Lake Morena Views Mutual Water Company Quarterly Administrator Public Meetings Frequently Asked Questions

LMV has been appointed an Administrator, Stantec, by the State Water Resources Control Board to assist LMV with management of their water system. As Administrator, Stantec hosts quarterly public meetings at the Lake Morena Community Church to answer questions and provide updates about the water system and plans for consolidation with Lake Morena Oak Shores.

The following tables summarize discussions between meeting attendees about consolidation, water quality and supply, finance, and management. This FAQ document is updated periodically to reflect key questions and priority topics from the community.

Consolidated System	
Community Comment	Administrator Response
The lower district (LMOS) has good infrastructure. How can LMOS customers be assured that they are not inheriting a bad system? How will LMOS customer water rates be impacted?	The construction activities required to connect the system will be paid for by the State. In addition, the infrastructure upgrades will benefit customers of both systems (e.g. additional water supply and storage tanks, solar panels, automatic meter readings, increased efficiencies). The consolidation process will fix problems, and the new system will resolve existing issues faced by LMV. In other words, the community will share an updated system, without "inheriting" problems. At this stage, changes to water rates can't be predicted as there are still many unknowns about shared costs, including whether it will be possible for LMOS' USDA loan to be forgiven.
Once the physical consolidation construction is complete, will the community have a second treatment plant? What new valves will be added and where?	James Owens (NV5), a representative of the Technical Assistance Provider supporting consolidation planning, noted that the proposed plan is to expand the existing treatment plant at LMOS. Water from LMV will be conveyed to LMOS for treatment. Typically, valves would be installed at the intersection plus or minus 500 feet from homes. Each fire hydrant would have its own isolation valve.
Will the new meters be used to track water usage and implement water usage mandates?	As private mutual water companies, LMV and LMOS are not facing any mandates about water conservation. The automatic meters will be used to make billing more efficient, as they will minimize the need to do manual meter reading in-person at each existing meter. Either of the existing mutual water companies, or the new combined mutual, can decide to ask for or demand conservation from users if a situation

	requires it (for instance, a system failure or a drought.)
Is the County Park Well experiencing issues?	The County Park owns and operates two tanks, a 68,000-gallon galvanized steel tank constructed in 1995 which has recently failed and a 6,600-gallon poly tank which has been isolated from the potable drinking water system since 2018 and feeds one hydrant on site. During the consolidation project, the County Park's two existing tanks would be demolished and removed, and the County Park distribution system would be supplied by the existing LMOS tank site with a total of approximately 350,000 gallons of storage.
How many Board seats will the combined system have?	After consolidation, it is expected that the new combined water system will have a total of seven Board Directors. Currently, LMV has three Board Directors and LMOS has five. The designated Directors of LMOS and LMV are anticipated to serve as directors of the new system until a successor is selected and qualified. At the first annual meeting of shareholders that is scheduled after the consolidation, the new systems' shareholders shall select these Directors.

Consolidation Process and Timeline	
Community Comment	Administrator Response
Why did the applicant for the consolidation construction project switch from LMOS to LMV?	LMV has been appointed an Administrator, Stantec, by the State Water Resources Control Board to assist LMV with management of their water system. The assignment enables LMV, with Stantec's assistance, to be the recipient of the eventual Construction Funding Agreement from the CA Drinking Water State Revolving Fund (DWSRF).
How is the budget for the consolidation project broken down? Will the costs be covered by a grant?	The Preliminary Engineering Report established an initial cost estimate for the consolidation project, including a breakdown of the project costs. Project costs include the transmission of water, consolidation with the County Park, consolidation of distribution systems, LMV distribution system improvements, dead end pipeline removal and hydraulic loops, removal of abandoned appurtenances, and installation of supply, monitoring, and control improvements. The State Water Board's 2024-25 Drinking Water State

	Revolving Fund Intended Use Plan includes LMV/ LMOS consolidation under the Fundable List as eligible for grant/ principal loan forgiveness funding, provided the project meets all eligibility requirements and there is an appropriate funding source.
How involved is San Diego County Parks in the consolidation? Why aren't they at the meeting?	County Parks is supportive of the consolidation construction, as they will benefit from park guests receiving treated water. County Parks has been regularly attending consolidation planning meetings.
Why is the Ballard well no longer part of the consolidation project?	The Ballard Well project included the purchase of easement access and one well from one property within the combined service area. This well is no longer available to LMOS/LMV as the property owners decided to sell the property in Summer 2024. At this time, there are no plans to contact the new owners. The consolidation planning team has concluded that the combined system will have adequate source capacity without the Ballard Well.
What is the expected end date of construction?	Consolidation improvement projects are expected to be constructed by Fall of 2027, though this timeline is dependent upon the financing agreement and other factors outside of LMV's control, such as permitting and easement agreements.

Water Quality and Supply	
Community Comment	Administrator Response
Once the temporary LMV treatment plant	Fire hydrants within LMV's service area are not
is online, will fire hydrants be	operational, as they have never been exercised, or
operational? Will dead ends and	put through their full range of motion to ensure
individual household plumbing be	they can be used in an emergency. In addition,
improved?	there is not enough pressure in the system to meet
	fire flow capacities. The nitrate treatment facility
	will not impact fire hydrants. However, community
	members will be notified once water delivered
	meets all regulatory requirements as safe to drink.
	LMV will follow monitoring parameters to test
	water quality regularly. Bacteria (total coliform and
	e. coli) are tested for from four sample sites.
	Currently, there is no flushing program in place to
	address potential issues with dead ends.

Where is LMV's storage tank?	LMV's storage tank is on top of the hill, next to the Lake Morena Country Market and gas station.
Do both water systems have nitrate contamination?	Both systems' well water experience high concentrations of nitrate and uranium. LMOS has an operational ion-exchange facility that treats nitrate and uranium, so customers do not receive water that exceeds the maximum contaminant level for either contaminant. LMV will soon be pilot testing a similar ion-exchange facility for the treatment of nitrate and uranium. LMV's wells are at the same site as the LMV office, on Mallard Drive.
How does LMOS deal with brine waste?	Brine waste from the operational nitrate treatment facility is a cost factored into LMOS' operational budget. LMOS deepened its wells over 20 years ago, and cleaned and re-sealed wells more recently.

	PFAS
Community Comment	Administrator Response
What are the sampling requirements for PFAS? Is sampling needed if you have treatment in place at the system?	LMV and LMOS recently tested active wells for PFHxS for the first time, and PFHxS was detected above the response level in some wells. LMV is following the requirements to take quarterly samples for PFHxS and other per- and polyfluoroalkyl substances (PFAS) from all LMV active water sources to better define the extent of the contamination. With a treatment system in place that can effectively remove PFAS, routine monitoring of the treated water is still required to know when to replace the resins, along with annual monitoring of the source wells.
Is it okay to brush your teeth and bathe in water with PFAS?	In general, dermal exposure has lower impacts on human health than direct ingestion. The best way to protect yourself is to avoid drinking water with PFAS contamination and consumer products coated in PFAS. Generally smaller amounts of water consumed are safer than large quantities. For those wishing to exercise an abundance of caution, bottled water can be used to brush teeth.
When did PFAS contamination begin?	The regulations for PFAS have been publicized in recent years, and May 2024 was the first time LMV was required to test for PFAS compounds. Because the lab analysis for PFAS is a recent

	innovation, it is impossible to know how long these
What are the health offert of DEAC	compounds have been present in the water.
What are the health effects of PFAS exposure?	PFHxS has been shown to interfere with thyroid hormones levels. Thyroid hormones are needed for normal prenatal growth and development of the fetus, as well as for normal growth and development in the infant and child. In adults, thyroid hormones are needed for normal metabolism and mental function. Exposure to unsafe levels of PFOA/PFOS may result in adverse health effects including liver damage, effects on the immune system, cancer and developmental effects to fetuses during pregnancy.
What will be used for treatment? Are	One treatment option is to use Granulated Active
there any side effects?	Carbon (GAC), which is a carbon material with a lot of surface space for PFAS to absorb onto. Another treatment option is to use Ion Exchange media, which is often designed to target specific contaminants. Currently, LMV is piloting a treatment system that utilizes a regenerable ion exchange media in which nitrate and uranium ions are exchanged with chloride ions as they attach to media. With this approach, there is a slight increase in chloride, but the concentration remains below the regulatory standard. More testing of the existing treatment system is needed to know if the media reliably addresses PFAS. LMV is currently assessing whether it makes sense to have IX resin designed for PFAS installed ahead of the existing nitrate vessels.
Would LMV need to use a different disposal company?	The current treatment plant uses a regenerable resin for nitrate, and brine waste is produced during operations. Because PFAS concentrations are a much lower magnitude than nitrate (nanograms per liter instead of milligrams per liter), it takes longer for a PFAS resin to accumulate enough PFAS to require disposal. PFAS resins are typically disposed of instead of regenerated, and there are several companies that can safely dispose of the PFAS media.
Is bottled water subject to the same requirements?	Like all bottled water companies, Culligan is regulated by the Food and Drug Administration instead of the State Division of Drinking Water. Culligan is required to test water to slightly different standards than those set for community water systems. More information about Culligan's quality standards and water quality reports can be found online at

	https://www.culliganwater.com/resources/quality-standards.
If PFAS contaminants are manmade, how did they get here?	It's difficult to determine LMV's source of PFAS given how widely these chemicals are used. The wells are potentially influenced by a landfill nearby, but to confirm, LMV would need to review the design of that landfill to determine whether there is a risk of seepage. Additionally, there are airports and military bases relatively nearby that could have used PFAS-coated firefighting foam. A fate and transport study would need to be conducted to know whether these products could have traveled underground.
What are the drinking water standards for PFAS?	The federal Maximum Contaminant Level (MCL) has not been formalized for PFAS compounds. In the interim, the State Water Resources Control Board has released interim, flexible standards for several PFAS compounds. More information on standards can be found online at https://www.waterboards.ca.gov/pfas/ .
Will the PFAS treatment added at LMV get used by the consolidated system?	Yes, if LMV adds PFAS treatment to its facility, the Administrator team will select the best choice of treatment for LMV considering the need to correlate the same treatment option at LMOS and treat water for the combined service area. Any treatment equipment added to LMV is expected to be installed such that it can be transported to the LMOS treatment facility during consolidation.
What are the costs of PFAS sampling and media replacements?	The cost of PFAS sampling is roughly \$1,100 per sample/ source. For PFAS-specific resins, the expected change-out frequency can vary depending on water quality but is roughly once per year and can cost between \$4,000- \$15,000

Finances	
Community Comment	Administrator Response
What are the cash reserve requirements of the State Water Resources Control Board?	The State does not have a cash reserve requirement. However, LMV has submitted a funding request for an Operations and Maintenance (O&M) grant to the Urgent Drinking Water Needs Program. It is anticipated that grant funding can be used to cover 100% of operational costs until a cash reserve of \$56,000 (roughly 3 months of expenses) can be established. After a

cash reserve is established, funding requests will
be limited to cover just the shortfall of expenses
that cannot be covered by customer rate revenue
alone.

For additional information, please contact the Stantec Administrator at <u>LMVAdmin@stantec.com</u> or 626-568-6107.