

STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD

In the matter of:)
)
United Water Services, Inc.) **WQ Order No. SB-2007-0009-EXEC**
) Imposing Administrative Civil Liability
) Pursuant to Settlement Agreement
)

THE STATE OF CALIFORNIA, WATER RESOURCES CONTROL BOARD ("STATE WATER BOARD") FINDS:

1. On August 22, 2007, the Executive Director of the State Water Board issued Administrative Civil Liability Complaint No. SB-2007-0005-OE ("Complaint"), which proposed to assess an administrative civil liability of \$6,000 against United Water Services, Inc. (United Water) for allowing Mr. Ronald Yates to operate the West Basin Municipal Water Recycling Plant for 195 days between January 1, 2006 and July 14, 2006 without having a valid, unexpired water treatment plant operator certificate issued by the Department of Health Services, and without a valid, unexpired wastewater treatment plant operator certificate issued by the State Water Board, as required by California Water Code section 13627.
2. By way of Settlement Agreement, United Water has waived its right to a hearing and agreed to pay the proposed liability.
3. State Water Board Resolution 2002-0104 delegated authority to the Executive Director to issue a decision or order by settlement of the Complaint under Government Code section 11415.60.
4. In adopting this Stipulated Order, the State Water Board has considered each of the factors prescribed in California Water Code section 13327.
5. The proposed Settlement Agreement of the Complaint by assessment of administrative civil liability in the amount of \$6,000 is in the public interest. This Order and assessment of administrative civil liability provides for the full and final resolution of each of the alleged violations addressed by this Order.
6. Issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Public Resources Code section 21000 et seq.) in accordance with section 15321, Chapter 3, Title 14, California Code of Regulations.

IT IS HEREBY ORDERED that:

7. Administrative civil liability under California Water Code section 13627.1, subdivision (a) is imposed upon United Water in the amount of \$6,000.

Dated: SEP 20 2007


Dorothy Rice
Executive Director

SETTLEMENT AGREEMENT AND MUTUAL RELEASE
ADMINISTRATIVE CIVIL LIABILITY COMPLAINT NO. SB-2007-0005-OE

In the matter of:)	
)	
United Water Services, Inc.)	Settlement Agreement
)	and Mutual Release
)	
)	

This Settlement Agreement and Release (Agreement) is made by and between the Executive Director of the State Water Resources Control Board (State Water Board) and United Water Services, Inc. (United Water) (collectively referred to as Parties). The Parties enter into this Agreement because it is their collective desire to settle the violations alleged in Administrative Civil Liability Complaint No. SB-2007-0005-OE in order to avoid the expense and uncertainty inherent in an administrative enforcement proceeding and potential litigation. This Agreement will be submitted to the State Water Board, or its delegee, for approval and adoption pursuant to Government Code section 11415.60 as a decision by settlement and will become effective when the State Water Board, or its delegee, issues an order approving the Agreement.

THE UNDERSIGNED PARTIES EXECUTE THIS AGREEMENT WITH REFERENCE TO AND IN CONTEMPLATION OF THE FOLLOWING FACTS:

1. On August 22, 2007, the Executive Director issued Administrative Civil Liability Complaint No. SB-2007-0005-OE ("Complaint"), which proposed to assess administrative civil liability of \$6,000 against United Water for certain alleged violations of California Water Code.
2. The Complaint alleges that United Water contracts with the West Basin Municipal Water District for the operation of the West Basin Municipal Water Recycling Plant located in El Segundo, California, and that United Water allowed Mr. Ronald Yates to operate the West Basin Municipal Water Recycling Plant between January 1, 2006 and July 14, 2006 without a valid, unexpired water treatment plant operator certificate issued by the California Department of Health Services, and without a valid, unexpired wastewater treatment plant operator certificate issued by the State Water Board, as required by California Water Code section 13627.
3. The Parties, through their respective representatives, have reached this settlement for the violations alleged in the Complaint. The general terms of the settlement are that United Water will, in exchange for a full and final release of all claims arising out of the specified violations, waive its right to a hearing and pay \$6,000 in administrative civil liability to the State Water Board's Pollution Cleanup and Abatement Account.

NOW, THEREFORE, in exchange for their mutual promises and for other good and valuable consideration specified herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

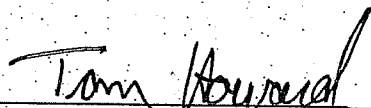
4. United Water agrees that the State Water Board has subject matter jurisdiction over the matters alleged in the Complaint and personal jurisdiction over United Water.
5. United Water agrees to waive its right to a hearing on the Complaint and will not contest or otherwise challenge this Agreement before the State Water Board or any court, except as provided in Paragraph 7.
6. United Water agrees to pay \$6,000 to the State Water Board Pollution Cleanup and Abatement Account within 30 days of receiving written notice from the State Water Board that it, or its delegee, has adopted an order or decision by settlement pursuant to Government Code section 11415.60 which approves this Agreement.
7. In the event that this Agreement does not take effect, or is vacated in whole or in part by a court, the Parties acknowledge that they expect to proceed to a contested evidentiary hearing for the State Water Board to determine whether to assess administrative civil liabilities for the underlying violations, unless the Parties agree otherwise. The Parties agree that all oral and written statements and agreements made during the course of settlement discussions will not be admissible as evidence in the hearing. The Parties also agree to waive any and all objections related to their efforts to settle this matter, including, but not limited to objections related to prejudice or bias of any of the State Water Board members or their advisors and any other objections that are premised in whole or in part on the fact that Board members or their advisors were exposed to some of the material facts and the Parties' settlement positions, and therefore may have formed impressions or conclusions, prior to conducting the contested evidentiary hearing.
8. Each Party executing this Agreement in a representative capacity represents and warrants that he or she is authorized to execute this Agreement on behalf of and to bind the entity on whose behalf he or she executes the Agreement.
9. This Agreement shall not be construed against any Party preparing it, but shall be construed as if the Parties jointly prepared this Agreement and any uncertainty and ambiguity shall not be interpreted against any one Party.
10. Each Party to this Agreement shall bear all attorney's fees and costs arising from that Party's own counsel in connection with the matters referenced herein, and any other costs incurred in defense or settlement of the proposed enforcement action.
11. This Agreement shall not be modified by any of the Parties by oral representation made before or after the execution of this Agreement. All material modifications must be in writing and signed by the Parties.
12. This Agreement shall be executed as duplicate originals, each of which shall be deemed an original Agreement, and all of which shall constitute one agreement.

- 13. This Agreement shall become effective immediately on adoption by the State Water Board, or its delegee, of an order approving the Agreement.
- 14. This Agreement is entered into and shall be construed and interpreted in accordance with the laws of the State of California.

IN WITNESS HEREOF, the Parties hereto have executed this Agreement as of the date set forth below.


For the State Water Board:

Date: 8/31/07

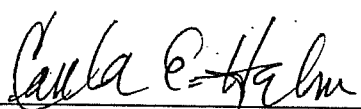
By: 
Dorothy Rice
Executive Director

For United Water:

Date: 08-29-2007

By: 
Vic Savage
General Manager

Approved as to Form:


Carla Hjelm
Senior Corporate Attorney -
Operations