

Orange County Sanitation District
MINUTES
BOARD MEETING

July 24, 2019



**Administration Building
10844 Ellis Avenue
Fountain Valley, California 92708-7018**

ROLL CALL

A regular meeting of the Board of Directors of the Orange County Sanitation District was called to order by Board Chairman David Shawver on July 24, 2019 at 6:05 p.m. in the Administration Building. Director Fred Smith delivered the invocation and led the Pledge of Allegiance.

The Clerk of the Board declared a quorum present as follows:

ACTIVE DIRECTORS

ALTERNATE DIRECTORS

X	David Shawver, Chair		Carol Warren
X	Brad Avery		Joy Brenner
X	Allan Bernstein		Chuck Puckett
A	Doug Chaffee		Michelle Steel
X	Robert Collacott		Chad Zimmerman
X	James M. Ferryman		Bob Ooten
	Phil Hawkins	X	Brooke Jones
X	Cecilia Iglesias		David Penalosa
X	Steven Jones		John O'Neill
X	Peter Kim		Marshall Goodman
X	Lucille Kring		Denise Barnes
X	Sandra Massa-Lavitt		Schelly Sustarsic
	Mark Murphy	X	Kim Nichols
X	Richard Murphy		Dean Grose
A	Steve Nagel		Patrick Harper
X	Andrew Nguyen		Al Krippner
X	Glenn Parker		Steven Vargas
X	Erik Peterson		Mike Posey
X	Tim Shaw		Tom Beamish
X	Christina Shea		Anthony Kuo
X	Jesus J. Silva		Jan Flory
X	Fred Smith		Sunny Park
X	Chad Wanke		Ward Smith
X	John Withers		Douglas Reinhart
X	Mariellen Yarc		Stacy Berry

STAFF MEMBERS PRESENT: Jim Herberg, General Manager; Rob Thompson, Assistant General Manager; Lorenzo Tyner, Assistant General Manager; Celia Chandler, Director of Human Resources; Kathy Millea, Director of Engineering; Lan Wiborg, Director of Environmental Services; Kelly Lore, Clerk of the Board; Janine Aguilar; Stephanie Barron; Megan Carlson; William Cassidy; Thys DeVries; Mike Dorman; Dean Fisher; Chris Johnson; Tina Knapp; Rob Livingston; Rebecca Long; Laura Maravilla; Joshua Martinez; Andrew Nau; Wally Ritchie; Jim Spears; and Ruth Zintzun.

OTHERS PRESENT: Brad Hogin (General Counsel); Laura Kalty, Liebert Cassidy Whitmore (Special Counsel); Bob Ooten (Alternate Director) CMSD; and Anni Larkins, Jacobs.

PUBLIC COMMENTS:

Clerk of the Board Kelly Lore stated that correspondence was received from the General Manager which was distributed to the Directors.

SPECIAL PRESENTATIONS:

Assistant General Manager Rob Thompson presented a 20-year Employee Service Award to William Cassidy, Engineering Supervisor, Division 820 and a 30-year Employee Service Award to Rob Livingston, Program Assistant, Division 830.

REPORTS:

Chair Shawver announced the OCSD's 65th Anniversary Open House & Centrifuge Ribbon Cutting VIP event would take place Saturday, July 27th from 9 a.m. - 12 p.m. and that the Nerissa Tours will take place on July 29 & 30, 2019 and to Contact Clerk of the Board if interested.

General Manager Jim Herberg introduced and welcomed newly hired Purchasing & Contracts Manager, Ruth Zintzun. He also announced that OCSD had received the NACWA Platinum Award.

CONSENT CALENDAR:

1. **APPROVAL OF MINUTES** (Clerk of the Board)

MOVED, SECONDED, AND DULY CARRIED TO: Approve the minutes of the Regular Meeting of the Board of Directors held on June 26, 2019.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

RECEIVE AND FILE: *These items require no action; and without objection, will be so ordered by the Board Chair.*

2. **COMMITTEE MINUTES** (Clerk of the Board)

Received and filed the approved minutes of the following committees:

A. Steering Committee Meeting of May 22, 2019

- B. Operations Committee Meeting of June 5, 2019
- C. LaPA Committee Meeting of June 10, 2019
- D. Administration Committee Meeting of June 12, 2019
- E. GWRS Steering Committee Meeting of April 8, 2019

3. **REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF JUNE 2019** (Lorenzo Tyner)

Received and filed the report of the Investment Transactions for the month of June 2019.

OPERATIONS COMMITTEE:

4. **PLANT NO. 2 TRICKLING FILTER INFLUENT (FEED) PUMP REPAIRS**
(Rob Thompson)

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a Sole Source Purchase Order to Vaughan's Industrial Repair Co., Inc for the repair and reinstallation of six influent pumps at the Plant No. 2 Trickling Filter Pump Station, for a total amount not to exceed \$631,010; and
- B. Approve a contingency of \$126,202 (20%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

5. **RENEWAL AGREEMENT FOR LIQUID OXYGEN PURCHASE AND ASSOCIATED VAPORIZATION SYSTEM MAINTENANCE SPECIFICATION NO. C-2018-926BD** (Rob Thompson)

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve Amendment No. 1 for a unit price increase of \$0.0535 per centum cubic feet (22.8%) to the chemical supplier agreement with Airgas USA, LLC for the purchase of liquid oxygen, Specification No. C-2018-926BD, for the period beginning August 21, 2019 through August 20, 2020 for a unit price of \$0.288 per centum cubic feet delivered, plus applicable sales tax, for a total estimated annual amount of \$496,512; and
- B. Authorize unit price adjustment of up to 15% annually using mutually acceptable price indices for subsequent agreement renewal periods.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

6. **HEADWORKS REHABILITATION AND EXPANSION AT PLANT NO. 1, PROJECT NO. P1-105** (Kathy Millea)

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Consider, receive, and file the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Headworks Rehabilitation and Expansion at Plant No. 1, Project No. P1-105, prepared by Carollo and Environmental Science Associates; and
- B. Adopt Resolution No. OCSD 19-07, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District adopting the Mitigated Negative Declaration for the Headworks Rehabilitation and Expansion at Plant No. 1, Project No. P1-105, adopting a Mitigation Monitoring and Reporting Program, and approving the Headworks Rehabilitation and Expansion at Plant No. 1, Project No. P1-105."

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

7. **PLANT NO. 2 TRUCKLOADING AUGER REPLACEMENT**
(Rob Thompson)

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a Sole Source Purchase Order to Putzmeister for the procurement of up to 12 replacement Putzmeister augers along with their associated mounting components including gear motor assembly for the Plant No. 2 truckloading facility, for a total amount not to exceed \$663,359;
- B. Approve payment of \$198,008 (30%) of the not-to-exceed amount at the time of order; and
- C. Approve a contingency of \$132,672 (20%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy;

Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc
NOES: None
ABSTENTIONS: None
ABSENT: Chaffee; Nichols (Alternate); and Nagel

8. **SLUDGE DEWATERING AND ODOR CONTROL AT PLANT NO. 2, PROJECT NO. P2-92** (Kathy Millea)

MOVED, SECONDED, AND DULY CARRIED TO: Approve a contingency increase of \$498,500 (1%) to the construction contract with Shimmick Construction Company, Inc. for Sludge Dewatering and Odor Control at Plant No. 2, Project No. P2-92, for a total contingency of \$2,991,000 (6%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc
NOES: None
ABSTENTIONS: None
ABSENT: Chaffee; Nichols (Alternate); and Nagel

9. **SLUDGE DEWATERING AND ODOR CONTROL AT PLANT NO. 1, PROJECT NO. P1-101** (Kathy Millea)

MOVED, SECONDED, AND DULY CARRIED TO: Approve a contingency increase of \$357,000 (5%) to the Professional Consultant Services Agreement with HDR Engineering, Inc. to provide construction support services for Sludge Dewatering and Odor Control at Plant No. 1, Project No. P1-101, for a total contingency amount of \$2,499,000 (35%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc
NOES: None
ABSTENTIONS: None
ABSENT: Chaffee; Nichols (Alternate); and Nagel

10. **RETURN ACTIVATED SLUDGE PIPING REPLACEMENT AT ACTIVATED SLUDGE PLANT NO. 1, PROJECT NO. P1-129** (Kathy Millea)

MOVED, SECONDED, AND DULY CARRIED TO:

A. Approve a budget increase of \$1,300,000 for Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1, Project No. P1-129, for a total budget of \$10,300,000;

- B. Approve a Professional Construction Services Agreement with AECOM Technical Services, Inc. to provide construction support services for Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1, Project No. P1-129, for a total amount not to exceed \$140,000; and
- C. Approve a contingency related to the Professional Construction Services Agreement of \$14,000 (10%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

ADMINISTRATION COMMITTEE:

11. 2020 BENEFITS INSURANCE RENEWAL (Celia Chandler)

MOVED, SECONDED, AND DULY CARRIED TO: Approve the Orange County Sanitation District 2020 Benefits Insurance Renewal for the overall not-to-exceed amount of \$13,137,895; and a one-time adjustment to 2019 Health & Welfare Insurance purchase order for the not-to-exceed (NTE) amount of \$230,000, as specified below:

- A. WORKTERRA (medical, dental, and vision plans; Health Savings Accounts [HSA]; and Employee Assistance Program [EAP]) – Not to Exceed \$12,377,584;
- B. Prudential (basic life, short- and long-term disability) – Not to Exceed \$730,311;
- C. The Standard (EMT & Manager disability) – Not to Exceed \$30,000; and
- D. Approve a contingency of \$656,895 (5%).
- E. For the 2019 Plan Year, approve a one-time reallocation from the 2019 operating budget in the amount of \$230,000 to be transferred to group health insurance benefits, resulting in a change in the total cost approved by the Board, from \$12,894,770 to \$13,124,770. The reallocation would not result in an increase to the overall 2019 budget.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE:

12. LEGISLATIVE AFFAIRS UPDATE FOR THE MONTH OF JUNE 2019
(Jim Herberg)

MOVED, SECONDED, AND DULY CARRIED TO: Receive and file the Legislative Affairs Update for the month of June 2019.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

13. PUBLIC AFFAIRS UPDATE FOR THE MONTH OF JUNE 2019
(Jim Herberg)

MOVED, SECONDED, AND DULY CARRIED TO: Receive and file the Public Affairs Update for the month of June 2019.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

STEERING COMMITTEE:

General Counsel Brad Hogin stated a recusal on Items Nos. 14 and 15 due to a conflict of interest with the County of Orange and left the room during discussion.

14. RIGHT OF ENTRY AGREEMENT (Lorenzo Tyner)

MOVED, SECONDED, AND DULY CARRIED TO:

A. Approve a Right of Entry Agreement for Orange County Transportation Authority, and its authorized agents, to enter upon Orange County Sanitation District's property located on the north side of Westminster Boulevard, East of Springdale Street, in Westminster, CA adjacent to the Interstate 405 Freeway for temporary use in connection with its project to widen the Interstate 405 Freeway for a term of four (4) years from the 30-day notice prior to the beginning of construction, in a form approved by Special Counsel; and

B. Direct the Clerk of the Board to record the Agreement with the Orange County Clerk-Recorder.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

15. **FIRST AMENDMENT TO 800 MHZ LEASE** (Lorenzo Tyner)

MOVED, SECONDED, AND DULY CARRIED TO:

Approve the First Amendment to the 800 MHz Lease Agreement with the County of Orange with the following modifications, in a form approved by Special Counsel:

- Term of Lease shall expire May 4, 2023; with an optional one (1) additional five-year period
- Increase the annual lease rate from \$0.42 per square foot to \$0.52 per square foot
- Decrease the site footprint from 10,000 square feet to 4,784 square feet before December 31, 2019

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee; Nichols (Alternate); and Nagel

16. **COOPERATIVE AGREEMENT FOR INTEGRATED REGIONAL WATER MANAGEMENT FUNDING IN THE SANTA ANA FUNDING AREA**
(Lan Wiborg)

MOVED, SECONDED, AND DULY CARRIED TO: Approve a Cooperative Agreement among the County of Orange, Orange County Sanitation District, Orange County Water District (collectively referred to as Orange County Parties), and the Santa Ana Watershed Project Authority (SAWPA), a joint powers authority, for the Orange County Parties agreeing to remain a part of the Santa Ana Funding Area covered by the One Water One Watershed Plan for a period of ten (10) years, from date of execution.

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy;

Nguyen; Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc
NOES: None
ABSTENTIONS: None
ABSENT: Chaffee; Nichols (Alternate); and Nagel

Alternate Director Kim Nichols arrived at 6:23 p.m.

NON-CONSENT:

17. RETURN ACTIVATED SLUDGE PIPING REPLACEMENT AT ACTIVATED SLUDGE PLANT NO. 1, PROJECT NO. P1-129 (Kathy Millea)

Director of Engineering, Kathy Millea provided a brief overview of the item.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Receive and file Bid Tabulation and Recommendation for Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1, Project No. P1-129;
- B. Award a Construction Contract to Abhe & Svoboda, Inc. for Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1, Project No. P1-129, for a total amount not to exceed \$6,863,092; and
- C. Approve a contingency of \$686,309 (10%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Nichols (Alternate); Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee and Nagel

18. FUEL CELL AND BOILER FACILITIES DEMOLITION, PROJECT NO. FE16-06 (Kathy Millea)

Ms. Millea provided a brief overview of the item and explained the bidding process.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Receive and file Bid Tabulation and Recommendation for Fuel Cell and Boiler Facilities Demolition, Project No. FE16-06;
- B. Receive and file Clarification Request No.1 issued to Innovative Construction Solutions (ICS) on May 21, 2019;
- C. Receive and file ICS's response to Clarification Request No.1 received on May 22, 2019;
- D. Receive and file Clarification Request No. 2 issued to Innovative Construction Solutions (ICS) on June 12, 2019;

- E. Receive and file ICS's response to Clarification Request No. 2 dated June 19, 2019;
- F. Reject low Bid received from ICS as non-responsive;
- G. Receive and file Orange County Sanitation District's Award Recommendation Notice issued to all Bidders on July 11, 2019;
- H. Award a Construction Contract to Mehta Mechanical Company, Inc. for Fuel Cell and Boiler Facilities Demolition, Project No. FE16-06, for a total amount not to exceed \$474,000; and
- I. Approve a contingency amount of \$47,400 (10%).

AYES: Avery; Bernstein; Collacott; Ferryman; Iglesias; B. Jones (Alternate); S. Jones; Kim; Kring; Massa-Lavitt; R. Murphy; Nguyen; Nichols (Alternate); Parker; Peterson; Shaw; Shawver; Shea; Silva; F. Smith; Withers; Wanke and Yarc

NOES: None

ABSTENTIONS: None

ABSENT: Chaffee and Nagel

INFORMATION ITEMS:

None.

AB 1234 DISCLOSURE REPORTS:

Director Ferryman reported on his recent meetings at NWRI and informed the Board that he will be attending the OCCOG meeting tomorrow.

CLOSED SESSION:

CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(d)(4):

The Board convened in closed session at 6:28 p.m. to discuss one item. Item No. CS-2 was not heard. Confidential minutes of the Closed Session have been prepared in accordance with the above Government Code Sections and are maintained by the Clerk of the Board in the Official Book of Confidential Minutes of Board and Committee Closed Session Meetings.

RECONVENED IN REGULAR SESSION:

The Board reconvened in regular session at 6:34 p.m.

CONSIDERATION OF ACTION, IF ANY, ON MATTERS CONSIDERED IN CLOSED SESSION:

General Counsel Brad Hogen did not provide a report.

**OTHER BUSINESS AND COMMUNICATIONS OR SUPPLEMENTAL AGENDA ITEMS,
IF ANY:**

None.

BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:

None requested.

ADJOURNMENT:

At 6:37 p.m., Chair Shawver adjourned the meeting until the Regular Meeting of the Board of Directors to be held on August 28, 2019 at 6:00 p.m.

Submitted by:

Kelly A. Lore, MMC
Clerk of the Board