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**CALL TO ORDER**

A regular meeting of the Operations Committee of the Orange County Sanitation District was called to order by Committee Vice-Chair Ryan Gallagher on Wednesday, May 4, 2022 at 5:02 p.m. in the Administration Building of the Orange County Sanitation District. Vice-Chair Gallagher stated that the meeting was being held telephonically and via Internet accessibility in accordance with new provisions in California Government Code Section 54953 and Resolution No. OC SAN 22-13, due to the continued State of Emergency Order. Vice-Chair Gallagher announced the teleconference meeting guidelines and led the flag salute.

**ROLL CALL AND DECLARATION OF QUORUM:**

Roll call was taken and a quorum was declared present, as follows:

- PRESENT:** Ryan Gallagher, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers, Chad Zimmerman, Ted Lindsey (Alternate) and Schelly Sustarsic (Alternate)
- ABSENT:** None

**STAFF PRESENT:** Kelly Lore, Clerk of the Board, and Mo Abiodun were present in the Board Room. 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; Riaz Moinuddin, Director of Operations and Maintenance; Jennifer Cabral; Tanya Chong; Raul Cuellar; Mike Dorman; Brian Engeln; April Frost; Tina Knapp; Rob Michaels; Jeff Mohr; Adam Nazaroff; Wally Ritchie; Thomas Vu; Eros Yong; and Ruth Zintzun were in attendance telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel, and James H. Clark, Black & Veatch, were in attendance telephonically.

**PUBLIC COMMENTS:**

No public comments were received.

Clerk of the Board Kelly Lore stated that a revised PowerPoint presentation for Item No. 10 had been emailed to the Directors today and was also made available to the public.

**REPORTS:**

Vice-Chair Gallagher and General Manager Jim Herberg did not provide reports.

**CONSENT CALENDAR:****1. APPROVAL OF MINUTES**[2022-2283](#)**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Operations Committee held April 6, 2022.

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke and John Withers**NOES:** None**ABSENT:** Johnathan Ryan Hernandez, Steve Jones, Chad Zimmerman and Schelly Sustarsic (Alternate)**ABSTENTIONS:** Ted Lindsey (Alternate)**2. INSTALLATION AND DISPOSAL OF ACTIVATED CARBON FOR PLANT NO. 1 T&D ODOR CONTROL SYSTEM, SPECIFICATION NO. S-2022-1316BD**[2022-2279](#)**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

A. Approve a Purchase Order Contract to Karbonous, Inc. to provide Installation and Disposal of Activated Carbon for Plant No. 1 T&D Odor Control System, Specification No. S-2022-1316BD, for a total annual amount not to exceed \$202,920 for the period beginning August 1, 2022 through July 31, 2023, with four one-year renewal options; and

B. Approve an annual contingency of \$20,292 (10%).

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers and Ted Lindsey (Alternate)**NOES:** None**ABSENT:** Johnathan Ryan Hernandez, Steve Jones, Chad Zimmerman and Schelly Sustarsic (Alternate)**ABSTENTIONS:** None**3. QUARTERLY ODOR COMPLAINT REPORT**[2022-2257](#)**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Fiscal Year 2021-22 Third Quarter Odor Complaint Report.

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers and Ted Lindsey (Alternate)

**NOES:** None

**ABSENT:** Johnathan Ryan Hernandez, Steve Jones, Chad Zimmerman and Schelly Sustarsic (Alternate)

**ABSTENTIONS:** None

**4. SEAL BEACH PUMP STATION REPLACEMENT, PROJECT NO. 3-67 [2022-2235](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Approve a Monitoring Wells Relocation Agreement between the Orange County Sanitation District and Orange County Water District for Seal Beach Pump Station Replacement, Project No. 3-67, in a form approved by General Counsel.

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers and Ted Lindsey (Alternate)

**NOES:** None

**ABSENT:** Johnathan Ryan Hernandez, Steve Jones, Chad Zimmerman and Schelly Sustarsic (Alternate)

**ABSTENTIONS:** None

**5. PLANT NO. 2 OXYGEN REACTOR PURGE VALVE AND ACTUATOR ASSEMBLIES REPLACEMENT [2022-2265](#)**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

A. Approve a Sole Source Purchase Order to Integrated Process Technologies for the purchase of four DeZurik 20" 316 SST Oxygen Cleaned Purge Air Control Valves and Limitorque Actuator assemblies for the Plant No. 2 Activated Sludge Plant in an amount not to exceed \$200,597; and

B. Approve a contingency of \$20,059 (10%).

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers and Ted Lindsey (Alternate)

**NOES:** None

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**ABSENT:** Johnathan Ryan Hernandez, Steve Jones, Chad Zimmerman and Schelly Sustarsic (Alternate)  
**ABSTENTIONS:** None

*Director Chad Zimmerman arrived at the meeting at approximately 5:08 p.m.*

**NON-CONSENT:**

**6. DIRECT ACCESS ENERGY PURCHASE CONTRACT [2022-2273](#)**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

- A. Approve Master Service Agreements with two additional energy service providers:
- Constellation NewEnergy and
  - NRG/Direct Energy; and
- B. Delegate to the General Manager and Purchasing Manager the authority to enter into Transaction Agreements, in a form approved by General Counsel, with the following energy service providers:
- Shell Energy Solutions, or
  - Constellation NewEnergy, or
  - NRG/Direct Energy.

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers, Chad Zimmerman and Ted Lindsey (Alternate)

**NOES:** None

**ABSENT:** Johnathan Ryan Hernandez, Steve Jones and Schelly Sustarsic (Alternate)

**ABSTENTIONS:** None

**7. SODIUM HYDROXIDE (CAUSTIC SODA) 50%, SPECIFICATION NO. C-2018-915BD - CONTINGENCY INCREASE [2022-2247](#)**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

Approve a unit price contingency increase of \$44.40 per dry ton (an additional 6% of the base cost) to the Liquid Caustic Soda (50%) contract with Brenntag Pacific for the term July 1, 2022 through June 30, 2023, for a new total contingency amount not to exceed \$112.80 per dry ton (16%) with a total estimated usage of \$481,153.

**AYES:** Ryan Gallagher, Stephen Faessel, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers, Chad Zimmerman and Ted Lindsey (Alternate)

**NOES:** None

**ABSENT:** Johnathan Ryan Hernandez, Steve Jones and Schelly Sustarsic (Alternate)

**ABSTENTIONS:** None

*Director Steve Jones arrived at the meeting at approximately 5:18 p.m.*

**8. LIQUID FERRIC CHLORIDE SPECIFICATION NO. C-2019-1037BD [2022-2266](#)  
CONTINGENCY INCREASE**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

- A. Approve a unit price contingency of \$175 per dry ton (26%) to the liquid Ferric Chloride Agreement with Pencoco, Inc., Specification No.C-2019-1037BD, for the period beginning July 1, 2022 through June 30, 2023. New unit cost not to exceed \$849 per dry ton, for a total estimated annual amount of \$3,947,024;
- B. Approve a unit price contingency of \$277 per dry ton (40%) to the liquid Ferric Chloride Agreement with Kemira, Inc., Specification No.C-2019-1037BD, for the period beginning July 1, 2022 through June 30, 2023. New dry ton unit cost not to exceed \$965 per dry ton, for a total estimated annual amount of \$1,936,062; and
- C. Approve a fuel surcharge of 2.5% on Ferric Chloride deliveries from Kemira, Inc. with quarterly Consumer Price Index (CPI) adjustments.

**AYES:** Ryan Gallagher, Stephen Faessel, Steve Jones, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers, Chad Zimmerman and Ted Lindsey (Alternate)

**NOES:** None

**ABSENT:** Johnathan Ryan Hernandez and Schelly Sustarsic (Alternate)

**ABSTENTIONS:** None

9. **REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) PROGRAM, SPECIFICATION NO. C-2017-899BD - CONTINGENCY INCREASE** [2022-2246](#)

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to:

- A. Approve a chemical unit price contingency increase of \$146 per dry ton (an additional 20% of the base price) to the Ferrous Chloride Contract with Hill Brothers Chemical Company for the term July 1, 2022 through June 30, 2023, for a new total unit price contingency of \$257.30 per dry ton (35%) for total estimated usage of \$3,028,675;
- B. Approve a unit price contingency increase of 15% for application and field services fees for Ferrous Chloride with Hill Brothers Chemical Company for a new total unit price contingency of \$7.50 (30%);
- C. Approve a fuel surcharge of 4% on Ferrous Chloride deliveries with Hill Brothers Chemical Company, with quarterly Consumer Price Index (CPI) adjustments;
- D. Approve a chemical unit price contingency increase of \$65 per dry ton (an additional 12% of the base price) to the Magnesium Hydroxide Contract with Hill Brothers Chemical Company for the term July 1, 2022 through June 30, 2023, for a new total unit price contingency of \$146.26 per dry ton (27%) for total estimated usage of \$2,637,031; and
- E. Approve a chemical unit price contingency increase of \$0.58/gal (an additional 17% of the base price) to the Calcium Nitrate Contract with USP Technologies for the term July 1, 2022 through June 30, 2023, for a new total unit price contingency of \$1.06/gal (32%) a total estimated usage of \$847,427.

**AYES:** Ryan Gallagher, Stephen Faessel, Steve Jones, Paulo Morales, Kim Nichols, Robert Ooten, Jesus Silva, Donald Wagner, Chad Wanke, John Withers, Chad Zimmerman and Ted Lindsey (Alternate)

**NOES:** None

**ABSENT:** Johnathan Ryan Hernandez and Schelly Sustarsic (Alternate)

**ABSTENTIONS:** None

*Alternate Director Schelly Sustarsic arrived at the meeting at approximately 5:36 p.m. during the presentation of Item No. 10.*

**INFORMATION ITEMS:**

10. **CAPITAL IMPROVEMENT PROGRAM (CIP) PROPOSED BUDGET FOR FY 2022-23 & 2023-24** [2022-2229](#)

**Originator:** Kathy Millea

Engineering Manager Eros Yong provided a PowerPoint presentation regarding the capital improvement program proposed budget for FY2022-23 and FY2023-24. The presentation included an overview of the FY2021-22 CIP activities, performance, 10-year net outlay, the total budget authority, a review of new projects, the top budget increases and decreases, as well as the projected FY2022-23 net CIP outlay, the annual CIP outlay for the next 20 years, proposed construction management staff positions. Assistant General Manager Lorenzo Tyner provided information related to the growth of operating expenses with inflation, a budget summary, an expense overview, projected rates and projected inflation, and an overview of annual single family residential rates.

ITEM RECEIVED AS AN:

Information Item.

*Board Vice-Chair Chad Wanke departed the meeting at approximately 5:46 p.m.*

*Board Chair John Withers departed the meeting at approximately 5:59 p.m.*

*Director Johnathan Ryan Hernandez arrived at the meeting at approximately 6:01 p.m.*

**11. OPERATIONS & MAINTENANCE: WASTEWATER 101 PART 2: [2022-2189](#)  
TREATMENT AND RECYCLING**

**Originator:** Riaz Moinuddin

Plant No.1 Chief Plant Operator April Frost provided a PowerPoint presentation regarding the Orange County Sanitation District's wastewater treatment which included an overview of the water reclamation process, the metering and diversion structure, the preliminary, primary, and secondary treatment process, the effectiveness of water treatment, the solids recovery process, the dewatering operation process, information regarding truckloading, central generation engines, a review of the evolution of ocean discharge, agency partnerships, environmental compliance and reporting governance, and a review of the FY2020-21 operating costs.

ITEM RECEIVED AS AN:

Information Item.

**DEPARTMENT HEAD REPORTS:**

Director of Engineering Kathy Millea provided a brief report on the status of the Headquarters Complex and displayed photos of the steel being erected.

**CLOSED SESSION:**

None.

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

None.

**BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:**

None.

**ADJOURNMENT:**

Vice-Chair Gallagher declared the meeting adjourned at 6:22 p.m. to the next Regular Operations Committee meeting to be held on Wednesday, June 1, 2022 at 5:00 p.m.

Submitted by:



Kelly A. Lore, MMC  
Clerk of the Board