ATTACHMENT B

DESCRIPTION OF SUPPLEMENTAL ENVIRONMENTAL PROJECT
QUAIL VALLEY SUBAREA 4 PHASE 1A GRAVITY SEWER PROJECT

Supplemental Environmental Project (SEP) Information

1. **Project Name**

   Quail Valley Subarea 4 Phase 1A Gravity Sewer Project.

2. **Location**

   Quail Valley Community, City of Menifee, California.

3. **Budget**

   $2,079,000 ($2,011,280.63 will be funded via this SEP, with the remaining $67,719.37 being funded by Eastern Municipal Water District).

4. **Project Implementor**

   Eastern Municipal Water District (EMWD)

5. **Contact**

   Joe Mouawad, P.E., General Manager, mouawadj@emwd.org

6. **Project Description and Goal:**

   A. **Background**

   The Quail Valley community, a disadvantaged community (DAC)[1] located within the City of Menifee, has historically relied on dense onsite wastewater treatment systems, commonly known as septic systems, that have experienced severe failure rates due to elevated groundwater, shallow impermeable strata, and poor soil conditions. These widespread system failures have caused surface sewage discharges that violate the Water Quality Control Plan for the Santa Ana River Basin (Basin Plan) water quality objectives and impact Canyon Lake, a reservoir for potable water supply. Due to the risk posed to water quality and public health,

[1] (a) California Department of Water Resources. DAC and EDA Mapping Tool - 2023. https://gis.water.ca.gov/app/dacs/ (accessed 2026-06-26). (b) California Energy Commission. *Low-Income or Disadvantaged Communities Designated by California*; California Energy Commission GIS Open Data, 2024; https://cecgis-caenergy.opendata.arcgis.com/datasets/CAEnergy::low-income-or-disadvantaged-communities-designated-by-california-1 (accessed 2026-06-26). (c) California State Water Resources Control Board. *Federal Fiscal Year 2025 Clean Water State Revolving Fund Intended Use Plan (State Fiscal Year 2025-26)*; California State Water Resources Control Board: Sacramento, CA, 2025; https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/2026/cwsrf-iup-sfy2025-26-final.pdf (accessed 2026-06-26).

the Santa Ana Regional Water Quality Control Board (Santa Ana Water Board) approved a prohibition on septic systems within Quail Valley on October 3, 2006, via Resolution Number R8-2006-0024, later approved by the California State Water Resources Control Board (State Water Board) on June 19, 2007 (Resolution Number 2007-0038).

In 2020, the Santa Ana Water Board adopted the Quail Valley Onsite Wastewater Treatment System Prohibition, Resolution Number R8-2020-0004 (hereinafter referred to as "Revised Septic System Prohibition"), superseding and replacing the prohibition established under Resolution Number R8-2006-0024. The Revised Septic System Prohibition maintained the septic system prohibition in Quail Valley Subarea 4 because the subarea has one of the highest densities of septic systems with significant failure rates.

Specific to Subarea 4, the Revised Septic System Prohibition prohibits new septic systems from being installed and requires existing septic system owners to convert to the sanitary sewer service within 12 months of sewer availability within 200 feet of the property. Quail Valley is located within EMWD's service area, however, its residential parcels were historically developed utilizing individual septic systems rather than centralized infrastructure. This disadvantaged community lacks the financial resources to fund the necessary sewer system construction. Additionally, because this community consists of established, legacy homes rather than a new master-planned tract, the area lacks an active developer to front and transfer the capital costs of a centralized gravity sewer system. Under EMWD's standard framework, localized sewer infrastructure is typically fronted by developers rather than existing ratepayers who derive no direct benefit from the expansion of sewer system. EMWD-executed septic-to-sewer projects within Quail Valley, including Subarea 4, are dependent on external funding and as detailed in Resolution Number R8-2020-0004, will be completed as additional funding becomes available.

B. **Project Details**

Representing the first permanent gravity sewer infrastructure to be installed within Subarea 4, the Quail Valley Subarea 4 Phase 1A SEP will add an estimated 1,150 linear feet of 8-inch gravity sewer main[2], converting approximately 10 occupied lots with existing septic systems to sewer. Additionally, the Quail Valley Subarea 4 Phase 1A SEP will provide the ability to service an additional 17 vacant lots.

This project will install a new gravity sewer main to transition approximately 10 properties from high-risk, failing septic systems to a centralized sanitary sewer, directly protecting local water quality and public health in a disadvantaged community.

7. Community Considerations

[2] The new gravity sewer main will connect to downgradient sewer infrastructure located along Goetz Road.

Quail Valley is designated as a DAC[1] and has been previously recognized by the State Water Board as a DAC, including within the *Clean Water State Revolving Fund: Intended Use Plan, State Fiscal Year 2025–26.* Additionally, the Santa Ana Water Board adopted Resolution No. R8-2019-0078 adopting the Human Right to Water as a core value of the Santa Ana Water Board[3], highlighting Quail Valley septic to sewer efforts as part of the efforts related to this value[4]. The Quail Valley Subarea 4 Phase 1A SEP will improve water quality and public health within Quail Valley, continuing to support the Water Boards[5] ongoing efforts to prioritize septic-to-sewer conversions under California's Human Right to Water law.

On July 14, 2026, the Director for the State Water Board Office of Enforcement approved that up to 100 percent of the proposed liability may go towards the SEP because it is located in and benefits Quail Valley which has a financial hardship as defined in the SEP Policy. The SEP Policy states, "[f]inancial hardship" means that the community meets one of the following criteria: [m]edian household income for the community is less than 80 percent of the California median household income; [t]he community has an unemployment rate of 10 percent or greater; or [t]wenty percent of the population is below the poverty level. Quail Valley is located in Census Tract 427.17 and has a median household income of $75,012[6].The Statewide median is $96,334. Therefore, the median household income for the Quail Valley community is less than 80 percent of the Statewide median of (i.e. $77,067).

8. **Confirmation SEP Qualification Criteria is Met**

A. **Above and Beyond Compliance**

The SEP exceeds EMWD's existing regulatory obligations by proactively constructing foundational sewer infrastructure in a high-risk area where no centralized sewer system currently exists. EMWD is under no obligation to construct or install such facilities.

B. **Direct Benefit to Water Quality, Beneficial Uses, and Public Health**

The installation of gravity sewer main, and the subsequent conversion of septic systems, directly prevents the discharge of pathogens and nutrients into the San Jacinto River watershed, thereby protecting the beneficial uses of Canyon Lake and Lake Elsinore.

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[3] California Regional Water Quality Control Board, Santa Ana Region. *Agenda Item 4: Consideration of Resolution No. R8-2019-0078, A Resolution Adopting the Human Right to Water as a Core Value of the Santa Ana Regional Water Quality Control Board*; Santa Ana, CA, February 7, 2020; pp 1–4. https://www.waterboards.ca.gov/santaana/board_info/agendas/2020/2-7-2020/Item_4.pdf (accessed June 29, 2026)

[4] California Regional Water Quality Control Board, Santa Ana Region. *Human Right to Water Work Plan*; Santa Ana, CA, 2020. https://waterboards.ca.gov/santaana/public_notices/docs/announcements/human_right_to_water.pdf (accessed June 29, 2026).

[5] Water Boards collectively refers to the State Water Board and the Santa Ana Water Board.

[6] Source of median household incomes: 2019-2013 American Community Survey (in 2023 inflation adjusted dollars)

C. **No Fiscal Benefit to Water Boards**

While the SEP will advance the Water Boards' goals to protect water quality, beneficial uses, and public health, project funding does not directly benefit, in a fiscal manner, the Santa Ana Water Board's functions, its members, or its staff. This SEP does not advance a project or activity directly under the purview or direction of the Santa Ana Water Board, its members, or its staff, nor is it related to any existing abatement order or other legal or administrative mandate imposed by the Santa Ana Water Board.

D. **Not Required by Regulation**

While the Water Boards mandate the eventual conversion of septic systems, EMWD is not legally required to independently fund or construct this specific project.

E. **Project Nexus**

Public Resources Code section 71118, subdivision (b)(4), requires consideration of the relationship between the location of the violation(s) and the location of the proposed SEP. A relationship between the location of the violation and the proposed SEP may exist if the primary benefits to be attained from the project are located within the immediate geographic area. EMWD will implement the SEP in the same region where the alleged violation in the Stipulated Order occurred within a 50-mile radius.

9. **Study Milestones and Performance Measures**

The SEP shall complete the following milestones to be deemed complete:

A. **Final Design/Construction Bid:**

The 30% preliminary design, including geotechnical investigations and topographical surveys, has already been completed. EMWD will advance this portion of the preliminary design to final design completion, apply and obtain necessary permits for construction, as well as prepare the construction bidding package.

The construction project will be procured through a formal bidding process in accordance with the California Public Contract Code. Following an evaluation for responsiveness and responsibility, and pending the absence of any bid protests, EMWD will award the contract at a scheduled EMWD Board of Directors Meeting.

- **Estimated cost:** $51,000
- **Completion Date:** No later than 12 months from the Stipulated Order's effective date.

B. **Environmental Review:**

In accordance with California Environmental Quality Act (CEQA) Guidelines Section 15168, a programmatic Environmental Impact Report (PEIR) is being prepared by EMWD, which covers the proposed area to be constructed. The Draft PEIR[7] was circulated for public review on April 3, 2026. The preparation of the PEIR is being completed to allow for future advancements of Quail Valley Subarea 4 efforts over an approximately 20-year period, dependent on funding availability. The SEP will be covered in the PEIR.

- **Estimated cost:** No additional cost
- **Completion Date:** No later than 8 months from the Stipulated Order's effective date.

C. **Construction:**

Furnish and install 8-inch polyvinyl chloride (PVC) gravity sewer pipeline and sewer laterals to approximately 10 occupied lots, including destruction in place of the existing septic tanks.

- **Estimated Cost:** $1,898,000[8]
- **Completion Date:** No later than 36 months from the Stipulated Order's effective date.

D. **Site Management and Inspection**

EMWD will manage and inspect the project through a combination of in-house staff and specialized construction services and inspection support from consulting firm(s). The integrated team will oversee the completion of all work including commissioning, and final project closeout.

- **Estimated Cost:** $100,000
- **Completion Date:** No later than 36 months from the Stipulated Order's effective date.

E. **Engineering Services During Construction**

To maintain project continuity and ensure delivery aligns with the original design intent, EMWD will retain the Engineer-of-Record for engineering services during construction. The scope will include reviewing submittals, responding to Requests for Information (RFIs), and providing design support to facilitate successful project completion.

[7] State Clearinghouse Number 2025090047

[8] Cost includes completion of work necessary for installing sewer infrastructure and connection fees for connecting occupied lots to sewer.

- **Estimated Cost:** $30,000

- **Completion Date:** No later than 36 months from the Stipulated Order's effective date.

10. **Quarterly Reports**

A. **Frequency**

EMWD shall provide quarterly updates to the Santa Ana Water Board Quail Valley Subarea 4 Phase 1A SEP beginning the first full calendar quarter after the Stipulated Order's effective date and ending with the Final Completion Report. The calendar quarters[9] are as follows:

- January 1 through March 31;
- April 1 through June 30;
- July 1 through September 30; and
- October 1 through December 31.

B. **Due Date**

EMWD shall submit the quarterly report by the first day of the second month following the calendar quarter[9]. The due dates are as follows:

- May 1;
- August 1;
- November 1; and
- February 1.

C. **Report Content**

Quarterly reports shall include the following:

1. Documentation of the tasks completed during the previous quarter;
2. Update of the project's progress;
3. An explanation for any incomplete tasks;
4. An updated project schedule with projected completion dates, if necessary;
5. Descriptions and photos of activities completed during the previous quarter;
6. Results of any monitoring completed during the previous quarter; and
7. An accounting of the money expended on the SEP as of the previous quarter.

11. **Final Completion Report**

[9] Aligns with EMWD's quarterly self-monitoring reporting schedule detailed in Order No. R8-2008-0008 and Order No. R8-2015-0006.

EMWD shall submit a final completion report within 12 months of project completion that includes the following:

1. A summary of all completed tasks;
2. An evaluation of the project's performance measures/success criteria;
3. Photos documenting the completion of the project; and
4. A certified statement of SEP completion, signed under penalty of perjury.[10]

12. **Third-Party Financial Audit**

EMWD shall have a third-party financial audit performed after the completion of the project.

13. **Publicity**

Whenever EMWD, or any third party with whom EMWD contracts to perform the SEP, publicizes the SEP or the results of the SEP, it shall state in a prominent manner that the project is being undertaken as part of the settlement of a Water Boards enforcement action.

[10] As required by the State Water Board's Policy on Supplemental Environmental Projects, adopted December 5, 2017.