THOMAS L. SANSONETTI
Assistant Attorney General
Environment & Natural Resources Division
DAVID B. GLAZER
MATTHEW FOGELSON
Environmental Enforcement Section
Environment and Natural Resources Division
301 Howard Street, Suite 1050
San Francisco, California 94105
Telephone: (415) 744-6491
Facsimile: (415) 744-6476
DEBRA W. YANG
United States Attorney
Central District of California
SUZETTE CLOVER (State Bar No. 89066)
Assistant United States Attorney
300 North Los Angeles Street
Los Angeles, California 90012
Telephone: (213) 894-3996
Facsimile: (213) 894-7819

Attorneys for Plaintiff United States of America
(Additional Attorneys Listed on Following Pages)

UNITED STATES DISTRICT COURT FOR THE
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION

UNITED STATES OF AMERICA and PEOPLE OF THE STATE OF CALIFORNIA *ex rel.* CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, LOS ANGELES REGION, Plaintiffs, v. CITY OF LOS ANGELES, Defendant.	Civil Action No. 01-191-RSWL Civil Action No. 98-9039-RSWL CONSOLIDATED SETTLEMENT AGREEMENT AND FINAL ORDER
SANTA MONICA BAYKEEPER, a non-profit corporation; Plaintiff, v. THE CITY OF LOS ANGELES, Defendant.	

ROBERT R. KLOTZ (State Bar No. 114921)
Environmental Enforcement Section
Environment & Natural Resources Division
United States Department of Justice
P.O. Box 7611 Ben Franklin Station
Washington, DC 20044-7611
Telephone: (202) 514-5516/Facsimile: (202) 514-0097

Attorney for Plaintiff United States of America

BILL LOCKYER
Attorney General of the State of California
MARY E. HACKENBRACHT
Senior Assistant Attorney General
GREGORY J. NEWMARK (State Bar No. 190488)
MARILYN LEVIN (State Bar No. 92800)
Deputy Attorneys General
300 South Spring Street,
11th Floor, North Tower
Los Angeles, California 90013
Telephone: (213) 897-2641/Facsimile: (213) 897-2802

Attorneys for Plaintiff People of the State of California ex rel.
California Regional Water Quality Control Board, Los Angeles Region

DANIEL COOPER (State Bar No. 153576)
Lawyers for Clean Water
1004 O'Reilly Avenue
San Francisco, California 94129
Telephone: (415) 561-2222/Facsimile: (415) 561-2293

DANIELLE FUGERE (State Bar No. 160873)
Environmental Advocates
1004 O'Reilly Avenue
San Francisco, California 94129
Telephone: (415) 561-2222/Facsimile: (415) 561-2223

Attorneys for Plaintiff Santa Monica Baykeeper

KATHLEEN SALVATY (State Bar No. 196708)
STEPHEN R. ENGLISH (State Bar No. 65717)
English, Munger & Rice
1545 Wilshire Boulevard, Suite 800
Los Angeles, California 90017
Telephone: (213) 989-1300/Facsimile: (213) 989-1309

ROBERT GARCÍA (State Bar No. 84898)
Center for Law in the Public Interest
3250 Ocean Park Blvd., Ste. 300
Santa Monica, California 90405
Telephone: (310) 314-1947 ext. 138/Facsimile: (310) 314-1957

Attorneys for Intervenors

ROCKARD J. DELGADILLO
City Attorney (State Bar No. 125465)
CECILIA V. ESTOLANO
Assistant City Attorney (State Bar No. 198038)
CHRISTOPER WESTHOFF
Assistant City Attorney (State Bar No. 063176)
Offices of the Los Angeles City Attorney, City Hall East
200 North Main Street
Los Angeles California 90012-4110
Telephone: (213) 978-8209
Facsimile: (213) 978-8090

JAMES J. DRAGNA (State Bar No. 091492)
NANCY M. SAUNDERS (State Bar No. 111837)
BRYAN K. BROWN (State Bar No. 192924)
Bingham McCutchen LLP
355 South Grand Avenue, Suite 4400
Los Angeles, California 90071
Telephone: (213) 680-6400
Facsimile: (213) 680-6499

Attorneys for Defendant City of Los Angeles

TABLE OF CONTENTS

I. JURISDICTION AND VENUE 3

II. APPLICABILITY 3

III. OBJECTIVES 5

IV. DEFINITIONS 5

V. WORK 12

A. SEWER CLEANING 12

B. CHEMICAL ROOT CONTROL 13

C. SEWER CONDITION ASSESSMENT (CCTV) 13

D. SEWER CAPACITY PROJECTS, SYSTEM EVALUATION, AND CAPACITY ASSURANCE 14

E. SEWER REHABILITATION AND REPLACEMENT PROJECTS 16

F. FATS, OILS, AND GREASE (FOG) CONTROL PROGRAM . . . 18

G. ODOR PROVISIONS 18

H. MODIFICATION OF CONSTRUCTION DEADLINES 24

VI. REPORTING REQUIREMENTS 24

A. REPORT ON NEED FOR MODIFICATIONS TO FOG CONTROL PROGRAM 24

B. WET WEATHER CALIBRATION REPORT 26

C. CHEMICAL ROOT CONTROL REPORT 26

D. REHABILITATION AND REPLACEMENT REPORT AND PLAN 27

E. CAPACITY REPORT AND PLAN 28

F. IRP REPORT 29

G. ANNUAL PROGRESS REPORT 29

H. QUARTERLY REPORTS 34

I. OTHER PROVISIONS 35

VII. REVIEW AND APPROVAL OF DELIVERABLES 35
VIII. SUPPLEMENTAL ENVIRONMENTAL PROJECTS 38
IX. STIPULATED PENALTIES 43
X. FORCE MAJEURE 52
XI. DISPUTE RESOLUTION 53
XII. CIVIL PENALTY AND SECTION 13385 PAYMENT 57
XIII. INFORMATION COLLECTION AND RETENTION 57
XIV. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS 59
XV. COSTS 60
XVI. NOTICES 61
XVII. EFFECTIVE DATE 63
XVIII. RETENTION OF JURISDICTION 63
XIX. MODIFICATION 64
XX. TERMINATION 64
XXI. PUBLIC PARTICIPATION 67
XXII. SIGNATORIES/SERVICE 67
XXIII. INTEGRATION 67
XXIV. FINAL JUDGMENT 68

Appendix A – Sewer Relief Projects for the First Three Years of Agreement . . 76
Appendix B – Sewer Rehabilitation and Replacement Projects for the First Three Years of Agreement 78
Appendix C – Description of SEPs 83

WHEREAS:

Plaintiffs Santa Monica Baykeeper ("Baykeeper") and Terry Tamminen filed a complaint against Defendant City of Los Angeles (the "City") in Civil Action 98-9039 on November 9, 1998 pursuant to Clean Water Act Section 505(a)(1), 33 U.S.C. § 1365(a)(1). The Baykeeper complaint alleged that the City's discharges of untreated sanitary sewage from the City's sewer collection system and the City's monitoring practices violated the terms and conditions of National Pollution Discharge Elimination System ("NPDES") Permit Number CA010991 regarding the Hyperion Treatment Plant (the "Hyperion Permit"). The Baykeeper complaint also alleged that by allowing sewage to enter the City's storm sewer system, the City violated the City's storm water permit, NPDES Permit Number CAS614001. Terry Tamminen was voluntarily dismissed as a plaintiff pursuant to the Court's Order dated January 23, 2004 and docketed January 26, 2004.

Plaintiff United States of America ("United States"), on behalf of the United States Environmental Protection Agency ("EPA"), and Plaintiff People of the State of California ex rel. California Regional Water Quality Control Board, Los Angeles Region ("Regional Board") filed a complaint against the City in Civil Action 01-191 on January 8, 2001. The United States brought its action under Section 309 of the Clean Water Act, 33 U.S.C. § 1319, and the State of California brought its action under California Water Code Sections 13376, 13385, and 13386. The United States and the Regional Board alleged that the City, by discharging untreated sanitary sewage from manholes, sewer lines, and other parts of the City's sewer collection system, violated Clean Water Act Section 301(a), 33 U.S.C. § 1311(a), California Water Code Section 13376, and the terms and conditions of the Hyperion Permit and NPDES Permit Number CA0053856 regarding the Terminal Island Treatment Plant (the "Terminal Island Permit"). In addition, the United States' and the Regional Board's Complaint alleged that by

creating odor nuisances the City violated the terms and conditions of the Hyperion Permit.

The two actions were consolidated pursuant to an Order of the Court dated February 6, 2001.

On July 5, 2001, Plaintiffs in Intervention Baldwin Hills Estates Homeowners' Association, Inc., Baldwin Hills Village Garden Homes Association, United Homeowners Association, Village Green Owners Association, and Concerned Citizens of South Central Los Angeles (collectively the "Intervenors") filed a complaint in intervention against the City in Civil Action 01-191 alleging that the City's sewage spills violated Clean Water Act Section 301(a), 33 U.S.C. § 1311(a), and the terms and conditions of the Hyperion Permit and the Terminal Island Permit. In addition, the Intervenors alleged that by creating odor nuisances the City violated the terms and conditions of the Hyperion Permit.

Pursuant to the Regional Board's September 30, 1998 Civil Liability Complaint regarding spills that occurred in 1993, 1994, 1995, and 1998, the Regional Board administratively assessed an $850,000 civil penalty. Of the total, $200,000 was paid to the State Water Resources Control Board's Cleanup and Abatement Account, and $650,000 was expended on supplemental environmental projects.

Pursuant to the Regional Board's September 14, 1998 Cease and Desist Order ("CDO"), the City prepared a dewatering feasibility study for the Eagle Rock area; revised the City's spill response and reporting procedures; constructed the Eastern Avenue Relief Sewer and the North Hollywood Interceptor Sewer; and is constructing the East Central Interceptor Sewer, the Northeast Interceptor Sewer, and three relief sewers in the Eagle Rock area.

The City does not admit any liability to Plaintiffs for the transactions or occurrences alleged in the Complaints and contends that it is operating and maintaining its sewage collection system in compliance with all applicable laws.

The Parties desire to avoid further litigation and to work cooperatively on issues relating to the City's wastewater collection system.

The Parties recognize, and the Court by entering this Settlement Agreement and Final Order ("Settlement Agreement") finds, that this Settlement Agreement has been negotiated by the Parties in good faith and will avoid further litigation between the Parties, and that this Settlement Agreement is fair, reasonable, and in the public interest.

NOW, THEREFORE, IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of these actions pursuant to 28 U.S.C. §§ 1331, 1345, 1355, and 1367, and Sections 309(b) and 505(a) of the Clean Water Act, 33 U.S.C. §§ 1319(b) and 1365(a), and the Court has jurisdiction over the Parties. Venue lies in this District pursuant to Sections 309(b) and 505(c) of the Clean Water Act, 33 U.S.C. §§ 1319(b) and 1365(c), and 28 U.S.C. §§ 1391(b) and 1395(b) because this is the District in which the City is located.

2. Notice of the commencement of the United States' action was provided to the Regional Board pursuant to Section 309(b) of the Clean Water Act, 33 U.S.C. §§ 1319(b). Baykeeper provided notice to the City, EPA, and the Regional Board pursuant to Clean Water Act Section 505(b), 33 U.S.C. § 1365(b).

II. APPLICABILITY

3. The provisions of this Settlement Agreement shall apply to and be

binding upon the United States, the Regional Board, Baykeeper, the Intervenors, and the City, and any successors or other entities or persons otherwise bound by law.

4. The City shall provide a copy of this Settlement Agreement to the Members and Executive Officer of the Board of Public Works, the Chief Legislative Analyst, the City Administrative Officer, the City Clerk, the Director and Assistant Directors of the Bureau of Sanitation, the Wastewater Treatment Plant Managers, the Wastewater Program Division Managers, the Bureau of Sanitation Financial Management Division Manager, the City Engineer, the Chief Deputy City Engineer, the Wastewater Program Deputy Engineers, the Wastewater Program Group Managers, the Director and Assistant Director of the Bureau of Contract Administration, the Managers of the Wastewater Construction Division, the Metropolitan Construction Division, the Valley Construction Division, and any other managers whose responsibilities include the management of the implementation of material components of the work required to be performed under this Settlement Agreement. The City shall make copies of the Settlement Agreement available to any contractor retained to perform work required under this Settlement Agreement.

5. In any action to enforce this Settlement Agreement, the City shall not raise as a defense the failure by any of its officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Settlement Agreement.

6. The City shall provide a copy of this Settlement Agreement to any successor in interest at least thirty (30) days prior to transfer of that interest, and simultaneously shall verify in writing to EPA and the Regional Board that such notice has been given. Absent agreement of the Parties or order of the Court, any

sale or transfer of the City's interests in, or operating role with respect to, the City's "treatment works" or "POTW," as those terms are defined in 33 U.S.C. § 1292(2)(A) and 40 C.F.R. § 403.3(o) (2004), shall not in any manner relieve the City of its responsibilities for meeting the terms and conditions of this Settlement Agreement.

III. OBJECTIVES

7. The objectives of this Settlement Agreement are to resolve the pending consolidated litigation, to set out the program requirements that the City will implement to reduce Sanitary Sewer Overflows to the maximum extent feasible, and to investigate, resolve, and mitigate sewer odors to the maximum extent practicable in furtherance of the objectives of the Clean Water Act as set forth in Section 101 of the Act, 33 U.S.C. § 1251, and the objectives of the Porter-Cologne Water Quality Control Act as set forth at California Water Code Sections 13000, 13001, 13370, and 13372.

IV. DEFINITIONS

8. Unless otherwise defined herein, terms used in this Settlement Agreement shall have the meaning given to those terms in the Clean Water Act, 33 U.S.C. §§ 1251 *et seq.*, and the regulations promulgated thereunder. Whenever terms set forth below are used in this Settlement Agreement, the following definitions shall apply:

"Baykeeper" shall mean the Santa Monica Baykeeper.

"Calibration" shall mean the process of running a model using a set of input data and then comparing the results to actual measurements of the system. If the model results do not reasonably approximate the actual measurements, the modeler reviews the components of the model to determine if adjustments should be made so that the model better reflects the system it represents. A model is

calibrated to multiple data sets simultaneously.

"CCTV" shall mean closed circuit television.

"Citizen Plaintiffs" shall mean Baykeeper and the Intervenors.

"City" shall mean the City of Los Angeles.

"Complaints" shall mean the complaint filed on November 9, 1998 by the Baykeeper and Terry Tamminen in what is now Civil Action 98-9039-RSWL, the complaint filed on January 8, 2001 by the United States on behalf of the EPA and the People of the State of California ex rel. the Regional Board in what is now Civil Action 01-191-RSWL, and the complaint in intervention filed on July 5, 2001 in Civil Action 01-191-RSWL by the Intervenors.

"Condition Assessment Inspection" shall mean an inspection of a sewer Pipe Reach by CCTV that results in documentation of a Condition Assessment Rating for the inspected Pipe Reach. "Condition Assessment Inspections" shall not include CCTV inspections for cleaning QA/QC, spill follow-up, FOG source investigations, or other types of CCTV inspection unless those inspections yield a Condition Assessment Rating for the entire Pipe Reach.

"Condition Assessment Rating" shall mean the assignment of an overall condition rating (A, B, C, D or E) for each inspected Pipe Reach in accordance with City procedures and include documentation in the City's CCTV database of defects found during the CCTV inspection.

"CWA" shall mean the Clean Water Act, 33 U.S.C. §§ 1251 *et seq.*

"Day," regardless of whether it is capitalized, shall mean a calendar day unless expressly stated to be a working day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or federal or State holiday, the period shall run until the close of business of the next working day.

"Deliverable" shall mean any written report or other document required to be prepared and/or submitted pursuant to Sections II (Applicability), V.G (Work - Odor Provisions), VI (Reporting Requirements), VII (Review and Approval of Deliverables), and VIII (Supplemental Environmental Projects) of this Settlement Agreement.

"Design Costs" shall mean any and all costs associated with planning, investigation, alternative development, environmental clearance, facility configuration, detailed design (including, as appropriate, architectural, landscape, civil, water quality, mechanical, electrical, instrumentation and control system, structural, and geotechnical design), constructability review, and procurement (including contract document preparation).

"Design Storm" shall mean a 10-year, 24-hour storm utilizing a back loaded hyetograph occurring over the entire Los Angeles service area with wet antecedent soil conditions.

"EPA" shall mean the United States Environmental Protection Agency.

"First-Time Condition Assessment" shall mean a Condition Assessment Inspection that has not been the subject of a Condition Assessment Inspection more recently than five years prior to July 1 of the Fiscal Year in which the inspection was conducted.

"Fiscal Year" shall mean the City's fiscal year beginning on July 1 and ending on June 30 of the following year.

"FOG" shall mean fats, oils, and grease.

"FOG Control Program" or "Fats, Oils, and Grease Control Program" shall mean the City's program to control the discharge of FOG from FSEs as mandated by the City Council's August 2001 Industrial Waste Ordinance

modification, and as may be modified consistent with this Settlement Agreement.

"FSE," short for "food service establishment," shall mean a facility engaged in preparing food for consumption by the public such as a restaurant, commercial kitchen, caterer, hotel, school, hospital, prison, correctional facility, or care institution. L.A. Muni. Code 64.00(a)(27).

"Government Plaintiffs" shall mean the United States and the Regional Board.

"Hotspot Cleaning" shall mean scheduled cleaning conducted as part of the maintenance of sewer Pipe Reaches that the City has determined to be in need of high frequency cleaning to reduce the risk of SSOs.

"Independent Review of the Sewer Odor Control Program for the City of Los Angeles" shall mean the review conducted by the independent expert retained pursuant to the July 2001 Stipulated Case Management Order.

"Intervenors" shall mean the Plaintiffs in Intervention Baldwin Hills Estates Homeowners' Association, Inc., Baldwin Hills Village Garden Homes Association, United Homeowners Association, Village Green Owners Association, and Concerned Citizens of South Central Los Angeles.

"Odor Advisory Board" shall mean the community advisory board established pursuant to the July 2001 Stipulated Case Management Order.

"Odor Complaint Response Form" shall mean the form used by City crews to respond to odor complaints.

"Odor Outreach Plan" shall mean the plan adopted by the City to publicize the existence of the Sewer Odor Hotline.

"Paragraph" shall mean a portion of this Settlement Agreement identified by an Arabic numeral.

"Parties" shall mean the United States, the Regional Board,

Baykeeper, the Intervenors, and the City.

"Pipe Reach" (used primarily with respect to sewer cleaning) shall mean a length of sewer line extending from one maintenance hole to the next maintenance hole.

"Plaintiffs" shall mean the United States, the Regional Board, Baykeeper, and the Intervenors.

"Primary Basin Plan" shall mean a master plan for the Primary Sewers in the individual primary basins in the City. Currently, there are 25 primary basins in the City.

"Primary Sewers" shall mean sewers that are 16 inches and greater in diameter, excluding the major outfalls and interceptor sewers.

"'R' Factor" shall mean the percentage of rainfall volume in a sewer basin that enters the sanitary sewer.

"Regional Board" shall mean the California Regional Water Quality Control Board, Los Angeles Region.

"Secondary Basin Plan" shall mean a master plan for the Secondary Sewers in the individual secondary basins in the City. Currently, there are 218 secondary basins in the City.

"Secondary Sewers" shall mean sewers that are less than 16 inches in diameter.

"Section" shall mean a portion of this Settlement Agreement identified by an uppercase Roman numeral.

"Settlement Agreement" shall mean this Settlement Agreement and Final Order, including all its attached appendices: Appendix A - Sewer Relief Projects, Appendix B - Rehabilitation and Replacement Projects, and Appendix C - Supplemental Environmental Projects.

"Sewer Odor Hotline" shall mean the hotline operated by the City for the purpose of receiving and recording calls reporting sewage odor complaints, which was established pursuant to the July 2001 Stipulated Case Management Order.

"Sewer Relief Projects" shall mean new sewers, the replacement of old sewers with larger diameter sewers, diversion structures, and other projects built primarily for the purpose of increasing the hydraulic capacity of the Wastewater Collection System.

"SSO" or "Sanitary Sewer Overflow" shall mean an overflow, spill, diversion, or release of wastewater from or caused by the City's Wastewater Collection System, except that the term "SSO" does not include wastewater backups into buildings caused solely by a blockage or other malfunction in a building lateral that is privately owned.

"SSO Subject to Stipulated Penalties" or "Subject SSO" shall mean (i) an SSO that results in a release to navigable waters or surface waters of the State in excess of 500 gallons, and (ii) any other SSO in excess of 1000 gallons. A release of wastewater to a storm sewer shall be considered a release to navigable waters unless the City demonstrates that a structural diversion was in place in the storm sewer and operational such that the flow was diverted into the sanitary sewer, or unless the flow did not otherwise enter the primary storm water collection system, or unless the City removed the wastewater from the primary storm water collection system before the wastewater entered a navigable water or surface water of the State. SSOs Subject to Stipulated Penalties shall exclude those caused by acts of vandalism or an error of a contractor or subcontractor not working directly or indirectly on behalf of the City. For the purposes of this definition, the "primary storm water collection system" shall mean the system of

laterals and other storm sewers that convey rain water and runoff.

"State" shall mean the State of California.

"Three-Year Average" – a "Three-Year Average" shall be calculated over three consecutive Fiscal Years.

"Three-Year Rolling Average" – a "Three-Year Rolling Average" is a series of Three-Year Averages made up, for example, by the Three-Year Average for Years One through Three, the Three-Year Average for Years Two through Four, the Three-Year Average for Years Three through Five, and so on.

"Trigger Flow" shall mean the measured peak dry weather flow level in a sewer pipe that, when reached, triggers the initiation of City planning and design for a Sewer Relief Project. City standards and procedures define the trigger flow level in terms of d/D, the ratio between the depth of flow (d) in a sewer pipe and the diameter (D) of the sewer pipe.

"United States" shall mean the United States of America.

"Validation" shall mean the process of testing a Calibrated model using one or more independent data sets. The model is run without any further adjustment using independent data set(s) of rainfall data. Then the results are compared to the field measurements collected concurrently with the rainfall data. If the results are suitably close, the model is considered validated.

"Wastewater Collection System" shall mean all parts of the wastewater collection system owned or operated by the City that are intended to convey domestic or industrial wastewater to the City's wastewater treatment plants, including without limitation, sewers, pipes, pump stations, lift stations, manholes or maintenance holes, and force mains.

"Year" shall mean "Fiscal Year."

"Year One" through "Year Ten" are Fiscal Years defined as follows:

"Year One"	–	July 1, 2004 through June 30, 2005
"Year Two"	–	July 1, 2005 through June 30, 2006
"Year Three"	–	July 1, 2006 through June 30, 2007
"Year Four"	–	July 1, 2007 through June 30, 2008
"Year Five"	–	July 1, 2008 through June 30, 2009
"Year Six"	–	July 1, 2009 through June 30, 2010
"Year Seven"	–	July 1, 2010 through June 30, 2011
"Year Eight"	–	July 1, 2011 through June 30, 2012
"Year Nine"	–	July 1, 2012 through June 30, 2013
"Year Ten"	–	July 1, 2013, through June 30, 2014.

V. WORK

9. The parties have evaluated the components of the City's Wastewater Collection System program. Pursuant to this Agreement, the City agrees to continue to implement its program components as augmented herein.

A. SEWER CLEANING

10. Starting with Year One, the City shall clean a minimum of 60,000 sewer Pipe Reaches annually (equivalent to approximately 2,600 miles of sewer) and, starting with Year Three, maintain a Three-Year Rolling Average of 65,000 sewer Pipe Reaches cleaned (equivalent to approximately 2,800 miles of sewer). All Pipe Reach cleaning, including preventative maintenance, proactive maintenance, and reactive maintenance (including Hotspot Cleaning), shall be included in determining compliance with this provision, including multiple cleanings of a Pipe Reach in a given Year.

11. If, in any Year, the City cleans more than 60,000 sewer Pipe Reaches, the City may "bank" the excess Pipe Reach cleaning. In any Year following Year One, the City may demonstrate compliance with the annual requirement of cleaning 60,000 Pipe Reaches per Year through a combination of Pipe Reaches cleaned in that Year and "banked" cleaning from previous Years, *provided*, however, that in no Year may the number of Pipe Reaches actually cleaned be reduced below a floor of 48,000 Pipe Reaches, and *provided* that once a banked Pipe Reach cleaning has been used in one Year, it may not be used in any

subsequent Year.

12. If, in any three-Year period starting with Years One through Three, the City cleans an average of more than 65,000 sewer Pipe Reaches per Year (more than 195,000 Pipe Reaches total in the three-Year period), the City may "bank" the excess Pipe Reach cleaning. In any three-Year period ending after Year Three, the City may demonstrate compliance with the Three-Year Rolling Average requirement of cleaning an average of 65,000 Pipe Reaches per Year through a combination of Pipe Reaches cleaned in that three-Year period and "banked" cleaning from previous three-Year periods, *provided* however, that in no three-Year period may the average number of Pipe Reaches actually cleaned be reduced below a floor of 52,000 Pipe Reaches per Year, and *provided* that once a banked Pipe Reach cleaning has been used in one three-Year period, it may not be used in any subsequent three-Year period.

13. The Hotspot Cleaning portion of the annual cleaning in Year One shall be at least 35,000 Pipe Reaches. After Year One, the City shall adjust the quantity of Hotspot Cleaning as necessary to meet the City's cleaning needs. The frequency and breakdown of cleaning between preventative and proactive maintenance shall be adjusted by the City as appropriate based on field conditions. However, the overall amount of cleaning shall not be reduced below the minimum requirements set forth in Paragraphs 10 through 12, above.

B. <u>CHEMICAL ROOT CONTROL</u>

14. In Year One and Year Two, to control the growth of roots in the Wastewater Collection System, the City shall apply chemicals to a minimum of 150 miles of sewers annually.

C. <u>SEWER CONDITION ASSESSMENT (CCTV)</u>

15. The City shall continue to conduct comprehensive and systematic

inspections and structural condition assessments of its Wastewater Collection System. Inspections shall be used, among other things, as the primary tool to identify sewers in need of repair, rehabilitation, or replacement. Starting with Year One, at a minimum, the City shall use CCTV to inspect 600 miles of pipes annually. The City shall make it a priority to inspect and assess the condition of pipes that have not been previously inspected by CCTV or were most recently inspected by CCTV more than five years prior to entry of this Agreement. CCTV inspections that are included in determining compliance with the annual inspection requirement include multiple assessments of a sewer pipe, post-spill assessment, and CCTV inspections performed as part of quality assurance/quality control (QA/QC) procedures. By September 1 of each year, the City shall complete Condition Assessment Ratings for each pipe inspected pursuant to this Paragraph during the previous Fiscal Year.

16. If in Year One or any subsequent Year, the City completes CCTV Condition Assessment Inspections of more than 600 miles of sewer pipes, the City may "bank" the percentage of the excess CCTV work that equals the percentage of the CCTV work performed during that Year that were First-Time Condition Assessments.

17. Beginning in Year Two, in demonstrating compliance with the 600-mile CCTV inspection requirement, the City may rely on the miles of sewer pipes inspected in that Year and any miles "banked" from previous Years, *provided* however, once a "banked" mile of CCTV inspection has been used to demonstrate compliance in one Year, it may not be used again in any other Year.

D. <u>SEWER CAPACITY PROJECTS, SYSTEM EVALUATION, AND CAPACITY ASSURANCE</u>

18. The City shall complete the construction of the Sewer Relief Projects

identified in Appendix A to this Settlement Agreement by the deadlines set forth in Appendix A specific to each project, or as modified pursuant to Subsection V.H (Modification of Construction Deadlines).

19. Following approval of the additional Sewer Relief Projects in the Capacity Report and Plan submitted pursuant to Subsection VI.E (Capacity Report and Plan), the City shall complete the construction of the Sewer Relief Projects set forth in that Report by the deadlines provided for in the approved Report, or as modified pursuant to Subsection V.H (Modification of Construction Deadlines).

20. Design Manual. No later than the end of Year One, the City shall add the following language to its design manual ("PDWF" means peak dry-weather flow and "RDI/I" means rainfall derived infiltration and inflow):

> Sewers shall be sized so the depth of the PDWF, projected for the design period, shall be no more than one half the pipe diameter (d/D = 0.5). An exception shall be made to the design criteria in Table 250 in circumstances where, as a result of a 10-year, 24-hour storm, the tributary area contributing flow to the sewer pipe produces RDI/I flow greater that the PDWF. In these situations, unique and localized conditions shall be considered when sizing pipes. For example, the design depth of flow in the sewer pipe may be adjusted to a level below d/D = 0.5 such that the pipe will accommodate peak wet weather flow (PDWF plus RDI/I) resulting from the 10-year, 24-hour storm. As an alternative, the useful design period of the pipe may also be adjusted down to provide sufficient capacity for RDI/I throughout the reduced design period. Where upstream treatment and/or storage reservoirs are planned or available, their effect on reducing peak flows shall be considered in sizing downstream sewers. In the case of relief sewers, the combined capacity of the relief sewer and the sewer being relieved shall meet the above criteria. Under special conditions consistent with good engineering practice and the judgment of the City Engineer, the d/D design criteria of 0.5 may be slightly increased. Some of these special conditions include limitation in pipe size, ability to achieve minimum velocity and to control sewer odors.

21. MOUSE Model. No later than the end of Year Five, the City shall have expanded its MOUSE model to include all Primary Sewers. The expansion will be performed systematically as part of the development of the Primary Sewer master plans. An individual MOUSE model will be developed as part of

developing each Primary Basin Plan and will be linked to the existing City MOUSE model. These individual MOUSE models and the expanded MOUSE model shall be Calibrated and Validated.

22. The City shall continue its wet weather Calibration and Validation of its existing MOUSE model.

23. "R" Factors. No later than the end of Year One, the City shall utilize all current and past valid flow data to complete the development of all "R" Factors for all model basins within the City's MOUSE model.

24. Primary Basin Plans. No later than the end of Year Five, the City shall complete all Primary Basin Plans. The City shall utilize all available valid flow data and valid modeling results to evaluate the hydraulic capacity of the Primary Sewer system as part of the development of these master plans.

25. Secondary Basin Plans. No later than the end of Year Ten, the City shall complete Secondary Basin Plans for the 100 highest priority secondary basins. As part of the preparation of the Secondary Basin Plans, the City shall consider any possible backwater conditions utilizing all available valid flow data and valid modeling results.

E. SEWER REHABILITATION AND REPLACEMENT PROJECTS

26. The City shall complete construction of the sewer rehabilitation and replacement projects identified in the Appendix B to this Settlement Agreement by the deadlines set forth in Appendix B specific to each project, or as modified pursuant to Subsection V.H (Modification of Construction Deadlines).

27. In Year Four through Year Ten of this Agreement, the City shall rehabilitate or replace the miles of sewer pipes required pursuant to the approved Rehabilitation and Replacement Report and Plan submitted pursuant to Subsection VI.D (Rehabilitation and Replacement Report and Plan). In no event shall the

projects set forth in Appendix B be counted in achieving compliance with the mileage requirements in the approved Rehabilitation and Replacement Report and Plan. For purposes of this Agreement, rehabilitation and replacement includes emergency repairs that restore the affected pipe to Condition C or better, trenchless sewer rehabilitation, and sewer replacement or reconstruction.

28. If, in any Year during Years Four though Ten, the City rehabilitates or replaces more than the annual number of miles of sewer pipe required pursuant to the approved Rehabilitation and Replacement Report and Plan submitted pursuant to Subsection VI.D of this Settlement Agreement, the City may "bank" the excess miles of pipe. In any Year beginning in Year Five, the City may demonstrate compliance with the annual rehabilitation and replacement mileage requirement of Paragraph 27 and Subsection VI.D through a combination of miles rehabilitated or replaced in that Year and "banked" rehabilitation or replacement from previous Years, *provided*, however, that once a banked mile of rehabilitation or replacement has been used in one Year, it may not be used in any subsequent Year.

29. If, in any three-Year period starting with the three-Year period comprising Years Four through Six, the City rehabilitates or replaces, on a Three-Year Average, more miles of pipe than is required pursuant to the approved Rehabilitation and Replacement Report and Plan submitted pursuant to Subsection VI.D of this Settlement Agreement, the City may "bank" the excess miles of pipe. In any three-Year period ending in or after Year Seven, the City may demonstrate compliance with the Three-Year Rolling Average mileage requirement for sewer pipe rehabilitation or replacement of Paragraph 27 and Subsection VI.D through a combination of miles rehabilitated or replaced in that three-Year period and "banked" miles from previous three-Year periods, *provided* however, that once a banked mile has been used in one three-Year period, it may not be used in any

subsequent three-Year period.

F. FATS, OILS, AND GREASE (FOG) CONTROL PROGRAM

30. The City shall continue to implement its Grease Control Ordinance. At a minimum, the City shall inspect all permitted FSEs annually.

31. No later than the end of Year One, following review and, where applicable, approval of the FOG Report required pursuant to Paragraph 59, the City shall a) make any modifications to the FOG Control Program Standard Operating Procedures and Enforcement Response Plan and Enforcement Response Guide provided for in the report, and b) begin implementation of the FOG Control Program in accordance with the modified Standard Operating Procedures and Enforcement Response Plan and Enforcement Response Guide.

G. ODOR PROVISIONS

General

32. The City will continue to investigate, resolve, and mitigate sewer odors to the maximum extent practicable. The City will continue to work closely with the Odor Advisory Board on these efforts.

Sewer Odor Hotline and Response

33. The City will continue to operate the Sewer Odor Hotline. Within six months from the entry of this Settlement Agreement, the City shall, if practicable, arrange for calls to the Sewer Odor Hotline to be answered and documented by a live person rather than a recording.

34. Within six months from the entry into this Settlement Agreement, the City will develop an updated Odor Outreach Plan for advertising the Sewer Odor Hotline. The Plan will continue the public outreach efforts advertising the Sewer Odor Hotline in Los Angeles City Council Districts 8, 9, and 10 and gradually expand the outreach to the entire City.

35. As part of the City's Odor Outreach Plan, the City will develop a community feedback system. Under this system, the City will periodically contact a select group of people who live near known odor hot spots to inquire about their recent experiences with sewage odors and, if applicable, their experiences with the Sewer Odor Hotline.

36. The City will implement its updated Odor Outreach Plan and will report on the progress as part of the Annual Report required under Subsection VI.G. of this Settlement Agreement.

37. The City will modify its Odor Complaint Response Form to include a qualitative description of the wind condition (i.e., calm, windy, or gusty) observed in good faith by the field crews and wind direction, as readily available to the field crews. In some special cases and as deemed necessary by the City, available basic weather information may be used for the odor complaint investigation.

38. The City will make an initial return call to the community member filing the sewer odor complaint through the Sewer Odor Hotline (complainant) within 1 week from the receipt of the hotline complaint if requested by the complainant and the complainant has provided call back information.

39. The City will investigate the sewer odor complaint received by the Sewer Odor Hotline and shall call the complainant to attempt to report findings and actions within 30 days from the receipt of the Sewer Odor Hotline complaint if requested by the complainant and the complainant has provided call back information.

40. For the first year after the entry into this Settlement Agreement, the City will prepare quarterly reports reviewing the Sewer Odor Hotline program. The reports shall list all sewer odor complaints received by the Sewer Odor Hotline for that period, the date received, the location, the date when the initial call was made,

the cause of the odor complaint as determined by the field inspection crew, the action taken and the date of the follow-up call made. The report shall assess the effectiveness of the Sewer Odor Hotline program, including whether callers are reasonably satisfied with the Sewer Odor Hotline, and shall include any recommendations for improvement, if necessary. A draft of the report will be reviewed with the Odor Advisory Board and the Odor Advisory Board shall have an opportunity to comment on the report, as well as its findings and recommendations. The final report, including any findings and recommendations for improvement, shall be posted on the sewer hotline web page. Thereafter, the City will prepare and post an annual report. The Odor Advisory Board may request a quarterly report if necessary.

Odor Advisory Board

41. The City will continue to support the Odor Advisory Board for the length of this Settlement Agreement, unless sooner terminated by mutual assent of the parties.

42. The City will provide the Odor Advisory Board with all of the reports relating to system evaluation and capacity assurance, including reports concerning flow levels and sewer capacity, that the City is required to provide under this Settlement Agreement.

Existing Odor Control Measures

43. Within six months of the entry into this Settlement Agreement, the City will prepare written procedures for the odor control measures the City currently employs including the addition of chemicals for sewer odor control. The procedures will outline and describe the type of chemicals and the underlying assumptions utilized to estimate the necessary dosage, including baseline monitoring data, performance monitoring data, odor complaints, and any other

factors as deemed necessary to ensure the effectiveness of the odor control measures. The procedures will also outline instances with significant changes that require notification of the Odor Advisory Board. This will include instances where the chemicals used are changed or the underlying assumptions are changed.

44. The City will distribute these written procedures to the Odor Advisory Board. On an annual basis, or as requested by the Odor Advisory Board, the City will share summary data with the Odor Advisory Board regarding the odor control measures utilized by the City and any relevant information.

Odor Master Plan

45. The City will complete the preparation of its Odor Master Plan within 2 years from the entry into this Settlement Agreement. This will include the assessment of known odor hotspots, additional testing and monitoring, and recommended actions. The City will develop the Odor Master Plan in consultation with the Odor Advisory Board or its designees. The Odor Advisory Board will be updated quarterly on the progress of the Master Plan preparation.

Air Treatment Facilities & Interim Scrubbers

46. The City will install and operate seven Air Treatment Facilities ("ATFs") for the control of sewer odors at the following locations by the corresponding dates:

Project Title	Construction End Date
ATF – ECIS/NORS (4 Sites) Mission & Jesse 23rd and San Pedro Jefferson Siphon (Jefferson & La Cienega) At NORS Connection	5/23/08
ATF - NCOS Jefferson & Rodeo	5/23/08
ATF - NEIS (2 Sites) Humboldt Richmond	3/26/09

The deadline for completion of construction will reflect appropriate design, permitting and/or construction contingencies. The City shall make its best efforts to ensure that any delays do not exceed one year.

47. While the ATFs are being constructed, interim odor carbon scrubbers will be installed at the following locations per the corresponding dates:

Project Title	Construction End Date
Interim Carbon scrubber – NCOS	completed
Interim Carbon scrubber – ECIS/NORS (4 Sites) Mission & Jesse 23rd and San Pedro Jefferson Siphon (Jefferson & La Cienega) At NORS connection	8/27/04
Interim Carbon scrubber – NEIS (2 Sites) Humboldt Richmond	10/30/06

The deadline for completion of construction will reflect appropriate construction contingencies. The Parties recognize that these dates represent the most reliable estimates based on information currently available and that the dates may be modified as new circumstances dictate.

48. In addition, the City will continue to operate the odor control carbon scrubber at the traffic island at the intersection of Rodeo and Jefferson until the ATF at that location is operational.

49. The City will develop a written maintenance and operations manual for each of the ATFs. The written operations manual shall state that the standard operating procedure for the ATFs includes the operation of the ATF's biotrickling filter and its carbon polishing system.

50. The City will monitor all the odor control facilities as necessary to comply with all regulatory and permit requirements. The City will disclose the terms of these regulatory and permit requirements to the Odor Advisory Board.

51. The City will install an indicator light on the outside wall of each ATF that visually depicts whether the biotrickling filter of the ATF is operational or not and the number to call to report any issues with the operations.

52. The City will report quarterly to the Odor Advisory Board, or more frequently if requested by the Odor Advisory Board, on the removal levels for hydrogen sulfide at each of the odor control facilities (interim scrubbers and permanent ATFs) showing inlet concentration and outlet concentration. The information will also be posted on the odor hotline web site. One year after the last ATF is installed, the reports will become annual or as requested by the Odor Advisory Board.

53. The City will report on the construction progress of the odor control facilities as part of the Annual Report and construction progress will be discussed with the Odor Advisory Board on an annual basis or as requested by the Odor Advisory Board.

54. With the completion of each of the ATFs, the City will extend an invitation to the Odor Advisory Board to tour the facility.

ECIS Odor Monitoring

55. Within two months after ECIS (the East Central Interceptor Sewer) becomes operational, the City will conduct monitoring of hydrogen sulfide gas levels, air pressure, and other necessary parameters in ECIS as necessary to evaluate the effectiveness of the odor control efforts. Within 3 months after the operation of ECIS, the City will share the results of this monitoring with the Odor Advisory Board or its designees.

Independent Review of the Sewer Odor Control Program

56. Within six months from entry into this Settlement Agreement, the City will prepare an implementation plan for implementing the recommendations made

as part of the Independent Review of the Sewer Odor Control Program for the City of Los Angeles. The implementation plan will include an implementation schedule and reasons for deviating from the recommendations in the Independent Review, if any.

57. The progress on the implementation of the recommendations will be reported as part of the Annual Report and will be discussed with the Odor Advisory Board on an annual basis or as requested by the Odor Advisory Board.

H. MODIFICATION OF CONSTRUCTION DEADLINES

58. If the City and the Government Plaintiffs so agree, the deadlines applicable to the Sewer Relief Projects identified in Paragraphs 18 and 19 above, and the deadlines applicable to the sewer rehabilitation and replacement projects identified in Paragraph 26 above and Appendix B to this Settlement Agreement, may be adjusted to address unforeseen construction contingencies. The City and the Government Plaintiffs agree to work in good faith to adjust these schedules as necessary to address such contingencies. The City shall provide Baykeeper and Intervenors with timely notice of a City proposal to modify a deadline pursuant to this Paragraph and Baykeeper and the Intervenors shall provide Government Plaintiffs with any comments on said proposal. Any dispute with regard to any schedule adjustment proposed pursuant to this Paragraph shall be subject to dispute resolution pursuant to Section XI (Dispute Resolution).

VI. REPORTING REQUIREMENTS

A. REPORT ON NEED FOR MODIFICATIONS TO FOG CONTROL PROGRAM

59. No later than six months after entry of this Agreement, the City shall submit a report for Government Plaintiffs' review and, as to certain elements, approval that evaluates the need for modifications to its current FOG Control

Program Standard Operating Procedures ("SOPs") and Enforcement Response Plan and Enforcement Response Guide ("ERG"), and applicable sections of its existing rules and regulations implementing its Grease Control Ordinance. This report (the "FOG Report") shall propose any modifications considered necessary by the City to these elements of the City's FOG Control Program. The City shall consider SOP and ERG modifications necessary to timely and effectively implement its FOG Control Program and enforce its Grease Control Ordinance. The FOG Report shall include consideration of the eleven elements listed below.

The portions of the FOG Report concerning the following five elements shall be subject to Government Plaintiffs' review and approval:

1. Implementation of the conditional waiver provisions including, but not limited to, FSE application for conditional waivers, review of conditional waiver criteria, acknowledgment by each FSE with a conditional waiver of its conditional waiver status and its operational responsibilities to maintain its conditional waiver, and revocation of conditional waivers;

2. Follow-up referrals of FOG-caused SSOs and procedures for identifying FSEs responsible for such overflows;

3. Procedures for inspection and maintenance of Grease Removal Devices ("GRDs") including criteria for evaluating the adequacy of GRD design, installation, and maintenance;

4. Enforcement response for FOG discharges resulting in an SSO; and

5. Establishment of routine inspection frequency and follow-up inspection frequency (where follow-up inspections are necessary);

The portions of the FOG Report concerning the following six elements shall be subject to the Government Plaintiffs' review but not approval:

6. Sampling and analysis of the oil and grease concentration in FSE

discharges;

7. Targeted residential outreach associated with FOG-caused SSO referrals, focusing on multiple-family dwellings;

8. Enforcement response for violations associated with failure to timely apply for permits and/or failure to timely pay applicable fees;

9. Enforcement response for FOG discharges causing violations of local oil and grease limits;

10. Enforcement response for modifications to an approved GRD without authorization; and

11. Inspection forms.

B. WET WEATHER CALIBRATION REPORT

60. Within six months after the entry of this Agreement, the City shall submit for Government Plaintiffs' review a report on the City's progress on the wet weather Calibration and Validation of the City's MOUSE model (see Paragraph 22), the rationale and procedures used in the Calibration and Validation, and any additional information and work needed for completing the Calibration and Validation.

C. CHEMICAL ROOT CONTROL REPORT

61. No later than 90 days following the end of Year Two, the City shall submit for Government Plaintiffs' review an evaluation of the effectiveness and applicability of its use of root control chemicals. (See Subsection V.B.) This evaluation shall include recommendations for expanding the application of root control chemicals, if appropriate, that are both feasible and cost-effective, and a schedule for implementing any such recommendations. In addition, the City shall include in its evaluation a review of the potential water quality impact(s) of the application of root control chemicals. In performing this review of potential water

quality impact(s), the City may utilize and rely on existing reports and literature.

D. REHABILITATION AND REPLACEMENT REPORT AND PLAN

62. No later than the end of Year Two, the City shall submit a Rehabilitation and Replacement Report and Plan ("Rehabilitation Plan") to Government Plaintiffs for their review and approval. (See Paragraph 27 in Subsection V.E - Sewer Rehabilitation and Replacement Projects.) The Rehabilitation Plan shall utilize a comprehensive and systematic inspection and structural condition assessment methodology which enables the City to identify sewers requiring rehabilitation or replacement and to prioritize necessary rehabilitation and replacement projects. The Rehabilitation Plan shall focus on sewers targeted for rehabilitation or replacement based on overflow history, age (with particular attention to sewers constructed prior to 1960), material of construction, maintenance factors, and other factors deemed appropriate by the City.

63. The Rehabilitation Plan shall project the necessary rehabilitation and replacement work for Year Four through Year Ten. This projection shall specify the number or miles of sewer pipes to be rehabilitated or replaced on an annual and Three-Year Rolling Average basis. The rehabilitation and replacement mileage proposed in the Rehabilitation Plan for Years Four through Ten shall not be less than a minimum of 50 miles per Year on an annual basis and a minimum of an average of 60 miles per Year on a Three-Year Rolling Average basis.

64. The Rehabilitation Plan shall be consistent with the City's methodologies that call for timely rehabilitation or replacement of pipes in Condition D and E in accordance with City procedures, and the Rehabilitation Plan shall provide for the rehabilitation or replacement of other pipes necessary to reduce the risks of SSOs and ensure the long-term sustainable renewal of the

City's infrastructure. The Rehabilitation Plan shall include a list of pipes known to date to be in Condition D or E and shall describe the City's strategies for addressing the other pipes in the targeted sewers.

E. CAPACITY REPORT AND PLAN

65. No later than the end of Year Two, the City shall submit a Capacity Report and Plan ("Capacity Plan") to Government Plaintiffs for their review; and, with respect to the additional Sewer Relief Projects, their approval. The Capacity Plan shall address the following issues:

a. additional Sewer Relief Projects (see Paragraph 19 in Subsection V.D);

b. review of Trigger Flow level; and

c. flow monitoring program assessment.

66. Additional Sewer Relief Projects. The Capacity Plan will list additional Sewer Relief Projects the City may propose to build in Years Four through Ten to assure that its Wastewater Collection System has sufficient capacity to convey wet weather flows consistent with the City's design standard. For each project, the Capacity Plan shall include a description of the project and a deadline for completion of construction. Project descriptions shall include the sewer pipe being relieved; the location, size, and length of the new sewer pipe, if feasible; and any other pertinent information describing the capacity project.

67. Review of Trigger Flow Level. The Capacity Plan will evaluate the City's current "trigger" flow level to determine whether it remains an appropriate criterion for setting priorities for potential capacity relief projects. The review will identify any modifications to the Trigger Flow level that are necessary to account for the planning horizon necessary for timely response. The review will consider the effect wet weather may have on the timing of any projected sewer relief

including basins known to have high RDI/I. The Capacity Plan will make findings and recommendations regarding any proposed changes to the City's "trigger" flow level, and any proposed changes as to how the "trigger" flow (either current or revised) will be implemented and applied.

68. Flow Monitoring Program Assessment. The Capacity Plan will describe the City's existing flow monitoring program and evaluate its adequacy to support the City's system capacity assessment and planning work.

F. IRP REPORT

69. No later than the end of Year Five, the City shall complete and submit its Integrated Resources Plan (IRP) addressing the system needs and the improvement plans for the City interceptors and outfall sewers. The City shall submit an update to the IRP no later than the end of Year Ten.

G. ANNUAL PROGRESS REPORT

70. Timing. By October 1 following the end of Year One and on September 1 of each following year this Settlement Agreement remains in effect, the City shall submit an Annual Progress Report ("Annual Report") to Government Plaintiffs for their review. The Annual Report shall cover at least the period in the Fiscal Year ending on the previous June 30.

71. Contents.

a. Designated Rehabilitation and Replacement Projects. For Years One through Three of this Settlement Agreement, the Annual Report shall report the status of each project required by Paragraph 26 and identified in Appendix B of this Settlement Agreement. For projects that are completed, the Annual Report shall report whether the project was completed by the applicable deadline. For projects that have not been completed, the Annual Report shall briefly describe the status of the project including whether the project remains on schedule for

completion by the applicable deadline. If any projects identified in Appendix B are not completed by the end of Year Three of this Settlement Agreement, subsequent Annual Reports shall continue to set forth the status of these uncompleted projects until each project is completed.

b. Rehabilitation and Replacement – Mileage Requirements. For Years Four through Ten of this Settlement Agreement, the Annual Reports shall report the number of miles of sewer pipes the City has rehabilitated and replaced in the previous Fiscal Year, and, for Years Six through Ten of this Settlement Agreement, report the Three-Year Average of sewer pipes rehabilitated and replaced in the previous three Fiscal Years. The City will provide a list of Condition D and E pipes that have been rehabilitated or replaced in that period of time. For each sewer line rehabilitated or replaced the City shall provide the following information if available:

(1) the pipe identification number;

(2) whether the pipe was rehabilitated or replaced;

(3) the length of the sewer line at issue;

(4) the pipe material;

(5) the diameter of the pipe;

(6) the original installation date of the sewer line at issue;

(7) the most recent Sewer Condition Assessment Rating of the sewer pipe prior to its rehabilitation or replacement; and

(8) a map depicting the locations of each pipe rehabilitated or replaced.

If the Annual Report indicates that the City has not achieved the required mileage of sewer line rehabilitation and replacement (either on an annual or Three-Year Rolling Average basis), the Annual Report may identify and discuss the reasons

why the mileage requirements were not achieved. If the City exceeded the required mileage of sewer line rehabilitation and replacement (either on an annual or Three-Year Rolling Average basis), and is eligible to bank the excess mileage as provided for by Paragraphs 28 and 29, the Annual Report shall identify the number of miles the City proposes to bank and document the basis for the City's position that it has exceeded the mileage requirements in this Settlement Agreement.

c. Sewer Relief Projects. For Years Four through Ten of this Settlement Agreement, the Annual Report shall report the status, including completion schedule, of each Sewer Relief Project incorporated in this Settlement Agreement pursuant to the terms of Paragraphs 18 and 19 and Appendix A. For sewer capacity projects that are completed, the Annual Report shall state whether the project was completed by the deadline applicable to that project.

d. Capacity Exceptions List. The Annual Report shall include the current "Capacity Exceptions List." The "Capacity Exceptions List" shall list all identified sewer locations with peak dry weather flow levels exceeding 75% of the pipe diameter and those that are exceeding 50% but less than or equal to 75% of the pipe diameter. The City shall provide information and a schedule, if applicable, relative to the planned action for each location that exceeds the City's adopted Trigger Flow.

e. Wastewater Capital Improvements. The Annual Report shall include a copy of the latest Wastewater Capital Improvements Program.

f. Sewer Cleaning. The Annual Report shall report the number and miles of sewer Pipe Reaches cleaned in the previous Year, and, for Years Three through Ten of this Settlement Agreement, on a Three-Year Rolling Average. The Annual Report for Year One of this Settlement Agreement shall state whether the

hotspot portion of the City's cleaning comprised at least 35,000 pipes. Each Annual Report shall compare the amount of cleaning to the applicable requirements of this Settlement Agreement, discuss the breakdown of cleaning performed between hotspot and preventative cleaning, and discuss the anticipated level of cleaning and breakdown for the coming Year. If the City has cleaned sewer Pipe Reaches in excess of the requirements of this Settlement Agreement (either on an annual or Three-Year Rolling Average basis), and is eligible to bank the excess cleaned Pipe Reaches as provided for by Subsection V.A (Sewer Cleaning), the Annual Report shall identify the number of cleaned Pipe Reaches the City proposes to bank and document the basis for the City's position that it has exceeded the cleaning requirements in this Settlement Agreement.

g. Sewer Line Television Assessment. The Annual Report shall report the number of miles of sewer pipe inspected by CCTV, and the number of miles of First-Time Condition Assessments.

h. The Annual Report shall report findings of CCTV condition assessments conducted during the Year including the number of miles of sewer pipe found in each Condition rating A through E.

i. Fats, Oils, and Grease (FOG) Control Program. The Annual Report shall report on the implementation and enforcement of the City's FOG Control Program. The City shall provide an annual summary of its weekly FOG reports and report the number of permitted FSEs that were not inspected during the prior year. The Annual Report shall, in addition, report on the City's implementation of its Standard Operating Procedures and Enforcement Response Plan and Enforcement Response Guide. The Annual Report shall provide an annual summary of the Oil/Grease Referrals from WCSD (Wastewater Collection Systems Division), which shall include the names of any FSE identified as a

source causing or contributing to a FOG blockage. In addition, the Annual Report shall report on conditional waiver activity including, if applicable, the number of conditional waivers denied or revoked. (See Subsection V.F - FOG Control Program.)

j. Primary and Secondary Basin Plans. The Annual Report shall report on the City's progress towards completing the master plans for the Primary and Secondary Basins Plans required by this Settlement Agreement. This shall include identifying the master plans completed in the previous Year.

k. MOUSE Model. The Annual Report shall report on the City's progress on its wet weather Calibration and Validation of its MOUSE model (see Paragraph 22), including, in the Annual Report for Year One, the required development of all "R" Factors for all model basins within the City's existing MOUSE model (see Paragraph 23).

l. Chemical Root Control. The Annual Report shall report on the City's use of chemicals to inhibit the growth of roots in the sewer system, including the number of miles of sewer to which root inhibitor has been applied. (See Subsection V.B - Chemical Root Control, and Subsection VI.C - Chemical Root Control Report.)

m. Implementation. The Annual Report shall report on any other significant program modifications made during the preceding Fiscal Year that affect compliance with or implementation of the requirements of this Settlement Agreement.

n. The Annual Report shall propose new or modified plans in any area where the City has failed to materially comply with this Settlement Agreement.

72. Within 30 days of submission of the Annual Report, the City shall

schedule a meeting to discuss its contents with Government Plaintiffs, Baykeeper, and Intervenors. At the meeting, the City shall be prepared to discuss its compliance with this Settlement Agreement to date, and the steps the City plans to take in the Fiscal Year then in progress to assure continued compliance.

H. QUARTERLY REPORTS

73. Quarterly SSO Reports. On the thirtieth day of January, April, July, and October (30 days after the end of the fiscal quarter) of each year until this Settlement Agreement is terminated, the City shall submit to Plaintiffs a summary of all SSOs occurring during the previous fiscal quarter. The reports shall provide:

a. the date and time of each SSO;

b. the location of each SSO including address, district number, basin number, and manhole numbers;

c. the structure(s) from which each SSO emerged (for example maintenance hole, broken pipe, wet well, indoor plumbing, lateral cleanout, etc.)

d. the pipe size, length, and material;

e. the estimated volume of each SSO including gross volume, amount recovered, and amount not recovered;

f. the cause of each SSO;

g. whether each SSO entered a particular water of the United States and, if so, the name of the water body and whether it entered via storm drains or other man-made conveyances;

h. the results and analysis or any post-SSO CCTV results;

i. the actions the City took to control the overflow and prevent future SSOs at the same location.

The City shall also provide the Regional Board with notice of each SSO

concurrently with the notices the City provides the County of Los Angeles.

I. OTHER PROVISIONS

74. Other Reports. Upon Government Plaintiffs' request, the City shall provide any information required by this Settlement Agreement. In addition, in response to reasonable requests by Government Plaintiffs, the City shall provide information relevant to implementation or compliance with any provision of this Settlement Agreement.

75. All reports shall be submitted to the persons designated in Section XVI of this Settlement Agreement (Notices).

76. Each report submitted by the City under this Section shall be signed by an official of the submitting party and include the following certification:

> I certify under penalty of law that this document and its attachments were prepared either by me personally or under my direction or supervision in a manner designed to ensure that qualified and knowledgeable personnel properly gathered and presented the information contained therein. I further certify, based on my personal knowledge or on my inquiry of those individuals immediately responsible for obtaining the information, that to the best of my knowledge and belief the information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing and willful submission of a materially false statement.

This certification requirement does not apply to emergency or similar notifications where compliance would be impractical.

77. The reporting requirements of this Settlement Agreement do not relieve the City of any reporting obligations required by the Clean Water Act or the California Water Code or their implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement.

VII. REVIEW AND APPROVAL OF DELIVERABLES

78. After review of the additional Sewer Relief Projects section of the Capacity Plan submitted pursuant to Paragraph 65.a and the Rehabilitation and

Replacement Report and Plan submitted pursuant to Paragraph 62, the Government Plaintiffs shall in writing within 150 days of submission of these Deliverables: (a) approve the submission; (b) approve the submission upon specified conditions; (c) approve part of the submission and disapprove the remainder; or (d) disapprove the submission. If the Government Plaintiffs do not submit a decision in writing within the time specified, the City shall have the right to invoke the procedures set forth in Section XI (Dispute Resolution).

79. If the submission is approved pursuant to Paragraph 78(a), the City shall take all actions required by the Deliverable, in accordance with the schedules and requirements of the Deliverable as approved. If the submission is conditionally approved or approved only in part, pursuant to Paragraph 78(b) or (c), the City shall, upon written direction of the Government Plaintiffs, take all actions required by the approved Deliverable that the Government Plaintiffs determine are technically severable from any disapproved portions, subject to the City's right to dispute only the specified conditions or the disapproved portions, under Section XI of this Settlement Agreement (Dispute Resolution).

80. If the submission is disapproved in whole or in part pursuant to Paragraph 78(c) or (d), the City shall, within 60 days or such other time as the Parties agree to in writing, correct all deficiencies and resubmit the Deliverable, or disapproved portion thereof, for approval, in accordance with the preceding Paragraphs. Alternatively, the City may invoke Section XI of this Settlement Agreement (Dispute Resolution).

81. If a resubmitted Deliverable, or portion thereof, is disapproved in whole or in part, the Government Plaintiffs may again require the City to correct any deficiencies, in accordance with the preceding Paragraphs, subject to the City's right to invoke Dispute Resolution.

82. The Report on Need for Modification to FOG Control Program required under Paragraph 59 shall be subject to the review and, in part, approval as provided for by Paragraph 59. In their approval of the portions of the FOG Report concerning elements 1 through 5 as listed in Paragraph 59, Government Plaintiffs will verify whether the Report reflects reasonable regulatory judgment aimed at improving the effectiveness of the City's implementation of its FOG program. As to those portions of this report that are subject to Government Plaintiffs' approval, the process set forth in Paragraphs 78 through 81 will apply.

83. The Wet Weather Calibration Report, the Chemical Root Control Report, the IRP Report, and the "Trigger" Flow and flow monitoring sections of the Capacity Plan required by Paragraphs 60, 61, 67, 68, and 69 of this Settlement Agreement shall be subject to Government Plaintiffs' review and verification that these Reports reflect sound engineering principles and are consistent with the requirements set forth in the Paragraph(s) requiring the preparation of the reports.

84. With the exception of the Work Plans discussed in Section VIII Supplemental Environmental Projects (which shall be reviewed and approved pursuant to Paragraph 90), the remaining Deliverables, including the portions of the FOG Report concerning elements 6 through 11 as listed in Paragraph 59, will be subject to the Government Plaintiffs' review but not approval.

85. Permits. Where any compliance obligation under this Settlement Agreement requires the City to obtain a federal, state, or local permit or approval, the City shall submit timely and complete applications and take all other actions necessary to obtain all such permits or approvals. The City may seek relief under the provisions of Section X (Force Majeure) of this Settlement Agreement for any delay in the performance of any such obligation resulting from a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation,

if the City has submitted timely and complete applications and has taken all other actions necessary to obtain all such permits or approvals.

VIII. SUPPLEMENTAL ENVIRONMENTAL PROJECTS

86. In implementing Supplemental Environmental Projects ("SEPs") under this Settlement Agreement, the City shall spend no less than $8.5 million in eligible SEP costs. This $8.5 million shall include the $800,000 payment required by Paragraph 144. "Eligible SEP costs" include the costs of planning and implementing SEPs, but do not include City overhead, administrative expenses, legal fees, and contractor oversight. Design Costs in excess of 18% of the overall SEP costs shall not be "eligible SEP costs." If the Design Costs exceed 18% of the total overall SEP costs, the City and the Government Plaintiffs shall negotiate in good faith regarding whether an adjustment to the 18% figure is appropriate and if so, the size of the adjustment. The City shall implement the following SEPs, which are described briefly in Appendix C to this Settlement Agreement:

a. North Atwater Creek Restoration and Water Quality Enhancement Project;

b. South Los Angeles Storm Water Treatment Project at 54th and Avalon Streets;

c. Hazard Creek and Wetlands Restoration Project;

d. Inner Cabrillo Beach Pollution Control and Water Circulation Enhancement Project;

e. Downtown Los Angeles Storm Drain Low-Flow Diversion Project.

87. If the City implements each of the projects provided for in Paragraph 86, above, but those projects cost less than $8.5 million in eligible SEP costs, the City shall implement an additional project or additional projects from the

following list to ensure that the City spends no less than $8.5 million in eligible SEP costs:

a. Restoration of Los Angeles River Wetlands at the "Headworks" Spreading Ground Project;

b. Additional Downtown Los Angeles Storm Drain Low-Flow Diversion Project(s) (not to exceed $2.0 million);

c. Legion Lane Park - LA River Revitalization, Habitat Restoration & Water Quality Enhancement Project;

d. Sycamore Grove Streambed Daylighting Project.

These projects are briefly described in Appendix C to this Settlement Agreement. If projects from the above list are required, the City shall have the discretion to choose which project or projects to implement. Prior to incurring any eligible SEP costs for an additional project, the City shall provide notice to the Parties that it is electing to implement the project pursuant to the terms of this Paragraph.

88. If the City in its sole discretion, at any point, determines that a project provided for in Paragraph 86 cannot be implemented at a reasonable cost, is not needed to fulfill the requirement to spend no less than $8.5 million in eligible SEP costs, or is not in the public interest, the City may elect not to implement that project. If the City elects not to implement a project provided for by Paragraph 86, the City may propose to substitute a project or projects from the additional projects set forth in Paragraph 87; however, the proposal to substitute projects from Paragraph 87 is subject to the approval of Government Plaintiffs. If the Government Plaintiffs do not approve the City's substitute project proposal, the Government Plaintiffs will identify what projects from Paragraph 87 would be acceptable substitute projects. The City and Government Plaintiffs will negotiate in good faith to determine a mutually agreeable substitute project or projects,

including, if necessary, pursuant to Section XIX (Modification) of this Settlement Agreement, a SEP not set forth in Paragraphs 86 and 87.

89. If the City initiates work on a project but, for any reason, elects not to complete it, no costs of the project are eligible SEP costs. If the City initially completes a project unsatisfactorily (as measured by the Work Plan for the project), no costs of the project are eligible SEP costs unless and until the project is satisfactorily completed.

90. The City shall submit to the Government Plaintiffs a proposed Work Plan for each SEP, which shall include a plan for the implementation of the SEP, a schedule for implementing the SEP, cost estimates for the various phases of the project, and a certification of the truth and accuracy of the statements in Paragraph 92 below, as of the time of the submission of the Work Plan. The Government Plaintiffs shall have approval rights regarding the Work Plans as follows: they can reject the Work Plans if the Work Plans are not consistent with the description and objectives of the project as set forth in Appendix C, are not based on sound engineering or other technical principles relevant to the implementation of the SEPs, or fail to properly make the required certification. The Government Plaintiffs shall have 90 days to review and approve SEP Work Plans. If the Government Plaintiffs have not approved in writing a Work Plan within 90 days of its submission, the Work Plan shall be deemed denied. The City shall implement SEPs in accordance with the approved Work Plans, which shall be deemed to be attached to, and incorporated into, this Settlement Agreement.

91. The City is responsible for the satisfactory completion of the SEPs in accordance with the requirements of this Settlement Agreement. "Satisfactory completion" means that the City shall complete the work in accordance with the approved Work Plans and shall spend, in total, not less than the amount set forth in

Paragraph 86, above. The City may use contractors and/or consultants in planning and implementing the SEP.

92. With regard to the SEPs, the City certifies the truth and accuracy of each of the following, subject to the provisions of Paragraph 93:

a. That all cost information provided to EPA and the Regional Board in connection with EPA's and the Regional Board's approval of the SEP represents a reasonable and fair estimate of the costs necessary to implement the SEP based on the information available to the City at the time the cost information was submitted to the Government Plaintiffs;

b. That, as of the date of executing this Settlement Agreement, the City is not required to perform or develop the SEP by any federal, state, or local law or regulation, nor is the City required to perform or develop the SEP by agreement, grant, or as injunctive relief awarded in any other action in any forum;

c. That the SEP is not a project that the City was intending to construct, perform, or implement other than in settlement of the claims resolved in this Settlement Agreement;

d. That the City has not received, and is not negotiating to receive, credit for the SEP in any other enforcement action; and

e. That the City will not receive any reimbursement for any portion of the SEP from any other person.

93. The City in the future may seek alternate sources of funds to implement any of the 2nd Tier projects set forth in Paragraph 87 and Appendix C, *provided*, however, that if the City obtains funding from any other person to implement any such project, the project shall not be eligible for implementation as a SEP and shall be deemed deleted from Paragraph 87.

94. Annual SEP Status Report. In each Annual Report, the City shall report

on the status of each SEP for which a SEP Completion Report has not been submitted. Each SEP Status Report shall contain at least the following information:

1) A detailed description of the SEP as implemented to date;

2) An itemized list of all eligible SEP costs incurred through the Fiscal Year covered by the Annual Report.

95. SEP Completion Report

a. No later than the end of Year Ten, the City shall submit a SEP Completion Report on each SEP to each Plaintiff, in accordance with Section XVI of this Settlement Agreement (Notices). Each SEP Completion Report shall contain the following information:

1) A detailed description of the SEP as implemented;

2) An itemized list of all eligible SEP costs;

3) Certification that the SEP has been fully implemented pursuant to the provisions of this Settlement Agreement; and

4) A description of the environmental and public health benefits resulting from implementation of the SEP.

96. The Government Plaintiffs in their reasonable discretion may require additional information from the City relevant to a determination of the City's compliance with the SEP requirements of this Settlement Agreement.

97. After receiving a SEP Completion Report, the Government Plaintiffs shall notify the City whether or not the City has satisfactorily completed the SEP. If the Government Plaintiffs fail to notify the City, within 90 days of receipt of a SEP Completion Report, whether the SEP has been satisfactorily completed, the SEP shall be deemed to have been unsatisfactorily completed, and the City may commence Dispute Resolution pursuant to Section XI of this Settlement

Agreement.

98. Disputes concerning the satisfactory completion of a SEP, the amount of eligible SEP costs (including whether an expenditure is an eligible SEP cost), and whether the Government Plaintiffs have identified sufficient projects acceptable to them pursuant to Paragraph 88 may be resolved under Section XI of this Settlement Agreement (Dispute Resolution). No other disputes arising under this Section shall be subject to Dispute Resolution.

99. Each submission required under this Section shall be signed by an official with knowledge of the SEP and shall bear the certification language set forth in Paragraph 76, above.

100. Any public statement, oral or written, in print, film, or other media, made by the City that publicizes SEPs implemented pursuant to this Settlement Agreement shall include the following language, "This project was undertaken in connection with the settlement of two Clean Water Act enforcement actions, Santa Monica Baykeeper v. City of Los Angeles and United States and State of California *ex Rel.* California Regional Water Quality Control Board, Los Angeles Region v. City of Los Angeles."

IX. STIPULATED PENALTIES

101. If the City fails to make the payments required by Section XII of this Settlement Agreement (Civil Penalty and Section 13385 Payment) when due, the City shall pay a stipulated penalty of $500 per day for each day that the payment is late. Late payment of the amounts due under Section XII shall be made in accordance with Paragraphs 143 and 144, below. Stipulated Penalties shall be paid in accordance with Paragraph 122, below. All transmittal correspondence shall state that any such payment is for late payment of the civil penalty due under this Settlement Agreement, or for Stipulated Penalties for late payment, as

applicable, and shall include the identifying information set forth in Paragraphs 143 and 144, below.

102. The City shall be liable for Stipulated Penalties to the Government Plaintiffs for the following violations of this Settlement Agreement as specified below:

103. Designated Rehabilitation and Replacement Projects.

a. For each failure to complete the rehabilitation and replacement projects identified in Paragraph 26 and Appendix B of this Settlement Agreement in accordance with the schedule set forth in that Paragraph and Appendix or as modified pursuant to Subsection V.H (Modification of Construction Deadlines), the City shall be liable for stipulated penalties as set forth below:

Period of Noncompliance	Penalty Per Day For Failure to Timely Complete
Days 1-30	$1,000
Days 31-60	$2,000
Days 61+	$3,000

b. If the City is liable for a stipulated penalty pursuant to Subparagraph "a" of this Paragraph, the City shall also be liable for a stipulated penalty of $2,000 for each Subject SSO from an uncompleted sewer pipe (i.e., pipe that was the subject of the stipulated penalty under Subparagraph "a") during the period of violation.

104. Rehabilitation and Replacement – Annual Mileage Requirement.

Beginning in Year Four, if the City fails to rehabilitate or replace at least 50 miles of sewer pipe per Fiscal Year, the minimum annual mileage figure permitted by Paragraph 63, the City shall be liable for the following stipulated penalty:

- $4,000 per mile for each mile by which the City falls short of the 50-mile minimum, and

- during any Fiscal Year in which the City fails to rehabilitate or replace at least 50 miles of sewer pipe, $1,000 for each Subject SSO caused by pipe failure or pipe collapse, or a blockage caused by a pipe failure or pipe collapse.

105. Rehabilitation and Replacement – Three-Year Average Mileage Requirement. Beginning in the three-Year period comprising Years Four through Six, if the City fails to rehabilitate or replace at least an average of 60 miles of sewer pipe per Fiscal Year during any three-Year period, the minimum mileage figure permitted by Paragraph 63, the City shall be liable for the following stipulated penalty:

- $4,000 per mile for each mile by which the City falls short of the 60-mile minimum average during the three-Year period, and
- during any three-Year period in which the City fails to rehabilitate or replace at least an average of 60 miles of sewer pipe per Fiscal Year, $1,000 for each Subject SSO that (i) occurs during a Fiscal Year in which the City failed to rehabilitate or replace at least 60 miles of sewer pipe and (ii) was caused by pipe failure or pipe collapse, or a blockage caused by a pipe failure or pipe collapse.

106. Fats, Oils, and Grease. The City shall be liable for stipulated penalties in the following amounts with respect to the following elements of its Fats, Oils, and Grease Control Program:

a. If the City fails to inspect 95% of the permitted FSEs that the City must inspect in a Fiscal Year pursuant to Paragraph 30, the City shall be liable for $250 per FSE for every FSE below the 95% threshold that was not inspected .

b. If, after notice of deficiency and opportunity to cure, the City materially fails to implement its Fats, Oils, and Grease enforcement guide as

required by Paragraph 31, for example, without limitation, by failing to conduct follow-up inspections:

(1) the City shall be liable for $500 for each permitted FSE at which the City failed to implement its Fats, Oils and Grease enforcement guide, and

(2) if the City is liable for a stipulated penalty pursuant to Subparagraph "b (1)" above, the City shall be liable for $1,000 for every Subject SSO caused by grease that occurs during the period of the violation.

107. Sewer Cleaning – Annual Average. If the City is liable for failing to clean at least 60,000 Pipe Reaches in any Fiscal Year as required by Paragraphs 10 and 11, the City shall be liable for the following stipulated penalty:

- $10 per Pipe Reach for the first 10,000 Pipe Reaches below the 60,000-Pipe Reach threshold, and $25 per Pipe Reach for each additional Pipe Reach below the 60,000-Pipe Reach threshold, and
- during any Fiscal Year in which the City is liable for failing to clean at least 60,000 Pipe Reaches, $500 per Subject SSO for each Subject SSO caused by a root or grease blockage.

108. Sewer Cleaning – Three-Year Average. If the City fails to clean an average of at least 65,000 Pipe Reaches per Fiscal Year in any three-Year period as required by Paragraph 12, the City shall be liable for the following stipulated penalty:

- $10 per Pipe Reach for the first 10,000 Pipe Reaches below the 65,000-Pipe Reach average threshold, and $25 per Pipe Reach for each additional Pipe Reach below the 65,000-Pipe Reach average threshold, and
- during any three-Year period in which the City is liable for failing

to clean at least an average of 65,000 Pipe Reaches per Fiscal Year, $500 per Subject SSO for each Subject SSO caused by a root or grease blockage.

109. Sewer Line Television Assessment. If the City fails in any Fiscal Year to televise 600 miles of sewer pipe as required by Subsection V.C (Sewer Condition Assessment (CCTV)), the City shall be liable for a stipulated penalty of $250 per mile not televised.

110. Sewer Capacity Projects.

a. For each failure to complete a Sewer Relief Project identified in Paragraph 18 and Appendix A of this Settlement Agreement in accordance with the schedule set forth in that Paragraph and Appendix, or as modified pursuant to Subsection V.H (Modification of Construction Deadlines), the City shall be liable for stipulated penalties as set forth below:

Period of Noncompliance	Penalty Per Day For Failure to Timely Complete
Days 1-30	$1,000
Days 31-60	$2,000
Days 61+	$3,000

b. If the City is liable for a stipulated penalty pursuant to Subparagraph "a" of this Paragraph, the City shall also be liable for $5,000 per Subject SSO or $1 per gallon released, whichever is higher (to a maximum of $27,500 per Subject SSO), for each Subject SSO during the period of noncompliance resulting from insufficient capacity in any sewer pipe for which the required capacity improvement work has been delayed beyond the scheduled completion date.

111. Secondary Basin Planning. If the City fails to timely complete 100 Secondary Basins Plans as required by Paragraph 25, the City shall be liable for

stipulated penalties as set forth below:

Period of Noncompliance	Penalty Per Day for Failure to Timely Complete
Days 1-30	$50 per basin plan not complete
Days 31-60	$100 per basin plan not complete
Days 61+	$250 per basin plan not complete

112. Primary Basin Planning. If the City fails to timely complete all the Primary Basin Plans as required by Paragraph 24, the City shall be liable for stipulated penalties as set forth below:

Period of Noncompliance	Penalty Per Day for Failure to Timely Complete
Days 1-30	$50 per basin plan not complete
Days 31-60	$100 per basin plan not complete
Days 61+	$250 per basin plan not complete

113. MOUSE Model Expansion. For failure to complete expansion of the MOUSE model in each primary basin as required by Paragraph 21, the City shall be liable for stipulated penalties as set forth below:

Period of Noncompliance	Penalty Per Day for Failure to Timely Complete
Days 1-30	$25 per basin not complete
Days 31-60	$50 per basin not complete
Days 61+	$100 per basin not complete

114. Approvable Sewer Rehabilitation and Replacement Report. If the City fails to submit a complete sewer Rehabilitation and Replacement Report and Plan as required by Subsection VI.D, after notice of deficiency and an opportunity to cure, the City shall be liable for a stipulated penalty of $50,000. For purposes of this Paragraph, a complete sewer Rehabilitation and Replacement Report and Plan is one which includes the elements required by Paragraphs 62-64, and employs reasonable engineering judgment in assessing each element.

115. Delays in Submission of Deliverables. The City shall be subject to the following stipulated penalties for each failure to timely submit to Government Plaintiffs, whether in draft or final form, a Deliverable subject to a deadline under this Settlement Agreement:

Period of Noncompliance	Penalty Per Day for Failure to Timely Submit
Days 1-30	$250
Days 31-60	$500
Days 61+	$2,000

116. SEP Compliance. If the City has spent less than the amount set forth in Paragraph 86, above, on SEPs, the City shall pay a stipulated penalty equal to the difference between the amount of total eligible SEP costs incurred by the City and the amount set forth in Paragraph 86.

117. If an SSO Subject to Stipulated Penalties creates liability under more than one stipulated penalty provision, the Government Plaintiffs, in the unreviewable exercise of their discretion, may decide under which stipulated penalty provision they will demand a stipulated penalty; each Subject SSO, however, shall be subject to only one stipulated penalty payment pursuant to this Section.

118. The Government Plaintiffs may, in the unreviewable exercise of their discretion, reduce or waive stipulated penalties otherwise due under this Settlement Agreement. In exercising their discretion under this Paragraph, the Government Plaintiffs will take into consideration the amount of time that has elapsed since they received notice of the underlying violation.

119. In the event the Regional Board has initiated a collateral proceeding to assess a penalty for an SSO Subject to Stipulated Penalties, 50% of the stipulated penalty associated with the Subject SSO shall be held in abeyance pending

completion of the Regional Board's penalty action. The 50% of the stipulated penalty not held in abeyance shall be paid to the United States pursuant to Paragraph 122. If the Regional Board collects a penalty for the Subject SSO through the collateral proceeding and the penalty collected in the collateral proceeding equals or exceeds the amount held in abeyance, the 50% of the stipulated penalty held in abeyance shall be waived. If the Regional Board collects no civil penalty for the Subject SSO through the collateral proceeding or if the amount collected for the Subject SSO is less than the amount held in abeyance, then the stipulated penalty held in abeyance shall be paid to the Regional Board pursuant to the provisions of Paragraph 122, but the amount paid to the Regional Board shall be reduced by the amount paid to the Regional Board through the collateral proceeding for the Subject SSO. The Regional Board shall provide written notice to the City and the United States of the completion of any collateral proceeding relevant to this Section and a renewed demand for payment of any of the stipulated penalties due and owing pursuant to the provisions of this Paragraph.

120. If the City pays the Regional Board a stipulated penalty for an SSO under this Settlement Agreement, the City and the Regional Board agree that the amount of the stipulated penalty shall be credited against any penalty imposed in a collateral proceeding brought by the Regional Board to assess a penalty for an SSO.

121. Except for the payment to the Regional Board of stipulated penalties held in abeyance pursuant to the immediately preceding Paragraph, fifty percent (50%) of each payment of stipulated penalties made pursuant to this Section shall be made to the United States, and fifty percent (50%) of each payment shall be made to the Regional Board, using the penalty payment procedures set forth in

Paragraph 122. The Government Plaintiffs may modify these payment procedures through written notice to the City.

122. The City shall pay Stipulated Penalties owing to the United States by certified or cashier's check in the amount due payable to the "U.S. Department of Justice," referencing DOJ No. 90-5-1-1-809/1 and United States Attorney's Office file number 2001V01641 and delivered to the office of the United States Attorney, Central District of California, Financial Litigation Unit, 300 North Los Angeles Street, Suite 7516 AA, Los Angeles, California 90012, *unless* the United States directs the City to pay by EFT in accordance with Paragraph 143 of this Settlement Agreement. The City shall pay Stipulated Penalties owing to the Regional Board by sending a certified or cashier's check payable to "State Water Pollution Cleanup and Abatement Account" to: Executive Officer, California Regional Water Quality Control Board, Los Angeles Region, 320 West Fourth Street, Suite 200, Los Angeles, CA 90013.

123. If the City fails to pay Stipulated Penalties according to the terms of this Settlement Agreement, the City shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing as of the date payment became due, subject to the following Paragraph.

124. Upon receipt of Government Plaintiffs' written demand for payment of a stipulated penalty, the City may dispute its liability for such stipulated penalty pursuant to the dispute resolution provisions of Section XI (Dispute Resolution). Pending resolution of any such dispute, stipulated penalties continue to accrue if the obligation at issue has not been met and interest on any unpaid penalties accrue pursuant to the terms of Paragraph 123, *provided,* however, that the City may argue to the Court that stipulated penalties and interest should not run after the matter has been fully briefed and submitted to the Court and *provided* that

Plaintiffs can argue the contrary. Upon the completion of dispute resolution, any stipulated penalties that are ultimately determined to be due, plus interest as applicable, shall be paid within twenty (20) days of the date of the Government Plaintiffs' written decision or, if applicable, any Court order.

125. The payment of stipulated penalties shall not alter in any way the City's obligation to complete the performance of all activities required under this Settlement Agreement.

126. Payment of stipulated penalties as set forth above shall be in addition to any other rights or remedies that may be available to the Government Plaintiffs by reason of the City's failure to comply with requirements of this Settlement Agreement or any applicable federal, state, or local laws, regulations, NPDES Permits, and all other applicable permits.

X. FORCE MAJEURE

127. A "force majeure event" is any event beyond the control of the City, its contractors, or any entity controlled by the City that delays the performance of any obligation under this Settlement Agreement despite the City's best efforts to fulfill the obligation. "Best efforts" includes anticipating reasonably foreseeable force majeure events and taking appropriate preventive actions before a force majeure event occurs. "Best efforts" also includes addressing the effects of any force majeure event (a) as it is occurring and (b) after it has occurred, to prevent or minimize any resulting delay to the extent reasonably practicable. "Force Majeure" does not include the City's financial inability to perform any obligation under this Settlement Agreement.

128. The City shall provide written notice, as provided in Section XVI of this Settlement Agreement (Notices), within 30 days of the time the City first knew of, or by the exercise of due diligence, should have known of, a claimed

force majeure event. The notice shall state the anticipated duration of any delay, its cause(s), the City's past and proposed actions to prevent or minimize any delay, a schedule for carrying out those actions, and the City's rationale for attributing any delay to a force majeure event. Failure to provide oral and written notice as required by this Paragraph shall preclude the City from asserting any claim of force majeure.

129. If the Government Plaintiffs agree that a force majeure event has occurred, they may agree to extend the time for the City to perform the affected requirements for the time necessary to complete those obligations. An extension of time to perform the obligations affected by a force majeure event shall not, by itself, extend the time to perform any other obligation. Where the Government Plaintiffs agree to an extension of time, the appropriate modification shall be made pursuant to Section XIX of this Settlement Agreement (Modification).

130. If the Government Plaintiffs do not agree that a force majeure event has occurred, or do not agree to the extension of time sought by the City, the Government Plaintiffs' position shall be binding, unless the City invokes Dispute Resolution under Section XI of this Settlement Agreement. In any such dispute, the City bears the burden of proving, by a preponderance of the evidence, that each claimed force majeure event is a force majeure event, that the City gave the notice required by Paragraph 128, that the force majeure event caused any delay the City claims was attributable to that event, and that the City exercised best efforts to prevent or minimize any delay caused by the event.

XI. DISPUTE RESOLUTION

131. Unless otherwise expressly provided for in this Settlement Agreement, all disputes under this Settlement Agreement are subject to dispute resolution and the dispute resolution procedures of this Section shall be the exclusive mechanism

to resolve disputes arising under or with respect to this Settlement Agreement. However, such procedures shall not apply to actions by the United States and the Regional Board to enforce obligations of the City that have not been disputed in accordance with this Section.

132. Role of Intervenors. The Intervenors shall participate in the dispute resolution process set forth in this Section whenever the dispute involves the odor provisions of Subsection V.G of this Settlement Agreement.

133. Informal Dispute Resolution. Any dispute subject to dispute resolution under this Settlement Agreement shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when the City or a Citizen Plaintiff sends the other Parties a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 20 days from the date the dispute arises, unless that period is modified by written agreement. If the Parties cannot resolve a dispute by informal negotiations, then the position advanced by the Government Plaintiffs shall be considered binding unless, within 30 days after the conclusion of the informal negotiation period, the City or a Citizen Plaintiff invokes the dispute resolution procedures as set forth in Paragraphs 134 to 136 below.

134. Dispute Resolution. The City or a Citizen Plaintiff shall invoke the dispute resolution procedures of these Paragraphs 134 to 136 within the time period provided in Paragraph 133 above by serving on the Government Plaintiffs (with copies to the other Parties) a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but may not necessarily be limited to, any factual data, analysis, or opinion supporting the position and any supporting documentation relied upon by the Party invoking formal dispute resolution.

135. Parties that did not invoke the dispute resolution process of these Paragraphs 134-136, but that wish to serve a Statement of Position before the Government Plaintiffs serve their Statement of Position, shall serve Statements of Position 30 days after service of the Statement of Position that invoked the dispute resolution process of Paragraphs 134-136. A Statement of Position served pursuant to this Paragraph shall include, but may not necessarily be limited to, any factual data, analysis, or opinion supporting the position and any supporting documentation relied upon by the Party invoking the formal dispute resolution procedures of Paragraphs 134-136.

136. The Government Plaintiffs shall serve their Statement of Position within 45 days after service of the later of the City's or Citizen Plaintiff's Statement of Position, as applicable. The Government Plaintiffs' Statement of Position shall include, but may not necessarily be limited to, any factual data, analysis, or opinion supporting that position and all supporting documentation relied upon by the United States and the Regional Board. The Government Plaintiffs' Statement of Position shall be binding unless the City or a Citizen Plaintiff files a motion for judicial review of the dispute in accordance with the following Paragraphs.

137. Judicial Dispute Resolution. The City and Citizen Plaintiffs may seek judicial review of the dispute against Government Plaintiffs by filing with the Court and serving on the Government Plaintiffs (with copies to other Parties, including Intervenors if participating) in accordance with Section XVI of this Settlement Agreement (Notices), a motion requesting judicial resolution of the dispute. The motion must be filed within 60 days after service of the Government Plaintiffs' Statement of Position pursuant to Paragraph 136. The motion shall contain a written statement of the City's or Citizen Plaintiff's position on the

matter in dispute, including any supporting factual data, analysis, opinion, or documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of this Settlement Agreement.

138. The Government Plaintiffs (and any non-moving party participating in the dispute) shall have at least 60 days in which to respond to the City's or Citizen Plaintiff's motion. The City and Citizen Plaintiff may file a reply memorandum to the extent permitted by the Local Rules.

139. In any dispute in District Court pursuant to these Paragraphs 137-141, the Court shall first rule on the dispute between the City and the Government Plaintiffs. If the City's position prevails over the Government Plaintiffs' position, the dispute resolution process shall end. If the position of the Government Plaintiffs prevails over the position of the City, the Court shall then consider any remaining dispute between the Government Plaintiffs and any Citizen Plaintiff.

140. In any dispute in District Court under these Paragraphs 137-141, the City shall bear the burden of demonstrating by a preponderance of the evidence that the City's position on the issues in dispute should prevail over Government Plaintiffs' position.

141. In any dispute in District Court pursuant to these Paragraphs 137-141, a Citizen Plaintiff shall bear the burden of demonstrating that the Government Plaintiffs' position is arbitrary and capricious.

142. Effect on Settlement Agreement Obligations. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of the City under this Settlement Agreement, unless and until the final resolution of the dispute so provides. Stipulated Penalties with respect to the disputed matter shall continue to accrue

from the first day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 124, above. If the City does not prevail on the disputed issue, Stipulated Penalties shall be assessed and paid as provided in Section IX (Stipulated Penalties).

XII. CIVIL PENALTY AND SECTION 13385 PAYMENT

143. Within 30 days after the Effective Date of this Settlement Agreement, the City shall pay the United States the sum of $800,000 as a civil penalty. Payment shall be made by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice in accordance with instructions to be provided to the City by the Financial Litigation Unit of the U.S. Attorney's Office for the Central District of California following lodging of this Settlement Agreement. At the time of payment, the City shall simultaneously send written notice of payment and a copy of any transmittal documentation (which should reference DOJ case number 90-5-1-1-809/1 and Central District of California Civil Action No. 01-191-RSWL) to the United States in accordance with Section XVI of this Settlement Agreement (Notices).

144. The City shall make a payment to the Regional Board in the amount of $800,000 in settlement of the Regional Board's claims under California Water Code Section 13385. This payment shall be incorporated into the funding provided for pursuant to Section VIII (Supplemental Environmental Projects).

XIII. INFORMATION COLLECTION AND RETENTION

145. The Government Plaintiffs and their representatives, including attorneys, contractors, and consultants, shall have the right of entry on City property at all reasonable times, upon presentation of credentials, to:

a. monitor the progress of activities required under this Settlement Agreement;

b. verify any data or information submitted to the Government Plaintiffs in accordance with the terms of this Settlement Agreement;

c. obtain samples and, upon request, splits of any samples taken by the City or its representative, contractors, or consultants;

d. obtain documentary evidence, including photographs and similar data; and

e. assess the City's compliance with this Settlement Agreement.

146. Upon request, the City shall provide Government Plaintiffs or their authorized representatives splits of any samples taken by the City. Upon request, Government Plaintiffs shall provide the City splits of any samples taken by Government Plaintiffs.

147. Until the termination of this Settlement Agreement, the City shall retain, and shall instruct its contractors and agents to preserve, all non-identical copies of all records and documents (including records or documents in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, that document the City's performance of its obligations under this Settlement Agreement. This record retention requirement shall apply regardless of any City, corporate, or institutional document-retention policy to the contrary. At any time during this record-retention period, the Government Plaintiffs may request copies of any documents or records required to be maintained under this Paragraph.

148. This Settlement Agreement in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the Government Plaintiffs pursuant to applicable federal or state laws, regulations, or permits, nor does it limit or affect any duty or obligation of the City to maintain records or information imposed by applicable federal or state laws, regulations, or permits.

XIV. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

149. This Settlement Agreement resolves the civil claims of the United States, the Regional Board, Baykeeper, and the Intervenors for the violations alleged in the Complaints filed in these consolidated actions through the date of the entry of this Settlement Agreement.

150. This Settlement Agreement also resolves the claims of Baykeeper, the Intervenors, and the Regional Board for litigation costs (including attorneys fees) pursuant to CWA Section 505(d), 33 U.S.C. § 1365(d) and Cal. Code Civ. Proc. § 1021.8.

151. The Court's management orders, including the Stipulated Case Management Order dated and filed on July 3, 2001, are hereby terminated.

152. The United States and the Regional Board reserve all legal and equitable remedies available to enforce the provisions of this Settlement Agreement, except as expressly stated herein. This Settlement Agreement shall not be construed to prevent or limit the rights of the United States or the Regional Board to obtain penalties or injunctive relief under the Act or implementing regulations, or under other federal or state laws, regulations, or permit conditions, except as expressly specified herein.

153. This Settlement Agreement is not a permit, or a modification of any permit, under any federal, state, or local laws or regulations. The City is responsible for achieving and maintaining complete compliance with all applicable federal, state, and local laws, regulations, and permits. The United States and the Regional Board do not, by their consent to the entry of this Settlement Agreement, warrant or aver in any manner that the City's compliance with any aspect of this Settlement Agreement will result in compliance with provisions of the CWA or the California Water Code.

154. Nothing in this Settlement Agreement shall constitute an admission of any fact or of any liability or a waiver of any right unless explicitly set forth herein. It is the intent of the Parties that all prior Orders of the Court, including stipulations, shall have no collateral estoppel effect, and that this Settlement Agreement shall not preclude the City from raising defenses or arguments in any future civil enforcement action, whether or not such defense or argument was raised in any proceeding in this action. This Settlement Agreement shall be considered continuing "diligent prosecution" of the claims alleged in the Complaints as that term is used in the CWA.

155. This Settlement Agreement does not limit or affect the rights of the City or of the Plaintiffs against any third parties not party to this Settlement Agreement, nor does it limit the rights of third parties not party to this Settlement Agreement against the City, except as otherwise provided by law.

156. This Settlement Agreement shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Settlement Agreement.

157. Nothing in this Settlement Agreement shall limit the City's ability to modify its program for the design, planning, construction, operation, and maintenance of its Wastewater Collection System in any fashion not inconsistent with this Settlement Agreement.

XV. COSTS

158. The Parties shall bear their own costs of this action, including attorneys fees, except:

a. Within 45 days after the Effective Date of this Settlement Agreement, the City shall pay Baykeeper $1,600,000; the Intervenors $425,000; and the Regional Board $71,745; and

b. The Government Plaintiffs shall be entitled to collect the costs (including attorneys fees) incurred in any action necessary to collect any portion of the civil penalty required by Section XII, or any Stipulated Penalties due but not paid by the City (for the purposes of this Paragraph, Stipulated Penalties are not "due" until after the conclusion of dispute resolution proceedings regarding the Stipulated Penalties pursuant to Section XI (Dispute Resolution), if any).

159. Payment of fees and costs to Santa Monica Baykeeper shall be by certified or cashier's check, made payable to "Lawyers For Clean Water Attorney Client Trust Account," sent via Federal Express to Layne Friedrich, 1004 O'Reilly Avenue, San Francisco, California 94129.

160. Payment of costs to the Regional Board shall be by certified or cashier's check payable to "Department of Justice,"shall be sent to Nancy Sahm, P. O. Box 944255, Sacramento, CA 94244-2550, and shall be identified with the title of this action.

XVI. NOTICES

161. Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Settlement Agreement they shall be made in writing and addressed as follows:

a. To EPA:

Chief, Clean Water Act Compliance Office (WTR-7)
Water Division
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105

b. To the Regional Board:

Executive Officer
Los Angeles Regional Water Quality Control Board
320 W. 4th Street, Suite 200
Los Angeles, CA 90013

and

Gregory J. Newmark
Deputy Attorney General
300 South Spring Street, Suite 1100-N
Los Angeles, CA 90013

c. To the United States:

Chief, Clean Water Act Compliance Office (WTR-7)
Water Division
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105

and

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
Box 7611 Ben Franklin Station
Washington, D.C. 20044-7611
Re: DOJ No. 90-5-1-1-809/1

d. To the Government Plaintiffs:

To the United States and the Regional Board as indicated in "b" and "c" above.

e. To Baykeeper:

Santa Monica Baykeeper
Executive Director
P.O. Box 10096
Marina del Rey, CA 90295

f. To Intervenors:

Kathleen Salvaty
Stephen R. English
English, Munger & Rice
1545 Wilshire Boulevard, Suite 800
Los Angeles, California 90017

and

Robert García
Center for Law in the Public Interest
3250 Ocean Park Blvd., Ste. 300
Santa Monica, California 90405

g. To the City:

Director, Bureau of Sanitation
Department of Public Works
City of Los Angeles
433 S. Spring Street, Suite 400
Los Angeles, California 90013

General Counsel to the Department of Public Works
200 N. Main Street
Room 700
Los Angeles, California 90012

and

James J. Dragna, Esq.
Bingham McCutchen LLP
355 South Grand Avenue, Suite 4400
Los Angeles, California 90071

162. Any Party may, by written notice to the other Parties, change its designated notice recipient(s) or notice address(es) provided above.

163. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Settlement Agreement or by mutual agreement of the Parties in writing.

XVII. EFFECTIVE DATE

164. The Effective Date of this Settlement Agreement shall be the date upon which this Settlement Agreement is entered by the Court.

XVIII. RETENTION OF JURISDICTION

165. The Court shall retain jurisdiction over this case until termination of this Settlement Agreement for the purpose of resolving disputes arising under this Settlement Agreement pursuant to Section XI (Dispute Resolution), entering orders modifying this Settlement Agreement pursuant to Section XIX (Modifications), or effectuating or enforcing compliance with the terms of this Settlement Agreement.

XIX. MODIFICATION

166. The terms of this Settlement Agreement may be modified only by a subsequent written agreement signed by all the Parties. Where the modification constitutes a material change to any term of this Settlement Agreement, it shall be effective only upon approval by the Court. Modifications of construction deadlines made pursuant to Subsection V.H of this Settlement Agreement, and modifications to the terms and schedules contained in SEP Work Plans submitted pursuant to Paragraph 90 of this Settlement Agreement, that do not extend the duration of this Settlement Agreement beyond ten years, may be made upon written agreement of the Parties without Court approval.

XX. TERMINATION

167. This Settlement Agreement shall terminate as set forth below.

168. Nine and One-Half Year Report. Six months before the end of Year Ten, the City shall submit a report to EPA that certifies the following ("Nine and One-Half Year Report"):

a. How many miles of pipe the City has rehabilitated or replaced pursuant to Subsection V.E (Work: Sewer Rehabilitation and Replacement Projects) as of the date of the Nine and One-Half Year Report, that the City has met its obligations through Year Nine under Subsection V.E, and, if the City has not met its obligations under Subsection V.E, whether and how the City plans to meet them by the end of Year Ten;

b. That the City has completed the SEPs pursuant to Section VIII and submitted SEP Completion Reports for each SEP, or whether and how the City plans to complete any uncompleted SEPs and submit the necessary SEP Completion Reports by the end of Year Ten;

c. That the City has completed construction of the Sewer Relief

Projects required pursuant to Subsection V.D, Paragraphs 18 and 19, and if the City has not completed those projects, whether and how the City plans to complete them by the end of Year Ten;

d. That there are no outstanding stipulated penalty assessments pursuant to Section IX or pending dispute resolution proceedings pursuant to Section XI;

e. That the City has completed all the Primary and 100 Secondary Basin Plans pursuant to Paragraphs 24 and 25, or, if the City has not completed all the required Basin Plans, whether and how the City plans to complete them before the end of Year Ten.

169. Government Plaintiffs shall use best efforts to approve or reject the Nine and One-Half Year Report within 100 days of receipt thereof. If the Government Plaintiffs approve a City certification that an obligation set forth in Subparagraphs (a) through (e) of Paragraph 168 is complete, the City's obligation to perform that obligation under this Settlement Agreement is complete. If Government Plaintiffs reject, in whole or in part, the Nine and One-Half Year Report, they shall specify the grounds upon which the rejection is based. In the event that the Government Plaintiffs reject the Nine and One-Half Year Report, reject one or more certifications within the Report, or do not respond to the Nine and One-Half Year Report within the 100-day period, the City may move the Court for approval of any certification in the Nine and One-Half Year Report that was not approved by the Government Plaintiffs. If the City moves the Court, the standard set forth in Paragraph 140 shall apply.

170. No later than July 1 following the end of Year Ten, the City shall submit a report certifying whether it has completed the requirements of the Settlement Agreement applicable to the City in Year Ten ("Year Ten Report").

This report shall address:

a. Whether the City has rehabilitated or replaced the miles of pipe required in Year Ten pursuant to the terms of Paragraph 27.

b. Whether the City has cleaned the number of Pipe Reaches required in Year Ten pursuant to the terms of Subsection V.A.

c. Whether the City has implemented its FOG Program in Year Ten pursuant to the terms of Subsection V.F.

d. Whether the City has conducted in Year Ten CCTV inspections on the number of miles of pipe required pursuant to the terms of Subsection V.C.

e. Whether all work identified as uncompleted, and all penalties and dispute resolution proceedings identified as unpaid or pending, in the Nine and One-Half Year Report provided for in Paragraph 168 have been completed, paid, or resolved.

171. Government Plaintiffs shall use best efforts to approve or reject the Year Ten Report within 60 days of receipt thereof. If the Government Plaintiffs approve a City certification that an obligation set forth in Subparagraphs (a) through (e) of Paragraph 170 is complete, the City's obligation to perform that obligation under this Settlement Agreement is complete. If Government Plaintiffs reject, in whole or in part, the Ten Year Report, they shall specify the grounds upon which the rejection is based. In the event that the Government Plaintiffs reject the Year Ten Report, one or more certifications within the Report, or do not respond to the Year Ten Report within 75 days of its receipt, the City may invoke the Dispute Resolution procedures of Section XI or move the Court for approval of any certification in the Year Ten Report that was not approved by the Government Plaintiffs and for termination of this Settlement Agreement. If Government Plaintiffs approve the Year Ten Report, the Government Plaintiffs

and the City, following notice to Baykeeper and Intervenors, shall submit a joint motion terminating the Settlement Agreement.

XXI. PUBLIC PARTICIPATION

172. This Settlement Agreement shall be lodged with the Court for a period of not less than 30 days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States and the Regional Board reserve the right to withdraw or withhold their consent if comments regarding this Settlement Agreement disclose facts or considerations indicating that this Settlement Agreement is inappropriate, improper, or inadequate. The City consents to entry of this Settlement Agreement without further notice.

XXII. SIGNATORIES/SERVICE

173. Each undersigned representative of the City, the Regional Board, Baykeeper, the Intervenors, and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Settlement Agreement and to execute and legally bind the Party he or she represents to this document.

174. This Settlement Agreement may be signed in counterparts, and its validity shall not be challenged on that basis.

175. The City agrees not to oppose entry of this Settlement Agreement by the Court or to challenge any provision of this Settlement Agreement, unless the United States or the Regional Board notifies the City in writing that it no longer supports entry of this Settlement Agreement.

XXIII. INTEGRATION

176. This Settlement Agreement constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the

settlement embodied in this Settlement Agreement, and this Settlement Agreement supersedes all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. Other than Deliverables that are subsequently submitted pursuant to this Settlement Agreement, no other document and no other representation, inducement, agreement, understanding, or promise constitutes any part of this Settlement Agreement or the settlement it represents, nor shall they be used in construing the terms of this Settlement Agreement.

XXIV. FINAL JUDGMENT

177. Upon approval and entry of this Settlement Agreement and Final Order by the Court, this Settlement Agreement and Final Order shall constitute a final judgment of the Court as to the Parties.

Dated and entered this _____ day of _____, 2004.

_____

RONALD S.W. LEW
UNITED STATES DISTRICT JUDGE
Central District of California

WE HEREBY CONSENT to the entry of this Settlement Agreement, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

For Plaintiff the United States of America:

Dated:_____

_____
THOMAS L. SANSONETTI
Assistant Attorney General
Environment & Natural Resources
Division
U.S. Department of Justice

_____
DAVID B. GLAZER
Environmental Enforcement Section
U.S. Department of Justice
301 Howard Street, Suite 1050
San Francisco, California 94105

_____
ROBERT R. KLOTZ
U.S. Department of Justice
P.O. Box 7611
Ben Franklin Station
Washington, D.C. 20044-7611

Attorneys for Plaintiff
United States of America

WE HEREBY CONSENT to the entry of this Settlement Agreement, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

For Plaintiff the United States of America (con't):

Dated: 7.27.04

THOMAS V. SKINNER
Acting Assistant Administrator for
Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

WE HEREBY CONSENT to the entry of this Settlement Agreement, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

For Plaintiff the United States of America (con't):

Dated: 08 July 2004

WAYNE NASTRI
Regional Administrator
U.S. Environmental Protection Agency
Region 9

Of Counsel:
HUGH BARROLL
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region 9

WE HEREBY CONSENT to the entry of this Settlement Agreement:

For Plaintiff People of the State of California *ex rel.* California Regional Water Quality Control Board, Los Angeles Region:

BILL LOCKYER
Attorney General of the State of California

Dated:_____ _____

GREGORY J. NEWMARK
MARILYN LEVIN
Deputy Attorneys General
300 South Spring Street
11th Floor, North Tower
Los Angeles, California 90013

Attorneys for Plaintiff People of the State of California *ex rel.* California Regional Water Quality Control Board, Los Angeles Region

Dated:_____ _____

JONATHAN BISHOP
Interim Executive Officer
California Regional Water Quality Control Board, Los Angeles Region

WE HEREBY CONSENT to the entry of this Settlement Agreement:

For Plaintiff Santa Monica Baykeeper:

Dated:_____

_____
TRACY EGOSCUE
Executive Director
Santa Monica Baykeeper

Dated:_____

_____
DANIEL COOPER
Lawyers for Clean Water
1004 O'Reilly Avenue
San Francisco, California 94129

DANIELLE FUGERE
Environmental Advocates
1004 O'Reilly Avenue
San Francisco, California 94129

Attorneys for Plaintiff
Santa Monica Baykeeper

WE HEREBY CONSENT to the entry of this Settlement Agreement:

For Plaintiffs in Intervention Baldwin Hills Estates Homeowners' Association, Inc., Baldwin Hills Village Garden Homes Association, United Homeowners Association, Village Green Owners Association, and Concerned Citizens of South Central Los Angeles (collectively the "Intervenors"):

Dated:_____

_____
KATHLEEN SALVATY
STEPHEN R. ENGLISH
CONSTANCE L. RICE
English, Munger & Rice
1545 Wilshire Boulevard, Suite 800
Los Angeles, California 90017

Dated:_____

_____
ROBERT GARCÍA
Center for Law in the
Public Interest
3250 Ocean Park Blvd., Ste. 300
Santa Monica, California 90405

Attorneys for Intervenors

WE HEREBY CONSENT to the entry of this Settlement Agreement:

For Defendant City of Los Angeles:

ROCKARD J. DELGADILLO
City Attorney (Bar No. 125465)

Dated:_____ _____
CECILIA V. ESTOLANO
Assistant City Attorney (Bar No. 198038)

_____
CHRISTOPHER M. WESTHOFF
Assistant City Attorney (Bar No. 63176)
Los Angeles City Attorney's Office
800 City Hall East
200 N. Spring Street
Los Angeles, California 90012

JAMES J. DRAGNA (Bar No. 91492)
NANCY SAUNDERS (Bar No. 111837)
BRYAN BROWN (Bar No. 192924)
Bingham McCutchen LLP
Suite 4400
355 South Grand Avenue
Los Angeles, California 90071

Attorneys for Defendant, City of Los Angeles

APPENDIX "A"
SEWER RELIEF PROJECTS FOR THE FIRST THREE YEARS OF AGREEMENT

Project Title	Project Description	Settlement Agreement Construction End Date
ECIS [EAST CENTRAL INTERCEPTOR SEWER]	This relief sewer extends approximately 11 miles from the Baldwin Hills in Culver City along La Cienega Blvd, and east along Exposition Blvd, to the east side of the Los Angeles River near Mission Road.	08/27/04
NEIS PH 1 [NORTH EAST INTERCEPTOR SEWER, PHASE 1]	This relief sewer extends approximately 5 miles from the intersection of San Fernando Road and Eagle Rock Boulevard to the intersection of Mission Road and Jesse Street.	10/30/05
AVE 45 ARROYO DR RLF SWR [AVE 45 ARROYO DRIVE RELIEF SEWER]	This project will relieve the overloaded primary wastewater collection system in the Eagle Rock and Highland Park areas. A 12,500 linear foot 12- to 36- inch diameter relief sewer will be constructed. The preliminary project alignment will be along the Pasadena Freeway from Figueroa Street, and Avenue 45 to Arroyo Glen Street and Avenue 63, and in Avenue 50 to Echo Street.	10/06/06
EAGLE ROCK INTER SWR [EAGLE ROCK INTERCEPTOR SEWER]	This project will provide relief for the Eagle Rock area. The project boundaries are: along Eagle Rock Boulevard and Verdugo Road from York Boulevard to the future NEIS; Lincoln Avenue and York Boulevard from Avenue 50 to Eagle Rock Boulevard; and from Fair Park Avenue to York Boulevard.	10/30/06
BAYWOOD BNDCT ESMT SWR [BAYWOOD BENEDICT EASEMENT SEWER]	This project will eliminate the Baywood Court Pumping Plant which includes the demolition of the existing plant and the construction of a gravity sewer to redirect the flows.	10/31/06
FLOWER WASHINGTON PICO SWR [FLOWER SEWER, WASHINGTON TO PICO]	This project will replace an existing 8-inch sewer located along Flower Street beneath the Long Beach/Los Angeles Light Rail concrete track slab. This sewer extends from about 150 feet south of Pico Boulevard to Washington Boulevard.	10/31/06
BUCKINGHAM DIVR SWR [BUCKINGHAM ROAD DIVERSION SEWER]	This project will install the Buckingham sewer, approximately 3,500 feet in length along Buckingham Road from Martin Luther King to Exposition Blvd, and diversion structure, as well as the demolition of the Buckingham Pumping Plant #603 in conjunction with the ECIS project.	11/11/06
SEPULVEDA VAL MEADOW RLF SWR [SEPULVEDA SHERMAN OAKS / VALLEY MEADOW RELIEF SEWER]	This project will provide approximately 4,955 feet of relief sewer in Sepulveda Boulevard from Valley Meadow Road to Flume Walk.	12/30/06

NOS DIV HUMBOLDT AV 18 & SFR [NOS DIVERSION AT HUMBOLDT STREET BETWEEN AVE 18 & SAN FERNANDO ROAD]	This project will design and construct a diversion structure at NOS to be located at the intersection of Avenue 18 & Humboldt Street. Design and construct a junction structure under Humboldt Street close to San Fernando Road, connecting to Humboldt Junction Drop Structure Number 2, part of NEIS. Design and construct a 725 feet long, more than 50 feet deep, 48-inch diameter sewer between the new diversion structure and junction structure.	12/31/06
SLAUSON/VAN NESS/COS EXTERNAL BYPASS	Design and construct a permanent bypass from the existing 42" diameter brick sewer along the north side of Slauson Avenue and the existing 39" diameter brick sewer along the south side of Slauson Avenue to the Central Outfall Sewer (COS) in Van Ness Avenue.	12/31/06

Appendix "B"
SEWER REHABILITATION AND REPLACEMENT PROJECTS FOR THE FIRST THREE YEARS OF AGREEMENT

Project Title	Project Description	Settlement Agreement Construction End Date
EQ RPR SWRS U298	This Northridge Earthquake sewer repair project is located near Parthenia St. & Farralone Ave. Project length: approximately 4,876 feet.	12/14/04
EQ RPR SWRS U277	This Northridge Earthquake sewer repair project is bounded by N/O 101 Freeway, W/O 170 Freeway. Project length: approximately 12,988 feet.	01/13/05
EQ RPR SWRS U269	This Northridge Earthquake sewer repair project is bounded by N/O Riverside, S/O Chandler, W/O Tujunga. Project length: approximately 15,520 feet.	01/13/05
EQ RPR SWRS U290	This Northridge Earthquake sewer repair project is bounded by N/O Plummer, S/O Devonshire, E/O Topanga. Project length: approximately 5,759 feet.	02/11/05
EQ RPR SWRS U289	This Northridge Earthquake sewer repair project is bounded by N/O Plummer, S/O 118 Freeway, E/O Topanga Canyon. Project length: approximately 4,796 feet.	02/11/05
SAN PEDRO AREA SWR REHAB	This project will rehabilitate approximately 15,000 linear feet of aging and structurally deteriorated sewers. The diameter of the sewers ranges from 6"-8". They are approximately 74 years old. The majority of the sewer reaches, to be rehabilitated as part of this project, are located between 22nd Street to the north, 30th Street to the south Alma Street to the west and Denison Ave. to the east. These reaches are located in sewer (S) map quadrants 625-07 and 625-08.	02/28/05
EQ RPR SWRS U346	This Northridge Earthquake sewer repair project is within S- map# 536-6, S-map #536-2. Project length: approximately 8,701 feet.	03/16/05
EQ RPR SWRS U344	This Northridge Earthquake sewer repair project is located in the Mid-City area. Project length: approximately 6,872 feet.	03/16/05
EQ RPR SWRS U373	This Northridge Earthquake sewer repair project is located at Culver Bl, Grandview Bl, Inglewood Bl, Allin St, Beethoven St, Bray St, Marshall St, Moore St, Verdi St, and Wagner St. Project length: approximately 7,210 feet.	04/15/05
EQ RPR SWRS U369	This Northridge Earthquake sewer repair project is located at Sepulveda Bl, Allin St, Bray St, Farias St, Lindblade St, Marshall St, and Sanford St. Project length: approximately 7,404 feet.	04/15/05
EQ RPR SWRS U327	This Northridge Earthquake sewer repair project contains work in the following streets:Casiano Rd, Hammer Dr., Roscomare Rd., Alana, Bayberry, Dartford, Meadow Crest, Tobin, Valley Falls Rd., Wood Rd., Dorilee Lane, Fond, Jeanne Ln, Red Rose, Sandy, Sepulveda Blvd., Steven Dr., High Valley Rd., High Knoll Rd., Valley Meadow Rd., Royal Crest Pl., Royal Mount Dr., Valley Vista Blvd., Castlewoods Dr., Crownridge Dr., Royal Woods, Regalwoods Pl., Aqueduct Av., Camarillo St., Huston St., La Maida St., Moorpark St., Morrison St., Woodley Ave., Densmore St., Gloria Ave., Haskell Ave., Ventura Bl. Project length: approximately 11,851 feet.	05/16/05

Project Title	Project Description	Settlement Agreement Construction End Date
EQ RPR SWRS U317	This Northridge Earthquake project contains repair of the sewer in the following streets: Katherine Ave., Vanowen St., Lemay St., Lennox Ave., Tyrone Ave., Costello Ave., Hamlin St., Gilmore St., Ranchito Ave., Kittridge Ave., Cantaloupe Ave., Colbath Ave., Murietta Av., Matilija Ave, Victory Bl., Mammoth Ave., Haynes St. Project length: approximately 7,116 feet.	05/16/05
SOUTH LA CSRP U - 6	This project will replace the non-reinforced concrete sewers and rehabilitate approximately 7,000 ft of the concrete sewers within South Central Area S-Map 566-2.	07/30/05
SOUTH LA CSRP U - 5	This project will rehabilitate approximately 7,500 ft. of the cement sewers in the area covered by South Central Area S-Map 565, Quadrants 3,4, and 8. This project will replace existing cement sewers that are in poor condition.	07/30/05
SOUTH LA CSRP U - 3	This project will rehabilitate approximately 10,500 ft of the cement sewers in the areas covered by South Central Area S-Map 558, Quadrant 11. This project will replace existing cement sewers that are in poor condition.	07/30/05
WILSHIRE AREA NE SWR REHAB	This project will rehabilitate approximately 1,767 linear feet of sewers in the northeast (NE) Wilshire area. The sewer reaches to be rehabilitated are located in Wilton Place, 6th Street, Catalina Street, and Norton Avenue.	08/30/05
MT WASHINGTON AREA SWR REHAB	This project will rehabilitate or replace about 784 ft. of vitrified clay pipe in the Mt. Washington area. The project is located in Shanley Avenue between Monte Vista Street and Malta Street and in a sewer easement north of Shanley Avenue between Monte Vista Street and Lynne Street.	09/30/05
S BOYLE AREA SWR REHAB	This project will remove and replace and rehabilitate approximately 4,056 feet of sewers in Mission Road between 6th Street and Cesar Chavez and in a sewer easement beginning at 6th and Mission and extending through various streets and sewer easements to the east and northeast to approximately 4th and Louis Street.	12/08/05
HOLLYWOOD AREA PRIM SWR REHAB [HOLLYWOOD AREA PRIMARY SWR REHAB]	This project will rehabilitate or replace approximately 7,870 feet of the cement sewers in the Hollywood area. The sewers to be repaired are located in Genesse Ave, Olympic Blvd, Packard St, and Crescent Heights Blvd.	12/30/05
4TH SHATTO VERMONT SWR REHAB	This project will rehabilitate approximately 500 feet of 18-inch sewers located in 4th Street east of Vermont Avenue.	12/30/05
EQ RPR SWRS U274	This Northridge Earthquake sewer repair project is bounded by N/O Sherman Way, S/O Keswick, E/O Laurel. Project length: approximately 6,645 feet.	03/16/06
EQ RPR SWRS U340	This Northridge Earthquake sewer repair project contains various works within S-map # 494-13. Project length: approximately 6,045 feet.	04/15/06
EQ RPR SWRS U283	This Northridge Earthquake sewer repair project is bounded by portions of the Hollywood & Eagle Rock Areas. Project length: approximately 9,279 feet.	04/15/06

Project Title	Project Description	Settlement Agreement Construction End Date
HARBOR AREA CSRP U- 6	This project will rehabilitate about 14,000 to 17,000 feet of the cement sewers in the Harbor Area bounded by 14th St. on the north, 22nd St. on the south, Averill on the west and Gaffey St. on the east.	05/30/06
NICHOLS CYN ESMT SWR REPLC [NICHOLS CANYON ESMT SWR REPLC]	This project will relocate an existing 8-inch diameter sewer from an easement to the public right-of-way. The project will involve the construction of approximately 2,600 feet of 8-inch diameter sewer.	05/31/06
EQ SWR RPR U300	This Northridge Earthquake sewer repair project is bounded by N/O Archwood, W/O Woodlake, E/O Valley Circle. Project length: approximately 5,696 feet.	07/15/06
EQ RPR SWRS U299	This Northridge Earthquake sewer repair project is near Farralone Ave. & Topanga Canyon Blvd. Project length: approximately 9,886 feet.	07/15/06
LAS PULGAS CANYON SWR REPLC	This project will provide a new replacement sewer system for the Pulga Canyon service area. It will provide approximately 2,700 feet of replacement sewers.	07/30/06
HOLLYWOOD AREA CSRP U- 2	This project will rehabilitate 20,880 feet of 8- to 15-inch cement sewers in the area bounded by Santa Monica Boulevard on the north, Mansfield Avenue on the east, Wilshire Boulevard on the South and Oakhurst Drive on the west.	07/30/06
EQ RPR SWRS U295	This Northridge Earthquake sewer repair project is in the area of Natik Ave, Kester Ave, Sylmar Ave, Vanyus Bl, Vincennes St, Cedros Ave, Tupper St, Lemona Ave, Terra Bella St, Willis Ave, Wakefield Ave, and Calahan St. Project length: approximately 11,836 feet.	09/15/06
EQ RPR SWRS U292	This Northridge Earthquake sewer repair project includes work in Branford St, Chase St, Crowley St, Debell St, Kagel Canyon St, Laurel Canyon Bl, Montague St, Osborne St, Reliance St, Tanopah St, Tonopah St, Wentworth St, and Wingo St. Project length: approximately 4,190 feet.	09/15/06
EQ RPR SWRS U291	This Northridge Earthquake sewer repair project includes work in Glenoaks Bl, Sunland Bl, Dora St, Fleetwood St, Goss St, Luddington St, Pendleton St, Penrose St, Peoria St, Randall St, Sheldon St, Thelma St, Tuxford St, Vinedale St, and Wicks St. Project length: approximately 2,661 feet.	09/15/06
EQ RPR SWRS U354	This Northridge Earthquake sewer repair project is located at Bestor Bl, Chautauqua Bl, Sunset Bl, Akron St, Baylor St, Carey St, Embury St, Friends St, Galloway St, Goucher St, Hartzell St, Ida St, Iliff St, Kagawa St, Monument St, San Lorenzo St. Project length: approximately 6,781 feet.	10/14/06
EQ RPR SWRS U339	This Northridge Earthquake sewer repair project contain various work in the areas within S-Map #516-10, 516-02, 516-01, 516-09, 516-06. Project length: approximately 4,266 feet.	11/15/06
EQ RPR SWRS U338	This Northridge Earthquake sewer repair contains work in the 5th St., Figueroa St., Lucas, Maryland & Miramar St. area bounded by N/O Magnolia, S/O Oxnard, E/O Lankershim. Project length: approximately 3,748 feet.	11/15/06
EQ RPR SWRS U320	The Northridge Earthquake sewer repair project is located within S-map # 428-07. Project length: approximately 7,020 feet.	12/15/06

Project Title	Project Description	Settlement Agreement Construction End Date
EQ RPR SWRS U316	The Northridge Earthquake sewer repair project is located within S-map # 428-16, S-map # 422-04, Smap # 427-13. Project length: approximately 6,609 feet.	12/15/06
WASHINGTON FLOWER GRAND SWR REPLC [WASHINGTON BL / FLOWER to GRAND]	This project will provide for the replacement of 10- to 24-inch diameter sewers located between Flower Street and Grand Avenue beneath the Long Beach/Los Angeles Light Rail line in Washington Boulevard.	12/30/06
CENTRAL AREA CSRP U-5	Revised scope of project to include replacement of 181 LF of 8-inch concrete sewer and 780 LF of 15-inch concrete sewer work remaining of project 52nd St.-6th AVE SEWER REPLACEMENT, W.O. E2001665 which will be deleted from the WCIP due to the fact that U279 repaired 75% of the sewer reaches of this project. Furthermore U279 also replaced approximately 67% of this project, therefore Central Area CSRP U5 will be replacing approximately 1,900 ft. of sewer.	12/30/06
CENTRAL AREA CSRP U-3 & U-4	This project will replace approximately 5,793 feet of the cement sewers with vitrified clay pipe in 69th, 70th, and 71st streets from 330 feet east of Normandie Avenue to Halldale Avenue, and Florence Avenue from Normandie Avenue to west of Denver Avenue.	12/30/06
12TH HILL SWR REHAB [12TH / HILL SWR REHAB]	This project will rehabilitate approximately 3,700 linear feet of sewers ranging from 27 to 50 inches in diameter in the area of 12th Street, 18th Street, Hill Street, and Grand Avenue.	12/30/06
SAN FERNANDO PSDNA SWR REHAB [SAN FERNANDO PASADENA SWR REHAB]	This project will replace about 1,680 feet of 16-inch sewer pipe in the area bounded by the intersection of San Fernando Road and Pasadena Avenue to the intersection of Pasadena Avenue and Avenue 33.	12/31/06
EQ RPR SWRS U294	This Northridge Earthquake sewer repair project within S-map # 389-03, 04. Project length: approximately 6,238 feet.	01/13/07
EQ RPR SWRS U293	This Northridge Earthquake sewer repair project is near Mayall St, Stare St, Vintage St & Aqueduct Ave. Project length: approximately 6,885 feet.	01/16/07
EQ RPR SWRS U319	This Northridge Earthquake project contains repair of the sewer in the following streets: Sylvan St., Tiara St., Murietta Ave, Costello St., Califa St., Ranchito Ave, Erwin St, Delano St., Calvert St., Bessemer St., Matilija Ave., Atoll Ave, Hillview Park Ave., Oxnard St., Varna St., Ventura Canyon Ave. & Buffalo Ave. Project length: approximately 4,055 feet.	02/15/07
EQ RPR SWRS U318	This Northridge Earthquake sewer repair is located near Welby Way, Archwood St., Van Nood Ave. & Hamlin St. Project length: approximately 6,560 feet.	02/15/07
HARBOR AREA CSRP U- 3	This project will repair 8,070 feet of 8" to 18" cement sewers within the Harbor area bounded by Youth St. on the north, "B" St. on the south, Figueroa on the west and Wilmington Blvd. on the east.	03/03/07

Project Title	Project Description	Settlement Agreement Construction End Date
EQ RPR SWRS U342	This Northridge Earthquake sewer repair project is located near 6th St., Ceres Ave, Industrial St., Gladys Ave, Factory Pl, Stanford Ave. Project length: approximately 2,971 feet.	03/15/07
EQ RPR SWRS U341	This Northridge Earthquake sewer repair project is located near Barlett St., Glendale Ave., Diamond St. and Kellam Ave. Project length: approximately 3,833 feet.	03/15/07
FLINT AVE G ST SWR REPLC [FLINT AVE & G ST SWR REHAB]	This project will replace about 2,700 linear feet of 8, 10 and 14-inch vitrified clay pipe located in Flint Avenue south of G Street.	03/24/07
EQ RPR SWRS U304	This Northridge Earthquake sewer repair project is located near Cedros Ave, Lanark St., Brimfield Ave, Strathern St. and Blythe ave. Project length: approximately 5,322 feet.	04/14/07
EQ RPR SWRS U296	This Northridge Earthquake sewer repair includes Tobias Ave, Lemoma Ave, Broadmoor St., Katherine Avel, Wakefield Ave, Parthenia St Alley, Tyrone Ave, Chase St R/W, Parthenia St. and Willis Ave. Project length: approximately 7,614 feet.	04/14/07
HOOVER ST SWR REHAB [HOOVER STREET SWR REHAB]	This project will rehabilitate 1,522 linear feet of 24- inch diameter sewers on Hoover Street between 28th and 25th Street.	05/02/07
LINCOLN 83RD SWR REPLC [LINCOLN BLVD N/O 83rd]	This project will replace 2,600 linear feet of 10-inch sewers in Lincoln Boulevard between the North Outfall Sewer and the alley north of Manchester Boulevard.	06/30/07
HARBOR AREA CSRP U- 5 & WILM U-20	This project will rehabilitate or replace about 13,000 feet of 8-inch concrete sewer in the San Pedro and Wilmington area. The project is located in the region bounded by the intersection of 7th and Alma to the intersection of Dodson and Park Dr. and Anaheim Street and Cristoball to the intersection of Coil Avenue and Colon Street. The existing sewer is dilapidated with fractures, loose pipe joints and corrosion.	06/30/07

ABBREVIATIONS:

CSRP - Cement Sewer Renewal Program
EQ RPR SWRS - Earthquake Repair Sewers
SWR REHAB - Sewer Rehabilitation
SWR REPLC - Sewer Replacement

Appendix "C"
DESCRIPTION OF SEPs

Projects	Description & Scope	Suggested Commitment
	1st Tier SEPS	
North Atwater Creek Restoration & Water Quality Enhancement Project (in Council District ("CD") 4 and Adjacent to CD 13)	This project will construct water quality physical and structural improvements to an area along the Los Angeles ("LA") LA River in the vicinity of the North Atwater Park. The project will restore wetlands for storm water runoff capture and treatment and provide habitat linkage to the Los Angeles River. This will begin a restoration and revitalization of the LA River and its vicinity where wetlands existed along the riverbanks. This will be the lead project and corner stone for the City's proposed Los Angeles River Revitalization Plan. The project will reconstruct an area along the LA River in the North Atwater community and restore wetlands to treat runoff from the North Atwater Creek storm drain. In addition, runoff Best Management Practices will be implemented to minimize waste from horses using the LA riverbank from entering the LA River. This project will directly benefit the North Atwater neighborhood and the East and Northeast LA communities, which are low income and minority areas.	$2,000,000
South Los Angeles Storm Water Treatment Project at 54th and Avalon St. (CD 9)	The project will construct an advanced system for capture and treatment of polluted urban runoff in an inner City area. The project is a major element of the South LA Wetland project, a project in which an MTA maintenance facility is being converted to a multi-benefit community resource with a water quality treatment element, a constructed wetland, and a community and educational center. The 54th and Avalon St. project will clean up the runoff from local storm drains that would be intercepted and brought into the storm water facility for treatment. The project is in the South Los Angeles community, which is a lower income and minority area. The project area would enhance clean runoff and reduce pollution.	$2,000,000
Hazard Creek and Wetlands Restoration Project (CD 14)	This project will restore and enhance approximately a one-half mile reach of the historic Hazard Creek corridor and 2.5 acres of wetlands habitat in the Lincoln Heights area of the City. The project will restore the creekbed, which was converted into a railroad track, preserve and refurbish 0.5 acres of wetlands that still exist, and restore 2.0 acres of wetland that used to exist. The project will entail the removal of the railroad track and bed, slope re-grading, non-native plant removal, and native plant restoration in the park and wetlands. This project will provide wetlands that will clean up the water in the creekbed with the wetlands, which will help clean up the area's urban runoff. The Lincoln Heights area of the City that will directly benefit from the re-creation of the creek and wetland is a	$750,000

Inner Cabrillo Beach Pollution Control and Water Circulation Enhancement Project (CD 15)	This project will address the high bacteria levels at Inner Cabrillo Beach. The Beach has high bacteria counts, particularly near the south end of the inner beach, which is a popular beach area used by many low income and minority community members. This project will construct physical and structural recirculation enhancements to improve the water quality in the beach. This project will build on the findings of the study conducted as part of the Clean Beaches Initiative and the RWQCB's TMDL linkage analysis to determine the sources of the bacteria, and effective solutions to solve the pollution problem. The project will reduce the high bacteria levels affecting the beach, thus improving water quality, enhancing the beneficial use of the beach, and protecting the public health and safety as the public uses the beach. Many of the beachgoers on this beach come from nearby neighborhoods that have low income and minority residents.	$1,000,000
Downtown Los Angeles Storm Drain Low-Flow Diversion Project (CD 9 & CD 14)	This project will construct a single storm drain low-flow diversion structure to divert the low-flow from a high priority (highly polluted) storm drain discharging into the LA River in the Downtown Los Angeles area. The runoff will be diverted into the sewer system for treatment at the Hyperion Treatment Plant. This will help reduce pollution entering the LA River in a fashion similar to the coastal projects implemented by the City along the beaches of Santa Monica Bay. This will help clean up the runoff into the Los Angles River, thus improving the water quality. This project will be built in an area of low income and minority residences, which will directly benefit from the project.	$1,000,000
2nd Tier SEPS		
Restoration of LA River Wetlands at the Headworks Spreading Ground Project (CD 4)	Convert part (15 acres) of the Headworks Spreading Grounds into treatment wetlands that would remove trash from the LA River, and treat the urban runoff from the Forest Lawn/Griffith Park part of the LA River watershed. The project would feature a rubber dam in the LA River to divert the flow, with a trash removal system both in the river behind the dam and where the river water enters the wetlands. Future additional projects funded in partnership with the City Department of Water and Power will add other features to the site, including up to another 10 acres of wetlands. The diversion of LA River water for treatment in the restored wetlands will improve the quality of the LA River water and reduce pollutants in the water and enhance the overall water quality. This project will benefit users in the Griffith Park, which is used by nearby low income and minority neighborhoods in East and South Los Angeles. Also, the wetlands will be used as an educational extension to schools in these same areas.	$3,000,000

Additional Downtown Los Angeles Storm Drain Low-Flow Diversion Project(s) (CD 9 & CD 14)	This project will construct additional storm drain low-flow diversion structures to divert the low-flow from one or two high priority (highly polluted) storm drains discharging into the LA River in the Downtown Los Angeles area. The runoff will be diverted into the sewer system for treatment at the Hyperion Treatment Plant. This will help reduce pollution entering the LA River in a fashion similar to the coastal projects implemented by the City along the beaches of Santa Monica Bay. This will help clean up the runoff into the Los Angles River, thus improving the water quality. These projects will be built in an area of low income and minority residences, which will directly benefit from the project.	$1,000,000 per diversion with a maximum of $2,000,000
Legion Lane Park LA River Revitalization, Habitat Restoration & Water Quality Enhancement Project (CD 13)	The project is an LA River revitalization project that will help in the restoration of 1,000 feet of riverbank along the LA River and its adjacent areas. The project will acquire a vacant parcel around 28,000 square feet in size at 3781 Legion Lane on the east bank of the Los Angeles River north of Glendale Boulevard near Sunnynook Drive. After acquisition of the property, the property will be restored through "daylighting" an existing storm drain and the construction of grassy swales for runoff treatment before the runoff enters the unlined section of the LA River. Native plants and restoration of the lot will provide habitat restoration and an extension and connection to the rich habitat in the unlined section of the river. The park will not only provide water quality and habitat restoration but will provide access to the public to visit and interact with the unlined section of the river. This will increase awareness of the river as a valuable resource to our community and the need to protect and restore it.	$1,500,000
Sycamore Grove Streambed Daylighting Project (in CD 1 and adjacent to CD 14)	This project will establish a 600-foot long streambed that courses through Sycamore Grove Park in the Highland Park area of the City, and is adjacent to the Glassell Park and Cypress communities as well. This project will create a diversion structure and take water from a buried storm drain directly beneath this park. The riparian habitat that will be re-created will provide for urban runoff treatment, supplemented by a runoff treatment facility to remove selected pollutants of concern such as trash along with oil and grease. The project will clean up the urban runoff form a 2 square- mile area of the City, thus improving runoff water quality. This project will benefit the communities of Glassell Park and Cypress, which are low income and minority neighborhoods.	$1,000,000