CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
SAN DIEGO REGION

In the matter of:	)	
	)	
City of Oceanside	)	**Order No. R9-2013-0004**
	)	
	)	
Administrative Civil Liability Complaint No. R9-2012-0036	)	**Settlement Agreement and Stipulation for Entry of Order; Order**
	)	

Section I: Introduction

This Settlement Agreement and Stipulation for Order ("Stipulation") and Administrative Civil Liability Order (the "Order") are entered into in reference to an adjudicative proceeding initiated by the issuance of Administrative Civil Liability Complaint No. R9-2012-0036, dated February 22, 2012 (the "Complaint"). The parties to this proceeding are the San Diego Regional Water Quality Control Board Prosecution Staff ("Prosecution Staff") and the City of Oceanside ("Respondent") (collectively the "Parties"). The Stipulation is presented to the San Diego Regional Water Quality Control Board ("San Diego Water Board") for adoption as an Order, by settlement, pursuant to Government Code section 11415.60.

Section II: Recitals

1. The Respondent is the owner and operator of approximately 490 miles of sewer pipe, 34 sewer lift stations, and two sewage treatment plants, providing wastewater treatment services to 180,000 residents and businesses within the city limits. The 15-inch Haymar sewer trunk line is an approximately 50 year old vitrified clay pipe (VCP) gravity sewer line that conveys untreated sewage from the southeastern portions of the City to the Buena Vista lift station and ultimately the San Luis Rey Wastewater Treatment Plant.

2. The Respondent's sewage collection system, including the Haymar sewer line, is subject to the requirements set forth in State Water Board Order No. 2006-0003-DWQ, *Statewide General Waste Discharge Requirements for Sanitary Sewer Systems* and San Diego Water Board Order No. R9-2007-0005, *Waste Discharge Requirements for Sewage Collection Systems in the San Diego Region.*

3. The Complaint as issued recommended an administrative civil liability totaling $1,572,850 for violations of Prohibitions contained in Order Nos. 2006-0003-DWQ and R9-2007-0005, between December 23, 2010 and December 28, 2010. The violations resulted from the Respondent's report of an approximate 5.35 million gallon discharge of raw sewage from the Haymar sewage line into Buena Vista Creek, Buena Vista Lagoon and the Pacific Ocean. The proposed civil liability included estimated economic benefit of $6,420 and staff costs of $19,500.

4. The Parties have engaged in settlement negotiations and agree to settle the matter without administrative or civil litigation and by presenting this Stipulation to the San Diego Water Board for adoption as an Order pursuant to Government Code section 11415.60. To resolve by consent and without further administrative proceedings all alleged violations of Water Code Section 13385 set forth in the Complaint, the Parties have agreed to the imposition of $770,184 in civil liability against the Respondent. Respondent shall pay a total of $385,092 to the State Water Resources Control Board Cleanup and Abatement Account no later than 30 days following the San Diego Water Board's adoption of this Order. The remaining $385,092 in liability is suspended upon completion of two Enhanced Compliance Actions ("ECAs") set forth in this Stipulation and Order.

5. Subsequent to the issuance of the Complaint and in the course of settlement discussions between the Parties, the Parties discussed an adjustment in the volume of sewage discharged during the December 2010 spill event that is subject to penalties. The initial estimation of spill volume was based on a multiplication of the average daily flow of the Haymar line times the number of days the Haymar line has ruptured, as detailed in Respondent's response to Order R9-2011-0035. Respondents' analysis of the spill event concluded that since it was impossible to know exactly when the pipeline ruptured during the storm event, the volume of raw sewage discharged fell within a range of between 180,000 and 5.35 million gallons. The Complaint utilized the higher, more conservative volume estimate of 5.35 million gallons, and assumed the failure of the Haymar line occurred when flows in Buena Vista Creek were highest. However, the exact timing of the rupture of the Haymar sewer line cannot be known. Given to the uncertainty of when the sewer line actually failed during the storm event, in an effort to reach a fair settlement, the Parties have agreed to adjust the volume of sewage discharged subject to penalty downward to 2,585,000 gallons. This volume represents a median in the range of possible discharge volumes. All other factors utilized in the penalty calculation methodology as outlined in the original Complaint will remain the same. This adjustment of the volume discharged results in a recommended liability amount of $770,184 (including staff costs).

6. The Prosecution Staff avers that the resolution of the alleged violations is fair, reasonable, and fulfills its enforcement objectives, that no further action is warranted concerning the specific violations alleged in the Complaint except as provided in this Stipulation, and that this Stipulation is in the best interest of the public.

7. **ECA No.1 Description – Cured In Place Pipe (CIPP) Lining:**
The City has identified two areas that would substantially benefit from the installation of a CIPP liner in existing sewer lines. These areas are both located adjacent to waters of the State. The Capistrano easement segment consists of approximately 2,867 lineal feet of 10 inch vitrified clay pipe (VCP) directly adjacent to the San Luis Rey River. The North Santa Fe segment consists of 1,318 lineal feet of 18 inch VCP pipe adjacent to Guajome Lake. Based on recent closed circuit televising (CCTV) both proposed segments are well within their useful life expectancy and are considered to be in good condition.

Lining sewer pipes with various types of material including PVC, HDPE, or a cured-in-place product is an effective method of increasing the structural stability of existing sewer pipe without the necessity to excavate. This trenchless method (rather than full pipe replacement), is a preferred method due to both the intrusiveness of excavation and construction activities on the environment and the potential increase in sanity sewer overflows (SSOs) due to construction debris entering the pipe and causing an SSO.

Lining these two segments should increase the service life of the existing pipes by approximately 50 years, and will significantly decrease the possibility of pipe failure and the resulting sewage discharge to the surface waters adjacent to the collection system assets. The project will reduce infiltration and exfiltration of bacteria and other pollutants contained in raw sewage to the environment and waters of the State.

The estimated costs of the CIPP lining of these two segments is $191,000 for the Capistrano segment and $110,874.20 for the North Santa Fe Segment. A more detailed description of the project including an implementation schedule, location diagrams and milestones are included herein as part of the ECA description, Attachment A.

8. **ECA No. 1 Completion Date:** The ECA shall be completed in its entirety no later than September 30, 2013 (the "ECA Completion Period"). If other circumstances beyond the reasonable control of the Respondent prevent completion of the ECA by that date, San Diego Water Board staff may extend the ECA Completion Period by up to one (1) year, to September 30, 2014. The Respondent must send its request for an extension in writing with necessary justification to the Designated San Diego Water Board Representative no later than October 15, 2013.

9. **Agreement of Respondent to Fund, Report and Guarantee Implementation of ECA:** The Respondent represents that: (1) The ECA is not a required improvement to bring the Respondent into compliance, and is not required by law; (2) It will fund the ECA in the amount as described in this Stipulation and Order; (3) It will provide certifications and written quarterly reports to the San Diego Water Board consistent with the terms of this Stipulation detailing the implementation of the ECA; and (4) Respondent will guarantee implementation of the ECA identified in Attachment A by remaining liable for $301,874.20 of suspended administrative liability until the ECA is completed and accepted by the San Diego Water Board in accordance with the terms of

this Stipulation. The Respondent agrees that the San Diego Water Board has the right to require an audit of the funds expended by it to implement the ECA.

10. **ECA Oversight:** Respondent agrees to oversee implementation of the ECA. Additional oversight of the ECA will be provided by the San Diego Water Board. The Respondent is solely responsible for paying for all reasonable oversight costs incurred by the San Diego Water Board to oversee the ECA. The ECA oversight costs are in addition to the total administrative civil liability imposed against the Respondent and are not credited toward the Respondent's obligation to fund the ECA. Reasonable oversight tasks to be performed by the San Diego Water Board include but are not limited to, updating CIWQS, reviewing and evaluating progress, reviewing the final completion report, verifying completion of the project with a site inspection and auditing appropriate expenditure of funds.

11. **Certification of Completion of ECA and Final Report:** On or before September 30, 2013 (or September 30, 2014, if an extension to the completion date is granted), the Respondent shall submit a certified statement of completion of the ECA ("Certification of Completion"). The Certification of Completion shall be submitted under penalty of perjury, to the Designated San Diego Water Board Representative and the State Water Resources Control Board's Division of Financial Assistance, by a responsible corporate official representing the Respondent. The Certification of Completion shall include following:

a. Certification that the ECA has been completed in accordance with the terms of this Stipulated Order. Such documentation should include photographs, invoices, receipts, certifications, and other materials reasonably necessary for the San Diego Water Board to evaluate the completion of the ECA and the costs incurred by the Respondent.

b. Certification, under penalty of perjury, that the Respondent followed all applicable environmental laws and regulations in the implementation of the ECA including but not limited to the California Environmental Quality Act (CEQA), the federal Clean Water Act, and the Porter-Cologne Act. To ensure compliance with CEQA where necessary the Respondent shall provide the San Diego Water Board with the following documents from the lead agency prior to commencing ECA implementation if applicable:

   i. Categorical or statutory exemptions relied upon by the Implementing Party;
   ii. Negative Declaration if there are no potentially "significant" impacts;
   iii. Mitigated Negative Declaration if there are potentially "significant" impacts but revisions to the project have been made or may be made to avoid or mitigate those potentially significant impacts; or
   iv. Environmental Impact Report (EIR)

In addition, by September 30, 2013 (or September 30, 2014, if an extension to the completion date is granted), The Respondent shall submit a final report to the Designated San Diego Water Board Representative which includes a discussion of the CCTV monitoring activities and results conducted during the year following completion of the ECA.

12. **Approved ECA:** In the event that Respondent is not able to demonstrate to the reasonable satisfaction of the San Diego Water Board staff that the entire ECA Amount has been spent to complete the components of the ECA #1 for which the Respondent is financially responsible, Respondent shall pay the difference between the Suspended Administrative Civil Liability and the amount the Respondent can demonstrate was actually spent on ECA #1, as an administrative civil liability. The Respondent shall pay the additional administrative liability within 30 days of its receipt of notice of the San Diego Water Board's determination that the Respondent has failed to demonstrate that the entire ECA Amount has been spent to complete the ECA components.

13. **ECA No. 2 Description – SMARTCOVER Sewer Monitoring System:** This project shall consist of the City purchasing and deploying 20 SmartCover units within priority areas to monitor the sewage collection. The SmartCover is a self-contained, wireless level monitoring system with immediate alarming and historical data logging capabilities. One of the primary uses of the SmartCover system is the prevention and advanced notification SSOs. This is achieved by continual monitoring of the water level within a collection system. When the water level rises above the customer predetermined threshold due to a constriction downstream or capacity issues, an alarm is sent directly to emergency response personnel. This enables the Respondent to receive advance notice of an issue arising in the collection system so that corrective action can be taken before an overflow occurs. Alarm acknowledgement, alarm level thresholds and system status can be changed and viewed remotely via the internet.

An evaluation of priority sites for deployment of the SmartCovers will include consideration of the following criteria:

a. Sewer segments and manholes that parallel rivers, streams or creeks.
b. Sewer segments and manholes that cross rivers, streams or creeks.
c. Sewer segments that experience high levels of infiltration and inflow (I&I).
d. Sewer segments and manholes that are subject to flooding during storm events.
e. Environmentally sensitive areas.

The cost estimate for the project is contained in the ECA description is $83,217.80 (Attachment B). This amount of liability will be suspended upon completion of the ECA. No additional liability above and beyond the $83,217.80 shall be suspended for costs incurred to complete the ECA.

14. **ECA No. 2 Completion Date:** The ECA shall be completed in its entirety no later than September 30, 2013 (the "ECA Completion Period"). If other circumstances beyond the reasonable control of the Respondent prevent completion of the ECA by that date, San Diego Water Board staff may extend the ECA Completion Period by up to one (1) year, to September 30, 2014. The Respondent must send its request for an extension in writing with necessary justification to the Designated San Diego Water Board Representative no later than August 31, 2013.

15. **Agreement of Respondent to Fund, Report and Guarantee Implementation of ECA:** The Respondent represents that: (1) It will fund the ECA in the amount as described in this Stipulation and Order; (2) It will provide certifications and written quarterly reports to the San Diego Water Board consistent with the terms of this Stipulation detailing the implementation of the ECA, and (3) Respondent will guarantee implementation of the ECA identified in Attachment A by remaining liable for $83,217.80 of suspended administrative liability until the ECA is completed and accepted by the San Diego Water Board in accordance with the terms of this Stipulation. The Respondent agrees that the San Diego Water Board has the right to require an audit of the funds expended by it to implement the ECA.

16. **ECA #2 Oversight:** Respondent will oversee implementation of the ECA. Additional oversight of the ECA will be provided by the San Diego Water Board. The Respondent is solely responsible for paying all reasonable oversight costs incurred by the San Diego Water Board to oversee the ECA. The ECA oversight costs are in addition to the total administrative civil liability imposed against the Respondent and are not credited toward the Respondent's obligation to fund the ECA. Reasonable oversight tasks to be performed by the San Diego Water Board include but are not limited to, updating CIWQS, reviewing and evaluating progress, reviewing the final completion report, verifying completion of the project with a site inspection and auditing appropriate expenditure of funds.

17. **Certification of Completion of ECA #2 and Final Report:** On or before September 30, 2013 (or September 30, 2014, if an extension to the completion date is granted), the Respondent shall submit a certified statement of completion of the ECA ("Certification of Completion"). The Certification of Completion shall be submitted under penalty of perjury, to the Designated San Diego Water Board Representative and the State Water Resources Control Board's Division of Financial Assistance, by a responsible corporate official representing the Respondent. The Certification of Completion shall include following:

a. Certification that the ECA has been completed in accordance with the terms of this Stipulated Order. Such documentation should include photographs, invoices, receipts, certifications, and other materials reasonably necessary for the San Diego Water Board to evaluate the completion of the ECA and the costs incurred by the Respondent.

b. Certification, under penalty of perjury, that the Respondent followed all applicable environmental laws and regulations in the implementation of the ECA including but not limited to the California Environmental Quality Act (CEQA), the federal Clean Water Act, and the Porter-Cologne Act. To ensure compliance with CEQA, where necessary the Respondent shall provide the San Diego Water Board with the following documents from the lead agency prior to commencing ECA implementation, if applicable:

   i. Categorical or statutory exemptions relied upon by the Implementing Party;
   ii. Negative Declaration if there are no potentially "significant" impacts;
   iii. Mitigated Negative Declaration if there are potentially "significant" impacts but revisions to the project have been made or may be made to avoid or mitigate those potentially significant impacts; or
   iv. Environmental Impact Report (EIR)

In addition, by September 30, 2014 (or September 30, 2014, if an extension to the completion date is granted), The Respondent shall submit a final report to the Designated San Diego Water Board Representative which includes a statement under penalty of perjury that the SmartCovers will be maintained in working order for a period not less than 10 years, and a discussion of any spills that may occur and potential spills that were averted during the year following their implementation.

18. . **Approved ECA:** In the event that Respondent is not able to demonstrate to the reasonable satisfaction of the San Diego Water Board staff that the entire ECA Amount has been spent to complete the components of the ECA for which the Respondent is financially responsible, Respondent shall pay the difference between the Suspended Administrative Civil Liability and the amount the Respondent can demonstrate was actually spent on the ECA, as an administrative civil liability. The Respondent shall pay the additional administrative liability within 30 days of its receipt of notice of the San Diego Water Board's determination that the Respondent has failed to demonstrate that the entire ECA Amount has been spent to complete the ECA components.

19. **San Diego Water Board Acceptance of Completed ECA:** Upon the Respondent's satisfaction of its obligations to complete ECA #1 and ECA #2 under this Stipulation or any related audit requested by the San Diego Water Board, San Diego Water Board staff shall send the Respondent a letter recognizing satisfactory completion of its obligations under both ECA #1 and ECA #2. This letter shall terminate any further ECA obligations of the Respondent and result in a permanent stay of the $385,092 in administrative civil liability imposed on the Respondent by this Stipulation and Order.

20. **Third Party Financial Audit of ECA's**: At the written request of the San Diego Water Board Executive Officer or designee, the Respondent, at its sole cost, shall submit a report prepared by an independent third party(ies) acceptable to the San Diego Water Board staff providing such party's(ies') professional opinion that the Respondent

has expended money in the amounts claimed by the Respondent directly on either or both the ECA Projects. The written request shall specify the reasons why the audit is being requested. The audit report shall be provided to San Diego Water Board staff within three (3) months of notice from San Diego Water Board staff to the Respondent of the need for an independent third party audit. The audit need not address any costs incurred by the San Diego Water Board for oversight.

Section III: Stipulations

The Parties stipulated to the following:

21. **Incorporation of Terms:** The Parties incorporate Paragraphs 1 through 19 by this reference as if set forth fully herein, stipulate to the entry of this Order as set forth below, and recommend that the San Diego Water Board issue this Order to effectuate the settlement.

22. **Administrative Civil Liability:** The Respondent hereby agrees to pay the administrative civil liability totaling $770,184 as set forth in Paragraph 4 of Section II herein. Within thirty (30) days of the effective date of this Order, the Respondents agree to remit, by check, THREE HUNDRED EIGHTY FIVE THOUSAND NINETY TWO DOLLARS ($385,092), payable to the *State Water Pollution Cleanup and Abatement Account,* and shall indicate on the check the number of this Order. The Respondent shall send the original signed check to Christopher Means, Regional Water Quality Control Board, San Diego Region, 9174 Sky Park Court, Suite 100, San Diego CA 92123-4340, and shall send a copy to Ellen Howard, State Water Resources Control Board, Office of Enforcement, P.O. Box 100, Sacramento, CA 95812. Further, the Parties agree that the remaining $385,092 administrative civil liability shall be suspended pending completion of: (1) ECA No.1 as set forth in Paragraphs 8 through 14 of Section II herein; and (2) ECA No. 2 as set forth in Paragraphs 15 through 19 of Section II herein.

23. **Compliance with Applicable Laws:** The Respondents understand that payment of administrative civil liability in accordance with the terms of this Stipulated Order and or compliance with the terms of this Stipulated Order is not a substitute for compliance with applicable laws, and that continuing violations of the type alleged in the Complaint may subject it to further enforcement, including additional administrative civil liability.

24. **Party Contacts for Communications related to Stipulated Order:**

For the Regional Water Board:

Christopher Means
9174 Sky Park Court
Suite 100
San Diego, CA 92123

For the Respondents:

Ms. Cari Dale
Water Utilities Director
City of Oceanside
300 North Coast Highway
Oceanside, CA 92054

25. **Attorney's Fees and Costs:** Except as otherwise provided herein, each Party shall bear all attorneys' fees and costs arising from the Party's own counsel in connection with the matters set forth herein.

26. **Matters Addressed by Stipulation:** Upon the San Diego Water Board's adoption of this Stipulated Order, this Order represents a final and binding resolution and settlement of the violations alleged in the Complaint, and all claims, violations or causes of action that could have been asserted against the Respondents as of the effective date of this Stipulated Order based on the specific facts alleged in the Complaint or this Order ("Covered Matters"). The provisions of this Paragraph are expressly conditioned on the payment of the administrative civil liability, and completion of ECA in accordance with this agreement.

27. **Public Notice:** The Respondents understand that this Stipulated Order will be noticed for a 30-day public review and comment period prior to consideration by the San Diego Water Board, or its delegee. If significant new information is received that reasonably affects the propriety of presenting this Stipulated Order to the San Diego Water Board, or its delegee, for adoption, the Executive Officer may unilaterally declare this Stipulated Order void and decide not to present it to the San Diego Water Board, or its delegee. The Respondents agree that they may not rescind or otherwise withdraw their approval of this proposed Stipulated Order.

28. **Addressing Objections Raised During Public Comment Period:** The Parties agree that the procedure contemplated for the San Diego Water Board's adoption of the settlement by the Parties and review by the public, as reflected in this Stipulated Order, will be adequate. In the event procedural objections are raised prior to the Stipulated Order becoming effective, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the procedure as necessary or advisable under the circumstances.

29. **No Waiver of Right to Enforce:** The failure of the Prosecution Staff or San Diego Water Board to enforce any provision of this Stipulated Order shall in no way be deemed a waiver of such provision, or in any way affect the validity of the Order. The failure of the Prosecution Staff or San Diego Water Board to enforce any such provision shall not preclude it from later enforcing the same or any other provision of this Stipulated Order.

30. **Procedural Objections:** The Parties agree that the procedure contemplated for adopting the Order by the San Diego Water Board and review of this Stipulation by the public is lawful and adequate. In the event procedural objections are raised prior to the Order becoming effective, the Parties agree to meet and confer concerning any such objections, and may agree to revise or adjust the procedure as necessary or advisable under the circumstances.

31. **Interpretation:** This Stipulated Order shall be construed as if the Parties prepared it jointly. Any uncertainty or ambiguity shall not be interpreted against any one Party.

32. **Modification:** This Stipulated Order shall not be modified by any of the Parties by oral representation made before or after its execution. All modifications must be in writing, signed by all Parties, and approved by the San Diego Water Board.

33. **If Order Does Not Take Effect:** In the event that this Stipulated Order does not take effect because it is not approved by the San Diego Water Board, or its delegee, or is vacated in whole or in part by the State Water Board or a court, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing before the San Diego Water Board, on a future date after reasonable notice and opportunity for preparation, to determine whether to assess administrative civil liabilities for the underlying alleged violations, unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing. The Parties agree to waive any and all objections based on settlement communications in this matter, including, but not limited to:

a. Objections related to prejudice or bias of any of the San Diego Water Board members or their advisors and any other objections that are premised in whole or in part on the fact that the San Diego Water Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions as a consequence of reviewing the Stipulation and/or the Order, and therefore may have formed impressions or conclusions prior to any contested evidentiary hearing on the Complaint in this matter; or

b. Laches or delay or other equitable defenses based on the time period for administrative or judicial review to the extent this period has been extended by these settlement proceedings.

34. **Waiver of Hearing:** The Respondents have been informed of the rights provided by CWC section 13323(b), and hereby waive their right to a hearing before the San Diego Water Board prior to the adoption of the Stipulated Order.

35. **Waiver of Right to Petition:** The Respondents hereby waive their right to petition the San Diego Water Board's adoption of the Stipulated Order as written for review by the State Water Board, and further waive their rights, if any, to appeal the same to a California Superior Court and/or any California appellate level court.

36. **Covenant Not to Sue:** The Respondents covenant not to sue or pursue any administrative or civil claim(s) against any State Agency or the State of California, their officers, Board Members, employees, representatives, agents, or attorneys arising out of or relating to any Covered Matter.

37. **San Diego Water Board is Not Liable:** Neither the San Diego Water Board members nor the San Diego Water Board staff, attorneys, or representatives shall be liable for any injury or damage to persons or property resulting from acts or omissions by the Respondents, their directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Stipulated Order.

38. **Authority to Bind:** Each person executing this Stipulated Order in a representative capacity represents and warrants that he or she is authorized to execute this Stipulated Order on behalf of and to bind the entity on whose behalf he or she executes the Order.

39. **No Third Party Beneficiaries.** This Stipulated Order is not intended to confer any rights or obligations on any third party or parties, and no third party or parties shall have any right of action under this Stipulated Order for any cause whatsoever.

40. **Effective Date**: This Stipulated Order shall be effective and binding on the Parties upon the date the San Diego Water Board, or its delegee, enters the Order.

41. **Counterpart Signatures:** This Stipulated Order may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one document.

42. **Execution:** This Stipulation is effective and binding on the Parties upon the execution of this Order.

IT IS SO STIPULATED.

California Regional Water Quality Control Board Prosecution Team
San Diego Region

By: _____
James G. Smith, Assistant Executive Officer

Date: 4 Feb 2013

By: _____
NAME: Peter Weiss, City Manager, City of Oceanside

Date: 2-5-13

Section IV: Findings of the San Diego Water Board

43. The San Diego Water Board incorporates Paragraphs 1 through 42 by this reference as if set forth fully herein.

44. The Parties believe that settlement of this matter is in the best interest of the People of the State. Therefore, to settle the Complaint, the Respondent hereby agrees to comply with the terms and conditions of this Order.

45. The San Diego Water Board finds that the Recitals set forth herein in Section II are true.

46. This Stipulation and Order are severable; should any provision be found invalid the remainder shall remain in full force and effect.

47. In accepting this settlement, the San Diego Water Board has considered, where applicable, each of the factors prescribed in CWC sections 13327 and 13385(e). The San Diego Water Board's consideration of these factors is based upon information obtained by the San Diego Water Board's staff in investigating the allegations in the Complaint or otherwise provided to the San Diego Water Board. In addition to these factors, this settlement recovers the costs incurred by the staff of the San Diego Water Board for this matter.

48. This is an action to enforce the laws and regulations administered by the San Diego Water Board. The San Diego Water Board finds that issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, sections 21000 et seq.), in accordance with section 15321(a)(2), Title 14, of the California Code of Regulations.

49. The San Diego Water Board's Executive Officer is hereby authorized to refer this matter directly to the Attorney General for enforcement if the Respondent fails to perform any of its obligations under the Order.

50. Fulfillment of the Respondent's obligations under the Order constitutes full and final satisfaction of any and all liability for each claim in the Complaint in accordance with the terms of the Order.

The attached Agreement between the Assistant Executive Officer and the Respondents is approved pursuant to Government Code section 11415.60 and is incorporated by reference into this Order.

I, David W. Gibson, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, San Diego Region, on March 13, 2013.

David W. Gibson

DAVID W. GIBSON
Executive Officer

Date: 14 March 2013

EXHIBIT A

City of Oceanside
Enhanced Compliance Action No. 1
Cured In Place Pipe Lining
Order No. R9-2013-0004

Pursuant to the City of Oceanside's meeting with the San Diego Regional Water Quality Control Board on October 15, 2012, the City is proposing two ECA projects. Enhance Compliance Action No. 1 is a sewer lining project, as outlined below.

ECA No. 1 - Cured in Place Pipe (CIPP) Lining:

Project Description

The City has identified two areas that would substantially benefit from the installation of a CIPP liner. These areas are both located near public waterways (Attachment A). The Capistrano easement segment consists of approximately 2845 lineal feet of 10 inch VCP pipe near the San Luis Rey River (Attachment B) and the N Santa Fe segment consists of 1260 lineal feet of 18 inch VCP pipe near Guajome Lake (Attachment C). Both existing segments are well within their useful life expectancy and are considered to be in good condition.

Performance Criteria

- **Confirm that the proposed lines are not on a CIP list.**

  We have confirmed that the proposed lines are not on a CIP list. In our settlement agreement, we will make a representation to this effect.

- **Demonstrate the proposed lines are not in need of repair.**

  A routine inspection was conducted on the Capistrano easement in February of 2012 and the N Santa Fe segment in November of 2012 utilizing CCTV. The results of the inspection indicated the segments were in good condition and that no repairs were necessary. A copy of the CCTV report is available for review.

- **Final Project Report to San Diego Water Board**

  The City of Oceanside will submit a Final Report declaring that the project is completed and detailing actual fund expenditures. Quarterly monitoring reports are not required because this project is expected to be completed in less than one year. Upon project completion, the City of Oceanside or its contractors will confirm that installation was successful by using CCTV or a similar technology to confirm that work was performed according to plan. The City of Oceanside will include these results in the Final Report.

Environmental Benefits of Slip Lining

- **What is slip lining and how will it benefit the watersheds?**

  Lining sewer pipes with various types of material including PVC, HDPE, or a cured-in-place product is a tried and true method of increasing the structural stability of existing sewer pipe without the necessity to excavate. The trenchless method (rather than full pipe replacement), is a preferred method due to both the intrusiveness of excavation and construction activities on the environment and the potential increase in sanity sewer overflows (SSOs) due to construction debris entering the pipe and causing an SSO[1].

  There are various materials used to line sewer pipes and the selection of those materials depends on size and type of the original pipe and other site specific factors. In this case, our objectives are to reduce infiltration and exfiltration, provide increased structural integrity, and potentially improve hydraulics within the system[2]. This is all in an effort to prevent SSOs from impacting our watersheds. Using this "rehabilitation" method as a preventative measure is simply a different use of the same technology with even greater benefits. Instead of fixing a problem, which may have already caused harm to the environment, this method prevents future harm by being less reactive and more proactive.

- **What is the expected lifespan of vitrified clay pipe (VCP)?**

  VCP is a high temperature fired structural ceramic pipe. It has been and is still used and preferred because of its strength, its resistance to internal and external corrosion, and overall longevity. The U. S. Army Corps of Engineers assumes a <u>one hundred year service life</u> for VCP according to the National Clay Pipe Institute (NCPI).

- **What is the expected lifespan of lined pipe?**

  Independent test results and over 40 years of service all confirm that Insituform® CIPP, a specific brand name and inventor of the lining process, is a structural product with a 100-year design life. As such, the lining should increase the service life of the existing VCP pipe by at least 50 years (conservatively).

- **How does pipe lining decrease the likelihood of bacteria reaching a receiving water?**

  A spill or seepage of bacteria from sewer infrastructure can occur in many ways. A crack may lead to exfiltration of raw or treated sewage, or more likely,

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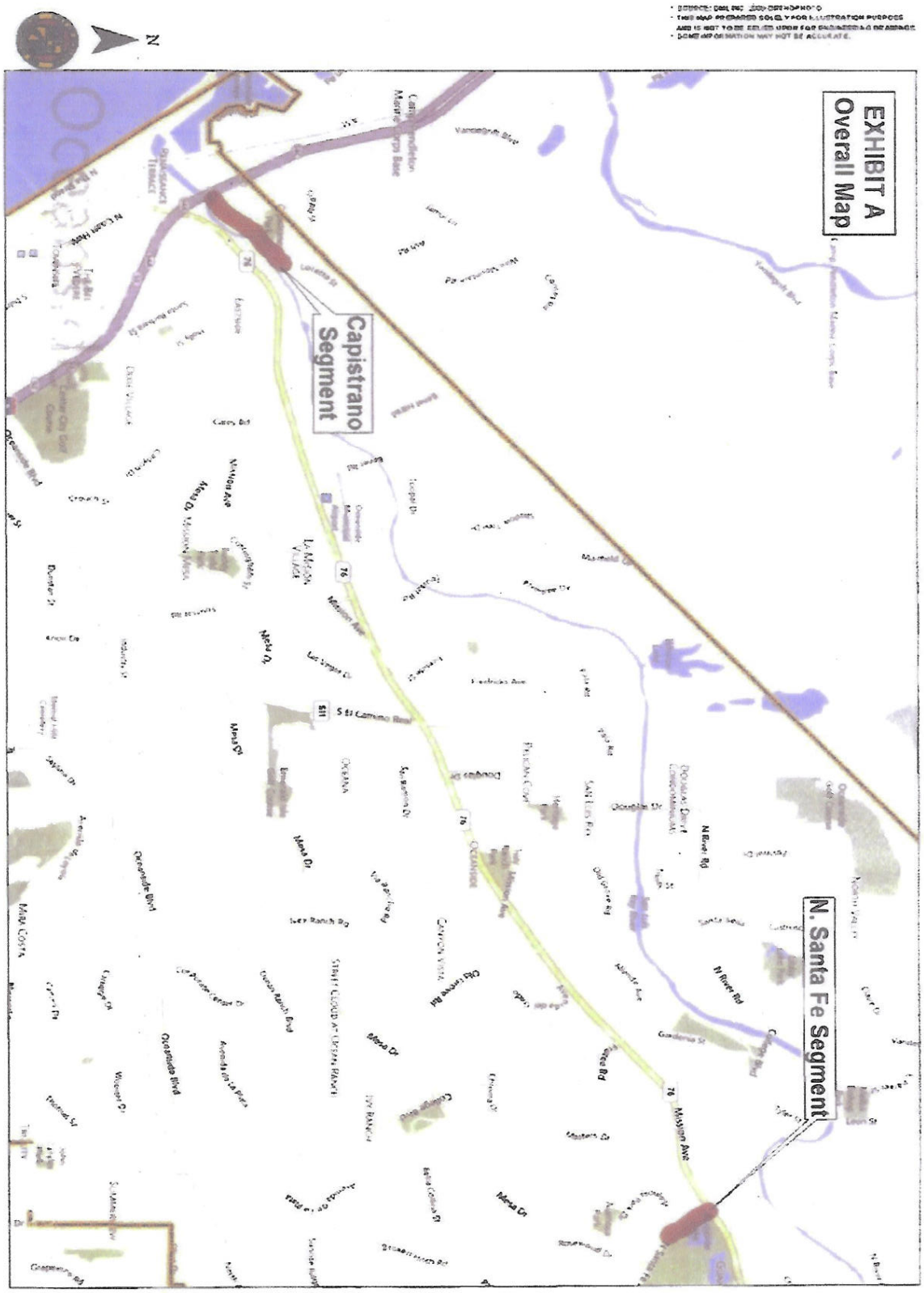
[1] Central Valley Clean Water Association and Bay Area Clean Water Agencies. <u>Best Management Practices for Sanitary Sewer Overflow Reduction Strategies</u>. 2009.

[2] US Environmental Protection Agency. <u>Handbook: Sewer System Infrastructure Analysis and Rehabilitation</u>. 1991.

Attachment A



Attachment B

Attachment C

EXHIBIT B

City of Oceanside
Enhanced Compliance Action No. 2
SMARTCOVER Sewer Monitoring System
Order No. R9-2013-0004

Pursuant to the City of Oceanside's meeting with the San Diego Regional Water Quality Control Board on October 15, 2012, the City is proposing two ECA projects. Enhance Compliance Action No. 2 is a sewer level monitoring system, as outlined below.

ECA No. 2 - SMARTCOVER® Sewer Monitoring System:

Project Description

As part of this dual project ECA the City will incorporate 20 SmartCovers within the areas identified in the lining portion and subsequent areas independent of the lining. The City has identified 20 locations (Attachment A) throughout the sewer system that will be further evaluated by staff in conjunction with representatives from SmartCover to determine the exact manhole locations that will result in the highest benefit. When evaluating these locations; the following items will be taken into consideration:

- Sewer segments and manholes that parallel rivers, streams or creeks
- Sewer segments and manholes that cross rivers, streams or creeks
- Sewer segments that experience high levels of I&I
- Sewer segments and manholes that are subject to flooding during storm events
- Environmentally sensitive areas

The SmartCover/Oceanside team will rank the areas and strategically chose the locations best suited for ultimate benefit. A proposed location report will then be presented to the San Diego Water Board staff for concurrence prior to installation in the field.

Performance Criteria

The award-winning SmartCover monitoring system is a completely self-contained, turn-key solution developed specifically for the water and wastewater industry by two technologists with decades of water policy experience.

Developed in close collaboration with industry leaders, the SmartCover system was built to solve industry problems at high value and low burden. Providing complete reliable two way wireless communications, the patented SmartCover system provides real-time continuous remote sensing, alarming to devices of the customer's choice, an easy-to-use web based interface, and long and short term data collection and analysis. Built to operate at sites that are environmentally difficult, have no power or communications, the SmartCover provides "instant infrastructure" - it can operate virtually anywhere in the world, installs in minutes and is on-line and ready for use immediately.

The SmartCover system has emerged as the industry leader in widely deployable sanitary sewer collection system management. Working closely with its customers, Hadronex and the SmartCover solution continue to evolve to serve more diverse applications and industries.

Construction Budget

SmartCover Cost Breakdown

Item #	Item Quantity	Unit Price	Total Equipment
1	SmartCover-S Units 20	$3,326 ea	$66,520.00
2	Installation Kit – Includes Antenna and mounting Hardware. 20	$350 ea	$7,000.00
	Sub – Total Equipment		$73,520.00
	California Sales Tax	7.75%	$5,697.80
	TOTAL HARDWARE		**$79,217.80**
	Installation Labor 20	$200	$4,000.00
	TOTAL INSTALLED INCLUDING CALIFORNIA TAX		**$83,217.80**

Schedule

January through March 2013
- Execute Contract with SmartCover
- Issue a Notice to Proceed
- Phase I analysis of manhole locations

April through September 2013
- Installation
- All construction work completed

Project Performance Measures

The overall purpose of the proposed Dual ECA is to reduce bacteria in our local waterways and ultimately eliminate sanitary sewer overflows. These projects will enhance the City's ability to monitor and proactively react to potential overflows before they occur.

Reports

Construction Completion Report
The City of Oceanside will submit a Final Report declaring that the construction-portion of the SmartCover project is completed, which details actual fund expenditures, along with a complete copy of all accounting records and expenditures. Quarterly construction monitoring reports are not required because this project is expected to be completed in less than one year.

Annual SmartCover Monitoring Reports

In addition, on the one, two, and three year anniversary of the completion of the construction portion of the ECA, the City will submit a monitoring report which includes a discussion of the system-wide monitoring activities conducted using the SmartCover system and the results achieved during the respective timeframes. The reports will include any observable water quality benefits that result from the installation of the SmartCovers into its collection system.

Attachment A