service area.

By Minute Item 44210, dated Oct. 17, 2000, the Board adopted Resolution 8706 to accept the grant for funds from Proposition 13.

Related Board Action(s)/Future Action(s)

By Minute Item 44427, dated April 10, 2001, the Board gave authority to finalize agreement terms for Groundwater Conjunctive Use Projects using Proposition 13 funds.

By Minute Item 44871, dated May 14, 2002, the Board approved the Long Beach CUP.

By Minute Item 45035, dated October 8, 2002, the Board approved the Live Oak Basin CUP.

By Minute Item 45205, dated February 11, 2003, the Board approved the Foothill Area CUP.

Board Report dated May 11, 2004, reporting on the selection of Groundwater Storage Programs using remaining Proposition 13 funds.

By Minute Item 46073, dated January 11, 2005, the Board approved the Compton CUP.

By Minute Item 46301, dated July 12, 2005, the Board approved the Long Beach CUP Phase 2 expansion into Lakewood.

Summary of Outreach Completed

Presented to Member Agency Managers Meeting on February 11, 2025

California Environmental Quality Act (CEQA)

CEQA determination(s) for Option #1:

The proposed action is not defined as a project under CEQA because it will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines Section 15378(a)).

CEQA determination(s) for Option #2:

None required

Details and Background

Background

The purpose of the CUP program is to store water during wet years and extract the stored water during dry years upon a call by Metropolitan. Since 2002, more than 350,000 acre-feet has been stored in the nine CUP programs. Also, the CUP program has generated a total of about 266,000 acre-feet of yield that has benefited Metropolitan during drought and emergencies.

Metropolitan seeks ways to streamline the current program and identify measures to reduce costs and generate revenue in the CUP program. To achieve this goal, Metropolitan proposes to terminate six inactive CUP programs during this fiscal year to reduce future administrative and reimbursement costs and to generate revenue.

History of the CUP Program

The 1996 Integrated Resources Plan (IRP) identified groundwater storage as an important part of Metropolitan's future water resource mix. The IRP also identified that the remaining need for long-term storage is 450,000 acre-feet, with 150,000 acre-feet per year of dry-year production.

In January 2000 (Board Item 9-5), the Board approved a hybrid framework for the development of in-region dry-year CUP. This hybrid framework for CUP included two components:

- **A case-by-case approach** where member agencies could submit proposals to Metropolitan based upon their needs and expected benefits, or Metropolitan may approach a member agency based upon an assessment of potential regional benefits; and
- **A request for proposal (RFP) approach** where member agencies would submit proposals that would be competitively ranked against specific criteria. This approach tries to standardize all Groundwater Storage Programs; however, experience has shown that not all local groundwater programs are alike. Local issues such as water quality, basin adjudication or management, and local and regional benefits are all unique, making it difficult to rank projects using specific criteria.

In January 2000, the Board also established principles for the development of conjunctive use in the service area. These principles are summarized in **Attachment 1**.

In March 2000, 65 percent of California voters approved Proposition 13 (Prop. 13), authorizing the state of California to sell \$1.97 billion in general obligation bonds for water-related projects throughout the state. In May 2020, the Governor's Annual Budget Act appropriated to the Department of Water Resources local assistance grant funds from Prop 13. From these funds, the state allocated \$45 million to Metropolitan to help finance Southern state Water Reliability Projects targeting conjunctive use projects within the Metropolitan's service area.

In November 2000, Metropolitan released an RFP for the CUP Program. Nine CUP programs were selected and approved by the Board and received funding from Prop 13 in the amount of \$45 million and Metropolitan in the amount of \$27 million. These CUP programs included: the Chino Basin, Compton, Elsinore, Foothill Area, Live Oak, Long Beach, Long Beach Expansion into Lakewood, Orange County, and Upper Claremont CUPs. Each CUP agreement has a term of 25 years with termination between 2027 and 2031, depending upon when the agreement was executed. Each agreement also includes provisions for capital facilities needed to perform for the program. Program facilities included treatment facilities, new wells, conveyance systems, and recharge facilities. The final disbursement of the Prop 13 and Metropolitan funding for the completion of all funded CUP facilities was achieved in May 2009.

The total storage of the CUP programs is 211,889 acre-feet with a dry-year yield of 70,296 acre-feet per year. The current balance in the CUP program is 83,607 acre-feet. Storage amounts for all the CUP programs are shown in **Attachment 1**.

Need for Action

Six CUP programs have been inactive for a variety of reasons, including lack of local agency support, groundwater contamination concerns, or leadership changes. Over time, Metropolitan has developed alternative approaches and programs for coordinated groundwater storage management that can continue to provide regional benefits that have previously come from these inactive CUP programs. Metropolitan has discussed the termination of these programs with the affected member agencies. As a result of these discussions, the program partners have expressed interest in terminating their programs early. The six inactive agreements include Compton, Foothill Area, Live Oak Basin, Long Beach, Long Beach Expansion into Lakewood, and Orange County CUPs. Regional dry-year storage levels are currently at a record high of 3.8 million acre-feet. The proposed action is not likely to significantly impact the availability of dry-year supplies. Further, termination of

the inactive programs does not impact the requirements of the Prop 13 funding received and disbursed to the participating agencies for the development of the programs.

Proposed Action and General Terms

Staff recommends that the Board authorize the General Manager to enter into agreements to terminate six inactive CUP agreements. New agreements are currently required to allow for termination of the existing agreements. The existing CUP agreements do not include standard termination language, which would have allowed the parties to initiate early terminations upon written notice.

General Terms

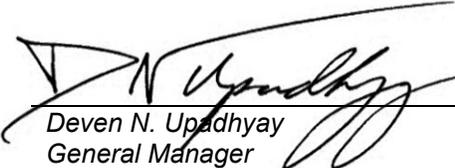
The following conditions will apply to the agreements:

- Metropolitan and the six participating member agencies will enter into individual agreements.
- Termination of the six agreements will be effective by June 30, 2025.
- The participating member agency would not be required to pay back any funds received from Metropolitan during the term of the agreement.
- No money would be due upon termination by either party unless there is water remaining in a CUP account.
- If water is remaining in the CUP account, a lump-sum sale of the amount remaining in the account at the full-service rate would occur on June 30, 2025, with Metropolitan providing a share of the projected cost to extract the stored water. The Long Beach CUP currently has a balance of 6,678 acre-feet. The City of Long Beach would purchase the full 6,678 acre-feet at the full-service treated water rate. Metropolitan would agree to share the O&M and power credits with the City of Long Beach and therefore pay 50 percent of the anticipated O&M and power credits for producing the 6,678 acre-feet of water remaining in the Long Beach account.

Project Milestone(s)

Termination of six agreements will be effective June 30, 2025.


 _____ 2/25/2025
Brandon J. Goshi Date
 Interim Manager,
 Water Resource Management


 _____ 2/25/2025
Deven N. Upadhyay Date
 General Manager

Attachment 1: Summary of Conjunctive Use Programs

Ref# wrm12701196

Summary of Conjunctive Use Programs

Program	Current Balance (AF)	Start Date	Original Termination Date	Active or Inactive	Proposed Termination Date
Chino	63,838	2003	2028	Active	—
Compton	0	2005	2030	Inactive	2025
Elsinore	11,891	2006	2031	Active	—
Foothill Area	0	2003	2028	Inactive	2025
Live Oak	0	2002	2027	Inactive	2025
Long Beach Phase 1	6,678	2002	2027	Inactive	2025
Long Beach Phase 2 (Lakewood)	0	2005	2030	Inactive	2025
Orange County	0	2003	2028	Inactive	2025
Upper Claremont	1,200	2005	2030	Active	—
Total	83,607	—	—	—	—

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: F. Cason/R. Herndon

Budgeted: N/A

Budgeted Amount: N/A

Cost Estimate: \$0

Funding Source: N/A

Program/ Line Item No.: N/A

General Counsel Approval: Yes

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: EXECUTION OF ACCESS AGREEMENTS FOR EXISTING MONITORING WELL SITES SCS-3, -4, -8 AND OM-8 ON COUNTY OF ORANGE PROPERTY

SUMMARY

Staff recommends authorizing the General Manager to execute two access agreements for existing monitoring well sites located on County of Orange property.

Attachments:

- Draft License Agreement for existing monitoring well sites SCS-3, SCS-4, and SCS-8.
- Draft Entry Permit Agreement for existing monitoring well site OM-8.

RECOMMENDATION

Agendize for April 16 Board meeting: Authorize the General Manager to finalize and execute a no-cost 10-year term license agreement with the Orange County Flood Control District for continued access to existing monitoring wells SCS-3, SCS-4, and SCS-8 and a no-cost 10-year term entry permit agreement with the County of Orange for continued access to existing monitoring well site OM-8.

BACKGROUND/ANALYSIS

Monitoring wells SCS-3, SCS-4, and SCS-8 were constructed in 1998 along Santiago Creek to monitor groundwater levels and quality associated with the District's proposed use of Santiago Creek for recharge activities (see Figure 1 for well locations). The wells remain in good condition and are now utilized for basin monitoring and continue to provide useful data for basin storage calculations and groundwater model calibration. The District obtained a Property Encroachment Permit from the County of Orange, Resources and Development Management Department in June 1988 for construction and maintenance of the wells, which has now expired.

Monitoring well site OM-8 consists of two single-point wells, OM-8, and OM-8A, constructed in 1991 to depths of 169 and 294 feet, respectively. These wells were installed to delineate the upgradient extent of VOC contamination in the city of Orange near the

Santa Ana River. The wells remain in good condition and have since been utilized for basin monitoring, providing valuable data for the Shallow aquifer used for basin storage calculations and groundwater model calibration. Monitoring well site OM-8 is located near the intersection of Katella Ave. and the Santa Ana River, on property owned by the County of Orange, currently used as the Orange County Sheriff's Department Orange County Peace Officers Training Facility (see Figure 1). The County initially granted access through a license agreement in 1991, which was renewed in 1996 but has since expired.

OCWD staff is in the process of negotiating a mutually acceptable license agreement (draft attached) for monitoring wells SCS-3, -4, and -8, and an entry permit agreement (draft attached) for monitoring well site OM-8, both with 10-year terms. The County has agreed to waive administrative fees for both agreements if OCWD provides water level and water quality data collected from these monitoring wells. Staff recommends authorizing the General Manager to finalize and execute these no-cost agreements to ensure continued access and monitoring.

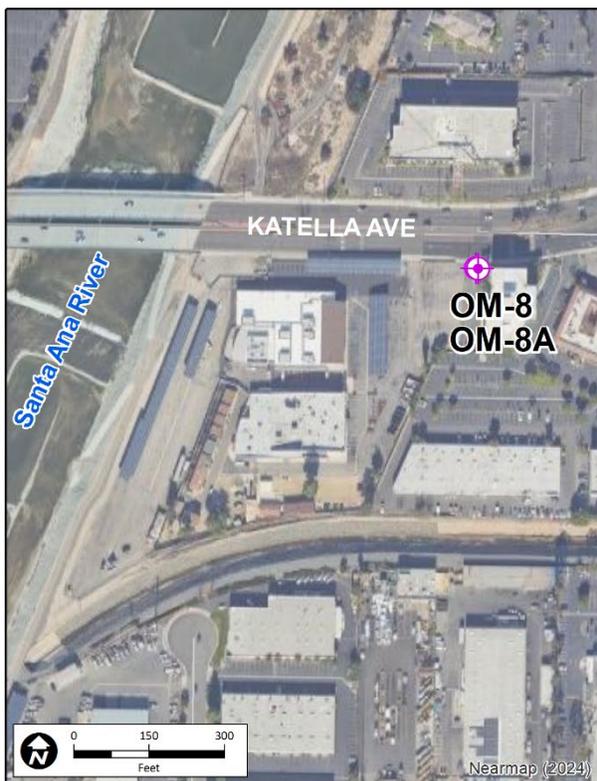
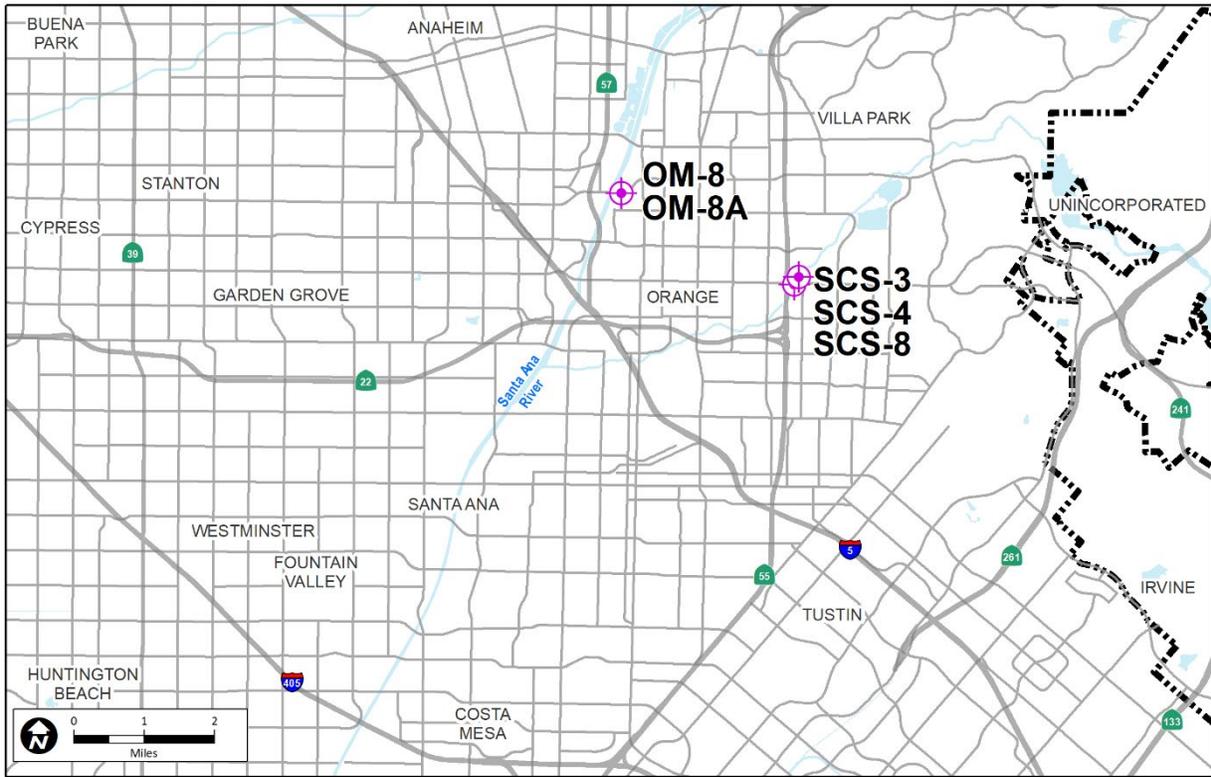
PRIOR RELEVANT BOARD ACTIONS

8/19/1998 R98-8-115 Ratify acceptance of County of Orange property encroachments Permit No. 98-00580 FT for well Nos. SCS-3, SCS-4, and SCS-8

7/3/1996 R96-7-111 Authorize execution of renewed license agreement with County of Orange for wells OM-8 and OM-8A

2/20/1991 R91-2-46 Ratify acceptance of license agreements with County of Orange for well site OM-8 and city of Anaheim for well site AM-21 for Forebay VOC Investigation

Figure 1. Well Location Map



LICENSE AGREEMENT
(Santiago Creek Monitoring Wells)

THIS LICENSE AGREEMENT (“**License**”) is made _____, 20____, (“**Effective Date**”) by and between ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic, hereinafter referred to as “**DISTRICT**,” and ORANGE COUNTY WATER DISTRICT, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended, hereinafter referred to as “**LICENSEE**,” without regard to number and gender. DISTRICT and LICENSEE may sometimes hereinafter individually be referred to as “**Party**,” or jointly as “**Parties**.”

1. DEFINITIONS (LA2.1 S)

The following words in this License have the significance attached to them in this section, unless otherwise apparent from context:

“**Channel**” means DISTRICT’s flood control facility commonly referred to as the Santiago Creek Channel (Facility No. E08).

“**County**” means the County of Orange, a political subdivision of the State of California.

“**CPP**” means the County Permit Process either online (<https://myoceservices.ocgov.com>) or through Orange County Public Works Property Permit department located at 601 N. Ross Street, Santa Ana, CA 92701.

“**Director**” means Orange County’s Director, OC Public Works, or designee.

2. TERM (AMLC-3.2 N)

This License shall be for ten (10) years (“**Term**”), commencing on the Effective Date of this License unless sooner terminated as provided herein.

3. TERMINATION (SRLic-3.9 N)

This License shall be revocable by either DISTRICT or LICENSEE as follows: If revoked by DISTRICT, Director will endeavor to give a minimum one hundred eighty (180) days’ prior written notice to LICENSEE of revocation. If revoked by LICENSEE, LICENSEE shall provide at least thirty (30) days’ prior written notice to Director and shall fully comply with Section 13 (Disposition of Facilities) before such a revocation is effectuated.

4. LICENSE AREA (SRLic-1.1 S)

DISTRICT grants to LICENSEE the non-exclusive right to use, in accordance with the terms herein, that certain real property within DISTRICT right-of-way in the City of Orange near the east bank of the Santiago Creek, approximately 600' northerly of Chapman Avenue (on APN 093-010-53) and 100' southerly of Chapman Avenue (on APN 392-061-01), as illustrated on **Exhibit A** attached hereto and by this reference made a part hereof (“**License Area**”)

5. USE (LB1.1 N)

LICENSEE's use of the License Area shall be subordinate and conducted in such a manner that will allow for unobstructed flood control operations and maintenance of the Channel. LICENSEE's use shall be limited to LICENSEE's operation, maintenance, and repair of groundwater basin management and monitoring wells, in connection with the Licensee's water monitoring project (collectively and individually referred to as “**LICENSEE Facilities**”). LICENSEE Facilities are permitted under this License solely at those installation sites depicted on **Exhibit A**, compiled from CPP issued permit no. FE24-0272 which includes prior permits and installations pursuant to permit nos. 2005-00401, 1998-00580 and 98-00580FT. LICENSEE shall be allowed reasonable access to LICENSEE Facilities for the purpose of exercising its License rights. All relevant permits from CPP are attached as **Exhibit C**.

LICENSEE agrees to ensure that any and all conditions in the above-mentioned permits are met and followed at all times.

LICENSEE agrees not to use the License Area for any purpose, nor to engage in or permit any other activity within or from the License Area, other than those uses set forth herein.

LICENSEE shall restrict vehicular speeds on and over DISTRICT access roads to a maximum speed of **ten (10) miles per hour**. LICENSEE shall not impede, cause to be impeded, or allow to be impeded, the License Area or DISTRICT's access including but not limited to the parking of vehicles or the depositing of any personal property, unless explicitly granted permission by giving at least twenty-four (24) hours advance notice to County's OC Public Works/OC Operation and Maintenance department at 714-955-0200. Any vehicles and/or equipment parked or placed on the License Area in violation of the terms hereof, may be towed or removed at LICENSEE's expense, at the sole discretion of the Director, and without prior notice to LICENSEE. LICENSEE acknowledges that vehicular access over the License Area is prohibited during heavy rainstorm conditions, when inundated or surface soils are wet enough to result in damage to the License Area. When surface soils are wet enough to result in damage to the License Area with vehicular access, LICENSEE's access will be limited to pedestrian access only. In cases when the License Area surface soil becomes wet enough to result in damage with vehicular access, authorized vehicular access shall not resume until the License Area is sufficiently dry to permit vehicular access without damage to the License Area.

LICENSEE acknowledges extracted well water discharges due to the exercise of its rights herein shall require prior authorization through CPP and coordination with County's OC Public

Works/OC Operation and Maintenance department at 714-955-0200. LICENSEE shall be fully responsible for discharges due to LICENSEE Facilities or operations which shall include paying all DISTRICT's or County associated costs, including but not limited to, pumping or treatment related charges or expenses otherwise incurred to extract such discharge from DISTRICT's downstream facility. LICENSEE shall pay DISTRICT and County costs associated with LICENSEE Facilities and operations discharges within sixty (60) calendar days following receipt of a statement of said cost from Director. LICENSEE acknowledges its responsibilities with regard to such discharges include its obligations addressed in Sections 17 (Hold Harmless) and 18 (Hazardous Material). LICENSEE's discharge responsibilities and obligation to pay DISTRICT and County costs associated with any such discharge shall survive termination of this License.

LICENSEE shall take due care to prevent unauthorized parties from accessing the DISTRICT property, including but not limited to, immediately locking any gated entry upon entering or exiting the License Area. To the extent within the reasonable control of LICENSEE, LICENSEE further agrees not to conduct or permit to be conducted any public or private nuisance, or permit to be committed any waste in, on or from the License Area.

LICENSEE shall, at its own cost and expense, promptly and at all times observe, comply with and carry out all present and future orders, regulations, directions, rules, laws, ordinances, permits and requirements of all governmental authorities, including but not limited to the Los Angeles, Santa Ana, and San Diego Regional Water Quality Control Board (LARWQCB) and California Regional Water Quality Control Board and other environmental regulatory authorities, with jurisdiction in, on, over and about the License Area, which arise from LICENSEE's use of or performance of any activities permitted to be conducted in, on, over, or across the License Area. In addition, LICENSEE agrees its compliance with all governmental laws and regulations in connection with LICENSEE's use of the License Area shall be subject to all terms, conditions set forth in this License. LICENSEE acknowledges that DISTRICT has no duty whatsoever with respect to any regulatory water quality obligation that LICENSEE Facilities may satisfy, and any noticing, clearances, or approvals that may be required by any regulatory authority, including but not limited to the LARWQCB and California Regional Water Quality Control Board with respect to the provisional nature of this License, or any removal or modification or relocation of LICENSEE Facilities shall be LICENSEE's sole responsibility.

LICENSEE hereby acknowledges that the License Area lies on, over or about a portion of DISTRICT's Channel and LICENSEE further acknowledges that the primary purpose of the License Area is for flood control purposes. LICENSEE agrees to conduct all activities within the License Area in such a manner that will allow for unobstructed flood control operations and maintenance of the Channel by DISTRICT. LICENSEE Facilities and the exercise of this License shall not in any way preclude or restrict future expansion or improvement of the Channel by DISTRICT. LICENSEE acknowledges the License Area is within the Channel's inundation area and may be subject to all hazards associated with flood conditions. LICENSEE agrees to assume all risks, financial or otherwise, associated therewith, including risks associated with operating and maintaining LICENSEE facilities pursuant to this License.

6. AS-IS/WHERE-IS CONDITION AND RESERVATIONS TO DISTRICT (SRLic-3.4 N)

The License Area is accepted “as is” and “where is” by LICENSEE subject to any and all existing easements, encumbrances and physical characteristics. LICENSEE acknowledges that except as specifically herein provided, neither DISTRICT nor any of its employees, agents, or representatives has made any representations, warranties or agreements to or with LICENSEE on behalf of DISTRICT as to any matters concerning the License Area, access to the License Area, the present use thereof, or the suitability of LICENSEE’s intended use of the License Area. Without limiting DISTRICT’s rights with respect to the License Area, DISTRICT reserves for itself and its successors and assigns those rights necessary to assure proper maintenance and operation of the Channel flood control facilities and to permit any steps to be taken which the Director deems necessary or desirable to maintain, repair, improve, modify or reconstruct said facilities or such operations. The rights reserved to DISTRICT in this section, or any other section of this License shall be exercised by the Director at the Director’s sole discretion. Neither DISTRICT nor any agent, employee, contractor, operator or any other person or entity acting for or on behalf of DISTRICT shall incur any liability, including, but not limited to, loss of business, damage, destruction or relocation costs of LICENSEE Facilities or impaired utility of the License Area for any action undertaken in the maintenance, repair, operation, improvement, modification or reconstruction of said flood control facilities. LICENSEE agrees that should any action undertaken in the maintenance, repair, operation, improvement, modification or reconstruction of said Channel flood control facilities require the relocation of LICENSEE Facilities either on a temporary or permanent basis, LICENSEE shall incur all costs and expenses associated therewith. Except in an emergency situation, Director shall provide LICENSEE reasonable advance notice of planned activities which may restrict LICENSEE’s use of the License Area.

DISTRICT reserves all aerial rights over License Area, the use of which shall not unreasonably interfere with LICENSEE’S use of the License Area. DISTRICT further reserves for itself and its successors and assigns, the right to install, lay, construct, maintain, repair, and operate such sanitary sewers; drains, storm water sewers, pipelines, manholes, and connections; water, oil, and gas pipelines; telephone and telegraph power lines; and appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across, under, and along the License Area or any part thereof, and to enter the License Area for any and all such purposes.

7. PROJECT FEE – Intentionally Omitted.

8. USE FEE (LC2.1N)

The Parties agree that LICENSEE’s administration of LICENSEE facilities for groundwater basin management, as described in this License, in conjunction with LICENSEE’s agreement hereto to provide the DISTRICT with copies of yearly reports LICENSEE obtains regarding the condition of the tested water from LICENSEE facilities, meets the social needs of the population and directly benefits the Parties’ mission and goals. The Parties further agree that administration of LICENSEE facilities and providing the yearly reports to DISTRICT serves a valuable public purpose and is consistent and compatible with the missions of the Parties. The Parties also agree that the value

of the services being provided by LICENSEE pursuant to this License, and providing said yearly reports to DISTRICT, are comparable to the value of the License Area being provided by the DISTRICT. Accordingly, to the extent LICENSEE continues to abide by the terms and conditions of this License and provides DISTRICT with the yearly reports as requested, there shall be no fee for this License. However, if LICENSEE does not or cannot provide such reports to the DISTRICT at any time during the term of this License, LICENSEE shall pay a lump sum fee of five thousand dollars (\$5,000) (“Use Fee”) for the entire term of this License. To the extent this License is terminated prior to the expiration of the Term of this License, DISTRICT shall prorate and refund that portion of the Use Fee, as appropriate.

9. PAYMENT PROCEDURE (LC3.1 S)

When required by Section 8, the Use Fee shall be paid within 15 business days of notification by the DISTRICT that the Use Fee is due, (“Due Date”) and shall be delivered to the Orange County Treasurer- c/o CEO Real Estate, 400 West Civic Center Drive, 5th Floor, Santa Ana CA, 92701. The designated place of payment may be changed at any time by the Director upon (10) ten days’ written notice to LICENSEE. Use Fees and other payments may be made by check payable to Orange County Flood Control District with a notation that payment is for the “E08 OCWD License.” LICENSEE assumes all risk of loss if payments are made by mail.

Please add the following to the Memo Line of the check: **Santiago Creek License Agreement between OCFCD and OCWD.**

All sums due under this License shall be paid in lawful money of the United States of America, without offset or deduction or prior notice or demand. No payment by LICENSEE or receipt by DISTRICT of a lesser amount than the payment due shall be deemed to be other than on account of the payment due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and DISTRICT shall accept such check or payment without prejudice to DISTRICT’s right to recover the balance of said payment or pursue any other remedy in this License.

10. CHARGE FOR LATE PAYMENT (LC4.1 S)

LICENSEE hereby acknowledges that late payment of sums due hereunder will cause DISTRICT to incur costs not contemplated by this License, the exact amount of which will be extremely difficult to ascertain. Such costs include but are not limited to costs such as administrative processing of delinquent notices, increased accounting costs, etc.

Accordingly, if any payment pursuant to this License is not received by DISTRICT by the Due Date, a late charge of one and one half percent (1.5%) of the payment due and unpaid plus \$100 shall be added to the payment, and the total sum shall become immediately due and payable to DISTRICT. An additional charge of one and one half percent (1.5%) of said payment, excluding late charges, shall be added for each additional month that said payment remains unpaid.

LICENSEE and DISTRICT hereby agree that such late charges represent a fair and reasonable estimate of the costs that DISTRICT will incur by reason of LICENSEE’s late payment.

11. CONSTRUCTION

LICENSEE shall have any construction, including the installation of additional systems, facilities or equipment, approved in writing by the Director, through CPP with payment of normal processing fees therefor, prior to commencement of any construction work in, on, over, under, across or about the License Area; and upon completion of any such work, LICENSEE shall immediately notify Director in writing of such completion.

Director's approval of LICENSEE's construction plans shall not be deemed an approval from the standpoint of structural safety, suitability for purpose or conformance with building or other codes or other governmental requirements. DISTRICT is not responsible for permitting of any construction, design, assumptions or accuracy of LICENSEE's construction plans. Director will rely on the professional expertise of the Engineer of Record when approving LICENSEE's construction.

Should it be necessary for LICENSEE to conduct any construction requiring the disturbance of the surface of the License Area or requiring the use of any specialized vehicles or equipment, including but not limited to cranes, within, over, under or about the License Area subsequent to the completion of the initial installation of LICENSEE Facilities, LICENSEE agrees to notify Director in writing sixty (60) days in advance of such planned activities, obtain Director's written approval of all plans, and obtain a permit through CPP with payment of normal processing fees therefor, prior to commencement of any such activities. Said approval shall not be withheld unreasonably, nor shall said approval be necessary in any emergency situation or in conducting routine maintenance activities which do not involve use of DISTRICT property outside of the License Area. However, LICENSEE shall notify Director within five (5) days following commencement of any emergency repair work, and if so, requested by Director, LICENSEE shall secure a permit through CPP for the purpose of documenting the emergency work.

12. MAINTENANCE/OPERATIONS (LD2.1 N)

LICENSEE shall, to the satisfaction of DISTRICT, and at no cost to DISTRICT, keep and maintain the License Area and all LICENSEE Facilities of any kind in good and safe condition and in substantial repair, and shall at all times conduct all operations thereon in a safe and responsible manner. It shall be LICENSEE's responsibility to take all steps necessary or appropriate to maintain such standard of condition, repair and operation.

Director shall have the right to enter upon and inspect the License Area at any time.

LICENSEE shall designate in writing to Director, representative who shall be responsible for the day-to-day operation and level of maintenance and general order of the License Area and any LICENSEE Facilities.

DISTRICT shall have no obligation to maintain or make any repairs or replacements to any area in, on over under or about the License Area to accommodate LICENSEE'S use or LICENSEE

Facilities.

If LICENSEE fails to maintain or make repairs or replacements as required herein, Director may notify LICENSEE in writing of said failure. Should LICENSEE fail to correct the situation within a reasonable time thereafter as established by Director, Director may have the necessary correction made and the cost thereof, including but not limited to the cost of labor, materials, and equipment, shall be paid by LICENSEE within ten (10) days following receipt of a statement of said cost from Director. Director may, at Director's option, choose other remedies available herein, or by law.

LICENSEE shall also promptly, at its sole cost and expense, repair or replace any facilities, equipment or improvements on DISTRICT's property located under, over, within or adjacent to the License Area that are damaged or destroyed by LICENSEE in the exercise of LICENSEE's rights hereunder. Such repair or restoration shall be to approximately the same workmanship and condition as existed prior to such damage or destruction. If LICENSEE shall fail to perform any such repair or restoration within thirty (30) days following written notice from Director to LICENSEE, or as such repair or restoration period may be extended in writing by Director, DISTRICT may have the necessary repair or restoration made and the cost hereof, including but not limited to the cost of labor, materials, and equipment, shall be paid by LICENSEE within ten (10) days following receipt of a statement of said cost from Director. Director may, at Director's option, choose other remedies available herein, or by law.

LICENSEE agrees to maintain LICENSEE'S facilities and equipment within the License Area at all times in good condition and repair. If the LICENSEE fails to maintain their facilities and equipment, the DISTRICT may send the LICENSEE a notice to cure that will require the LICENSEE thirty (30) days to correct any issues written in the notice to cure. Nothing in this section shall affect either Party's ability to terminate this License as set forth herein.

13. DISPOSITION OF FACILITIES UPON TERMINATION OF LICENSE (N)

A. Unless Director has provided LICENSEE with written notice that DISTRICT wishes to retain any or all LICENSEE Facilities, LICENSEE shall at LICENSEE's sole cost and expense, no later than 60 days after the expiration or sooner termination of this License, after obtaining CPP prior authorization do the following:

1. Abandon all water wells on the License Area in place, in accordance with state water well standards (e.g. CA Department of Water Resources Bulletins 74-81 and Bulletins 74-90); and,
2. Remove all other LICENSEE Facilities, both surface and underground, located on or within the License Area to Director's satisfaction which shall include, but not be limited to, compaction of filled excavations to ninety percent (90%) compaction as determined by California Test Method No. 216 and delivering the License Area in a condition which allows for unrestricted use of the property. Notwithstanding the above, Director may allow certain LICENSEE Facilities to remain provided

LICENSEE continues to be fully responsible therefor and pays DISTRICT upfront an amount equal to the estimated cost for its removal.

B. In the event LICENSEE fails to perform its obligations under this section, in addition to any other rights or remedies available to DISTRICT, Director, at Director's option after fifteen (15) days written notice to LICENSEE, may cause the removal of any of LICENSEE Facilities from the License Area, and the cost thereof, including but not limited to the cost of labor, materials, and equipment, shall be paid by LICENSEE within ten (10) days of receipt of an statement of said costs from Director.

14. RELOCATION OF LICENSEE FACILITIES

LICENSEE agrees that in the event Director determines that LICENSEE Facilities will interfere with the operation, maintenance, replacement, or improvement of DISTRICT's Channel flood control facilities or property LICENSEE shall, within ninety (90) days of receipt of written notice from Director, and at LICENSEE's sole cost and expense arrange for the removal of LICENSEE Facilities from the License Area and any reinstallation of LICENSEE Facilities within the License Area. Under no circumstance shall DISTRICT be obligated to provide a relocation site for LICENSEE Facilities and/or equipment during such period of interference.

15. UTILITIES (LD1.2 N)

LICENSEE shall be responsible for installation of all utilities and shall pay, prior to the delinquency date, all charges for utilities supplied to the License Area.

16. INSURANCE (LD3.1 S)

A. General Requirements

LICENSEE agrees to maintain a program of self-insurance or commercial insurance at LICENSEE's expense and to deposit with the DISTRICT certificates of insurance, including all endorsements required herein, necessary to satisfy the DISTRICT that the insurance provisions of this License have been complied with and to keep such insurance coverage and the certificates and endorsements therefore on deposit with the DISTRICT during the entire term of this License.

LICENSEE agrees that LICENSEE shall not operate on the License Area at any time the required insurance is not in full force and effect as evidenced by a certificate of insurance and necessary endorsements or, in the interim, an official binder being in the possession of Director. In no cases shall assurances by LICENSEE, its employees, agents, including any insurance agent, be construed as adequate evidence of insurance. Director will only accept valid certificates of insurance and endorsements, or in the interim, an insurance binder as adequate evidence of insurance. LICENSEE also agrees that upon cancellation, termination, or expiration of LICENSEE's insurance, DISTRICT may take whatever steps are necessary to interrupt any operation from or on the License Area until such time as the Director has received adequate evidence that LICENSEE reinstated insurance in compliance with the terms herein.

If LICENSEE fails to provide Director with a valid certificate of insurance and endorsements, or binder at any time during the term of the License, DISTRICT and LICENSEE agree that this shall constitute a material breach of the License. Whether or not a notice of default has or has not been sent to LICENSEE, said material breach shall permit DISTRICT to take whatever steps necessary to interrupt any operation from or on the License Area, and to prevent any persons, including, but not limited to, members of the general public, and LICENSEE's employees and agents, from entering the License Area until such time as Director is provided with adequate evidence of insurance required herein. LICENSEE further agrees to hold DISTRICT harmless for any damages resulting from such interruption of business and possession, including, but not limited to, damages resulting from any loss of income or business resulting from the DISTRICT's action.

LICENSEE may occupy the License Area only upon providing to DISTRICT the required insurance stated herein and maintain such insurance for the entire term of this License. DISTRICT reserves the right to terminate this License at any time LICENSEE's insurance is canceled or terminated and not reinstated within ten (10) days of said cancellation or termination. LICENSEE shall provide to DISTRICT immediate notice of said insurance cancellation or termination.

All contractors of LICENSEE and LACDPW performing work on behalf of LICENSEE pursuant to this License shall obtain insurance subject to the same terms and conditions as set forth herein for LICENSEE. LICENSEE shall not allow contractors or subcontractors to work if contractors have less than the level of coverage required by the DISTRICT from the LICENSEE under this License. It is the obligation of the LICENSEE to provide written notice of the insurance requirements to every contractor and to receive proof of insurance prior to allowing any contractor to begin work within the License Area. Such proof of insurance must be maintained by LICENSEE through the entirety of this License and be available for inspection by a DISTRICT representative at any reasonable time.

All self-insured retentions ("SIR(s)") shall be clearly stated on the Certificate of Insurance. Any SIR in an amount in excess of FIFTY THOUSAND DOLLARS (\$50,000.00) shall specifically be approved by the County of Orange Risk Manager, or designee, upon review of LICENSEE's current audited financial report. If LICENSEE's SIR is approved, LICENSEE, will indemnify the DISTRICT for any and all claims resulting or arising from LICENSEE's in accordance with the indemnity provision stated in section 17. in addition to, and without limitation of, any other indemnity provision(s) in this License, agrees to all of the following:

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the LICENSEE shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$5,000,000 per occurrence \$5,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles.	\$1,000,000 combined single limit each accident
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per accident or disease
Pollution Liability	\$1,000,000 per occurrence or claims made

Insurance limits may be satisfied with Excess/Umbrella policies. Excess/Umbrella policies must provide Follow Form coverage.

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing liability coverage as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- a) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***County of Orange and Orange County Flood Control District, and their respective elected and appointed officials, officers, employees, agents*** as Additional Insureds. Blanket coverage may also be provided which will state- ***As Required by Written Agreement.***
- b) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad, evidencing that the LICENSEE's insurance is primary

and any insurance or self-insurance maintained by the DISTRICT and/or the County of Orange shall be excess and non-contributing.

The Pollution Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- a) An Additional Insured endorsement naming the County of Orange and Orange County Flood Control District, and their respective elected and appointed officials, officers, employees and agents as Additional Insureds.
- b) A primary and non-contributing endorsement evidencing that LICENSEE's insurance is primary and any insurance or self-insurance maintained by DISTRICT and/or the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***County of Orange and Orange County Flood Control District, and their respective elected and appointed officials, officers, employees, agents.*** Blanket coverage may also be provided which will state- ***As Required by Written Agreement.***

All insurance policies required by this License shall waive all rights of subrogation against the County of Orange and Orange County Flood Control District, and their respective elected and appointed officials, officers, employees and agents when acting within the scope of their appointment or employment.

The Commercial General Liability policy shall contain a severability of interests clause, also known as a "separation of insureds" clause (standard in the ISO CG 001 policy).

If LICENSEE's Pollution Liability policy is a claims-made policy, LICENSEE shall agree to the following:

- 1) The retroactive date must be shown and must be before the date of the Contract or the beginning of the Contract services.
- 2) Insurance must be maintained, and evidence of insurance must be provided for at least three (3) years after expiration or earlier termination of Contract services.
- 3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the Contract services, Contractor must purchase an extended reporting period for a minimum of three (3) years after expiration of earlier termination of the Contract.

Insurance certificates should be emailed to insurance@ceore.ocgov.com and printed copies shall be forwarded to the DISTRICT address provided in the Clause 22 (Notices) below or to an address provided by Director. LICENSEE has ten (10) business days to provide adequate evidence of insurance or this License may be cancelled.

DISTRICT expressly retains the right to require LICENSEE to increase or decrease insurance of any of the above insurance types throughout the term of this License. Any increase or decrease in

insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect DISTRICT.

DISTRICT shall notify LICENSEE in writing of changes in the insurance requirements. If LICENSEE does not deposit copies of acceptable certificates of insurance and endorsements with DISTRICT incorporating such changes within thirty (30) days of receipt of such notice, this License may be in breach without further notice to LICENSEE, and DISTRICT shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit LICENSEE's liability hereunder nor to fulfill the indemnification provisions and requirements of this License, nor in any way to reduce the policy coverage and limits available from the insurer.

17. HOLD HARMLESS

LICENSEE acknowledges the License Area is in, on, and over DISTRICT's Channel and may be subject to all hazards associated with flood conditions. LICENSEE agrees to assume all risks, financial or otherwise, associated therewith; including, but not limited to, any interruption in or restricted use of the License Area, whether temporary or permanent due to DISTRICT's use of, or operations conducted in, on, or about the License Area.

LICENSEE hereby releases and waives all claims and recourse against DISTRICT and County including the right of contribution for loss of or damage to property, or injury to or death of any person arising from, growing out of or in any way connected with or related to this License, including any damage to or interruption of use of any of LICENSEE's equipment or facilities placed in, on, or about the License Area, caused by erosion, flood, or flood overflow conditions of the Channel, or caused by the operation, maintenance, repair, reconstruction, replacement, enlargement or improvement of the Channel, or caused by DISTRICT's flood control operations, except claims arising from the concurrent active or sole negligence of DISTRICT and/or County, their officers, agents, employees and contractors.

LICENSEE hereby agrees to indemnify, defend (with counsel approved in writing by DISTRICT), and hold harmless, DISTRICT and County, their elected and appointed officials, officers, agents, employees and contractors against any and all claims, losses, demands, damages, cost, expenses or liability for injury to any persons or property, to the extent arising out of the LICENSEE's maintenance, use of or operations or activities conducted in, on, or over the License Area, and/or the exercise of the rights under this License by LICENSEE, its agents, officers, employees, invitees or licensees, except for liability arising out of the concurrent active or sole negligence of DISTRICT, and/or County, their elected and appointed officials, officers, agents, employees or contractors including the cost of defense of any lawsuit arising therefrom. If DISTRICT and/or County is/are named as co-defendant(s) in a lawsuit, LICENSEE, with attorney(s) approved in writing by Director, shall notify Director of such fact and shall represent DISTRICT/County in such legal action unless DISTRICT/County undertake(s) to represent itself/themselves as co-defendant(s) in such legal action, and LICENSEE shall pay DISTRICT and/or County's reasonable litigation costs, expenses and attorney's fees. If judgment is entered

against DISTRICT/County and LICENSEE by a court of competent jurisdiction because of the concurrent active negligence of DISTRICT/County and LICENSEE, DISTRICT and LICENSEE agree that liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment.

18. HAZARDOUS MATERIALS (SRLic-2.6 S)

A. Definition of Hazardous Materials

For purposes of this License, the term “**Hazardous Material(s)**” shall mean any hazardous or toxic substance, material, product, byproduct, or waste which is or shall become regulated by any governmental entity, including, without limitation, County, the State of California, or the United States government.

B. Use of Hazardous Materials

LICENSEE or LICENSEE’s employees, representatives, member agencies, agents, contractors, operators, invitees, and any person authorized by LICENSEE to conduct activities on the License Area (individually and collectively “**LICENSEE Parties**”) shall not cause or permit any Hazardous Materials to be brought upon, stored, kept, used, generated, released into the environment or disposed of on, under, from or about the License Area (which for purposes of this clause shall include the subsurface soil and ground water). Notwithstanding the foregoing, LICENSEE may cause or permit small quantities of Hazardous Materials on the License Area to be used in the ordinary, customary, and lawful cleaning of and operations on the License Area, provided said use and activities are conducted as provided by law.

C. LICENSEE Obligations

If the presence of any Hazardous Materials on, under or about the License Area caused or permitted by LICENSEE or LICENSEE Parties results in (i) injury to any person, (ii) injury to or contamination of the License Area (or a portion thereof), or (iii) injury to or contamination of any real or personal property wherever situated, LICENSEE, at its sole cost and expense, shall promptly take all actions necessary or appropriate to return the License Area and/or other property to the condition existing prior to the introduction of such Hazardous Materials in, on, or about the License Area and to remedy or repair any such injury or contamination. Without limiting any other rights or remedies of DISTRICT under this License, LICENSEE shall pay the cost of any cleanup or remedial work performed on, under, or about the License Area as required by this License or by applicable laws in connection with the removal, disposal, neutralization or other treatment of such Hazardous Materials caused or permitted by LICENSEE or LICENSEE Parties. Notwithstanding the foregoing, LICENSEE shall not take any remedial action in response to the presence, discharge or release, of any Hazardous Materials on, under or about the License Area caused or permitted by LICENSEE or LICENSEE Parties, or enter into any settlement License, consent decree or other compromise with any governmental or quasi-governmental entity without first obtaining the prior written consent of Director. All work performed or caused to be performed by LICENSEE as provided for above shall be done in good and workmanlike manner and in compliance with plans, specifications, permits, and other requirements for such work approved by Director.

D. Indemnification for Hazardous Materials

To the fullest extent permitted by law, LICENSEE hereby agrees to indemnify, hold harmless, protect and defend [with attorney(s) reasonably approved in writing by Director] DISTRICT and County, their elected officials, officers, employees, agents, and independent contractors and the License Area, from and against any and all liabilities, losses, damages (including, but not limited to, damages for the loss or restriction of use of rentable or usable space or any amenity of the License Area or damages arising from any adverse impact on marketing and diminution in the value of the License Area), judgments, fines, demands, claims, recoveries, deficiencies, costs and expenses (including, but not limited to, reasonable attorney fees, disbursements and court costs and all other professional or consultant expenses), whether foreseeable or unforeseeable, to the extent arising directly or indirectly out of the presence, exposure, encounter, disturbance, extraction, use, generation, storage, treatment, on or off-site disposal or transportation of Hazardous Materials on, into, from, under or about the License Area by any act or omission of LICENSEE or LICENSEE Parties. The foregoing indemnity shall also specifically include the cost of any required or necessary repair, restoration, clean-up or detoxification of the License Area and/or other real property and the preparation of any closure or other required plans.

19. BEST MANAGEMENT PRACTICES (SRLic-2.7 S)

LICENSEE and all of its agents, employees and contractors shall conduct operations under this License so as to assure that pollutants do not enter municipal storm drain systems which systems are comprised of, but are not limited to curbs and gutters that are part of the street systems (“Stormwater Drainage System”), and to ensure that pollutants do not directly impact “Receiving Waters” (as used herein, Receiving Waters include, but are not limited to, rivers, creeks, streams, estuaries, lakes, harbors, bays and oceans).

The Santa Ana and San Diego Regional Water Quality Control Boards have issued National Pollutant Discharge Elimination System permits (“Stormwater Permits”) to the County of Orange, and to the Orange County Flood Control District and cities within Orange County, as co-permittees (hereinafter collectively referred to as “DISTRICT Parties”) which regulate the discharge of urban runoff from areas within the County of Orange, including the License Areas and under this License. The DISTRICT Parties have enacted water quality ordinances that prohibit conditions and activities that may result in polluted runoff being discharged into the Stormwater Drainage System.

To assure compliance with the Stormwater Permits and water quality ordinances, the DISTRICT Parties have developed a Drainage Area Management Plan (“DAMP”) which includes a Local Implementation Plan (“LIP”) for each jurisdiction that contains Best Management Practices (“BMPs”) that parties using properties within Orange County must adhere to. As used herein, a BMP is defined as a technique, measure, or structural control that is used for a given set of conditions to manage the quantity and improve the quality of storm water runoff in a cost-effective manner. These BMPs are found within the DISTRICT’s LIP in the form of Model Maintenance Procedures and BMP Fact Sheets (the Model Maintenance Procedures and BMP Fact Sheets contained in the DAMP/LIP shall be referred to hereinafter collectively as “BMP Fact Sheets”) and contain pollution prevention and source control techniques to eliminate non-storm water discharges and minimize the impact of pollutants on stormwater runoff.

LICENSEE shall obtain and review and assure that all contractors working on License Area review the applicable Model Maintenance Procedures contained in the DAMP/LIP and BMP Fact Sheets. Activities performed on the License Area under this License shall conform to the requirements of the Stormwater Permits, the DAMP/LIP, BMP Fact Sheets and the Model Maintenance Procedures, as they exist at the time this License commences and as each may be modified throughout the term of this License. The BMP's applicable to uses authorized under this License must be performed as described within all applicable Model Maintenance Procedures and/or BMP Fact Sheets. LICENSEE shall fully understand the Model Maintenance Procedures and any related BMP Fact Sheets applicable to operations conducted on the License Area prior to conducting them.

LICENSEE and/or its contractors may propose alternative BMPs that meet or exceed the pollution prevention performance of the BMP Fact Sheets. Any such alternative BMPs shall be submitted to the Director for review and approval prior to implementation.

The Director or authorized representative may enter the License Area and/or review LICENSEE's records at any time to assure that activities conducted on the License Area comply with the requirements of this Clause (BEST MANAGEMENT PRACTICES). LICENSEE may be required to implement a self-evaluation program to demonstrate compliance with the requirements of this Clause (BEST MANAGEMENT PRACTICES).

20. AMENDMENTS (SRLic-4.1 S)

This License is the sole and only agreement between the Parties regarding the subject matter hereof; other agreements, either oral or written, are void. Any changes to this License shall be in writing and shall be properly executed by both Parties.

21. LIMITATION OF THE LICENSE (LA5.1 S)

This License and the rights and privileges granted LICENSEE in and to the License Area are subject to all covenants, conditions, restrictions, and exceptions of record or apparent from a physical inspection of the License Area. Nothing contained in this License or in any document related hereto shall be construed to (a) imply the conveyance to LICENSEE of rights in the License Area which exceed those owned by DISTRICT; or (b) imply the conveyance of an easement or any permanent or exclusive rights in the License Area.

22. NOTICES (LE1.1 S)

All notices, documents, correspondence and communications concerning this License shall be addressed as set forth in this Section, or as the Parties may hereafter designate by written notice and shall be sent through the United States mail with postage prepaid. Any such mailing shall be deemed served or delivered forty-eight (48) hours after mailing. Either Party may change the address for notices by giving the other Party at least ten (10) calendar days' prior written notice of the new address.

E08
SCS-3, SCS-4 & SCS-8
Santiago Creek Adjacent

Notwithstanding the above, either Party may also provide notices, documents, correspondence, or such other communications to the other by personal delivery or by Federal Express or similar courier service and so given shall be deemed to have been given upon receipt.

TO: DISTRICT

Orange County Flood Control District
CEO/Real Estate Services
RE: E08 OCWD Santiago Creek License
P. O. Box 4048
Santa Ana, CA 92702-4048

TO: LICENSEE

Orange County Water District
18700 Ward Street
Fountain Valley, CA 92708-8300
Office: (714)378-3205
Attn: Property Management

23. RECORDING PROHIBITED (SRLic-5.8 S)

This License may not be recorded.

24. AUTHORITY (PMES20.1S)

The Parties to this License represent and warrant that this License has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.

25. GENERAL CONDITIONS (LE1.1 S)

This License includes the General Conditions attached hereto in **Exhibit B** and by this reference made a part hereof. In the event of any conflict between the provisions of this License and the provisions in the General Conditions, the provisions of the License shall control.

26. ATTACHMENTS TO LICENSE (SRLic-5.6 S)

This License includes the following, which is attached hereto and made a part hereof:

Exhibit A – Depiction of License Area
Exhibit B – General Conditions – License
Exhibit C – Relevant Permits

27. COUNTERPARTS

This License may be executed in one or more electronic or original counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this License the day and year first above written.

E08
SCS-3, SCS-4 & SCS-8
Santiago Creek Adjacent

DISTRICT

By: _____
Thomas A. Miller
Chief Real Estate Officer
Per Minute Order dated
February 25, 2014 and
delegation dated May 19,
2023

Approved as to Form
Office of the County Counsel
Orange County, California

By: _____
Deputy

Date: _____

LICENSEE

ORANGE COUNTY WATER DISTRICT,
a political subdivision of the State of California
organized under Chapter 924 of the Statutes of
1933, as amended.

By: _____
Denis Bilodeau, President

By: _____
John Kennedy, General Manager

Approved as to Form
RUTAN & TUCKER, LLP.

By: _____
Jeremy Jungreis
General Counsel
Orange County Water District

Date: _____

Exhibit A Location Map



Exhibit B

GENERAL CONDITIONS - LICENSE (LG17 S)

1. SIGNS (LG2 S)

LICENSEE agrees not to construct, maintain, or allow any sign upon License Area except as approved by Director. Unapproved signs, banners, flags, etc., may be removed by Director at LICENSEE's expense.

2. PERMITS AND LICENSES (SRLic-4.9 N)

LICENSEE shall be required to obtain and maintain throughout the Term of this License any and all permits and/or licenses which may be required in connection with the operation of the License Area as set out herein. No permit, approval, or consent given hereunder by DISTRICT, in its governmental capacity, shall affect or limit LICENSEE's obligations hereunder, nor shall any approvals or consents given by DISTRICT, as a Party to this License, be deemed approval as to compliance or conformance with applicable governmental codes, laws, rules, or regulations.

LICENSEE shall be required at LICENSEE's sole cost and expense to obtain and maintain at all times during the term of this License, any and all permits, certificates, approvals and/or licenses which may be required by any federal, state, county, city or other governmental agency, department or bureaucracy having jurisdiction over LICENSEE, or LICENSEE's business or operations in connection with the License Area as set out herein. No permit, approval or consent given hereunder by DISTRICT, in its governmental capacity, shall affect or limit LICENSEE's obligations hereunder nor shall any such approvals or consents given by DISTRICT, be deemed approval as to compliance or conformance with applicable, governmental codes, laws, ordinances, rules, or regulations.

3. LICENSE ORGANIZATION (LG4 S)

The various headings and numbers herein, the grouping of provisions of this License into separate clauses and paragraphs, and the organization hereof, are for the purpose of convenience only and shall not be considered otherwise.

4. AMENDMENTS (SRLic-4.1 S)

This License is the sole and only agreement between the Parties regarding the subject matter hereof; other agreements, either oral or written, are void. Any changes to this License shall be in writing and shall be properly executed by both Parties.

5. UNLAWFUL USE (SRLic-3.3 S)

LICENSEE agrees no improvements shall be erected, placed upon, operated, nor maintained on the License Area, nor any business conducted or carried on therein or therefrom, in violation of

the terms of this License, or of any regulation, order of law, statute, bylaw, or ordinance of a governmental agency having jurisdiction.

Further, all uses of the License Area by LICENSEE shall be conducted in accordance with all applicable law, ordinance, or regulation, including but not limited to any “Environmental Laws.” “Environmental Laws” means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

6. LABOR CODE COMPLIANCE (SRLic-3.7 S)

LICENSEE acknowledges and agrees that all improvements or modifications during the term of this License performed by LICENSEE shall be governed by, and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (Sections 1770, et seq.), as applicable. These provisions may be applicable to improvements or modifications costing more than \$1,000, unless an exception applies, including but not limited to the exception to the definition of public works under § 1720.2.

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, LICENSEE shall comply with the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality applicable to this License for each craft, classification, or type of workman needed to execute the aforesaid improvements or modifications. The rates are available at the following website:

<http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm> from the Director of the State Department of Industrial Relations. LICENSEE shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates at all times for all improvements or modifications to be completed within the License Area. LICENSEE shall comply with the provisions of Sections 1775 and 1813 of the Labor Code.

As required by applicable law, LICENSEE shall maintain certified payroll records for all workers that will be assigned to the improvements or modifications. Said payroll records shall contain, but not be limited to, the complete name, address, telephone number, social security number, job classification, and prevailing wage rate for each worker. Upon request LICENSEE shall provide the DISTRICT updated certified payroll records for all workers that shall include, but not be limited to, the weekly hours worked, prevailing hourly wage rates, and total wages paid.

If LICENSEE neglects, fails, or refuses to provide said payroll records to the DISTRICT, upon request, such occurrence shall constitute an event of default of this License and DISTRICT may,

notwithstanding any other termination provisions contained herein terminate this License upon written notice to LICENSEE.

7. RIGHT TO WORK AND MINIMUM WAGE LAWS (SRLic-3.8 S)

In accordance with the United States Immigration Reform and Control Act of 1986, LICENSEE shall require its employees that directly or indirectly service the License Area or terms and conditions of this License, in any manner whatsoever, to verify their identity and eligibility for employment in the United States. LICENSEE shall also require and verify that its contractors or any other persons servicing the License Area or terms and conditions of this License, in any manner whatsoever, verify the identity of their employees and their eligibility for employment in the United States.

Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, Section 1178.5, LICENSEE shall pay no less than the greater of the Federal or California Minimum Wage to all its employees that directly or indirectly service the License Area, in any manner whatsoever. LICENSEE shall require and verify that all its contractors or other persons servicing the License Area on behalf of the LICENSEE also pay their employees no less than the greater of the Federal or California Minimum Wage.

LICENSEE shall comply and verify that its contractors comply with all other Federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant to the servicing of the License Area or terms and conditions of this License.

Notwithstanding the minimum wage requirements provided for in this Clause, LICENSEE, where applicable, shall comply with the prevailing wage and related requirements pursuant to the provisions of Section 1773 of the Labor Code of the State of California.

8. INSPECTION (SRLic-4.7 S)

DISTRICT or its authorized representative shall have the right at all reasonable times to inspect the operation to determine if the provisions of this License are being complied with.

9. TAXES AND ASSESSMENTS (SRLic-3.6 S)

Although not anticipated, should this License create a possessory interest which is subject to the payment of taxes levied on such interest, it is understood and agreed that all taxes and assessments (including but not limited to said possessory interest tax) which become due and payable in connection with this License or upon LICENSEE Facilities or other property used in connection with this License, shall be the full responsibility of LICENSEE, and LICENSEE shall cause said taxes and assessments to be paid promptly.

10. PARTIAL INVALIDITY (SRLic-4.2 S)

If any term, covenant, condition, or provision of this License is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

11. WAIVER OF RIGHTS (SRLic-4.3 S)

The failure of DISTRICT to insist upon strict performance of any of the terms, covenants, or conditions of this License shall not be deemed a waiver of any right or remedy that DISTRICT may have, and shall not be deemed a waiver of the right to require strict performance of all the terms, covenants, and conditions of the License thereafter, nor a waiver of any remedy for the subsequent breach or default of any term, covenant, or condition of the License. Any waiver, in order to be effective, must be signed by the Party whose right or remedy is being waived.

12. ATTORNEY FEES (SRLic-4.5 S)

In the event of a dispute between DISTRICT and LICENSEE concerning claims arising out of this License, or in any action or proceeding brought to enforce or interpret any provision of this License or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorney fees.

13. AS-IS/WHERE-IS CONDITION (LG13 N)

The License Area is accepted “as is” and “where is” by LICENSEE subject to any and all existing easements, encumbrances and physical characteristics. LICENSEE acknowledges that except as specifically herein provided, neither DISTRICT nor any of its employees, agents, or representatives has made any representations, warranties or agreements to or with LICENSEE on behalf of DISTRICT as to any matters concerning the License Area, access to the License Area, the present use thereof, or the suitability of LICENSEE’s intended use of the License Area.

- A. Without limiting DISTRICT’s rights with respect to the License Area, DISTRICT reserves the right to install, lay, construct, maintain, repair, and operate such drains, storm water sewers, pipelines, manholes, and connections; and appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across, under, and along the License Area or any part thereof, and to enter the License Area for any and all such purposes.
- B. DISTRICT also reserves the right to grant franchises, easements, rights of way, and permits in, over, upon, through, across, under, and along any and all portions of the License Area. No right reserved by DISTRICT in this Section 13.B. shall be so exercised as to interfere unreasonably with LICENSEE’s use hereunder.

DISTRICT agrees that rights granted to third parties by reason of this Section 13.B. shall contain provisions that the surface of the land shall be restored as nearly as practicable to its original condition upon the completion of any construction. DISTRICT further agrees that should the exercise of these rights temporarily interfere with the use of any or all of the License Area by LICENSEE, any use fee (if a use fee is required pursuant to this License) shall be reduced in proportion to the interference with LICENSEE’s use of the License Area.

14. CONDITION OF LICENSE AREA UPON TERMINATION (LG14 S)

Except as otherwise agreed to herein, upon termination of this License, LICENSEE shall redeliver possession of said License Area to DISTRICT in substantially the same condition that existed immediately prior to LICENSEE's entry thereon, reasonable wear and tear, flood, earthquakes, war, and any act of war, excepted.

15. DISPOSITION OF ABANDONED PERSONAL PROPERTY (LG15 N)

If LICENSEE abandons the License Area or is dispossessed thereof by process of law or otherwise, title to any personal property belonging to LICENSEE and left on the License Area fifteen (15) days after such event shall, at Director's option, be deemed to have been transferred to DISTRICT. DISTRICT shall have the right to remove and to dispose of such property, at LICENSEE's cost, without liability therefor to LICENSEE or to any person claiming under LICENSEE, and shall have no need to account therefor, and LICENSEE agrees to pay such costs, including but not limited to the cost of labor, materials, and equipment, within ten (10) days following a receipt of an statement of such costs from Director.

16. TIME (SRLic-4.6 S)

Time is of the essence of this License. Failure to comply with any time requirements of this License shall constitute a material breach of this License.

17. NO ASSIGNMENT, SUBAGREEMENTS (SRLic-3.5 S)

LICENSEE understands that this License is not an interest in real property nor is it an assignable right. Any attempt to assign or otherwise transfer this License by LICENSEE, voluntarily or by operation of law, shall automatically terminate this License. Sublicenses or subleases are not authorized under this License and any attempt by LICENSEE to create any such sublicense or sublease shall be null and void and shall automatically terminate the License.

18. PUBLIC RECORDS (SRLic-5.3 S)

Any and all written information submitted to and/or obtained by DISTRICT from LICENSEE or any other person or entity having to do with or related to this License and/or the License Area, either pursuant to this License or otherwise, at the option of DISTRICT, may be treated as a public record open to inspection by the public pursuant to the California Records Act (Government Code Section 7920.000 et.) as now in force or hereafter amended, or any Act in substitution thereof, or otherwise made available to the public and LICENSEE hereby waives, for itself, its agents, employees, sub-licensees, and any person claiming by, through or under LICENSEE, any right or claim that any such information is not a public record or that the same is a trade secret or confidential information and hereby agrees to indemnify and hold DISTRICT harmless from any and all claims, demands, liabilities, and/or obligations arising out of or resulting from a claim by LICENSEE or any third party that such information is a trade secret, or confidential, or not subject to inspection by the public, including without limitation reasonable attorneys' fees and costs.

19. RELATIONSHIP OF PARTIES (SRLic-5.4 S)

The relationship of the parties hereto is that of licensor and licensee, and it is expressly understood and agreed that DISTRICT does not in any way or for any purpose become a partner of or a joint venture with LICENSEE in the conduct of LICENSEE's business or otherwise, and the provisions of this License and the agreements relating to rent payable hereunder are included solely for the purpose of providing a method by which rental payments are to be measured and ascertained.

20. GOVERNING LAW AND VENUE (SRLic-4.4 S)

This agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

Exhibit C Relevant Permits



County of Orange

OC Public Works

Main Office
601 North Ross Street
Santa Ana, CA, 92701
714-607-8888

Initial Submittal Summary

Project

Project OCID : OC24-55065

Project Name : OCWD Monitoring Wells SCS-3, SCS-4 & SCS-8

Project Description : Continued access to three individual single casing monitoring wells whose locations are within 700 feet and to perform groundwater monitoring activities for basin-wide management of the potable aquifers. Monitoring activities include, but not limited to, the collection of water levels and groundwater samples for water quality analyses.

Permit

FE24-0272: Monitoring Wells (Renewals)

Permit Description : Requesting continued access to the existing three 1998-constructed monitoring wells. Previous permit 2005-00401 expired in 2010 (attachment).

Additional Location Information : Three well locations are near the east bank and adjacent to Santiago Creek in the City of Orange.

Cross Street : Chapman Avenue & Yorba Street.

Type : Flood Encroachment (FE)

Is this part of a reimbursement agreement? : No

Is this permit related to an OCPW project? : No

Trust Account # :

Trust Account Name :

Number of Units :

CIP Zone : No

JOC Zone : No

Related to a Code Enforcement Case? : No

Code Enforcement Number :

Permit Pulled As: : Owner/Owner Agent

Location

NOSTREETADDRESS

NOSTREETADDRESS, ORANGE - Primary Job Site.

Contact

Name	Phone	Email	Address	Type	FRP
------	-------	-------	---------	------	-----



County of Orange

OC Public Works

Main Office
 601 North Ross Street
 Santa Ana, CA, 92701
 714-607-8888

Gary Yoshiba	(714) 378-3200	gyoshiba@ocwd.com	18700 Ward Street Fountain Valley CA 92708	Contact	No
Orange County Water District	(714) 378-3200	gyoshiba@ocwd.com	18700 Ward Street Fountain Valley CA 92708	Applicant	Yes

Work Types

Name	Unfinished Basement	Occupancy Group	Construction Type	Square Footage	Description
------	---------------------	-----------------	-------------------	----------------	-------------

Attachment

Name	File Name
Location Exhibit	SCS-3_4_8_Map&WellInformation.pdf
Notarized Letter of Authorization	
Supporting Documents	

Declaration

By submitting this application, I agree:

- To the best of my knowledge that the information I have presented on this form and attached materials is true and correct and the County of Orange makes no representations regarding such information; and
- To indemnify, defend and hold harmless the County of Orange, its officers, employees and representatives from any claim or litigation arising from or related to the submission of this application or any actions taken on the basis of this application; and
- That I am subject to the fees, deposits, and charges as identified in the County's current fee schedules as approved by the County of Orange Board of Supervisors; including, any Road Fee Program annual rate adjustments due at the time of permit issuance as authorized per Resolution #14-053.
- Applicant shall, at its own expense, defend, indemnify and hold harmless the County of Orange, its officers, agents and employees from any claim, action or proceeding against the County, its officers, agents or employees to attack, set aside, void, or annul any approval of the application or related decision, or the adoption of any environmental documents, findings or other environmental determination, by the County of Orange, its Board of Supervisors, Planning Commission, Zoning Administrator, Subdivision Committee, Director of OC Public Works, or Deputy Director of OC Development Services concerning this application. The County may, at its sole discretion, participate in the defense of any action, at the applicant's expense, but



County of Orange

OC Public Works

Main Office
601 North Ross Street
Santa Ana, CA, 92701
714-607-8888

such participation shall not relieve applicant of his/her obligations under this condition. Applicant shall reimburse the County for any court costs and attorney's fees that the County may be required to pay as a result of such action.

If litigation is filed challenging the Project, the County may, at its sole discretion, require the Applicant to post a bond, enter into an escrow agreement, obtain an irrevocable letter of credit from a qualified financial institution, or provide other security, to the satisfaction of the County, in anticipation of litigation and possible attorney's fee awards. The County shall promptly notify the applicant of any such claim, action or proceeding.

Name : Gary T. Yoshiba

Date : 09/16/2024

COUNTY PROPERTY PERMIT

ENCROACHMENT PERMIT

5-00401
 at, Valerie 1:45:09PM
INSPECTION PHONE
714-567-6243
 Inspection office shall be notified at least
TWO (2) WORK DAYS PRIOR to
 commencing permitted use. **FAILURE**
TO OBTAIN INSPECTION SHALL
VOID THIS PERMIT

County of Orange
RESOURCES & DEVELOPMENT MANAGEMENT DEPARTMENT
County Property Permits
 Main Office: 300 North Flower Street, Room 122
 Santa Ana, California 92703-5001
 or P.O. Box 4048, Santa Ana, California 92702-4048
(714) 834-3432 or (714) 834-5738
 Fax: (714) 835-7425

Permit No: **2005-00401**
 Effective Date: **12/23/2001**
 12:00:00AM
 Expiration Date: **10/1/2010**
 12:00:00AM

PERMITTEE

Orange County Water District
 Post Office Box 8300

 Fountain Valley, CA 92708-8300
 714-378-3245
 Contact Person John Reilly
 Telephone No. 714-378-3245

FACILITY

Type	Facility Name	Number
	SANTIAGO CREEK	E08
	SCS-3 & -4	

Permittee Ref. No.: Santiago Creek Recharge Pilot

Insured ORANGE COUNTY WATER **Policy** Self-Insured **Expires** 10/01/2010

PERMITTED USE: User of County property is hereby authorized as follows, subject to provisions attached hereto:

To extend expiration date to operate and maintain two Sch. 40 PVC monitoring wells within the Orange County Flood Control District's Santiago Creek (E08) channel right-of-way per plans and provisions attached to the original permit 1998-00580, and to the satisfaction of the assigned County inspection personnel.

****THIS PERMIT REPLACES THE ORIGINAL PERMIT NO. #1998-00580****

CEQA Code 1

LOCATION OF WORK:

Santiago Creek, 600' northerly of Chapman Avenue in APN093-010-53 and 100' southerly of Chapman Avenue in APN 392-061-01

Dimension/Type: (2) monitoring wells/3' x 5' Thomas Brothers: 800; A-4 Area: Orange

CONSIDERATION:

Types	PWO#	Permit Fees	Surety	Penalty	Total	Total Fees: 5,238.00
FT	EF68010	5,238.00 (2074)	0.00 (2091)	0.00	5,238.00	

Payment	Trust	Check	Receipt	Date	Amount	Total Payment:

Surety Paid By:

TUF Invoice Paid By:

PERMITTEE'S ACCEPTANCE:

SIGNATURE ON FILE

COUNTY APPROVAL:

Rakas, George

04/18/2005

PERMIT AND APPROVED PLANS SHALL BE MAINTAINED ON JOB SITE. PERMITTEE SHALL COMPLY WITH REGULATIONS PRINTED ON REVERSE SIDE OF PERMIT AND ATTACHMENTS. ALL UNDERGROUND WORK REQUIRES PRIOR 'UNDERGROUND SERVICE ALERT' COMPLIANCE. THIS PERMIT IS NON-TRANSFERABLE.

2005-00401

ENCROACHMENT PERMIT

Page 2 of 2
2/23/2006
1:45:49PM

Contractor: Permittee

Engineer: _____

Inspection: Operations & Maintenance CC: Subdivision & Permits Inspection

PERMIT INSPECTORS REPORT:

DATE WORK COMPLETED: _____

The permitted work was completed in satisfactory manner per instructions and/or the as built plans and inspectors report submitted herewith for county files

Remarks:

Inspector:

Date

Permit Superintendent:

Date

Refund Recommended By:

Date:

Refund Approved By:

Date:

1998-00580

SARLEAKD 3:53:49PM

ENCROACHMENT PERMIT RIDER # 1

Page 1 of 2
 3/23/2005

Permit No: **1998-00580**

Effective Date: **12/23/1998**

12:00:00AM

Expiration Date: **12/22/2001**

12:00:00AM

714-567-6243

PERMITTEE

Permittee Ref. No.: Santiago Creek Recharge Pilot Project **FACILITY**

Orange County Water District
 Post Office Box 8300
 Fountain Valley, CA 92708-8300

Type	Facility Name	Number
	SANTIAGO CREEK	E08

714-378-3245

Contact Person Marina West
 Telephone No. 714-378-3245

Insured Policy Expires

PERMITTED USE: The following changes are hereby made to the original Permit:

To extend expiration date to install, operate and maintain two Sch. 40 PVC monitoring wells with the Orange County Flood Control District's Santiago Creek channel right-of-way per original plans and provisions and to the satisfaction of assigned PFRD inspection personnel.

CEQA Code 1

LOCATION OF WORK:

Approximately 600' northerly of Chapman Avenue in APN 093-010-53 and approximately 100' southerly of Chapman Avenue in APN 392-061-01

Dimension/Type: (2) 3' x 5' encasements Thomas Brothers: 800; A-4 Area: Orange

CONSIDERATION:

Type	PWO#	Permit Fees	Surety	Penalty	Total	Total Fees :	
RT	EF68010	\$1,512.00 (2074)	\$0.00 (2091)	\$0.00	\$1,512.00		\$1,512.00

Payment	Trust	Check	Receipt	Date	Amount	Total Payment:	
Invoice				3/14/2000	\$1,512.00		\$1,512.00

Surety Paid By:

TJF Invoice Paid By:

PERMITTEE'S ACCEPTANCE:

DRAFT

COUNTY APPROVAL:

DRAFT

Note: Surety will not be refunded until Final Inspection is performed and submitted to County Property Permits

1998-00580

ENCROACHMENT PERMIT RIDER # 1

Page 2 of 2
3/23/2005
3:53:49PM

Contractor: Permittee

Engineer: _____

Inspection: PFRD/Operations & Maintenance CC: PFRD/Construction

PERMIT INSPECTORS REPORT:

DATE WORK COMPLETED: _____

The permitted work was completed in satisfactory manner per instructions and/or the as built plans and inspectors report submitted herewith for county files

Remarks:

Inspectors Signature: _____ Date: _____

Permit Superintendent's Signature: _____ Date: _____

Refund Recommended by: _____ Date: _____

Refund Approved by: _____ Date: _____

COUNTY PROPERTY ENCROACHMENT PERMIT

INSPECTION PHONE:
 567-7890 Hec Beza
 Inspection office shall be notified at least TWO (2) WORK DAYS PRIOR TO commencing permitted use. FAILURE TO OBTAIN INSPECTION SHALL VOID THIS PERMIT.

COUNTY OF ORANGE
 PUBLIC FACILITIES & RESOURCES DEPARTMENT
 COUNTY PROPERTY PERMITS
 Main Office-300 North Flower Street, Room 122
 SANTA ANA, CALIFORNIA 92703-5001
 OR-P.O. BOX 4048, SANTA ANA, CA 92702-4048
 PHONE: 834-3432 or 834-5238
 FAX: (714) 835-7425

PERMIT NO. 98-00580 FT
 EFFECTIVE DATE June 23, 1998
 EXPIRATION DATE December 22, 1998

PERMITTEE

PERMITTEE

Orange County Water District
 Post Office Box 8300
 Fountain Valley, CA 92708-8300

TYPE	FACILITY NAME	NUMBER
	Santiago Creek (SCS-4, SCS-3, SCS-8)	E08

Contact person Marina West Telephone No 378-3245

PERMITTED USE: Use of County property is hereby authorized as follows, subject to provisions on reverse hereof and attached hereto:

To install, operate and maintain two Sch. 40 PVC monitoring wells with the Orange County Flood Control District's Santiago Creek channel right-of-way per plans and provisions attached and to the satisfaction of assigned PFRD inspection personnel.

PERMIT NOT EFFECTIVE UNTIL PERMITTED USE APPROVED BY ASSIGNED INSPECTOR.

PWO# EF68010 CEQA: CLASS 3 CAT. EXEMPT 8050/

LOCATION OF WORK: Approximately 600' northerly of Chapman Avenue in APN 093-010-53 and approximately 100' southerly of Chapman Avenue in APN 392-061-01

Dimension/Type: 2 3'x5' encasements Thos. Bros. 800; A-4 Orange AREA

CONSIDERATION: \$ 106.00 Two well bores @ 53.00 ea.

Permit Fees \$ 236.00 (2074) Surety District (2091) TOTAL \$ 342.00

Check No. _____ Cash _____ Receipt _____ Date _____ Trust Fund _____ Invoice \$ 342.00

Check No. _____ Cash _____ Receipt _____ Date _____ Trust Fund _____

Fees paid by Permittee

Contractor Permittee By [Signature]

Engineer: _____ General Counsel for _____

INSPECTION PFRD/Construction CC: PFRD/Operations & Maintenance Orange County Water District

PERMITTEE'S ACCEPTANCE: Orange County Water District

[Signature] Daniel E. Griset
 President

[Signature] General Manager

COUNTY APPROVAL

[Signature] SHS
 Date 6/24/98

PERMIT AND APPROVED PLANS SHALL BE MAINTAINED ON JOB SITE.

PERMITTEE SHALL COMPLY WITH REGULATIONS PRINTED ON REVERSE SIDE OF PERMIT AND ATTACHMENTS.

ALL UNDERGROUND WORK REQUIRES PRIOR 'UNDERGROUND SERVICE ALERT' COMPLIANCE.

THIS PERMIT SHALL BE NON-TRANSFERABLE.

6/24/98

CASHIER _____ DATE _____ REGISTER NO. _____ FEE + CODE _____ TOTAL _____



COUNTY OF ORANGE
PUBLIC FACILITIES & RESOURCES DEPARTMENT
PROPERTY MANAGEMENT / COUNTY PROPERTY PERMITS

SPECIAL PROVISIONS

98-00580-FT
Permit No.

By acceptance of this permit, permittee agrees to the following:

- A. The Orange County Flood Control District (OCFCD) possesses limited rights in the area of this permit which may not be sufficient for permittee's purposes. Permittee acknowledges the limitations of OCFCD's rights and agrees to secure permission from any other owners required for exercise of rights permittee needs.
- B. Ingress and egress shall be at locations designated by OCFCD inspector. Permittee shall not leave vehicles or equipment or stockpile any material upon any portion of OCFCD right-of-way and shall control dust and provide for passage of OCFCD or other authorized vehicles to the satisfaction of OCFCD inspector.
- C. Permittee acknowledges the accessibility and condition of the channel roadway and agrees to repair OCFCD's roadway and replace fencing, if removed, to the satisfaction of OCFCD's inspector and to the condition as existed prior to the commencement of permitted use. All gates and fencing shall be secured at the end of each working day.
- D. Permittee acknowledges that this permit is granted only for temporary use of County properties outlined on attached sketches.
- E. This permit may be revoked at any time for abuse of privileges, for violation of the permit provisions or reasons in the best interest of the County. In the event of such revocation, all of permittee's rights shall immediately cease.
- F. Any well monitoring data shows evidence of groundwater contamination will be brought to the attention of PFRD/Environmental Resources:

Attn: Richard Boon
Environmental Resources Division
Public Facilities and Resources Dept.
10852 Douglas Road
Anaheim, CA 92806

- G. Any Orange County Flood Control District improvements disturbed or damaged during permitted use shall be restored at permittee's expense in compliance with PF&RD Standard Plans and to the satisfaction of PF&RD inspection personnel.
- H. Permittee to understand that any permitted improvements, that are disturbed or damaged by Orange County Flood Control District during normal maintenance operations or channel reconstruction, are to be restored by permittee or any future assigns and/or successors solely at their expense.

- I. All maintenance responsibility and liability acquainted with permitted improvements or use shall be the sole responsibility of permittee or any future assigns and/or successors solely at their expense.

STANDARD PROVISIONS

1. Permits issued by this Agency are pursuant to the authority vested by the Board of Supervisors for the County of Orange. Orange County Flood Control District, any one or all of which are hereinafter referred to as County.
2. Permittee agrees to save County, its agencies, districts, etc., including its officers, agents or employees, harmless from any and all penalties, liabilities or loss resulting from claims or court actions, arising directly out of any damage or injury to persons or property by reason of the acts or omissions of Permittee, its agents, employees or independent contractors, in exercising any of the privileges herein granted or in consequence thereof.

The Permittee shall file a written accident report with the County of Orange for any property damage, death or injuries on project site within 48 hours after such incident occurs. The accident report shall include, but is not limited to, the following information, if available: time and date, location, nature of accident, names of people injured, description of property damage, police report number, and description of job site condition at the time of accident.

Failure to file an accident report shall be considered a violation of the permit provisions and may cause revocation of this permit.

Accident report shall be filed with the Inspection Division assigned to the project. Contact can be made at the following telephone numbers:

Construction Inspection Division
1152 E. Fruit Street
Santa Ana, California 92702

567-7800

Operations Inspection Division
10852 Dougllass Road
Anaheim, California 92806

567-6300

3. Should any damage or injury to County works occur during initial use and/or as a result of this permitted use, either through the acts of agents, servants, or employees of Permittee or by any independent contractor of Permittee in the exercise of the rights herein granted, Permittee shall immediately upon the written demand of County, restore such works to the condition of same on the date of the occurrence of said damage or injury at Permittee's cost or expense. The question as to whether or not any such damage or injury has been caused to the works shall be determined by the Director of the Public Facilities & Resources Department and his determination shall be final. In the event repair by County is necessary, Permittee shall pay County the cost of such repairs.
4. County reserves the right unto itself to perform any work, upon any portion or all of the area covered by this permit, or to do any other work necessary at any time. Such work may be performed without incurring any liability of any nature whatsoever to the Permittee. It is further understood and agreed that County reserves unto itself the rights of ingress over all or any portion of the subject area.
5. Neither this permit nor any of the rights herein granted shall be assigned without the prior written approval of the County.
6. By acceptance of this permit, Permittee acknowledges and assumes all responsibility for compliance with requirements of other regulatory governing agencies including but not limited to zoning regulations, applicable ordinances and laws, etc., of the County of Orange, the State of California, or others having regulatory control over the use granted herein.
7. A copy of this permit and approved plans, if applicable, shall be maintained at the site of work and be shown to any authorized representative of the County or other regulatory governing agency upon request.
8. No access or work shall be performed within County rights of way without the full knowledge of County's inspector, who shall be given not less than two work days advance notice of the initiation of permitted use. Failure of Permittee to obtain inspection shall void this permit and necessitate reapplication by Permittee.
9. This permit may be immediately revoked for reasons in the best interest of the County including violation of permit provisions or other applicable rules and regulations or for the creation of a nuisance upon notice given by the Director of the Public Facilities & Resources Department or authorized representative. In the event of such revocation, Permittee shall immediately cease all operations and restore County right of way as directed by County's inspector.
10. Any construction performed within County properties shall be in accordance with Orange County Public Facilities & Resources Department Standard Plans and established criteria. Any deviation must be specifically detailed and highlighted on plans in a manner meeting the approval of County Property Permits.

No uses other than that as stated on this permit shall be exercised. Public right of way shall not be used for administrative operations or storage of equipment, materials, supplies, etc.



ENTRY PERMIT AGREEMENT

THIS ENTRY PERMIT AGREEMENT (“**Permit**”) is made and effective as of _____, 2025, (“**Effective Date**”) by and between the ORANGE COUNTY WATER DISTRICT, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended, (hereinafter referred to as “**OCWD**” or “**Permittee**”) and the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as “**County**”). Permittee and County may sometimes hereinafter be individually referred to as “**Party**” or jointly as “**Parties**.”

RECITALS

I. The Parties entered into that certain license agreement dated July 3, 1996, whereby County allowed Permittee access to the County Property in order to construct two (2) groundwater monitoring wells, as shown in Exhibit A, and for Permittee’s monthly sampling activities and maintenance of the monitoring wells (“**Prior Agreement**”).

II. The Prior Agreement expired on July 3, 2001, and since that time the Permittee has continued to operate and maintain the monitoring wells within the County Property consistent with all the terms and conditions of the Prior Agreement.

III. Now, the Parties would like to enter into this Permit to extend the term and update the terms to County standards that accurately reflect the current operations by Permittee within the County Property.

NOW THEREFORE, in consideration of the Recitals above, which are incorporated herein by this reference, the Parties do hereby agree to the terms of the Permit as follows:

1. PURPOSE: In consideration for and to facilitate quarterly continuous use water sampling activities and maintenance by Permittee (“**Water Sampling**”), County hereby grants to Permittee use of that certain County property located at 1900 W. Katella Ave., in the city of Orange, as described in and shown on Exhibit A (“**County Property**”), which is attached hereto and by this reference made a part hereof.

The Parties agree that Water Sampling conducted by Permittee within the County Property meets the social needs of the population and directly benefit the Permittee’s mission and goals. The Parties further agree that the Water Sampling serves a valuable public purpose and are consistent and compatible with the mission of the County. The Parties also agree that the value of the services being provided pursuant to this Permit is comparable to the value of the County Property being provided by the County, and to the extent Water Sampling continues to be offered as stated above, there will be no fee for this Permit.

2. TERM: This Permit shall commence on the Effective Date first written above and shall continue in effect for ten (10) years, unless sooner terminated consistent with Clause 3 (TERMINATION) below.

3. TERMINATION: This Permit shall be revocable by either County or Permittee at any time; however, as a courtesy, the terminating Party will attempt to give thirty (30) days written notice to the non-terminating Party prior to the termination date.

4. TERMINATION OF PRIOR AGREEMENTS: It is mutually agreed that this License shall terminate and supersede any prior agreements between the Parties hereto covering all or any portion of the License Area, including, but not limited to, License Agreement dated July 3, 1996 (“**Prior Agreement**”). Notwithstanding the foregoing, this provision shall not release Permittee from any obligations under the Prior Agreement to be performed through the Effective Date of this License or from any obligations of indemnification based upon events occurring prior to the Effective Date of this License.

5. AREA AND USE: County grants Permittee permission to enter and use a portion of the County Property for the purpose of conducting the Water Sampling, as defined above, as well as maintenance, and well repair activities.

Permittee agrees not to use the County Property for any other purpose, nor to engage in or license any other activity within or from County Property. Permittee further agrees not to conduct or permit to be conducted any public or private nuisance in, on, or from County Property and to comply with all governmental laws and regulations in connection with its use of the County Property. Permittee shall, at its sole cost and expense, timely secure any necessary permits, licenses, or approvals before conducting activities on County Property. Permittee shall exercise commercially reasonable efforts to minimize interference with County’s or others’ use and enjoyment of County Property and shall promptly repair, at its sole cost, risk, and expense, any damage arising from the exercise of the rights herein granted.

6. CONSIDERATION: Permittee agrees to supply the Environmental Health Division of the County of Orange Health Care Agency with copies of the as-built monitoring well specifications, the well driller’s log (DWR form 188) and upon request, copies of the monitoring reports of the subject wells.

7. NO ASSIGNMENT: The Permit granted hereby is personal to Permittee and any assignment of said Permit by Permittee, voluntarily or by operation of law, shall automatically terminate the Permit granted hereby.

8. DISPOSITION OF ABANDONED PERSONAL PROPERTY: If Permittee abandons the County Property or is dispossessed thereof by process of law or otherwise, title to any personal property belonging to Permittee and left on the County Property ten (10) days after such event shall be deemed, at County's option, to have been transferred to County. County shall have the right to remove and to dispose of such personal property without liability therefor to Permittee or to any person claiming under Permittee and shall have no need to account therefor.

9. CONDITION OF COUNTY PROPERTY UPON TERMINATION: Except as otherwise agreed to herein or in subsequent approval in writing by County, upon termination of this Permit, Permittee shall redeliver possession of said County Property to County in substantially the same condition that existed immediately prior to Permittee's entry thereon, reasonable wear and tear, flood, earthquakes, war, and any act of war excepted.

10. LIMITATION OF THE PERMIT: This Permit and the rights and privileges granted Permittee in and to the County Property are subject to all covenants, conditions, restrictions, and exceptions of record or apparent from a physical inspection of the County Property. Nothing contained in this Permit or in any document related hereto shall be construed to imply the conveyance to Permittee of rights in the County Property which exceed those owned by County, or any representation or warranty, either express or implied, relating to the nature or condition of the County Property or County’s interest therein. Permittee has accepted the County Property in its “as is”/“where is” condition.

11. INDEMNIFICATION: Permittee hereby agrees to indemnify, hold harmless, and defend, County, its elected and appointed officials, officers, agents, employees, and those special districts and agencies which

the Board of Supervisors acts as the governing board, with counsel approved by County, against any and all claims, loss, demands, damages, costs, expenses, or liability, to the extent arising out of or in any way connected to this Permit, the ownership, maintenance, or use of the County Property, or Permittee's exercise of rights under this Permit, except for liability arising out of the negligence of County, its elected and appointed officials, officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom. In the event County is named as co-defendant, Permittee, with attorney(s) approved in writing by County, shall notify County of such fact and shall represent County, with counsel approved by County, in such legal action unless County undertakes to represent itself as co-defendant in such legal action, in which event Permittee shall pay the County's reasonable litigation costs, expenses, and attorneys' fees. In the event judgment is entered against County and Permittee because of the concurrent negligence of County and Permittee, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

12. **LIABILITY INSURANCE:** Permittee shall purchase or maintain a program of self-insurance at its own expense for its liability exposure including, commercial general liability with minimum limits of \$1,000,000 combined single limit per occurrence, as well as workers' compensation insurance (statutory required limit) prior to entering and use of portions of the County Property described above. Insurance carrier providing coverage shall be rated at least A-/VIII by ambest.com. The commercial general liability insurance policies must name County as an additional insured and provide coverage on a primary non-contributory basis as evidenced by endorsement or provide blanket policy coverage. All policies shall waive all rights of subrogation against the County, its elected and appointed officials, officers, agents, and employees.

Permittee shall provide a valid certificate of insurance including endorsements verifying compliance with this insurance requirement before the date that Permittee first enters upon the County Property pursuant to this Permit and shall keep such insurance in effect during the entire term of this Permit. Permittee shall deposit the Certificate of Insurance with CEO Real Estate, consistent with the Notice clause, through electronic correspondence to: insurance.ceore@ocgov.com. If valid evidence of insurance is not received by County for this Permit, the County may cancel this Permit at any time and at County's sole discretion. Permittee agrees to hold County harmless for any damages resulting from said cancellation, including any interruption of business. The procuring of such required policy or policies of insurance shall not be construed to limit Permittee's liability hereunder nor to fulfill the indemnification provisions and requirements of this Permit.

13. **NOTICES:** All written notices pursuant to this Permit shall be addressed as set forth below or as either Party may hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail. Any written correspondence between the Parties shall be addressed as follows:

To: County

To: Permittee

Orange County Sheriff's Department
Attention: Real Estate Manager

Orange County Water District
Attention: Brendan Neel

With a copy to:

With a copy to:

County of Orange, CEO Real Estate
400 W Civic Center Drive, 5th Floor,
Santa Ana, CA 92701
Attention: Leasing Administration

18700 Ward Street
Fountain Valley, CA 92708

In regard to insurance, Permittee shall ensure that any and all insurance related mail includes the Permit number and project name, and Permittee shall mail all insurance certificates and insurance related correspondence to: insurance.ceore@ocgov.com.

14. ATTORNEYS' FEES: In any action or proceeding to enforce or interpret any provision of this Permit, or where any provision hereof is validly asserted as a defense, the Parties shall bear their own attorneys' fees, costs, and expenses.

15. GOVERNING LAW AND VENUE: This Permit has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Permit, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394.

16. LIMITATION OF THE PERMIT: This Permit and the rights and privileges granted Permittee in and to the County Property are subject to all covenants, conditions, restrictions, and exceptions of record or apparent from a physical inspection of the County Property. Nothing contained in this Permit in any document related hereto shall be construed to imply the conveyance to Permittee of rights in the County Property which exceed those owned by County, or any representation or warranty, either express or implied, relating to the nature or condition of the County Property or County's interest therein. Permittee has accepted the County Property in its "as is" "where is" condition.

17. COUNTERPARTS: This Permit may be executed in one or more electronic or original counterparts, each of which will be deemed an original signature but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this agreement the day and year first above written.

RECOMMENDED FOR APPROVAL

Orange County Sheriff's Department

By:

Orange County Sheriff's Department

COUNTY EXECUTIVE OFFICE

By:

CEO/RE Administrative Manager

*** Pursuant to the requirements of California Corporations Code section 313, one of the following two methods must be used by a corporation when it enters into a contract with the County: Two people must sign the document. One of them must be the chairman of the board, the president or any vice president. The other must be the secretary, any assistant secretary, the chief financial officer or any assistant treasurer. One corporate officer may sign the document, providing that written evidence of the officer's authority to bind the corporation with only his or her signature must be provided. This evidence would ideally be a corporate resolution.

APPROVED AS TO FORM:

Office of County Counsel
Orange County, California

By: _____
Deputy County Counsel

PERMITTEE

Orange County Water District,
a political subdivision of the State of
California organized under Chapter 924 of the
Statutes of 1933, as amended.

By: _____
Denis Bilodeau, President

By: _____
John Kennedy, General Manager

Approved as to Form
RUTAN & TUCKER, LLP.

By: _____
Jeremy Jungreis
General Counsel
Orange County Water District

Date: _____

SIGNED AND CERTIFIED THAT A
COPY OF THIS DOCUMENT HAS BEEN
DELIVERED TO THE CHAIR OF THE BOARD
PER GC § 25103, RESO. 79-1535

Attest:

COUNTY

COUNTY OF ORANGE

ROBIN STIELER
Clerk of the Board of Supervisors
of Orange County, California

Chair of the Board of Supervisors
Orange County, California

EXHIBIT A



AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: M. Patel / B. Smith

Budgeted: Partially

Budgeted Amount: \$120,000

Cost Estimate: \$155,000

Funding Source: R&R

Program/Line Item No.: R23017

General Counsel Approval: N/A

Engineers Report: N/A

CEQA Compliance: Cat. Ex.

**Subject: FIELD HEADQUARTERS ABOVEGROUND GASOLINE STORAGE TANK
PROJECT BUDGET INCREASE**

SUMMARY

The underground gasoline storage tank located at Field Headquarters was removed in 2022. Permitting and construction of the aboveground tank replacement started in 2023 and is now complete. A project budget increase is required due to additional start-up testing of the tank, updating the facility's Spill Prevention Control and Countermeasure (SPCC) plan, and upgrading the card authorization control system.

RECOMMENDATION

Agendize for April 16 Board Meeting: Increase project budget by \$35,000 for a total project budget of \$155,000.

BACKGROUND/ANALYSIS

The 2,500 gallon gasoline underground storage tank (UST) located at Field Headquarters (FHQ) did not pass pressure tests in 2021. The Anaheim Fire & Rescue Hazardous Materials Section issued Correction Notices to the District requiring removal of the gasoline and tank. The District awarded a contract for removal of the UST which was executed in the summer of 2022. No contamination was observed during the removal of the UST, nor detected in the soil samples analyzed by a third-party laboratory.

The gasoline tank and dispenser have been used at FHQ since the 1980's to supply gasoline for District vehicles and equipment under typical operations and as an emergency supply for potential disaster response. The on-site tank is a cost saving measure because the District can bulk purchase gasoline at a discounted rate.

An agreement to construct a new 1,000 gallon gasoline aboveground storage tank (AST) was issued in September 2023 to Falcon Services & Construction, Inc. The regulatory requirements for an AST are less stringent than a UST, and potential leaks can be immediately observed in the AST arrangement versus having to be indirectly tested for with a UST arrangement.

During the course of the construction of the AST, additional expenses were experienced. First, repeated start-up testing of the tank was required per regulatory permitting. Second, the facility’s SPCC plan had to be updated because of the additional above ground storage of petroleum product. Third, the card reading device that was previously used to authorize dispensing of fuel and to track fuel information for accounting and regulatory purposes required an upgrade, as the existing system was found to be obsolete due to its age and no longer supported by the vendor.

Staff recommends increasing the project budget by \$35,000 to cover the additional expenses for a total project cost of \$155,000. The original and revised project budgets are shown in Table 1.

Table 1: AST Project Budget Summary

Description	Budget 4/17/2024	Revised Budget
AST Scope of Work (Falcon Services)	\$ 115,492	\$ 115,492
Start-Up Testing (Tait)	-	\$ 6,000
SPCC Update (Weyman)	-	\$ 4,000
Card Reader Upgrade (Fuel Serv)	-	\$ 27,550
Contingency	\$ 4,508	\$ 1,958
Total Project Budget	\$ 120,000	\$ 155,000

PRIOR RELEVANT BOARD ACTIONS

R24-4-37, 4/17/2024: Issuance of Amendment No. 1 to Agreement 1547 with Falcon Services & Construction, Inc. for an amount not to exceed \$17,923 and to extend the termination date to December 31, 2024.

R23-8-105, 8/16/2023: Issuance of an Agreement is authorized to Falcon Services & Construction, Inc. for Installation of Aboveground Gasoline Storage Tank; In accordance with the California Environmental Quality Act (CEQA) guidelines filing of a Categorical Exemption for the installation of an aboveground Gasoline Storage Tank is authorized; A project budget for the Aboveground Gasoline Storage Tank is hereby established in the amount of \$120,000.

R22-5-58, 5/18/2022: Issuance of an Agreement is authorized to Cardno for Removal of Gasoline Underground Storage Tank for \$71,281; In accordance with the California Environmental Quality Act (CEQA) guidelines filing of a Categorical Exemption for the Removal of Gasoline Underground Storage Tank is Authorized; A project budget for the budget for the Removal of Gasoline Underground Storage Tank is hereby established in the amount of \$75,000.

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: S. Nevill/ L. Haney

Budgeted: N/A

Budgeted Amount: N/A

Cost Estimate: N/A

Funding Source: N/A

Program/ Line Item No. N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: REQUEST FOR QUALIFICATION ON-CALL ENVIRONMENTAL SERVICES

SUMMARY

The District has three pre-qualified firms available for on-call environmental consulting services with agreements that expire in August 2025. These firms are used to supplement the District's in-house staff person to prepare environmental documentation. Staff recommends the publication of a request for qualifications for on-call environmental consulting services.

RECOMMENDATION

Agendize for April 16 Board meeting: Authorize issuance of a Request for Qualifications for On-Call Environmental Consultants.

BACKGROUND/ANALYSIS

The District has existing agreements with three pre-qualified firms for on-call environmental consulting services. These firms are:

- Psomas
- SageCrest (previously Environmental Advisors)
- Environmental Science Associates (ESA)

Technical support from these firms is used to supplement the District's in-house staff person that prepares environmental documentation. Most of the environmental documentation prepared for the District's projects in compliance with the California Environmental Quality Act (CEQA), such as Environmental Impact Reports or Initial Study/Mitigated Negative Declarations, are prepared by our in-house staff person. The on-call environmental consulting firms are utilized to prepare technical studies such as air quality or noise evaluations that are used to prepare the environmental documentation where OCWD's staff do not have the specialized technical background, modeling resources, and/or credentials to prepare such reports. The on-call firms may also provide services during construction for cultural resource monitoring, when needed.

The existing on-call environmental services consultants were selected in 2010, although modifications to the list have been approved by the Board due to changes of corporate ownership at several of the consulting firms. Additionally, the Board has approved extension of the agreements several times, with the most recent extension occurring in

2022 and terminating in August 2025. District staff identified a need to re-evaluate the list of on-call environmental services consultants to ensure that the specific needs of the District are met.

Staff recommends that the Board authorizes the issuance of a Request for Qualifications Environmental Consulting Firms. OCWD staff will evaluate the qualifications packages received and will select between three and five consultants for consideration by the Board.

PRIOR RELEVANT BOARD ACTION(S)

6-19-2019 R19-6-83 -Authorize renewal of existing Agreements for on-call environmental analysis services with SageCrest, Psomas, and Environmental Science Associates for an additional term of three years, extending the termination date to August 31, 2022.

1-20-2016 R16-1-4- Authorize renewal of existing Agreements for on-call environmental analysis services with Bonterra Psomas Consulting and Environmental Advisors (now SageCrest) for an additional term of three years, extending the termination date to August 31, 2019; Approve and authorize execution of Agreement with Environmental Science Associates for on-call environmental analysis services with a termination date of August 31, 2019

7-24-2013 R13-7-86 - Authorize renewal of Agreements for on-call environmental analysis services with Bonterra Consulting, Environmental Advisors, and Michael Brandman Associates for an additional term of three years, extending the termination date to August 31, 2016

8-1-2012, R12-8-97 - Include Environmental Advisors on the District's list of pre-qualified on-call environmental consulting firms and authorize execution of a professional services agreement with the company

8-18-2010, R10-8-132 - Authorize issuance of non-exclusive Professional Service Agreements to Bonterra Consulting, Chambers Group, Environmental Science Associates, and Michael Brandman Associates for on-call environmental analysis services.

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: C. Olsen

Budgeted: N/A

Budgeted Amount: N/A

Cost Estimate: N/A

Funding Source: N/A

Program/Line Item No.: N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: AMENDMENT TO AGREEMENT WITH CITY OF SANTA ANA AND MOULTON NIGUEL WATER DISTRICT

SUMMARY

The District previously executed an Agreement in 2022 with the city of Santa Ana and Moulton Niguel Water District (MNWD) to complete the preliminary design of the infrastructure improvements necessary to the city's water system to provide emergency water supplies to MNWD and also complete necessary CEQA documents. This Agreement terminates May 24, 2025, and needs to be extended to provide additional time to continue developing a potential program.

Attachments: Presentation and Draft Amendment to Agreement

RECOMMENDATION

Agendize for April 16 Board meeting: Authorize execution of Amendment to Agreement with the city of Santa Ana and the Moulton Niguel Water District.

DISCUSSION

In April 2006, OCWD, Irvine Ranch Water District (IRWD), the Municipal Water District of Orange County (MWDOC), and other South Orange County water agencies including MNWD developed and signed the Phase 1 Emergency Services Program agreement. The purpose of the Emergency Services Program is to allow water to be moved to South Orange County (SOC) during short-term emergency water system outages or planned shutdown scenarios from the Metropolitan Water District (MWD) imported water system. During such an event, up to 50 cubic feet per second (cfs) of water for up to 30 days (total of 3,000 acre-feet) can be moved from the groundwater basin to SOC water agencies. The program has been used approximately six times to date via a second supporting Operating Agreement executed on November 14, 2008, that allowed the use of the IRWD water system.

SOC water agencies funded necessary facilities to move water from IRWD to the regional water transmission system. OCWD does not receive any compensation for the program. Section 6 of the Emergency Services Program agreement contemplates ongoing work to identify future phases of the program. The Emergency Services Program agreement terminates on November 14, 2033; 25 years from the Operating Agreement effective date. The agreement requires a 3-year notice to terminate requiring a decision by November 14, 2030.

In August 2017, the Board took additional action to broaden the District's Water Resources Policy to allow the consideration of projects and programs with SOC water agencies. In January 2019, the District entered into an agreement with MNWD to develop a program that would be considered by the Boards of OCWD and MNWD. A program that is very similar to the existing 2006 agreement that would provide MNWD water during emergency events is currently being considered.

As called for in the existing 2019 MNWD agreement, Tetra Tech completed an analysis of the water systems belonging to the cities of Orange, Santa Ana and Tustin which was provided to the Board in February 2021. The results of the study identified several conceptual projects and estimated cost of the anticipated facilities needed to pump groundwater into the East Orange County Feeder No. 2 (EOCF#2) along with the flow rate that can be achieved.

The EOCF#2 generally travels from north to south and delivers treated imported water from the MWD Diemer Filtration Treatment Plant in the city of Yorba Linda to numerous Orange County water agencies. This pipeline connects to the Joint Regional Transmission Main in Irvine which carries imported water into SOC and MNWD.

In July 2021 the Board approved policy principles to guide the development of an emergency water supply program with SOC agencies. Any emergency water supply program developed with any SOC water agencies and/or MNWD would comply with these principles, shown below.

- OCWD will explore and look to develop a new program to assist SOC agencies during periods when needed imported water is unavailable.
- OCWD will periodically meet with SOC agencies to determine what their possible emergency water supply needs could be.
- Any proposed new actions to assist SOC will be coordinated with the possible extension of the existing SOC Phase I Emergency Services Agreement.
- The MWD indirectly benefits from OCWD actions to assist SOC during shortages of the imported water system. MWD will be requested to participate in any capital expenses that relieves pressure on its system.
- Any program will not adversely impact OCWD's operations.
- OCWD will financially benefit from the program.
- Any program will comply with the OCWD Act.
- OCWD staff will work collectively with MWDOC, the Groundwater Producers and interested SOC agencies to develop any new programs that could be recommended to the OCWD Board.

The current 2022 agreement with the city of Santa Ana (City) and MNWD provided for preliminary engineering analysis and design of the Santa Ana – East Station option to determine the exact facilities needed, initiating CEQA analysis, and investigating the institutional arrangements needed to connect into the EOCF#2 and to deliver water into the pipeline. More specifically the agreement calls for the following;

- MNWD funds all work specified in the agreement.
- Water from the City's water system would only be pumped into the EOCF#2 when MWD was unable to deliver water to MNWD.
- New facilities are designed to City and OCWD standards.

- At no time would the delivery of water to MNWD cause or exacerbate a shortage of water to the City's customers.
- MNWD reimburses the City for all expenses incurred by the City as a result of this program.
- The agreement does not allow MNWD to store water in the OCWD groundwater basin.
- The City utilizes the new water system improvements during normal operations.
- The program complies with the OCWD Act.
- MNWD prepares the two requests for proposals necessary to hire an engineering and CEQA consultant and administer the contracts.
- The three parties collaboratively carry out the scope of work for this agreement.

This agreement is set to terminate on May 24, 2025. Staff recommends extending the agreement three years through June 30, 2028. During this period, MNWD will solicit for and develop CEQA documents and final design of the proposed infrastructure based on the preliminary design analysis. MNWD will also coordinate with the parties having EOCF#2 ownership and will pursue the necessary authorizations for the project. The proposed amendment also calls for MNWD to reimburse the City and OCWD for their expenses associated with the performance of the scope of work of this agreement and the proposed amendment.

PRIOR RELEVANT BOARD ACTIONS

3/16/22, Authorize execution of agreement with the city of Santa Ana and the Moulton Niguel Water District.

7/21/21, Approved the policy principles to provide emergency water supplies to SOC.

2/10/21, Informational Item: Provided Tetra Tech report to the Water Issues Committee.

3/20/19, R19-3-31: Hired Tetra Tech to perform two technical studies for the District.

3/20-19, R19-3-32: Hired Westwater to perform two technical studies for the District.

1/16/19, R1-1-10: Authorize execution of Agreement with the Moulton Niguel Water District and issuance of two requests for proposals for review of existing water storage programs and evaluation of groundwater conveyance options.

10/3/18: OCWD MNWD ad-hoc committee created.

8/15/18, M18-104: Directed staff to update the 2007 *Report on Orange County Groundwater Basin Storage and Operational Strategy* to reflect the recommended basin operating changes and to limit any potential future storage agreements to within the 36,000 acre-foot Santa Ana River Conservation and Conjunctive Use Program until the Metropolitan Water District Conjunctive Use Storage Program expires in 2028.

8/2/17, R17-8-107: Broadened the District's Water Resources Policy to allow the consideration of water storage and exchange programs with SOC water agencies.

**AMENDMENT NO. 1 TO THE INTERAGENCY AGREEMENT
BETWEEN THE CITY OF SANTA ANA, ORANGE COUNTY WATER DISTRICT, AND
MOULTON NIGUEL WATER DISTRICT
PROJECT: EMERGENCY INTERCONNECTION BETWEEN THE CITY OF SANTA ANA
EAST STATION AND EAST ORANGE COUNTY FEEDER #2**

This Amendment No. 1 (“**Amendment**”) is entered into and effective as of _____, amending the Interagency Agreement dated May 24, 2022 (“**Agreement**”), by and between the City of Santa Ana (“**CITY**”), Orange County Water District (“**OCWD**”), and Moulton Niguel Water District (“**MNWD**”), collectively herein referred to as the **PARTIES**. Any capitalized terms used but not defined herein shall have the meaning assigned to them in the Agreement.

RECITALS

- A. WHEREAS, on May 24, 2022, the PARTIES entered into the Agreement to work collaboratively to further evaluate the feasibility of a potential emergency interconnection (“**INTERCONNECTION**”) by completing a preliminary design study and environmental analysis.
- B. WHEREAS, the Agreement terminates on May 24, 2025.
- C. WHEREAS, the PARTIES desire to amend the Agreement’s Scope of Work to be performed by the PARTIES under this Agreement and extend the term of the Agreement until June 30, 2028.

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

- 1. The term of the Agreement is hereby extended through June 30, 2028.
- 2. The Work to be performed by the PARTIES under this Agreement shall be revised to include the Work for MNWD to prepare a final design of the proposed infrastructure based on the preliminary design analysis. Final design shall commence following acceptance of the preliminary design report by all PARTIES.
- 3. Anticipated deliverables under this Agreement shall be revised to include final design documents (construction plans and specifications) prepared by MNWD for review and approval by all PARTIES. Multiple final design submittals are anticipated. The PARTIES shall be provided with an opportunity to review each final design submittal.
- 4. MNWD will develop a Request for Proposals (“**RFP**”) in collaboration with the other PARTIES for the work described in paragraph 2 above. The PARTIES will review the proposals and develop a joint recommendation, should they agree, for consideration of award of a professional service contract. If collectively agreed to by the PARTIES, the work described in paragraph 2 above may be combined with an environmental review and preparation of CEQA documents as described in the Agreement into a single RFP and professional service contract.

5. MNWD agrees to provide all funding required to perform the scope of work and related RFPs identified as part of the Agreement and this Amendment. MNWD agrees to reimburse CITY and OCWD for reasonable staff time, consultant fees, and legal counsel expenses associated with reviewing the scope of work deliverables and related RFPs identified as part of the Agreement and 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.

ORANGE COUNTY WATER DISTRICT

By: _____ Date: _____
 Denis R. Bilodeau, President
 for Orange County Water District

By: _____ Date: _____
 John Kennedy, General Manager
 for Orange County Water District

CITY OF SANTA ANA

By: _____ Date: _____
 Valerie Amezcua, Mayor
 for City of Santa Ana

ATTEST:

By: _____ Date: _____
 Alvaro Nuñez, City Manager
 for City of Santa Ana

By: _____ Date: _____
 Jennifer L. Hall, Clerk of the Council
 for City of Santa Ana

APPROVED AS TO FORM:

Sonia R. Carvalho
 City Attorney

RECOMMENDED FOR APPROVAL:

By: *Kyle Nellesen* Date: 2/27/25
 Kyle Nellesen
 Assistant City Attorney

By: _____ Date: _____
 Nabil Saba, P.E., Executive Director
 Public Works Agency

MOULTON NIGUEL WATER DISTRICT

APPROVED AS TO FORM:

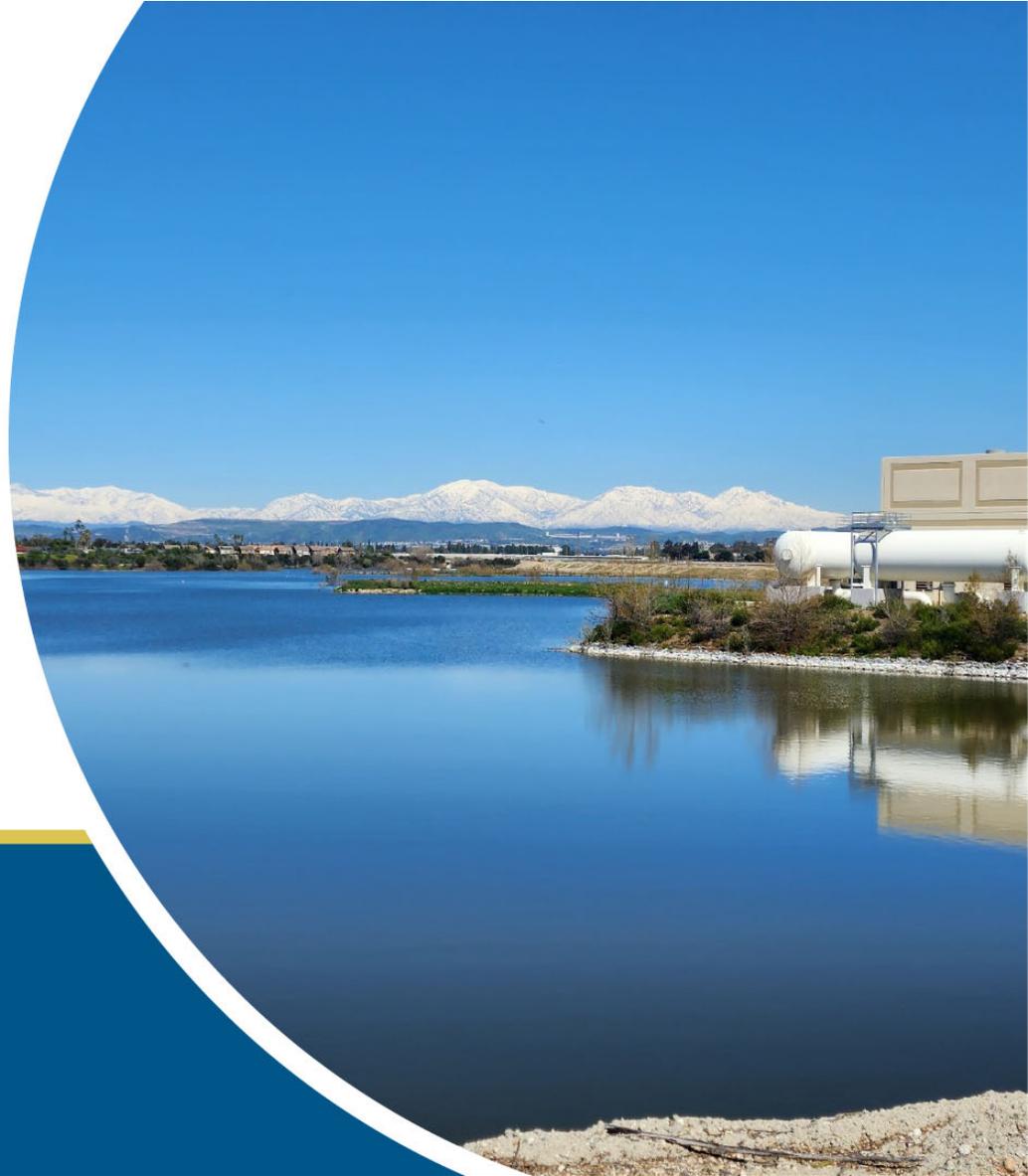
By: *Duane D. Cave* Date: 3/13/25
 Duane Cave, President
 for Moulton Niguel Water District

By: *Ruben A. Smith* Date: 3/3/25
 Ruben A. Smith, Special Counsel
 to Moulton Niguel Water District



Amendment to Agreement with City of Santa Ana and Moulton Niguel WD

Water Issues Committee
April 9, 2025



History

- Agreements were approved in 2006 and 2008 to provide emergency water supplies to South Orange County (SOC) agencies
- Provide water supplies to SOC agencies via IRWD water system during emergency events
- Up to 50 cfs for 30 days (3,000 af) – relatively small program
- Decision to extend or terminate – November 2030

Recent History

- August 2017 OCWD broadened the District's Water Resources Policy to allow consideration of programs with SOC.
- January 2019 – OCWD entered into agreement with Moulton Niguel Water District (MNWD) to consider water program.
- This potential emergency interconnect water supply program was discussed with Producers several times and as a result, in July 2021 – Board approved policy principles for providing emergency water supplies to SOC water agencies.

July 2021 Policy Principles

- OCWD will explore and look to develop a new program to assist SOC agencies during periods when needed imported water is unavailable.
- OCWD will periodically meet with SOC agencies to determine what their possible emergency water supply needs could be.
- Any proposed new actions to assist SOC will be coordinated with the possible extension of the existing SOC Phase I Emergency Services Agreement.
- The Metropolitan Water District indirectly benefits from OCWD actions to assist SOC during shortages of the imported water system. MWD will be requested to participate in any capital expenses that relieves pressure on its system.

Policy Principles (continued)

- Any program will not adversely impact OCWD's operations.
- OCWD will financially benefit from the program
- Any program will comply with the OCWD Act.
- OCWD staff will work collectively with MWDOC, the Groundwater Producers and interested SOC agencies to develop any new programs that could be recommended to the OCWD Board.

Agreement with City of Santa Ana & MNWD

- March 2022 – OCWD entered into agreement with MNWD and City of Santa Ana to begin feasibility study.

Agreement with City of Santa Ana & MNWD

- MNWD funds all work specified in the agreement.
- Water from the City's water system would only be pumped into the EOCF#2 when MWD was unable to deliver water to MNWD.
- New facilities are designed to City and OCWD standards.
- At no time would the delivery of water to MNWD cause or exacerbate a shortage of water to the City's customers.
- MNWD reimburses the City for all expenses incurred by the City as a result of this program.

Agreement with City of Santa Ana & MNWD

- The agreement does not allow MNWD to store water in the OCWD groundwater basin.
- The City utilizes the new water system improvements during normal operations.
- The program complies with the OCWD Act.
- MNWD prepares the two requests for proposals necessary to hire an engineering and CEQA consultant and administer the contracts.
- The three parties collaboratively carry out the scope of work for this agreement.

Key Report Findings

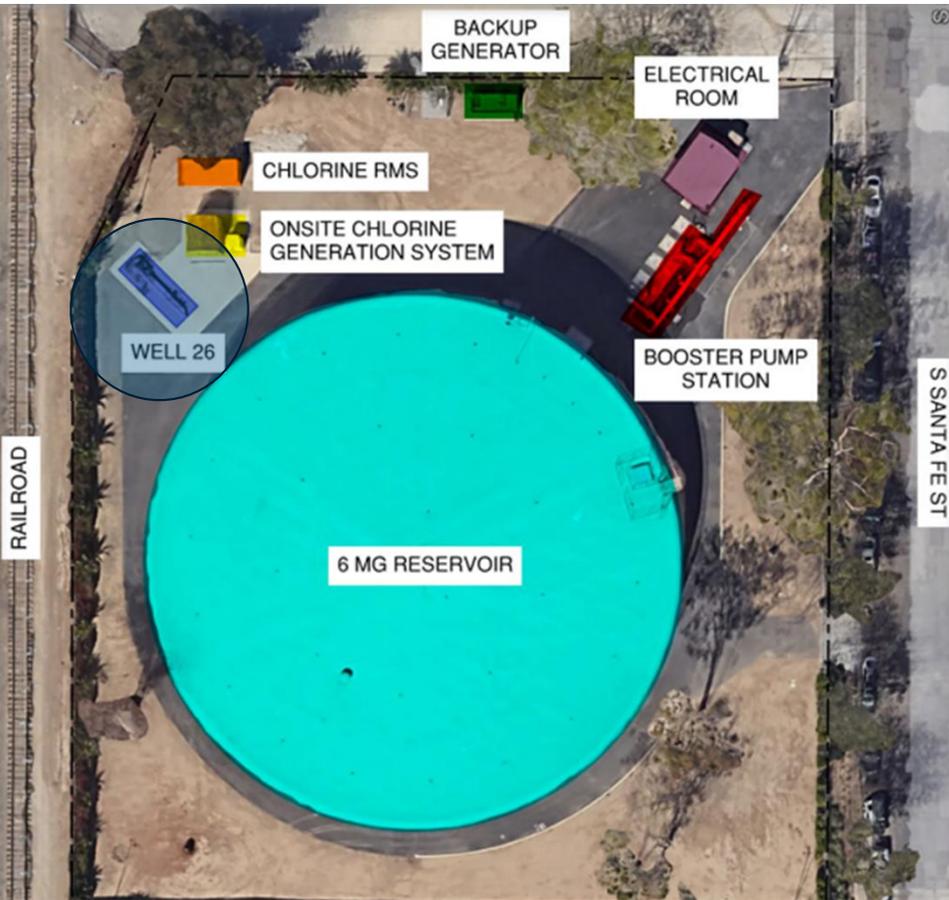
EOCF#2 Connection Alternatives Study

- Consultant: Tetra Tech
- Scope: Identify potential locations to pump groundwater into EOCF#2.
- Conclusion: Santa Ana East Station location selected for further evaluation.

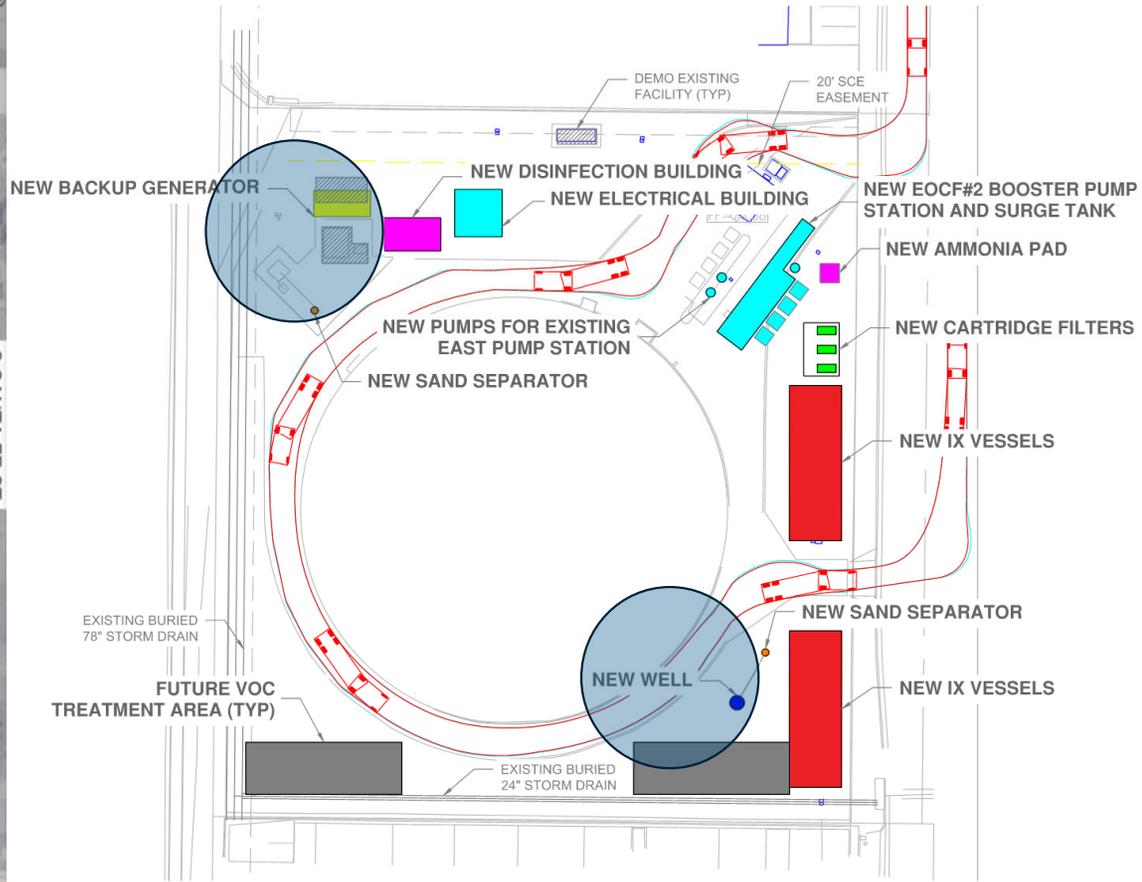
Facility	Estimated Flow Rate (cfs)
Santa Ana – East Station	14
Santa Ana – Cambridge	10
Orange – City Yard	12
Orange – Batavia Plant	7
Tustin Walnut Well Site	3 to 5

Santa Ana East Station Feasibility Assessment

- Consultant: Brown and Caldwell
- Scope: Conceptual site layout, water quality and hydraulic analyses, and cost estimate
- Coordination: MNWD, CSA, OCWD, MWDOC, and MET
- Construction Cost: \$21M to \$27M
- Conclusion: Project is feasible.
 - ▶ MNWD will continue to work with CSA to mitigate any potential effects on CSA's system capacity while the emergency interconnection is in use.



Existing Site



Proposed Improvements

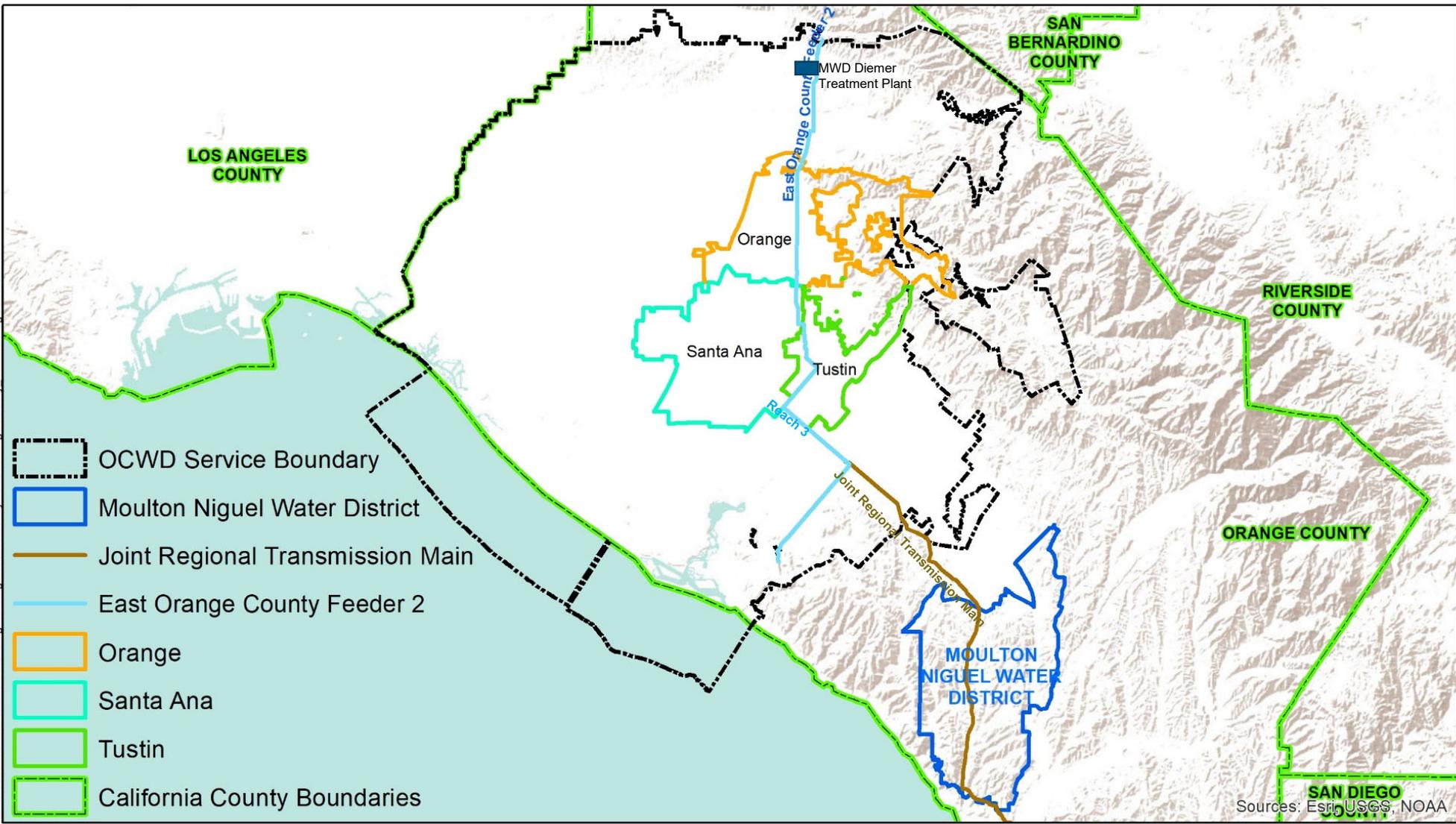
Santa Ana East Station

- Can only use EOCF#2 if no MWD water is in the line
- Up to 14 cfs of water could be pumped into line

Proposed Pipeline to EOCF#2



Path: K:\GISDataStore\OCWD\Engineering\JohnKennedy\MXD\OrangeCounty_MoultonNiguel.mxd



- OCWD Service Boundary
- Moulton Niguel Water District
- Joint Regional Transmission Main
- East Orange County Feeder 2
- Orange
- Santa Ana
- Tustin
- California County Boundaries

Sources: Esri, USGS, NOAA

EOCF # 2 Ownership

- Anaheim
- EOCWD
- Huntington Beach
- IRWD
- Laguna Beach WD
- Mesa Water District
- Moulton Niguel WD
- Metropolitan WD
- MWDOC
- Orange
- San Clemente
- San Juan Capistrano
- Santa Ana
- Santa Margarita WD
- South Coast WD

Timeline of Key Activities

2025				2026				2027			
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Final Feasibility Assessment Technical Memorandum to MET										
Preliminary Design											
	MNWD-OCWD-CSA Amendment (Final Design)										
Design/CEQA											
Engage with EOCF#2 Stakeholders											
Negotiate OCWD payment and Santa Ana Obligations											

Future Activities:

- Continue Grant Pursuits
- Design Coordination Workshops
- Interagency Construction and Operating Agreement
- Bidding and Construction

Summary/Additional Issues

- Providing emergency water supplies to SOC is good public policy
- Developing a new program with MNWD has significant institutional/legal issues
- Program needs to be coordinated with the existing 2006 emergency supply program
- Program needs to comply with the Boards July 2021 policy
- Staff will work with the Groundwater Producers
- MNWD is funding the development costs
- Eventually a payment to OCWD will have to be negotiated

Recommendation

- Authorize execution of Amendment to Agreement with the City of Santa Ana and the Moulton Niguel Water District

Questions?

Chris Olsen, P.E.
Executive Director of Engineering & Water Resources
Orange County Water District
colsen@ocwd.com

ocwd.com
(714) 378-3200

18700 Ward St.
Fountain Valley, CA 92708

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f @ in @ d X v

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: L. Haney

Budgeted: Yes (FY25-26)

Budgeted Amount: \$150,000

Cost Estimate: \$150,000

Funding Source: 1044

Program/Line Item No. 1044.53001.9900

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

**Subject: REQUEST FOR PROPOSALS FOR STORMWATER CREDIT BANKING
FEASIBILITY STUDY**

SUMMARY

The purpose of this agenda report is to introduce the concept of stormwater credit banking and seek approval to circulate an RFP to hire a consultant and complete a feasibility study. The study would evaluate the benefits and feasibility of potential partnerships and banking structures to enhance stormwater capture, credit generation, and project funding mechanisms. Staff requests authorization to issue a Request for Proposals (RFP) for a feasibility study on stormwater credit banking.

Attachments:

- Scope of work
- Draft RFP
- Stormwater Credit Banking Feasibility Study Presentation
- City of Anaheim Presentation

RECOMMENDATION

Agendize for April 16 Board meeting: Authorize issuance of a Request for Proposals for a feasibility study on stormwater credit banking, with a budget not to exceed \$150,000.

BACKGROUND/ANALYSIS

Staff recommends seeking proposals from qualified consultants to conduct a comprehensive feasibility study for a stormwater credit banking program. The study would evaluate the benefits and viability of OCWD's participation in stormwater credit banking through existing partnerships, new regional collaborations, and/or independent credit generation initiatives.

Stormwater credit banking is an emerging strategy designed to optimize municipal stormwater potential by generating both financial and water quality benefits. OCWD intends to leverage stormwater credit banking as a method to enhance its water portfolio and secure funding for multi-benefit projects that support long-term water supply resiliency. By collaborating on municipal stormwater projects, OCWD aims to maximize regional infiltration benefits for both water quality improvement and water

supply augmentation, particularly in response to declining Santa Ana River base flows and increased sedimentation.

Proposed example of scope of work for RFP:

The City of Anaheim recently established the first approved stormwater credit banking program in Orange County and is currently in the initial phase of implementation. The County of Orange is also in the process of developing a similar program for the North Orange County area. OCWD seeks to evaluate opportunities to engage in or contribute to these efforts to enhance water supply reliability, improve water quality, and generate financial returns. This study would assess the feasibility of OCWD's participation in stormwater credit banking by exploring three strategic models: partnering with the City of Anaheim, collaborating with the County of Orange, and establishing an independent OCWD stormwater credit banking program based on existing facilities. Specific goals for each are outlined below:

- 1) **Partnering with the City of Anaheim's Existing Stormwater Credit Bank**
 - Evaluate opportunities to integrate with Anaheim's credit bank program.
 - Assess potential water supply benefits.
 - Evaluate governance structures, cost-sharing mechanisms, and projected benefits.
 - Identify operational and regulatory challenges associated with participation.
- 2) **Collaborating with North Orange County Entities to Develop a New Regional Stormwater Credit Bank**
 - Explore a regional approach involving both public and private sector partnerships.
 - Assess potential water supply benefits.
 - Evaluate governance structures, cost-sharing mechanisms, and projected benefits.
 - Identify necessary interagency agreements.
- 3) **Developing an Independent OCWD Stormwater Credit Bank**
 - Investigate the potential to generate and sell stormwater credits from improvement projects to existing OCWD-managed facilities.
 - Establish credit bank boundaries and address any issues with intersecting boundaries with other regional banks.
 - Assess the viability of monetizing credits as a funding source for future water projects.
 - Determine operational and financial feasibility, including staffing and administrative needs.

The feasibility study will evaluate the costs and benefits of each stormwater credit banking model, estimate potential water yield, and assess whether

OCWD's participation would provide greater value through direct water acquisition or as a credit-generating funding mechanism. Key areas of analysis will include the regulatory framework, market demand, financial implications, funding opportunities, governance and administration, legal risks, and the potential for public-private partnerships. The study will provide strategic recommendations for OCWD's engagement in stormwater banking, ensuring alignment with regional water management plans and OCWD's long-term water supply and sustainability goals.

Staff will develop an RFP to engage a qualified consultant to perform the feasibility study and provide recommendations based on a thorough analysis of these factors.

Staff recommends authorizing the issuance of a Request for Proposals for consultant services to evaluate the feasibility and benefits of stormwater credit banking partnerships and independent banking opportunities.

The estimated cost of the feasibility study is \$150,000.

PRIOR RELEVANT BOARD ACTION(S)

N/A

BACKGROUND

The Orange County Water District (OCWD) is seeking proposals from qualified consultants to conduct a comprehensive feasibility study for a stormwater credit banking program. The study will evaluate the benefits and viability of OCWD's participation in stormwater credit banking through existing partnerships, new regional collaborations, and/or independent credit generation initiatives.

Stormwater credit banking is an emerging strategy designed to optimize municipal stormwater potential by generating both financial and water quality benefits. OCWD intends to leverage stormwater credit banking as a method to enhance its water portfolio and secure funding for multi-benefit projects that support long-term water supply resiliency. By collaborating on municipal stormwater projects, OCWD aims to maximize regional infiltration benefits for both water quality improvement and water supply augmentation, particularly in response to declining Santa Ana River base flows and increased sedimentation.

The City of Anaheim recently established the first approved stormwater credit banking program in Orange County and is currently in the initial phase of implementation. The County of Orange is also in the process of developing a similar program for the North Orange County area. OCWD seeks to evaluate opportunities to engage in or contribute to these efforts to enhance water supply reliability, improve water quality, and generate financial returns. This study will assess the feasibility of OCWD's participation in stormwater credit banking by exploring three strategic models: partnering with the City of Anaheim, collaborating with the County of Orange, and establishing an independent OCWD stormwater credit banking program based on existing facilities. Specific goals for each are outlined below:

1) Partnering with the City of Anaheim's Existing Stormwater Credit Bank

- Evaluate opportunities to integrate with Anaheim's credit bank program.
- Assess potential water supply benefits.
- Evaluate governance structures, cost-sharing mechanisms, and projected benefits.
- Identify operational and regulatory challenges associated with participation.

2) Collaborating with North Orange County Entities to Develop a New Regional Stormwater Credit Bank

- Explore a regional approach involving both public and private sector partnerships.
- Assess potential water supply benefits.
- Evaluate governance structures, cost-sharing mechanisms, and projected benefits.
- Identify necessary interagency agreements.

3) Developing an Independent OCWD Stormwater Credit Bank

- Investigate the potential to generate and sell stormwater credits from improvement projects to existing OCWD-managed facilities.
- Establish credit bank boundaries and address any issues with intersecting boundaries with other regional banks.
- Assess the viability of monetizing credits as a funding source for future water projects.
- Determine operational and financial feasibility, including staffing and administrative needs.

The feasibility study will evaluate the costs and benefits of each stormwater credit banking model, estimate potential water yield, and assess whether OCWD's participation would provide greater value through direct water acquisition or as a credit-generating funding mechanism. Key areas of analysis will include the regulatory framework, market demand, financial implications, funding opportunities, governance and administration, legal risks, and the potential for public-private partnerships. The study will provide strategic recommendations for OCWD's engagement in stormwater banking, ensuring alignment with regional water management plans and OCWD's long-term water supply and sustainability goals.

1. SCOPE OF SERVICES

Task 1 - Regulatory Framework and Analysis

- Determine OCWD's legal authority to create or participate in a credit bank.
- Review local, state, and federal regulations, including Santa Ana Regional Water Board policies. Identify potential regulatory challenges, legal risks, and opportunities.
- Assess alignment with the California's Water Supply Strategy's goal to increase municipal stormwater capture for drinking water and groundwater recharge. Evaluate how an OCWD stormwater credit program could support and enhance this effort.
- Analyze the State Water Board's STORMS Initiative and the upcoming state-wide urban stormwater infiltration policy. Determine how this policy could increase municipal interest in partnering with an OCWD or other Orange County based stormwater credit program.
- The consultant will be required to engage with both the City of Anaheim and the County of Orange, which may involve joint meetings to review documents and gather input.
- Evaluate potential boundary and market conflicts with current or planned recharge and stormwater projects, including overlaps or inconsistencies with the proposed three credit banking models.

Deliverable: Report on regulatory framework, legal risks, and recommendations. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 30 pages.

Task 2 - Water Supply Analysis

- Estimate the portfolio of additional stormwater capture and water supply benefits for OCWD within each of the three banking models.
- Briefly evaluate the resilience and operational benefits of treating and reusing coastal municipal stormwater to:
 - provide an alternate supply to GWRS during maintenance or periods of low wastewater flows
 - diversion to Anaheim facilities
 - utilize for injection well integration to combat seawater intrusion.

Deliverable: Report on water supply potential. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 30 pages.

Task 3 – Market and Financial Analysis

- Assess credit generation potential and market demand of each banking model.
- OCWD model only: Develop a framework for selling credits generated from facility improvements. Determine who can purchase credits, time frames for how long credits would be available, and any other pertinent information.
- Credit generation potential projects of OCWD (drywells, improvements to current recharge basins, anything that would have water quality improvements per MS4, and infiltration groundwater).
- Evaluate the short and long-term financial implications for OCWD, including any initial investments or seed money needed to begin any of the three models.
- Identify potential revenue streams and financial risks, including market volatility.
- Assess any restrictions on credit-generating projects, including grant funding.

Deliverable: Cost-benefit analysis of each model with revenue projections. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 15 pages.

Task 4 – Governance and Operations

- Identify stakeholders, credit users, and partnership opportunities. Conduct outreach to credit users to assess willingness to participate in the program and purchase credits.
- Make recommendations for how OCWD can participate in the governance and administration of each of the three credit bank models. Include staffing, technology, and operational needs.
- Assess the potential of utilizing SARRCUP as an administrative body for credit water banking for the OCWD model only.

Deliverable: Governance and operational strategy report. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 15 pages.

Task 5 - Final Report and Recommendations

- Outline how each credit banking model would work. Provide a comparative analysis.
- Develop a phased implementation roadmap and funding strategy for implementation of each model.
- Estimate the total volume of water that could be captured and infiltrated through each model separately and the combined volume if all models were implemented through a phased approach.
- Evaluate how stormwater credit banking supports current OCWD sustainability adaptation goals and provide recommendations for future goals.
- Present findings and recommendations to OCWD leadership and stakeholders.

Deliverable: Final report including strategic recommendations, action plan, and phased volume estimates. Tasks 1 through 4 are to be included in the final report as the final Feasibility Study, which together should holistically evaluate the benefits, barriers, risks, and potential of each stormwater credit banking model. Ingenuity and creative problem-solving are encouraged. Graphics and visuals are encouraged. No page limit for final report.

Timeline of deliverables:

Timeline for completion is 1 year. Please provide a proposed schedule of deliverables. Include anticipated milestones and gate meetings for review. Each report should be submitted to OCWD in a phased approach. Comments will be addressed in a written response and incorporated into each report for subsequent reviews. The final version will be considered final only if OCWD's comments have been fully addressed and incorporated. Consultant is expected to be in regular contact with OCWD throughout the contract to review and discuss progress of deliverables.

Additional Information (Appendix? Unsure where to include)

1. Anaheim Stormwater Credit Banking Program

Anaheim's credit boundaries are separated into three watershed areas: the Santa Ana River Watershed, the Anaheim Bay Huntington Harbor Watershed, and the Coyote Creek Watershed. Credits can only be purchased within the same watershed they were generated. Currently, credits are only available for purchase by public projects. For more information, see links below.

City Website: [Stormwater Credits | Anaheim, CA - Official Website](#)

Fact Sheet: [Stormwater-fact-sheet-winter-2023-24](#)

Project Document: [Stormwater Credit Program](#)

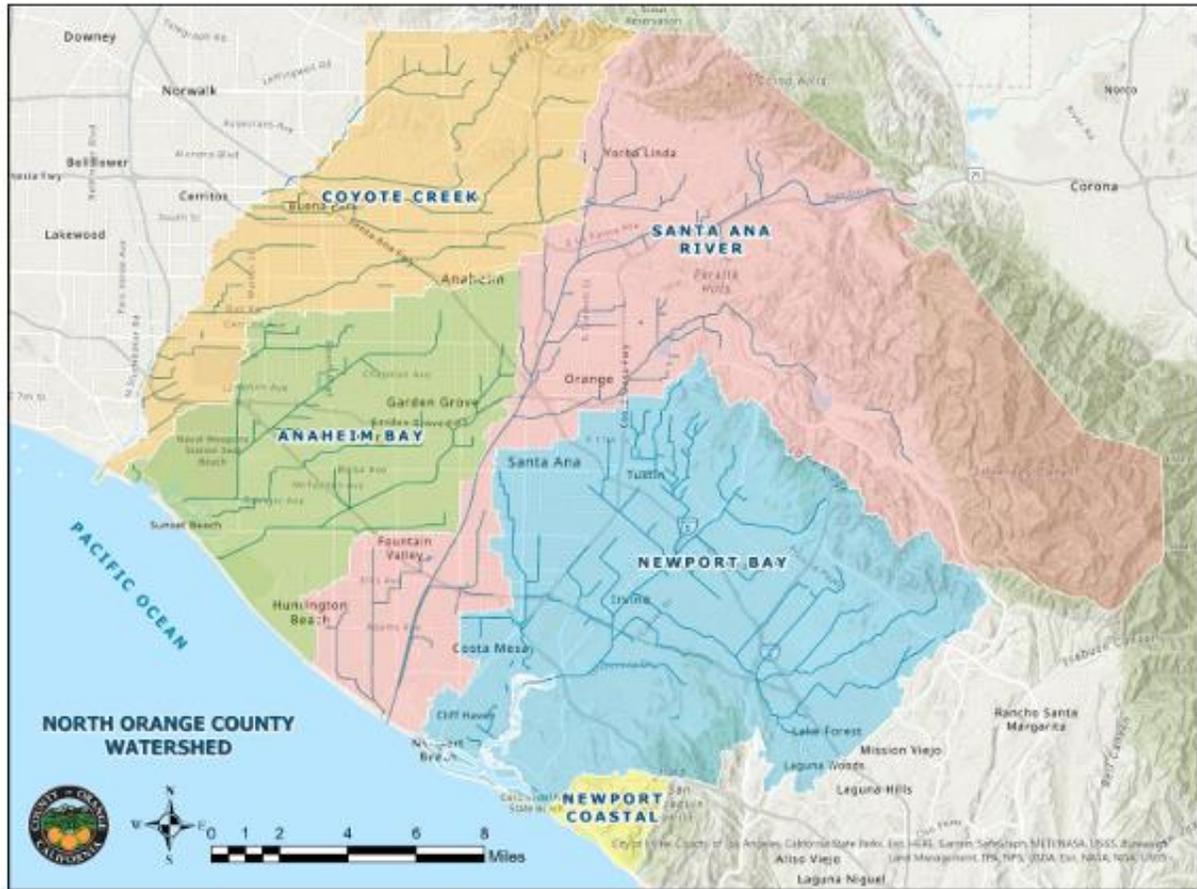


Any additional documents needed should be requested from Keith Linker Klinker@anaheim.net (not via public records act).

2. North Orange County Stormwater Credit Banking Program Development

The municipal Permittees under the Orange County Stormwater Program for North OC include: the County of Orange, the Orange County Flood Control District (OCFCD), and the cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Habra, La Palma, Laguna Hills, Laguna Woods, Lake Forest, Los Alamitos, Newport Beach, Orange, Placentia, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda (collectively Permittees). Lake Forest, Laguna Woods, and Laguna Hills are split jurisdictions, meaning that portions of those cities are also in the San Diego Water Board jurisdiction for South OC.

The map shows the following four principal watersheds (along with the smaller Newport Coast area). Please note that the size of the credit trading areas is still under discussion, so the watersheds depicted in the map may not be the final trading areas that would be ultimately approved by the Santa Ana Water Board.

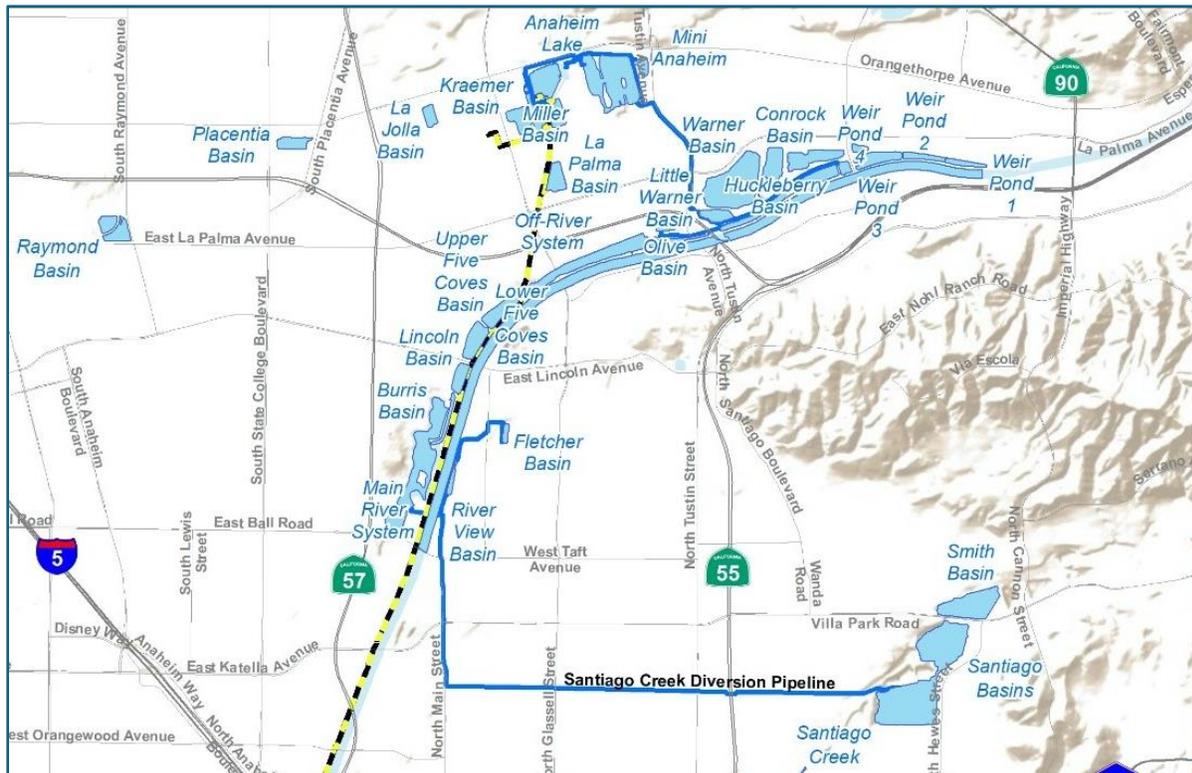


The plan for this conceptual program are still very much in a working document/drafts phase. Contact James Fortuna, James.Fortuna@ocpw.ocgov.com with questions or any document requests.

3. Orange County Water District

OCWD can only generate credits south of Prado Dam.

Map of OCWD Recharge Facilities



4. Specific Regulatory Documents for Review

MS4 Permit

Santa Ana Water Board Order No. R8-2009-0030

Santa Ana Water Board Order No. R8-2010-0062 (MS4 Permit)

[ORDER NO. R8-2009-0030 As amended by Order No. R8-2010-0062](#)

Section XII.C.2

Section XII.C.5

Section XII.E.3

Orange County Model Water Quality Management Plan (WQMP)

[Microsoft Word - 2011-05-19 Model WQMP.docx](#)

ORANGE COUNTY WATER DISTRICT

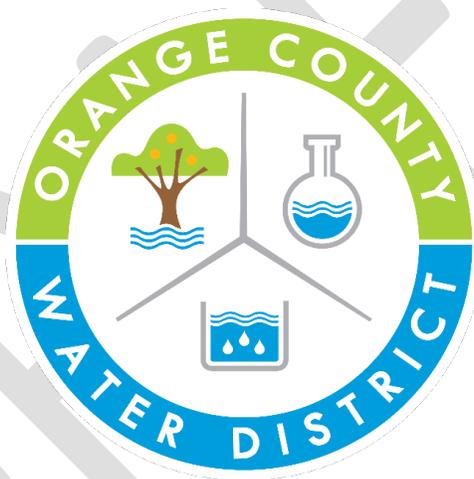
REQUEST FOR PROPOSALS

RFP-24-0017

FOR

STORMWATER CREDIT BANKING FEASIBILITY STUDY

ISSUED: APRIL 17, 2025



PROPOSALS DUE:

MAY 15, 2025 at 12:00 PM

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[Make sure to update Table of Contents, if any adjustments to sections were made]

List of Exhibits:

- Exhibit A: Scope of Services
- Exhibit A-1: Location Map and Photographs of Existing Site
- Exhibit A-2: Existing Record Drawing
- Exhibit B: Evaluation Criteria
- Exhibit C: Services Agreement

List of Attachments:

- Attachment No.1: RFP Submittal Checklist

[Adjust Exhibit Titles accordingly]

[List any additional Figures, Tables, Attachments, or Reference Documents here]

The Orange County Water District (“OCWD” or District) is seeking proposals from qualified and experienced firms to **conduct a multi-scale (or spatial) feasibility study on stormwater credit banking. The study will assess the benefits and viability of OCWD’s participation in stormwater credit banking through existing partnerships, new regional collaborations, and independent credit generation initiatives.** OCWD intends to evaluate the proposals received and enter into a **one-year (General/Professional) Services Agreement (“Agreement”)** with the qualified firm. The work is expected to commence on **July 1st, 2025**. This Agreement will be for a minimum term of **1 year for the period July 1st, 2025 to July 1st, 2026**. The Agreement will be monitored closely for acceptable services rendered throughout the Agreement term. OCWD will have the option to terminate the contract in whole or in part during the Agreement term, for any reason or no reason, without penalty, upon notice. The proposer will not be entitled to lost profits or any other compensation not earned prior to the time of termination.

This Request for Proposal (“RFP”) describes the required scope of services, the information that must be included in the proposal, and the proposal selection process. Proposers are encouraged to carefully review this RFP in its entirety prior to submitting their proposals. Failure to submit information in accordance with these requirements and procedures may be cause for disqualification.

1. INTRODUCTION

– this is a mandatory section and should not be altered

The OCWD is an internationally recognized leader in the water industry that was formed in 1933 by the California State Legislature which entrusted OCWD to guard and protect the region’s groundwater basin and limited water supply. OCWD’s mission is to provide a reliable supply of high-quality water that is sourced in an environmentally responsible manner to the more than 2.5 million residents and businesses within the 270 square mile service area of Orange County, California that OCWD serves. OCWD manages three of Southern California’s greatest water supplies, this includes protecting rights to the Santa Ana River, managing and replenishing the Orange County Groundwater Basin, and operating and maintaining the Groundwater Replenishment System (GWRS), the world’s largest advanced water purification system for potable water reuse. More information regarding the OCWD can be found at www.ocwd.com.

2. SOLICITATION SCHEDULE

The solicitation schedule is summarized in the table below. OCWD reserves the right to modify the schedule below at its discretion. Proper notification changes will be made to interested proposers.

RFP Issued	APRIL 17, 2025
Pre-Proposal Meeting (optional)	APRIL 29, 2025 at 9:00 AM
Questions Due Date	MAY 5, 2025 at 10:00 AM
Proposals Due	MAY 15, 2025 at 12:00 PM
Agreement Award Date:	JUNE 18, 2025

2.1. PRE-PROPOSAL MEETING

The **optional** pre-proposal meeting will be held on **APRIL 29, 2025 at 9:00 AM, in person at OCWD; 18700 Ward Street, Fountain Valley, CA 92708**. Firms interested in submitting proposals are **not?** required to attend the pre-proposal meeting.

There will be no mandatory pre-proposal meeting.

2.2. QUESTIONS CONCERNING REQUEST FOR PROPOSALS

All questions regarding the RFP must be submitted in writing before the deadline due date of **MAY 5, 2025 at 10:00 AM**. All questions must be titled “**Question – RFP-24-0017 STORMWATER CREDIT BANKING FEASIBILITY STUDY**”. Responses to questions received from prospective proposers will be formally documented in a Question and Answer (Q&A) table that will be posted on the OCWD website: <https://www.ocwd.com/working-with-us/rfp-contracts/>. The Q&A table will be updated regularly as questions are received from prospective proposers. Questions received after the questions due date will not be considered.

Attention: Ashlie Valencia, Contracts Administrator
Email: procurement@ocwd.com

2.3. DEADLINE FOR PROPOSALS

Three (3) hard copies and one (1) electronic flash drive copy of the proposal must be received in a sealed envelope by OCWD no later than **MAY 15, 2025 at 12:00 PM** or such later time that OCWD may announce by an addendum at any time prior to the proposal deadline. The envelope shall be plainly marked on the exterior “Proposal for **RFP-24-0017 STORMWATER CREDIT BANKING FEASIBILITY STUDY**” and with the name, company name, and address of the proposer.

Proposals must be mailed or delivered in person or via courier services at the District office listed below. To deliver submittal packages in person or via courier, please notify the guard at the main gate for proposal drop off. Sealed envelopes will be timestamped upon receipt at the receptionist desk.

Orange County Water District
Administration Office Building
Attention: Ashlie Valencia, Contracts Administrator
Address: 18700 Ward Street
Fountain Valley, CA 92708

It is the Proposer’s responsibility to ensure that proposals are received prior to the submittal deadline. Proposal packages should also include all signed Acknowledgment of Addendum forms that may be issued by OCWD as part of this RFP process, as further described below. Proposals received after the deadline will not be considered under any

circumstances. FAXED OR E-MAILED SUBMISSIONS WILL NOT BE ACCEPTED. The OCWD will not be responsible for the proper identification and handling of any proposals submitted incorrectly. Only responses properly submitted to OCWD will be considered. OCWD reserves the right to reject any and/or all responses received. There will be no formal opening of the proposals.

2.4. PRE-SUBMITTAL ACTIVITIES

The District reserves the right to revise the RFP prior to the date the Proposals are due. Addendums to the RFP shall be posted on the OCWD website: <https://www.ocwd.com/working-with-us/rfp-contracts/> for all interested Proposers. The District reserves the right to extend the date by which the Proposals are due.

3. PROJECT BACKGROUND AND DESCRIPTION

The Orange County Water District (OCWD) is seeking proposals from qualified consultants to conduct a comprehensive feasibility study for a stormwater credit banking program. The study will evaluate the benefits and viability of OCWD's participation in stormwater credit banking through existing partnerships, new regional collaborations, and/or independent credit generation initiatives.

Stormwater credit banking is an emerging strategy designed to optimize municipal stormwater potential by generating both financial and water quality benefits. OCWD intends to leverage stormwater credit banking as a method to enhance its water portfolio and secure funding for multi-benefit projects that support long-term water supply resiliency. By collaborating on municipal stormwater projects, OCWD aims to maximize regional infiltration benefits for both water quality improvement and water supply augmentation, particularly in response to declining Santa Ana River base flows and increased sedimentation.

The City of Anaheim recently established the first approved stormwater credit banking program in Orange County and is currently in the initial phase of implementation. The County of Orange is also in the process of developing a similar program for the North Orange County area. OCWD seeks to evaluate opportunities to engage in or contribute to these efforts to enhance water supply reliability, improve water quality, and generate financial returns. This study will assess the feasibility of OCWD's participation in stormwater credit banking by exploring three strategic models: partnering with the City of Anaheim, collaborating with the County of Orange, and establishing an independent OCWD stormwater credit banking program based on existing facilities. Specific goals for each are outlined below:

1) Partnering with the City of Anaheim's Existing Stormwater Credit Bank

- Evaluate opportunities to integrate with Anaheim's credit bank program.
- Assess potential water supply benefits.
- Evaluate governance structures, cost-sharing mechanisms, and projected benefits.
- Identify operational and regulatory challenges associated with participation.

2) **Collaborating with North Orange County Entities to Develop a New Regional Stormwater Credit Bank**

- Explore a regional approach involving both public and private sector partnerships.
- Assess potential water supply benefits.
- Evaluate governance structures, cost-sharing mechanisms, and projected benefits.
- Identify necessary interagency agreements.

3) **Developing an Independent OCWD Stormwater Credit Bank**

- Investigate the potential to generate and sell stormwater credits from improvement projects to existing OCWD-managed facilities.
- Establish credit bank boundaries and address any issues with intersecting boundaries with other regional banks.
- Assess the viability of monetizing credits as a funding source for future water projects.
- Determine operational and financial feasibility, including staffing and administrative needs.

The feasibility study will evaluate the costs and benefits of each stormwater credit banking model, estimate potential water yield, and assess whether OCWD's participation would provide greater value through direct water acquisition or as a credit-generating funding mechanism. Key areas of analysis will include the regulatory framework, market demand, financial implications, funding opportunities, governance and administration, legal risks, and the potential for public-private partnerships. The study will provide strategic recommendations for OCWD's engagement in stormwater banking, ensuring alignment with regional water management plans and OCWD's long-term water supply and sustainability goals.

1. SCOPE OF SERVICES

Task 1 - Regulatory Framework and Analysis

- Determine OCWD's legal authority to create or participate in a credit bank.
- Review local, state, and federal regulations, including Santa Ana Regional Water Board policies. Identify potential regulatory challenges, legal risks, and opportunities.
- Assess alignment with Governor Newsom's plan to reuse municipal stormwater for drinking water and groundwater recharge. Evaluate how an OCWD stormwater credit program could support and enhance this effort.
- Analyze the State Water Board's STORMS Initiative and the upcoming state-wide urban stormwater infiltration policy. Determine how this policy could increase municipal interest in partnering with an OCWD or other Orange County based stormwater credit program.
- The consultant will be required to engage with both the City of Anaheim and the County of Orange, which may involve joint meetings to review documents and gather input.
- Evaluate potential boundary and market conflicts with current or planned recharge and stormwater projects, including overlaps or inconsistencies with the proposed three credit banking models.

Deliverable: Report on regulatory framework, legal risks, and recommendations. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 30 pages.

Task 2 - Water Supply Analysis

- Estimate the portfolio of additional stormwater capture and water supply benefits for OCWD within each of the three banking models.
- Briefly evaluate the resilience and operational benefits of treating and reusing coastal municipal stormwater to:
 - provide an alternate supply to GWRS during maintenance or periods of low wastewater flows
 - diversion to Anaheim facilities
 - utilize for injection well integration to combat seawater intrusion.

Deliverable: Report on water supply potential. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 30 pages.

Task 3 – Market and Financial Analysis

- Assess credit generation potential and market demand of each banking model.
- OCWD model only: Develop a framework for selling credits generated from facility improvements. Determine who can purchase credits, time frames for how long credits would be available, and any other pertinent information.

- Credit generation potential projects of OCWD (drywells, improvements to current recharge basins, anything that would have water quality improvements per MS4, and infiltration groundwater).
- Evaluate the short and long-term financial implications for OCWD, including any initial investments or seed money needed to begin any of the three models.
- Identify potential revenue streams and financial risks, including market volatility.
- Assess any restrictions on credit-generating projects, including grant funding.

Deliverable: Cost-benefit analysis of each model with revenue projections. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 30 pages.

Task 4 – Governance and Operations

- Identify stakeholders, credit users, and partnership opportunities. Conduct outreach to credit users to assess willingness to participate in the program and purchase credits.
- Make recommendations for how OCWD can participate in the governance and administration of each of the three credit bank models. Include staffing, technology, and operational needs.
- Assess the potential of utilizing SARRCUP as an administrative body for credit water banking for the OCWD model only.

Deliverable: Governance and operational strategy report. Use of graphs, diagrams, or other visual tools encouraged. Not to exceed 30 pages.

Task 5 - Final Report and Recommendations

- Outline how each credit banking model would work. Provide a comparative analysis.
- Develop a phased implementation roadmap and funding strategy for implementation of each model.
- Estimate the total volume of water that could be captured and infiltrated through each model separately and the combined volume if all models were implemented through a phased approach.
- Evaluate how stormwater credit banking supports current OCWD sustainability adaptation goals and provide recommendations for future goals.
- Present findings and recommendations to OCWD leadership and stakeholders.

Deliverable: Final report including strategic recommendations, action plan, and phased volume estimates. Tasks 1 through 4 are to be included in the final report as the final Feasibility Study, which together should holistically evaluate the benefits, barriers, risks, and potential of each stormwater credit banking model. Ingenuity and creative problem-solving are encouraged. Graphics and visuals are encouraged. No page limit for final report.

Timeline of deliverables:

Timeline for completion is 1 year. Please provide a proposed schedule of deliverables. Include anticipated milestones and gate meetings for review. Each report should be submitted to OCWD in a phased approach. Comments will be addressed in a written response and incorporated into each report for subsequent reviews. The final version will be considered final only if OCWD's comments have been fully addressed and incorporated. Consultant is expected to be in regular contact with OCWD throughout the contract to review and discuss progress of deliverables.

See **Exhibit A**.

(e.g. See **Exhibit A**, attached at the end of this RFP, for the scope of services and performance standards for tree trimming that are required for all the Anaheim, Orange, Villa Park, and Corona project locations. The selected firm will be responsible for completing various tree service task projects throughout the various project locations on an as-needed basis. Each project task will be initiated through a District approved work order authorization (**Exhibit F**.)

4. GENERAL INFORMATION

The District expects the selected firm to provide quality service in accordance with industry standards. The firm must demonstrate experience with the type of anticipated work and must have the ability to perform all services in a timely manner upon the request(s) from the District or the District's authorized representative. All work shall comply with the requirements of federal, state, and local laws, and District requirements. <PROVIDE DESCRIPTION OF WHAT IS REQUIRED OF PROPOSING FIRMS, qualifications. E.g.- the tree services firm must be reputable and capable of furnishing the required materials, equipment, machinery, supplies, tools, apparatus, incidentals, labor and supervision necessary to provide superior tree services for all OCWD facilities as defined in this RFP document.>

Acceptable performance standards include, but are not limited to, dependability, contractor safety, demonstrated experience with anticipated work with the ability to perform all anticipated services in a timely manner upon receipt of request, expertise on the <Provide description of services. E.g. maintenance of trees, tree removals, planting, and communication with District regarding tree conditions>.

4.1. MINIMUM QUALIFICATIONS

The selected firm is required to have at minimum the following qualifications:

- Demonstrated familiarity and experience with stormwater credit banking programs or studies within Southern California, especially with current programs in Region 8.
- Demonstrated familiarity and experience with Orange County's MS4 permit requirements, understanding of the upcoming changes in the proposed Regional

MS4 permit, as well as knowledge on the California State Water Boards upcoming urban infiltration policy.

[PROJECT MANAGER INSERT DESCRIPTION OR LIST OF QUALIFICATIONS]

5. ELEMENTS OF PROPOSAL

- all subparagraphs 6.1-6.12 are mandatory subsections and should not be altered, unless specified below, or absolutely necessary for fitting the specifics of the RFP

The hard copy proposal shall be submitted in one large sealed envelope, which shall include a two (2) part sealed proposal where each part shall be submitted in a separate sealed envelope. The electronic file shall include two separate PDF files, plainly marked with Part One and Part Two as listed below:

1. Part One: the first envelope, and PDF file, shall be plainly marked as Part One – Statement of Qualifications. The name and address of the Proposer shall be marked on the physical envelope.
2. Part Two: the second envelope, and separate PDF file, shall be plainly marked as Part Two – Price Proposal. The name and address of the Proposer shall be marked on the physical envelope.

To provide a degree of consistency in the review of the written proposals, firms are required to include the following content in their proposals. The information required below will be used to evaluate each proposal based on the evaluation criteria outlined in this RFP. Proposals may be deemed nonresponsive if they do not respond to all areas specified below.

Proposals shall be prepared simply and economically, providing a straightforward and concise description of how the proposal has satisfied all the requirements of this RFP. Emphasis shall be on completeness and clarity of content with sufficient detail to allow for accurate evaluation and comparative analysis. Excessive or irrelevant materials will not be favorably received.

Please include the following in your proposal:

6.1 Part 1 - Statement of Qualifications

The following subsections describe the contents required in Part One of the proposal. Part One of the proposal shall be of such scope and depth to sufficiently describe and demonstrate the Proposer's understanding of and approach to the project(s).

6.1.1 Title Page

The proposer should identify the RFP title, name and title of the firm's contact person, address, telephone number, fax number, email address, and date of proposal submission.

6.1.2 Cover letter

A principal of the firm authorized to commit the firm to the requirements of the RFP must sign the cover letter. The letter should identify a contact person (name, e-mail address, and phone number) for future communication during the selection process. And shall also discuss the Proposer's commitment to providing high quality services, describe the firm's understanding and approach to the services, and its ability to perform the requirements of this RFP. Include a brief background of the firm including history, types of services provided, number of employees, number of offices and locations with staff size and disciplines, and any other relevant information that may be useful in determining the firm's qualifications to provide the services described in this RFP.

6.1.3 Table of Contents

The table of contents should include a clear and complete identification by section and page number of the submitted materials.

6.1.4 Experience and record of past performance.

Provide a minimum of three (3) references from other municipal, city, or county governmental agencies for which the company has recently or is currently providing **Stormwater Credit Banking Analyses** that are equivalent or greater in scope as being required in this RFP. Indicate the scope of work, date, contract amount, and the name, email address, and telephone number of the client contact. Also provide a complete list of other public agencies in California utilizing your services over the past five (5) years. Ongoing projects currently being performed by the proposer also may be submitted for consideration. The District at its discretion may contact the references for additional information. Failure to provide accurate contact information may be cause for rejection of the proposal as being nonresponsive.

6.1.5 Project Team and Qualifications

Provide an organizational chart that describes the structure of the project team, including subconsultants. The project team description shall identify the following:

- (i) The Project Manager,
- (ii) The names of readily-available key personnel that will be deployed for each task and their contact information, and the primary office locations of each project team member,
- (iii) The role each team member will play in providing services under the Agreement, and
- (iv) A written assurance that the key individuals listed and identified will be performing the work and will not be substituted with other personnel or reassigned to another project without the District's prior approval. The proposal shall clearly identify who will lead the execution of assigned tasks and the respective personnel that will be assigned to them.

Provide a description of the experience, qualifications including required licenses and certifications, area of expertise or specialization, and availability (including current workload) of the project team members, including subconsultants/subcontractors, if any. Describe other project commitments by project team members and the anticipated level of involvement of each team member based on the abilities and expertise required for the type of work desired.

Provide the resumes of all members of the project team, including subconsultants/subcontractors, as an appendix. Each resume shall not exceed three (3) pages and shall include name and title, education, years with the company, licenses and certifications (issue and expiration dates), home office location, relevant experience within at least the last five (5) years, and other required qualifications discussed in this RFP.

The identified Project Manager will be OWCD's main point of contact for all assigned projects for the duration of the Agreement. The proposal shall include the Project Manager's contact information, including phone and e-mail address.

Once an Agreement has been executed, the Consultant must request approval from the District in advance of any new personnel being assigned to the project. The District reserves the right to reject or remove personnel performing services at any time for the duration of the Agreement.

6.1.6 Project Overview and Approach

Present a narrative overview of the Proposer's understanding of the RFP requirements and the overall approach and technical plan for accomplishing the work assignments. Also discuss at a minimum the following:

- Ability to successfully complete work assignments within the District's required time frame and, as necessary, on short notice,
- Approach to assignment of work within the firm and how team members will conduct tasks and prepare anticipated deliverables,
- Describe the Proposer's project management approach and communications protocol,
- Describe the Proposer's approach to quality assurance and control, as well as any performance guarantees,
- Technical approach to assigned tasks, such as deployment strategies (how the project will be implemented from mobilization to demobilization), and
- Identify current and reasonably foreseeable actual and possible constraints, problems, and/or issues that could hinder the execution of services under the contract, and suggest approaches to resolving or managing these constraints, problems, and/or issues.

6.1.7 Additional Services

Include any comments, suggestions, or additions the Proposer may have regarding the scope of work or any other aspects of the work that the Proposer feels would be helpful to OCWD in selecting a firm for the services described in the RFP. Identify the potential impact(s) or benefit(s) that these recommendations would have if accepted by OCWD. Tasks above the minimum to complete the work described herein shall be clearly identified as “optional” in the proposal.

6.1.8 Statement of Insurance Compliance

Proposer shall provide a statement that it will meet the insurance requirements that are listed in **Exhibit C**, attached to this RFP. OCWD will request the insurance forms and associated documentation when the Notice of Agreement award is made.

6.1.9 OCWD Standard Agreement

Proposers shall provide a statement that proposer accept the requirements specified in the following:

The proposed Agreement awardee shall request any changes to the OCWD template Agreement provided in **Exhibit C**, which OCWD will not ordinarily modify absent strong cause, within ten (10) calendar days of receipt of OCWD’s Notice of Intent to award letter. If there is no request for modification of template Agreement language within 10 days of award notification, the awardee must accept and digitally sign the Service Agreement as is with no exceptions and provide applicable Insurance Certificate(s) with required the endorsements within 10 calendar days of the Notice of Agreement award. Failure to abide by this limitation is a basis for OCWD to rescind the proposed award and award to a different vendor and could result in a vendor being excluded from future procurement opportunities.

6.1.10 Billing

Proposers shall provide a statement that it will meet the minimum requirements specified here. At a minimum, the invoice for services shall include the Purchase Order Number, Agreement Number, and the itemized summary of each authorized project task along with the names of persons, their job titles, the hours worked, and hourly billing rates. OCWD will provide reporting requirements to the selected firm, and the selected firm shall prepare invoices that comply with the requirements. Failure to satisfy the reporting requirements may result in rejection, payment delay, or short pay of the invoices submitted to OCWD for payment.

6.1.11 Conflict of Interest

Provide a statement that the proposer, individuals employed by the proposer, or firms employed by or associated with the proposer, do not have a conflict of interest with the Project. The proposer shall exercise reasonable efforts to prevent any actions or conditions that could result in a conflict of interest and shall include, but is not limited to,

establishing precautions to prevent its employees or agents from making, receiving, providing in, or offering gifts, entertainment, payments, loans, or other considerations which could be deemed to appear to influence individuals to act contrary to the best interest of the District. If a potential conflict of interest is identified in any form, the Proposer shall inform the District immediately. Proposers are subject to disqualification on the basis of a conflict of interest as determined by OCWD. By submitting a proposal you are stating you do not have a conflict of interest with the Project.

Consultants must disclose if they are consulting for other entities involved in similar credit generation initiatives in competitive boundary areas.

6.2 Part 2 - Price Proposal (Separate Sealed Envelope)

Part two of the proposal shall include a table showing the following information:

- Labor hour breakdowns by the project tasks and subtasks identified in Section 4.0 (including other subtasks as the Proposer sees fit) and associated personnel, including any subconsultants, as well as total hours. Names and titles/categories of individuals proposed to work on the project tasks/subtasks, including names of subconsultants/ subcontractors shall be indicated.
- Fully loaded hourly billing rates – All direct, capital, and reimbursable expenses, including but not limited to travel and transportation costs, meals, lodging, office equipment and supplies, administrative and communications fees, etc., must be built into the hourly rates. Therefore, the District shall not pay Consultant nor its subconsultants/ subcontractors for any direct or reimbursable expenses incurred for implementation of the scope of services described herein.
- The labor hours and fees for proposed optional tasks, if any, shall be presented in a separate table to differentiate from the baseline Scope of Work.

It is expected that the indicated hourly rates will remain in effect for the duration of the Agreement unless otherwise specified and approved by OCWD. The rate sheet shall include any other rates or fees, such as markups for subconsultants/subcontractors not identified as part of the project team, equipment markups, or other direct costs that may be incurred.

The proposal shall also include a description of the anticipated method of billing for services performed, with provisions for monthly billing that will include itemized accounting of hours of personnel, hourly rates, and percent completion for each task

identified. A project schedule shall be included with the invoice to track project costs on a resource loaded schedule.

6. PROPOSAL SUBMISSION REQUIREMENTS

6.1. Proposal Format

The proposal shall be limited to no more than 25 (adjust number of pages if necessary) single-pages in 8.5” width x 11” length size recycled or recyclable white bond paper, paginated, and bound. This does not include the title page, table of contents, cover letter, appendices, dividers, or résumés. Any oversized documents, such as charts or tables, must be folded to size and secured in the envelope.

All files shall be bookmarked and in a text searchable PDF format (i.e., not scanned images) compatible with Adobe Acrobat Version 8.0 (at a minimum). The main directory of the flash drive shall contain the entire proposal as two separate PDF files for Part One and Part Two. All sections of the PDF file shall be bookmarked.

6.2. Proposal Preparation Costs

This solicitation does not commit the District to award any work nor to pay any costs incurred from the preparation of proposals. Firms responding to this RFP will be solely responsible for all costs and expenses incurred during the selection process.

7. SELECTION PROCESS

- this is a mandatory section but should be altered to fit the specifics of the RFQ
The evaluation criteria listed are subject to modification by the project manager to fit the needs of the project.

Selection of the Consultant will be based on the proposal contents, prior experience of the firm, performance on similar or related projects, and overall costs that best serve the District. Other factors that may be considered during the evaluations include the firm’s reputation in the industry and any other aspects which could affect the proposer’s performance under the awarded Agreement.

All responsive proposals will be evaluated by a selection committee formed by the District. The proposal shall be of such scope and depth to sufficiently describe and demonstrate the proposer’s understanding, approach, and qualifications to successfully complete the scope of services described herein. Submittal of incomplete or vague responses to any section or subsection of this RFP may result in rejection of the proposal. Proposals will be evaluated, scored, and ranked based on the criteria specified in the table below. The evaluation criteria listed in the OCWD Proposal Evaluation Form (**Exhibit B**) will be used to evaluate each proposer.

Adjust evaluation criteria accordingly.

Item No.	Criteria for Proposal Evaluations	Maximum Points
1	Project Approach, Methodology, and Schedule	<25>
2	Experience and Qualifications of the Project Manager	<15>
3	Experience of Firm and Other Project Team Members	<15>
4	Time Commitment of Key Staff	<20>
5	Record of Success on Recent Similar Project	<10>
6	Man-Hour Estimate	<15>
TOTAL POINTS:		100

The District reserves the right to award the contract to the firm who presents the proposal, which in the judgment of the District, best accomplishes the desired results based upon this information, OCWD staff will recommend a firm to OCWD’s Board of Directors for award of the contract. The selected firm must be able to begin work immediately upon award of contract and must be able to maintain the required level of effort to meet the proposed schedule.

8. SPECIAL CONDITIONS

8.1. RESERVATIONS

This RFP does not commit the District to award a contract, to defray any costs incurred in the preparation of a Proposal pursuant to this RFP or to procure or contract for work.

8.2. PUBLIC RECORDS

All Proposals submitted in response to this RFP become the property of the District and are public records and as such may be subject to public review.

8.3. RIGHT TO CANCEL

The District reserves the right to cancel, for any or no reason, in part or in its entirety, this RFP including but not limited to: selection schedule, submittal date, and submittal requirements. If the District cancels or revises the RFP, the District will notify all the proposers in writing via email.

8.4. ADDITIONAL INFORMATION

The District reserves the right to request additional information and/or clarifications from any or all Proposers.

8.5. PUBLIC INFORMATION

Release of Public Information selection announcements, contract awards, and all data provided by the District shall be protected from public disclosure. Proposers desiring to release information to the public must receive prior written approval from the District.

8.6. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION REQUIREMENTS

The proposers shall provide a Statement of Equal Employment Opportunity/Affirmative Action. The selected consultant/contractor and each subconsultant/subcontractor shall not discriminate in the employment of persons on the work because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sexual preference or sex of such persons except as permitted by Section 12940 of the California Government Code. The selected contractor is expected to maintain policies similar to those of the District regarding equal employment opportunities and affirmative action as set forth in the District's Administrative Policies.

EXHIBITS

EXHIBIT A

SCOPE OF SERVICES

1. Anaheim Stormwater Credit Banking Program

Anaheim's credit boundaries are separated into three watershed areas: the Santa Ana River Watershed, the Anaheim Bay Huntington Harbor Watershed, and the Coyote Creek Watershed. Credits can only be purchased within the same watershed they were generated. Currently, credits are only available for purchase by public projects. For more information, see links below.

City Website: [Stormwater Credits | Anaheim, CA - Official Website](#)

Fact Sheet: [Stormwater-fact-sheet-winter-2023-24](#)

Project Document: [Stormwater Credit Program](#)

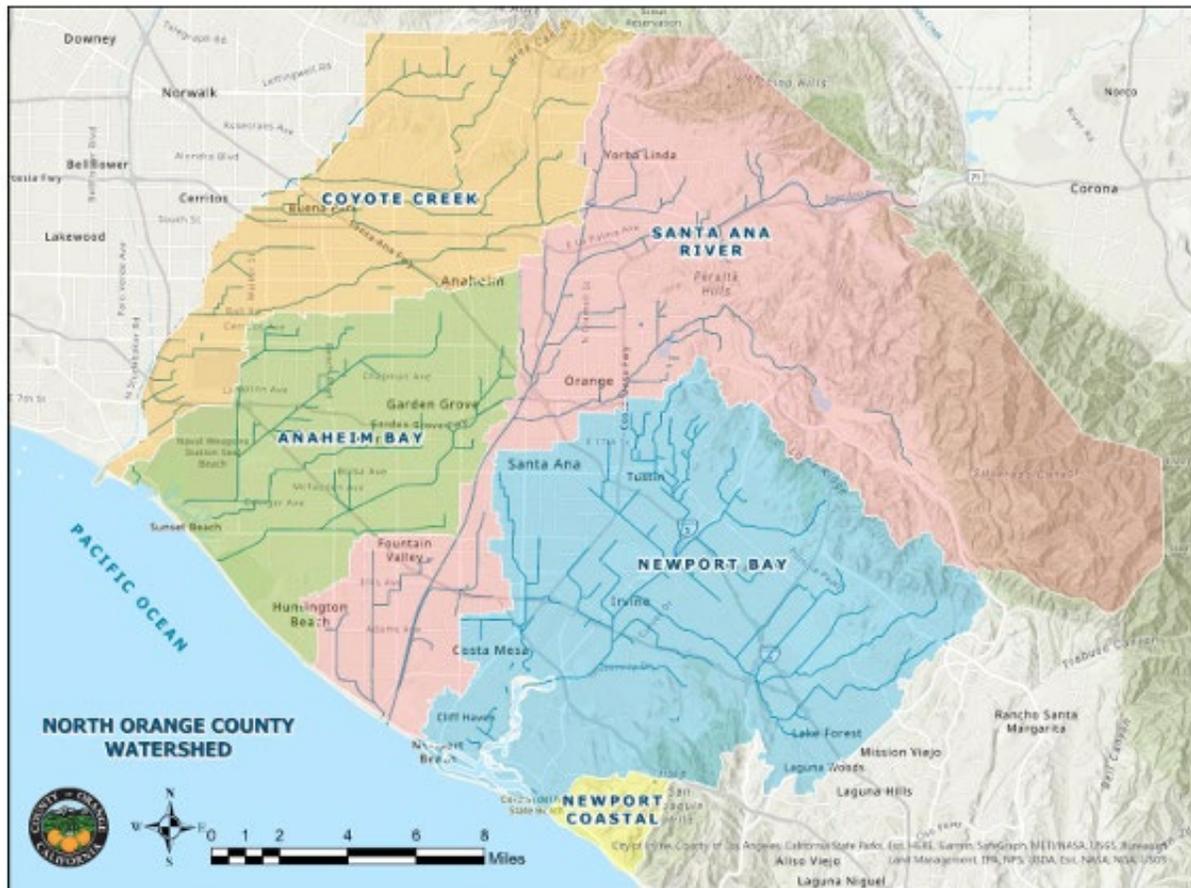


Any additional documents needed should be requested from Keith Linker Klinker@anaheim.net (not via public records act).

2. North Orange County Stormwater Credit Banking Program Development

The municipal Permittees under the Orange County Stormwater Program for North OC include: the County of Orange, the Orange County Flood Control District (OCFCD), and the cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Habra, La Palma, Laguna Hills, Laguna Woods, Lake Forest, Los Alamitos, Newport Beach, Orange, Placentia, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster, and Yorba Linda (collectively Permittees). Lake Forest, Laguna Woods, and Laguna Hills are split jurisdictions, meaning that portions of those cities are also in the San Diego Water Board jurisdiction for South OC.

The map shows the following four principal watersheds (along with the smaller Newport Coast area). Please note that the size of the credit trading areas is still under discussion, so the watersheds depicted in the map may not be the final trading areas that would be ultimately approved by the Santa Ana Water Board.

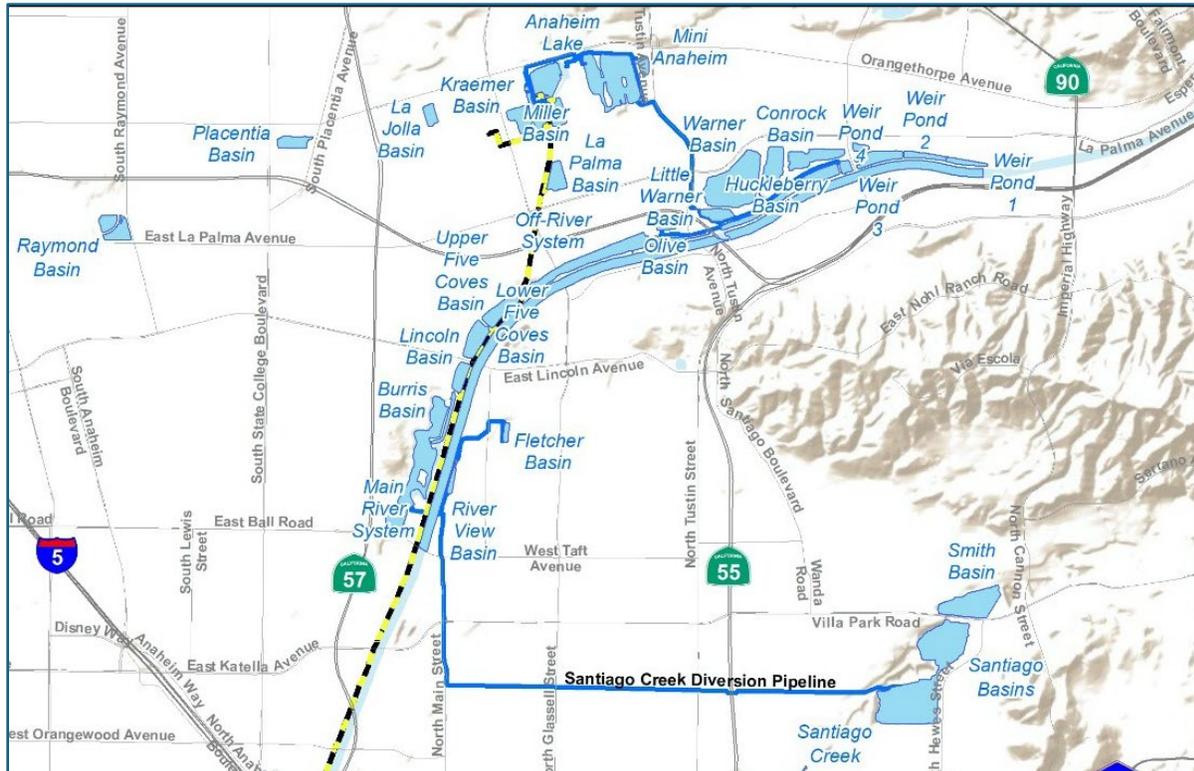


The plan for this conceptual program are still very much in a working document/drafts phase. Contact James Fortuna, James.Fortuna@ocpw.ocgov.com with questions or any document requests.

3. Orange County Water District

OCWD can only generate credits south of Prado Dam.

Map of OCWD Recharge Facilities



4. Specific Regulatory Documents for Review

MS4 Permit

Santa Ana Water Board Order No. R8-2009-0030

Santa Ana Water Board Order No. R8-2010-0062 (MS4 Permit)

[ORDER NO. R8-2009-0030 As amended by Order No. R8-2010-0062](#)

Section XII.C.2

Section XII.C.5

Section XII.E.3

Orange County Model Water Quality Management Plan (WQMP)

[Microsoft Word - 2011-05-19 Model WQMP.docx](#)

EXHIBIT B

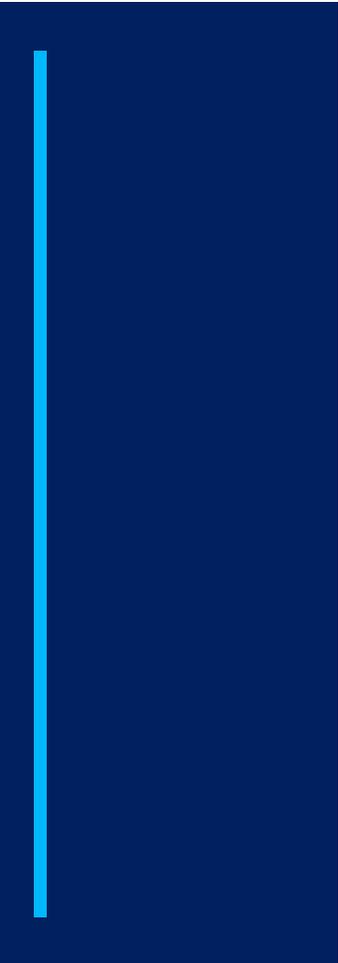
EVALUATION CRITERIA

EXHIBIT C

SERVICES AGREEMENT

ATTACHMENT NO.1

RFP SUBMITTAL CHECKLIST



City of Anaheim Stormwater Credit Program and Chantilly Storm Drain

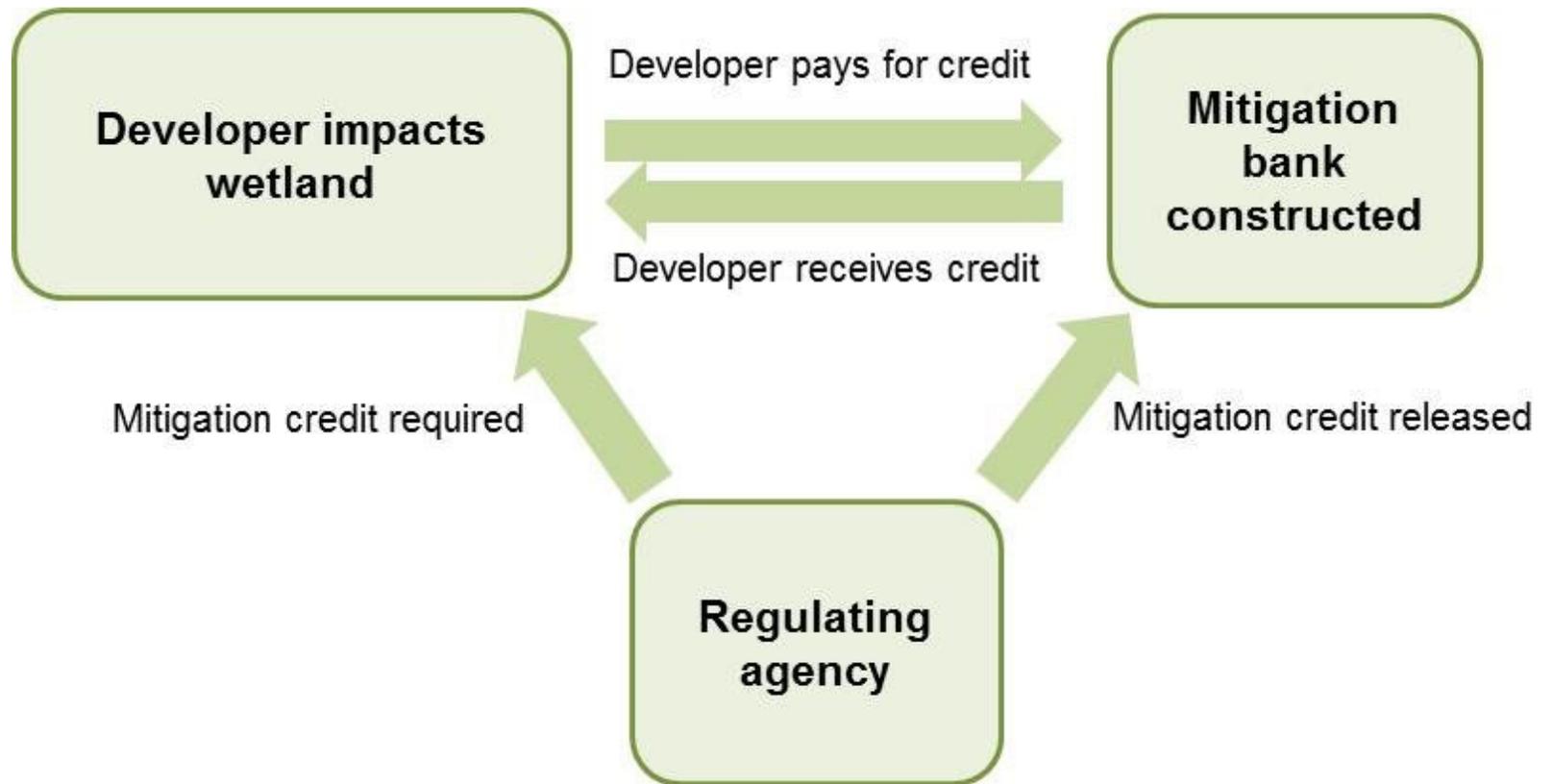
Keith Linker, PE, CPSWQ, QSD

City of Anaheim

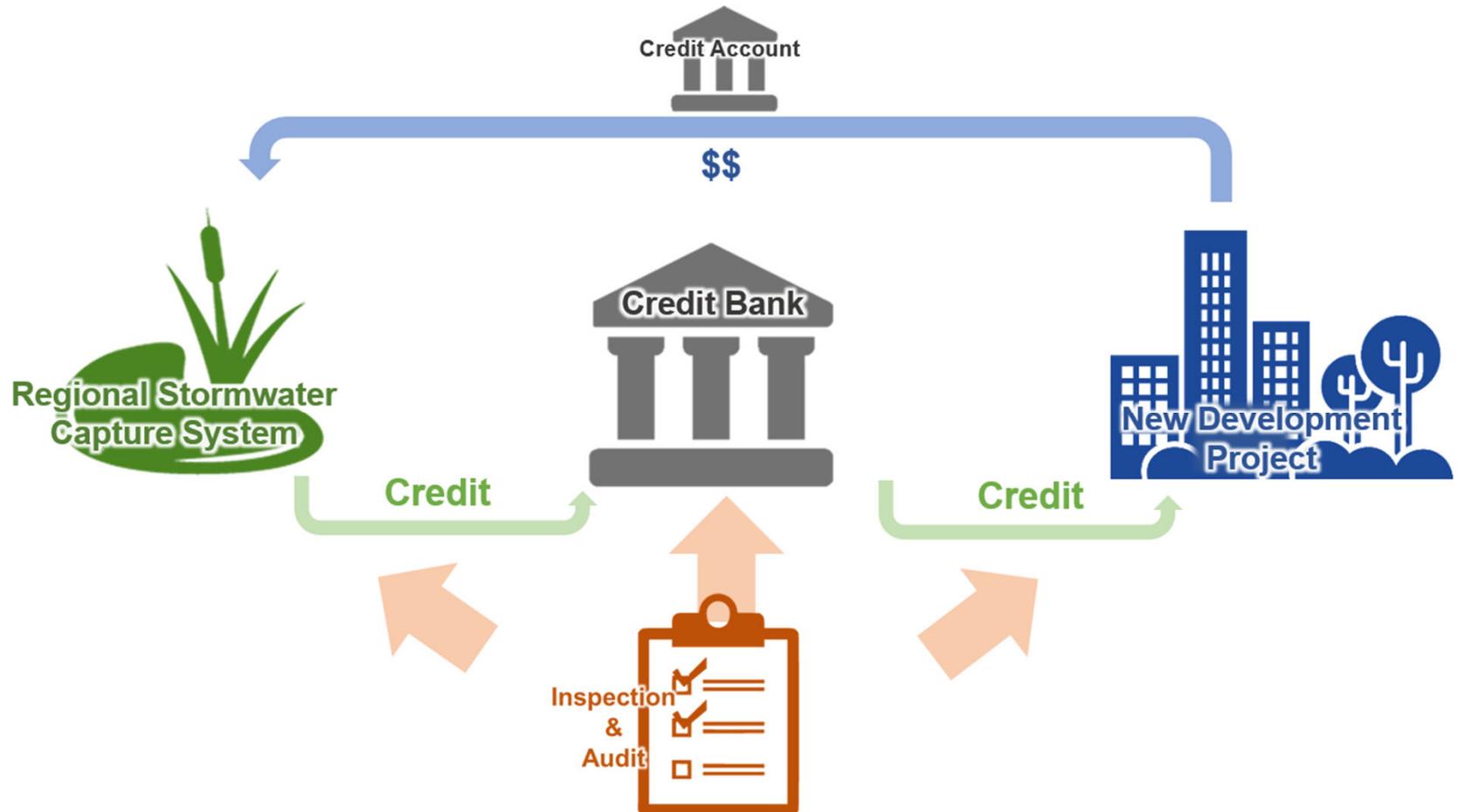


Anaheim.net

What is a Wetlands Mitigation Program?



What is a Stormwater Credit Program?



What is the Credit for? (not wetlands)

- MS4 NPDES (Stormwater) Permit: New Development Program
- Requires a Water Quality Management Plan (WQMP) (requires capture of stormwater & associated **pollutants**)
- Best Management Practices (BMPs) to capture and infiltrate



What problem is being solved?

- 1000s of BMPs throughout Anaheim
- Expensive to Design, Construct and Maintain; Subject to Code Enforcement



Why a Stormwater Credit Program?



X 100,000

Distributed Septic Systems to
POTWs



X 100,000

Backyard Incinerators to
Regional Landfills



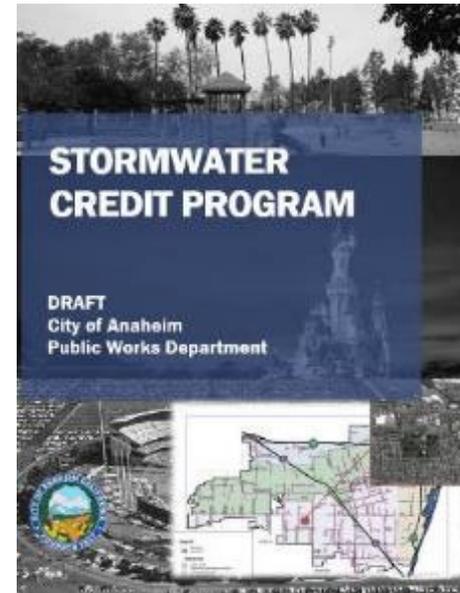
X 100,000

Distributed BMPs to
Regional Stormwater Retention Systems



Timeline

- 2017 – 2019: Internal Stakeholders Meetings, Review Input
- 2019 – 2021: External Outreach to Solicit Support
- July 2020 – Dec 2022: RWQCB Outreach, Meetings
- August 2022 – Presentation to RWQCB Board Members
- December 15, 2022 – Regional Board public posting period
- **April 3, 2023 - RWQCB Executive Officer Approval**
- June 27, 2023 – Anaheim City Council adopt Ordinance, Credit Price
- **June 27, 2023 – April 2024 – RWQCB Pilot Phase (1-year)**
- February 1, 2024 – Applications Accepted
- **April 4, 2024 – Credit available for Sale to Public**

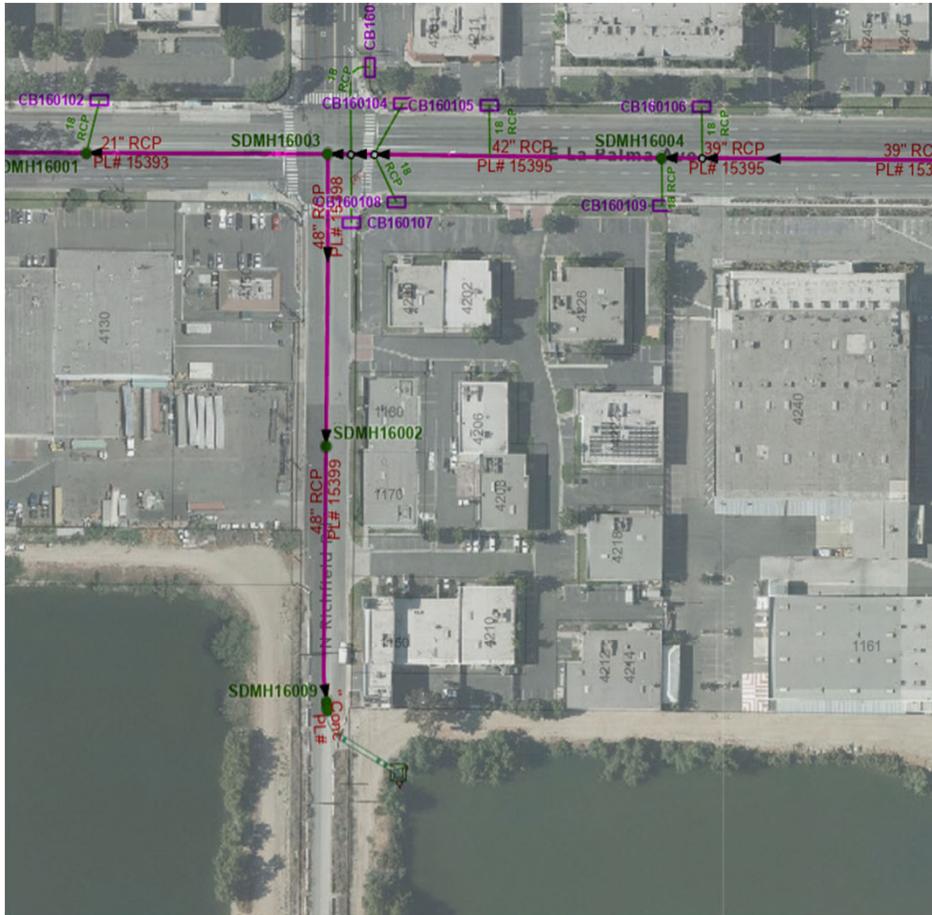


First Credit Generator: Modjeska Park

- 150 acre ft./yr. of recharge
- 5 times **LESS EXPENSIVE** than “onsite systems”



La Palma/Richfield Project



AG2-1174
ORIGINAL

LICENSE AGREEMENT

(City of Anaheim)
(Huckleberry Basin)

This License Agreement ("License") is made and entered into as of 28th day of October 2019 by and between the **ORANGE COUNTY WATER DISTRICT**, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended ("OCWD"), and **City of Anaheim, a municipal corporation and charter city**" ("Licensee").

PART I

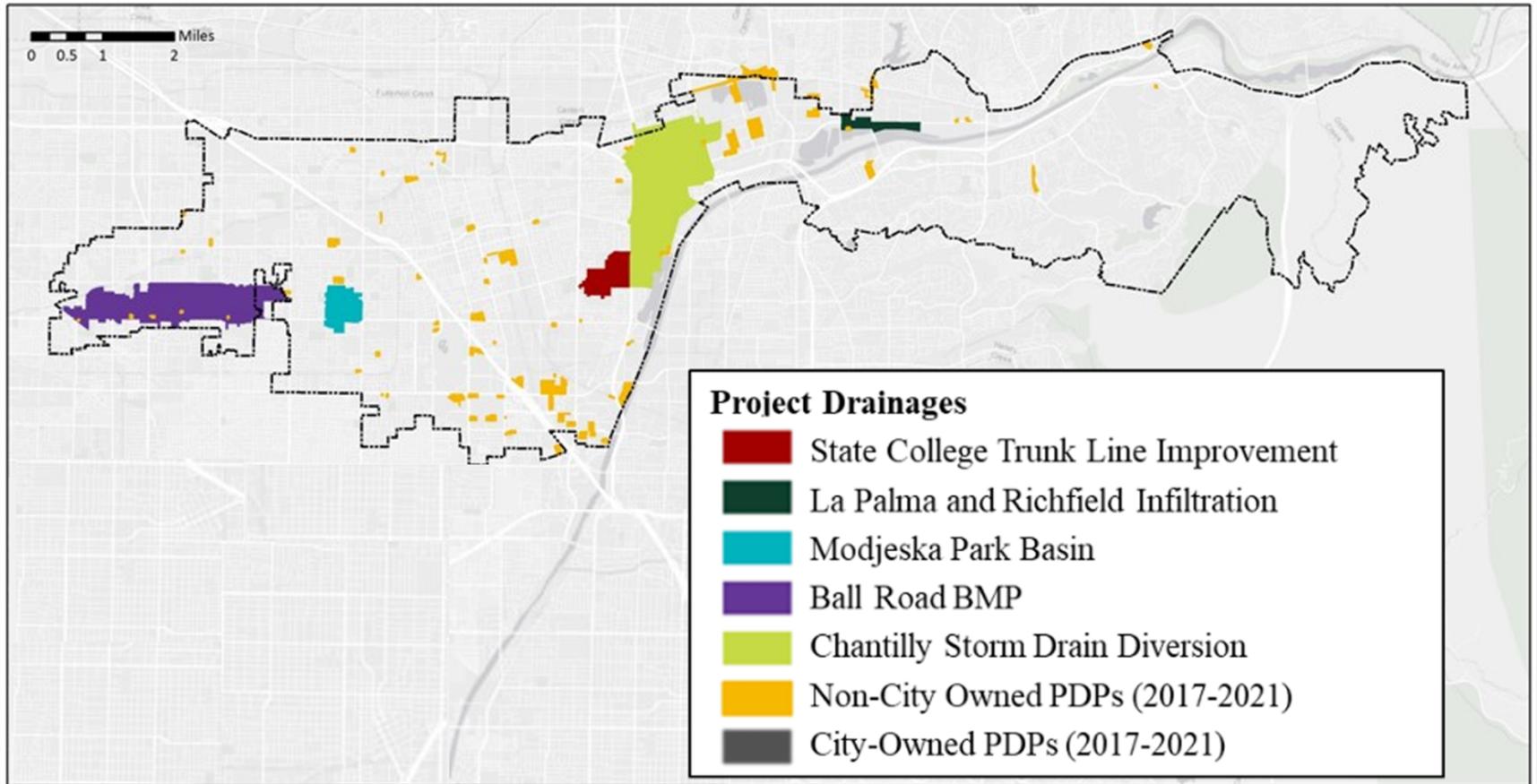
FUNDAMENTAL LICENSE TERMS

1.1 License: OCWD hereby issues to Licensee a License to enter upon the following real property owned by OCWD, for the purpose or activity specified in Paragraph 1.1.2:

1.1.1 Licensed Property: OCWD properties adjacent to Huckleberry Basin located at South Richfield Road in the City of Anaheim, California to include a Maintenance Licensed Area and a Temporary Construction Licensed Areas; and located at Fee Ana Street in the City of Anaheim, California to include a Maintenance Licensed Area and Temporary Construction Licensed Area, as depicted on the map included as Part IV attached hereto and incorporated herein by this reference (collectively, the "Premises").

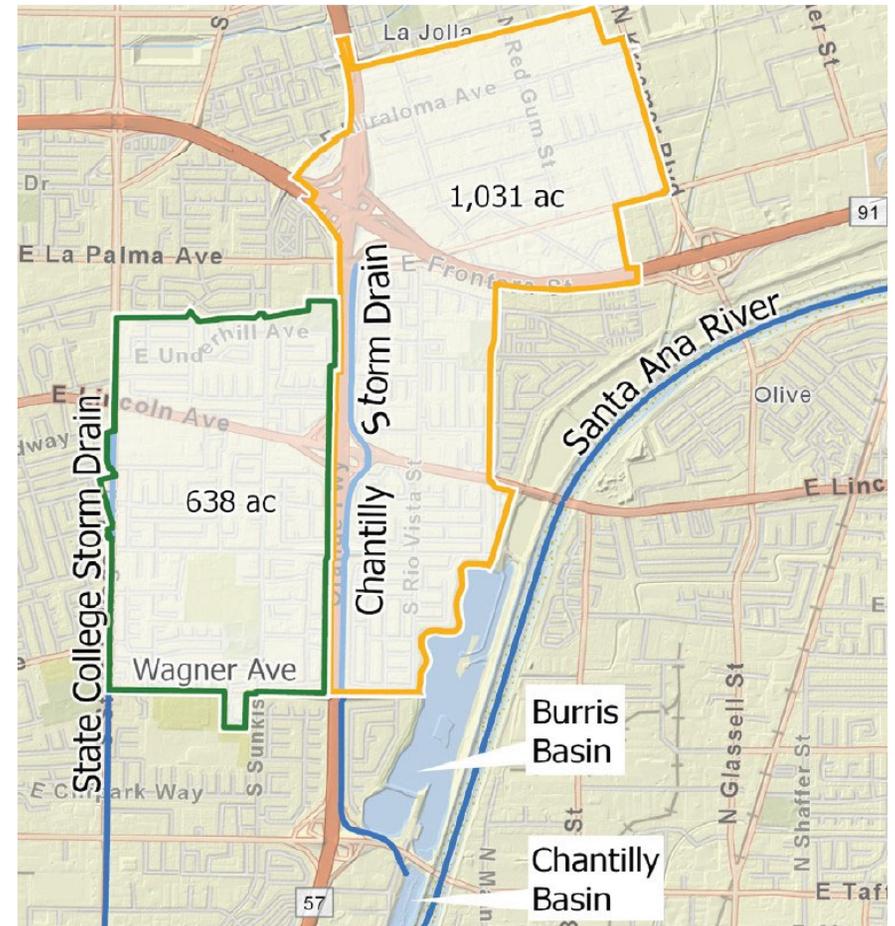


Existing and Anticipated Projects



Chantilly Storm Drain Project, what is it?

- Rerouting Storm Drain to OCWD Recharge Basins
- Capturing urban stormwater for recharge vs out to the Ocean
- Estimated 1000 acre ft./yr. of new inexpensive water



Chantilly Storm Drain Project



Questions....

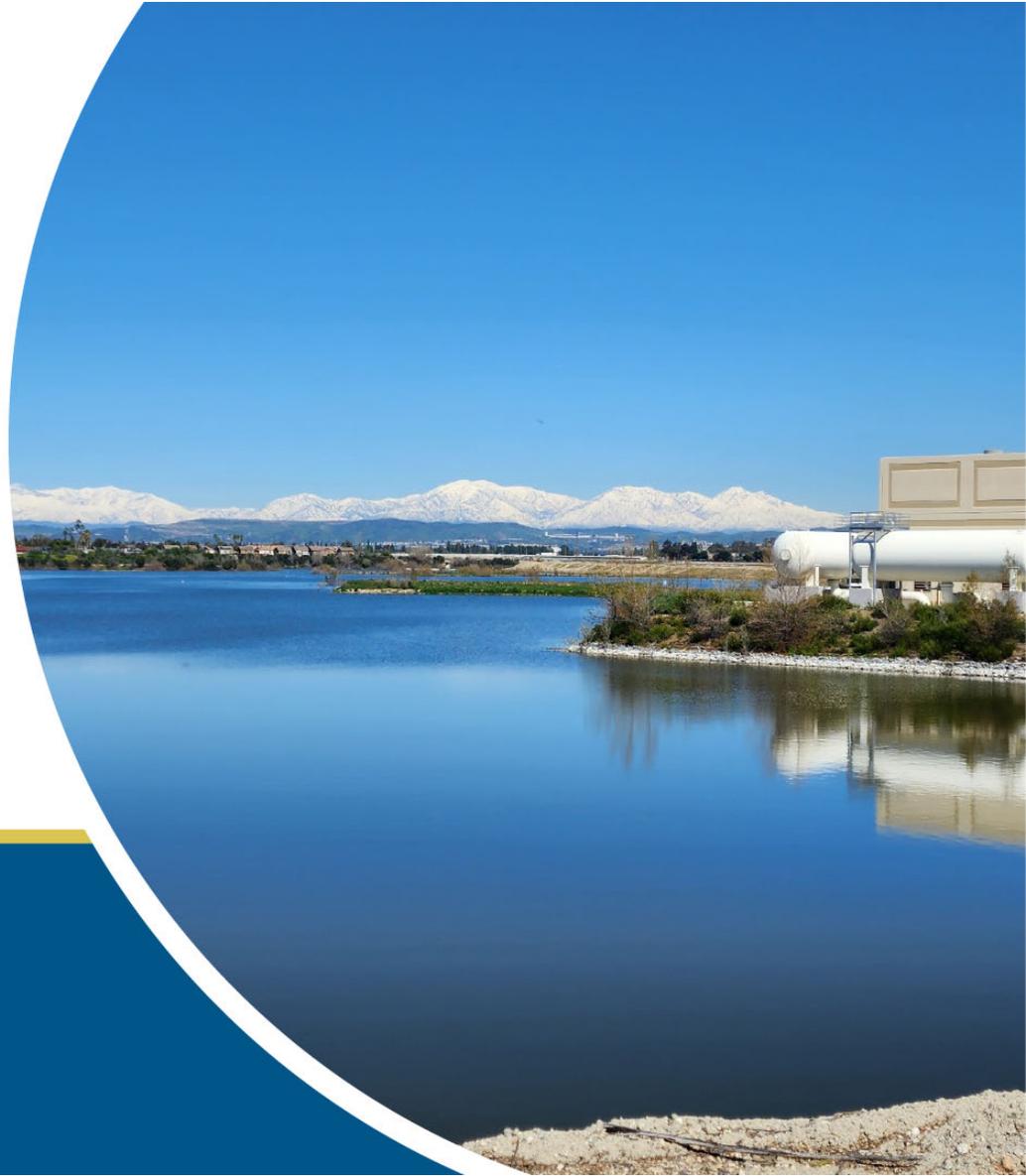


Anaheim.net

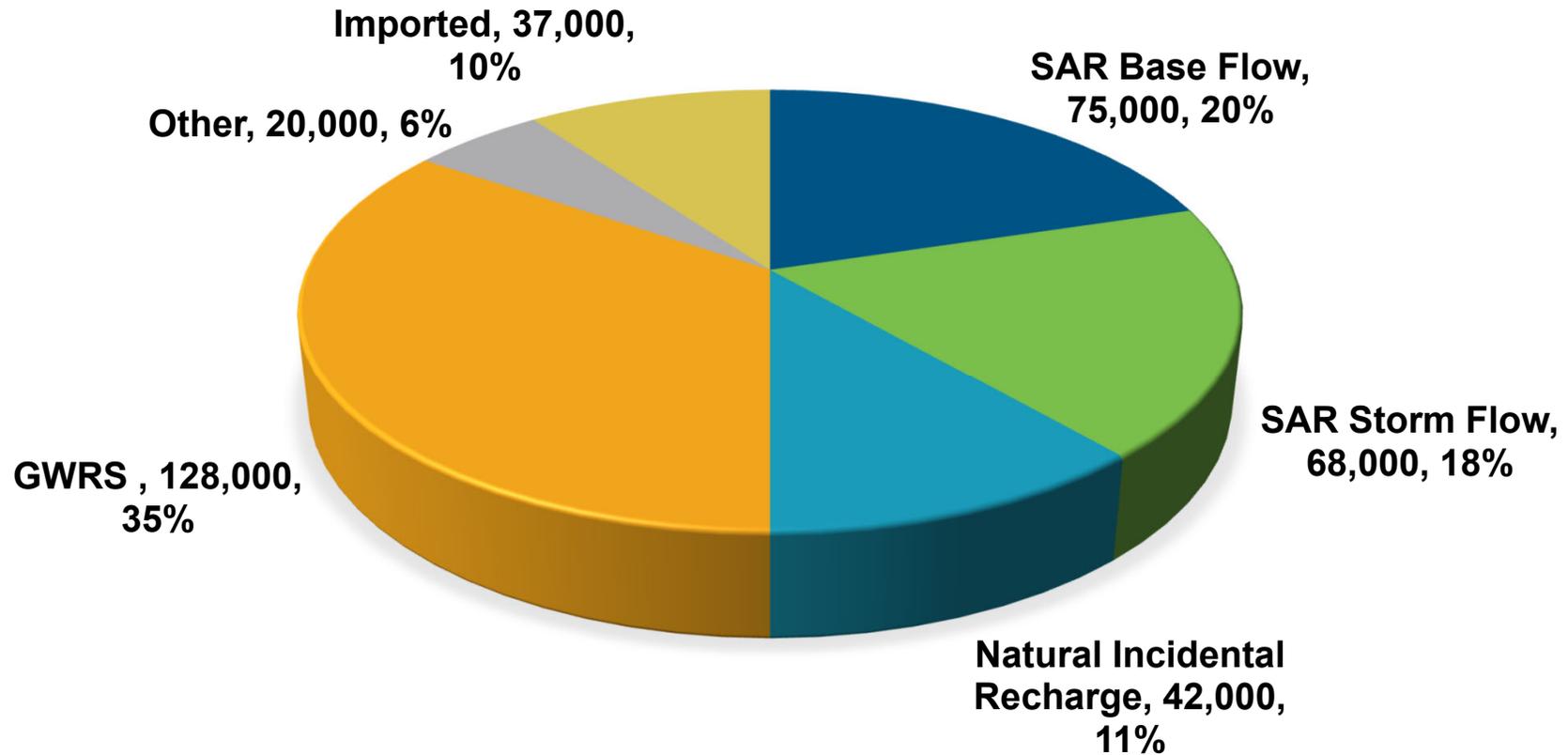


Stormwater Credit Banking Feasibility Study

Water Issues Committee
April 9, 2025

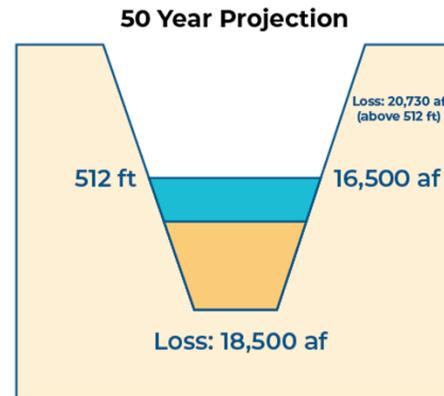
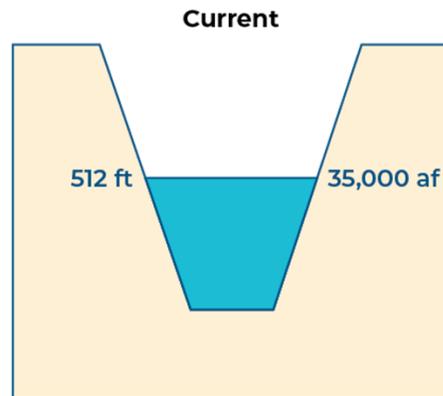


OCWD has a diverse water supply portfolio.

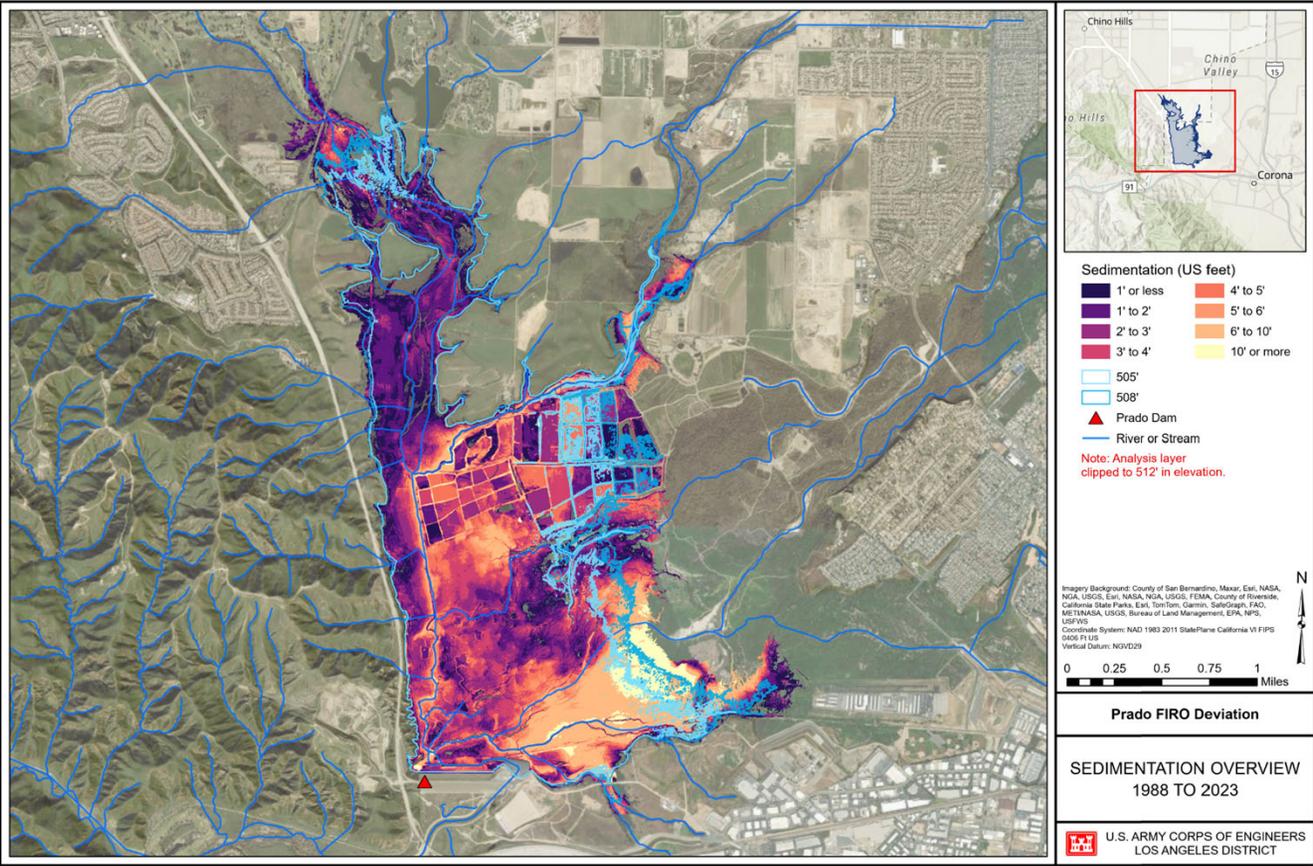


Stormwater recharge will increase in the short term with higher water conservation pools at Prado Dam but decline over time due to upstream projects and sedimentation.

- Water Conservation Pool at Prado Dam
 - Elevation 508 ft in 2025
 - Elevation 512 ft in 2030
- Impact of sedimentation grows over time



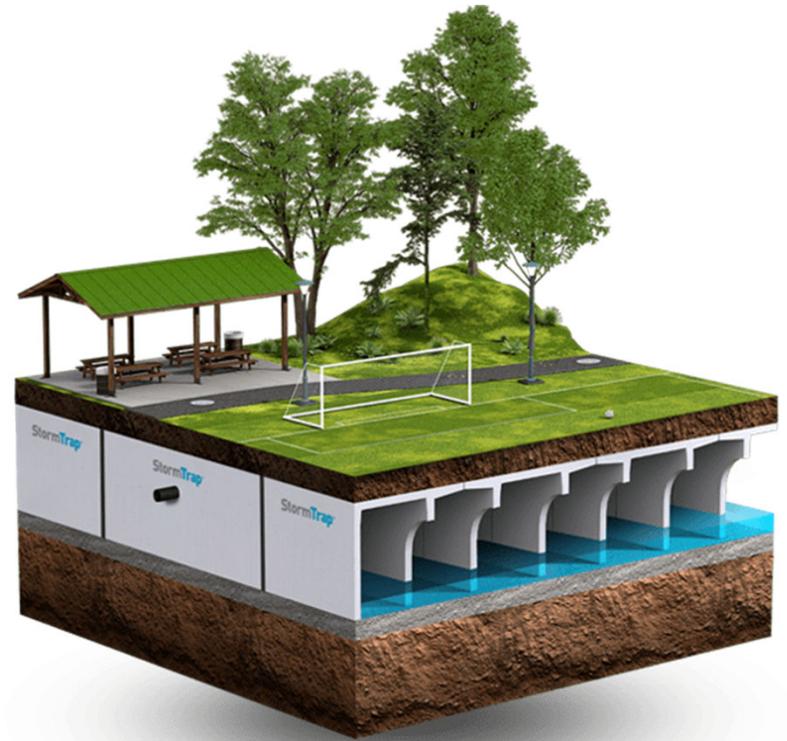
USACE Map: 1988-2021 Sedimentation



Date Exported: 10/3/2024 09:00

Stormwater (Urban Runoff) Project Opportunities

- Urban Runoff (dry and wet weather) is being lost to the ocean
- Natural partnership for OCWD and MS4 Permittees to participate in new stormwater infiltration project development
- OCWD needs to continue to coordinate on stormwater infiltration projects to ensure protection of Groundwater Water Quality



Understanding Key Stormwater Permits:



- Construction General Permit (CGP):**

Requires developers to implement Best Management Practices (BMPs) to prevent sediment, debris, and pollutants from leaving construction sites during storm events.



- Industrial General Permit (IGP):**Regulates stormwater discharges from industrial facilities; mandates pollution prevention plans, sampling, and BMPs to reduce contaminants entering waterways.



- Municipal Separate Storm Sewer System (MS4) Permit:**

Applies to cities, counties, and public agencies; requires stormwater programs that manage runoff through public education, inspections, and structural controls to protect water quality.

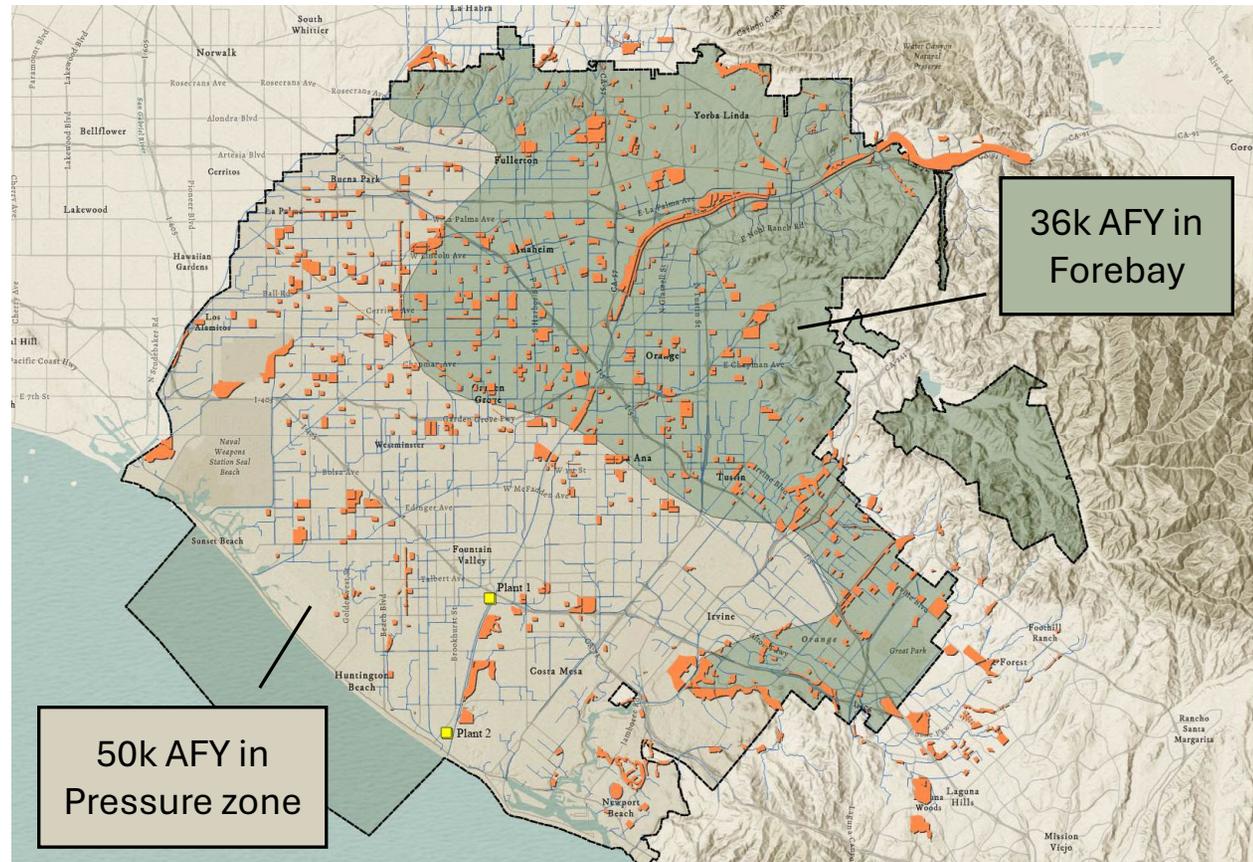
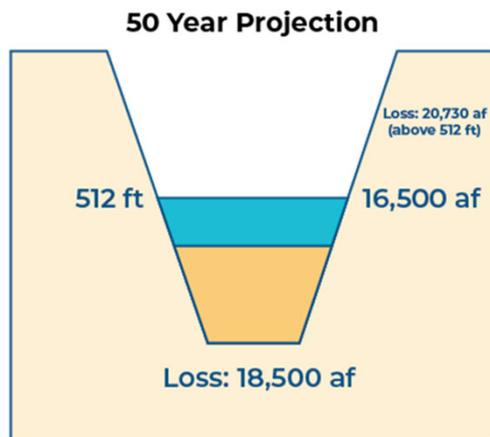


Stormwater Project Opportunities

~86K AFY of Urban Runoff available*

Examples of Surface Water Quality Improvement Project Types:

- Groundwater Infiltration
- Store, Treat, & Release
- Flow-through natural treatment systems
- others



Credit: WIPS Team, County of Orange
* from SWIMs Model

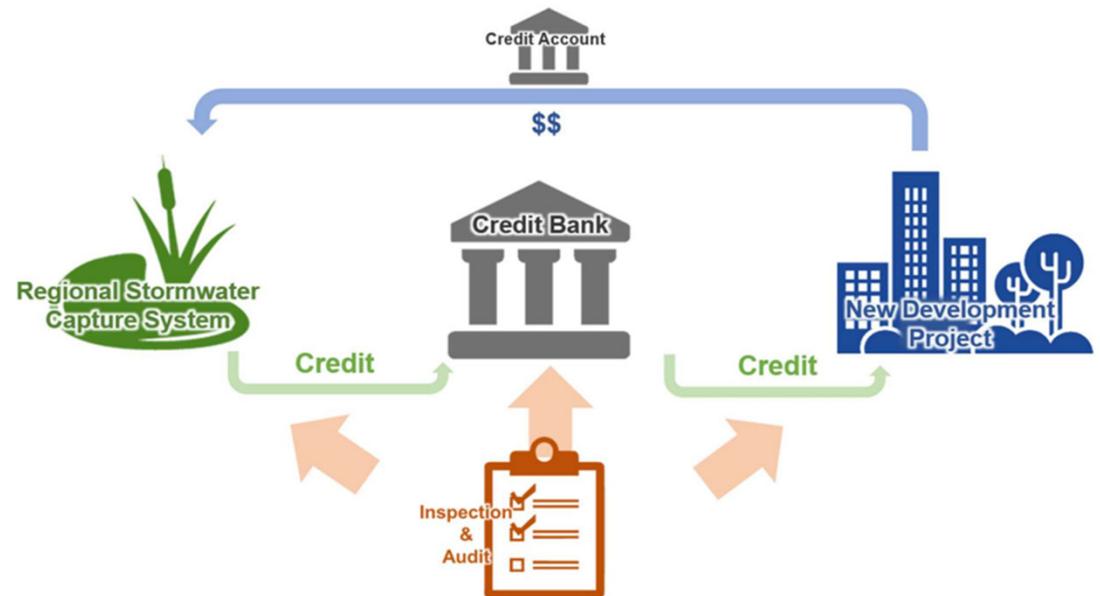
Stormwater Credit Banking

What is it?

- Strategy to optimize municipal stormwater infiltration by generating financial and water quality benefits.

OCWD's goal:

- Enhance OCWD's water portfolio and secure funding for multi-benefit water supply projects.

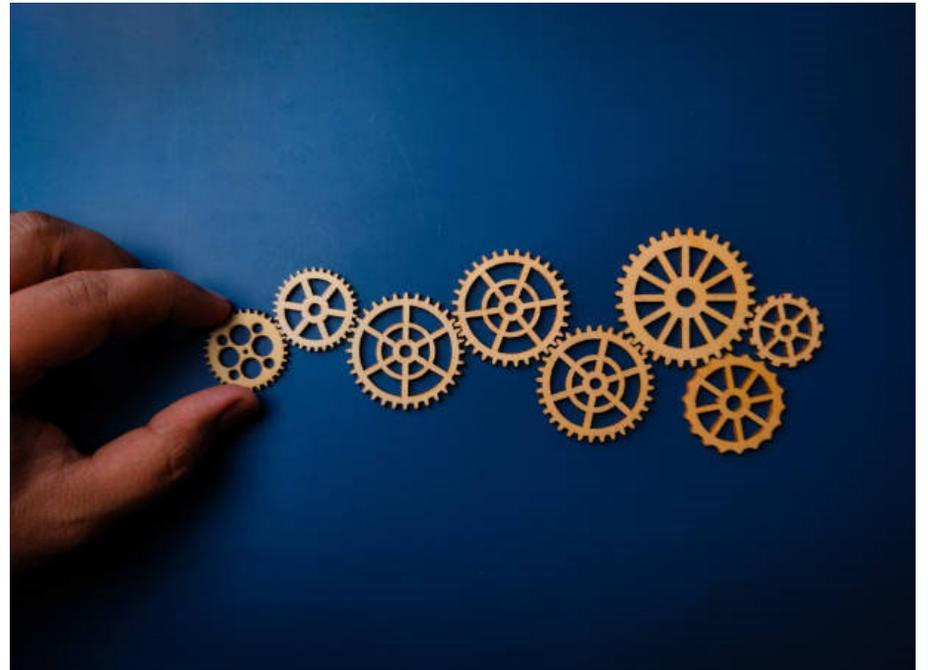


Credit: City of Anaheim Stormwater Credit Program

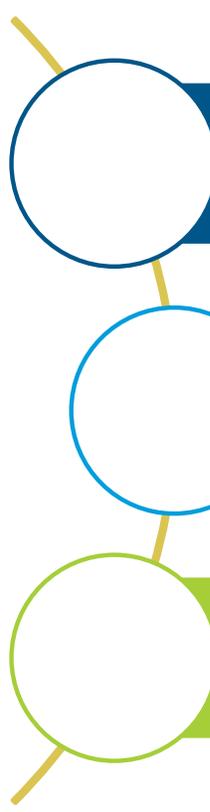
Stormwater Credit Banking Feasibility Study

Objectives:

- Evaluate the viability and benefits of OCWD's participation in stormwater credit banking.
- Explore partnerships, regional collaborations, and independent initiatives for credit generation.



Three Models for Evaluation



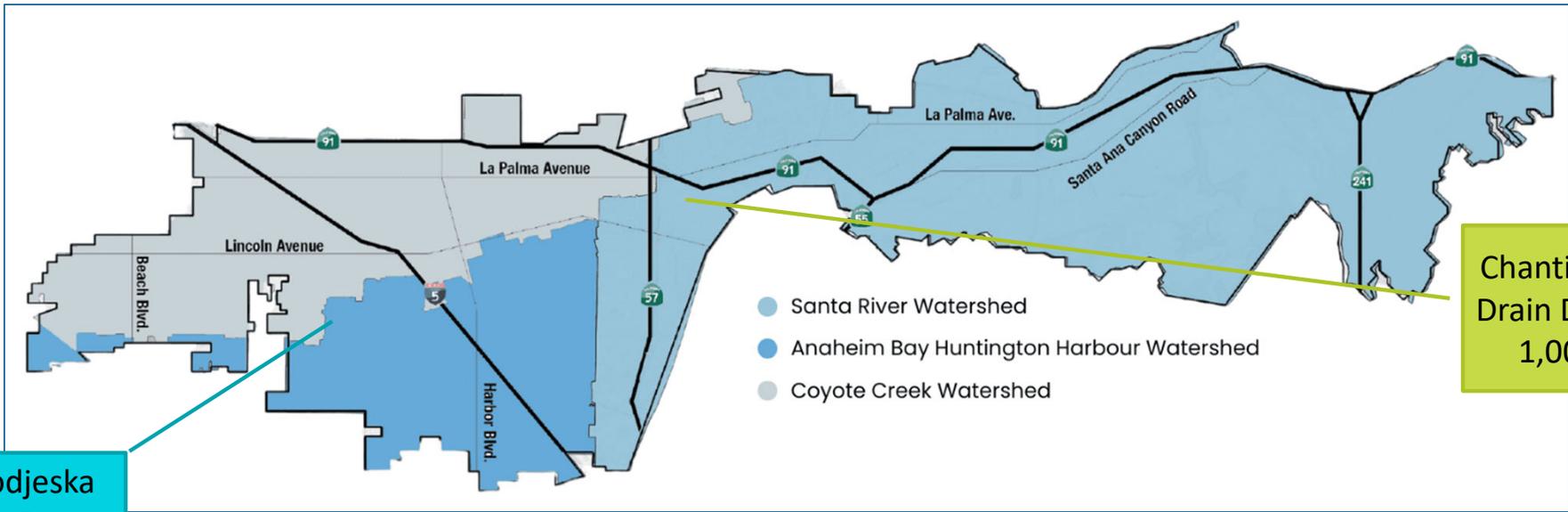
1. Partner with Anaheim's existing credit bank

2. Collaborate with North OC to develop a regional credit bank

3. Develop an independent OCWD stormwater credit bank

1. Partner with Anaheim's Existing Stormwater Credit Bank

Explore project opportunities with Anaheim to maximize water supply benefit

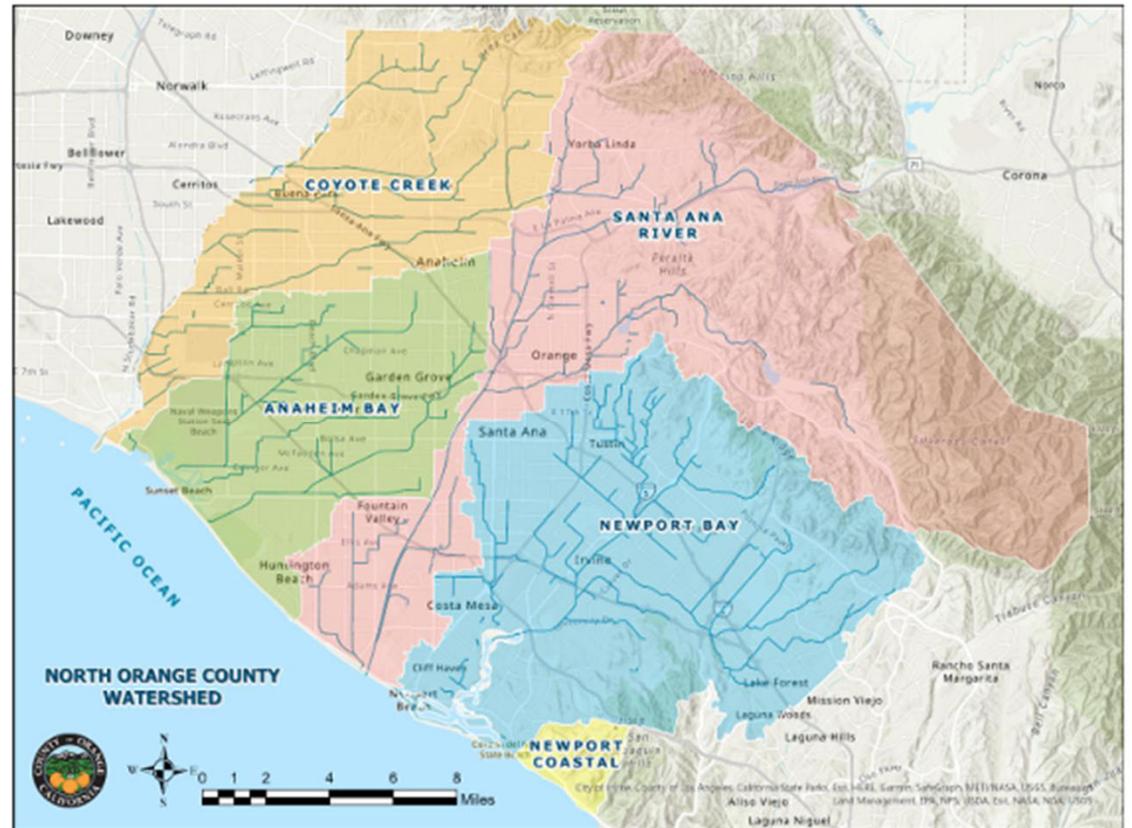


Modjeska Park Basin:
150 AFY

Chantilly Storm Drain Diversion:
1,000 AFY

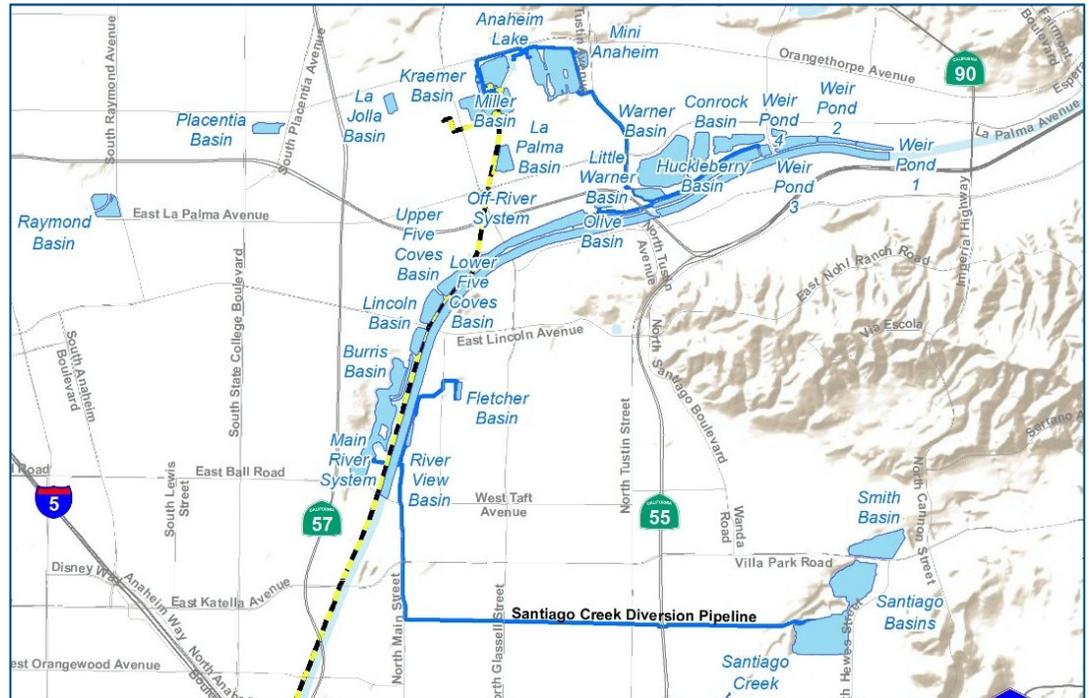
2. Collaborate with North OC to create a regional bank

Explore a regional approach involving both public and private sector partnerships.



3. Develop an Independent OCWD Stormwater Credit Bank

Investigate the potential to generate and sell stormwater credits from improvement projects to existing OCWD-managed facilities.



RFP Focus Areas



Regulatory Framework & Analysis



Water Supply Analysis



Market & Financial Analysis



Governance & Operations



Resiliency & Sustainability



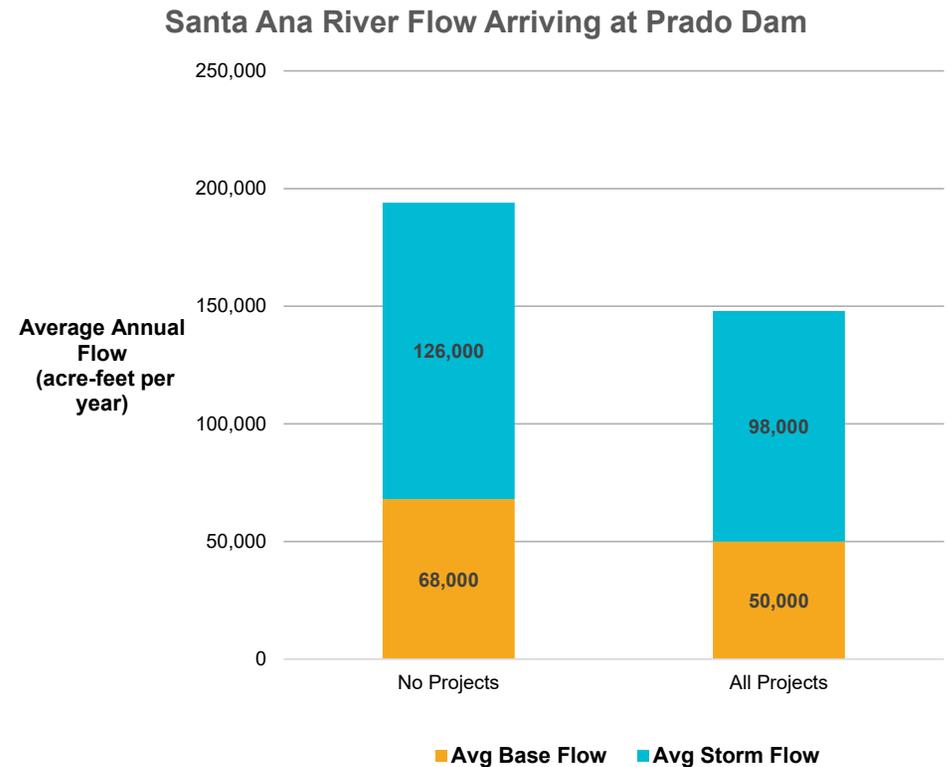
Final Recommendations



Extra Slides

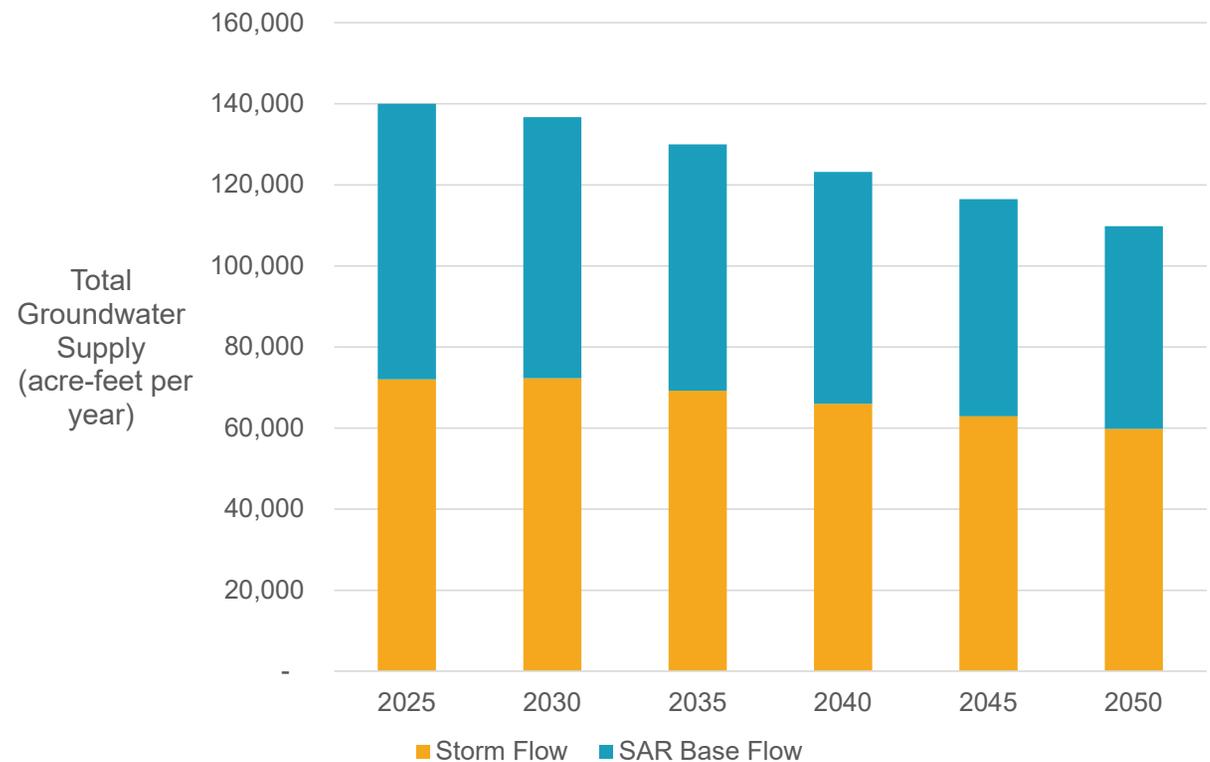
Santa Ana River flows arriving at Prado Dam are projected to decrease over the next 25 years.

- Upper Santa Ana River watershed agencies have planned wastewater recycling and storm water capture projects that will reduce Santa Ana River flows
- No-Projects Scenario represents current average conditions
- All-Projects Scenario assumes all projects are constructed.
 - Represents conservative approach for planning purposes.



Stormflow and Base Flow recharge is projected to decline by 10 percent by 2050.

- Santa Ana River base and stormflow recharge projected to decline
 - 34,800 afy by 2050



*Assumes sedimentation is taking place in Prado Dam Water Conservation Pool.

AGENDA ITEM SUBMITTAL

Meeting Date: April 9, 2025

To: Water Issues Committee
Board of Directors

From: John Kennedy

Staff Contact: R. Bouley

Budgeted: N/A

Budgeted Amount: \$87.2M

Cost Estimate: N/A

Funding Source: Long Term Debt, Grants,
PAYGO & WIFIA Loan

Program/Line Item No: N/A

General Counsel Approval: N/A

Engineers/Feasibility Report: N/A

CEQA Compliance: N/A

Subject: PROPOSED FISCAL YEAR 2025-26 CAPITAL IMPROVEMENT PROGRAM BUDGET

SUMMARY

The proposed fiscal year (FY) 2025-26 Capital Improvement Program (CIP) budget totals \$87.2 million for 27 projects. The CIP section spreadsheet and summary from the March 5, 2025, draft FY 2025-26 OCWD Budget document provided to the Board are attached. An Engineer's Report must be approved by the Board of Directors for each project before it can proceed forward with design and construction.

Attachments:

- CIP Program Spreadsheet
- CIP Program Summary
- Presentation

RECOMMENDATION

Informational

DISCUSSION/ANALYSIS

The FY 2025-26 Capital Improvement Program (CIP) is provided on the following pages. The 27 CIP projects included in the FY 2025-26 budget will be funded with operating revenues (Pay-as-you-go Program), grants and WIFIA loan.

The CIP is primarily driven by the following objectives: (1) increasing the District's recharge capacity to allow for increased sustainable production out of the groundwater basin; (2) protecting water quality by removing contaminated groundwater from the basin; and (3) protecting the coastal portion of the groundwater basin.

Budgeting of project expenditures does not authorize staff to proceed with a project. Each budgeted project must be individually reviewed and formally approved by the Board via the preparation of an Engineer's Report. In addition, the Board of Directors would need to approve the design and the construction contracts as/if the project progresses forward.

The expenditures for each project are shown in the fiscal year they are anticipated to occur in. The District has many multi-year projects that require several years to process and construct.

PRIOR RELEVANT BOARD ACTION(S)

N/A

**SECTION 8
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

**TABLE 8-2
FISCAL YEAR 2025-26
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

		Fiscal Year	Salaries	Benefits	Salaries & Benefits	Pre-design	Design	Construction	Total			
<i>ACCOUNT NO: COST CODE</i>						02000	03000	40010				
Grand Total		2025-26	426,652	137,810	564,462	350,000	8,980,000	77,345,000	87,239,462			
		2026-27	0	0	0	800,000	1,000,000	91,500,000	93,300,000			
		2027-28	0	0	0	500,000	0	54,958,169	55,458,169			
		2028-29	0	0	0	0	750,000	19,000,000	19,750,000			
		2029-30	0	0	0	0	1,500,000	5,000,000	6,500,000			
JDE PROJECT ID NO.	Project Name	Project Description								Project Details	Dept.	
1 C25001	FHQ Vehicle Charging Infrastructure	To comply with CARB requirements, the District's medium and heavy-duty vehicle fleet must transition to zero-emission vehicles. Most these vehicles are housed at FHQ. Electric vehicle charging infrastructure is required to support the vehicles. Estimated Total Capital Cost: \$400K	2025-26			-	50,000	50,000	100,000	To comply with CARB requirements, the District's medium and heavy-duty vehicle fleet must transition to zero-emission vehicles. Most these vehicles are housed at FHQ. Electric vehicle charging infrastructure is required to support the vehicles.	1060	
			2026-27			-		300,000	300,000			
			2027-28			-						
			2028-29			-						
			2029-30			-						
						5-Year Project Total						
2 C18001	Former Prado Shooting Range Remediation Project	Purpose is to remediate lead and other contaminants from two former shooting areas on OCWD Property in Prado Basin. Remediation will consist of processing, consolidation and onsite containment. Estimated Total Capital Cost: \$3.53M	2025-26	9,543	3,014	12,558		525,000	200,000	737,558	Remedial Action Plan, environmental permitting and design are in progress. Project is under a voluntary oversight agreement with DTSC. Construction activities anticipated to begin in FY-25-26.	1070
			2026-27			-			1,200,000	1,200,000		
			2027-28			-			800,000	800,000		
			2028-29			-						
			2029-30			-						
						5-Year Project Total						
3 C19007	Fullerton PFAS Treatment Systems	PFAS Treatment Systems Estimated Total Capital Cost: \$5.3M	2025-26			-		1,000,000	1,000,000	Rehabilitate Well Kim 1A and Replace Well Pump and Pump Drive.	1070	
			2026-27			-						
			2027-28			-						
			2028-29			-						
			2029-30			-						
						5-Year Project Total						
4 C19018	Orange Well 29 PFAS Treatment System	PFAS Treatment Systems Estimated Total Capital Cost: \$6M	2025-26			-		3,000,000	3,000,000	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070	
			2026-27			-		3,000,000	3,000,000			
			2027-28			-						
			2028-29			-						
			2029-30			-						
						5-Year Project Total						
5 C19020	Santa Ana Wells 27 and 28 PFAS Treatment Systems	PFAS Treatment Systems Estimated Total Capital Cost: \$17M	2025-26	27,289	7,979	35,269		8,000,000	8,035,269	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070	
			2026-27			-		3,000,000	3,000,000			
			2027-28			-						
			2028-29			-						
			2029-30			-						
						5-Year Project Total						
6 C19021	Santa Ana Well 31 PFAS Treatment System	PFAS Treatment Systems Estimated Total Capital Cost: \$8.5M	2025-26	27,289	7,979	35,269		3,000,000	3,035,269	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070	
			2026-27			-						
			2027-28			-						
			2028-29			-						
			2029-30			-						
						5-Year Project Total						

**SECTION 8
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

**TABLE 8-2
FISCAL YEAR 2025-26
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

		Fiscal Year	Salaries	Benefits	Salaries & Benefits	Pre-design	Design	Construction	Total			
<i>ACCOUNT NO: COST CODE</i>						02000	03000	40010				
7	C19022	Santa Ana Well 38 PFAS Treatment System	PFAS Treatment Systems	2025-26	6,822	1,995	8,817		1,500,000	1,508,817	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070
				2026-27			-			-		
				2027-28			-			-		
				2028-29			-			-		
				2029-30			-			-		
5-Year Project Total									1,508,817			
8	C23002	Garden Grove Well 19 PFAS Treatment System	PFAS Treatment Systems	2025-26	38,173	12,057	50,230		4,710,000	4,760,230	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070
				2026-27			-			-		
				2027-28			-			-		
				2028-29			-			-		
				2029-30			-			-		
5-Year Project Total									4,760,230			
9	C23005	Fullerton Kim 2 PFAS Treatment System	PFAS Treatment Systems	2025-26	38,173	12,057	50,230		8,600,000	8,650,230	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070
				2026-27			-		1,800,000	1,800,000		
				2027-28			-			-		
				2028-29			-			-		
				2029-30			-			-		
5-Year Project Total									10,450,230			
10	C23006	Golden State Water Company Sherrill Well PFAS Treatment System	PFAS Treatment Systems	2025-26	38,550	13,658	52,207		2,255,000	2,307,207	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070
				2026-27			-			-		
				2027-28			-			-		
				2028-29			-			-		
				2029-30			-			-		
5-Year Project Total									2,307,207			
11	C24001	Anaheim Wells 39, 47, 48, and 53 PFAS Treatment Systems	PFAS Treatment Systems	2025-26	34,807	11,454	46,261	2,000,000	10,000,000	12,046,261	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-		15,000,000	15,000,000		
				2027-28			-		5,000,000	5,000,000		
				2028-29			-			-		
				2029-30			-			-		
5-Year Project Total									32,046,261			
12	C24002	Fullerton Wells 10 and Christlieb/15A PFAS Treatment Systems	PFAS Treatment Systems	2025-26	9,543	3,014	12,558		900,000	2,912,558	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-		5,700,000	5,700,000		
				2027-28			-		5,700,000	5,700,000		
				2028-29			-		1,000,000	1,000,000		
				2029-30			-			-		
5-Year Project Total									15,312,558			
13	C24003	Garden Grove Wells 22, 26, and 27 PFAS Treatment Systems	PFAS Treatment Systems	2025-26	28,630	9,043	37,673		700,000	6,700,000	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-		13,000,000	13,000,000		
				2027-28			-		3,000,000	3,000,000		
				2028-29			-			-		
				2029-30			-			-		
5-Year Project Total									23,437,673			

**SECTION 8
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

**TABLE 8-2
FISCAL YEAR 2025-26
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

		Fiscal Year	Salaries	Benefits	Salaries & Benefits	Pre-design	Design	Construction	Total				
<i>ACCOUNT NO: COST CODE</i>						02000	03000	40010					
14	C24005	Orange Wells 25 and 27 PFAS Treatment Systems	PFAS Treatment Systems	2025-26	34,807	11,454	46,261		1,500,000	6,000,000	7,546,261	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			5,500,000	5,500,000		
				2027-28			-				-		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$13M									5-Year Project Total	13,046,261			
15	C24006	Golden State Water Company Wells SCL5, SORG, SBCH, and SDAL PFAS Treatment Systems	PFAS Treatment Systems	2025-26	19,275	6,829	26,104		300,000		326,104	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			7,000,000	7,000,000		
				2027-28			-			4,413,523	4,413,523		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$12.75M									5-Year Project Total	11,739,627			
16	C24007	Santa Ana Wells 16, 29, 41, and 33 PFAS Treatment System	PFAS Treatment Systems	2025-26	20,467	5,985	26,451			4,000,000	4,026,451	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			8,000,000	8,000,000		
				2027-28			-			8,000,000	8,000,000		
				2028-29			-			5,000,000	5,000,000		
				2029-30			-				-		
Estimated Total Capital Cost: \$25M									5-Year Project Total	25,026,451			
17	C24008	Santa Ana Wells 18, 24, 32, 36, and 39 PFAS Treatment System	PFAS Treatment Systems	2025-26	28,912	10,243	39,155		600,000	5,400,000	6,039,155	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			8,000,000	8,000,000		
				2027-28			-			8,000,000	8,000,000		
				2028-29			-			8,000,000	8,000,000		
				2029-30			-				-		
Estimated Total Capital Cost: \$30M									5-Year Project Total	30,039,155			
18	C24011	Fullerton Wells 5, 6, 7A & 8 PFAS Treatment Systems	PFAS Treatment Systems	2025-26	19,087	6,029	25,115		200,000	6,100,000	6,325,115	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			4,000,000	4,000,000		
				2027-28			-			1,000,000	1,000,000		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$12M									5-Year Project Total	11,325,115			
19	C24012	Golden State Water Company Wells PLJ2 and SSYC PFAS Treatment Systems	PFAS Treatment Systems	2025-26	9,637	3,414	13,052		175,000		188,052	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			4,000,000	4,000,000		
				2027-28			-			3,544,646	3,544,646		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$8.25M									5-Year Project Total	7,732,698			

**SECTION 8
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

**TABLE 8-2
FISCAL YEAR 2025-26
CAPITAL IMPROVEMENT PROGRAM SUMMARY**

		Fiscal Year	Salaries	Benefits	Salaries & Benefits	Pre-design	Design	Construction	Total				
<i>ACCOUNT NO: COST CODE</i>						02000	03000	40010					
20	C24013	Orange Well 26 PFAS Treatment System	PFAS Treatment Systems	2025-26	26,105	8,591	34,696		500,000	4,000,000	4,534,696	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			2,500,000	2,500,000		
				2027-28			-				-		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$7M									5-Year Project Total	7,034,696			
21	C25002	Anaheim Well 51 PFAS Treatment System	PFAS Treatment Systems	2025-26			-		500,000		500,000	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established.	1070
				2026-27			-			5,000,000	5,000,000		
				2027-28			-			1,500,000	1,500,000		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$7M									5-Year Project Total	7,000,000			
22	C25003	Buena Park Linden Well PFAS Treatment System	PFAS Treatment Systems	2025-26			-		500,000		500,000	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers. These projects are part of the "Round 2" PFAS Program to be implemented once MCL is established. Possibly block off one zone of the well to prevent PFAS concentrations from rising.	1070
				2026-27			-			1,000,000	1,000,000		
				2027-28			-			4,500,000	4,500,000		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$6M									5-Year Project Total	6,000,000			
23	C25004	La Palma Basin Shallow Underground Recharge Demonstration	Shallow underground recharge demonstration system at La Palma Basin.	2025-26			-		30,000	270,000	300,000	Install shallow underground recharge demonstration system at La Palma Basin to assess the feasibility of using underground groundwater recharge systems.	1070
				2026-27			-				-		
				2027-28			-				-		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$300k									5-Year Project Total	300,000			
24	C25005	Garden Grove Well 25 PFAS Treatment System	PFAS Treatment Systems	2025-26	9,543	3,014	12,558		500,000		512,558	Design and construction of PFAS treatment vessel systems to remove the PFAS contaminant from the water prior to individual Producers serving to customers.	1070
				2026-27			-			3,500,000	3,500,000		
				2027-28			-			3,000,000	3,000,000		
				2028-29			-				-		
				2029-30			-				-		
Estimated Total Capital Cost: \$7M									5-Year Project Total	7,012,558			

TABLE 8-2
FISCAL YEAR 2025-26
CAPITAL IMPROVEMENT PROGRAM SUMMARY

ACCOUNT NO: COST CODE		Fiscal Year	Salaries	Benefits	Salaries & Benefits	Pre-design	Design	Construction	Total				
						02000	03000	40010					
25	C08007	South Basin Groundwater Protection Project	For FY25-26: Hire consultant to prepare a pre-design investigation work plan to evaluate siting of remediation facilities (extraction wells, pipelines, and treatment systems) collect site-specific geologic, groundwater quality, and aquifer hydraulic data required to design the remediation facilities.	2025-26	-	-	300,000			300,000	The pre-design investigation will focus on project facilities siting and collection of site-specific hydrogeologic data necessary to design the remedial facilities, e.g., number, location and depth of extraction wells, pumping rates, and pumped groundwater quality. FY26-27 and 27-28 budgets include 350-600 CPT borings, 18-36 test wells, test extraction trench, 25-50 monitoring wells, and groundwater modeling. FY28-29 and 29-30 budgets include design and site acquisition.	1075	
				2026-27	-	-	800,000			800,000			
				2027-28	-	-	500,000			1,500,000			2,000,000
				2028-29	-	-	-	750,000					750,000
				2029-30	-	-	-	-	1,500,000				
Estimated Total Capital Cost: \$15M									5-Year Project Total	5,350,000			
26	C25006	Monitoring Well Pair in Yorba Linda	Construct a pair of wells in the Shallow and Principal aquifers in the Yorba Linda subbasin where no other wells exist to provide depth-specific groundwater level and quality data.	2025-26	-	-			610,000	610,000	The Shallow and Principal aquifer wells would be constructed at depths of approximately 250 and 600 feet, respectively.	1075	
				2026-27	-	-				-			
				2027-28	-	-				-			
				2028-29	-	-				-			
				2029-30	-	-				-			
Estimated Total Capital Cost: \$610k									5-Year Project Total	610,000			
27	C26001	Sunset GAP Barrier	Design and construct a seawater barrier in the Sunset Gap (pending project approval by OCWD Board)	2025-26	-	-				-	FY25/26: Groundwater modeling and FS completion, RFP for Preliminary Design Investigation (PDI) workplan-budgeted in General Fund. FY26/27: Prepare PDI workplan; prepare program EIR including PDI. FY27/28: Construct monitoring and test injection and extraction wells to field-verify flow rates. FY28/29: Construct and test MWs and EWs (both barrier and supply). FY29/30: Construct and test MWs and EWs (both barrier and supply). Test wells include 9 injection wells, 2 extraction wells, and 12 monitoring wells.	1075	
				2026-27	-	-		1,000,000		1,000,000			
				2027-28	-	-			5,000,000				5,000,000
				2028-29	-	-			5,000,000				5,000,000
				2029-30	-	-				5,000,000			5,000,000
Estimated Total Capital Cost: \$ TBD									5-Year Project Total	16,000,000			

CAPITAL IMPROVEMENT PROGRAM

The fiscal year (FY) 2025-26 Capital Improvement Program (CIP) is provided on the following pages. The CIP projects are funded by debt proceeds, grants, state loans, and \$87.2 million from operating revenues. The assets created by the CIP projects typically have a useful life of between three to seventy years.

The total proposed CIP cost for the FY 2025-26 budget is \$87.2 million, and it includes 27 projects. The life span of various CIP projects varies from project to project and it can be three years or longer. The District will fund \$68.5 million CIP budget from the operating revenues and grants. This District practice is very useful in keeping the debt service cost to the minimum and maintaining debt service coverage targets.

The CIP is primarily driven by the following objectives: (1) increasing the District's recharge capacity to allow for increased sustainable production out of the groundwater basin; (2) protecting water quality by removing contaminated groundwater from the basin and providing additional wetlands treatment for Santa Ana River flows; and (3) protecting the coastal portion of the groundwater basin.

Budgeting of project expenditures does not authorize staff to proceed with a project. Each budgeted project must be individually reviewed and formally approved by the Board via the preparation of an Engineer's Report. In addition, the Board would need to approve the design and the construction contracts if the project progresses forward.

The expenditures for each project are shown in the fiscal year they are anticipated to occur in. The District has many multi-year projects that require several years to process and construct. Table 8-1 provides a broad summary of the projects in the CIP. A brief description and status of each project are provided on the attached Capital Projects Information sheet.

**TABLE 8-1
SUMMARY OF PROJECTS IN THE CAPITAL IMPROVEMENT PROGRAM**

PROJECT TYPE	OBJECTIVE
WATER SUPPLY	PROVIDE FOR INCREASED GROUNDWATER PRODUCTION AND CREATE SUPPLIES WHERE ECONOMICAL AS COMPARED WITH MWD RATES.
	Construct facilities to increase recharge capacity and percolation rates to allow for increased groundwater pumping.
	Improve existing facilities to increase percolation rates.
	Create a new water supply.
WATER QUALITY	PROTECT THE QUALITY OF THE GROUNDWATER BASIN SUPPLIES.
	Protect groundwater in the North Basin by extracting and treating wells threatened by VOC contamination in Anaheim and Fullerton.

COASTAL IMPROVEMENTS	MITIGATE EXISTING AND PROJECTED FUTURE PROBLEMS ALONG THE COAST.
	Construct barrier facilities to prevent seawater intrusion.

The cost of information for operating revenue funded projects is summarized in Table 8-2.

The OCWD staff works closely with the Board of Directors in processing capital projects. Formal Board approval is required at various stages of a project's life, as shown below:

1. Inclusion in OCWD annual budget.
2. Issuance of Request for Proposals for the hiring of consultants for fees greater than \$20,000 to assist in processing project documents.
3. Awarding consultant contracts greater than \$20,000.
4. Approval of Feasibility Study Report, if so directed by the General Manager.
5. Approval of necessary CEQA documents.
6. Approval of the project Engineer's Report.
7. Approval of any agreements (i.e. grant funding, interagency).
8. Approval of advertising construction contracts.
9. Award of construction contracts.
10. Approval of change orders greater than 5% of the construction budget.
11. Approval of Notice of Completion.

The District historically used long-term debt to fund capital projects. The District policy for using long-term debt was established in October 2000. The policy calls for the following:

- ◆ Preliminary project expenses related to direct research are to be paid from the General Fund.
- ◆ Project expenses for items such as feasibility reports, pilot studies, engineer reports, compliance with CEQA, and project design and construction may be capitalized and funded with long-term debt.
- ◆ Project expenses that are capitalized and funded with long-term debt and do not lead to the construction of a project will require an adjustment by the Accounting Department to pay off the long-term debt incurred using cash reserves.



Fiscal Year 2025-26 Capital Improvement Program Budget Review

Water Issues Committee

April 9, 2025

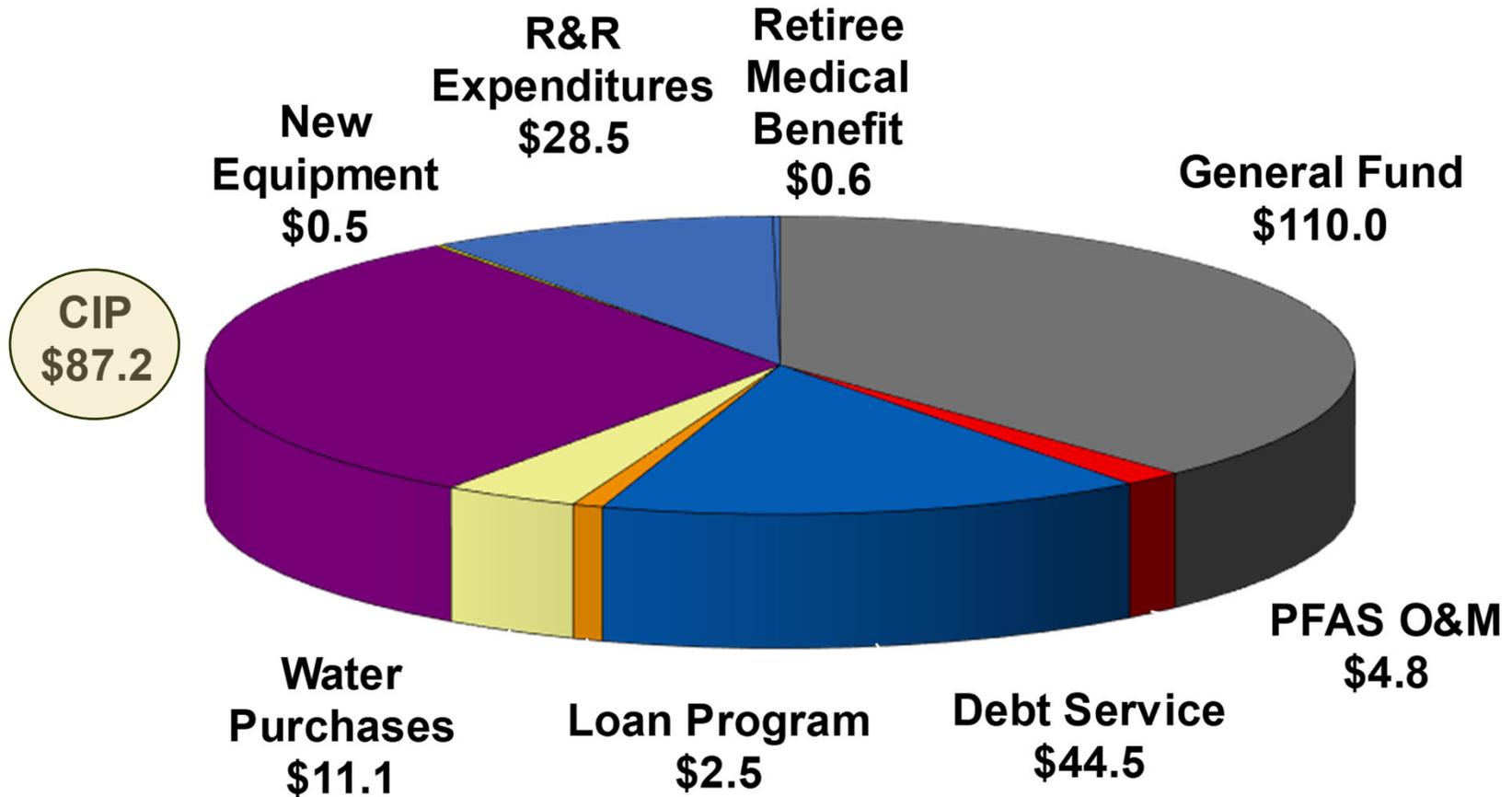


FY 2025-26 Budget Schedule

Date	Meeting	Topic
December 12, 2024	Admin/Finance Cte	Budget preparation overview and kick-off
January 9, 2025	Admin/Finance Cte	Provide preliminary BPP and RA estimates
March 5, 2025	Board	Present Draft Budget
March 12, 2025	Producers	Present Draft Budget
March 12, 2025	Water Issues Cte	Review Water Budget
March 13, 2025	Admin/Finance Cte	Review R&R Budget
April 9, 2025	Producers	Discuss Draft Budget
April 9, 2025	Water Issues Cte	Review CIP Budget 
April 10, 2025	Admin/Finance Cte	Review General Fund Budget
April 16, 2025	Board	Public Hearing to set RA & BPP Consideration to approve budget

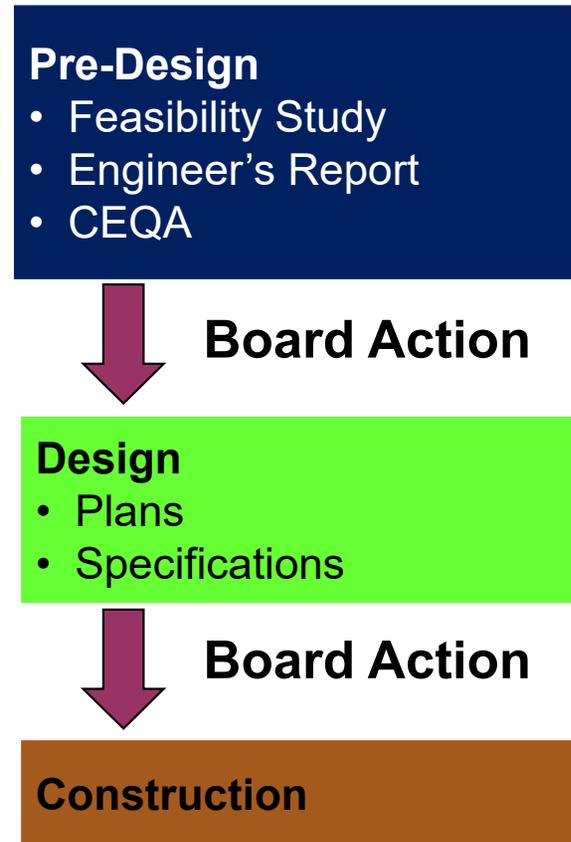
FY 25-26 Budget Components

Expenditures - \$289.7 million



Summary of Proposed 2025-26 CIP

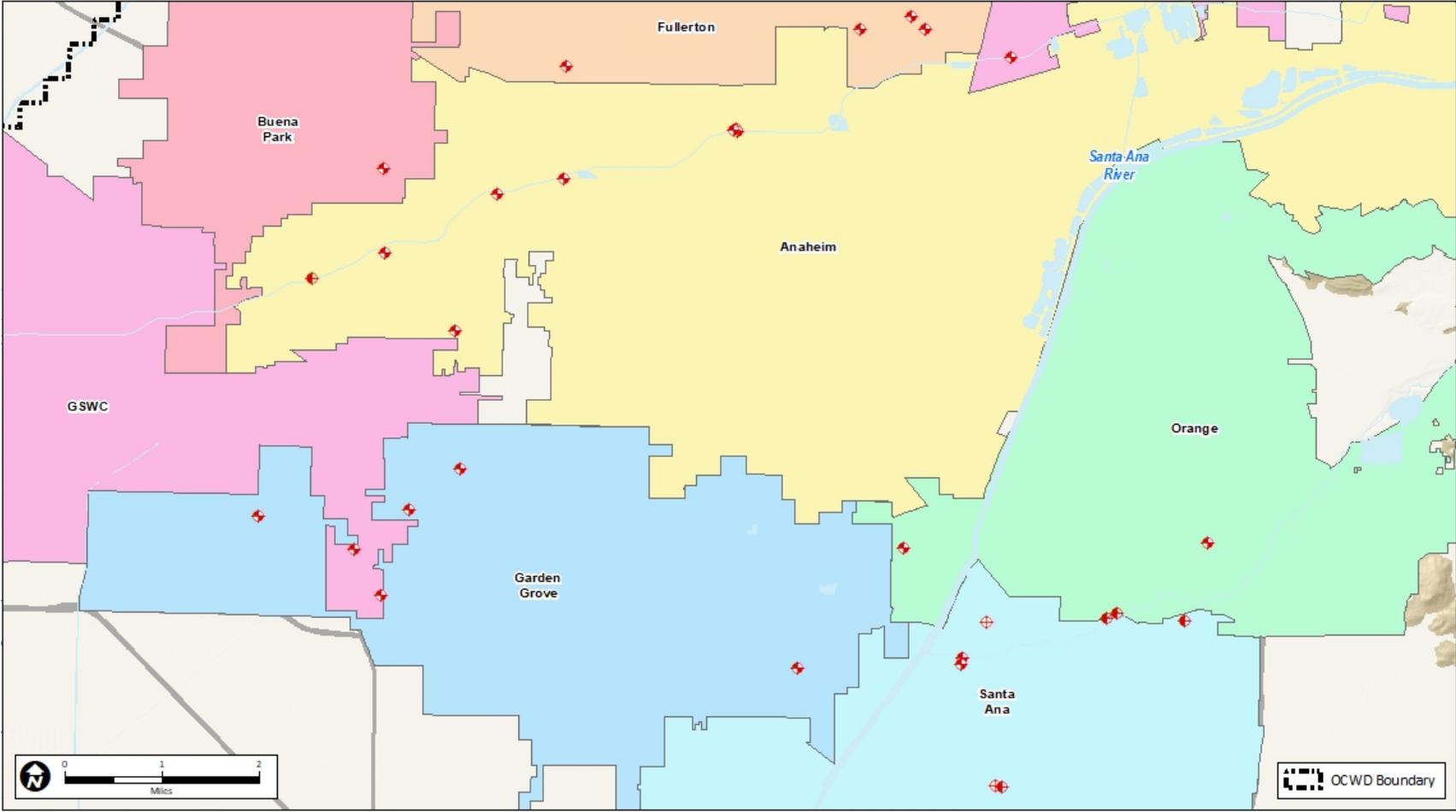
- FY 2025-26 - 27 CIP cost of \$87.2 Million
 - 27 CIP projects are funded through PAYGO, WIFIA and grants.



FY2025-26 CIP Projects

Project	Amount
Producer (21) PFAS Treatment System(s)	\$84,191,905
FHQ Vehicle Charging Infrastructure	\$100,000
Prado Shooting Range Interim Remediation	\$737,557
La Palma Basin Shallow Underground Recharge Demonstration	\$300,000
South Basin Groundwater Protection Project	\$300,000
Monitoring Well Pair in Yorba Linda	\$610,000
Sunset Gap Barrier	<u>\$1,000,000</u>
Total	\$87,239,462

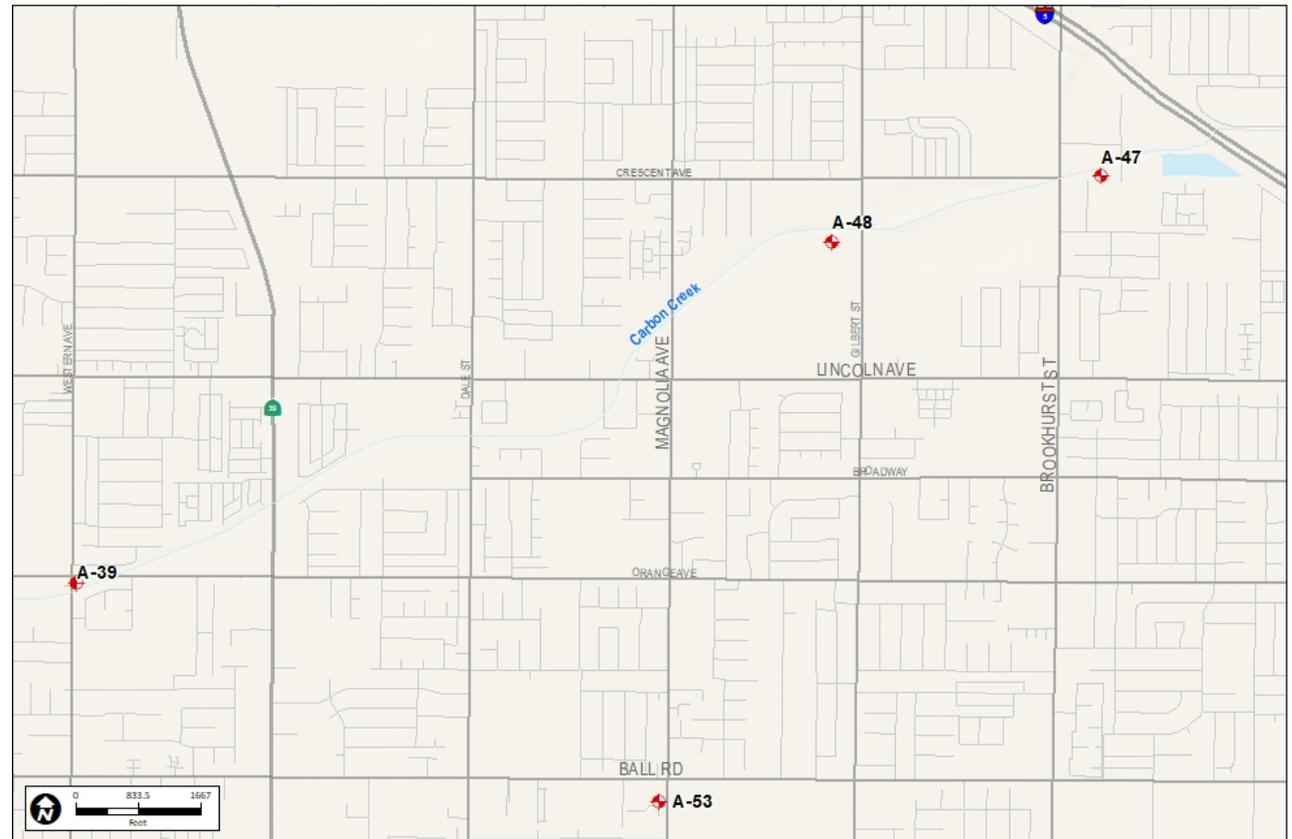
FY 2025/26 PFAS Treatment Projects



Anaheim Wells 39, 47, 48, and 53 PFAS Treatment Systems

FY 2025-26 Cost: \$12 million
Total Capital Cost: \$32 million

- Projected 2025-26 Activity
- Design/Construction



Anaheim Wells



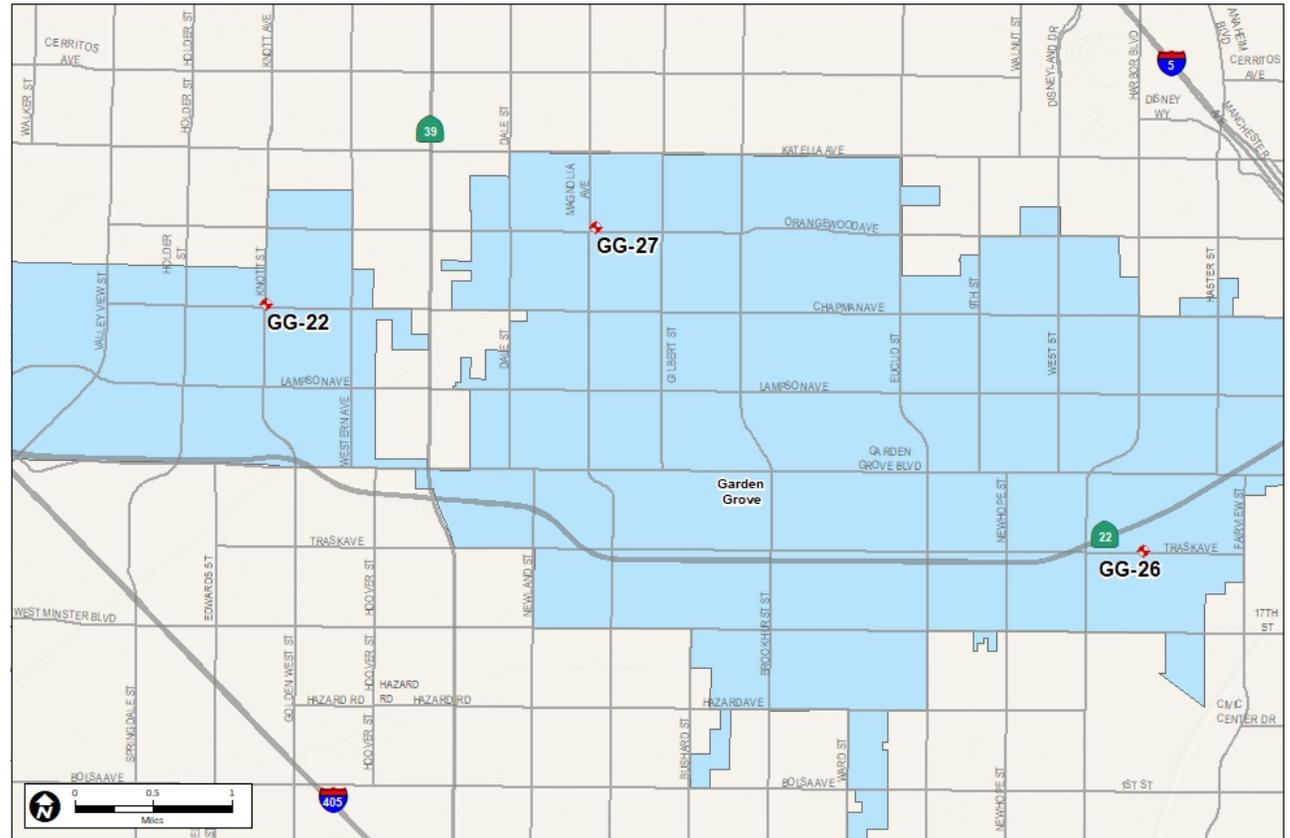
- ◆ Active Large-System Production Well
- ◆ Standby Large-System Production Well

Garden Grove Wells 22, 26, and 27 PFAS Treatment Systems

FY 2025-26 Cost: \$7.5 million
Total Capital Cost: \$25 million

Projected 2025-26 Activity

- Design/Construction



✦ Active Large-System Production Well

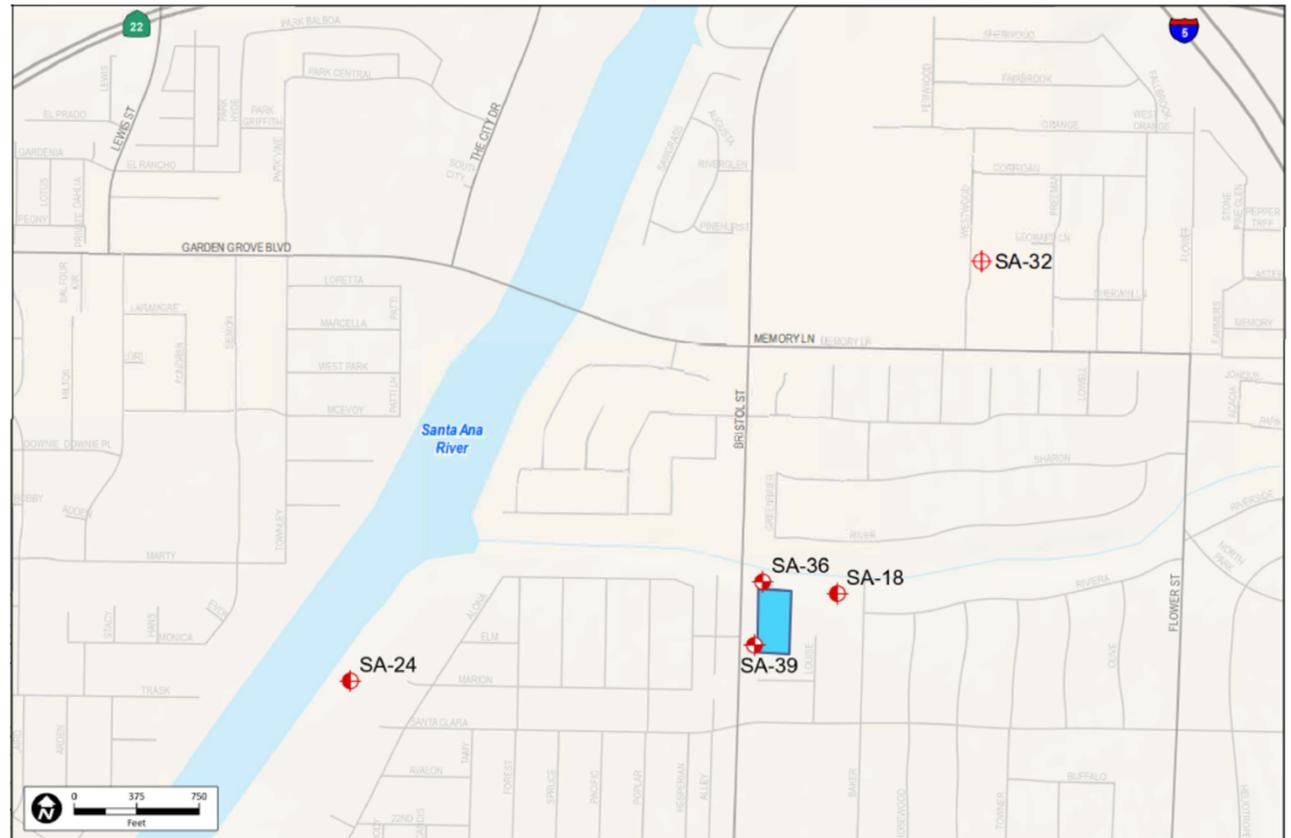
Garden Grove Wells

Santa Ana Wells 18, 24, 32, 36 and 39 PFAS Treatment System

FY 2025-26 Cost: \$6 million
Total Capital Cost: \$25 million

Projected 2025-26 Activity

- Construction



- ◆ Active Large-System Production Well
- ◆ Standby Large-System Production Well
- ◆ Inactive Production Well

Garthe Reservoir

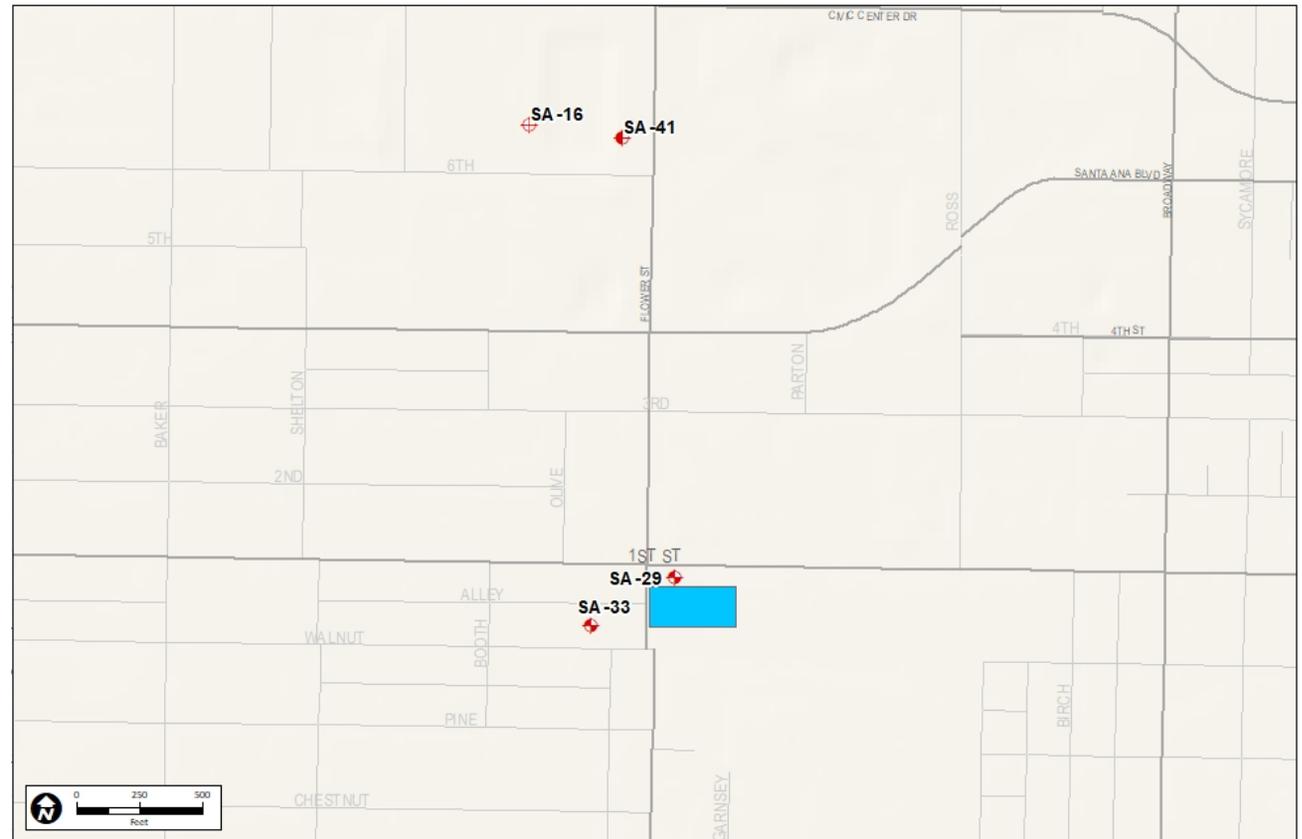
Santa Ana Wells

Santa Ana Wells 16, 29, 33, and 41 PFAS Treatment System

FY 2025-26 Cost: \$4 million
Total Capital Cost: \$25 million

Projected 2025-26 Activity

- Design/Construction



- ◆ Active Large-System Production Well
- ◆ Standby Large-System Production Well
- ◆ Inactive Production Well
- Walnut Reservoir

Santa Ana Walnut Reservoir

La Palma Basin Shallow Underground Recharge Demonstration Project

La Palma Recharge Basin (E, PIP)



SSRG - PLAN OVERVIEW

FY 2025-26 Cost: \$300,000
Total Capital Cost: \$300,000

Projected 2025-26 Activity
• Design/Construction

Prado Former Clay Target Range Remediation Project

FY 2025-26 Cost: \$0.7 million
Total Capital Cost: \$2.7 million

Projected 2025-26 Activity

- Design/Construction



Recommendation

- Receive Board Comments

End of Presentation