



## **SPECIAL NOTICE**

### **PUBLIC ATTENDANCE & PARTICIPATION AT PUBLIC MEETINGS**

Your participation is always welcome. OC San offers several ways in which to interact during meetings. You will find information as to these opportunities below.

#### **IN-PERSON MEETING ATTENDANCE**

You may attend the meeting in-person at the following location:

Orange County Sanitation District  
Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708

#### **ONLINE MEETING PARTICIPATION**

As a convenience for the public, the meeting may also be accessed live via Teams on your computer or similar device or web browser using the link below. As this is an in-person meeting and the Teams component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, the meeting will continue and will not be suspended.

[Click here to join the meeting](#)

We suggest testing joining a Teams meeting on your device prior to the commencement of the meeting. For recommendations, general guidance on using Teams, and instructions on joining a Teams meeting, [please click here](#).

Please mute yourself upon entry to the meeting. Please raise your hand if you wish to speak during the public comment section of the meeting. The Clerk of the Board will call upon you by using the name you joined with.

Meeting attendees are not provided the ability to make a presentation during the meeting. Please contact the Clerk of the Board at least 48 hours prior to the meeting if you wish to present any items. Additionally, camera feeds may be controlled by the meeting moderator to avoid inappropriate content.

#### **HOW TO PARTICIPATE IN THE MEETING BY TELEPHONE**

To join the meeting from your phone: Dial (213) 279-1455  
When prompted, enter the Phone Conference ID: 230 425 528#

All meeting participants may be muted during the meeting to alleviate background noise. If you are muted, please use \*6 to unmute. You may also mute yourself on your device.

Please raise your hand to speak by use \*5, during the public comment section of the meeting. The Clerk of the Board will call upon you by using the last 4 digits of your phone number as identification.

**NOTE: All attendees will be disconnected from the meeting at the beginning of Closed Session. If you would like to return to the Open Session portion of the meeting, please login or dial-in to the Teams meeting again and wait in the Lobby for admittance.**

### **WATCH THE MEETING ONLINE**

The meeting will be available for online viewing at:

<https://ocsd.legistar.com/Calendar.aspx>

### **SUBMIT A COMMENT**

You may submit your comments and questions in writing for consideration in advance of the meeting by using the eComment feature available online at: <https://ocsd.legistar.com/Calendar.aspx> or sending them to [OCSanClerk@ocsan.gov](mailto:OCSanClerk@ocsan.gov) with the subject line "PUBLIC COMMENT ITEM # (insert the item number relevant to your comment)" or "PUBLIC COMMENT NON-AGENDA ITEM".

You may also submit comments and questions for consideration during the meeting by using the eComment feature available online at: <https://ocsd.legistar.com/Calendar.aspx>. The eComment feature will be available for the duration of the meeting.

All written public comments will be provided to the legislative body and may be read into the record or compiled as part of the record.

*For any questions and/or concerns, please contact the Clerk of the Board's office at 714-593-7433. Thank you for your interest in OC San!*

April 19, 2023

**NOTICE OF REGULAR MEETING**

**BOARD OF DIRECTORS  
ORANGE COUNTY SANITATION DISTRICT**

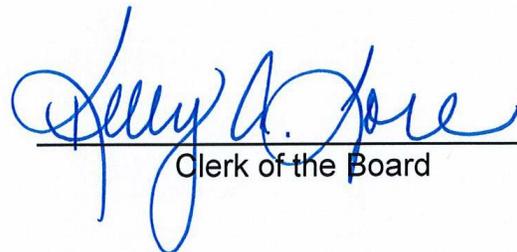
**Wednesday, April 26, 2023 – 6:00 P.M.**

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708

**ACCESSIBILITY FOR THE GENERAL PUBLIC**

Your participation is always welcome. Specific information as to how to participate in this meeting is detailed on the Special Notice attached to this agenda. In general, OC San offers several ways in which to interact during this meeting: you may participate in person, join the meeting live via Teams on your computer or similar device or web browser, join the meeting live via telephone, view the meeting online, and/or submit comments for consideration before or during the meeting.

The Regular Meeting of the Board of Directors of the Orange County Sanitation District will be held at the above location and in the manner indicated on Wednesday, April 26, 2023 at 6:00 p.m.

  
\_\_\_\_\_  
Clerk of the Board

- Serving:*
- Anaheim
  - Brea
  - Buena Park
  - Cypress
  - Fountain Valley
  - Fullerton
  - Garden Grove
  - Huntington Beach
  - Irvine
  - La Habra
  - La Palma
  - Los Alamitos
  - Newport Beach
  - Orange
  - Placentia
  - Santa Ana
  - Seal Beach
  - Stanton
  - Tustin
  - Villa Park
  - County of Orange
  - Costa Mesa Sanitary District
  - Midway City Sanitary District
  - Irvine Ranch Water District
  - Yorba Linda Water District

**BOARD MEETING DATES**

May 24, 2023

June 28, 2023

July 26, 2023

August 23, 2023

September 27, 2023

October 25, 2023

***November 15, 2023 \****

***December 14, 2023 \*\****

January 24, 2024

February 28, 2024

March 27, 2024

April 24, 2024

***\* Meeting will be held on the third Wednesday of the month***  
***\*\* Meeting will be held on the second Thursday of the month***

**ORANGE COUNTY SANITATION DISTRICT**  
**BOARD OF DIRECTORS**  
**Complete Roster**

Effective 03/13/2023

<b>AGENCY/CITIES</b>	<b>ACTIVE DIRECTOR</b>	<b>ALTERNATE DIRECTOR</b>
Anaheim	Stephen Faessel	Natalie Meeks
Brea	Christine Marick	Cecilia Hupp
Buena Park	Susan Sonne	Art Brown
Cypress	Scott Minikus	Bonnie Peat
Fountain Valley	Glenn Grandis	Ted Bui
Fullerton	Bruce Whitaker	Nick Dunlap
Garden Grove	Steve Jones	John O'Neill
Huntington Beach	Pat Burns	Gracey Van Der Mark
Irvine	Farrah N. Khan	Tammy Kim
La Habra	Rose Espinoza	Jose Medrano
La Palma	Marshall Goodman	Debbie Baker
Los Alamitos	Jordan Nefulda	Emily Hibard
Newport Beach	Brad Avery	Erik Weigand
Orange	Jon Dumitru	John Gyllenhammer
Placentia	Chad Wanke	Ward Smith
Santa Ana	Johnathan Ryan Hernandez	Benjamin Vazquez
Seal Beach	Schelly Sustarsic	Nathan Steele
Stanton	David Shawver	Carol Warren
Tustin	Ryan Gallagher	Austin Lumbard
Villa Park	Robbie Pitts	Jordan Wu
<b>Sanitary/Water Districts</b>		
Costa Mesa Sanitary District	Bob Ooten	Art Perry
Midway City Sanitary District	Andrew Nguyen	Mark Nguyen
Irvine Ranch Water District	John Withers	Douglas Reinhart
Yorba Linda Water District	Phil Hawkins	Tom Lindsey
<b>County Areas</b>		
Board of Supervisors	Doug Chaffee	Donald P. Wagner



**BOARD OF DIRECTORS**  
**Regular Meeting Agenda**  
**Wednesday, April 26, 2023 - 6:00 PM**  
**Board Room**  
**Administration Building**  
**10844 Ellis Avenue**  
**Fountain Valley, CA 92708**  
**(714) 593-7433**

**ACCOMMODATIONS FOR THE DISABLED:** If you require any special disability related accommodations, please contact the Orange County Sanitation District (OC San) Clerk of the Board's office at (714) 593-7433 at least 72 hours prior to the scheduled meeting. Requests must specify the nature of the disability and the type of accommodation requested.

**AGENDA POSTING:** In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted outside the main gate of the OC San's Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, and on the OC San's website at [www.ocsan.gov](http://www.ocsan.gov) not less than 72 hours prior to the meeting date and time above. All public records relating to each agenda item, including any public records distributed less than 72 hours prior to the meeting to all, or a majority of the Board of Directors, are available for public inspection in the office of the Clerk of the Board.

**AGENDA DESCRIPTION:** The agenda provides a brief general description of each item of business to be considered or discussed. The recommended action does not indicate what action will be taken. The Board of Directors may take any action which is deemed appropriate.

**MEETING RECORDING:** A recording of this meeting is available within 24 hours after adjournment of the meeting at <https://ocsd.legistar.com/Calendar.aspx> or by contacting the Clerk of the Board at (714) 593-7433.

**NOTICE TO DIRECTORS:** To place items on the agenda for a Committee or Board Meeting, the item must be submitted in writing to the Clerk of the Board: Kelly A. Lore, MMC, (714) 593-7433 / [klore@ocsan.gov](mailto:klore@ocsan.gov) at least 14 days before the meeting.

**FOR ANY QUESTIONS ON THE AGENDA, BOARD MEMBERS MAY CONTACT STAFF AT:**

General Manager: Rob Thompson, [rthompson@ocsan.gov](mailto:rthompson@ocsan.gov) / (714) 593-7110  
Asst. General Manager: Lorenzo Tyner, [ltyner@ocsan.gov](mailto:ltyner@ocsan.gov) / (714) 593-7550  
Director of Environmental Services: Lan Wiborg, [lwiborg@ocsan.gov](mailto:lwiborg@ocsan.gov) / (714) 593-7450  
Director of Finance: Wally Ritchie, [writchie@ocsan.gov](mailto:writchie@ocsan.gov) / (714) 593-7570  
Director of Human Resources: Laura Maravilla, [lmavilla@ocsan.gov](mailto:lmavilla@ocsan.gov) / (714) 593-7007  
Director of Operations & Maintenance: Riaz Moinuddin, [rmoinuddin@ocsan.gov](mailto:rmoinuddin@ocsan.gov) / (714) 593-7269  
Acting Director of Engineering: Mike Dorman, [mdorman@ocsan.gov](mailto:mdorman@ocsan.gov) / (714) 593-7014

**CALL TO ORDER**

Board Chairman Chad Wanke

**INVOCATION AND PLEDGE OF ALLEGIANCE**

Director Glenn Grandis (City of Fountain Valley)

**ROLL CALL AND DECLARATION OF QUORUM**

Clerk of the Board

**PUBLIC COMMENTS:**

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**SPECIAL PRESENTATIONS:****1. EMPLOYEE SERVICE AWARDS [2023-2939](#)****30-year Service Award**

Antonio "Tony" Briseno, Power Plant Operator II - Division 870

**Originator:** Kelly Lore

**2. WASTEWATER 101 CITIZENS ACADEMY GRADUATION [2023-2758](#)****RECOMMENDATION:**

Recognize the graduates from the Wastewater 101 Citizen Academy.

**Originator:** Kelly Lore

**REPORTS:**

*The Board Chairperson and the General Manager may present verbal reports on miscellaneous matters of general interest to the Directors. These reports are for information only and require no action by the Directors.*

**CONSENT CALENDAR:**

*Consent Calendar Items are considered to be routine and will be enacted, by the Board of Directors, after one motion, without discussion. Any items withdrawn from the Consent Calendar for separate discussion will be considered in the regular order of business.*

**3. APPROVAL OF MINUTES [2023-2902](#)****RECOMMENDATION:**

Approve minutes of the Regular meeting of the Board of Directors held March 22, 2023.

**Originator:** Kelly Lore

**Attachments:** [Agenda Report](#)  
[03-22-2023 Board Meeting Minutes](#)

**RECEIVE AND FILE:**

**4. COMMITTEE MEETING MINUTES [2023-2724](#)**

**RECOMMENDATION:** Receive and file the following:

- A. Minutes of the GWRS Steering Committee Meeting held January 23, 2023
- B. Minutes of the Steering Committee Meeting held February 22, 2023
- C. Minutes of the Operations Committee Meeting held March 1, 2023
- D. Minutes of the Administration Committee Meeting held March 8, 2023

**Originator:** Kelly Lore

**Attachments:** [Agenda Report](#)  
[01-23-2023 GWRS Steering Committee Minutes](#)  
[02-22-2023 Steering Committee Minutes](#)  
[03-01-2023 Operations Committee Minutes](#)  
[03-08-2023 Administration Committee Minutes](#)

**5. REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF MARCH 2023 [2023-2851](#)**

**RECOMMENDATION:** Receive and file the following:

Report of the Investment Transactions for the month of March 2023.

**Originator:** Wally Ritchie

**Attachments:** [Agenda Report](#)  
[Report of the Investment Transactions - March 2023](#)

**OPERATIONS COMMITTEE:**

**6. PROCESS CONTROL SYSTEMS UPGRADE, PROJECT NO. J-120 [2023-2908](#)**

**RECOMMENDATION:**

- A. Approve a Purchase Order to ePlus Technology, Inc. for the purchase of software, hardware, and services for Specification No. E-2022-1375BD, Process Control Systems Upgrades (Project No. J-120), for a total amount not to exceed \$1,008,454 plus applicable sales tax and shipping; and
- B. Approve a contingency in the amount of \$100,845 (10%).

**Originator:** Mike Dorman

**Attachments:** [Agenda Report](#)

**7. FURNITURE, FIXTURES, AND EQUIPMENT PURCHASE FOR HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. P1-128A** [2023-2909](#)

RECOMMENDATION:

A. Approve a Purchase Order Contract to GM Business Interiors (GMBI) for the purchase of furniture, fixtures, and equipment for the Headquarters Complex at Plant No. 1, Project No. P1-128A, utilizing the County of Orange Regional Cooperative Agreement No. RCA-017-22010154 for a total amount not to exceed \$3,907,183 including freight and sales tax; and

B. Approve a contingency of \$39,072 (1%).

**Originator:** Mike Dorman

**Attachments:** [Agenda Report](#)

**8. OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER, PROJECT NO. FE20-08** [2023-2910](#)

RECOMMENDATION:

A. Receive and file Bid Tabulation and Recommendation for Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River, Project No. FE20-08;

B. Award a Construction Contract to Mehta Mechanical Co. Inc. dba MMC Inc. for Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River, Project No. FE20-08, for an amount not to exceed \$1,944,000; and

C. Approve a contingency of \$194,400 (10%).

**Originator:** Mike Dorman

**Attachments:** [Agenda Report](#)  
[FE20-08 Contract Agreement Package](#)

**9. PRIMARY SEDIMENTATION BASIN G DOME POST REPAIR AT PLANT NO. 2** [2023-2911](#)

RECOMMENDATION:

- A. Approve a Services Contract to J.R. Filanc Construction Company, Inc. to provide Primary Sedimentation Basin G Dome Post Repair at Plant No. 2, Specification No. S-2023-1385BD, for a total amount not to exceed \$248,600; and
- B. Approve a contingency of \$24,860 (10%).

**Originator:** Riaz Moinuddin

**Attachments:** [Agenda Report](#)  
[S-2023-1385BD Services Contract](#)

**10. MSP VFD #7 ISOLATION TRANSFORMER REPLACEMENT AT PLANT NO. 2** [2023-2912](#)

RECOMMENDATION:

- A. Approve a Sole Source Purchase Order Contract to OneSource Distributors, Inc. to replace the No. 7 Main Sewage Pump Variable Frequency Drive isolation transformer for a total amount not to exceed \$255,925 plus applicable sales tax and freight; and
- B. Approve a contingency of \$25,593 (10%).

**Originator:** Riaz Moinuddin

**Attachments:** [Agenda Report](#)

**11. CONTINGENCY INCREASE FOR JANITORIAL & FLOOR MAINTENANCE SERVICE CONTRACT S-2021-1270BD** [2023-2913](#)

RECOMMENDATION:

- A. Approve a one-time contingency increase of \$182,724 (19%) to the Service Contract with Gamboa Services Inc. dba Corporate Image Maintenance for Janitorial & Floor Maintenance Services at Plant Nos. 1 and 2, Specification No. S- 2021-1270BD, for the period May 1, 2023 through January 31, 2024, for a total contingency amount not to exceed \$278,894 (29%) for this term, resulting in a new annual contract amount of \$1,240,599; and
- B. Approve an annual contingency increase of 10% for all remaining renewal periods.

**Originator:** Riaz Moinuddin

**Attachments:** [Agenda Report](#)

**12. REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) [2023-2914](#)  
PROGRAM AGREEMENT, SPECIFICATION NO. C-2023-1378BD**

**RECOMMENDATION:**

- A. Approve a Chemical Supplier Agreement to Hill Brothers Chemical Company for Regional Odor and Corrosion Control Services, Specification No. C-2023-1378BD, for the period beginning May 1, 2023 through April 30, 2024, for the:
1. Supply and delivery of ferrous chloride at the unit price of \$1,357 per dry ton delivered plus applicable tax; Application Services at a unit price of \$32.50 per site per day; Field Services at a unit price of \$32.50 per site per day; and a delivery surcharge of \$700 per delivery for low dosage sites of ferrous chloride only, including but not limited to Crystal Cove Pump Station and Tiffany Lift Station for an estimated total annual amount of \$5,387,770;
  2. Supply and delivery of magnesium hydroxide at a unit price of \$685 per dry ton delivered plus applicable tax; Application Services at a unit price of \$80 per site per day; Field Services at a unit price of \$80 per site per day; demurrage fee for mobile dosing of \$175 per hour; and demurrage of \$720 per dry ton delivered for an estimated total annual amount of \$2,694,630;
  3. Supply and delivery of calcium ammonium nitrate (CAN-17) at a unit price of \$5 per gallon delivered plus applicable tax; Application Services at a unit price of \$32.50 per site per day; Field Services at a unit price of \$32.50 per site per day; and a Crystal Cove delivery fee of \$700 per delivery for an estimated total annual amount of \$1,186,844; and
  4. An annual not to exceed agreement allowance of \$100,000 for mobilization and demobilization services; and
- B. Approve the option to renew the Chemical Supplier Agreement over a five-year period, expiring April 30, 2028, with renewal terms not to exceed a 12-month term; and
- C. Approve renewal adjustments of unit pricing with a not to exceed 25% contingency.

**Originator:** Riaz Moinuddin

**Attachments:** [Agenda Report](#)  
[Chemical Supplier Agreement](#)

**13. ENGINE AND GENERATOR OVERHAULS AT PLANT NO. 1 AND 2, [2023-2915](#)  
CONTRACT NO. J-135B**

RECOMMENDATION:

Approve the addition of funds to include generator overhauls as part of the construction contract with Cooper Machinery Services LLC for the Engine and Generator Overhauls at Plant Nos. 1 and 2, Contract No. J-135B, in the amount of \$1,637,117 (5.6%), for a total construction contingency of \$4,573,220 (15.6%).

**Originator:** Mike Dorman

**Attachments:** [Agenda Report](#)  
[Presentation - J-135B Contingency Increase](#)

**ADMINISTRATION COMMITTEE:**

**14. TRIPLE QUADRUPOLE GAS CHROMATOGRAPH MASS SPECTROMETER (TQ-GC/MS) [2023-2926](#)**

RECOMMENDATION:

Approve a purchase order to VWR for the purchase of a Triple Quadrupole Gas Chromatograph Mass Spectrometer (TQ-GC/MS) System using the National Association of State Procurement Officers (NASPO) Agreement No. MA16000234-2 for a total amount not to exceed \$295,649 which includes installation and training, 2-year extended warranty, sales tax, and freight.

**Originator:** Lan Wiborg

**Attachments:** [Agenda Report](#)

**STEERING COMMITTEE:**

**15. PUBLIC AFFAIRS UPDATE FOR THE MONTH OF MARCH 2023 [2023-2932](#)**

RECOMMENDATION:

Receive and file the Public Affairs Update for the month of March 2023.

**Originator:** Rob Thompson

**Attachments:** [Agenda Report](#)  
[Outreach Report March 2023](#)

**16. LEGISLATIVE AFFAIRS UPDATE FOR THE MONTH OF MARCH 2023** [2023-2938](#)RECOMMENDATION:

Receive and file the Legislative Affairs Update for the month of March 2023.

**Originator:** Rob Thompson

**Attachments:** [Agenda Report](#)  
[ENS Legislative Update](#)  
[TPA Legislative Update](#)  
[Federal Legislative Martrix - ENS Resources](#)  
[State Legislative Matrix - Townsend](#)  
[SB 229 \(Umberg\) Author - Oppose Unless Amended](#)  
[SB 229 \(Umberg\) - Senate Gov and Finance Committee - Oppose Unless Amended](#)  
[SB 229 Bill Text](#)  
[SB 34 \(Umberg\) Author - Oppose Unless Amended](#)  
[SB 34 \(Umberg\) - Senate Gov and Finance Committee - Oppose Unless Amended](#)  
[SB 34 Bill Text](#)  
[OC San 2023 Legislative & Regulatory Plan](#)

**17. WESTMINSTER BOULEVARD FORCE MAIN REPLACEMENT, PROJECT NO. 3-62** [2023-2934](#)RECOMMENDATION:

- A. Approve a project budget increase of \$900,000 for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a new total project budget of \$43,900,000; and
- B. Approve a contingency increase of \$1,109,720 (4%) to the existing Construction Agreement with Teichert Energy & Utilities Group, Inc. for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a new total contingency amount of \$3,884,020 (14%).

**Originator:** Mike Dorman

**Attachments:** [Agenda Report](#)  
[Presentation - 3-62 Construction Contingency Increase](#)

**NON-CONSENT:**

None.

**INFORMATION ITEMS:****18. STRATEGIC PLANNING**[2023-2875](#)**RECOMMENDATION:**

Information Only.

**Originator:** Rob Thompson**Attachments:** [Agenda Report](#)  
[OC San Strategic Plan 2021](#)  
[GM FY 2022-23 Work Plan](#)  
[Presentation - Strategic Plan Overview](#)**AB 1234 DISCLOSURE REPORTS:**

*This item allows Board members to provide a brief oral report regarding the disclosure of outside committees, conferences, training, seminars, etc. attended at the Agency's expense, per Government Code §53232.3(d).*

- Report from Board Delegate - ISDOC
- Report from Board Delegate - NWRI
- Report from Board Delegate - OCCOG
- Report from Board Delegate - SARFPA
- Report from GWRS Steering Committee Member(s)
- Other

**CLOSED SESSION:**

*During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chairperson may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.*

*Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.*

**CONVENE IN CLOSED SESSION.****CS-1 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION -  
GOVERNMENT CODE SECTION 54956.9(d)(1)**[2023-2927](#)**RECOMMENDATION:** Convene in Closed Session:

Number of Cases: 1

Gilbert Barela v. Orange County Sanitation District; Steve Thornburg; Roy Reynolds; and Does 1-100, inclusive. Superior Court of California, County of Orange, Case No. 30-2021-01220927-CU-WT-CJC.

Attachments: [Agenda Report](#)  
[CS-1 Board Memo re Barela Litigation 4-26-23](#)

**RECONVENE IN REGULAR SESSION.**

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

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

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

At this time Directors may request staff to place an item on a future agenda.

**ADJOURNMENT:**

Adjourn the Board meeting until the Regular meeting of the Board of Directors on May 24, 2023 at 6:00 p.m.



# BOARD OF DIRECTORS

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

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**File #:** 2023-2902

**Agenda Date:** 4/26/2023

**Agenda Item No:** 3.

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**FROM:** Robert Thompson, General Manager  
Originator: Kelly A. Lore, Clerk of the Board

**SUBJECT:**

**APPROVAL OF MINUTES**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Approve minutes of the Regular meeting of the Board of Directors held March 22, 2023.

**BACKGROUND**

In accordance with the Board of Directors Rules of Procedure, an accurate record of each meeting will be provided to the Directors for subsequent approval at the following meeting.

**RELEVANT STANDARDS**

- Resolution No. OC SAN 22-37

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Minutes of the Board of Directors meeting held March 22, 2023

**ORANGE COUNTY SANITATION DISTRICT**

**MINUTES**

**BOARD OF DIRECTORS**

**MARCH 22, 2023**



**Board Room  
Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433**

**CALL TO ORDER**

A regular meeting of the Board of Directors of the Orange County Sanitation District was called to order by Board Chairman Chad Wanke on Wednesday, March 22, 2023 at 6:08 p.m. in the Administration Building of the Orange County Sanitation District. Director Scott Minikus delivered the invocation and led the Pledge of Allegiance.

**ROLL CALL AND DECLARATION OF QUORUM**

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

**PRESENT:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**ABSENT:** Farrah Khan and Bruce Whitaker

**STAFF PRESENT:** Rob Thompson, 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; Lan Wiborg, Director of Environmental Services; Laura Maravilla, Human Resources Manager; Kelly Lore, Clerk of the Board; Lorraine Baltierra; Jennifer Cabral; Mortimer Caparas; Cliff Casanova; Raul Cuellar; Rhea DeGuzman; Mike Dorman; Brian Engeln; Shallee Riley; Adam Nazaroff; Wally Ritchie; Eros Yong; Thomas Vu; and Ruth Zintzun were present in the Board Room. Tanya Chong; Beck Gass; Tina Knapp; Rob Michaels; Valerie Ratto; Kevin Schuler; Thomas Vu; and Mike Zedek were in attendance telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel; Paul Cuzman; Peggy Hepler; Craig Maunders; Jeff Mohr; Alicia Pulide; Larry Reid; and Sandra Rodriguez were present in the Board Room.

**PUBLIC COMMENTS:**

Paul R. Cuzman and Craig S. Maunders spoke in opposition of Item No. 2.

Clerk of the Board Kelly Lore stated that after the publication of the agenda she received two additional protests which were distributed to the Board of Directors and were made available to the public.

**SPECIAL PRESENTATIONS:****1. EMPLOYEE SERVICE AWARDS****[2023-2865](#)**

**Originator:** Kelly Lore

Director of Engineering Kathy Millea presented Engineering Supervisor Adam Nazaroff with a 20 year service award. Chair Wanke also acknowledged IT Supervisor Warren Sternin, who could not be in attendance, for his 20 years of service with OC San.

**20-year Service Awards**

Adam Nazaroff, Engineering Supervisor - Division 770

Warren Sternin, IT Supervisor - Division 250

**REPORTS:**

Chair Wanke thanked the Board Members for attending the second portion of the Board Orientation “Meet the Executive Management Team” on March 15. He also stated that, as part of Orientation, tours of Plant No. 1 and Plant No. 2 were made available prior to the Operations and Administration Committee meetings in March and April.

Chair Wanke announced that due to the large number of Special Board Meetings in the past few months, that the meeting scheduled for Wednesday, March 29 at 3:00 p.m., and other tentative dates to begin the Strategic Planning process, would be postponed until further notice. He suggested that if a Director had questions regarding the process to contact staff.

Chair Wanke reminded the Directors of the upcoming GWRS Final Expansion event on April 14, which will celebrate the final expansion of the world’s largest water recycling facility, now able to produce 130 million gallons of water each day. He stated that Directors interested in attending should contact the Clerk for registration information.

Chair Wanke stated that Directors would receive talking points regarding OC San activities for use while reporting out to their councils, boards, and community groups. In addition, he stated that with so many new Directors, an offer to have OC San staff provide a presentation at an upcoming council or agency meeting was extended, and if interested, to please let the Clerk know.

General Manager Rob Thompson stated that bottled GWRS water was made available for the Directors to sample at the meeting; and that the water would also be available at the dedication ceremony on April 14.

Mr. Thompson reported that OC San’s Honor Walk program is back after a three year hiatus and explained the nomination process intended to recognize former employees and Board Members who have made significant contributions to OC San. He stated that the selected winners receive a personalized brick in the Honor Walk at the front entrance of the Administration Building, and that once the new Headquarters Building is complete, the Honor Walk would be relocated. Mr. Thompson asked that Board Member nominations be sent to the Clerk of the Board.

Mr. Thompson announced that former General Manager Jim Herberg was recently recognized by the American Society for Public Administration for the John W. Gaston, Jr., Award for Excellence in Public Service Management; and that OC San and OCWD received the Grand Prize for Design for “A Headworks Divided - The Key to Unlocking Expanded Water Reuse in Orange County, CA” by the American Academy Of Environmental Engineers And Scientists.

General Counsel Brad Hogin reminded the Board Members to refrain from texting during Board and Committee meetings. He also addressed the Board adopted process to request teleconferencing for attendance at meetings, noting that both the Director and Alternate Director must both be unable to attend a meeting in person prior to requesting teleconferencing.

**PUBLIC HEARING:**

**2. PROPOSED ORDINANCE NO. OC SAN-58 ADOPTING REGIONAL SEWER SERVICE CHARGES [2023-2839](#)**

**Originator:** Lorenzo Tyner

Chair Wanke opened the public hearing at 6:29 p.m. Clerk of the Board Kelly Lore provided two additional written comment(s) in objection; and with no other comment or objection, Chair Wanke closed the public hearing at 6:30 p.m. At the request of the Chairman, Assistant General Manager Lorenzo Tyner provided a brief staff report; Ms. Lore stated that there were a total of 97 protests, which did not constitute a majority protest.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Conduct a Public hearing under Proposition 218 for Proposed Multi-Year Regional Sewer Service Charges and under Health and Safety Code Section 5473.1 for collection of charges on the tax roll.
- Open Public Hearing
  - Receive Public Comment
  - Close Public Hearing
- B. Direct the Clerk of the Board to tabulate the results of the protest received and report the number of protests to the Board of Directors.

*If no majority protest:*

- C. Motion to read Ordinance No. OC SAN-58 by title only and waive second reading of said entire ordinance.
- D. Adopt Ordinance No. OC SAN-58, entitled: "An Ordinance of the Board of Directors of Orange County Sanitation District Adopting Regional Sewer Service Charges and Repealing Ordinance No. OCSD-49"; and
- E. Adopt Resolution No. OC SAN 23-10, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Directing the County Tax Collector-Treasurer to Include Regional Sanitary Sewer Service Charges on the Tax Roll for Fiscal Years 2023-2024 Through 2027-2028."

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** Johnathan Ryan Hernandez

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**3. PROPOSED ORDINANCE NO. OC SAN-59 ADOPTING CAPITAL FACILITIES CAPACITY CHARGES** [2023-2840](#)

**Originator:** Lorenzo Tyner

Chair Wanke opened the public hearing at 6:46 p.m. and with no other comment or objection, Chair Wanke closed the public hearing at 6:46 p.m. Ms. Lore stated that a majority protest did not exist.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Conduct a Public Hearing for Capital Facilities Capacity Charges:
- Open Public Hearing
  - Receive Public Comment
  - Close Public Hearing
- B. Motion to read Ordinance No. OC SAN-59 by title only and waive second reading of said entire Ordinance; and
- C. Adopt Ordinance No. OC SAN-59, entitled: "An Ordinance of the Board of Directors of the Orange County Sanitation District Adopting Capital Facilities Capacity Charges, and Repealing Ordinance No. OC SAN-57".

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

4. **PROPOSED ORDINANCE NO. OC SAN-60 ADOPTING MISCELLANEOUS CHARGES AND FEES RELATING TO INDUSTRIAL DISCHARGERS, SOURCE CONTROL PERMITTEES AND WASTEHAULERS** [2023-2842](#)

**Originator:** Lorenzo Tyner

Chair Wanke opened the public hearing at 6:48 p.m. and with no other comment or objection, Chair Wanke closed the public hearing at 6:48 p.m. Ms. Lore stated that a majority protest did not exist.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Conduct a Public Hearing for Proposed Miscellaneous Charges and Fees relating to Industrial Dischargers, Source Control Permittees, and Wastehaulers;
- Open Public Hearing
  - Receive Public Comment
  - Close Public Hearing
- B. Motion to read Ordinance No. OC SAN-60 by title only and waive second reading of said entire Ordinance; and
- C. Adopt Ordinance No. OC SAN-60 entitled, "An Ordinance of the Board of Directors of Orange County Sanitation District Adopting Miscellaneous Charges and Fees Relating to Industrial Dischargers, Source Control Permittees and Wastehaulers and Repealing Ordinance No. OCSD-51.

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**CONSENT CALENDAR:**

5. **APPROVAL OF MINUTES** [2023-2833](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve minutes of the Special meetings of the Board of Directors on February 15, 2023 and February 16, 2023 and the Regular meeting of the Board of Directors held February 22, 2023.

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

### **RECEIVE AND FILE:**

**6. COMMITTEE MEETING MINUTES [2023-2723](#)**

**Originator:** Kelly Lore

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

- A. Minutes of the Steering Committee Meeting held January 25, 2023
- B. Minutes of the Operations Committee Meeting held February 1, 2023
- C. Minutes of the Administration Committee Meeting held February 8, 2023

**7. REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF FEBRUARY 2023 [2023-2800](#)**

**Originator:** Lorenzo Tyner

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

Report of the Investment Transactions for the month of February 2023.

### **OPERATIONS COMMITTEE:**

**8. CHEMICAL SYSTEMS REHABILITATION AT PLANT NO. 2, PROJECT NO. P2-135 [2023-2859](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Find that Chemical Systems Rehabilitation at Plant No. 2, Project No. P2-135 is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 and authorize staff to file a Notice of Exemption with the OC Clerk-Recorder;
- B. Approve a Professional Design Services Agreement with Lee & Ro, Inc. to provide engineering services for Chemical Systems Rehabilitation at Plant No. 2, Project No. P2-135, for an amount not to exceed \$862,328; and
- C. Approve a contingency of \$86,233 (10%).

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**9. REPLACEMENT OF GAS FLARE PIPING AT PLANT NO. 2**

[2023-2860](#)

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO:

Approve a contingency increase of \$65,550 (23%) to the Purchase Order Contract with Vicon Enterprise, Inc. for the replacement of digester gas piping at Plant No. 2, Specification No. S-2022-1365BD, for a new total contingency amount of \$94,050 (33%).

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**10. ENGINEERING PROGRAM CONTRACT PERFORMANCE REPORT**

[2023-2861](#)

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Engineering Program Contract Performance Report for the period ending December 31, 2022.

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**11. URBAN RUNOFF OPTIMIZATION STUDY, PROJECT NO. PS21-06 [2023-2862](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Find that the Urban Runoff Optimization Study, Project No. PS21-06 is exempt from CEQA under the statutory exemptions set forth in California Code of Regulations Section 15262 and authorize staff to file a Notice of Exemption with the OC Clerk-Recorder;
- B. Approve a Professional Services Agreement with Michael Baker International, Inc. to provide engineering services for the Urban Runoff Optimization Study, Project No. PS21-06, for an amount not to exceed \$711,230; and
- C. Approve a contingency of \$71,123 (10%).

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**12. REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) PROGRAM, SPECIFICATION NO.C-2017-899BD - CONTINGENCY INCREASE [2023-2863](#)**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO:

Approve a chemical unit price contingency increase of \$398 per dry ton (an additional 40% of the base price) to the Ferrous Chloride contract with Hill Brothers Chemical Company for the remainder of the term, July 1, 2022 through June 30, 2023. The new unit price will not exceed \$1,397 per dry ton (\$1,297 for the product, plus \$100 for freight).

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**13. PURCHASE OF LIQUID FERRIC CHLORIDE**

[2023-2864](#)

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a Chemical Supplier Agreement with Penccco, Inc. for the purchase of liquid ferric chloride, Specification No. C-2023-1381BD, for the period beginning May 1, 2023 through October 31, 2023, for a unit price of \$1,250 per dry ton delivered, plus applicable sales tax, for a total six-month estimate of \$2,500,000;
- B. Approve a Chemical Supplier Agreement with Kemira Water Solutions, Inc. for the purchase of liquid ferric chloride, Specification No. C-2023-1381BD, for the period beginning May 1, 2023 through October 31, 2023, for a unit price of \$1,153.97 per dry ton delivered, plus applicable sales tax, for a total six-month estimate of \$1,730,955;
- C. Approve the option to renew the Chemical Supplier Agreement with Penccco, Inc. over a five-year period beginning May 1, 2023 through April 30, 2028 with renewal terms not to exceed a 12-month term, and renewal adjustments of unit pricing not to exceed a unit price of \$1,562.50 per dry ton delivered (25%); and
- D. Approve the option to renew the Chemical Supplier Agreement with Kemira Water Solutions, Inc. over a five-year period beginning May 1, 2023 through April 30, 2028 with renewal terms not to exceed a 12-month term, and renewal adjustments of unit pricing not to exceed a unit price of \$1,442.46 per dry ton delivered (25%).

- AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)
- NOES:** None
- ABSENT:** Farrah Khan and Bruce Whitaker
- ABSTENTIONS:** None

**ADMINISTRATION COMMITTEE:****14. UPDATE TO RECORDS MANAGEMENT PROGRAM PROCEDURES AND RECORDS RETENTION SCHEDULE RESOLUTION [2023-2873](#)**

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 23-08, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Adopting the Records Management Program Procedures and Records Retention Schedule, Authorizing Destruction of Obsolete Records, and Repealing Resolution No. OC SAN 22-10".

- AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)
- NOES:** None
- ABSENT:** Farrah Khan and Bruce Whitaker
- ABSTENTIONS:** None

**15. UPDATES TO ORANGE COUNTY SANITATION DISTRICT PERSONNEL POLICIES AND PROCEDURES [2023-2874](#)**

**Originator:** Celia Chandler

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 23-09, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District adopting a Board of Directors Personnel Policies and Procedures Manual providing for Classification, Compensation, and Other Terms, Conditions, Policies, and Procedures Governing Employment of Orange County Sanitation District Employees; and Repealing Resolution No. OCSD 18-18 and Resolution No. OC SAN 22-07 and all other Amendments Affecting These Policies".

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**STEERING COMMITTEE:****16. LEGISLATIVE AFFAIRS UPDATE FOR THE MONTH OF FEBRUARY 2023 [2023-2882](#)**

**Originator:** Rob Thompson

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Legislative Affairs Update for the month of February 2023.

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**17. PUBLIC AFFAIRS UPDATE FOR THE MONTH OF FEBRUARY 2023 [2023-2883](#)**

**Originator:** Rob Thompson

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Public Affairs Update for the month of February 2023.

**AYES:** Brad Avery, Pat Burns, Doug Chaffee, Jon Dumitru, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Glenn Grandis, Phil Hawkins, Johnathan Ryan Hernandez, Steve Jones, Christine Marick, Scott Minikus, Jordan Nefulda, Andrew Nguyen, Robert Ooten, Robbie Pitts, David Shawver, Susan Sonne, Schelly Sustarsic, Chad Wanke, John Withers and Debbie Baker (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan and Bruce Whitaker

**ABSTENTIONS:** None

**NON-CONSENT:**

None.

**INFORMATION ITEMS:**

None.

**AB 1234 DISCLOSURE REPORTS:**

Director Stephen Faessel reported on his attendance at the recent ISDOC meeting and Director David Shawver reported on his attendance at the recent OCCOG meeting.

**CLOSED SESSION:**

**CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54959(d)(4).**

The Board convened in closed session at 6:52 p.m. Confidential minutes of the Closed Sessions 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.

**CS-1 CONFERENCE WITH LEGAL COUNSEL RE ANTICIPATED  
LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(4)**

[2023-2880](#)

CONVENED IN CLOSED SESSION:

Number of Potential Cases: 1

Potential initiation of litigation regarding Miller-Holder Rhone Lane Easement.

**RECONVENED IN REGULAR SESSION.**

The Board reconvened in regular session at 7:10 p.m.

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

General Counsel Brad Hogin reported that the Board of Directors voted unanimously to hire and retain Katz and Associates as a public relations consultant and a Lobbyist to assist staff in connection with the Rhone Lane encroachments.

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

None.

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

None.

**ADJOURNMENT:**

At 7:11p.m., Chair Wanke adjourned the meeting until the Regular meeting of the Board of Directors to be held on Wednesday, April 26, 2023 at 6:00 p.m.

Submitted by:

\_\_\_\_\_  
Kelly A. Lore, MMC  
Clerk of the Board



# BOARD OF DIRECTORS

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

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**File #:** 2023-2724

**Agenda Date:** 4/26/2023

**Agenda Item No:** 4.

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**FROM:** Robert Thompson, General Manager  
Originator: Kelly A. Lore, Clerk of the Board

**SUBJECT:**

### COMMITTEE MEETING MINUTES

### GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Receive and file the following:

- A. Minutes of the GWRS Steering Committee Meeting held January 23, 2023
- B. Minutes of the Steering Committee Meeting held February 22, 2023
- C. Minutes of the Operations Committee Meeting held March 1, 2023
- D. Minutes of the Administration Committee Meeting held March 8, 2023

### BACKGROUND

In accordance with the Board of Directors Rules of Procedure, an accurate record of each meeting will be provided to the Directors for subsequent approval at the following meeting.

### RELEVANT STANDARDS

- Resolution No. OC SAN 22-37

### ADDITIONAL INFORMATION

The minutes of the Committee meetings are approved at their respective Committees and brought forth to the Board of Directors for receive and file only.

### ATTACHMENT

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Minutes of the Monthly Committee Meetings

**MINUTES OF THE MEETING  
GROUNDWATER REPLENISHMENT SYSTEM STEERING COMMITTEE  
Monday, January 23, 2023**

OC San Director Ryan Gallagher called the Groundwater Replenishment System Steering Committee meeting to order via Zoom webinar. Following the Pledge of Allegiance to the flag, the Secretary called the roll and reported a quorum.

**Committee Members**

Kelly Rowe  
Ryan Gallagher  
Cathy Green  
David Shawver  
Van Tran  
Chad Wanke

**Alternates**

Roger Yoh  
Bob Ooten (absent)  
Dina Nguyen (absent)  
Steve Sheldon (absent)

OCWD Director Bruce Whitaker was also in attendance.

<b>OCWD Staff</b>	<b>OC SAN Staff</b>
Mike Markus, Mehul Patel, Sandy Scott-Roberts, Gina Ayala, Christina Fuller, Assistant District Secretary	Jim Herberg, Jennifer Cabral

• **Annual Reorganization of GWRS Steering Committee Officers**

GWRS Steering Committee member Ryan Gallagher stated the Steering Committee reorganizes on an annual basis. It was a consensus of the Committee members present to approve the following nomination:

- 2023 GWRS Steering Committee Chair – OC San Director Chad Wanke
- 2023 GWRS Steering Committee Vice Chair – OCWD Director Cathy Green

Director Wanke assumed the role of Chair and conducted the remainder of the meeting.

**CONSENT CALENDAR**

The Consent Calendar was approved upon motion by Director Green, seconded by Director Shawver and carried [6-0] as follows.

*Yes –Rowe, Gallagher, Shawver, Green, Tran, Wanke*

1. Minutes of Previous Meeting

**The minutes of the GWRS Steering Committee meeting held October 10, 2022 are approved as presented.**

**INFORMATIONAL ITEMS**

2. GWRS Operations Update

Executive Director of Operations/GWRS Mehul Patel reported that the average daily production for the quarter, October through December, was 91 mgd. He stated that as of December 31, 2022, the GWRS Fiscal Year 2022-2023 production total was 49,815 af, which

is 5,637 af below the target fiscal year production to date of 55,452 af. He advised that this shortfall was anticipated due to the GWRS Final Expansion (GWRSFE) project construction activities, including commissioning and start up. Mr. Patel stated that on December 12, OC San Plant 2 water was introduced to GWRS for use in normal production for the first time. He advised that this marked a milestone in the GWRSFE construction project that now allows for functional use of all of the newly constructed facilities at OC San Plant 2 and noted that GWRS production was able to go above 100 mgd as of December 12 as a result of this milestone.

3. Update on GWRS Final Expansion

GWRS Program Manager Sandy Scott-Roberts provided an update on construction activities, completion status of project elements and budget as of December 21, 2022.

4. Update on GWRS Final Expansion Influent Water Quality

Ms. Scott-Roberts reported that the GWRS Final Expansion Project is currently being operated for a 90-day performance test and advised that during this phase, it was discovered that the segregated OC San Plant 2 effluent being fed to GWRS has a higher than anticipated salinity concentration. She stated that OCWD staff would like to develop a comprehensive sampling plan/study with OC San and other cities/municipalities to help better understand where this high salinity water is coming from. She noted that this high salinity influent to GWRS will affect operational costs and production rates and is therefore important to analyze further.

5. Quarterly Outreach Report [October– December 2022]

Director of Public Affairs Gina Ayala reviewed public outreach highlights including virtual tours, the speakers bureau program, media and construction outreach. She reported that 22 GWRS tours were given during the fourth quarter of 2022. She provided an update on activities planned for the GWRS 15<sup>th</sup> Anniversary.

**ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 6:15 p.m.

*Chad Wanke*

Chad Wanke (Apr 13, 2023 14:30 PDT)

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OC San Director Chad Wanke, Chair

# GWRS Minutes

Final Audit Report

2023-04-13

Created:	2023-04-11
By:	Kelly Lore (klore@ocsan.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAiJA32LfwIN1LHq7wbHUVZne6kZ4VNUi0

## "GWRS Minutes" History

-  Document created by Kelly Lore (klore@ocsan.gov)  
2023-04-11 - 2:10:48 PM GMT- IP address: 47.176.104.46
-  Document emailed to chad@chadwanke.com for signature  
2023-04-11 - 2:11:21 PM GMT
-  Email viewed by chad@chadwanke.com  
2023-04-12 - 4:45:58 PM GMT- IP address: 99.67.56.62
-  Email viewed by chad@chadwanke.com  
2023-04-13 - 9:29:19 PM GMT- IP address: 87.249.134.18
-  Signer chad@chadwanke.com entered name at signing as Chad Wanke  
2023-04-13 - 9:30:48 PM GMT- IP address: 87.249.134.18
-  Document e-signed by Chad Wanke (chad@chadwanke.com)  
Signature Date: 2023-04-13 - 9:30:50 PM GMT - Time Source: server- IP address: 87.249.134.18
-  Agreement completed.  
2023-04-13 - 9:30:50 PM GMT

Names and email addresses are entered into the Acrobat Sign service by Acrobat Sign users and are unverified unless otherwise noted.



**CALL TO ORDER**

A regular meeting of the Steering Committee of the Orange County Sanitation District was called to order by Board Chairman Chad Wanke on Wednesday, February 22, 2023 at 5:03 p.m. Chair Wanke stated the meeting was being held in person, telephonically, and via internet accessibility.

**ROLL CALL AND DECLARATION OF QUORUM:**

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

**PRESENT:** Chad Wanke, Ryan Gallagher, Pat Burns, Marshall Goodman, Christine Marick, John Withers and Jon Dumitru  
**ABSENT:** None

**STAFF PRESENT:** Ron Thompson, General Manager; Lorenzo Tyner, Assistant General Manager; Celia Chandler, Director of Human Resources; Kelly Lore, Clerk of the Board; Mo Abiodun; and Thomas Vu were present in the Board Room. Kathy Millea, Director of Engineering; Riaz Moinuddin, Director of Operations and Maintenance; Lan Wiborg, Director of Environmental Services; Jennifer Cabral; Belen Carillo; Daisy Covarrubias; Raul Cuellar; Tina Knapp; Rebecca Long; Laura Maravilla; Shallee Milligan; Cindy Murra; Kelly Newell; Valerie Ratto; Wally Ritchie; Eros Yong; and Ruth Zintzun were present telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel; and Carolyn Byrne and Gary Weisberg, Associate Counsel, were present in the Board Room. Eric Sapirstein, ENS Resources, and Cori Takkinen, Townsend Public Affairs, were present telephonically.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Wanke reported on the Sewer Service Fee notification process and stated that OC San's current five-year sewer fee rate schedule will expire at the end of the current fiscal year. He reported that Proposition 218 notifications were mailed to affected property owners and posted on OC San's website and stated the fee schedule increase is approximately 3.5 percent for fiscal years 2023-24 through 2027-28.

General Manager Rob Thompson reported that the Governor's Emergency COVID-19 Order expires at the end of February and that all OC San Committee and Board meetings will be in

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person beginning on March 1. He stated that if a Director is unable to attend any meeting, to please notify the Clerk of the Board.

**CONSENT CALENDAR:****1. APPROVAL OF MINUTES**[2023-2803](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve minutes of the Special meeting of the Steering Committee held January 25, 2023.

**AYES:** Chad Wanke, Ryan Gallagher, Pat Burns, Marshall Goodman, Christine Marick, John Withers and Jon Dumitru

**NOES:** None

**ABSENT:** None

**ABSTENTIONS:** None

**2. PUBLIC AFFAIRS UPDATE FOR THE MONTHS OF JANUARY AND FEBRUARY 2023**[2023-2818](#)

**Originator:** Rob Thompson

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

Receive and file the Public Affairs Update for the months of January and February 2023.

**AYES:** Chad Wanke, Ryan Gallagher, Pat Burns, Marshall Goodman, Christine Marick, John Withers and Jon Dumitru

**NOES:** None

**ABSENT:** None

**ABSTENTIONS:** None

**3. LEGISLATIVE AFFAIRS UPDATE FOR THE MONTHS OF JANUARY AND FEBRUARY 2023**[2023-2798](#)

**Originator:** Rob Thompson

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

Receive and file the Legislative Affairs Update for the months of January and February 2023.

**AYES:** Chad Wanke, Ryan Gallagher, Pat Burns, Marshall Goodman, Christine Marick, John Withers and Jon Dumitru  
**NOES:** None  
**ABSENT:** None  
**ABSTENTIONS:** None

**NON-CONSENT:**

**4. PUBLIC AFFAIRS STRATEGIC PLAN FOR FISCAL YEARS 2022-2024 [2023-2740](#)  
MID-YEAR UPDATE**

**Originator:** Rob Thompson

Administration Manager Jennifer Cabral and Principal Public Affairs Specialist Daisy Covarrubias provided a PowerPoint presentation and overview of the Public Affairs Division, staff, Strategic Plan, and upcoming events.

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

Receive and file the Public Affairs Strategic Plan for Fiscal Years 2022- 2024 Mid-year Update.

**AYES:** Chad Wanke, Ryan Gallagher, Pat Burns, Marshall Goodman, Christine Marick, John Withers and Jon Dumitru  
**NOES:** None  
**ABSENT:** None  
**ABSTENTIONS:** None

**INFORMATION ITEMS:**

None.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

**CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(d)(2) & 54956.9(d)(1).**

The Committee convened in closed session at 5:25 p.m. Confidential minutes of the Closed Sessions 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.

**CS-1 CONFERENCE WITH LEGAL COUNSEL RE ANTICIPATED LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(2)** [2023-2809](#)

CONVENED IN CLOSED SESSION:

Number of Potential Cases: 2

- A. Claim/Demand Letter received from Branscomb Law re: United Plant Services (UPS) Midstream Services, Inc. - Demand for payment of past due invoice.
- B. Claim/Demand Letter received from attorney for OHL USA, Inc. and the City of Anaheim in connection with personal injury lawsuit brought by Ignacio Castro.

**CS-2 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(1)** [2023-2797](#)

CONVENED IN CLOSED SESSION:

Number of Cases: 1

Jose O. Cruz v. Orange County Sanitation District Financing Corporation, a California corporation; and Does 1-50, inclusive, Superior Court of California, County of Orange, Case No. 30-2019-01100180-CU-WT-CJC.

**CS-3 PUBLIC EMPLOYEE PERFORMANCE EVALUATION 54957(b)(1)** [2022-2654](#)

ITEM NOT HEARD IN CLOSED SESSION:

Public Employee Performance Evaluation

Number of Employees: 1

- General Counsel

**CS-4 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(1)** [2023-2825](#)

ITEM NOT HEARD IN CLOSED SESSION:

Number of Cases: 2

- A. Bayside Village Marina, LLC v. Orange County Sanitation District; Orange County Sanitation District Board of Directors; and Does 1-25, Inclusive, Superior Court of the State of California for the County of Orange - Central Justice Center Case No. 30-2021-01194238-CU-WM-CXC.
- B. Orange County Sanitation District, a public entity v. Bayside Village Marina, LLC, a limited liability company; Laguna Beach County Water District, a public entity; and Does 1-100, inclusive; and all Persons Unknown Claiming an Interest in the Property, Superior Court of California, County of Orange, Case No. 30-2022-01251890.

**RECONVENED IN REGULAR SESSION.**

The Committee reconvened in regular session at 6:00 p.m.

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

General Counsel Brad Hogin 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.

**ADJOURNMENT:**

Chair Wanke declared the meeting adjourned at 6:00 p.m. until the next Regular Steering Committee meeting to be held on Wednesday, March 22, 2023 at 5:00 p.m.

Submitted by:

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Kelly A. Lore, MMC  
Clerk of the Board



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**SPECIAL MEETING - EARLY START TIME (TOUR)**

**CALL TO ORDER**

A special meeting of the Operations Committee of the Orange County Sanitation District was called to order by Committee Chairman Marshall Goodman on Wednesday, March 1, 2023 at 3:02 p.m. in the Administration Building of the Orange County Sanitation District.

**RECESS - TOUR OF PLANT NO. 1**

Chair Goodman recessed the meeting at 3:03 p.m. to proceed to the tour of Plant No. 1.

**RECONVENE**

Chair Goodman reconvened the meeting of the Operations Committee at 5:01 p.m.

**ROLL CALL AND DECLARATION OF QUORUM:**

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

- PRESENT:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)
- ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus

**STAFF PRESENT:** Rob Thompson, 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; Lan Wiborg, Director of Environmental Services; Kelly Lore, Clerk of the Board; Mo Abiodun; Jennifer Cabral; Tanya Chong; Raul Cuellar; Mike Dorman; Brian Engeln; Justin Fenton; Cortney Light; Laura Maravilla; Cindy Murra; Wally Ritchie; Eros Yong; and Ruth Zintzun were present in the Board Room. Andrew Brown; Tina Knapp; Rob Michaels; Valerie Ratto; Don Stokes; and Sharon Yin were present telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel; Amanda Carr, OCPW Deputy Director OC Environmental Resources and Development Services; James Fortuna, OCPW North OC Stormwater Program Manager/Senior Environmental Resources Specialist; and Kevin O'Toole, OCWD Senior Planner were present in the Board Room. Alternate Director Bonnie Peat, Sarah Chiang, Jesus Gaona Perez, and Dave Mercier were present telephonically.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Goodman reported that the Directors had each been provided an OC San name badge and an emergency contact list; and described the contents of the provided blue books including the Board roster, Committee list, emergency procedures, payroll calendar, and a map of the service area.

General Manager Rob Thompson provided a report on OC San's performance during the recent rainfall event and stated that all systems worked well and as planned. He thanked the local sewer service providers for tightening up their systems to reduce flow during this period.

**CONSENT CALENDAR:****1. APPROVAL OF MINUTES**[2023-2819](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular meeting of the Operations Committee held February 1, 2023.

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)

**NOES:** None

**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus

**ABSTENTIONS:** None

**2. CHEMICAL SYSTEMS REHABILITATION AT PLANT NO. 2, PROJECT NO. P2-135**[2023-2770](#)

**Originator:** Kathy Millea

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

- A. Find that Chemical Systems Rehabilitation at Plant No. 2, Project No. P2-135 is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 and authorize staff to file a Notice of Exemption with the OC Clerk-Recorder;
- B. Approve a Professional Design Services Agreement with Lee & Ro, Inc. to provide engineering services for Chemical Systems Rehabilitation at Plant No. 2, Project No. P2-135, for an amount not to exceed \$862,328; and
- C. Approve a contingency of \$86,233 (10%).

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)

**NOES:** None

**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus

**ABSTENTIONS:** None

**3. REPLACEMENT OF GAS FLARE PIPING AT PLANT NO. 2 [2023-2812](#)**

**Originator:** Riaz Moinuddin

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

Approve a contingency increase of \$65,550 (23%) to the Purchase Order Contract with Vicon Enterprise, Inc. for the replacement of digester gas piping at Plant No. 2, Specification No. S-2022-1365BD, for a new total contingency amount of \$94,050 (33%).

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)

**NOES:** None

**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus

**ABSTENTIONS:** None

**4. ENGINEERING PROGRAM CONTRACT PERFORMANCE REPORT [2023-2813](#)**

**Originator:** Kathy Millea

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

Receive and file the Engineering Program Contract Performance Report for the period ending December 31, 2022.

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)  
**NOES:** None  
**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus  
**ABSTENTIONS:** None

**NON-CONSENT:****5. URBAN RUNOFF OPTIMIZATION STUDY, PROJECT NO. PS21-06 [2023-2778](#)**

**Originator:** Kathy Millea

Senior Engineer Cindy Murra provided a PowerPoint presentation which included information on Environmental Water Quality, Stormwater Management, and Urban Runoff Policy; sustainability of the flow to GWRS; and the objectives and necessity of the study.

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

- A. Find that the Urban Runoff Optimization Study, Project No. PS21-06 is exempt from CEQA under the statutory exemptions set forth in California Code of Regulations Section 15262 and authorize staff to file a Notice of Exemption with the OC Clerk-Recorder;
- B. Approve a Professional Services Agreement with Michael Baker International, Inc. to provide engineering services for the Urban Runoff Optimization Study, Project No. PS21-06, for an amount not to exceed \$711,230; and
- C. Approve a contingency of \$71,123 (10%).

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)  
**NOES:** None  
**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus  
**ABSTENTIONS:** None

**6. REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) PROGRAM, SPECIFICATION NO.C-2017-899BD - CONTINGENCY INCREASE [2023-2775](#)**

**Originator:** Riaz Moinuddin

Director of Operations and Maintenance Riaz Moinuddin provided an introduction to the item.

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

Approve a chemical unit price contingency increase of \$398 per dry ton (an additional 40% of the base price) to the Ferrous Chloride contract with Hill Brothers Chemical Company for the remainder of the term, July 1, 2022 through June 30, 2023. The new unit price will not exceed \$1,397 per dry ton (\$1,297 for the product, plus \$100 for freight).

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)

**NOES:** None

**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus

**ABSTENTIONS:** None

**7. PURCHASE OF LIQUID FERRIC CHLORIDE**

[2023-2811](#)

**Originator:** Riaz Moinuddin

Mr. Moinuddin provided a brief introduction to the item and responded to questions regarding the escalation of costs due to inflation.

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

- A. Approve a Chemical Supplier Agreement with Pencco, Inc. for the purchase of liquid ferric chloride, Specification No. C-2023-1381BD, for the period beginning May 1, 2023 through October 31, 2023, for a unit price of \$1,250 per dry ton delivered, plus applicable sales tax, for a total six-month estimate of \$2,500,000;
- B. Approve a Chemical Supplier Agreement with Kemira Water Solutions, Inc. for the purchase of liquid ferric chloride, Specification No. C-2023-1381BD, for the period beginning May 1, 2023 through October 31, 2023, for a unit price of \$1,153.97 per dry ton delivered, plus applicable sales tax, for a total six-month estimate of \$1,730,955;
- C. Approve the option to renew the Chemical Supplier Agreement with Pencco, Inc. over a five-year period beginning May 1, 2023 through April 30, 2028 with renewal terms not to exceed a 12-month term, and renewal adjustments of unit pricing not to exceed a unit price of \$1,562.50 per dry ton delivered (25%); and
- D. Approve the option to renew the Chemical Supplier Agreement with Kemira Water Solutions, Inc. over a five-year period beginning May 1, 2023 through April 30, 2028 with renewal terms not to exceed a 12-month term, and renewal adjustments of unit pricing not to exceed a unit price of \$1,442.46 per dry ton delivered (25%).

**AYES:** Doug Chaffee, Jon Dumitru, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Robert Ooten, Schelly Sustarsic, Chad Wanke, Bruce Whitaker and Tom Lindsey (Alternate)

**NOES:** None

**ABSENT:** Brad Avery, Johnathan Ryan Hernandez and Scott Minikus

**ABSTENTIONS:** None

**INFORMATION ITEMS:****8. OC SAN - OPERATIONS & MAINTENANCE WASTEWATER 101 PART [2023-2759](#)  
1: TREATMENT AND RECYCLING**

**Originator:** Riaz Moinuddin

Mr. Moinuddin provided a PowerPoint presentation regarding Wastewater Treatment and Recycling which included a review of the plant process; the metering and diversion structure; preliminary, primary, and secondary treatments; and the effectiveness of water treatment. The presentation also included an overview of the GWRS flow, the non-reclaimable flow, the solids recovery process, the dewatering operation, as well as information regarding truckloading, biosolids reuse, central generation engines, and operating budget expenses.

ITEM RECEIVED AS AN:

Information Item.

**9. OC SAN - PROCUREMENT PROCESS, BIDS VS. RFPS, SOLE [2023-2761](#)  
SOURCE CONTRACTS VS. COMPETITIVE CONTRACTS**

**Originator:** Lorenzo Tyner

Purchasing and Contracts Manager Ruth Zintzun provided a PowerPoint presentation regarding the Purchasing, Contracts, and Materials Management Department which included the mission statement; the team; and an overview of materials management, contracts, purchasing, rules and regulations, purchasing approval thresholds, procurement methods, exemptions, the procurement process, the threshold matrix, master contracts, and developments including remote warehousing and vendor outreach.

ITEM RECEIVED AS AN:

Information Item.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

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

Director Stephen Faessel and Board Chairman Chad Wanke expressed thanks and appreciation to Director of Engineering Kathy Millea and Director of Human Resources Celia Chandler for their service to OC San upon their upcoming retirement.

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

Director Ooten expressed interest in a presentation on the effect of salinity in the incoming water at Plant No. 2 in Huntington Beach.

**ADJOURNMENT:**

Chair Goodman declared the meeting adjourned at 6:05 p.m. to the next Special Operations Committee meeting to be held on Wednesday, April 5, 2023 at 3:00 p.m. at Plant No. 2.

Submitted by:



Kelly A. Lore, MMC  
Clerk of the Board



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**SPECIAL MEETING - EARLY START TIME (TOUR)**

**CALL TO ORDER**

A special meeting of the Administration Committee of the Orange County Sanitation District was called to order by Committee Chairwoman Christine Marick on Wednesday, March 8, 2023 at 3:01 p.m. in the Administration Building of the Orange County Sanitation District.

**RECESS - TOUR OF PLANT NO. 1**

Chair Marick recessed the meeting at 3:02 p.m. to proceed to the tour of Plant No. 1.

**RECONVENE**

Chair Marick reconvened the meeting of the Administration Committee at 5:01 p.m.

**ROLL CALL AND DECLARATION OF QUORUM:**

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

**PRESENT:** Pat Burns, Rose Espinoza, Ryan Gallagher, Glenn Grandis, Christine Marick, Andrew Nguyen, Robbie Pitts, David Shawver, Susan Sonne, Chad Wanke, John Withers and Emily Hibard (Alternate)  
**ABSENT:** Farrah Khan

**STAFF PRESENT:** Rob Thompson, General Manager; Lorenzo Tyner, Assistant General Manager; Celia Chandler, Director of Human Resources; Riaz Moinuddin, Director of Operations and Maintenance; Lan Wiborg, Director of Environmental Services; Laura Maravilla, Human Resources Manager; Mike Dorman, Engineering Manager; Kelly Lore, Clerk of the Board; Jennifer Cabral; Jackie Castro; Brian Engeln; Derek Harp; Laura Maravilla; Rob Michaels; Wally Ritchie; Thomas Vu; and Ruth Zintzun were present in the Board Room.

**OTHERS PRESENT:** Brad Hogin, General Counsel; and Alternate Directors Gracey Van Der Mark and Jordan Wu were present in the Board Room.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Marick reported that the Directors had each been provided an OC San name badge and an emergency contact list; and described the contents of the provided blue books including

the Board roster, Committee list, emergency procedures, payroll calendar, and a map of the service area.

General Manager Rob Thompson provided an alternate exit route from the Plant due to the construction at the front entrance.

**CONSENT CALENDAR:**

**1. APPROVAL OF MINUTES [2023-2831](#)**

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular meeting of the Administration Committee held February 8, 2023.

**AYES:** Pat Burns, Rose Espinoza, Ryan Gallagher, Glenn Grandis, Christine Marick, Andrew Nguyen, Robbie Pitts, David Shawver, Susan Sonne, Chad Wanke, John Withers and Emily Hibard (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan

**ABSTENTIONS:** None

**2. UPDATE TO RECORDS MANAGEMENT PROGRAM PROCEDURES AND RECORDS RETENTION SCHEDULE RESOLUTION [2022-2381](#)**

**Originator:** Kelly Lore

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

Adopt Resolution No. OC SAN 23-08, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Adopting the Records Management Program Procedures and Records Retention Schedule, Authorizing Destruction of Obsolete Records, and Repealing Resolution No. OC SAN 22-10".

**AYES:** Pat Burns, Rose Espinoza, Ryan Gallagher, Glenn Grandis, Christine Marick, Andrew Nguyen, Robbie Pitts, David Shawver, Susan Sonne, Chad Wanke, John Withers and Emily Hibard (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan

**ABSTENTIONS:** None

**NON-CONSENT:**

**3. BIOLOGICAL OXYGEN DEMAND (BOD) ANALYZER AND ESTIMATOR SYSTEM [2023-2829](#)**

**Originator:** Lan Wiborg

Director of Environmental Services provided a brief description of the necessary items requested.

MOVED, SECONDED, AND DULY CARRIED TO:

Approve a sole source justification and issue a purchase order to MANTECH for a Biological Oxygen Demand (BOD) Pro AM405 Analyzer and 10-minute BOD Estimator System in an amount not to exceed \$100,000 including the BOD system, installation and training, sales tax, and freight.

**4. UPDATES TO ORANGE COUNTY SANITATION DISTRICT PERSONNEL POLICIES AND PROCEDURES [2023-2830](#)**

**Originator:** Celia Chandler

Human Resources & Risk Manager Laura Maravilla provided a brief introduction to the policies and procedures and provided additional information regarding the changes to policies regarding the probationary period of employees.

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

Adopt Resolution No. OC SAN 23-09, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District adopting a Board of Directors Personnel Policies and Procedures Manual providing for Classification, Compensation, and Other Terms, Conditions, Policies, and Procedures Governing Employment of Orange County Sanitation District Employees; and Repealing Resolution No. OCSD 18-18 and Resolution No. OC SAN 22-07 and all other Amendments Affecting These Policies".

**AYES:** Pat Burns, Rose Espinoza, Ryan Gallagher, Glenn Grandis, Christine Marick, Andrew Nguyen, Robbie Pitts, David Shawver, Susan Sonne, Chad Wanke, John Withers and Emily Hibard (Alternate)

**NOES:** None

**ABSENT:** Farrah Khan

**ABSTENTIONS:** None

**INFORMATION ITEMS:**

5. **FY 2023-24 ORANGE COUNTY SANITATION DISTRICT BUDGET UPDATE REVENUES AND RESERVES OVERVIEW** [2023-2810](#)

**Originator:** Lorenzo Tyner

Controller Wally Ritchie provided a PowerPoint presentation regarding the FY2023-24 Budget Update on Revenues and Reserves which included an overview of the four major revenue categories, the top ten industrial users, debt proceeds, the reserve policy, and the reserve criteria.

ITEM RECEIVED AS AN:

Information Item.

6. **OC SAN - PROCUREMENT PROCESS, BIDS VS. RFPS, SOLE SOURCE CONTRACTS VS. COMPETITIVE CONTRACTS** [2023-2846](#)

**Originator:** Lorenzo Tyner

Purchasing and Contracts Manager Ruth Zintzun provided a PowerPoint presentation regarding the Purchasing, Contracts, and Materials Management Department which included the mission statement; the team; and an overview of materials management, contracts, purchasing, rules and regulations, purchasing approval thresholds, procurement methods, exemptions, the procurement process, the threshold matrix, master contracts, and developments.

ITEM RECEIVED AS AN:

Information Item.

7. **OC SAN - OPERATIONS & MAINTENANCE WASTEWATER 101 PART 1: TREATMENT AND RECYCLING** [2023-2845](#)

**Originator:** Riaz Moinuddin

ITEM NOT HEARD.

Information Item.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

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

None.

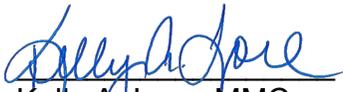
**BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:**

None.

**ADJOURNMENT:**

Chair Marick declared the Special meeting adjourned at 5:44 p.m. until the Special meeting of the Administration Committee to be held on Wednesday, April 12, 2023 at 3:00 p.m. at Plant No. 2.

Submitted by:

  
Kelly A. Lore, MMC  
Clerk of the Board



# BOARD OF DIRECTORS

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

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**File #:** 2023-2851

**Agenda Date:** 4/26/2023

**Agenda Item No:** 5.

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**FROM:** Robert Thompson, General Manager  
Originator: Wally Ritchie, Director of Finance

**SUBJECT:**

**REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF MARCH 2023**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Receive and file the following:

Report of the Investment Transactions for the month of March 2023.

**BACKGROUND**

The CA Government Code requires that a monthly report of investment transactions be provided to the legislative body. Attached is the monthly report of investment transactions for the month ended March 31, 2023.

**RELEVANT STANDARDS**

- CA Government Code Section 53607

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**FINANCIAL CONSIDERATIONS**

N/A

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Report of the Investment Transactions - March 2023

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
<b>Acquisitions</b>							
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/1/2023	31846V567	(1,672,687.50)	1.00	1,672,687.50	1,672,687.50	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/2/2023	31846V567	(43,428.41)	1.00	43,428.41	43,428.41	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/2/2023	31846V567	(6,901.63)	1.00	6,901.63	6,901.63	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/3/2023	31846V567	(28,481.25)	1.00	28,481.25	28,481.25	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/6/2023	31846V567	(6,793,481.25)	1.00	6,793,481.25	6,793,481.25	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/7/2023	31846V567	(2,500,000.00)	1.00	2,500,000.00	2,500,000.00	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/7/2023	31846V567	(28,625.00)	1.00	28,625.00	28,625.00	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/8/2023	31846V567	(168,750.00)	1.00	168,750.00	168,750.00	-
PURCHASED PAR VALUE OF U S TREASURY BILL CLEARING LLC/XOFF 3,000,000 PAR VALUE AT 98.882132 %	6/01/23 /CITADEL 3/8/2023	912796ZG7	(2,966,463.96)	0.99	3,000,000.00	2,966,463.96	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/9/2023	31846V567	(98,651.25)	1.00	98,651.25	98,651.25	-
PURCHASED PAR VALUE OF COOPERATIVE C D LLC/XOFF 1,000,000 PAR VALUE AT 99.68629 %	3.740% 5/31/23 /PERSHING 3/9/2023	21684XYR1	(996,862.90)	1.00	1,000,000.00	996,862.90	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/10/2023	31846V567	(883.24)	1.00	883.24	883.24	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/10/2023	31846V567	(10,000,000.00)	1.00	10,000,000.00	10,000,000.00	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/10/2023	31846V567	(415.67)	1.00	415.67	415.67	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/10/2023	31846V567	(70,000.00)	1.00	70,000.00	70,000.00	-
PURCHASED PAR VALUE OF BANK OF AMERICA MTN SECURITIES, INC./FXD INC/MTXX 3,335,000 PAR VALUE AT 93.531 %	3.824% 1/20/28 /BOFA 3/13/2023	06051GGF0	(3,119,258.85)	0.94	3,335,000.00	3,119,258.85	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/14/2023	31846V567	(35,171.11)	1.00	35,171.11	35,171.11	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/14/2023	31846V567	(85,453.13)	1.00	85,453.13	85,453.13	-
PURCHASED PAR VALUE OF U S TREASURY BILL MARKETS CORP/BONDS/XOFF 5,000,000 PAR VALUE AT 99.2965778 %	5/09/23 /BMO CAPITAL 3/14/2023	912797FD4	(4,964,828.89)	0.99	5,000,000.00	4,964,828.89	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/15/2023	31846V567	(2,027,500.00)	1.00	2,027,500.00	2,027,500.00	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/15/2023	31846V567	(1,207,097.29)	1.00	1,207,097.29	1,207,097.29	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/15/2023	31846V567	(493,426.44)	1.00	493,426.44	493,426.44	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/16/2023	31846V567	(8,654.84)	1.00	8,654.84	8,654.84	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/17/2023	31846V567	(9,056.25)	1.00	9,056.25	9,056.25	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/20/2023	31846V567	(148,462.42)	1.00	148,462.42	148,462.42	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/20/2023	31846V567	(164,250.11)	1.00	164,250.11	164,250.11	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/21/2023	31846V567	(79,577.70)	1.00	79,577.70	79,577.70	-
PURCHASED PAR VALUE OF F H L B DEB SECURITIES, LLC/7,500,000 PAR VALUE AT 102.167 %	4.500% 3/10/28 /WELLS FARGO 3/22/2023	3130ATSS7	(7,662,525.00)	1.02	7,500,000.00	7,662,525.00	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/23/2023	31846V567	(41,300.00)	1.00	41,300.00	41,300.00	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/27/2023	31846V567	(238,997.04)	1.00	238,997.04	238,997.04	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
PURCHASED PAR VALUE OF MUFG BK LTD N Y BRH C P 6/26/23 /MITSUBISHI UFJ SECURITIES USA/3,000,000 PAR VALUE AT 98.72 %	3/28/2023	62479MTS2	(2,961,600.00)	0.99	3,000,000.00	2,961,600.00	-
PURCHASED PAR VALUE OF BANK OF AMERICA MTN 3.824% 1/20/28 /GOLDMAN SACHS & CO. LLC/MTXX 2,940,000 PAR VALUE AT 94.842 %	3/30/2023	06051GGF0	(2,788,354.80)	0.95	2,940,000.00	2,788,354.80	-
PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	3/31/2023	31846V567	(449,687.50)	1.00	449,687.50	449,687.50	-
<b>Total Acquisitions</b>			<b>(51,860,833.43)</b>		<b>52,175,939.03</b>	<b>51,860,833.43</b>	<b>-</b>
<b>Dispositions</b>							
MATURED PAR VALUE OF PEPSICO INC 2.750% 3/01/23 1,650,000 PAR VALUE AT 100 %	3/1/2023	713448CG1	1,650,000.00	1.00	(1,650,000.00)	(1,640,331.00)	9,669.00
FULL CALL PAR VALUE OF BANK OF AMERICA 3.550% 3/05/24 /CALLS/ MATURED PAR VALUE OF BANK MONTREAL C D 4.580% 3/07/23 2,500,000 PAR VALUE AT 100 %	3/6/2023	06051GHF9	6,675,000.00	1.00	(6,675,000.00)	(6,770,625.75)	(95,625.75)
	3/7/2023	06367D2S3	2,500,000.00	1.00	(2,500,000.00)	(2,499,999.50)	0.50
SOLD UNITS OF FIRST AM GOVT OB FD CL Z	3/8/2023	31846V567	2,966,463.96	1.00	(2,966,463.96)	(2,966,463.96)	-
SOLD UNITS OF FIRST AM GOVT OB FD CL Z	3/9/2023	31846V567	1,020,134.01	1.00	(1,020,134.01)	(1,020,134.01)	-
MATURED PAR VALUE OF F H L B DISC NTS 3/10/23 10,000,000 PAR VALUE AT 100 %	3/10/2023	313384CW7	9,888,727.22	1.00	(10,000,000.00)	(9,888,727.22)	-
SOLD UNITS OF FIRST AM GOVT OB FD CL Z	3/13/2023	31846V567	3,067,009.16	1.00	(3,067,009.16)	(3,067,009.16)	-
MATURED PAR VALUE OF U S TREASURY BILL 3/14/23 5,000,000 PAR VALUE AT 100 %	3/14/2023	912796Z69	4,965,884.72	1.00	(5,000,000.00)	(4,965,884.72)	-
PAID DOWN PAR VALUE OF JOHN DEERE OWNER 0.510% 11/15/24	3/15/2023	47787NAC3	61,499.54	-	(61,499.54)	(61,490.17)	9.37
PAID DOWN PAR VALUE OF MERCEDES BENZ AUTO 0.400% 11/15/24	3/15/2023	58769KAD6	219,174.77	-	(219,174.77)	(219,158.22)	16.55
PAID DOWN PAR VALUE OF HTUNDAI AUTO REC TR 0.380% 1/15/26	3/15/2023	44934KAC8	202,929.62	-	(202,929.62)	(202,884.83)	44.79
PAID DOWN PAR VALUE OF HYUNDAI AUTO REC 0.380% 9/15/25	3/15/2023	44933LAC7	117,663.82	-	(117,663.82)	(117,651.44)	12.38
PAID DOWN PAR VALUE OF JOHN DEERE OWNER 0.360% 9/15/25	3/15/2023	47788UAC6	98,980.09	-	(98,980.09)	(98,961.07)	19.02
PAID DOWN PAR VALUE OF TOYOTA AUTO RECV 0.440% 10/15/24	3/15/2023	89237VAB5	120,564.74	-	(120,564.74)	(120,555.46)	9.28
PAID DOWN PAR VALUE OF NISSAN AUTO 1.930% 7/15/24	3/15/2023	65479JAD5	124,852.65	-	(124,852.65)	(124,846.06)	6.59
PAID DOWN PAR VALUE OF HYUNDAI AUTO LEASE 0.330% 6/17/24	3/15/2023	44891VAC5	448,818.86	-	(448,818.86)	(448,751.54)	67.32
MATURED PAR VALUE OF VIRGINIA ELEC PWR 2.750% 3/15/23 2,000,000 PAR VALUE AT 100 %	3/15/2023	927804FN9	2,000,000.00	1.00	(2,000,000.00)	(2,003,940.00)	(3,940.00)
PAID DOWN PAR VALUE OF F H L M C MLTCL MTG 4.014% 8/15/32	3/15/2023	3133TCE95	49.15	-	(49.15)	(49.20)	(0.05)
PAID DOWN PAR VALUE OF F H L M C #786064 4.262% 1/01/28 FEBRUARY FHLMC DUE 3/15/23	3/15/2023	31348SWZ3	11.15	-	(11.15)	(10.88)	0.27
PAID DOWN PAR VALUE OF G N M A I I #080965 2.625% 7/20/34 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225DCB8	126.94	-	(126.94)	(126.86)	0.08
PAID DOWN PAR VALUE OF TOYOTA LEASE OWNER 0.420% 10/21/24	3/20/2023	89239CAC3	99,306.61	-	(99,306.61)	(99,305.27)	1.34
PAID DOWN PAR VALUE OF HONDA AUTO 0.370% 10/18/24	3/20/2023	43813KAC6	148,059.21	-	(148,059.21)	(148,037.46)	21.75

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
PAID DOWN PAR VALUE OF G N M A I I #080408 2.875% 5/20/30 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CN28	264.93	-	(264.93)	(262.24)	2.69
PAID DOWN PAR VALUE OF G N M A I I #080088 3.000% 6/20/27 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CC20	87.83	-	(87.83)	(89.75)	(1.92)
PAID DOWN PAR VALUE OF G N M A I I #080023 2.750% 12/20/26 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CAZ9	115.55	-	(115.55)	(117.46)	(1.91)
PAID DOWN PAR VALUE OF G N M A I I #080395 2.875% 4/20/30 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CNM4	34.91	-	(34.91)	(34.59)	0.32
PAID DOWN PAR VALUE OF HONDA AUTO 0.270% 4/21/25	3/21/2023	43813GAC5	77,682.53	-	(77,682.53)	(77,681.11)	1.42
SOLD PAR VALUE OF U S TREASURY NT 2.125% 2/29/24 /J.P. MORGAN SECURITIES LLC/XOFF 3,000,000 PAR VALUE AT 97.671875 %	3/22/2023	912828W48	2,930,156.25	0.98	(3,000,000.00)	(2,973,515.62)	(43,359.37)
SOLD UNITS OF FIRST AM GOVT OB FD CL Z	3/22/2023	31846V567	4,709,307.61	1.00	(4,709,307.61)	(4,709,307.61)	-
PAID DOWN PAR VALUE OF F N M A #745580 5.000% 6/01/36 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31403DJZ3	329.70	-	(329.70)	(354.43)	(24.73)
PAID DOWN PAR VALUE OF F N M A #748678 5.000% 10/01/33 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31403GXF4	4.36	-	(4.36)	(4.69)	(0.33)
PAID DOWN PAR VALUE OF F N M A #815971 5.000% 3/01/35 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31406PQY8	3,238.97	-	(3,238.97)	(3,481.89)	(242.92)
PAID DOWN PAR VALUE OF F N M A #823358 3.955% 2/01/35 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31406XWT5	126.80	-	(126.80)	(125.81)	0.99
PAID DOWN PAR VALUE OF F N M A #826080 5.000% 7/01/35 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31407BXH7	69.84	-	(69.84)	(75.08)	(5.24)
PAID DOWN PAR VALUE OF F N M A GTD REMIC 2.472% 2/25/41	3/27/2023	31397QRE0	577.21	-	(577.21)	(577.03)	0.18
PAID DOWN PAR VALUE OF F N M A #888336 5.000% 7/01/36 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31410F4V4	704.51	-	(704.51)	(757.35)	(52.84)
PAID DOWN PAR VALUE OF F N M A #MA0022 4.500% 4/01/29 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31417YAY3	167.41	-	(167.41)	(177.05)	(9.64)
PAID DOWN PAR VALUE OF F H L M C MLTCL MT 9.50001% 9/25/43	3/27/2023	31394JY35	13,610.39	-	(13,610.39)	(15,413.77)	(1,803.38)
PAID DOWN PAR VALUE OF AMRESKO 4.18665% 6/25/29	3/27/2023	03215PFN4	1,214.98	-	(1,214.98)	(912.37)	302.61
PAID DOWN PAR VALUE OF BMW VEHICLE LEASE 0.330% 12/26/24	3/27/2023	09690AAC7	173,874.97	-	(173,874.97)	(173,857.03)	17.94
PAID DOWN PAR VALUE OF F N M A #357969 5.000% 9/01/35 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31376KT22	964.39	-	(964.39)	(1,036.72)	(72.33)
PAID DOWN PAR VALUE OF F N M A #AL0869 4.500% 6/01/29 FEBRUARY FNMA DUE 3/25/23	3/27/2023	3138EG6F6	71.77	-	(71.77)	(75.90)	(4.13)
PAID DOWN PAR VALUE OF F N M A #257179 4.500% 4/01/28 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31371NUC7	101.58	-	(101.58)	(107.43)	(5.85)
SOLD UNITS OF FIRST AM GOVT OB FD CL Z	3/28/2023	31846V567	2,961,600.00	1.00	(2,961,600.00)	(2,961,600.00)	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
SOLD UNITS OF FIRST AM GOVT OB FD CL Z	3/30/2023	31846V567	2,810,215.33	1.00	(2,810,215.33)	(2,810,215.33)	-
<b>Total Dispositions</b>			<b>50,059,778.04</b>		<b>(50,275,009.85)</b>	<b>(50,194,724.04)</b>	<b>(134,946.00)</b>
<b>Other</b>							
INTEREST EARNED ON PEPSICO INC 2.750% 3/01/23 \$1 PV ON 1650000.0000 SHARES DUE 3/1/2023	3/1/2023	713448CG1	22,687.50	-	-	-	-
INTEREST EARNED ON FIRST AM GOVT OB FD CL Z UNIT ON 0.0000 SHARES DUE 2/28/2023 INTEREST FROM 2/1/23 TO 2/28/23	3/1/2023	31846V567	43,428.41	-	-	-	-
INTEREST EARNED ON FIRST AM GOVT OB FD CL Z UNIT ON 0.0000 SHARES DUE 2/28/2023 INTEREST FROM 2/1/23 TO 2/28/23	3/1/2023	31846V567	6,901.63	-	-	-	-
INTEREST EARNED ON CHARLES SCHWAB CORP 2.450% 3/03/27 \$1 PV ON 2325000.0000 SHARES DUE 3/3/2023	3/3/2023	808513BY0	28,481.25	-	-	-	-
INTEREST EARNED ON BANK OF AMERICA 3.550% 3/05/24 \$1 PV ON 6675000.0000 SHARES DUE 3/5/2023	3/6/2023	06051GHF9	118,481.25	-	-	-	-
INTEREST EARNED ON BANK MONTREAL C D 4.580% 3/07/23 \$1 PV ON 2500000.0000 SHARES DUE 3/7/2023 INTEREST ON 3/7/23 MATURITY	3/7/2023	06367D2S3	28,625.00	-	-	-	-
INTEREST EARNED ON F H L B DEB 3.375% 9/08/23 \$1 PV ON 10000000.0000 SHARES DUE 3/8/2023	3/8/2023	313383YJ4	168,750.00	-	-	-	-
INTEREST EARNED ON WALMART INC 3.950% 9/09/27 \$1 PV ON 4995000.0000 SHARES DUE 3/9/2023	3/9/2023	931142EX7	98,651.25	-	-	-	-
PAID ACCRUED INTEREST ON PURCHASE OF COOPERATIVE C D 3.740% 5/31/23	3/9/2023	21684XYR1	(23,271.11)	-	-	-	-
CASH RECEIPT CLASS ACTION RECEIPT GSE BONDS ANTITRUST LITIGATION	3/10/2023		883.24	-	-	-	-
CASH RECEIPT CLASS ACTION RECEIPT GSE BONDS ANTITRUST LITIGATION	3/10/2023		415.67	-	-	-	-
INTEREST EARNED ON TORONTO DOMINION MTN 2.800% 3/10/27 \$1 PV ON 5000000.0000 SHARES DUE 3/10/2023	3/10/2023	89114TZT2	70,000.00	-	-	-	-
INTEREST EARNED ON F H L B DISC NTS 3/10/23 \$1 PV ON 10000000.0000 SHARES DUE 3/10/2023 10,000,000 PAR VALUE AT 100 %	3/10/2023	313384CW7	111,272.78	-	-	-	-
INTEREST EARNED ON F H L B DEB 2.875% 9/13/24 \$1 PV ON 2500000.0000 SHARES DUE 3/13/2023	3/13/2023	3130A2UW4	35,937.50	-	-	-	-
INTEREST EARNED ON JPMORGAN CHASE CO 2.005% 3/13/26 \$1 PV ON 3500000.0000 SHARES DUE 3/13/2023	3/13/2023	46647PBH8	35,087.50	-	-	-	-
BOOK VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 45552.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/13/2023	912828WU0	-	-	-	-	-
STATE COST OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 45552.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/13/2023	912828WU0	-	-	-	-	-
PAID ACCRUED INTEREST ON PURCHASE OF BANK OF AMERICA MTN 3.824% 1/20/28	3/13/2023	06051GGF0	(18,775.31)	-	-	-	-
PAR VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 45552.0000 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/13/2023	912828WU0	-	-	45,552.00	-	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
FED BASIS OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 45552.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/13/2023	912828WU0	-	-	-	45,552.00	-
INTEREST EARNED ON MET TOWER MTN 1.250% 9/14/26 \$1 PV ON 3745000.0000 SHARES DUE 3/14/2023	3/14/2023	58989V2D5	23,406.25	-	-	-	-
INTEREST EARNED ON U S TREASURY BILL 3/14/23 \$1 PV ON 5000000.0000 SHARES DUE 3/14/2023 5,000,000 PAR VALUE AT 100 %	3/14/2023	912796Z69	34,115.28	-	-	-	-
INTEREST EARNED ON F H L B DEB 2.375% 3/14/25 \$1 PV ON 5225000.0000 SHARES DUE 3/14/2023	3/14/2023	3130A4CH3	62,046.88	-	-	-	-
INTEREST EARNED ON JOHN DEERE OWNER 0.510% 11/15/24 \$1 PV ON 169.7200 SHARES DUE 3/15/2023 \$0.00042/PV ON 399,350.42 PV DUE 3/15/23	3/15/2023	47787NAC3	169.72	-	-	-	-
INTEREST EARNED ON JOHN DEERE OWNER 2.320% 9/15/26 \$1 PV ON 5819.3300 SHARES DUE 3/15/2023 \$0.00193/PV ON 3,010,000.00 PV DUE 3/15/23	3/15/2023	47787JAC2	5,819.33	-	-	-	-
INTEREST EARNED ON HYUNDAI AUTO REC TR 0.740% 5/15/26 \$1 PV ON 986.6700 SHARES DUE 3/15/2023 \$0.00062/PV ON 1,600,000.00 PV DUE 3/15/23	3/15/2023	44935FAD6	986.67	-	-	-	-
INTEREST EARNED ON HTUNDAI AUTO REC TR 0.380% 1/15/26 \$1 PV ON 1912.6700 SHARES DUE 3/15/2023 \$0.00032/PV ON 6,040,000.00 PV DUE 3/15/23	3/15/2023	44934KAC8	1,912.67	-	-	-	-
INTEREST EARNED ON JOHN DEERE OWNER 0.360% 9/15/25 \$1 PV ON 517.4800 SHARES DUE 3/15/2023 \$0.00030/PV ON 1,724,923.43 PV DUE 3/15/23	3/15/2023	47788UAC6	517.48	-	-	-	-
INTEREST EARNED ON MERCEDES BENZ AUTO 5.210% 8/16/27 \$1 PV ON 31238.2900 SHARES DUE 3/15/2023 \$0.00434/PV ON 7,195,000.00 PV DUE 3/15/23	3/15/2023	58768PAC8	31,238.29	-	-	-	-
INTEREST EARNED ON JOHN DEERE OWNR TR 3.740% 2/16/27 \$1 PV ON 9786.3300 SHARES DUE 3/15/2023 \$0.00312/PV ON 3,140,000.00 PV DUE 3/15/23	3/15/2023	47800AAC4	9,786.33	-	-	-	-
INTEREST EARNED ON JOHN DEERE OWNER 5.090% 6/15/27 \$1 PV ON 17136.3300 SHARES DUE 3/15/2023 \$0.00424/PV ON 4,040,000.00 PV DUE 3/15/23	3/15/2023	47800BAC2	17,136.33	-	-	-	-
INTEREST EARNED ON HYUNDAI AUTO REC 0.380% 9/15/25 \$1 PV ON 543.8000 SHARES DUE 3/15/2023 \$0.00032/PV ON 1,717,265.59 PV DUE 3/15/23	3/15/2023	44933LAC7	543.80	-	-	-	-
INTEREST EARNED ON MERCEDES BENZ AUTO 0.400% 11/15/24 \$1 PV ON 1081.4800 SHARES DUE 3/15/2023 \$0.00033/PV ON 3,244,457.10 PV DUE 3/15/23	3/15/2023	58769KAD6	1,081.48	-	-	-	-
INTEREST EARNED ON U S TREASURY NT 0.375% 9/15/24 \$1 PV ON 10500000.0000 SHARES DUE 3/15/2023	3/15/2023	91282CCX7	19,687.50	-	-	-	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
INTEREST EARNED ON TOYOTA AUTO RECV 0.440% 10/15/24 \$1 PV ON 305.4000 SHARES DUE 3/15/2023 \$0.00037/PV ON 832,903.04 PV DUE 3/15/23	3/15/2023	89237VAB5	305.40	-	-	-	-
INTEREST EARNED ON NISSAN AUTO 1.930% 7/15/24 \$1 PV ON 366.0300 SHARES DUE 3/15/2023 \$0.00161/PV ON 227,585.20 PV DUE 3/15/23	3/15/2023	65479JAD5	366.03	-	-	-	-
INTEREST EARNED ON JOHN DEERE OWN 0.520% 3/16/26 \$1 PV ON 1222.0000 SHARES DUE 3/15/2023 \$0.00043/PV ON 2,820,000.00 PV DUE 3/15/23	3/15/2023	47789QAC4	1,222.00	-	-	-	-
INTEREST EARNED ON HYUNDAI AUTO REC 2.220% 10/15/26 \$1 PV ON 7955.0000 SHARES DUE 3/15/2023 \$0.00185/PV ON 4,300,000.00 PV DUE 3/15/23	3/15/2023	448977AD0	7,955.00	-	-	-	-
INTEREST EARNED ON HYUNDAI AUTO LEASE 1.160% 1/15/25 \$1 PV ON 2798.5000 SHARES DUE 3/15/2023 \$0.00097/PV ON 2,895,000.00 PV DUE 3/15/23	3/15/2023	44891WAC3	2,798.50	-	-	-	-
INTEREST EARNED ON ACE INA HOLDING 3.150% 3/15/25 \$1 PV ON 2000000.0000 SHARES DUE 3/15/2023	3/15/2023	00440EAS6	31,500.00	-	-	-	-
INTEREST EARNED ON AMERICAN EXPRESS 3.390% 5/17/27 \$1 PV ON 18701.5000 SHARES DUE 3/15/2023 \$0.00283/PV ON 6,620,000.00 PV DUE 3/15/23	3/15/2023	02582JIT8	18,701.50	-	-	-	-
INTEREST EARNED ON AMERICAN EXPRESS 3.750% 8/16/27 \$1 PV ON 6250.0000 SHARES DUE 3/15/2023 \$0.00313/PV ON 2,000,000.00 PV DUE 3/15/23	3/15/2023	02582JIV3	6,250.00	-	-	-	-
INTEREST EARNED ON BANK OF MONTREAL MTN 1.250% 9/15/26 \$1 PV ON 3000000.0000 SHARES DUE 3/15/2023	3/15/2023	06368FAC3	18,750.00	-	-	-	-
INTEREST EARNED ON BERKSHIRE HATHAWAY 2.300% 3/15/27 \$1 PV ON 6875000.0000 SHARES DUE 3/15/2023	3/15/2023	084664CZ2	79,062.50	-	-	-	-
INTEREST EARNED ON VIRGINIA ELEC PWR 2.750% 3/15/23 \$1 PV ON 2000000.0000 SHARES DUE 3/15/2023	3/15/2023	927804FN9	27,500.00	-	-	-	-
INTEREST EARNED ON F H L M C MLTCL MTG 4.014% 8/15/32 \$1 PV ON 9.2300 SHARES DUE 3/15/2023 \$0.00335/PV ON 2,758.90 PV DUE 3/15/23	3/15/2023	3133TCE95	9.23	-	-	-	-
INTEREST EARNED ON F H L M C #786064 4.262% 1/01/28 \$1 PV ON 2.6100 SHARES DUE 3/15/2023 JANUARY FHLMC DUE 3/15/23	3/15/2023	31348SWZ3	2.61	-	-	-	-
INTEREST EARNED ON HYUNDAI AUTO LEASE 0.330% 6/17/24 \$1 PV ON 906.0800 SHARES DUE 3/15/2023 \$0.00027/PV ON 3,294,844.11 PV DUE 3/15/23	3/15/2023	44891VAC5	906.08	-	-	-	-
INTEREST EARNED ON DEERE JOHN MTN 4.150% 9/15/27 \$1 PV ON 2000000.0000 SHARES DUE 3/15/2023	3/15/2023	24422EWK1	43,113.89	-	-	-	-
INTEREST EARNED ON HONDA AUTO REC OWN 1.880% 5/15/26 \$1 PV ON 6157.0000 SHARES DUE 3/15/2023 \$0.00157/PV ON 3,930,000.00 PV DUE 3/15/23	3/15/2023	43815BAC4	6,157.00	-	-	-	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
INTEREST EARNED ON GM FIN CONS AUTO 1.260% 11/16/26 \$1 PV ON 1669.5000 SHARES DUE 3/16/2023 \$0.00105/PV ON 1,590,000.00 PV DUE 3/16/23	3/16/2023	380146AC4	1,669.50	-	-	-	-
INTEREST EARNED ON GM FIN CONS AUTO 0.680% 9/16/26 \$1 PV ON 966.1700 SHARES DUE 3/16/2023 \$0.00057/PV ON 1,705,000.00 PV DUE 3/16/23	3/16/2023	362554AC1	966.17	-	-	-	-
INTEREST EARNED ON GM FIN CONS AUT 3.100% 2/16/27 \$1 PV ON 6019.1700 SHARES DUE 3/16/2023 \$0.00258/PV ON 2,330,000.00 PV DUE 3/16/23	3/16/2023	362585AC5	6,019.17	-	-	-	-
INTEREST EARNED ON WALMART INC 1.050% 9/17/26 \$1 PV ON 1725000.0000 SHARES DUE 3/17/2023	3/17/2023	931142ER0	9,056.25	-	-	-	-
INTEREST EARNED ON TOYOTA LEASE OWNER 0.420% 10/21/24 \$1 PV ON 1114.7500 SHARES DUE 3/20/2023 \$0.00035/PV ON 3,185,000.00 PV DUE 3/20/23	3/20/2023	89239CAC3	1,114.75	-	-	-	-
INTEREST EARNED ON VERIZON MASTER TR 3.720% 7/20/27 \$1 PV ON 8525.0000 SHARES DUE 3/20/2023 \$0.00310/PV ON 2,750,000.00 PV DUE 3/20/23	3/20/2023	92348KAV5	8,525.00	-	-	-	-
INTEREST EARNED ON TOYOTA LEASE OWNER 1.960% 2/20/25 \$1 PV ON 10004.1600 SHARES DUE 3/20/2023 \$0.00163/PV ON 6,125,000.00 PV DUE 3/20/23	3/20/2023	89238LAC4	10,004.16	-	-	-	-
INTEREST EARNED ON SCHWAB CHARLES 0.750% 3/18/24 \$1 PV ON 2785000.0000 SHARES DUE 3/18/2023	3/20/2023	808513BN4	10,443.75	-	-	-	-
INTEREST EARNED ON HONDA AUTO 0.370% 10/18/24 \$1 PV ON 403.2100 SHARES DUE 3/18/2023 \$0.00031/PV ON 1,307,712.65 PV DUE 3/18/23	3/20/2023	43813KAC6	403.21	-	-	-	-
INTEREST EARNED ON GM FIN AUTO LSNG 3.420% 6/20/25 \$1 PV ON 8649.7500 SHARES DUE 3/20/2023 \$0.00285/PV ON 3,035,000.00 PV DUE 3/20/23	3/20/2023	36266FAC3	8,649.75	-	-	-	-
INTEREST EARNED ON GM FIN AUTO LSNG TR 1.900% 3/20/25 \$1 PV ON 7948.3400 SHARES DUE 3/20/2023 \$0.00158/PV ON 5,020,000.00 PV DUE 3/20/23	3/20/2023	36265MAC9	7,948.34	-	-	-	-
INTEREST EARNED ON G N M A I I #080965 2.625% 7/20/34 \$1 PV ON 40.0300 SHARES DUE 3/20/2023 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225DCB8	40.03	-	-	-	-
INTEREST EARNED ON G N M A I I #080395 2.875% 4/20/30 \$1 PV ON 6.5600 SHARES DUE 3/20/2023 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CNM4	6.56	-	-	-	-
INTEREST EARNED ON BLACKROCK INC 3.500% 3/18/24 \$1 PV ON 1000000.0000 SHARES DUE 3/18/2023	3/20/2023	09247XAL5	17,500.00	-	-	-	-
INTEREST EARNED ON G N M A I I #080408 2.875% 5/20/30 \$1 PV ON 56.6600 SHARES DUE 3/20/2023 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CN28	56.66	-	-	-	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
INTEREST EARNED ON G N M A I I #080088 3.000% 6/20/27 \$1 PV ON 11.5900 SHARES DUE 3/20/2023 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CC20	11.59	-	-	-	-
INTEREST EARNED ON G N M A I I #080023 2.750% 12/20/26 \$1 PV ON 12.7500 SHARES DUE 3/20/2023 FEBRUARY GNMA DUE 3/20/23	3/20/2023	36225CAZ9	12.75	-	-	-	-
INTEREST EARNED ON HONDA AUTO REC 0.880% 1/21/26 \$1 PV ON 1679.3300 SHARES DUE 3/21/2023 \$0.00073/PV ON 2,290,000.00 PV DUE 3/21/23	3/21/2023	43815GAC3	1,679.33	-	-	-	-
INTEREST EARNED ON HONDA AUTO 0.270% 4/21/25 \$1 PV ON 215.8400 SHARES DUE 3/21/2023 \$0.00023/PV ON 959,299.99 PV DUE 3/21/23	3/21/2023	43813GAC5	215.84	-	-	-	-
INTEREST EARNED ON TOYOTA MOTOR MTN 3.050% 3/22/27 \$1 PV ON 2000000.0000 SHARES DUE 3/22/2023	3/22/2023	89236TJZ9	30,500.00	-	-	-	-
RECEIVED ACCRUED INTEREST ON SALE OF U S TREASURY NT 2.125% 2/29/24	3/22/2023	912828W48	3,811.14	-	-	-	-
PAID ACCRUED INTEREST ON PURCHASE OF F H L B DEB 4.500% 3/10/28	3/22/2023	3130ATS57	(11,250.00)	-	-	-	-
INTEREST EARNED ON F H L M C M T N 0.375% 9/23/25 \$1 PV ON 7660000.0000 SHARES DUE 3/23/2023	3/23/2023	3137EAEX3	14,362.50	-	-	-	-
INTEREST EARNED ON INTER AMER BK M T N 0.500% 9/23/24 \$1 PV ON 10775000.0000 SHARES DUE 3/23/2023	3/23/2023	4581X0DZ8	26,937.50	-	-	-	-
INTEREST EARNED ON F N M A #745580 5.000% 6/01/36 \$1 PV ON 173.2100 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31403DJZ3	173.21	-	-	-	-
INTEREST EARNED ON F N M A #748678 5.000% 10/01/33 \$1 PV ON 3.0400 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31403GXF4	3.04	-	-	-	-
INTEREST EARNED ON F N M A #815971 5.000% 3/01/35 \$1 PV ON 267.4400 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31406PQY8	267.44	-	-	-	-
INTEREST EARNED ON F N M A #826080 5.000% 7/01/35 \$1 PV ON 33.3600 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31407BXH7	33.36	-	-	-	-
INTEREST EARNED ON F N M A #888336 5.000% 7/01/36 \$1 PV ON 290.7700 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31410F4V4	290.77	-	-	-	-
INTEREST EARNED ON F N M A #MA0022 4.500% 4/01/29 \$1 PV ON 22.4500 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31417YAY3	22.45	-	-	-	-
INTEREST EARNED ON F N M A #823358 3.955% 2/01/35 \$1 PV ON 51.2700 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31406XWT5	51.27	-	-	-	-
INTEREST EARNED ON F N M A GTD REMIC 2.472% 2/25/41 \$1 PV ON 329.7700 SHARES DUE 3/25/2023 \$0.00441/PV ON 74,707.15 PV DUE 3/25/23	3/27/2023	31397QRE0	329.77	-	-	-	-
INTEREST EARNED ON F N M A #AL0869 4.500% 6/01/29 \$1 PV ON 13.1900 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	3138EG6F6	13.19	-	-	-	-
INTEREST EARNED ON AMRESKO 4.18665% 6/25/29 \$1 PV ON 393.7400 SHARES DUE 3/25/2023 \$0.00349/PV ON 112,855.21 PV DUE 3/25/23	3/27/2023	03215PFN4	393.74	-	-	-	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
INTEREST EARNED ON BMW VEHICLE LEASE 5.160% 11/25/25 \$1 PV ON 4386.0000 SHARES DUE 3/25/2023 \$0.00573/PV ON 765,000.00 PV DUE 3/25/23	3/27/2023	05593AAC3	4,386.00	-	-	-	-
INTEREST EARNED ON F H L M C MLTCL MT 9.50001% 9/25/43 \$1 PV ON 2150.6900 SHARES DUE 3/25/2023 \$0.00542/PV ON 397,050.35 PV DUE 3/25/23	3/27/2023	31394JY35	2,150.69	-	-	-	-
INTEREST EARNED ON BMW VEH OWNER TR 3.210% 8/25/26 \$1 PV ON 6767.7500 SHARES DUE 3/25/2023 \$0.00268/PV ON 2,530,000.00 PV DUE 3/25/23	3/27/2023	05602RAD3	6,767.75	-	-	-	-
INTEREST EARNED ON BMW VEHICLE LEASE 0.330% 12/26/24 \$1 PV ON 454.7100 SHARES DUE 3/25/2023 \$0.00027/PV ON 1,653,499.41 PV DUE 3/25/23	3/27/2023	09690AAC7	454.71	-	-	-	-
INTEREST EARNED ON BMW VEHICLE LEASE 1.100% 3/25/25 \$1 PV ON 2200.0100 SHARES DUE 3/25/2023 \$0.00092/PV ON 2,400,000.00 PV DUE 3/25/23	3/27/2023	05601XAC3	2,200.01	-	-	-	-
INTEREST EARNED ON F N M A #257179 4.500% 4/01/28 \$1 PV ON 18.4200 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31371NUC7	18.42	-	-	-	-
INTEREST EARNED ON F N M A #357969 5.000% 9/01/35 \$1 PV ON 171.8400 SHARES DUE 3/25/2023 FEBRUARY FNMA DUE 3/25/23	3/27/2023	31376KT22	171.84	-	-	-	-
INTEREST EARNED ON F H L B GTD REMIC 3.171% 10/25/24 \$1 PV ON 13212.5000 SHARES DUE 3/25/2023 \$0.00264/PV ON 5,000,000.00 PV DUE 3/25/23	3/27/2023	3137BFE98	13,212.50	-	-	-	-
INTEREST EARNED ON F H L M C MLTCL MTG 3.120% 9/25/26 \$1 PV ON 13000.0000 SHARES DUE 3/25/2023 \$0.00260/PV ON 5,000,000.00 PV DUE 3/25/23	3/27/2023	3137BSRE5	13,000.00	-	-	-	-
BOOK VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 53664.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/29/2023	912828WU0	-	-	-	-	-
STATE COST OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 53664.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/29/2023	912828WU0	-	-	-	-	-
PAR VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 53664.0000 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/29/2023	912828WU0	-	-	53,664.00	-	-
FED BASIS OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 53664.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	3/29/2023	912828WU0	-	-	-	53,664.00	-
PAID ACCRUED INTEREST ON PURCHASE OF BANK OF AMERICA MTN 3.824% 1/20/28	3/30/2023	06051GGF0	(21,860.53)	-	-	-	-
INTEREST EARNED ON U S TREASURY NT 0.250% 9/30/25 \$1 PV ON 6500000.0000 SHARES DUE 3/31/2023	3/31/2023	91282CAM3	8,125.00	-	-	-	-
INTEREST EARNED ON U S TREASURY NT 0.750% 3/31/26 \$1 PV ON 10000000.0000 SHARES DUE 3/31/2023	3/31/2023	91282CBT7	37,500.00	-	-	-	-

### U.S. Bank Transaction History - March 2023

Transaction Type	Entry Date	CUSIP Id	Net Cash Amt	Price	Units	Cost	Gain Loss
INTEREST EARNED ON U S TREASURY NT 1.500% 9/30/24 \$1 PV ON 14000000.0000 SHARES DUE 3/31/2023	3/31/2023	912828YH7	105,000.00	-	-	-	-
INTEREST EARNED ON U S TREASURY NT 4.125% 9/30/27 \$1 PV ON 14500000.0000 SHARES DUE 3/31/2023	3/31/2023	91282CFM8	299,062.50	-	-	-	-
<b>Total Other</b>			<b>1,801,055.39</b>		<b>99,216.00</b>	<b>99,216.00</b>	<b>-</b>



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2908

**Agenda Date:** 4/26/2023

**Agenda Item No:** 6.

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**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Acting Director of Engineering

**SUBJECT:**

**PROCESS CONTROL SYSTEMS UPGRADE, PROJECT NO. J-120**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Purchase Order to ePlus Technology, Inc. for the purchase of software, hardware, and services for Specification No. E-2022-1375BD, Process Control Systems Upgrades (Project No. J-120), for a total amount not to exceed \$1,008,454 plus applicable sales tax and shipping; and
- B. Approve a contingency in the amount of \$100,845 (10%).

**BACKGROUND**

Process Control Systems Upgrades, Project No. J-120, will replace the existing Human-Machine-Interface (HMI) system and data historian with an ABB distributed control system (DCS). The HMI system is the graphical user interface for Orange County Sanitation District's (OC San) treatment plants and collections facilities control systems. Existing information technology (IT) server hardware for the existing HMI system and data historian were replaced with Nutanix Hyper-Converged Infrastructure (HCI) hardware through previous procurements.

**RELEVANT STANDARDS**

- 24/7/365 treatment plant reliability
- Ensure the public's money is wisely spent
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Protect OC San assets

**PROBLEM**

When the Nutanix HCI server hardware was initially purchased, it was sized to accommodate the existing control system requirements. Additional server hardware is required to properly phase and implement the new ABB DCS while maintaining the operation of the existing HMI system.

**PROPOSED SOLUTION**

To properly phase and implement the replacement of the existing HMI and data historian, OC San staff requests to increase the existing server hardware by purchasing additional Nutanix HCI servers and associated software and procuring professional services to install and configure the system.

**TIMING CONCERNS**

Additional hardware for existing HCI servers is required by December 2023 to maintain the current schedule for Process Control Systems Upgrades, Project No. J-120.

**RAMIFICATIONS OF NOT TAKING ACTION**

A decision not to purchase additional Nutanix HCI hardware and related professional services would limit the deployment of the new ABB DCS system and the ability to properly store new historical data.

**PRIOR COMMITTEE/BOARD ACTIONS**

July 2021 - Approved Task Order No. 1 under the Master Services Agreement with ABB Inc. to provide services, software, and equipment for Process Control Systems Upgrades, Project No. J-120, for an amount not to exceed \$11,818,480; and approved a contingency of \$1,181,848 (10%).

**ADDITIONAL INFORMATION**

A Notice Inviting Bids was issued on November 7, 2022 via PlanetBids. Bids were due on December 6, 2022. OC San received one bid valid for 180 calendar days from the bid opening date. No other bids were submitted. A post-bid survey of potential bidders indicated reasons for some vendors not bidding included the inability to bid due to the large scope of work and the inability to fulfill the requirements. The engineer's estimate for the bill of material was \$1,200,000.

The following is a summary of the bid received:

<b>Company Name</b>	<b>Bid</b>	<b>Determination</b>
ePlus Technology	\$1,008,453.15	Responsive

The bid was evaluated in accordance with OC San policies and procedures. Costs were evaluated based on previous competitive bids and determined to be fair and reasonable. In addition, the two previous low-bid procurements for Nutanix HCI solutions had multiple bidders and were awarded to ePlus Technology. Based on the result, staff recommends awarding the Purchase Order to ePlus Technology. A notice was sent to the bidder on January 5, 2023, informing them of the intent of OC San to recommend approval of a purchase order to ePlus Technology.

**CEQA**

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. A Notice of Exemption has been filed with the OC Clerk-Recorder (July 2021).

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 37, Process Control Systems Upgrades, Project No. J-120) and the budget is sufficient for the recommended action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A

GR:tk



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2909

**Agenda Date:** 4/26/2023

**Agenda Item No:** 7.

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**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Acting Director of Engineering

**SUBJECT:**

**FURNITURE, FIXTURES, AND EQUIPMENT PURCHASE FOR HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. P1-128A**

### GENERAL MANAGER'S RECOMMENDATION

#### RECOMMENDATION:

- A. Approve a Purchase Order Contract to GM Business Interiors (GMBI) for the purchase of furniture, fixtures, and equipment for the Headquarters Complex at Plant No. 1, Project No. P1-128A, utilizing the County of Orange Regional Cooperative Agreement No. RCA-017-22010154 for a total amount not to exceed \$3,907,183 including freight and sales tax; and
- B. Approve a contingency of \$39,072 (1%).

### BACKGROUND

Orange County Sanitation District (OC San) is constructing a new Headquarters Complex project under Project No. P1-128A. The new headquarters building will require furniture, fixtures, and equipment (FFE) which were intentionally not included in the primary construction contract and were planned as a separate, coordinated effort. The FFE includes items such as desks, chairs, and cabinets. The P1-128A design consultant, HDR Engineering, assisted in the FFE design to ensure the items selected are cohesive with the aesthetic of the new building and meet quality standards.

### RELEVANT STANDARDS

- Ensure the public's money is wisely spent
- Provide a safe and collegial workplace
- Maintain positive employer-employee relations

### PROBLEM

The new headquarters building requires FFE to be functional. Staff will not be able to use the new building if FFE is not purchased.

## **PROPOSED SOLUTION**

Approve a purchase order contract for FFE for Headquarters Complex at Plant No. 1, Project No. P1-128A.

## **TIMING CONCERNS**

The FFE must be installed by December 2023 to maintain the project schedule and allow staff to occupy the new building.

## **RAMIFICATIONS OF NOT TAKING ACTION**

The move into the new building will be delayed.

## **PRIOR COMMITTEE/BOARD ACTIONS**

N/A

## **ADDITIONAL INFORMATION**

At the beginning of 2022, OC San engaged three (3) different furniture dealers that currently have active cooperative agreements that OC San can utilize for this type of purchase in accordance with OC San's Purchasing Ordinance. In March 2022, staff conducted showroom tours of all three companies and subsequently worked with each to provide mockups of the potential cubicle and office layouts. The mockups were available onsite in August 2022 for employees to review and provide feedback. All three companies met the quality and needs for the new headquarters building.

OC San requested proposals on December 28, 2022 from all three companies. The proposals were reviewed and evaluated, and follow-up showroom visits were conducted to confirm the quality of selections. GMBI provided the most competitively priced proposal that met the needs and quality for the furniture requirements. The next lowest proposal that also met OC San's needs was more than a million dollars higher than GMBI's. OC San will work with GMBI under the County of Orange Regional Cooperative Agreement Number RCA-017-22010154, which was awarded by the County of Orange using a competitive bid process comparable to OC San's and vetted by OC San's Purchasing Division.

## **CEQA**

The Headquarters Complex project is included in the Addendum to the City of Fountain Valley "Fountain Valley Crossings Specific Plan" Program Environmental Impact Report, State Clearinghouse No. 2015101042.

## **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 55, Headquarters Complex, Project No. P1-128) and the budget is sufficient for the recommended action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A

AB:jw



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

**File #:** 2023-2910

**Agenda Date:** 4/26/2023

**Agenda Item No:** 8.

**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Acting Director of Engineering

**SUBJECT:**

### **OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER, PROJECT NO. FE20-08**

#### **GENERAL MANAGER'S RECOMMENDATION**

##### RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River, Project No. FE20-08;
- B. Award a Construction Contract to Mehta Mechanical Co. Inc. dba MMC Inc. for Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River, Project No. FE20-08, for an amount not to exceed \$1,944,000; and
- C. Approve a contingency of \$194,400 (10%).

#### **BACKGROUND**

The Orange County Sanitation District (OC San) owns and operates a sewer siphon at the Santa Ana River on Katella Avenue in the cities of Orange and Anaheim. In recent years, this siphon became clogged with sand and other debris due to corrosion, and these reclaimable flows were diverted to the adjacent Santa Ana River Interceptor (SARI) which consists of non-reclaimable flows. This project will rehabilitate this siphon and restore flows back into the Olive Sub -Trunk Sewer System.

#### **RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Achieve less than 2.1 sewer spills per 100 miles
- Operate and maintain facilities to minimize impacts on surrounding communities including odor, noise, and lighting
- Use all practical and effective means for resource recovery

#### **PROBLEM**

The existing siphon is corroded with structural deficiencies that prevent putting the line in service and allows sediments and other debris to enter the pipe. The siphon manholes are also deteriorated. The siphon does not have an air jumper, preventing it from functioning properly.

**PROPOSED SOLUTION**

Award a construction contract for Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River, Project No. FE20-08. The project will rehabilitate 550-feet of 24-inch ductile iron siphon, install a new 16-inch fiberglass reinforced pipe air jumper, replace the upstream manhole, and rehabilitate the downstream manhole.

**TIMING CONCERNS**

Reclaimable water is being diverted to the non-reclaimable SARI until this siphon is repaired. Delaying the project could result in continued sediment buildup in the siphon, continued corrosion of the iron pipe, and migration of sediments could leave voids in the soil that could lead to further settlement of the pipe.

**RAMIFICATIONS OF NOT TAKING ACTION**

Not rehabilitating the siphon will prevent OC San from being able to reclaim these flows for the Groundwater Replenishment System. This siphon needs to be rehabilitated in order to restore full functionality of the system.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River, Project No. FE20-08 for bids on November 23, 2022, and three sealed bids were received on February 7, 2023. A summary of the bid opening is as follows:

Engineer's Estimate	\$1,718,000
<u>Bidder</u>	<u>Amount of Bid</u>
Mehta Mechanical Co. Inc. dba MMC Inc.	\$1,944,000
James W. Fowler, Co.	\$2,484,500
Mladen Buntich Construction Company.	\$3,404,444

The bids were evaluated in accordance with OC San's policies and procedures. Staff reviewed the large differences among the bids and determined that this was likely due to risk factors involving this type of work and not as a result in gaps in the contract requirements. A notice was sent to all bidders on March 2, 2023 informing them of the intent of OC San staff to recommend award of the Construction Contract to Mehta Mechanical Co. Inc. dba MMC Inc.

**CEQA**

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. A Notice of Exemption will be filed with the OC Clerk-Recorder after OC San Board of Directors approval of the construction contract.

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 47, Small Construction Projects Program, Project No. M-FE) and the budget is sufficient for the recommended action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Construction Contract

HK:tk

**PART A**  
**CONTRACT AGREEMENT**

**TABLE OF CONTENTS**  
**CONTRACT AGREEMENT**

SECTION – 1      GENERAL ..... 1

SECTION – 2      MATERIALS AND LABOR..... 4

SECTION – 3      PROJECT ..... 4

SECTION – 4      PLANS AND SPECIFICATIONS..... 5

SECTION – 5      TIME OF COMMENCEMENT AND COMPLETION ..... 5

SECTION – 6      TIME IS OF THE ESSENCE ..... 5

SECTION – 7      EXCUSABLE DELAYS ..... 6

SECTION – 8      EXTRA WORK ..... 6

SECTION – 9      CHANGES IN PROJECT ..... 7

SECTION – 10     LIQUIDATED DAMAGES FOR DELAY ..... 7

SECTION – 11     CONTRACT PRICE AND METHOD OF PAYMENT ..... 7

SECTION – 12     SUBSTITUTION OF SECURITIES IN LIEU OF RETENTION OF FUNDS ..... 9

SECTION – 13     COMPLETION..... 10

SECTION – 14     CONTRACTOR'S EMPLOYEES COMPENSATION..... 10

SECTION – 15     SURETY BONDS ..... 12

SECTION – 16     INSURANCE ..... 13

SECTION – 17     RISK AND INDEMNIFICATION ..... 22

SECTION – 18     TERMINATION..... 23

SECTION – 19     WARRANTY ..... 23

SECTION – 20     ASSIGNMENT..... 24

SECTION – 21     RESOLUTION OF DISPUTES..... 24

SECTION – 22     SAFETY & HEALTH ..... 24

SECTION – 23     NOTICES ..... 25

CONTRACT AGREEMENT  
ORANGE COUNTY SANITATION DISTRICT

**PROJECT NO. FE20-08**

**OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER**

THIS AGREEMENT is made and entered into, to be effective, this April 26, 2023, by and between Mehta Mechanical Co. Inc. DBA MMC Inc., hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OC SAN".

WITNESSETH

That for and in consideration of the promises and agreements hereinafter made and exchanged, OC SAN and CONTRACTOR agree as follows:

**SECTION – 1      GENERAL**

CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the Work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR's investigation of all such matters and is in no way relying upon any opinions or representations of OC SAN. It is agreed that this Contract represents the entire agreement. It is further agreed that the Contract Documents are each incorporated into this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its Subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the Work covered by this Contract.

A. Contract Documents Order of Precedence

"Contract Documents" refers to those documents identified in the definition of "Contract Documents" in the General Conditions, "Definitions".

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CONFORMED

C-CA-062022  
PROJECT NO. FE20-08  
OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER

1. In the event of a conflict between one Contract Document and any of the other Contract Documents, the provisions in the document highest in precedence shall be controlling. The order of precedence of the Contract Documents is as follows:
  - a. Supplemental Agreements – the last in time being the first in precedence
  - b. Addenda issued prior to the date for submittal of Bids – the last in time being the first in precedence
  - c. Contract Agreement
  - d. Permits and other regulatory requirements
  - e. Special Provisions
  - f. General Conditions (GC)
  - g. Notice Inviting Bids and Instruction to Bidders
  - h. Geotechnical Baseline Report (GBR), if attached as a Contract Document
  - i. Plans and Specifications – in these documents the order of precedence shall be:
    - i. Specifications (Divisions 01-17)
    - ii. Plans
    - iii. General Requirements (GR)
    - iv. Standard Drawings and Typical Details
  - j. CONTRACTOR's Bid
2. In the event of a conflict between terms within an individual Contract Document, the conflict shall be resolved by applying the following principles as appears applicable:
  - a. Figured dimensions on the Contract Documents shall govern. Dimensions not specified shall be as directed by the ENGINEER. Details not shown or specified shall be the same as similar parts that are shown or specified, or as directed. Full-size details shall take precedence over scale Drawings as to

shape and details of construction. Specifications shall govern as to material and workmanship.

- b. The Contract Documents calling for the higher quality material or workmanship shall prevail. Materials or Work described in words, which so applied, have a well-known technical or trade meaning shall be deemed to refer to such recognized standards. In the event of any discrepancy between any Drawings and the figures thereon, the figures shall be taken as correct.
- c. Scale Drawings, full-size details, and Specifications are intended to be fully complementary and to agree. Should any discrepancy between Contract Documents come to the CONTRACTOR's attention, or should an error occur in the efforts of others, which affect the Work, the CONTRACTOR shall notify the ENGINEER, in writing, at once. In the event any doubts or questions arise with respect to the true meaning of the Contract Documents, reference shall be made to the ENGINEER whose written decision shall be final. If the CONTRACTOR proceeds with the Work affected without written instructions from the ENGINEER, the CONTRACTOR shall be fully responsible for any resultant damage or defect.
- d. Anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to OC SAN's ENGINEER, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR's own risk and expense. The decision of the ENGINEER shall be final.

In all matters relating to the acceptability of material, machinery or plant equipment; classifications of material or Work; the proper execution, progress or sequence of the Work; and quantities interpretation of the Contract Documents, the decision of the ENGINEER shall be final and binding, and shall be a condition precedent to any payment under the Contract, unless otherwise ordered by the Board of Directors.

**B. Definitions**

Capitalized terms used in this Contract are defined in the General Conditions, "Definitions". Additional terms may be defined in the Special Provisions.

**SECTION – 2 MATERIALS AND LABOR**

CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by OC SAN, to construct and complete the Project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, OC SAN may settle such claims by making demand upon the Surety to this Contract. In the event of the failure or refusal of the Surety to satisfy said claims, OC SAN may settle them directly and deduct the amount of payments from the Contract Price and any amounts due to CONTRACTOR. In the event OC SAN receives a stop payment notice from any laborer or material supplier alleging non-payment by CONTRACTOR, OC SAN shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

**SECTION – 3 PROJECT**

The Project is described as:

**PROJECT NO. FE20-08**

**OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER**

**SECTION – 4 PLANS AND SPECIFICATIONS**

The Work to be done is shown in a set of Plans and Specifications entitled:

**PROJECT NO. FE20-08**

**OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER**

Said Plans and Specifications and any revision, amendments and addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference.

**SECTION – 5 TIME OF COMMENCEMENT AND COMPLETION**

CONTRACTOR agrees to commence the Project within 15 calendar days from the date set forth in the “Notice to Proceed” sent by OC SAN, unless otherwise specified therein and shall diligently prosecute the Work to completion within three hundred twelve (312) calendar days from the date of the “Notice to Proceed” issued by OC SAN, excluding delays caused or authorized by OC SAN as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions. The time for completion includes twelve (12) calendar days determined by OC SAN likely to be inclement weather when CONTRACTOR will be unable to work.

**SECTION – 6 TIME IS OF THE ESSENCE**

Time is of the essence of this Contract. As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR’s Work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the Work covered by this Contract with that of all other contractors, subcontractors and of OC SAN, in a manner that will facilitate the efficient completion of the entire Work and accomplish the required milestone(s), if any, by the applicable deadline(s) in accordance with Section 5 herein. OC SAN shall have the right to assert complete control of the premises on which the Work is to be performed and shall have the right to decide the time or order in which

the various portions of the Work shall be installed or the priority of the work of subcontractors, and, in general, all matters representing the timely and orderly conduct of the Work of CONTRACTOR on the premises.

**SECTION – 7      EXCUSABLE DELAYS**

CONTRACTOR shall only be excused for any delay in the prosecution or completion of the Project as specifically provided in General Conditions, “Extension of Time for Delay”, and the General Requirements, “By CONTRACTOR or Others – Unknown Utilities during Contract Work”. Extensions of time and extra compensation arising from such excusable delays will be determined in accordance with the General Conditions, “Extension of Time for Delay” and “Contract Price Adjustments and Payments”, and extensions of time and extra compensation as a result of incurring undisclosed utilities will be determined in accordance with General Requirements, “By CONTRACTOR or Others – Unknown Utilities during Contract Work”. OC SAN’s decision will be conclusive on all parties to this Contract.

**SECTION – 8      EXTRA WORK**

The Contract Price as set forth in Section 11, includes compensation for all Work performed by CONTRACTOR, unless CONTRACTOR obtains a Change Order signed by a designated representative of OC SAN specifying the exact nature of the Extra Work and the amount of extra compensation to be paid all as more particularly set forth in Section 9 hereof and the General Conditions, “Request for Change (Changes at CONTRACTOR’s Request)”, “OWNER Initiated Changes”, and “Contract Price Adjustments and Payments”.

In the event a Change Order is issued by OC SAN pursuant to the Contract Documents, OC SAN shall extend the time fixed in Section 5 for completion of the Project by the number of days, if any, reasonably required for CONTRACTOR to perform the Extra Work, as determined by OC SAN’s ENGINEER. The decision of the ENGINEER shall be final.

## **SECTION – 9 CHANGES IN PROJECT**

OC SAN may at any time, without notice to any Surety, by Change Order, make any changes in the Work within the general scope of the Contract Document, including but not limited to changes:

1. In the Specifications (including Drawings and designs);
2. In the time, method or manner of performance of the Work;
3. In OC SAN-furnished facilities, equipment, materials, services or site; or
4. Directing acceleration in the performance of the Work.

No change of period of performance or Contract Price, or any other change in the Contract Documents, shall be binding until the Contract is modified by a fully executed Change Order.

All Change Orders shall be issued in accordance with the requirements set forth in the General Conditions, "Request for Change (Changes at CONTRACTOR's Request)" and "OWNER Initiated Changes".

## **SECTION – 10 LIQUIDATED DAMAGES FOR DELAY**

Liquidated Damages shall be payable in the amounts and upon the occurrence of such events or failure to meet such requirements or deadlines as provided in the Special Provisions, "Liquidated Damages and Incentives."

## **SECTION – 11 CONTRACT PRICE AND METHOD OF PAYMENT**

A. OC SAN agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any additions or deductions as provided in approved Change Orders, the sum of One Million Nine Hundred Forty-Four Thousand Dollars (\$1,944,000) as itemized on the attached Exhibit "A".

Upon satisfaction of the conditions precedent to payment set forth in the General Requirements, Additional General Requirements, and General Conditions (including but

not limited to Sections entitled “Mobilization Payment Requirements” and “Payment Itemized Breakdown of Contract Lump Sum Prices”), there shall be paid to the CONTRACTOR an initial Net Progress Payment for mobilization. OC SAN shall issue at the commencement of the job a schedule which shows:

1. A minimum of one payment to be made to the CONTRACTOR for each successive four (4) week period as the Work progresses, and
2. The due dates for the CONTRACTOR to submit requests for payment to meet the payment schedule.

After the initial Net Progress Payment, and provided the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule, the CONTRACTOR shall be paid a Net Progress Payment on the corresponding monthly payment date set forth in the schedule.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the ENGINEER, stating that the Work for which payment is demanded has been performed in accordance with the terms of the Contract Documents, and that the amount stated in the certificate is due under the terms of the Contract.

Payment applications shall also be accompanied with all documentation, records, and releases as required by the Contract; Exhibit A, Schedule of Prices; and General Conditions, “Payment for Work – General”. The Total amount of Progress Payments shall not exceed the actual value of the Work completed as certified by OC SAN’s ENGINEER. The processing of payments shall not be considered as an acceptance of any part of the Work.

- B. As used in this Section, the following defined terms shall have the following meanings:
1. **“Net Progress Payment”** means a sum equal to the Progress Payment less the Retention Amount and other qualified deductions (Liquidated Damages, stop payment notices, etc.).
  2. **“Progress Payment”** means a sum equal to:
    - a. the value of the actual Work completed since the commencement of the Work as determined by OC SAN;
    - b. plus the value of material suitably stored at the worksite, treatment plant or approved storage yards subject to or under the control of OC SAN since the commencement of the Work as determined by OC SAN;
    - c. less all previous Net Progress Payments;
    - d. less all amounts of previously qualified deductions;
    - e. less all amounts previously retained as Retention Amounts.
  3. **“Retention Amount”** for each Progress Payment means the percentage of each Progress Payment to be retained by OC SAN to assure satisfactory completion of the Contract. The amount to be retained from each Progress Payment shall be determined as provided in the General Conditions, “Retained Funds; Substitution of Securities.”

## **SECTION – 12 SUBSTITUTION OF SECURITIES IN LIEU OF RETENTION OF FUNDS**

Pursuant to Public Contract Code Section 22300 et seq., the CONTRACTOR may, at its sole expense, substitute securities as provided in General Conditions, “Retained Funds; Substitution of Securities.”

## **SECTION – 13    COMPLETION**

Final Completion and Final Acceptance shall occur at the time and in the manner specified in the General Conditions, “Final Acceptance and Final Completion”, “Final Payment”; and Exhibit A, Schedule of Prices.

Upon receipt of all documentation, records, and releases as required by the Contract from the CONTRACTOR, OC SAN shall proceed with the Final Acceptance as specified in General Conditions.

## **SECTION – 14    CONTRACTOR’S EMPLOYEES COMPENSATION**

### **A.    Davis-Bacon Act:**

CONTRACTOR will pay and will require all Subcontractors to pay all employees on said Project a salary or wage at least equal to the prevailing rate of per diem wages as determined by the Secretary of Labor in accordance with the Davis-Bacon Act for each craft or type of worker needed to perform the Contract. The provisions of the Davis-Bacon Act shall apply only if the Contract is in excess of Two Thousand Dollars (\$2,000.00) and when twenty-five percent (25%) or more of the Contract is funded by federal assistance. If the aforesaid conditions are met, a copy of the provisions of the Davis-Bacon Act to be complied with are incorporated herein as a part of this Contract and referred to by reference.

### **B.    General Prevailing Rate:**

OC SAN has been advised by the State of California Director of Industrial Relations of its determination of the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime Work in the locality in which the Work is to be performed for each craft or type of Work needed to execute this Contract, and copies of the same are on file in the Office of the ENGINEER of OC SAN. The CONTRACTOR

agrees that not less than said prevailing rates shall be paid to workers employed on this public works Contract as required by Labor Code Section 1774 of the State of California. Per California Labor Code 1773.2, OC SAN will have on file copies of the prevailing rate of per diem wages at its principal office and at each job site, which shall be made available to any interested party upon request.

C. Forfeiture for Violation:

CONTRACTOR shall, as a penalty to OC SAN, forfeit Two Hundred Dollars (\$200.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any Subcontractor under it) less than the prevailing rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770-1780 of the California Labor Code for the Work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.

D. Apprentices:

Sections 1777.5, 1777.6, 1777.7 of the Labor Code of the State of California, regarding the employment of apprentices are applicable to this Contract and the CONTRACTOR shall comply therewith if the prime contract involves Thirty Thousand Dollars (\$30,000.00) or more.

E. Workday:

In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him hereunder except as provided in paragraph (B) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Section 1810 et seq.) of the Labor Code of the State of California and shall forfeit to OC SAN as a penalty, the sum of Twenty-five Dollars (\$25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any Subcontractor for each calendar day during which any worker is

required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.

F. Registration; Record of Wages; Inspection:

CONTRACTOR shall comply with the registration requirements of Labor Code Section 1725.5. Pursuant to Labor Code Section 1771.4, the Work is subject to compliance monitoring by the California Department of Industrial Relations. CONTRACTOR shall maintain accurate payroll records and shall submit payroll records to the Labor Commissioner pursuant to Labor Code Section 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

CONTRACTOR shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations Section 16461(e).

**SECTION – 15 SURETY BONDS**

CONTRACTOR shall, before entering upon the performance of this Contract, furnish Bonds approved by OC SAN's General Counsel – one in the amount of one hundred percent (100%) of the Contract amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Contract amount to guarantee payment of all claims for labor and materials furnished. As changes to the Contract occur via approved Change Orders, the CONTRACTOR shall assure that the amounts of the Bonds are adjusted to maintain 100% of the Contract Price. This Contract shall not become effective until such Bonds are supplied to and approved by OC SAN. Bonds must be issued by a Surety authorized by the State Insurance Commissioner to do business in California. The Performance Bond shall remain in full force and effect through the warranty period, as specified in Section 19 below. All

Bonds required to be submitted relating to this Contract must comply with California Code of Civil Procedure Section 995.630. Each Bond shall be executed in the name of the Surety insurer under penalty of perjury, or the fact of execution of each Bond shall be duly acknowledged before an officer authorized to take and certify acknowledgments, and either one of the following conditions shall be satisfied:

- A. A copy of the transcript or record of the unrevoked appointment, power of attorney, by-laws, or other instrument, duly certified by the proper authority and attested by the seal of the insurer entitling or authorizing the person who executed the Bond to do so for and on behalf of the insurer, is on file in the Office of the County Clerk of the County of Orange; or
- B. A copy of a valid power of attorney is attached to the Bond.

**SECTION – 16 INSURANCE**

CONTRACTOR shall purchase and maintain, for the duration of the Contract, insurance against claims for injuries to persons, or damages to property which may arise from or in connection with the performance of the Work hereunder, and the results of that Work by CONTRACTOR, its agents, representatives, employees, or Subcontractors, in amounts equal to the requirements set forth below. CONTRACTOR shall not commence Work under this Contract until all insurance required under this Section is obtained in a form acceptable to OC SAN, nor shall CONTRACTOR allow any Subcontractor to commence Work on a subcontract until all insurance required of the Subcontractor has been obtained. CONTRACTOR shall maintain all of the foregoing insurance coverages in force through the point at which the Work under this Contract is fully completed and accepted by OC SAN pursuant to the provisions of the General Conditions, "Final Acceptance and Final Completion". Furthermore, CONTRACTOR shall maintain all of the foregoing insurance coverages in full force and effect throughout the warranty period, commencing on the date of Final Acceptance. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of OC SAN by

CONTRACTOR under Section 17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, inclusive of all changes to the Contract Documents made in accordance with the provisions of the General Conditions, "Request for Change (Changes at CONTRACTOR's Request)" and/or "OWNER Initiated Changes", the following insurance in amounts not less than the amounts specified. OC SAN reserves the right to amend the required limits of insurance commensurate with the CONTRACTOR's risk at any time during the course of the Project. No vehicles may enter OC SAN premises/worksite without possessing the required insurance coverage.

CONTRACTOR's insurance shall also comply with all insurance requirements prescribed by agencies from whom permits shall be obtained for the Work and any other third parties from whom third party agreements are necessary to perform the Work (collectively, the "Third Parties"). The Special Provisions may list such requirements and sample forms and requirements from such Third Parties may be included in an attachment to the General Requirements. CONTRACTOR bears the responsibility to discover and comply with all requirements of Third Parties, including meeting specific insurance requirements, that are necessary for the complete performance of the Work. To the extent there is a conflict between the Third Parties' insurance requirements and those set forth by OC SAN herein, the requirement(s) providing the more protective coverage for both OC SAN and the Third Parties shall control and be purchased and maintained by CONTRACTOR.

If CONTRACTOR maintains higher limits than the minimums shown in this Section, OC SAN requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

Where permitted by law, CONTRACTOR hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or

exclusions of coverage, or any other reason against OC SAN, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OC SAN in connection with the planning, development and construction of the Project. In all its insurance coverages (except for Professional Liability/Errors and Omissions coverages, if applicable) related to the Work, CONTRACTOR shall include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against OC SAN, its or their officers, agents, or employees, or any other contractor or subcontractor performing Work or rendering services at the Project. Where permitted by law, CONTRACTOR shall require similar written express waivers and insurance clauses from each of its Subcontractors of every tier. A waiver of subrogation shall be effective as to any individual or entity, even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

A. Limits of Insurance

1. General Liability: Five Million Dollars (\$5,000,000) per occurrence and a general aggregate limit of Ten Million Dollars (\$10,000,000) for bodily injury, personal injury and property damage. If aggregate limits apply separately to this contract (as evidenced by submission of ISO form CG 25 03 or CG 25 04), then the aggregate limit may be equivalent to the per occurrence limit. Coverage shall include each of the following:
  - a. Premises-Operations.
  - b. Products and Completed Operations, with limits of at least Five Million Dollars (\$5,000,000) per occurrence and a general aggregate limit of Ten Million Dollars (\$10,000,000) which shall be in effect at all times during the warranty period set forth in the Warranty section herein, and as set forth in the General

Conditions, "Warranty (CONTRACTOR's Guarantee)", plus any additional extension or continuation of time to said warranty period that may be required or authorized by said provisions. If aggregate limits apply separately to this contract (as evidenced by submission of ISO form CG 25 03 or CG 25 04), then the aggregate limit may be equivalent to the per occurrence limit.

- c. Broad Form Property Damage, expressly including damage arising out of explosion, collapse, or underground damage.
- d. Contractual Liability, expressly including the indemnity provisions assumed under this Contract.
- e. Separation of Insured Clause, providing that coverage applies separately to each insured, except with respect to the limits of liability.
- f. Independent CONTRACTOR's Liability.

To the extent first dollar coverage, including defense of any claim, is not available to OC SAN or any other additional insured because of any SIR, deductible, or any other form of self-insurance, CONTRACTOR is obligated to assume responsibility of insurer until the deductible, SIR or other condition of insurer assuming its defense and/or indemnity has been satisfied.

CONTRACTOR shall be responsible to pay any deductible or SIR.

- g. If a crane will be used, the general liability insurance will be endorsed to add Riggers Liability coverage or its equivalent to cover the usage of the crane and exposures with regard to the crane operators, riggers and others involved in using the crane.
- h. If divers will be used, the general liability insurance will be endorsed to cover marine liability or its equivalent to cover the usage of divers.

2. Automobile Liability: The CONTRACTOR shall maintain a policy of automobile liability insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limit of liability coverage: combined single limit of Two Million Dollars (\$2,000,000) for bodily injury, personal injury, and property damage.
3. Umbrella Excess Liability: The minimum limits of general liability and automobile liability insurance required, as set forth above, shall be provided for either in a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Excess liability coverage shall be issued with limits of liability which, when combined with the primary insurance, will equal the minimum limits for general liability and automobile liability.
4. Drone Liability Insurance: If a drone will be used, drone liability insurance must be maintained by CONTRACTOR in the amount of One Million Dollars (\$1,000,000) in a form acceptable to OC SAN.
5. Workers' Compensation/Employer's Liability: CONTRACTOR shall provide such workers' compensation insurance as required by the Labor Code of the State of California, including employer's liability with a minimum limit of One Million Dollars (\$1,000,000) per accident for bodily injury or disease. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage with regard to Jones Act claims.
6. Pollution Liability Insurance: CONTRACTOR shall purchase and maintain insurance for pollution liability covering bodily injury, property damage (including loss of use of damaged property or property that has not been physically injured or destroyed), cleanup costs, and defense costs (including costs and expenses for investigation, defense, or settlement of claims). Coverage shall carry limits of at least Two Million

Dollars (\$2,000,000) and shall apply to sudden and non-sudden pollution conditions (including sewage spills), both at the site or needed due to migration of pollutants from the site, resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants or pollutants.

If CONTRACTOR provides coverage written on a claims-made basis, OC SAN has the right to approve or reject such coverage in its own discretion. If written on a claims-made basis, the CONTRACTOR warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Contract, and that continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two years beginning from the time that the Project under this Contract is completed.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by OC SAN. At the option of OC SAN, either: the Insurer shall reduce or eliminate such deductibles or self-insured retentions as respects OC SAN, its Directors, officers, agents, consultants, and employees; or CONTRACTOR shall provide a financial guarantee satisfactory to OC SAN guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

C. Other Insurance Provisions

1. Each such policy of general liability insurance and automobile liability insurance shall be endorsed to contain, the following provisions:
  - a. OC SAN, its directors, officers, agents, consultants, and employees, and all public agencies from whom permits will be obtained, and their directors,

officers, agents, and employees are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of CONTRACTOR at or from any of the sites of OC SAN in connection with this Contract, or acts and omissions of the additional insured in connection with its general supervision or inspection of said operations related to this Contract.

- b. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by OC SAN shall be excess only and not contributing with insurance provided under this policy.

2. Cancellation and Policy Change Notice.

The CONTRACTOR is required to notify OC SAN in writing of any insurance cancellation notice it receives or other knowledge of pending or actual insurance policy cancellation within two (2) working days of receipt of such notice or acquisition of such knowledge. Additionally, the CONTRACTOR is required to notify OC SAN in writing of any change in the terms of insurance, including reduction in coverage or increase in deductible/SIR, within two (2) working days of receipt of such notice or knowledge of same.

Said notices shall be mailed to OC SAN at:

ORANGE COUNTY SANITATION DISTRICT  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
Attention: Contracts, Purchasing & Materials Management Division

- 3. Coverage shall not extend to any indemnity coverage for the active negligence of any additional insured in any case where an agreement to indemnify the additional insured would be invalid under California Civil Code Section 2782(b).
- 4. If required by a public agency from whom permit(s) will be obtained, each policy of general liability insurance and automobile liability insurance shall be endorsed to

specify by name the public agency and its legislative members, officers, agents, consultants, and employees, to be additional insureds.

D. Acceptability of Insurers

Insurers must have an "A-", or better, Policyholder's Rating, and a Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best Rating Guide. OC SAN recognizes that State Compensation Insurance Fund has withdrawn from participation in the A.M. Best Rating Guide process. Nevertheless, OC SAN will accept State Compensation Insurance Fund for the required policy of worker's compensation insurance, subject to OC SAN's option, at any time during the term of this Contract, to require a change in insurer upon twenty (20) days written notice. Further, OC SAN will require CONTRACTOR to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within twenty (20) days of written notice to CONTRACTOR by OC SAN or its agent.

E. Verification of Coverage

CONTRACTOR shall furnish OC SAN with original certificates and mandatory endorsements affecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by OC SAN before Work commences. OC SAN reserves the right to require complete, certified copies of all required insurance policies, including endorsements, affecting the coverage required by these Specifications at any time.

F. Subcontractors

CONTRACTOR shall be responsible to establish insurance requirements for any Subcontractors hired by CONTRACTOR. The insurance shall be in amounts and types reasonably sufficient to deal with the risk of loss involving the Subcontractor's operations

and work. OC SAN and any public agency issuing permits for the Project must be named as "Additional Insured" on any general liability or automobile liability policy obtained by a Subcontractor. The CONTRACTOR must obtain copies and maintain current versions of all Subcontractors' policies, certificate of liability and mandatory endorsements effecting coverage. Upon request, CONTRACTOR must furnish OC SAN with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

- |    |                          |   |
|----|--------------------------|---|
| a. | Certificate of Liability | ACORD Form 25 or other equivalent certificate of insurance form |
|----|--------------------------|---|

2. Required Insurance Services Office, Inc. Endorsements (when alternative forms are shown, they are listed in order of preference)

In the event any of the following forms are cancelled by Insurance Services Office, Inc. (ISO), or are updated, the ISO replacement form or equivalent must be supplied.

- |    |   |  |
|----|---|--|
| a. | Commercial General Liability  | Form CG 00 01  |
| b. | Additional Insured Including Products-Completed Operations                              | Form CG 20 10 <b>and</b><br>Form CG 20 37<br>All other additional insured endorsements must be submitted for approval by OC SAN, and OC SAN may reject alternatives that provide different or less coverage to OC SAN. |
| c. | Waiver of Transfer of Rights of Recovery Against Others to Us/<br>Waiver of Subrogation | Form CG 24 04  |

3. Required State Compensation Insurance Fund Endorsements

- |    |                       |   |
|----|-----------------------|---|
| a. | Waiver of Subrogation | Submit workers' compensation waiver of subrogation endorsement provided by carrier for OC SAN approval. |
|----|-----------------------|---|

- b. Cancellation Notice  
No endorsement is required. However, CONTRACTOR is responsible for notifying OC SAN of any pending or actual insurance policy cancellation, as described in Article C.2., Cancellation and Policy Change Notice, above.

4. Additional Required Endorsements

- a. Notice of Policy Termination  
Manuscript Endorsement

5. Pollution Liability Endorsements

There shall be a Separation of Insured Clause or endorsement, providing that coverage applies separately to each insured, except with respect to the limits of liability. There shall also be an endorsement or policy language containing a waiver of subrogation rights on the part of the insurer.

OC SAN, its directors, officers, agents, consultants and employees and all public agencies from whom permits will be obtained as well as their directors, officers, agents, and employees shall be included as insureds under the policy. Any additional insured endorsement shall contain language at least as broad as the coverage language contained in ISO form CG 20 10 or alternatively in both CG 20 10 and CG 20 37 together.

**SECTION – 17 RISK AND INDEMNIFICATION**

All Work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR shall save, indemnify, defend, and keep OC SAN and others harmless as more specifically set forth in General Conditions, "General Indemnification".

## **SECTION – 18    TERMINATION**

This Contract may be terminated in whole or in part in writing by OC SAN in the event of substantial failure by the CONTRACTOR to fulfill its obligations under this Agreement, or it may be terminated by OC SAN for its convenience provided that such termination is effectuated in a manner and upon such conditions set forth more particularly in General Conditions, “Termination for Default” and/or “Termination for Convenience”, provided that no termination may be effected unless proper notice is provided to CONTRACTOR at the time and in the manner provided in said General Conditions. If termination for default or convenience is effected by OC SAN, an equitable adjustment in the price provided for in this Contract shall be made at the time and in the manner provided in the General Conditions, “Termination for Default” and “Termination for Convenience”.

## **SECTION – 19    WARRANTY**

The CONTRACTOR agrees to perform all Work under this Contract in accordance with the Contract Documents, including OC SAN’s designs, Drawings and Specifications.

The CONTRACTOR guarantees for a period of at least one (1) year from the date of Final Acceptance of the Work, pursuant to the General Conditions, “Final Acceptance and Final Completion” that the completed Work is free from all defects due to faulty materials, equipment or workmanship and that it shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs of any damage to other parts of the system resulting from such defects. OC SAN shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, OC SAN may do so and charge the CONTRACTOR the cost incurred. The CONTRACTOR’s warranty shall continue as to any corrected deficiency until the later of (1) the remainder of the original one-year warranty period;

or (2) one year after acceptance by OC SAN of the corrected Work. The Performance Bond and the Payment Bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR's obligations under this clause are in addition to the CONTRACTOR's other express or implied assurances under this Contract, including but not limited to specific manufacturer or other extended warranties specified in the Plans and Specifications, or state law and in no way diminish any other rights that OC SAN may have against the CONTRACTOR for faulty materials, equipment or Work.

#### **SECTION – 20 ASSIGNMENT**

No assignment by the CONTRACTOR of this Contract or any part hereof, or of funds to be received hereunder, will be recognized by OC SAN unless such assignment has had prior written approval and consent of OC SAN and the Surety.

#### **SECTION – 21 RESOLUTION OF DISPUTES**

OC SAN and the CONTRACTOR shall comply with the provisions of California Public Contract Code Section 20104 et. seq., regarding resolution of construction claims for any Claims which arise between the CONTRACTOR and OC SAN, as well as all applicable dispute and Claims provisions as set forth in the General Conditions and as otherwise required by law.

#### **SECTION – 22 SAFETY & HEALTH**

CONTRACTOR shall comply with all applicable safety and health requirements mandated by federal, state, city and/or public agency codes, permits, ordinances, regulations, and laws, as well as these Contract Documents, including but not limited to the General Requirements, Section entitled "Safety" and Exhibit B Contractor Safety Standards.

**SECTION – 23 NOTICES**

Any notice required or permitted under this Contract shall be sent by certified mail, return receipt requested, at the address set forth below. Any party whose address changes shall notify the other party in writing.

TO OC SAN: Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, California 92708-7018  
Attn: Clerk of the Board

Copy to: Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, California 92708-7018  
Attn: Construction Manager

Bradley R. Hogin, Esquire  
Woodruff, Spradlin & Smart  
555 Anton Boulevard  
Suite 1200  
Costa Mesa, California 92626

TO CONTRACTOR: Mehta Mechanical Co. Inc. DBA MMC Inc.  
5901 Fresca Drive  
La Palma, CA 90623

Copy to: Jagat S. Mehta, President  
Mehta Mechanical Co. Inc. DBA MMC Inc.  
5901 Fresca Drive  
La Palma, CA 90623

IN WITNESS WHEREOF, the parties hereto have executed this Contract Agreement as the date first hereinabove written.

CONTRACTOR: Mehta Mechanical Co. Inc. DBA MMC Inc.  
5901 Fresca Drive  
La Palma, CA 90623

By \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
Printed Name

Its \_\_\_\_\_

CONTRACTOR's State License No. 573635 (Expiration Date – 7/31/2024)

OC SAN: Orange County Sanitation District

By \_\_\_\_\_ Date \_\_\_\_\_

Chad P. Wanke  
Board Chairman

By \_\_\_\_\_ Date \_\_\_\_\_

Kelly A. Lore  
Clerk of the Board

By \_\_\_\_\_ Date \_\_\_\_\_

Ruth Zintzun  
Purchasing & Contracts Manager

**EXHIBIT A**  
**SCHEDULE OF PRICES**

**TABLE OF CONTENTS**  
**EXHIBIT A**  
**SCHEDULE OF PRICES**

EXA-1 BASIS OF COMPENSATION ..... 1

EXA-2 PROGRESS PAYMENTS ..... 1

EXA-3 RETENTION AND ESCROW ACCOUNTS ..... 1

EXA-4 STOP PAYMENT NOTICE ..... 3

EXA-5 PAYMENT TO SUBCONTRACTORS ..... 3

EXA-6 PAYMENT OF TAXES ..... 3

EXA-7 FINAL PAYMENT ..... 4

EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT .... 6

ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT ..... 7

ATTACHMENT 2 – SCHEDULE OF PRICES ..... 8

# **EXHIBIT A**

## **SCHEDULE OF PRICES**

### **EXA-1 BASIS OF COMPENSATION**

CONTRACTOR will be paid the Contract Price according to the Schedule of Prices, and all other applicable terms and conditions of the Contract Documents.

### **EXA-2 PROGRESS PAYMENTS**

Progress payments will be made in accordance with all applicable terms and conditions of the Contract Documents, including, but not limited to:

1. Contract Agreement – Section 11 – “Contract Price and Method of Payment;”
2. General Conditions – “Payment – General”;
3. General Conditions – “Payment – Applications for Payment”;
4. General Conditions – “Payment – Mobilization Payment Requirements;”
5. General Conditions – “Payment – Itemized Breakdown of Contract Lump Sum Prices”;
6. General Conditions – “Contract Price Adjustments and Payments”;
7. General Conditions – “Suspension of Payments”;
8. General Conditions – “OC SAN’s Right to Withhold Certain Amounts and Make Application Thereof”; and
9. General Conditions – “Final Payment.”

### **EXA-3 RETENTION AND ESCROW ACCOUNTS**

#### **A. Retention:**

OC SAN shall retain a percentage of each progress payment to assure satisfactory completion of the Work. The amount to be retained from each progress payment shall be determined as provided in General Conditions – “Retained Funds; Substitution of Securities”. In all contracts between CONTRACTOR and its Subcontractors and/or Suppliers, the retention may not exceed the percentage specified in the Contract Documents.

B. Substitution of Securities:

CONTRACTOR may, at its sole expense, substitute securities as provided in General Conditions – “Retained Funds; Substitution of Securities.” Payment of Escrow Agent:

In lieu of substitution of securities as provided above, the CONTRACTOR may request and OC SAN shall make payment of retention earned directly to the escrow agent at the expense of the CONTRACTOR. At the expense of the CONTRACTOR, the CONTRACTOR may direct the investment of the payments into securities consistent with Government Code §16430 and the CONTRACTOR shall receive the interest earned on the investments upon the same terms provided for in this article for securities deposited by the CONTRACTOR. Upon satisfactory completion of the Contract, the CONTRACTOR shall receive from the escrow agent all securities, interest and payments received by the escrow agent from OC SAN, pursuant to the terms of this article. The CONTRACTOR shall pay to each Subcontractor, not later than twenty (20) calendar days after receipt of the payment, the respective amount of interest earned, net of costs attributed to retention withheld from each Subcontractor, on the amount of retention withheld to ensure the performance of the Subcontractor. The escrow agreement used by the escrow agent pursuant to this article shall be substantially similar to the form set forth in §22300 of the California Public Contract Code.

C. Release of Retention:

Upon Final Acceptance of the Work, the CONTRACTOR shall submit an invoice for release of retention in accordance with the terms of the Contract.

D. Additional Deductibles:

In addition to the retentions described above, OC SAN may deduct from each progress payment any or all of the following:

1. Liquidated Damages that have occurred as of the date of the application for progress payment;
2. Deductions from previous progress payments already paid, due to OC SAN's discovery of deficiencies in the Work or non-compliance with the Specifications or any other requirement of the Contract;
3. Sums expended by OC SAN in performing any of the CONTRACTOR'S obligations under the Contract that the CONTRACTOR has failed to perform, and;
4. Other sums that OC SAN is entitled to recover from the CONTRACTOR under the terms of the Contract, including without limitation insurance deductibles and assessments.

The failure of OC SAN to deduct any of the above-identified sums from a progress payment shall not constitute a waiver of OC SAN's right to such sums or to deduct them from a later progress payment.

#### **EXA-4 STOP PAYMENT NOTICE**

In addition to other amounts properly withheld under this article or under other provisions of the Contract, OC SAN shall retain from progress payments otherwise due the CONTRACTOR an amount equal to one hundred twenty-five percent (125%) of the amount claimed under any stop payment notice under Civil Code §9350 et. seq. or other lien filed against the CONTRACTOR for labor, materials, supplies, equipment, and any other thing of value claimed to have been furnished to and/or incorporated into the Work; or for any other alleged contribution thereto. In addition to the foregoing and in accordance with Civil Code §9358 OC SAN may also satisfy its duty to withhold funds for stop payment notices by refusing to release funds held in escrow pursuant to public receipt of a release of stop payment notice executed by a stop payment notice claimant, a stop payment notice release bond, an order of a court of competent jurisdiction, or other evidence satisfactory to OC SAN that the CONTRACTOR has resolved such claim by settlement.

#### **EXA-5 PAYMENT TO SUBCONTRACTORS**

##### Requirements

1. The CONTRACTOR shall pay all Subcontractors for and on account of Work performed by such Subcontractors, not later than seven (7) days after receipt of each progress payment as required by the California Business and Professions Code §7108.5. Such payments to Subcontractors shall be based on the measurements and estimates made pursuant to article progress payments provided herein.
2. Except as specifically provided by law, the CONTRACTOR shall pay all Subcontractors any and all retention due and owing for and on account of Work performed by such Subcontractors not later than seven (7) days after CONTRACTOR'S receipt of said retention proceeds from OC SAN as required by the California Public Contract Code §7107.

#### **EXA-6 PAYMENT OF TAXES**

Unless otherwise specifically provided in this Contract, the Contract Price includes full compensation to the CONTRACTOR for all taxes. The CONTRACTOR shall pay all federal, state, and local taxes, and duties applicable to and assessable against any Work, including but not limited to retail sales and use, transportation, export, import, business, and special taxes. The CONTRACTOR shall ascertain and pay the taxes when due. The CONTRACTOR will maintain auditable records, subject to OC SAN reviews, confirming that tax payments are current at all times.

## **EXA-7 FINAL PAYMENT**

After Final Acceptance of the Work, as more particularly set forth in the General Conditions, "Final Acceptance and Final Completion", and after Resolution of the Board authorizing final payment and satisfaction of the requirements as more particularly set forth in General Conditions – "Final Payment", a final payment will be made as follows:

1. Prior to Final Acceptance, the CONTRACTOR shall prepare and submit an application for Final Payment to OC SAN, including:
  - a. The proposed total amount due the CONTRACTOR, segregated by items on the payment schedule, amendments, Change Orders, and other bases for payment;
  - b. Deductions for prior progress payments;
  - c. Amounts retained;
  - d. A conditional waiver and release on final payment for each Subcontractor (per Civil Code Section 8136);
  - e. A conditional waiver and release on final payment on behalf of the CONTRACTOR (per Civil Code Section 8136);
  - f. List of Claims the CONTRACTOR intends to file at that time or a statement that no Claims will be filed,
  - g. List of pending unsettled claims, stating claimed amounts, and copies of any and all complaints and/or demands for arbitration received by the CONTRACTOR; and
  - h. For each and every claim that resulted in litigation or arbitration which the CONTRACTOR has settled, a conformed copy of the Request for Dismissal with prejudice or other satisfactory evidence the arbitration is resolved.
2. The application for Final Payment shall include complete and legally effective releases or waivers of liens and stop payment notices satisfactory to OC SAN, arising out of or filed in connection with the Work. Prior progress payments shall be subject to correction in OC SAN's review of the application for Final Payment. Claims filed with the application for Final Payment must be otherwise timely under the Contract and applicable law.
3. Within a reasonable time, OC SAN will review the CONTRACTOR'S application for Final Payment. Any recommended changes or corrections will then be forwarded to the CONTRACTOR. Within ten (10) calendar days after receipt of recommended changes from OC SAN, the CONTRACTOR will make the changes, or list Claims that will be filed as a result of the

changes, and shall submit the revised application for Final Payment. Upon acceptance by OC SAN, the revised application for Final Payment will become the approved application for Final Payment.

4. If no Claims have been filed with the initial or any revised application for Final Payment, and no Claims remain unsettled within thirty-five (35) calendar days after Final Acceptance of the Work by OC SAN, and agreements are reached on all issues regarding the application for Final Payment, OC SAN, in exchange for an executed release, satisfactory in form and substance to OC SAN, will pay the entire sum found due on the approved application for Final Payment, including the amount, if any, allowed on settled Claims.
5. The release from the CONTRACTOR shall be from any and all Claims arising under the Contract, except for Claims that with the concurrence of OC SAN are specifically reserved, and shall release and waive all unreserved Claims against OC SAN and its officers, directors, employees and authorized representatives. The release shall be accompanied by a certification by the CONTRACTOR that:
  - a. It has resolved all Subcontractors, Suppliers and other Claims that are related to the settled Claims included in the Final Payment;
  - b. It has no reason to believe that any party has a valid claim against the CONTRACTOR or OC SAN which has not been communicated in writing by the CONTRACTOR to OC SAN as of the date of the certificate;
  - c. All warranties are in full force and effect, and;
  - d. The releases and the warranties shall survive Final Payment.
6. If any claims remain open, OC SAN may make Final Payment subject to resolution of those claims. OC SAN may withhold from the Final Payment an amount not to exceed one hundred fifty percent (150%) of the sum of the amounts of the open claims, and one hundred twenty-five percent (125%) of the amounts of open stop payment notices referred to in article entitled stop payment notices herein.
7. The CONTRACTOR shall provide an unconditional waiver and release on final payment from each Subcontractor and Supplier providing Work under the Contract (per Civil Code Section 8138) and an unconditional waiver and release on final payment on behalf of the CONTRACTOR (per Civil Code Section 8138) within thirty (30) days of receipt of Final Payment.

## **EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT**

Notwithstanding OC SAN's acceptance of the application for Final Payment and irrespective of whether it is before or after Final Payment has been made, OC SAN shall not be precluded from subsequently showing that:

1. The true and correct amount payable for the Work is different from that previously accepted;
2. The previously accepted Work did not in fact conform to the Contract requirements, or;
3. A previous payment or portion thereof for Work was improperly made.

OC SAN also shall not be stopped from demanding and recovering damages from the CONTRACTOR, as appropriate, under any of the foregoing circumstances as permitted under the Contract or applicable law.

**ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT**

I hereby certify under penalty of perjury as follows:

That the claim for payment is in all respects true, correct; that the services mentioned herein were actually rendered and/or supplies delivered to OC SAN in accordance with the Contract.

I understand that it is a violation of both the federal and California False Claims Acts to knowingly present or cause to be presented to OC SAN a false claim for payment or approval.

A claim includes a demand or request for money. It is also a violation of the False Claims Acts to knowingly make use of a false record or statement to get a false claim paid. The term "knowingly" includes either actual knowledge of the information, deliberate ignorance of the truth or falsity of the information, or reckless disregard for the truth or falsity of the information. Proof of specific intent to defraud is not necessary under the False Claims Acts. I understand that the penalties under the Federal False Claims Act and State of California False Claims Act are non-exclusive, and are in addition to any other remedies which OC SAN may have either under contract or law.

I hereby further certify, to the best of my knowledge and belief, that:

1. The amounts requested are only for performance in accordance with the Specifications, terms, and conditions of the Contract;
2. Payments to Subcontractors and Suppliers have been made from previous payments received under the Contract, and timely payments will be made from the proceeds of the payment covered by this certification;
3. This request for progress payments does not include any amounts which the prime CONTRACTOR intends to withhold or retain from a Subcontractor or Supplier in accordance with the terms and conditions of the subcontract; and
4. This certification is not to be construed as Final Acceptance of a Subcontractor's performance.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

CONFORMED

C-EXA-062221  
PROJECT NO. FE20-08  
OLIVE SUB-TRUNK SIPHON REHABILITATION AT SANTA ANA RIVER

## **ATTACHMENT 2 – SCHEDULE OF PRICES**

See next pages from the Bid Submittal Forms (Mehta Mechanical Co. Inc. DBA MMC Inc.)

BF-14 Schedule of Prices, Pages 1-2

Bid Submitted By: MMC Inc.  
(Name of Firm)

**BF-14 SCHEDULE OF PRICES**

**INSTRUCTIONS**

**A. General**

For Unit Prices, it is understood that the following quantities are approximate only and are solely for the purpose of estimating the comparison of Bids, and that the actual value of Work will be computed based upon the actual quantities in the completed Work, whether they be more or less than those shown. CONTRACTOR's compensation for the Work under the Contract Documents will be computed based upon the lump sum amount of the Contract at time of award, plus any additional or deleted costs approved by OC SAN via approved Change Orders, pursuant to the Contract Documents.

Bidder shall separately price and accurately reflect costs associated with each line item, leaving no blanks. Any and all modifications to the Bid must be initialed by an authorized representative of the Bidder in accordance with the Instructions to Bidders, Preparation of Bid.

Bidders are reminded of Instruction to Bidders, Discrepancy in Bid Items, which, in summary, provides that the total price for each item shall be based on the Unit Price listed for each item multiplied by the quantity; and the correct Total Price for each item shall be totaled to determine the Total Amount of Bid.

All applicable costs including overhead and profit shall be reflected in the respective unit costs and the TOTAL AMOUNT OF BID. The Bid price shall include all costs to complete the Work, including profit, overhead, etc., unless otherwise specified in the Contract Documents. All applicable sales taxes, state and/or federal, and any other special taxes, patent rights or royalties shall be included in the prices quoted in this Bid.

**B. Basis of Award**

AWARD OF THE CONTRACT WILL BE MADE ON THE BASIS OF THE LOWEST RESPONSIVE AND RESPONSIBLE BID.

**Note 1:** Base Bid. Includes all costs necessary to furnish all labor, materials, equipment and services for the construction of the Project per the Contract Documents.

Bidders shall accurately reflect the cost to perform the Work. OC SAN may reject unbalanced Bids. Refer to Part 2 – INSTRUCTIONS TO BIDDERS.

Bid Submitted By: MMC Inc.  
 (Name of Firm)

**SCHEDULE OF PRICES**

BASE BID ITEMS (Refer to Note 1 in the Instructions):

Item No.	Description	Unit of Measurement	Extended Price
1.	<b>Mobilization:</b> as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$60,000
2.	<b>Permits:</b> This item is an allowance for all permits, permits requirements, and inspection fees required by the City of Anaheim, City of Orange, Cal/OSHA, Orange County Public Works and County of Orange as described in Specifications Sections 01150 and 01155, and in conformance with the Contract Documents, for the allowance of...	Allowance	\$100,000
3.	<b>Sheeting, Shoring and Bracing:</b> as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$ 175,000
4.	<b>Heavy Cleaning of Siphon:</b> as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$ 20,000 <i>guy</i>
5.	<b>All other portions of the Work, except the Work of Items No. 1 through 4 and Item No. 6:</b> as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$ 1,559,000
6.	<b>Demobilization:</b> as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$30,000

**TOTAL AMOUNT OF BID (BASIS OF AWARD)**

\$ 1,944,000<sup>06</sup>



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2911

**Agenda Date:** 4/26/2023

**Agenda Item No:** 9.

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**FROM:** Robert Thompson, General Manager  
Originator: Riaz Moinuddin, Director of Operations & Maintenance

**SUBJECT:**

**PRIMARY SEDIMENTATION BASIN G DOME POST REPAIR AT PLANT NO. 2**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Services Contract to J.R. Filanc Construction Company, Inc. to provide Primary Sedimentation Basin G Dome Post Repair at Plant No. 2, Specification No. S-2023-1385BD, for a total amount not to exceed \$248,600; and
- B. Approve a contingency of \$24,860 (10%).

**BACKGROUND**

Primary Clarifiers, or Primary Sedimentation Basins, are used to reduce suspended solids to the secondary treatment process. Four Primary Sedimentation Basins (D, E, F & G) provide primary treatment for non-reclaimable flows at Plant No. 2, and segregates the reclaimable flow provided to the Ground Water Replenishment System (GWRS). These circular Primary Sedimentation Basins had aluminum geodesic dome installed in the 1980's to prevent foul odor from escaping. Currently, Primary Sedimentation Basin G is unavailable due to unsafe conditions from heavily corroded dome supports. The project will replace the corroded aluminum dome support posts and structural elements, and repair the baffle in Primary Sedimentation Basin G.

**RELEVANT STANDARDS**

- Meet volume and water quality needs for the GWRS
- Maintain a proactive asset management program
- Comply with environmental permit requirements

**PROBLEM**

A recent condition assessment of the Primary Sedimentation Basins found severe corrosion in multiple areas to the aluminum posts that support the dome for Primary Sedimentation Basin G.

**PROPOSED SOLUTION**

Approve a Services Contract to J.R. Filanc Construction Company, Inc. for repair and replacement of aluminum dome support posts, collapsed baffle, and supporting dome components.

**TIMING CONCERNS**

On December 5, 2022, Plant No. 2 began operating in split mode, segregating and diverting reclaimable and non-reclaimable flows, leaving no contingency should failures occur with clarifiers D or F. There are limited Primary Sedimentation Basins dedicated to treat non-reclaimable flows.

**RAMIFICATIONS OF NOT TAKING ACTION**

In the event of failures at Primary Sedimentation Basins D, E, or F, Basin G will be required as a reliable spare for the flow split at Plant No. 2. The inability to treat non-reclaimable flow in a separate train will preclude sending Plant No. 2 flow to GWRS for reclamation.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

A Notice Inviting Bids was issued on January 13, 2023 via Planet Bids. A non-mandatory job walk was conducted at OC San facilities on January 24, 2023. Bids were due on February 7, 2023. OC San received two (2) bids as follows:

Company Name	Bid	Determination
J.R. Filanc Construction Co. Inc.	\$248,600	Responsive
Vicon Enterprise Inc.	\$293,000	Responsive
Engineer's Estimate: \$270,000		

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This recommendation will be funded under the Repairs and Maintenance line item for Division 880, Plant No. 2 Maintenance (Adopted Budget, FY 2022-23 & 2023-24, Section 6, Page 96) and the available funding is sufficient for this action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
04/26/2023	\$248,600	\$24,860

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Services Contract

**SERVICES CONTRACT**  
**Primary Sedimentation Basin G Dome Post Repair at Plant 2**  
**Specification No. S-2023-1385BD**

This SERVICES CONTRACT (hereinafter referred to as “Contract”), is made and entered into as of the date fully executed below, by and between Orange County Sanitation District (hereinafter referred to as “OC San”) and J.R. Filanc Construction Company, Inc. (hereinafter referred to as “Contractor”), and collectively referred to herein as the “Parties.”

**RECITALS**

WHEREAS, OC San desires to obtain the services of Contractor for Primary Sedimentation Basin G Dome Post Repair at Plant 2 (“Services”) as described in Exhibit “A” attached hereto and incorporated herein by this reference; and

WHEREAS, Contractor is qualified to perform the Services by virtue of experience, training, education, and expertise; and

WHEREAS, OC San desires to engage Contractor to provide the Services; and

WHEREAS, OC San selected Contractor to provide the Services in accordance with Ordinance No. OC SAN-56; and

WHEREAS, on April 26, 2023, OC San’s Board of Directors, by minute order, authorized execution of this Contract.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises and benefits specified below, the Parties agree as follows:

**1. General.**

1.1 This Contract and all exhibits hereto are made by OC San and the Contractor.

1.2 The following exhibits are incorporated by reference and made part of this Contract.

Exhibit “A” – Scope of Work  
Exhibit “B” – Bid Price Form  
Exhibit “C” – Determined Insurance Requirement Form  
Exhibit “D” – Contractor Safety Standards  
Exhibit “E” – Human Resources Policies  
Exhibit “F” – General Conditions  
Exhibit “G” – Bonds (Performance and Payment Bonds)

1.3 In the event of any conflict or inconsistency between the provisions of the Contract and any of the provisions of the exhibits hereto, the provisions in the document highest in precedence shall be controlling. The order of precedence of the applicable documents is set forth below:

a. Addenda issued prior to the deadline for submitting the Bid Price Form – the last addendum issued will have the highest precedence

- b. Services Contract
  - c. Exhibit "A" – Scope of Work
  - d. Permits and other regulatory requirements
  - e. Exhibit "C" – Determined Insurance Requirement Form
  - f. Exhibit "F" – General Conditions
  - g. Exhibit "D" – Contractor Safety Standards
  - h. Notice Inviting Bids
  - i. Exhibit "B" – Bid Price Form
- 1.4 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or actions incurred or undertaken by Contractor as a result of work performed in anticipation of providing the Services to OC San.
- 1.5 Work Hours: All work shall be scheduled Monday through Friday, between the hours of 7:00 a.m. and 4:00 p.m.
- 1.6 Days: Shall mean calendar days, unless otherwise noted.
- 1.7 OC San holidays (non-working days) are as follows: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.8 Work: Shall mean all work, labor, and materials necessary to provide the Services.
- 1.9 The provisions of this Contract may be amended or waived only by an amendment executed by authorized representatives of both Parties.
- 1.10 The various headings in this Contract are inserted for convenience only and shall not affect the meaning or interpretation of this Contract or any paragraph or provision hereof.

**2. Scope of Work.**

- 2.1 Contractor shall provide the Services identified in Exhibit "A" in accordance with generally accepted industry and professional standards.
- 2.2 Modifications to Scope of Work. OC San shall have the right to modify the Scope of Work at any time. All modifications must be made by an amendment signed by both Parties and consistent with Exhibit "F" - General Conditions (General Conditions), including the sections entitled REQUEST FOR CHANGE (CHANGES AT CONTRACTOR'S REQUEST) and OWNER INITIATED CHANGES.
- 2.3 Familiarity with Work. By executing this Contract, Contractor warrants that: (a) it has investigated the work to be performed; and (b) it understands the facilities, difficulties, and restrictions of the work under this Contract; and (c) it has examined the site of the work and is aware of all conditions at the site. Should Contractor discover any latent or unknown condition materially differing from those inherent in the work or as represented by OC San, it shall immediately inform OC San of this and shall not proceed, except at Contractor's risk, until written instructions are received from OC San.

2.4 Performance. Time is of the essence in the performance of the provisions hereof.

**3. Contract Term.**

3.1 The Services shall be completed within seventy (70) calendar days from the effective date of the Notice to Proceed.

3.2 Extensions. The term of this Contract may be extended only by an amendment signed by both Parties and consistent with the General Conditions, including the section entitled EXTENSION OF TIME FOR DELAY.

**4. Compensation.**

4.1 As compensation for the Services provided under this Contract, OC San shall pay Contractor a total amount not to exceed Two Hundred Forty-eight Thousand, Six Hundred Dollars (\$248,600.00).

4.2 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the amount specified above.

**5. Payments and Invoicing.**

5.1 OC San shall pay itemized invoices for work completed in accordance with Exhibit "A" thirty (30) days from receipt of the invoice and after approval by OC San's Project Manager or designee. OC San shall be the determining party, in its sole discretion, as to whether the Services have been satisfactorily completed.

5.2 Contractor shall submit its invoices to OC San Accounts Payable by electronic mail to [APStaff@OCSan.gov](mailto:APStaff@OCSan.gov). In the subject line, include "INVOICE" and the Purchase Order Number.

5.3 The invoices shall be consistent with the General Conditions, including the section entitled PAYMENT FOR WORK.

**6. California Department of Industrial Relations Registration and Record of Wages.**

6.1 To the extent Contractor's employees and/or its subcontractors perform work related to this Contract for which Prevailing Wage Determinations have been issued by the California Department of Industrial Relations (DIR) as more specifically defined under Labor Code section 1720 et seq., prevailing wages are required to be paid for applicable work under this Contract. It is Contractor's responsibility to interpret and implement any prevailing wage requirements and Contractor agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws.

6.2 Contractor and its subcontractors shall comply with the registration requirements of Labor Code section 1725.5. Pursuant to Labor Code section 1771.4(a)(1), the work is subject to compliance monitoring and enforcement by the California Department of Industrial Relations (DIR).

6.3 Pursuant to Labor Code section 1773.2, a copy of the prevailing rate of per diem wages is available upon request at OC San's principal office. The prevailing rate of per diem wages may also be found at the DIR website for prevailing wage determinations at <http://www.dir.ca.gov/DLSR/PWD>.

- 6.4 Contractor and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations section 16461(e). Pursuant to Labor Code sections 1773.2 and 1771.4(a)(2), Contractor shall post a copy of the prevailing rate of per diem wages at the job site.
- 6.5 Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code section 1776. Contractor and its subcontractors shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3). Pursuant to Labor Code section 1776, the Contractor and its subcontractors shall furnish a copy of all certified payroll records to OC San and/or the general public upon request, provided the public request is made through OC San, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department of Industrial Relations. Pursuant to Labor Code section 1776(h), penalties for non-compliance with a request for payroll records may be deducted from progress payments.
- 6.5.1 As a condition to receiving payments, Contractor agrees to present to OC San, along with any request for payment, all applicable and necessary certified payrolls and other required documents for the period covering such payment request. Pursuant to Title 8, California Code of Regulations section 16463, OC San shall withhold any portion of a payment, up to and including the entire payment amount, until certified payroll forms and any other required documents are properly submitted. In the event certified payroll forms do not comply with the requirements of Labor Code section 1776, OC San may continue to withhold sufficient funds to cover estimated wages and penalties under the Contract.
- 6.6 The Contractor and its subcontractors shall comply with Labor Code section 1774 and section 1775. Pursuant to Labor Code section 1775, the Contractor and any of its subcontractors shall forfeit to OC San a penalty of not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any work.
- 6.6.1 In addition to the penalty and pursuant to Labor Code section 1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor or its subcontractor.
- 6.7 Contractor and its subcontractors shall comply with Labor Code sections 1810 through 1815. Contractor and its subcontractors shall restrict working hours to eight (8) hours per day and forty (40) hours per week, except that work performed in excess of those limits shall be permitted upon compensation for all excess hours worked at not less than one and one-half (1.5) times the basic rate of pay, as provided in Labor Code section 1815. The Contractor shall forfeit, as a penalty to OC San, twenty-five dollars (\$25) per worker per calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of Labor Code sections 1810 through 1815.

- 6.8 Contractor and its subcontractors shall comply with Labor Code sections 1777.5, 1777.6, and 1777.7 concerning the employment of apprentices by Contractor or any subcontractor.
- 6.9 Contractor shall include, at a minimum, a copy of the following provisions in any contract it enters into with any subcontractor: Labor Code sections 1771, 1771.1, 1775, 1776, 1777.5, 1810, 1813, 1815, 1860, and 1861.
- 6.10 Pursuant to Labor Code sections 1860 and 3700, the Contractor and its subcontractors will be required to secure the payment of compensation to employees. Pursuant to Labor Code section 1861, Contractor, by accepting this contract, certifies that:

“I am aware of the provisions of section 3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.”

Contractor shall ensure that all its contracts with its subcontractors provide the provision above.

- 6.11 Contractor shall comply with the provisions specified in the General Conditions section entitled LAWS TO BE OBSERVED.
7. **Damage to OC San’s Property.** Any of OC San’s property damaged by Contractor, any subcontractor, or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San and consistent with the General Conditions, including the section entitled PRESERVATION OF PROPERTY.
8. **Freight (F.O.B. Destination).** Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
9. **Audit Rights.** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its expiration or termination, OC San shall have access to and the right to examine any directly pertinent books, documents, and records of Contractor relating to the invoices submitted by Contractor pursuant to this Contract.
10. **Contractor Safety Standards and Human Resources Policies.** OC San requires Contractor and its subcontractor(s) to follow and ensure their employees follow all Federal, State, and local regulations as well as the Contractor Safety Standards while working at OC San locations. If, during the course of the Contract, it is discovered that the Contractor Safety Standards do not comply with Federal, State, or local regulations, the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor, its subcontractors, and all of their employees shall adhere to the safety requirements in Exhibit “A,” all applicable Contractor Safety Standards in Exhibit “D,” and the Human Resources Policies in Exhibit “E.”
11. **Insurance.** Contractor and all its subcontractors shall purchase and maintain, throughout the term of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Exhibit “C” – Determined Insurance

Requirement Form. Contractor shall not commence work under this Contract until all required insurance is obtained in a form acceptable to OC San, nor shall Contractor allow any subcontractor to commence service pursuant to a subcontract until all insurance required of the subcontractor has been obtained. Failure to obtain and maintain the required insurance coverage shall result in termination of this Contract.

12. **Bonds.** Prior to entering into the Contract, Contractor shall furnish bonds (attached hereto in Exhibit "G"), consistent with the requirements specified in the General Conditions, and which shall be approved by OC San's General Counsel. The bonds shall be one in the amount of one hundred percent (100%) of the total Contract price bid, to guarantee the faithful performance of the work, and the other in the amount of one hundred percent (100%) of the total Contract price bid, to guarantee payment of all claims for labor and materials furnished. This Contract shall not become effective until such bonds are supplied to and accepted by OC San. Bonds must be issued by a California admitted surety and must be maintained throughout the life of the Contract and during the warranty period.
  
13. **Indemnification and Hold Harmless Provision.** Contractor shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or may be caused by Contractor's equipment and/or Services under this Contract, or by its subcontractor(s), or by anyone directly or indirectly employed by Contractor, and whether such damage or injury shall accrue or be discovered before or after the termination of the Contract. Except as to the sole active negligence of or willful misconduct of OC San, Contractor shall indemnify, protect, defend, and hold harmless OC San, its elected and appointed officials, officers, agents, and employees from and against any and all claims, liabilities, damages, or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person, or damage to property, or interference with the use of property arising out of or in connection with Contractor's performance under the Contract, and/or (b) on account of use of any copyrighted or uncopyrighted material, composition, or process; or any patented or unpatented invention, article, or appliance furnished or used under the Contract, and/or (c) on account of any goods and services provided under this Contract. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Contractor or anyone employed by or working under Contractor. To the maximum extent permitted by law, Contractor's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless; or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent; or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Contractor agrees to provide this defense immediately upon written notice from OC San, and with well qualified, adequately insured, and experienced legal counsel acceptable to OC San. This section shall survive the expiration or early termination of the Contract.
  
14. **Independent Contractor.** The relationship between the Parties hereto is that of an independent contractor and nothing herein shall be deemed to make Contractor an OC San employee. During the performance of this Contract, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act as OC San's officers, employees, or agents. Contractor and its officers, employees, and agents shall obtain no rights to any benefits which accrue to OC San's employees.

15. **Subcontracting and Assignment.** Any subcontracting or assignment shall be governed by the provisions of the General Conditions including the sections entitled SUBCONTRACTING and ASSIGNMENT.
16. **Disclosure.** Contractor agrees not to disclose, to any third party, data or information generated from this Contract without the prior written consent from OC San.
17. **Non-Liability of OC San Officers and Employees.** No officer or employee of OC San shall be personally liable to Contractor, or any successor-in-interest, in the event of any default or breach by OC San, or for any amount which may become due to Contractor or to its successor, or for breach of any obligation under the terms of this Contract.
18. **Third-Party Rights.** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
19. **Applicable Laws and Regulations.** Contractor shall comply with all applicable Federal, State, and local laws, rules, and regulations. Contractor also agrees to indemnify and hold OC San harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any provision required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically included or referenced.
20. **Licenses, Permits, Ordinances, and Regulations.** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualifications, and approvals of whatever nature that are legally required to provide the Services. Any and all fees required by Federal, State, County, City, and/or municipal laws, codes, and/or tariffs that pertain to the work performed under this Contract will be paid by Contractor.
21. **Regulatory Requirements.** Contractor shall perform all work under this Contract consistent with the General Conditions, including the section entitled STORMWATER REQUIREMENTS, and in strict conformance with applicable Federal, State, and local regulatory requirements including, but not limited to, 40 CFR 122, 123, 124, 257, 258, 260, 261, and 503, Title 22, 23, and Water Codes Division 2.
22. **Environmental Compliance.** Contractor shall, at its own cost and expense, comply with all Federal, State, and local environmental laws, regulations, and policies which apply to the Contractor, its subcontractors, and the Services, including, but not limited to, all applicable Federal, State, and local air pollution control laws and regulations.
23. **South Coast Air Quality Management District's Requirements.** It is Contractor's responsibility to ensure that all equipment furnished and installed be in accordance with the latest rules and regulations of the South Coast Air Quality Management District (SCAQMD). All Contract work practices, which may have associated emissions such as sandblasting, open field spray painting, or demolition of asbestos containing components or structures shall comply with the appropriate rules and regulations of SCAQMD.
24. **Warranties.** Contractor shall provide the warranties required in the Scope of Work and in the General Conditions, including the section entitled WARRANTY (CONTRACTOR'S GUARANTEE).

25. **Dispute Resolution.** Any disputes between the Parties shall be resolved as specified in the General Conditions, including the section entitled DISPUTES
26. **Liquidated Damages.** In the event the Contractor fails to achieve completion of the work within the term of this Contract or achievement of any designated Milestones, after due allowance for extensions of time made in accordance with the Contract, if any, OC San will sustain damage which would be extremely difficult and impracticable to ascertain. The Parties therefore agree that in each such event, Contractor will pay to OC San liquidated damages (Liquidated Damages) as specified in the General Conditions, including section entitled TIME OF COMPLETION AND LIQUIDATED DAMAGES, in the sum of two hundred seventy dollars (\$270.00) per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which completion of the work, as required in Exhibit "A," is so delayed. Contractor agrees to pay such Liquidated Damages and further agrees that OC San may offset the amount of Liquidated Damages from any monies due or that may become due Contractor under this Contract. Contractor also agrees that to the extent the amount of Liquidated Damages exceeds any monies due to the Contractor under this Contract, Contractor shall pay all such amounts to OC San upon demand. If this provision is found for any reason to be void, invalid, or otherwise inoperative so as to disentitle OC San from claiming Liquidated Damages, OC San is entitled to claim against the Contractor damages at law for the Contractor's failure to complete the work during the term of this Contract.
27. **Remedies.** In addition to other remedies available in law or equity, if the Contractor fails to perform the Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the Services, OC San may (a) cancel the Contract; (b) recover whatever amount of the purchase price OC San has paid, and/or (c) "cover" by purchasing, or contracting to purchase, substitute equipment and services for those due from Contractor. In the event OC San elects to "cover" as described in (c), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute equipment and services and the Contract price, together with any incidental or consequential damages.
28. **Force Majeure.** Neither party shall be liable for delays caused by accident, flood, acts of God, fire, labor trouble, war, acts of government, or any other cause beyond its control, but the affected party shall use reasonable efforts to minimize the extent of the delay. Work affected by a force majeure condition may be rescheduled by mutual consent of the Parties.
29. **Termination.**
- 29.1 OC San reserves the right to terminate this Contract for its convenience, with or without cause, in whole or in part, at any time, by written notice from OC San. Upon receipt of a termination notice, Contractor shall immediately discontinue all work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for work performed (cost and fee) through the date of termination. Contractor expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Contract. Such notice of termination shall terminate this Contract and release OC San from any further fee, cost, or claim hereunder by Contractor other than for work performed through the date of termination.
- 29.2 OC San reserves the right to terminate this Contract immediately upon OC San's determination that Contractor is not complying with the Scope of Work requirements, if the level of service is inadequate, or for any other default of this Contract.

29.3 OC San may also immediately terminate this Contract for default, in whole or in part, by written notice to Contractor:

- if Contractor becomes insolvent or files a petition under the Bankruptcy Act; or
- if Contractor sells its business; or
- if Contractor breaches any of the terms of this Contract; or
- if the total amount of compensation exceeds the amount authorized under this Contract.

29.4 All OC San's property in the possession or control of Contractor shall be returned by Contractor to OC San on demand or at the expiration or early termination of this Contract, whichever occurs first.

30. **Attorney's Fees.** If any action at law or in equity or if any proceeding in the form of an Alternative Dispute Resolution (ADR) is necessary to enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which the prevailing party may be entitled and as specified in the General Conditions, including in the section entitled CLAIMS.
31. **Waiver.** The waiver by either party of any breach or violation of, or default under, any provision of this Contract shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Contract or default thereunder. Any breach by Contractor to which OC San does not object shall not operate as a waiver of OC San's rights to seek remedies available to it for any subsequent breach.
32. **Severability.** If any section, subsection, or provision of this Contract; or any agreement or instrument contemplated hereby; or the application of such section, subsection, or provision is held invalid, the remainder of this Contract or instrument in the application of such section, subsection, or provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby, unless the effect of such invalidity shall be to substantially frustrate the expectations of the Parties.
33. **Survival.** The provisions of this Contract dealing with payment, warranty, indemnity, and forum for enforcement shall survive expiration or early termination of this Contract.
34. **Governing Law.** This Contract shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in the County of Orange in the event any action is brought in connection with this Contract or the performance thereof.
35. **Notices.**  
35.1 All notices under this Contract must be in writing. Written notice shall be delivered by personal service, by electronic telecommunication, or sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Rejection or other refusal to accept or the inability to deliver because of changed address for which no notice was given as provided hereunder shall be deemed to be receipt of the notice, demand, or request sent. All notices shall be effective when first received at the following addresses:

OC San: Darius Ghazi  
Senior Buyer  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
[DGhazi@OCSan.gov](mailto:DGhazi@OCSan.gov)

Contractor: David Kiess  
Vice President  
J.R. Filanc Construction Company, Inc.  
740 North Andreasen Avenue  
Escondido, CA 92029  
[DKiess@filanc.com](mailto:DKiess@filanc.com)

35.2 Each party shall provide the other party written notice of any change in address as soon as practicable.

36. **Read and Understood.** By signing this Contract, Contractor represents that it has read and understood the terms and conditions of the Contract.
37. **Authority to Execute.** The persons executing this Contract on behalf of the Parties warrant that they are duly authorized to execute this Contract and that by executing this Contract, the Parties are formally bound.
38. **Entire Agreement.** This Contract constitutes the entire agreement of the Parties and supersedes all prior written or oral communications and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.

[Intentionally left blank. Signatures follow on the next page.]

IN WITNESS WHEREOF, intending to be legally bound, the Parties hereto have caused this Contract to be signed by their duly authorized representatives.

**ORANGE COUNTY SANITATION DISTRICT**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chad P. Wanke  
Chair, Board of Directors

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Kelly A. Lore  
Clerk of the Board

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Ruth Zintzun  
Purchasing & Contracts Manager

**J.R. FILANC CONSTRUCTION COMPANY, INC.**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_  
Print Name and Title of Officer

CMM

**EXHIBIT A**  
**SCOPE OF WORK**

**For**

**Primary Sedimentation Basin G Dome Post Repair at Plant No. 2**

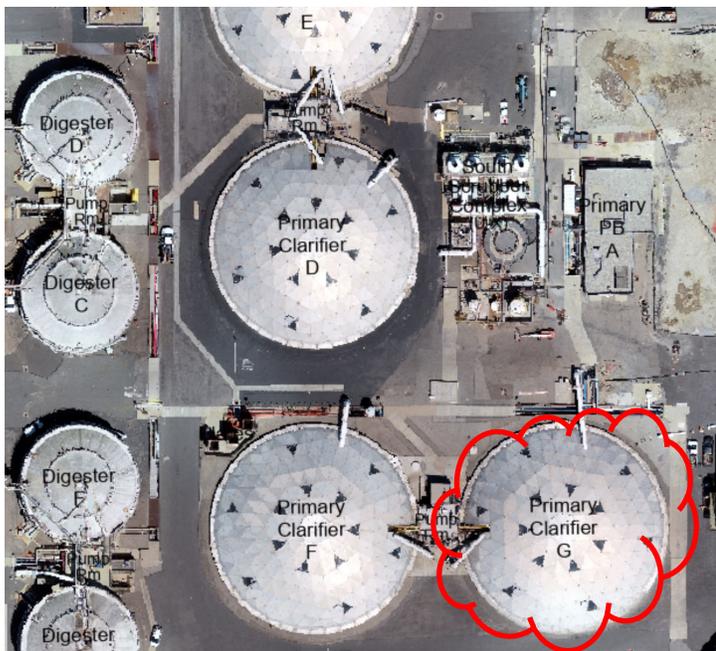
**EXHIBIT A**  
**SCOPE OF WORK**  
**Primary Sedimentation Basin G Dome Post Repair at Plant 2**  
**SPECIFICATION NO. S-2023-1385BD**

**SCOPE OF WORK**

**1 Location of Work**

The work covered under this Contract will take place at the Orange County Sanitation District's ("OC San's" or the "Sanitation District's"):

- *Plant 2 – 22212 Brookhurst Street, Huntington Beach, CA 92648*



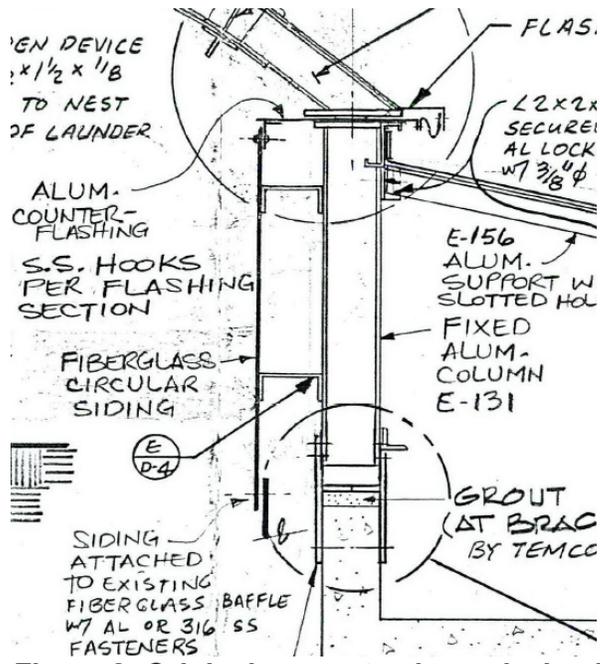
**Figure 1: Project key map by the clouded area**

**2 General**

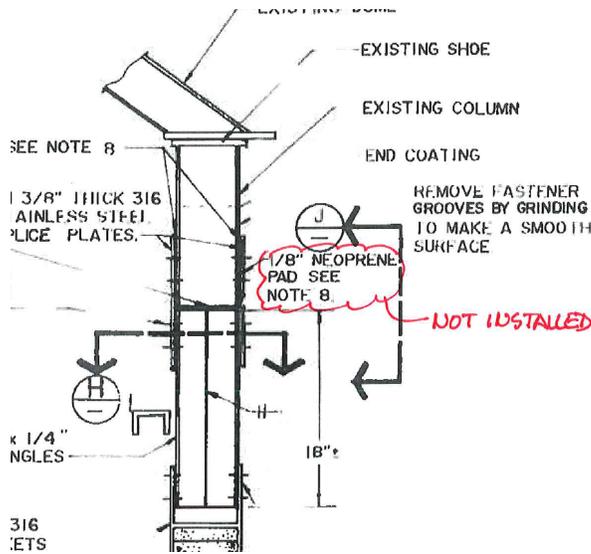
The Contractor shall furnish all labor, equipment, materials, machinery, tools, supplies, insurance, bonds, permits, licenses, transportation, and other incidentals necessary to complete all tasks and items of work described within this Exhibit A and within other portions of the Contract Documents and Drawings and as more specifically described below.

**3 Description of the Work**

The purpose of this Contract is to specify the project scope to repair dome support columns for Primary Sedimentation Basin (PSB) G. Per National Emission Standards for Hazardous Air Pollutants, OC San is required to have a dome cover for every PSB. The dome and its supports were constructed in 1987 (Figure 2), and the support columns were retrofitted back in 1995 (Figure 3). The original aluminum posts from 1987 for PSB G are badly corroded, to the point of impacting the stability of the dome. Also, a small section of the baffle wall has collapsed due to a corroded aluminum angle (Figure 4). This project shall rehabilitate project elements described in Section 4.



**Figure 2: Original support column design in 1987**



**Figure 3: Retrofitted support post with new stainless-steel stub and plates in 1995**



**Figure 4: Collapsed baffle wall and aluminum angle**

## 4 Project/Work Elements

### 4.1 General

#### A. Surface preparation and coating

The Contractor shall remove the existing mortar liner (Figure 5) covering the stainless-steel plate under the dome post. The approximate mortar liner removal area will be 6" X 12" at 43 locations. After removal of the liner and cleaning of existing stainless steel (SS) plates, weld a stainless steel flat bar of ¼" X 1½" X 11" between the gap (Figure 6) to level the surface. The Contractor shall verify the actual length and width of the flat bar required at each post. All the exposed aluminum sections at each post (43 locations) shall be hand or power tool cleaned (as per coating manufacturer recommendation) and coated as detailed in section 4.6.



**Figure 5: Partially removed mortar liner above a steel plate (different basin)**



**Figure 6: Exposed steel plate (different basin)**

## B. Reinforce the dome posts

There are a total of 43 dome posts in Primary Basin G. The Contractor shall reinforce all the posts as per the design drawings provided in Appendix A. For reference, see Figure 7 where similar repairs have been performed recently on another Basin. The configuration and access near dome support posts could vary depending on the location. Figures 8 and 9 show typical configurations and access near dome posts in Clarifier G. The materials required for this task have been detailed in Section 4.5.

Each post shall be reinforced with SS channels fastened to each side of the web of existing aluminum posts. The Contractor may want to secure an area near the post before working on any post. The bottom end of the new channels shall be welded to the existing steel plate. Isolation sleeves shall be provided as detailed in the Appendix A drawings at each post to protect against any galvanic corrosion between the dissimilar metal surfaces.



**Figure 7: Reinforced dome post (different basin) (typical)**



**Figure 8: Dome post typical configuration in Clarifier G**



**Figure 9: Dome post typical configuration in Clarifier G**

### C. Reinforce baffle wall support

The baffle wall is supported by two aluminum "Z" clips attached to the aluminum dome posts (Figure 10) and by a horizontal aluminum angle attached to the aluminum counter flashing above. The Contractor shall install a new "C" clip underneath the existing top Z clip for each post and remove the existing failed or severely corroded "Z" clips. For reference, see Figure 10, where similar C- clips have been recently installed in another Basin.

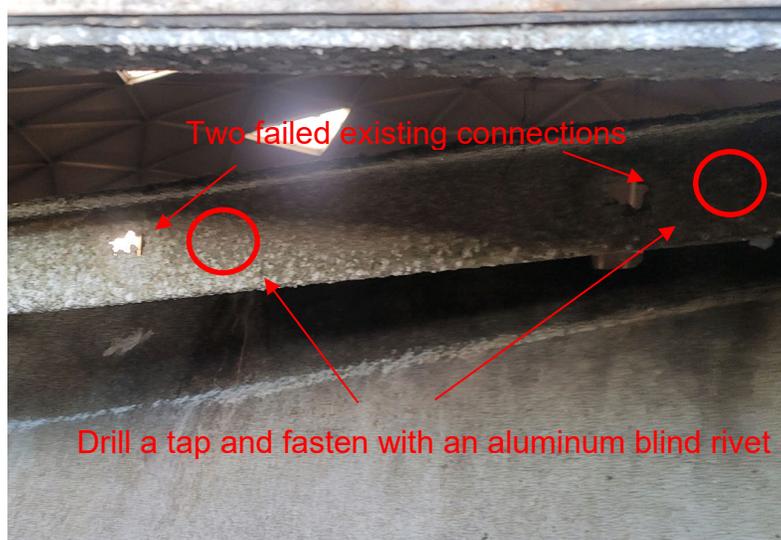


**Figure 10: Aluminum angle and "Z" clip providing support to the baffle wall (Typical)**

### D. Restore collapsed aluminum angle and resecure baffle wall

This work element includes four (4) major tasks as listed below:

1. An approximately 60-foot-long baffle wall section has collapsed (Figures 11 & 12) and must be restored back in place. The Contractor shall reinstall the failed aluminum angle and fasten the collapsed baffle wall to reinstall the aluminum angle. To restore the baffle wall, the Contractor may need to access the baffle wall from inside the basin floor (Confined Space Entry).



**Figure 11: Aluminum angle and connections to the baffle wall (Typical)**



**Figure 12: Collapsed baffle wall in basin G**

2. The Contractor shall install the aluminum rivets at 100 locations around the perimeter of the basin to reinforce the baffle wall. The new rivets can be installed 4" - 6" from existing severely corroded/failed sites. See figure 11 for reference. The Contractor may need access from basin floor (Confined Space Entry) to resecure the baffle wall and to install new aluminum rivets.
3. The Contractor must replace or tighten the bolts connecting different pieces of baffle wall together, all around the perimeter of the basin to secure the baffle wall and prevent future collapses. Figure 13 shows a typical location in Basin G where a gap is formed between the baffle wall connections, due to loosed or missing bolts. The Contractor shall assume maximum of 20 locations where bolts must be added or tightened.



**Figure 13: Baffle Wall connection and missing bolts**

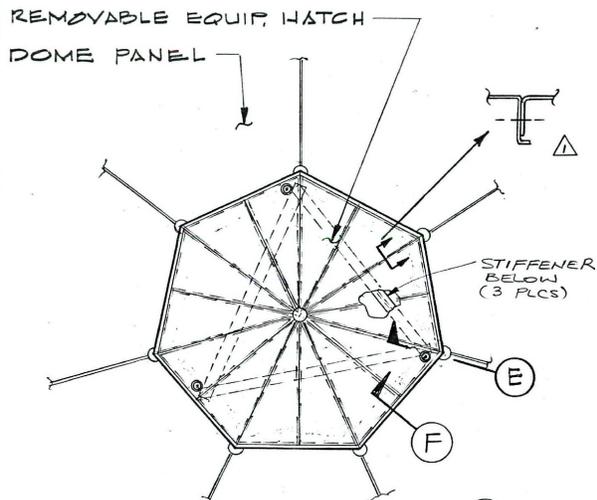
4. The Contractor shall replace failed aluminum angle 1.5" x 5" connectors and their hardware all around the perimeter of the basin (Figure 14). The Contractor shall assume 30 locations for this task.



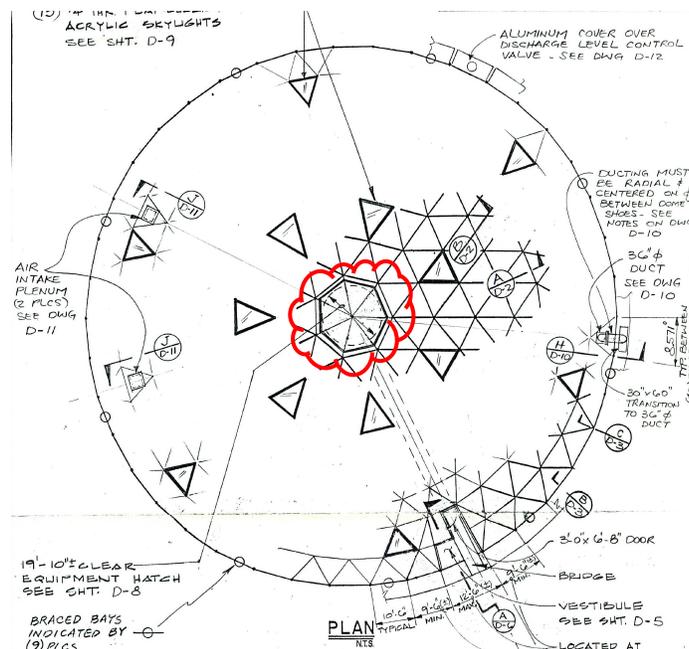
**Figure 14: Connector between two aluminum angles**

**E. Secure the dome hatch aluminum stiffeners**

The Contractor shall secure three aluminum stiffeners underneath a removable access hatch (Figure 15), which is located at the center of the dome cover (Figure 16). The connections where two stiffeners join are in bad condition and could potentially break loose. The Contractor shall secure three mounting plates by installing a hard SS wire around each mounting plate to prevent it from falling. See figure 22 for reference, where similar repairs have been completed recently on another basin.



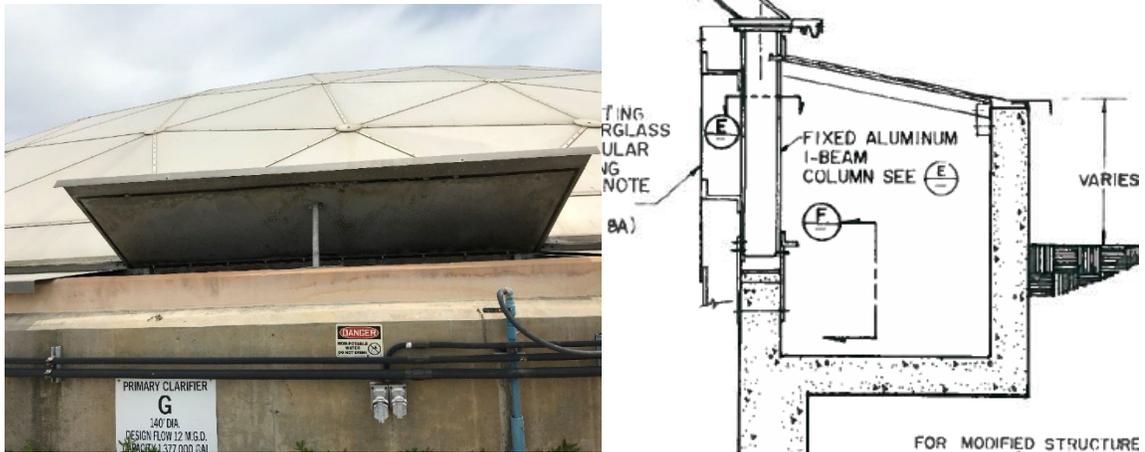
**Figure 15: Aluminum stiffeners below the removable dome hatch**



**Figure 16: Location of the removable dome hatch**

**F. Provide confined space entry and fall protection systems**

The Contractor shall provide confined space entry and rescue support, a fall protection system, and associated equipment to perform all tasks safely and as per OC San Safety Standards. The dome posts can be accessed from outside the basin by lifting launder covers (Figure 17). The launder channel is about 5.5 ft deep and 2.5 ft wide. The launder channel and inside basin is considered permit-required confined space. The aluminum angle supporting the baffle wall can also be accessed from the launder but may need to access the main basin floor through the main entry walkway into the basin to fasten the baffle wall. The dome hatch access procedure shall be approved by OC San Safety Division prior to the commencement of any dome hatch work. Due to safety, any entry inside the basin and dome hatch work shall be performed only after all dome posts are fully reinforced. (Avoid stepping on removable access hatch in the dome itself, see Figure 16).



**Figure 17: Primary basin launder channel to access support posts and baffle wall**

#### 4.2 Warranties

- A.** The Contractor shall warrant that the work performed will be free of defects in materials and workmanship for a period of one year from the date of acceptance by OC San. All warranty periods shall begin after satisfactory installation, accepted by the OC San Project Manager (PM) or designee.
- B.** The Contractor shall provide four (4) original copies of the warranties in writing to OC San after completion of installation and testing.
- C.** The Contractor shall be responsible for removal, installation, and shipping costs of any replacement parts and for correcting any other defective work at no cost to OC San.

#### 4.3 Submittals

- A.** OC San Contractor safety documents
- B.** Work plan including repair procedures, and construction schedule.
- C.** Shop fabrication drawings of all supplied materials and hardware

#### 4.4 Equipment Removal

Dome post reinforcement

- 43 x mortar liner covering steel plate under each post

Baffle wall reinforcement

- Remove existing failed “Z” clips (Figure 10), assume up to 10 locations.  
Remove aluminum angle connector and its hardware (Figure 14), assume up to 30 locations.

#### 4.5 Material Installation

Dome post reinforcement for each post (a total of 43 posts)

- Exposed surfaces of the aluminum posts shall be completely coated
  - Coating requirement is specified in Section 4.6
- Insert 1/4" x 1 1/2" x 11" long 316 SS flat bar fill the gap between brackets
  - 1/4" weld
- 2 x 316L SS 4"x 1 3/4" x 1/4" channel with 1/8" thick neoprene membrane per post (Refer to Appendix A for detail drawing)
  - Length of each channel is 24 3/4"
  - One channel shall be taper cut to allow the channel to be inserted for proper installation (Refer to Appendix A for detail drawing)

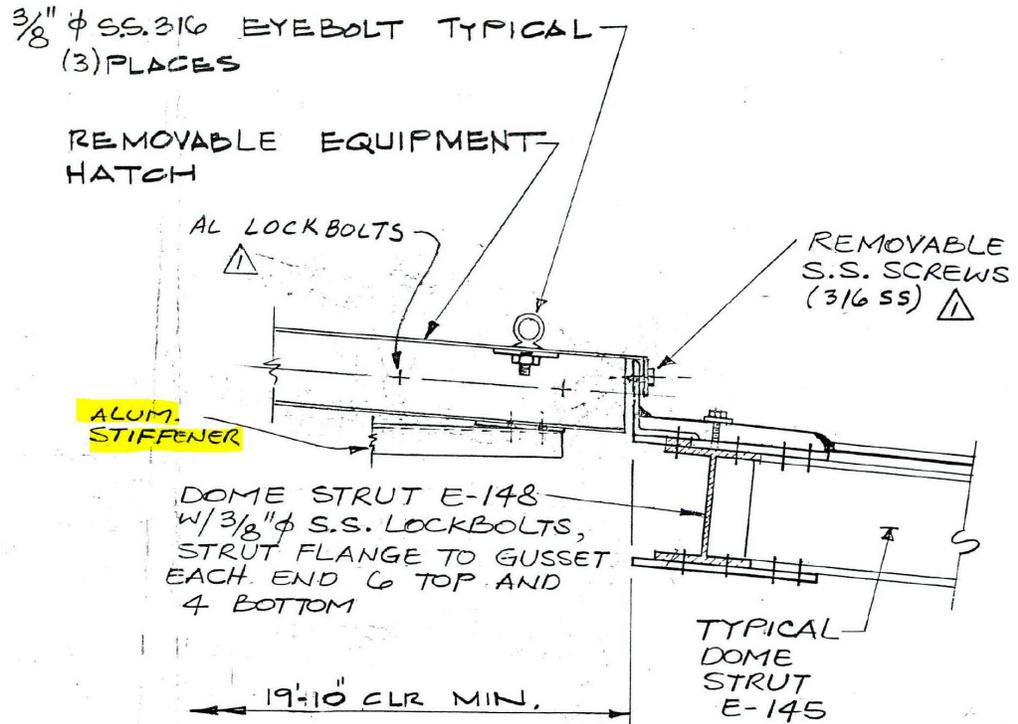
- 1/4" weld to the existing plate below
- 4 x 5/8" SS bolts, nuts, washers, and isolation sleeves
  - Drill 4 x 3/4" holes

#### Baffle wall reinforcement

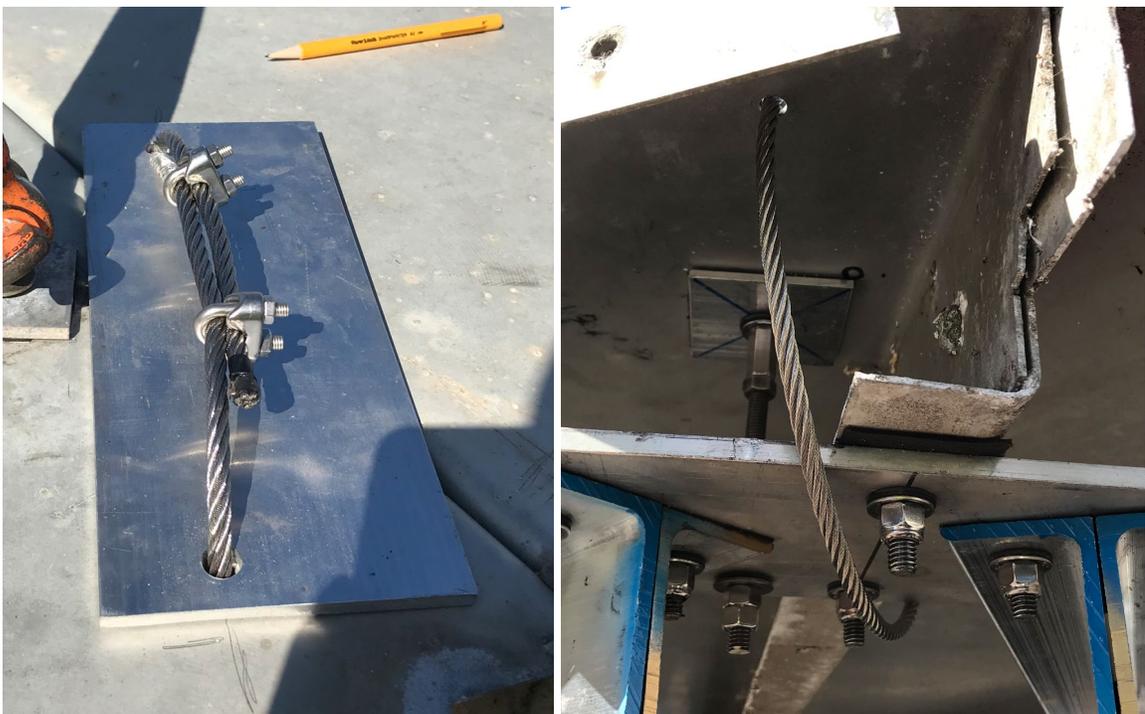
- 1 x aluminum "C" clip and its hardware (2 aluminum lockbolts or rivets on each end) for each post (a total of 43 clips and 172 hardware)
  - Use the dimension of "Z" clip provided in Figure 10. Contractor shall field verify the actual dimension prior to the fabrication
  - Connect one end of the clip to the reinforced post and other end to the baffle wall
- Fasten the baffle wall with aluminum rivets adjacent to failed connections around the perimeter of the basin (Figure 11).
  - The Contractor shall assume a quantity of 100 of 1/4" aluminum rivets to be installed. Contractor shall field verify the actual number prior to the fabrication
  - May need to access inside the basin to fasten the baffle wall. This work shall be done after the post reinforcement (Figure 12).
- Replace failed aluminum angle connectors and its hardware all around the perimeter of the basin (Figure 14).
  - The Contractor shall assume a quantity of 30 locations. Contractor shall field verify the actual dimension prior to the fabrication.

#### Safety wire installation for each stiffener mounting plate (a total of 3 plates)

- 1/4" 316 stainless steel wire
  - Dimension of existing mounting plate is 6" x 12" with 1/2" thickness
  - Wrap around the mounting plate and secure it (Figure 18 & 19)
- 3" x 12" aluminum plate with 1/8" thickness to reinforce the wire
- Any holes created during the work shall be either sealed with silicone sealant (small holes or gaps), or patched with 1/8" aluminum plate (Figure 20)



**Figure 18: Detail view of the removable hatch**



**Figure 19: Top and bottom view of installed safety wire (different basin)**



**Figure 20: Aluminum patch installed on top of a hole (different basin)**

#### **4.6 Material Requirements**

- Aluminum coating specification:
  - Surface preparation: Hand tool cleaning (SSPC-SP-2)
  - Primer: Amerlock 2 VOC, or approved equal; dry film thickness of 4 mils minimum
  - Finish coat: Imron Industrial Strength High Gloss Topcoat, or approved equal; dry film thickness of 2 mils minimum
- Aluminum lockbolts and rivets shall be 7075-T73
- Stainless steel bolts shall be ASTM A193/A193M-20
- Stainless steel nuts shall be ASTM A194/A194M-20a
- Stainless steel bent plate channels and washers shall be ASTM A484

#### **4.7 Permits/Safety/Licenses**

The Contractor shall coordinate with the Risk Management Division (safety and health) to identify any safety requirements for confined space entry and welding prior to the start of work.

#### **4.8 Commissioning**

Final completion walk with OC San's Inspector and/or PM

#### **4.9 Deliverables/As Built Drawings/Manufacturer's Documentation**

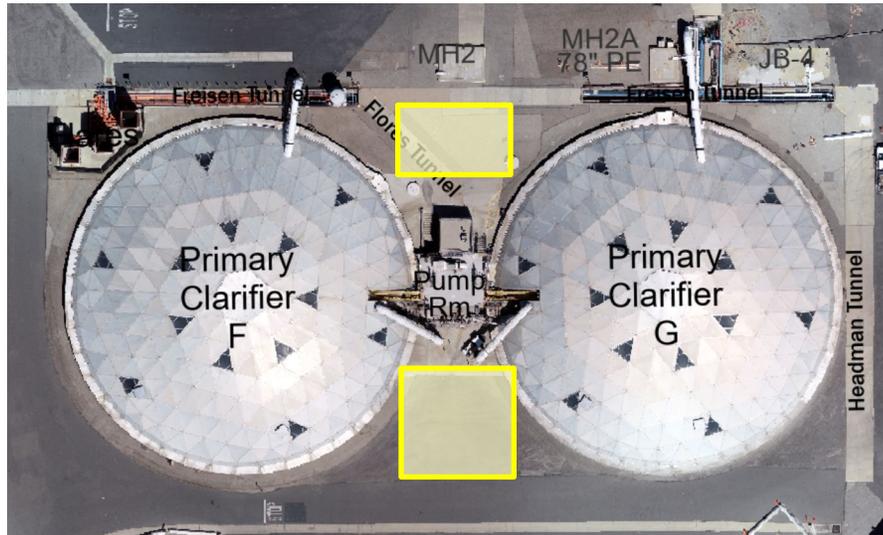
Refer to Submittals in Section 4.3

#### **4.10 Training**

*Not used*

### **5 Resources Available**

- Arcon Structural Engineers' structural assessment report and its repair plan, and associated project drawings (Appendix A)
- Laydown and Staging Area (Figure 21) below
- OC San will implement LOTO after the Contractor acquires OC San's approval



**Figure 21: Laydown and Staging Area by the highlighted area**

**6 Work Restrictions**

The Contractor shall evacuate the Primary Clarifier when directed by OC San Project Manager for times that facility is needed for operations due to wet weather or other capacity needs.

The OC San Project Manager will issue a notification to the Contractor when OC San has determined that the Facility Out of Service is needed for impending operations due to wet weather or emergency. This notification will be considered a direction to the Contractor that the Facility Out of Service shall be evacuated within the next 24 hours, starting from receipt of the notification. Upon receiving this Evacuation of Facility notification, the Contractor shall bring to bear enough resources to remove all personnel, equipment, and materials from the Facility Out of Service so that OC San can return it to service for operations.

**7 Project Schedule**

The Contractor shall submit a project schedule to the OC San Project Manager for approval. A suggested schedule is provided below but may be updated with the approval of the OC SAN Project Manager.

<b>Milestones/Timeline</b>	<b>Deadline (Weeks from Kick-Off/NTP)</b>	<b>Review Period (Weeks)</b>	<b>Cumulative Weeks</b>
<b>Kick-Off Meeting/Notice to Proceed (NTP)</b>	Day of NTP	N/A	1 business day
<b>Submittals</b>	Within 2 weeks of NTP	1 week	2 weeks
<b>Mobilization</b>	Within 4 weeks of NTP	N/A	4 weeks
<b>Final Completion of Work</b>	Within 10 weeks of NTP	N/A	10 weeks

**8 Project Management**

All communication shall go through the OC San Project Manager. All workdays must be approved by the OC San Project Manager prior to construction.

### **8.1 Project Kick-Off Meeting**

- a. At NTP, a meeting with OC San staff shall be held to establish appropriate contacts and review the Contractor's plan to implement this work.
- b. Contract conferences shall be held on an on-call basis with OC San staff to keep OC San apprised of the job, review work in progress, and receive comments. Conferences shall be held at the OC San's offices or virtual Microsoft Teams.

## **9 Change Management**

See Attachment F – General Conditions – Section **GC-22**.

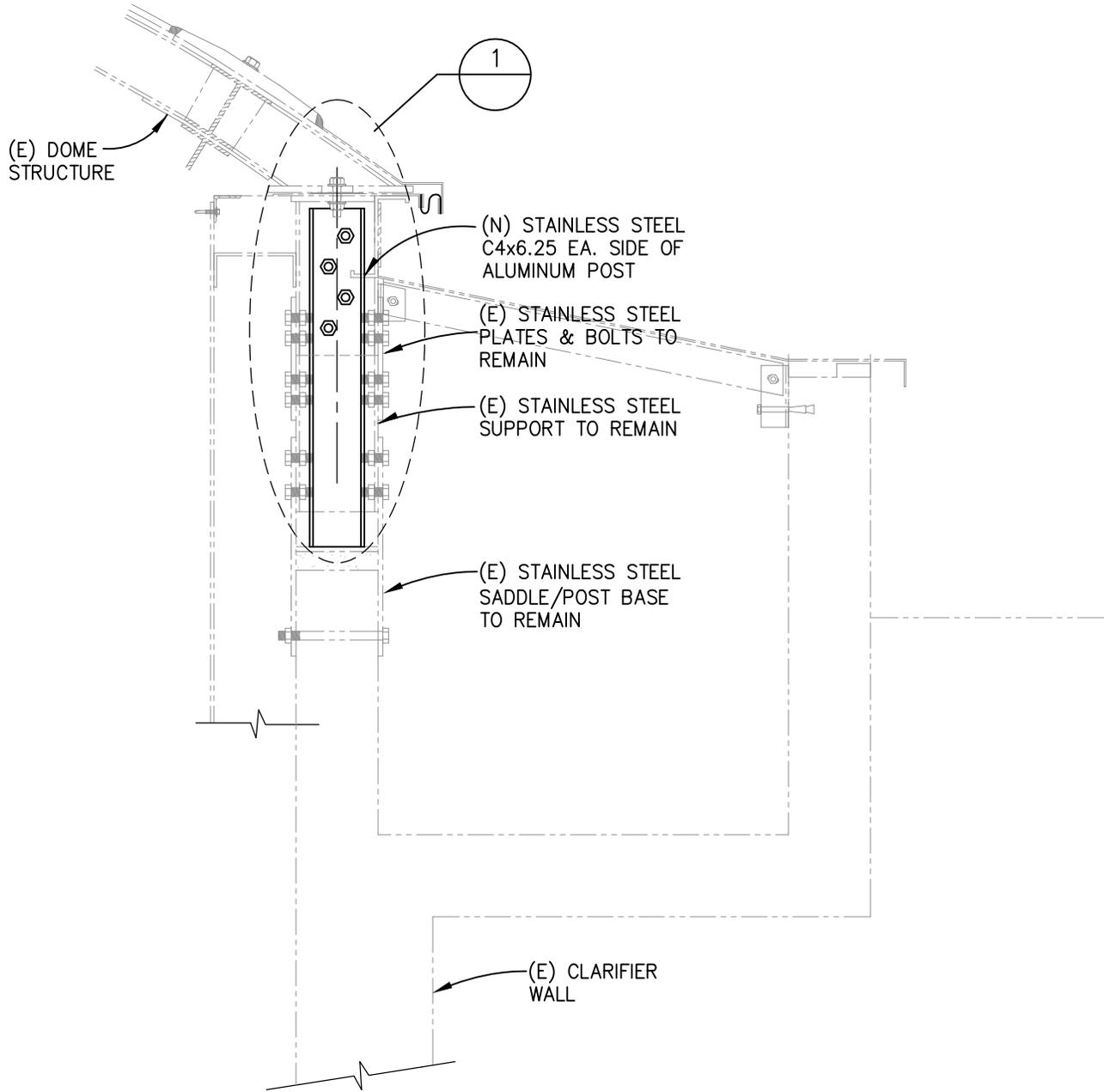
## **10 Staff Assistance**

The Contractor will be assigned a single point of contact on this project. Any meetings and/or correspondence related to this project shall be scheduled and approved by the OC San Project Manager.

**APPENDIX A  
TO THE  
SCOPE OF WORK**

**For**

**Primary Sedimentation Basin G Dome Post Repair at Plant No. 2**



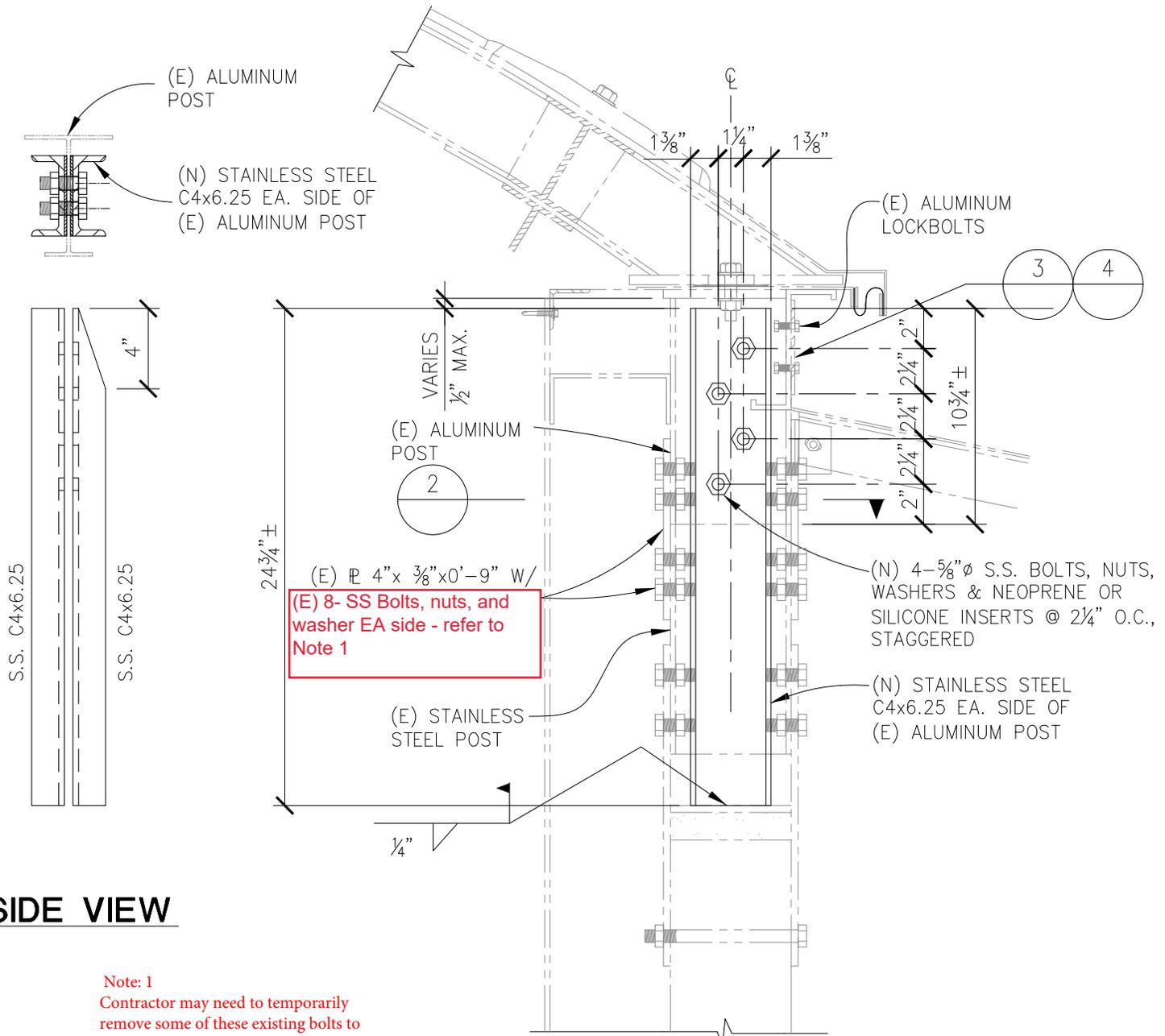
**DOMES SUPPORT SECTION**

SCALE: 1"=1'-0"

**LEGEND:**

- (E) INDICATES EXISTING CONSTRUCTION
- (N) INDICATES NEW CONSTRUCTION
- S.S. INDICATES STAINLESS STEEL





**SIDE VIEW**

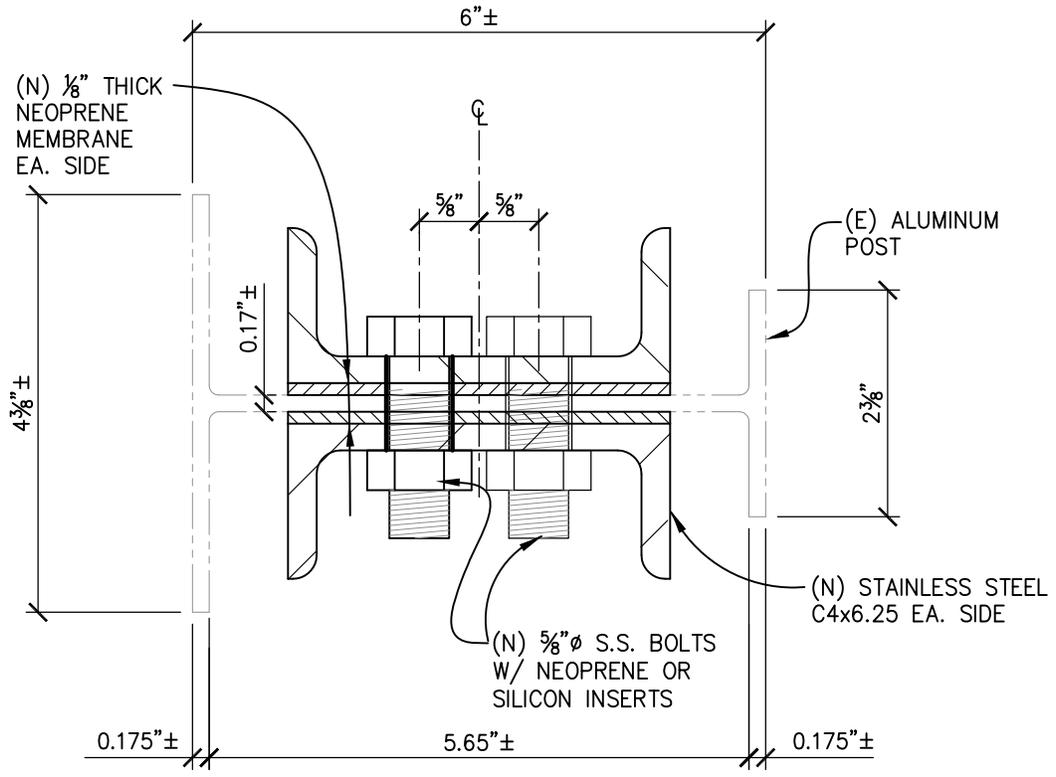
**Note: 1**  
 Contractor may need to temporarily remove some of these existing bolts to install a 4-inch C channel and reinstall existing bolts after complete C-channel installation.

**POST REINFORCEMENT 1**  
 SCALE: 1-1/2"=1'-0"

**LEGEND:**

- (E) INDICATES EXISTING CONSTRUCTION
- (N) INDICATES NEW CONSTRUCTION
- S.S. INDICATES STAINLESS STEEL



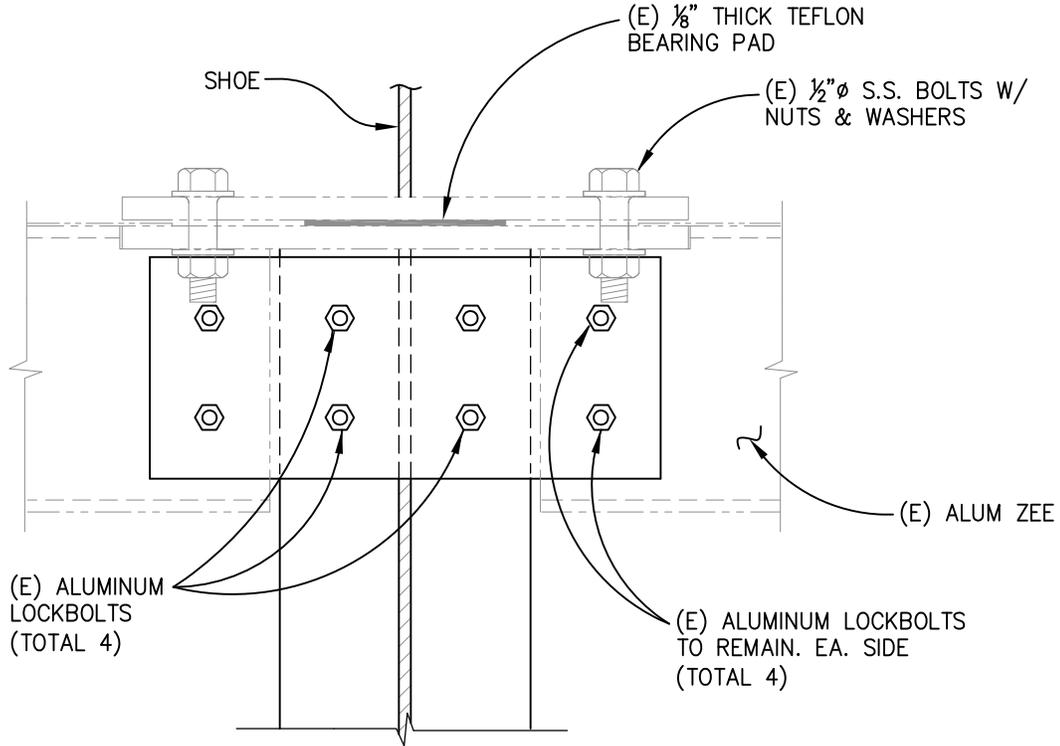


**POST REINFORCEMENT** 2  
 SCALE: 6"=1'-0"

**LEGEND:**

- (E)            INDICATES EXISTING CONSTRUCTION
- (N)            INDICATES NEW CONSTRUCTION
- S.S.             INDICATES STAINLESS STEEL



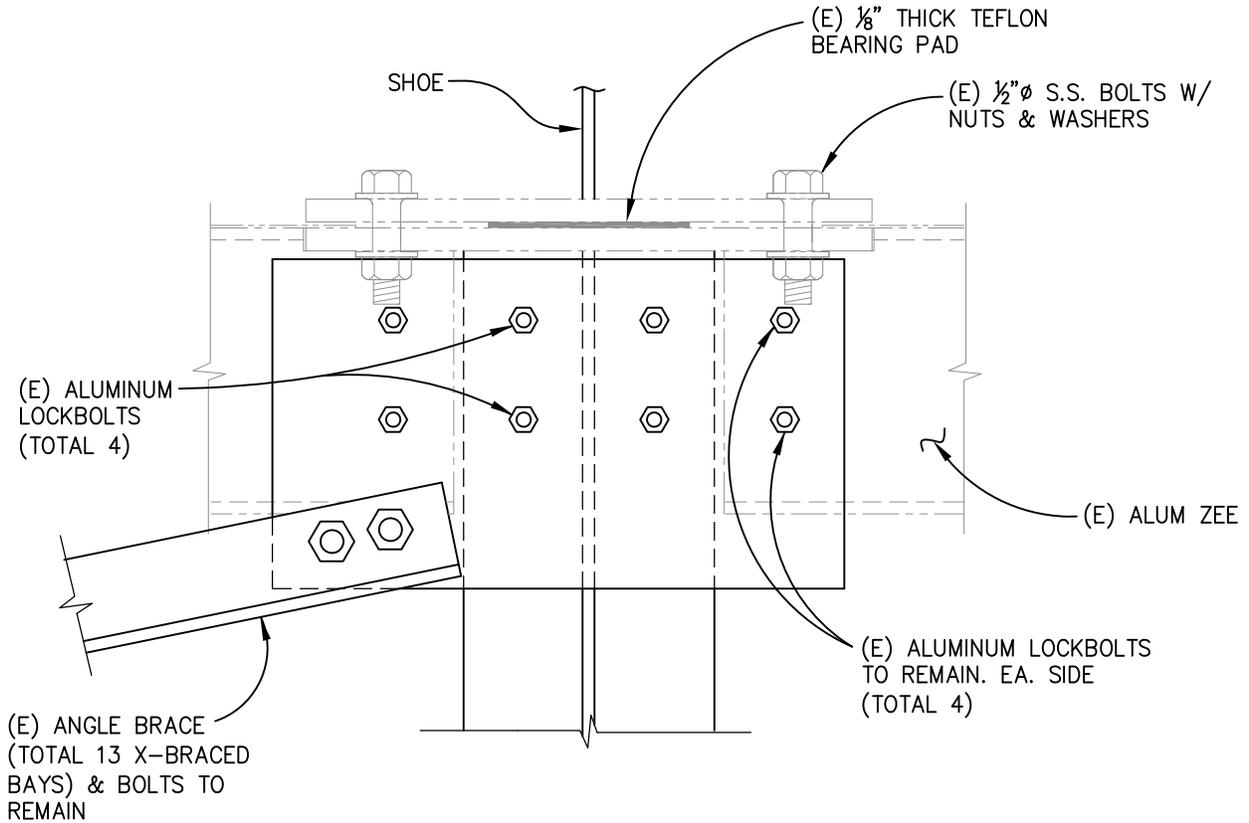


**SECTION** 3  
 SCALE: 3"=1'-0"

**LEGEND:**

- (E)      INDICATES EXISTING CONSTRUCTION
- (N)      INDICATES NEW CONSTRUCTION
- S.S.      INDICATES STAINLESS STEEL





**SECTION**

**4**

SCALE: 3"=1'-0"

**LEGEND:**

- (E) INDICATES EXISTING CONSTRUCTION
- (N) INDICATES NEW CONSTRUCTION
- S.S. INDICATES STAINLESS STEEL



## NOTES:

1. WHERE CONDITIONS OF CORROSION OF THE EXISTING ALUMINUM POST ARE SUCH THAT THE BELOW CONSTRUCTION SEQUENCE CAN NOT BE SAFELY IMPLEMENTED, SAFE SHORING MUST BE PROVIDED DURING THE INSTALLATION AND FASTENING OF THE STAINLESS STEEL BENT PLATE CHANNELS.
2. THE BOLT AND LOCKBOLT CONTACT SURFACES BETWEEN STAINLESS STEEL AND ALUMINUM MUST BE COVERED WITH NEOPRENE WASHERS, PRIMER COATING, TAPE, NEOPRENE OR SILICONE INSERTS, AS APPROPRIATE.
3. NEW BOLT HOLES IN ALUMINUM AND STAINLESS STEEL MUST BE DRILLED. LOCATION OF BOLT HOLES AND LENGTH OF STAINLESS STEEL C4x6.25 CHANNELS MUST BE VERIFIED BY FIELD MEASUREMENTS FOR EACH COLUMN SUPPORT.

## CONSTRUCTION SEQUENCE:

1. ANY EXISTING ALUMINUM OR STAINLESS STEEL BOLTS DAMAGED DURING THE CLEANING OF THE ALUMINUM SURFACE OR THE INSTALLATION MUST BE REPLACED IN KIND, LIKE FOR LIKE.
2. EXPOSED SURFACES OF THE ALUMINUM POSTS MUST BE PREPARED AS FOLLOWS BEFORE REPAIRS:
  - A. PREPARE EXPOSED ALUMINUM SURFACE WITH LIGHT ABRASIVE BLAST.
  - B. PRIME ALUMINUM SURFACES WITH DUPONT 25P DRY FILM (4 MILLS MINIMUM THICKNESS).
  - C. FINISH ALUMINUM SURFACES WITH DUPONT 50P DRY FILM (2 MILLS DRY, 4 MILLS WET).
3. INSTALL NEOPRENE MEMBRANE AND STAINLESS STEEL C4x6.25 CHANNELS, AND FASTEN WITH NEW STAINLESS STEEL BOLTS AND LOCKBOLTS.
4. FIELD WELD NEW STAINLESS STEEL C4x6.25 TO EXISTING STAINLESS STEEL SADDLE.

## MATERIALS:

1. REPLACEMENT ALUMINUM LOCKBOLTS MUST BE 7075-T73
2. REPLACEMENT STAINLESS STEEL BOLTS MUST BE ASTM A193/A193M-20.
3. REPLACEMENT NUTS MUST BE ASTM A194/A194M-20a.
4. STAINLESS STEEL BENT PLATE CHANNELS AND WASHERS MUST BE ASTM A666-15.



**EXHIBIT B**  
**BID PRICE FORM**  
**For**

**Primary Sedimentation Basin G Dome Post Repair at Plant No. 2**

## Bid Results

### Bidder Details

**Vendor Name** J.R. Filanc Construction Co. Inc.  
**Address** 740 N. Andreasen Ave.  
 Escondido, California 92029  
 United States  
**Respondee** Luis Reyes  
**Respondee Title** General Manager  
**Phone** 626-391-1484  
**Email** lreyes@filanc.com  
**Vendor Type** CADIR  
**License #** 134877  
**CADIR** 1000001631

### Bid Detail

**Bid Format** Electronic  
**Submitted** 02/07/2023 1:46 PM (PST)  
**Delivery Method**  
**Bid Responsive**  
**Bid Status** Submitted  
**Confirmation #** 318289

### Respondee Comment

### Buyer Comment

### Attachments

File Title	File Name	File Type
filanc n.pdf	filanc n.pdf	Exhibit N - Copy of Executed Bid Bond
filanc j k.pdf	filanc j k.pdf	Exhibits J & K - Safety Submittals
filanc cghi.pdf	filanc cghi.pdf	Exhibits C, G, H & I
filanc n.pdf	filanc n.pdf	Bid Bond

## Line Items

Discount Terms No Discount

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
TOTAL Lump Sum Cost of Primary Sedimentation Basin G Dome Post Repair at Plant No. 2 in accordance with the Scope of Work, Exhibit A, including applicable sales tax, labor, freight, equipment, confined space entries, safety provisions and miscellaneous costs.							\$248,600.00		
1			TOTAL Lump Sum Cost of Primary Sedimentation Basin G Dome Post Repair at Plant No. 2 in accordance with the Scope of Work, Exhibit A, including applicable sales tax, labor, freight, equipment, confined space entries, safety provisions and miscellaneous costs.	Lump Sum	1	\$248,600.00	\$248,600.00	Yes	

## Line Item Subtotals

Section Title	Line Total
<b>TOTAL Lump Sum Cost of Primary Sedimentation Basin G Dome Post Repair at Plant No. 2 in accordance with the Scope of Work, Exhibit A, including applicable sales tax, labor, freight, equipment, confined space entries, safety provisions and miscellaneous costs.</b>	<b>\$248,600.00</b>
<b>Grand Total</b>	<b>\$248,600.00</b>



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2912

**Agenda Date:** 4/26/2023

**Agenda Item No:** 10.

---

**FROM:** Robert Thompson, General Manager  
Originator: Riaz Moinuddin, Director of Operations & Maintenance

**SUBJECT:**

**MSP VFD #7 ISOLATION TRANSFORMER REPLACEMENT AT PLANT NO. 2**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Sole Source Purchase Order Contract to OneSource Distributors, Inc. to replace the No. 7 Main Sewage Pump Variable Frequency Drive isolation transformer for a total amount not to exceed \$255,925 plus applicable sales tax and freight; and
- B. Approve a contingency of \$25,593 (10%).

**BACKGROUND**

Orange County Sanitation District's (OC San) Plant No. 2 headworks facility is designed with seven Main Sewage Pumps (MSP). Each MSP has a Variable Frequency Drive (VFD) that controls the speed of the MSP to maximize efficiency of the pumping operation. The VFDs are Rockwell Automation medium voltage VFDs and are fed by 12KV feeder that is transformed down to 4.16KV. The step-down transformer is a critical sub-component to operate the MSP VFDs.

**RELEVANT STANDARDS**

- Maintain a proactive asset management program
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard

**PROBLEM**

The Plant No. 2 MSP #7 VFD isolation transformer was found inoperable due to an internal electrical fault causing failure to the VFD unit. MSP #7 is one of four pumps on the reclaimable side and is no longer operable.

**PROPOSED SOLUTION**

Approve a Sole Source Purchase Order to the Original Equipment Manufacturer (OEM) to replace the isolation transformer.

**TIMING CONCERNS**

The isolation transformer has a long lead time. Estimated delivery time is 25 weeks for the vendor to provide a replacement transformer.

**RAMIFICATIONS OF NOT TAKING ACTION**

Main Sewage Pumps are critical equipment. One MSP on the reclaimable water side of Headworks will not be available, resulting in diminished flow capacity of approximately 75 MGD which may potentially be needed during the next wet weather period.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OneSource is the Board of Directors approved OEM for VFD parts and repairs.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This recommendation will be funded under the Repairs and Maintenance line item for Division 880, Plant No. 2 Maintenance (Adopted Budget, FY 2022-23 & 2023-24, Section 6, Page 96) and the available funding is sufficient for this action.

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<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
04/26/2023	\$255,925	\$25,593 (10%)

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**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2913

**Agenda Date:** 4/26/2023

**Agenda Item No:** 11.

---

**FROM:** Robert Thompson, General Manager  
Originator: Riaz Moinuddin, Director of Operations & Maintenance

**SUBJECT:**

**CONTINGENCY INCREASE FOR JANITORIAL & FLOOR MAINTENANCE SERVICE CONTRACT S-2021-1270BD**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a one-time contingency increase of \$182,724 (19%) to the Service Contract with Gamboa Services Inc. dba Corporate Image Maintenance for Janitorial & Floor Maintenance Services at Plant Nos. 1 and 2, Specification No. S- 2021-1270BD, for the period May 1, 2023 through January 31, 2024, for a total contingency amount not to exceed \$278,894 (29%) for this term, resulting in a new annual contract amount of \$1,240,599; and
- B. Approve an annual contingency increase of 10% for all remaining renewal periods.

**BACKGROUND**

In January 2022, the Board of Directors approved a Service Contract with Gamboa Services Inc. dba Corporate Image Maintenance for Janitorial & Floor Maintenance Services at Plant Nos. 1 and 2, Specification No. S-2021-1270BD, for a total amount not to exceed \$961,705 for the period February 1, 2022 through January 31, 2023, with four (4) one-year renewal options for cleaning the civil infrastructure at Orange County Sanitation District's (OC San) treatment facilities and pump stations, and an annual contingency amount of \$96,170 (10%).

Janitorial services are one of the industries where prevailing wages rates apply when employed by Special Districts. The applicable prevailing wage rate and benefits are determined by the State of California Department of Industrial Relations (DIR) and adjusted periodically.

**RELEVANT STANDARDS**

- Commitment to safety & reducing risk in all operations
- Provide a safe and collegial workplace

**PROBLEM**

The State of California DIR recently increased the prevailing wage and benefit levels for these services. The current contract amount and contingency is not enough to cover these increased costs.

**PROPOSED SOLUTION**

Approve a contingency increase to the Service Contract to cover the increased Prevailing Wage and Benefit Requirements, Payroll Taxes, and Insurance.

**TIMING CONCERNS**

The new prevailing wage rates will take effect May 1 of this term, so increased funds are necessary.

**RAMIFICATIONS OF NOT TAKING ACTION**

Adequate funds are needed to address the new prevailing wage rates that will take effect May 1 to continue current janitorial services.

**PRIOR COMMITTEE/BOARD ACTIONS**

January 2022 - Approved a Service Contract to Gamboa Services Inc. dba Corporate Image Maintenance to provide Janitorial & Floor Maintenance Services at Plant Nos. 1 and 2, Specification No. S- 2021-1270BD, for a total amount not to exceed \$961,705, for the period beginning February 1, 2022, through January 31, 2023, with four (4) one-year renewal options and approve an annual contingency of \$96,170 (10%).

**ADDITIONAL INFORMATION**

The original contract was approved in January 2022, since then the DIR has increased the applicable prevailing wage rate and benefits and has announced a second increase to be effective on May 1, 2023. The table below shows the wage rate applicable to this contract:

<b>Effective Date</b>	<b>Prevailing Wage Rate</b>	<b>Prevailing Wage Benefits</b>
January 1, 2022	\$15.00	\$4.47
January 1, 2023	\$17.00	\$8.47
May 1, 2023	\$17.50	\$8.97

Additional funds are needed to cover costs associated with the increases to the prevailing wage rate and benefit requirements. The additional funding will increase the contingency from 10% to 29%.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San’s Purchasing Ordinance. This recommendation will be funded under the Professional and Contractual Service line item for Division 210, Administrative Services Administration (Adopted Budget, FY 2022-23 & 2023-24, Section 6, Page 24) and the available funding is sufficient for this action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
01/26/2022	\$961,705	\$96,170 (10%)
04/26/2023		\$182,724 (19%)

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

---

**File #:** 2023-2914

**Agenda Date:** 4/26/2023

**Agenda Item No:** 12.

---

**FROM:** Robert Thompson, General Manager  
Originator: Riaz Moinuddin, Director of Operations & Maintenance

**SUBJECT:**

**REGIONAL ODOR AND CORROSION CONTROL SERVICES (ROCCS) PROGRAM AGREEMENT,  
SPECIFICATION NO. C-2023-1378BD**

### **GENERAL MANAGER'S RECOMMENDATION**

#### RECOMMENDATION:

- A. Approve a Chemical Supplier Agreement to Hill Brothers Chemical Company for Regional Odor and Corrosion Control Services, Specification No. C-2023-1378BD, for the period beginning May 1, 2023 through April 30, 2024, for the:
1. Supply and delivery of ferrous chloride at the unit price of \$1,357 per dry ton delivered plus applicable tax; Application Services at a unit price of \$32.50 per site per day; Field Services at a unit price of \$32.50 per site per day; and a delivery surcharge of \$700 per delivery for low dosage sites of ferrous chloride only, including but not limited to Crystal Cove Pump Station and Tiffany Lift Station for an estimated total annual amount of \$5,387,770;
  2. Supply and delivery of magnesium hydroxide at a unit price of \$685 per dry ton delivered plus applicable tax; Application Services at a unit price of \$80 per site per day; Field Services at a unit price of \$80 per site per day; demurrage fee for mobile dosing of \$175 per hour; and demurrage of \$720 per dry ton delivered for an estimated total annual amount of \$2,694,630;
  3. Supply and delivery of calcium ammonium nitrate (CAN-17) at a unit price of \$5 per gallon delivered plus applicable tax; Application Services at a unit price of \$32.50 per site per day; Field Services at a unit price of \$32.50 per site per day; and a Crystal Cove delivery fee of \$700 per delivery for an estimated total annual amount of \$1,186,844; and
  4. An annual not to exceed agreement allowance of \$100,000 for mobilization and demobilization services; and
- B. Approve the option to renew the Chemical Supplier Agreement over a five-year period, expiring April 30, 2028, with renewal terms not to exceed a 12-month term; and
- C. Approve renewal adjustments of unit pricing with a not to exceed 25% contingency.

## **BACKGROUND**

The Orange County Sanitation District (OC San) Regional Odor and Corrosion Control Services (ROCCS) program uses chemical dosing in its collection system to reduce the formation of hydrogen sulfide gas in the vapor space of its sewer pipes. Hydrogen sulfide is a nuisance odorant that smells like rotten eggs and can cause corrosion of concrete and steel. The ROCCS program operates 10 remote continuous chemical dosing sites in nine member-agency-cities to reduce odors and extend the pipes' life expectancy. Staff maintains oversight and daily interaction with the outsourced service providers.

This agreement provides continuous chemical dosing within the regional trunk system and major tributary sewers using a combination of three chemicals for various applications. In addition to supplying the chemicals, the suppliers provide all necessary equipment, including tanks, containment, pumps, piping, secure fencing, and equipment monitoring to determine tank levels, leaks, and pump rates.

## **RELEVANT STANDARDS**

- 12 or fewer odor complaints per year under normal operating conditions in the collection system
- Zero odor incidents/events under normal operating conditions for Plant Nos. 1 and 2
- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting

## **PROBLEM**

The current agreement with the service provider(s) will expire this fiscal year with no remaining renewals.

## **PROPOSED SOLUTION**

Staff recommends approving the Chemical Supplier Agreement to Hill Brothers Chemical Company for the ROCCS program.

## **TIMING CONCERNS**

If no action is taken, odor and corrosion control service will lapse.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Without action, ferrous chloride, magnesium hydroxide, and calcium nitrate addition in the collection system will cease. Normal biological activity in the sewer system will produce uncontrolled hydrogen sulfide which causes odor and corrosion problems in the collection system.

## **PRIOR COMMITTEE/BOARD ACTIONS**

N/A

## ADDITIONAL INFORMATION

OC San requested and advertised for proposals for the Regional Odor Control and Corrosion Control Program, Specification No. C-2023-1378BD, on January 5, 2023. The following evaluation criteria were described in the Request for Proposal (RFP) and used to determine the most qualified vendor.

CRITERION	WEIGHT
Qualifications & Experience of Firm	20%
Proposed Staffing and Project Organization	20%
Work Plan	30%
Cost	30%

Two proposals were received on February 7, 2023 and evaluated in accordance with the evaluation process set forth in OC San's Purchasing Ordinance by the pre-selected Evaluation Team. The evaluation team first reviewed and scored the proposals based on the above criteria, other than cost. Afterward, both cost proposals were opened and evaluated.

Rank	Proposer	Subtotal Score Without Cost (Max 70%)	Cost (Max 30%)	Total Weighted Score (Max 100%)
1	Hill Brothers Chemical Co.	68%	30%	98%
2	US Peroxide, LLC	58%	29%	87%

Cost information is as follows:

Rank	Proposer	Total Estimated Annual Cost
1	Hill Brothers Chemical Co.	\$9,319,241
2	US Peroxide, LLC	\$9,427,990

Hill Brothers had the highest-scoring technical proposal and the most competitive cost proposal; therefore, staff recommends approving the new Chemical Supplier Agreement for the ROCCS program to Hill Brothers Chemical Company.

## CEQA

N/A

## FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This recommendation will be funded under the Supplies line item for Division 820, Collections Facilities

Operations and Maintenance (Adopted Budget, FY 2022-23 & 2023-24, Section 6, Page 76). The available funding is sufficient for this action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Chemical Supplier Agreement

**CHEMICAL SUPPLIER AGREEMENT**  
**Regional Odor and Corrosion Control System (ROCCS) Program**  
**Specification No. C-2023-1378BD**

**THIS AGREEMENT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District (hereinafter referred to as “OC San”) and Hill Brothers Chemical Company (hereinafter referred to as “Supplier”) collectively referred to as the “Parties”.

**RECITALS**

**WHEREAS**, OC San desires to temporarily engage Supplier to provide Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate and associated ROCCS Program services as described in Exhibit “A”; and

**WHEREAS**, Supplier submitted its Proposal on February 7, 2023; and

**WHEREAS**, on April 26, 2023, the Board of Directors of OC San, by minute order, authorized execution of this Agreement between OC San and Supplier; and

**WHEREAS**, OC San has chosen Supplier to provide Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate and associated ROCCS Program services in accordance with Ordinance No. OC San-56; and

**NOW, THEREFORE**, in consideration of the mutual promises and mutual benefits exchanged between the Parties, the Parties mutually agreed as follows:

**1. Introduction**

1.1 This Agreement and all exhibits hereto (called the “Agreement”) is made by OC San and the Supplier. The terms and conditions herein exclusively govern the purchase of Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate and associated ROCCS Program services as described in Exhibit “A”.

1.2 Exhibits to this Agreement are incorporated by reference and made a part of this Agreement as though fully set forth at length herein.

- Exhibit “A” Scope of Work
- Exhibit “B” Proposal
- Exhibit “C” Determined Insurance Requirement Form
- Exhibit “D” OC San Contractor Safety Standards
- Exhibit “E” Human Resources Policies

1.3 In the event of any conflict or inconsistency between the provisions of this Agreement and any of the provisions of the exhibits hereto, the provisions of this Agreement shall in all respects govern and control.

1.4 This Agreement may not be modified, changed, or supplemented, nor may any obligations hereunder be waived or extensions of time for performance granted, except by written instrument signed by both Parties.

1.5 The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any section or provision hereof.

- 1.6 The term “days”, when used in the Agreement, shall mean calendar days, unless otherwise noted as workdays.
- 1.7 The term “workday”. Workdays are defined as all days that are not Saturday, Sunday, or OC San observed holidays. Meetings with OC San staff shall be scheduled from Monday through Thursday between the hours of 8 a.m. and 4 p.m. (exception is Operations staff who maintain plant operations 24 hours per day 7 days per week and work a rotated 12-hour shift) and shall conform to OC San work schedules.
- 1.8 OC San holidays (non-working days) are as follows: New Year’s Day, Martin Luther King, Jr. Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.9 Work Hours: The work required under this Agreement may include normal business hours, evenings, and weekends.
- 1.10 Supplier shall provide OC San with all required premiums and/or overtime work at no charge beyond the total amount of the Agreement.
- 1.11 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Supplier as a result of work performed in anticipation of purchases of said services by OC San.

## **2. Delivery**

- 2.1 LOCATIONS: Deliveries shall be made in accordance with the Scope of Work, Exhibit “A”.
- 2.2 OC San will pay only for the actual quantity of Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate delivered, based upon certified tare weight and net weight. The quantity invoiced by Supplier and payable by OC San will be for the total net weight of Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate delivered (loaded gross weight minus the tare weight). Tare weight shall be determined immediately after each delivery and prior to cleaning, emptying, or clearing the delivery tank.
- 2.3 A bill of lading shall accompany all shipments in accordance with Exhibit “A”.

3. **Possession** Ownership and control of all Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate delivered pursuant to this Agreement shall remain solely and exclusively with Supplier, until complete transfer of possession by delivery to OC San at the designated locations is made by Supplier.

## **4. Quantity**

- 4.1 OC San makes no guarantee to actual use or quantity of Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate purchased. Use may be sporadic based on the wastewater treatment requirements unique to each treatment plant.
- 4.2 OC San will, through the term of this Agreement, purchase Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate from Supplier exclusively, except when OC San determines Supplier cannot make delivery within the time specified, with the quality and quantity specified, at the Agreement price, the level of Service is inadequate, OC San unapproved increase in rate or for any other default or breach of this Agreement. In such event, OC San may purchase Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate elsewhere and

charge Supplier any difference in the delivered price to OC San from that provided in this Agreement, or alternatively, OC San may terminate the Agreement based on said breach or failure to deliver the specified product. Quality control tests will be performed by OC San on the delivered Ferrous Chloride, Magnesium Hydroxide and Calcium Nitrate to ensure it is consistent with the requirements specified in Exhibit "A".

**5. California Department of Industrial Relations Registration and Record of Wages**

- 5.1 Pursuant to Labor Code sections 1720 et seq., and as specified in Title 8, California Code of Regulations section 16000, prevailing wages are required for all Work under this Agreement. It is Supplier's responsibility to interpret and implement any prevailing wage requirements and Supplier agrees to pay any penalty or civil damages resulting from a violation of the prevailing wage laws.
- 5.2 Supplier and its subcontractors shall comply with the registration requirements of Labor Code section 1725.5. Pursuant to Labor Code section 1771.4(a)(1), the Work is subject to compliance monitoring and enforcement by the California Department of Industrial Relations (DIR).
- 5.3 Pursuant to Labor Code section 1773.2, a copy of the prevailing rate of per diem wages is available upon request at OC San's principal office. The prevailing rate of per diem wages may also be found at the DIR website for prevailing wage determinations at <http://www.dir.ca.gov/DLSR/PWD>.
- 5.4 Supplier and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations section 16461(e). Pursuant to Labor Code sections 1773.2 and 1771.4(a)(2), Supplier shall post a copy of the prevailing rate of per diem wages at the job site.
- 5.5 Supplier and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code section 1776. Supplier and its subcontractors shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3). Pursuant to Labor Code section 1776, the Supplier and its subcontractors shall furnish a copy of all certified payroll records to OC San and/or the general public upon request, provided the public request is made through OC San, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department of Industrial Relations. Pursuant to Labor Code section 1776(h), penalties for non-compliance with a request for payroll records may be deducted from progress payments.
  - 5.5.1 As a condition to receiving payments, Supplier agrees to present to OC San, along with any request for payment, all applicable and necessary certified payrolls and other required documents for the time period covering such payment request. Pursuant to Title 8, California Code of Regulations section 16463, OC San shall withhold any portion of a payment, up to and including the entire payment amount, until certified payroll forms and any other required documents are properly submitted. In the event certified payroll forms do not comply with the requirements of Labor Code section 1776, OC San may continue to withhold sufficient funds to cover estimated wages and penalties under the Agreement.
- 5.6 The Supplier and any of its subcontractors shall comply with Labor Code section 1774 and section 1775. Pursuant to Labor Code section 1775, the Supplier and any of its subcontractors shall forfeit to OC San a penalty of not more than two hundred dollars (\$200)

for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any Work.

5.6.1 In addition to the penalty, and pursuant to Labor Code section 1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Supplier or its subcontractor.

5.7 Supplier and its subcontractors shall comply with Labor Code sections 1810 through 1815. Supplier and its subcontractors shall restrict working hours to eight (8) hours per day and forty (40) hours per week, except that Work performed in excess of those limits shall be permitted upon compensation for all excess hours worked at not less than one and one-half (1.5) times the basic rate of pay, as provided in Labor Code section 1815. The Supplier shall forfeit, as a penalty to OC San, twenty-five dollars (\$25) per worker per calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of Labor Code sections 1810 through 1815.

5.8 Supplier and its subcontractors shall comply with Labor Code sections 1777.5, 1777.6, and 1777.7 concerning the employment of apprentices by Supplier or any subcontractor.

5.9 Supplier shall include, at a minimum, a copy of the following provisions in any contract it enters into with any subcontractor: Labor Code sections 1771, 1771.1, 1775, 1776, 1777.5, 1810, 1813, 1815, 1860, and 1861.

5.10 Pursuant to Labor Code sections 1860 and 3700, the Supplier and its subcontractors will be required to secure the payment of compensation to employees. Pursuant to Labor Code section 1861, Supplier and its subcontractors, by accepting this Agreement, certify that:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Agreement.”

## **6. Pricing and Invoicing**

6.1 Supplier will invoice for Ferrous Chloride, Magnesium Hydroxide, Calcium Nitrate and associated ROCCS Program services provided in accordance with Exhibit “A”, and in accordance with the unit price(s) listed in Exhibit “B”. Prices shall include all cartage and taxes except California State Sales Tax. The sales tax will be paid by OC San.

6.2 OC San shall pay, net thirty (30) days, upon receipt and approval by OC San of itemized invoices, submitted in a form acceptable to OC San to enable audit of the charges thereon. Supplier shall email invoices to OC San Accounts Payable at [APStaff@ocsan.gov](mailto:APStaff@ocsan.gov) and “INVOICE” with the Purchase Order Number and **ROCCS Program** shall be referenced in the subject line. All invoices shall include a description of the delivery location, the delivery date, and the unit price(s).

## **7. Modifications**

7.1 This Agreement may be modified or changed only by written instrument in the form of an amendment to this Agreement signed by both Parties.

7.2 Pricing modifications: The prices established in this Agreement shall remain firm for the period of six (6) months. Any adjustments made will allow for increases or decreases in the manufactured cost of Ferrous Chloride, Magnesium Hydroxide or Calcium Nitrate and will be based upon OC San validated information furnished by Supplier and OC San sources. Adjustments will only be reviewed on an annual basis. OC San reserves the right to agree with or reject the proposed unit price increase or decrease.

7.3 Price changes may be made through the OC San Purchase Order Process.

8. **Agreement Term** The Services provided under this Agreement shall be for the period of one (1) year commencing on the effective date of the Notice to Proceed.

9. **Renewals**

9.1 OC San may exercise the option to renew the Agreement for up to a twelve (12) month period at a time not to exceed a combined total Agreement term of five (5) years based upon the criteria set forth in Exhibit "A", if mutually acceptable terms can be negotiated. OC San shall make no obligation to renew nor give reason if it elects not to renew. The prices established in the original Agreement may be adjusted. The adjustment will allow for any increase or decrease in the manufactured cost of Ferrous Chloride, Magnesium Hydroxide or Calcium Nitrate.

9.2 Adjustments to price of Ferrous Chloride, Magnesium Hydroxide or Calcium Nitrate will be based upon OC San validated information furnished by Supplier and OC San sources. Adjustments will only be reviewed once every six (6) months. OC San reserves the right to agree with or reject the proposed unit price increase or decrease.

9.3 Renewals may be made through the OC San Purchase Order Process.

10. **Termination**

10.1 OC San reserves the right to terminate this Agreement for its convenience, with or without cause, in whole or in part, at any time, by written notice from OC San. Upon receipt of a termination notice, Supplier shall immediately discontinue all work under this Agreement (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Supplier for work performed (cost and fee) to the date of termination. Supplier expressly waives any claim to receive anticipated profits to be earned during the uncompleted portion of this Agreement. Such notice of termination shall terminate this Agreement and release OC San from any further fee, cost or claim hereunder by Supplier other than for work performed to the date of termination.

10.2 OC San reserves the right to terminate this Agreement immediately upon OC San's determination that Supplier is not meeting specification requirements for delivery of quantities needed, the level of service is inadequate, for poor quality of product, for OC San unapproved increase in unit price(s), or any other default or breach of this Agreement.

10.3 OC San may also immediately terminate for default of this Agreement in whole or in part by written notice to Supplier:

- if Supplier becomes insolvent or files a petition under the Bankruptcy Act; or
- if Supplier sells its business; or
- if Supplier breaches any of the terms of this Agreement; or
- if total amount of compensation exceeds the amount authorized under this Agreement.

10.4 All OC San property in the possession or control of Supplier shall be returned by Supplier to OC San upon demand, or at the termination of this Agreement, whichever occurs first.

11. **Indemnification and Hold Harmless Provision** Supplier shall assume all responsibility for damages to property and/or injuries to persons, including accidental death, which may arise out of or be caused by Supplier's services under this Agreement, or by its subcontractor or by anyone directly or indirectly employed by Supplier, and whether such damage or injury shall accrue or be discovered before or after the termination of the Agreement. Except as to the sole active negligence of or willful misconduct of OC San, Supplier shall indemnify, protect, defend and hold harmless OC San, its elected and appointed officials, officers, agents and employees, from and against any and all claims, liabilities, damages or expenses of any nature, including attorneys' fees: (a) for injury to or death of any person or damage to property or interference with the use of property, arising out of or in connection with Supplier's performance under this Agreement, and/or (b) on account of any goods and services provided under this Agreement. This indemnification provision shall apply to any acts or omissions, willful misconduct, or negligent misconduct, whether active or passive, on the part of Supplier or anyone employed by or working under Supplier. To the maximum extent permitted by law, Supplier's duty to defend shall apply whether or not such claims, allegations, lawsuits, or proceedings have merit or are meritless, or which involve claims or allegations that any of the parties to be defended were actively, passively, or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage, or injury. Supplier agrees to provide this defense immediately upon written notice from OC San, and with well qualified, adequately insured, and experienced legal counsel acceptable to OC San. This section shall survive the expiration or early termination of the Agreement.

12. **Insurance** Supplier shall purchase and maintain, throughout the life of this Agreement and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements, Exhibit "C". Supplier shall not commence work under this Agreement until all required insurance is obtained in a form acceptable to OC San, nor shall Supplier allow any subcontractor to commence service pursuant to a subcontract until all insurance required of the subcontractor has been obtained. Failure to maintain required insurance coverage shall result in termination of this Agreement.

13. **Equipment Loss** OC San will be responsible for any loss or damage to Supplier-owned equipment, when OC San determines OC San is at fault, only to the extent of OC San's fault, and will reimburse Supplier for such loss or damage upon receipt of invoices, minus a deduction for any amount determined to be the fault of Supplier or its subcontractor or a third party.

14. **Conflict of Interest and Reporting** Supplier shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement.

15. **Supplier's Relationship to OC San** Supplier's relationship to OC San in the performance of this Agreement is that of an independent contractor. The personnel performing Services under this Agreement shall, at all times, be under Supplier's exclusive direction and control, and shall be employees of Supplier and not employees of OC San. Supplier shall pay all wages, salaries and other amounts due its employees in connection with this Agreement, and shall be responsible for all legal reports and obligations respecting them, such as social

security, income tax withholding, unemployment compensation, worker's compensation and similar matters.

**16. OC San Safety Standards**

16.1 In addition to the requirements set forth in Exhibit "A", Supplier shall meet with personnel from OC San's Risk Management Division prior to providing Services to OC San to review safety and accident prevention policies and procedures. All subcontractors should be present at this meeting. Supplier is responsible to inform all subcontractors of the items discussed at this meeting. Supplier shall not be permitted to provide Services to OC San prior to this meeting.

16.2 OC San requires Supplier and its subcontractor(s) to follow and ensure their employees follow all Federal, State, and local regulations as well as OC San Safety Standards while working at OC San locations. If during the Agreement it is discovered that OC San Safety Standards do not comply with Federal, State, or local regulations, then the Supplier is required to follow the most stringent regulatory requirement at no additional cost to OC San. Supplier and all of its employees and subcontractors shall adhere to all applicable OC San Safety Standards attached hereto in Exhibit "D".

**17. Drug-Free Workplace** All employees of Supplier who will perform work under this Agreement must adhere to the California Drug-Free Workplace Act, Government Code Sections 8350 through 8357.

**18. Assignments** Neither this Agreement nor any interest herein or any claim hereunder may be assigned by Supplier either voluntarily or by operation of law, nor may all or substantially all of this Agreement be further subcontracted by Supplier without the prior written consent of OC San.

**19. Attorney's Fees** If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to any other relief to which it may be entitled.

**20. Permits, Ordinances and Regulations** Any and all fees required by Federal, State, County, City and/or municipal laws, codes and/or tariffs that pertain to work performed under the terms of this Agreement shall be paid by Supplier. Fees demanded for obtaining certificates, including associated inspection fees and expenses of regulatory inspectors shall be paid by Supplier.

**21. Training Certification** When required by regulation, certificates of training shall be maintained on-site for the duration of the activity that requires an employee of Supplier to be certified. Certificates shall be current. Lack of certificates when required will be cause for removal of offending personnel from the site, termination of the Agreement, or both.

**22. Compliance with Law** Supplier warrants that under the performance of this Agreement, it shall comply with all applicable Federal, State and local laws, and all lawful orders rules and regulations thereunder. In connection with the execution of this Agreement, Supplier shall not discriminate against employees or an applicant for employment because of race, religion, color, sex or national origin. Supplier shall take affirmative action to ensure that applicants are employed and employees are treated during their employment without regard to their race, religion, color, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or

recruitment advertising; lay-off or termination; rate of pay, or other forms of compensation; and selection for training, including apprenticeship.

**23. Disputes**

23.1 This Agreement shall be governed by and interpreted under the laws of the State of California and the Parties submit to jurisdiction in Orange County, in the event any action is brought in connection with this Agreement or the performance thereof. Pending final resolution of a dispute hereunder, Supplier shall proceed diligently with the performance of this Agreement and in accordance with OC San's decision.

23.2 In the event of a dispute as to the construction or interpretation of this Agreement, or any rights or obligations hereunder, the Parties shall first attempt, in good faith, to resolve the dispute by mediation. The Parties shall mutually select a mediator to facilitate the resolution of the dispute. If the Parties are unable to agree on a mediator, the mediation shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Agreement, through the alternate dispute resolution procedures of Judicial Arbitration through Mediation Services of Orange County ("JAMS"), or any similar organization or entity conducting an alternate dispute resolution process.

23.3 In the event the Parties are unable to timely resolve the dispute through mediation, the issues in dispute shall be submitted to arbitration pursuant to California Code of Civil Procedure, Part 3, Title 9, Sections 1280 et seq. For such purpose, an agreed arbitrator shall be selected, or in the absence of Agreement, each party shall select an arbitrator, and those two (2) arbitrators shall select a third. Discovery may be conducted in connection with the arbitration proceeding pursuant to California Code of Civil Procedure Section 1283.05. The arbitrator, or three (3) arbitrators acting as a board, shall take such evidence and make such investigation as deemed appropriate and shall render a written decision on the matter in question. The arbitrator shall decide each and every dispute in accordance with the laws of the State of California. The arbitrator's decision and award shall be subject to review for errors of fact or law in the Superior Court for the County of Orange, with a right of appeal from any judgment issued therein.

**24. Right to Review Services, Facilities, and Records**

24.1 OC San reserves the right to review any portion of the Services performed by Supplier under this Agreement, and Supplier agrees to cooperate to the fullest extent possible. Supplier shall furnish to OC San such reports, statistical data, and other information pertaining to Supplier's Services as shall be reasonably required by OC San to carry out its rights and responsibilities under its agreements with its bondholders or noteholders and in connection with the issuance of its official statements and other prospectuses with respect to the offering, sale, and issuance of its bond and other obligations.

24.2 The right of OC San to review or approve specifications, procedures, instructions, reports, test results, calculations, schedules, or other data that are developed by Supplier shall not relieve Supplier of any obligation set forth herein.

**25. Severability** Any provision of this Agreement which is found to be invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability, and the invalidity or unenforceability of such provision shall not affect the validity or enforceability of the remaining provisions hereof.

**26. Waiver** The waiver of either party of any breach or violation of, or default under, any

provision of this Agreement, shall not be deemed a continuing waiver by such party of any other provision or of any subsequent breach or violation of this Agreement or default thereunder.

27. **Breach** Any breach by Supplier to which OC San does not object shall not operate as a waiver of OC San to seek remedies available to it for any subsequent breach.
28. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Supplier's responsibility that all equipment furnished and installed be in accordance with the latest rules and regulations of the South Coast Air Quality Management District (SCAQMD). All work practices, which may have associated emissions such as sandblasting, open field spray painting or demolition of asbestos containing components or structures, shall comply with the appropriate rules and regulations of the SCAQMD.
29. **Performance** Time is of the essence in the performance of the provisions hereof.
30. **Familiarity with Work** By executing this Agreement, Supplier warrants that: 1) it has investigated the work to be performed; and 2) it understands the facilities, difficulties and restrictions of the work under this Agreement. Should Supplier discover any latent or unknown conditions materially differing from those inherent in the work or as represented by OC San, it shall immediately inform OC San of this and shall not proceed, except at Supplier's risk, until written instructions are received from OC San.
31. **Damage to OC San's Property** Any OC San property damaged by Supplier, its subcontractor(s), or by the personnel of either will be subject to repair or replacement by Supplier at no cost to OC San.
32. **Third Party Rights** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OC San and Supplier.
33. **Authority to Execute** The persons executing this Agreement on behalf of the Parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the Parties are formally bound.
34. **Read and Understood** By signing this Agreement, Supplier represents that it has read and understood the terms and conditions of the Agreement.
35. **Entire Agreement** This Agreement constitutes the entire agreement of the Parties and supersedes all prior written or oral and all contemporaneous oral agreements, understandings, and negotiations between the Parties with respect to the subject matter hereof.
36. **Notices** All notices under this Agreement must be in writing. Written notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, or by any other overnight delivery service which delivers to the noticed destination and provides proof of delivery to the sender. Any facsimile notice must be followed within three (3) days by written notice. All notices shall be effective when first received at the following addresses:

OC San: Jackie Lagade  
Principal Buyer  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
[JLagade@OCSan.gov](mailto:JLagade@OCSan.gov)

Supplier: Ed Gunderson  
District Representative/Project Manager  
Hill Brothers Chemical Company  
3000 E. Birch Street Suite 108  
Brea, CA 92821  
[Ed@hillbrothers.com](mailto:Ed@hillbrothers.com)

[Intentionally left blank. Signatures follow on next page.]

**IN WITNESS WHEREOF**, intending to be legally bound, the Parties hereto have caused this Agreement to be signed by the duly authorized representatives.

**ORANGE COUNTY SANITATION DISTRICT**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Chad P. Wanke  
Chair, Board of Directors

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Kelly A. Lore  
Clerk of the Board

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing & Contracts Manager

**HILL BROTHERS CHEMICAL COMPANY**

Dated: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print Name and Title of Officer

JL

## **Exhibit “A”**

### **SCOPE OF WORK**

**EXHIBIT A  
SCOPE OF WORK  
Regional Odor and Corrosion Control System (ROCCS) Program  
SPECIFICATION NO. C-2023-1378BD**

**1 Background**

The Orange County Sanitation District (OC San) operates approximately 388 miles of sewer pipes ranging in size from 12-inch diameter to 108-inch diameter. This extensive system covers an area of approximately 4790 square miles in twelve (12) major, separate drainage basins, and serves a population of approximately 2.6 million people. The collection system conveys wastewater generated by residential, commercial, and industrial sources from twenty (20) cities.

To maintain a “good neighbor” policy, OC San strives to control odors in its collection system and provide treatment plant odor control reliability. The Regional Odor and Corrosion Control System (ROCCS) Program addresses three (3) primary concerns:

1. Minimizes regional collection system odors in the communities served,
2. Extends the useful life of our regional collection system by reducing corrosion, and
3. Optimizes and integrates the odor control program in the collection system and the two (2) treatment plants.

**2 Description**

Supplier must provide complete turn-key services which include application and field services, delivery of all chemicals and their tanks along with, storage containment and other necessary materials to ensure the odor control program success. Supplier must also collect wastewater samples, hydrogen sulfide samples, and maintain chemical dosing systems to cost effectively control odors to specified level of service (LOS) within the OC San wastewater collection system.

Supplier shall provide and implement a multi-technology strategy for treating hydrogen sulfide and odor generating compounds within the OC San wastewater collection system and pump stations.

Furthermore, Supplier shall furnish all the labor, treatment technology, and other resources deemed necessary to provide the services described in this Scope of Work (SOW) to ensure that the ROCCS objectives and requirements are met in a safe, reliable, and cost-effective manner.

Table 1: Chemical Feed Facility Locations and Volume

<b>Sewer Trunks System</b>	<b>Feed Facility Locations</b>	<b>Chemicals and Storage Tanks</b>	<b>Volume Ranges Monthly (gal)</b>
Miller-Holder	Hager Pacific Invest. Location 6600 Regio Buena Park, CA 90620	Ferrous Chloride (33-36%)	20,000 – 36,000
Miller-Holder	Midway City Yard 14451 Cedarwood Street Westminster, CA 92683	Ferrous Chloride (33-36%)	15,000 – 28,000

Miller-Holder	Garden Grove Sanitation Dist. 12782 Bailey Street Garden Grove, CA 92845	Calcium Nitrate (60-65%)	2,500 – 4,000
Baker Gisler Interceptor	CMSD Mendoza Pump Station 2899 Mendoza, Costa Mesa, CA 92626	Ferrous Chloride (33-36%)	13,000 – 24,000
Baker Gisler Interceptor	Main Street PS 1499 Main Street, Irvine CA 92714	Calcium Nitrate (60-65%)  Magnesium Hydroxide (58- 63%)	5,000 – 16,000  10,000 – 25,000
Euclid	REHABFIT LLC 835 S. Brea Blvd. Brea, CA 92821	Magnesium Hydroxide (58-63%)	30,000 – 50,00
Knott	Pacific Quality Partners 1355 West Imperial Highway Brea, CA 92821	Ferrous Chloride (33-36%)	36,000 – 55,000
Knott	Seal Beach Pump Station * 13900 Seal Beach Boulevard Seal Beach, CA 90740	Magnesium hydroxide	17,000 – 50,000
Knott	Midway City Yard 14451 Cedarwood Street Westminster, CA 92683	Ferrous Chloride (33-36%)	28,000 – 36,000
Newport	OC San Bay Bridge Pump Station 290 East Coast Highway Newport Beach, CA 92660	Calcium Nitrate (60-65%)	8,000 – 15,000
		Magnesium Hydroxide (58- 63%)	10,000 – 28,000
Newport	OC San Crystal Cove Pump Station** 7423 East. Coast Hwy, Newport Beach CA. 92657	Calcium Nitrate (60-65%)	800 – 2,300
Newport	15 <sup>th</sup> Street Pump Station *** 1514 Balboa Blvd. Newport Beach, CA 92663	TBD	TBD

**\*Notes on Future Plans of OC San:**

- ***The magnesium hydroxide dosing tank at Seal Beach Pump Station may move to Westside Pump Station***
- ***Calcium nitrate at Crystal Cove Pump Station may be replaced with ferrous chloride***
- ***A new dosing station at 15<sup>th</sup> Street Pump Station will be added.***
- ***Dosing sites with Calcium nitrate may be replaced with Calcium ammonium, and those with Magnesium hydroxide may be replaced with comparable pH adjustor where applicable.***

### 3 Project Elements

OC San requires chemicals, application, and field services, which involve operation and maintenance of thirteen (13) existing and up to two (2) new odor control chemical dosing stations within the OC San wastewater collection system.

- A. Supplier shall supply and deliver chemicals listed in Table 1 at the specified locations.
- B. Supplier shall provide all equipment, resources, and materials, including chemical storage tanks and containment along with a control system as specified in Section 3.4 of this SOW.
- C. Supplier is responsible for the continuous operation & maintenance of all the equipment and assets to ensure the success for odor control treatment.
- D. Supplier shall deliver, install, start-up, and operate equipment for the chemical feed systems as specified in Appendices A-F.
- E. Supplier shall provide field and application services and ensure scope elements are completed successfully.
- F. OC San requires the Supplier to provide a list of all patents, patent applications, trademark registrations, and trademark applications that are related to the product(s). If any of the products are subject to a third-party license agreement, OC San requires that the relationship be disclosed. Supplier should also indicate if any license fee(s) will be of an added cost to OC San.

#### 3.1 Safety

- a) Supplier shall conform to all requirements regarding Hazardous Materials Disclosure and Chemical Inventory and Business Emergency Plan Programs in compliance and conformance with all applicable Federal, State, and local laws and regulations and OC San policies for all chemical dosing sites.
- b) Supplier shall conform to all requirements regarding Orange County Fire Authority (OCFA) Hazardous Materials Services (HMS) including the procedures and compliance with requirements governing chemical inventory: Title 42, section 11022 of the United States Code and chapter 6.95 of Division 20 of the California Health and Safety Code (H&SC).
- c) Supplier shall have a Hazardous Materials Technician on staff to insure all OCFA requirements specified comply for the existing and new feed stations.
- d) The Supplier is required to comply with all applicable Federal, State, and local regulations, including all industry standards and practices for protection of workers from exposure to potentially harmful levels of hydrogen sulfide and other compounds typically present in municipal wastewater collection systems.

#### 3.2 Infrastructure and Deliverables

- a) The Supplier shall furnish all materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, and all other facilities and incidentals necessary for the execution, testing, installation, initial operation and continued performance of the dosing equipment and accessories.
- b) Supplier shall furnish chemical storage tank(s) and feed system for each feed facility location.
- c) Supplier must provide and manage all chemical deliveries and chemical feed systems and operations to meet the established goals of the odor control program.
- d) Supplier will provide a monitoring and control system capable for remote enterprise inventory management system. This includes telemetry diagnostic, monitoring chemical feed and profile adjustments for each location.
- e) Supplier shall provide digital alarm system to monitor chemical tank levels, pump performance, chemical feed rates, spill containment level, utility, and equipment failure.

- f) Supplier shall provide a turnkey chemical storage, containment, and feed system at each designated feed site. This involves sizing the chemical tanks and pumps, the plumbing system, and mixing system for the chemical application type. Each standard storage and feed system design specification is provided in Appendices A-F and a general list of the key elements are shown here:
- Tank system
  - Chemical transfer system
  - Monitor/Controller
  - Dosing system(s) sized for the targeted feed rate
  - Site containment system
  - Safety shower/eyewash station
  - Ladder for tank roof access

### 3.3 Operation and Maintenance Services

- a) Supplier shall monitor each feed facility to ensure reliable chemical supply.
- b) Supplier shall respond to all alarms, system performance, chemical spill, and utility failure remotely within one (1) hour and then, if necessary, a physical visit to the odor control station within two (2) hours of receiving the alarm. In addition, the Supplier shall provide an initial notification to OC San staff via email on the cause of alarm and the action taken. Then a formal incident report shall be provided to OC San within five (5) business days of the alarm event.
- c) Supplier shall provide a skilled designated resource team that will interface with OC San and have oversight over all the chemical feed facilities.
- d) Supplier shall develop and schedule routine preventive maintenance (PM) on all equipment and control systems. Minimum frequency for servicing (i.e. inspecting filters and replacing as needed, testing safety shower, etc.) each chemical feed station is three (3) times per week. Inspections, which may be done remotely via camera systems two (2) days each week, are required five (5) times per week.
- e) Supplier shall pump out rainwater collected inside the containment area within three (3) business days following a rain event at the dosing site.
- f) Supplier shall develop an inspection plan for each chemical feed facility. Inspection plan shall include, but is not limited to, trouble shooting and investigation of control system alarms and diagnostic problems, pump profiling / calibration, required adjustments to feed rate programs based on optimized dose rate targets and general dose site facility up-keep. OC San must review and approve the inspection plan prior to implementation.
- g) Supplier shall maintain all process equipment and control systems in good operating and reliable condition. Supplier shall provide appropriate resources and materials for scheduled routine preventive maintenance and repair or replacement of failed equipment components on a 4-hour response basis.
- h) Supplier shall provide a field technician to verify that chemical deliveries at each designated site are performed safely and in compliance with standard operating procedures and that all metering tickets are in order and accurate.
- i) Supplier shall provide engineering "As-Built" drawings, for all chemical dosing site installations. This may include, but is not limited to, chemical storage tanks, containment, ladders, PLC diagrams, piping configurations and plumbing system.
- j) Supplier shall provide the required engineering and field labor for equipment installation services for any additional dose sites requested by OC San.
- k) Supplier shall provide chemicals that meet the required specification. To ensure product quality, the Supplier shall be required to provide a certificate of analysis for each chemical delivery. In addition, the Supplier shall provide chemical manufacturer's product analysis. The load selected for product analysis will be determined by OC San.

- l) Supplier shall notify OC San representative in accordance with OC San standard procedures prior to site access to all dosing stations and manhole sites. OC San will provide Supplier with procedure for notification during normal working hours, weekends, and holidays including after normal working hours.
- m) Supplier shall provide material safety data sheet for all the chemicals supplied for odor control.

### **3.4 Telemetry Monitoring and Control System**

- a) Supplier shall provide a Cloud-based service, or OC San approved equal, to support remote monitoring and control system. The data center must be in the United States. Supplier's remote chemical facility monitoring, and control system shall have the general capability that includes, but is not be limited to, the monitoring of tank levels, feed rates, pump performance, containment level, and alarm notifications.
- b) Supplier shall provide at each chemical dosing facility, a monitoring and control system platform capable of supporting remote inventory management/reporting, customized chemical dosing profiles, remote system diagnostics, and site monitoring.
- c) Supplier shall furnish a chemical feed system designed to match the chemical product feed rate to the actual sulfide demand within the sewer pipeline system. The system shall allow the end user (Supplier's staff) to enter a 24-point hourly curve for each day of the week as the dosing profile. Supplier shall provide direct interactive end user interface and control for OC San staff via a dedicated internet website. The end user interface will allow OC San to directly download daily inventory and diagnostic data reports on each site as well as control/monitor chemical feed rates if needed.
  - i. Communication to the website must use Secure Socket Layer enabled by SSL certificates, TLS protocol 1.2 or higher.
  - ii. Supplier shall be responsible for annual security vulnerability assessments on the website and mitigate any critical vulnerabilities identified. OC San reserves the right to audit Supplier's website security to ensure compliance with the requirements herein.
  - iii. Optional use of a multi-factor authentication is preferred.
  - iv. System should log access attempts with accessible reports of these for OC San for auditing purposes.
- d) Supplier shall ensure monitor telemetry and controller is fully functional at all dosing sites within thirty (30) days from the effective date of the Notice to Proceed.
- e) Supplier shall provide parallel signals to and from all the furnished monitored and controlled system inputs and outputs. The parallel signals shall include, but not be limited to, metering pump control, speed control, storage tank levels and all chemical dosing site alarms including run status, and equipment controls provided.

## **4 Resources and Qualifications**

- A. Supplier shall provide qualified field technicians with at least three (3) years of relevant field experience.
- B. The Supplier shall have a project manager and field technician located in Los Angeles County, Orange County, Riverside County, San Diego County, or San Bernardino County.
- C. Supplier shall provide an organizational chart of responsible people dedicated to OC San and on a weekly basis a four-week look ahead for contract services activities.
- D. Technician duties include, but are not limited to:
  - 1) Locating and installing sensors and monitoring equipment.
  - 2) Coordinating and operating all components of the odor control system.

- 3) Locating the dosing systems, adjusting the feed rates, sealing openings to prevent short circuiting, directing airflows in the affected sewers to maintain proper ventilation and ensuring the injection of chemicals are always in the applied sewers.
- E. The Supplier shall provide a designated "Project Manager", with at least five (5) years of relevant experience with an odor control chemical feed facility. Key personnel must be available for the duration of the Agreement and no person designated as "key" to the services shall be removed or replaced without the prior written concurrence of OC San.
- 1) The Project Manager shall serve as the primary individual responsible for interfacing with OC San and the oversight of the requirements and responsibilities of this SOW.

## 5 Reports, Meetings, and Schedules

- A. Supplier shall submit an end of the year, annual summary of their preventive maintenance schedule to OC San and shall document and report all service-related activity in monthly reports.
- B. Progress Reports
- 1) Supplier shall provide raw data obtained from the chemical dosing system's PLC by the close of business each Wednesday.
  - 2) Supplier shall provide weekly progress reports by the close of business each Wednesday. The progress report shall describe the system performance, status, preventive and corrective maintenance actions, total daily chemical usage based upon tank level, total daily chemical usage based upon flow meters, monthly chemical usage based upon both methods, and average daily usage for the month, key observations, and any interruptions or problems in service, and shall also provide information on daily, weekly, and seasonal trends in both chemical feed rates and usage. Usage information shall be supplemented with graphical details.
  - 3) Supplier shall provide a monthly progress report by the 10<sup>th</sup> of each month which includes the following:
    - Updated Service Project Schedule
    - General List of Work Items completed to date.
    - Work Schedule for the upcoming month.
    - Corrective Plan to complete service operations and maintenance project within schedule and budget (if needed).
    - Potential Changes in service project statement of work.
    - Updated Service Project Decision Log (list of major decisions and the rationale for each).
    - OC San Comment Log and Response Status.
    - Applicable billing/outstanding invoices.
    - Any other outstanding service project issues.
  - 4) Data reports shall be in Excel format and Word documents, as appropriate.
- C. Supplier shall provide a weekly inspection plan report for the chemical feed facility process. Report shall include the overall system performance, explanation of any feed rate variance greater than ten percent (10%) from hourly target feed rate, average daily feed rate, target feed rate, actual feed rate, and approximate tank level. The report format shall be reviewed and approved by OC San.
- D. Supplier shall conduct monthly progress meetings with the OC San Project Manager and stakeholders, to review the status of the ROCCS Program, schedule, invoicing, and any issues which may affect the ROCCS Program. These meetings shall be held at a mutually agreeable time, generally around the second week of the month.

- E. Supplier shall participate in OC San quarterly audits. This involves onsite walk throughs, review of site security, equipment condition checks, and housecleaning.

## **6 Specifications: Equipment, Chemical, and Storage**

- A. Detailed chemical, equipment, monitoring and control system specifications are provided in the following Appendices:
  - 1) Appendix A – Ferrous Chloride Supply & Delivery Technical Grade Specification
  - 2) Appendix B – Ferrous Chloride Storage and Handling General Equipment
  - 3) Appendix C – Calcium Nitrate and/or Calcium Ammonium Supply & Delivery Technical Grade Specification
  - 4) Appendix D – Calcium Nitrate and/or Calcium Ammonium Storage and Handling General Equipment
  - 5) Appendix E – Magnesium Hydroxide Supply & Delivery Technical Grade Specification
  - 6) Appendix F – Magnesium Hydroxide Storage and Handling General Equipment
- B. Supplier may propose alternative chemical equipment, monitoring and control system specifications to OC San for consideration and acceptance.

## **7 System Mobilization and Demobilization**

- A. Supplier shall coordinate and be responsible for the cost of mobilizing all equipment and engineering services related to the successful installation and operation of the chemical feed sites.
- B. Mobilization shall include all activities and associated costs for transportation of Supplier's personnel, equipment, and operating supplies to the site; establishment of feed facility, fencing, and other necessary general facilities for the Supplier's operations at the site; premiums paid for performance including coinsurance and reinsurance agreements as applicable; and other items specified but not limited to:
  - 1) Any work that is necessary to provide access to the site including, but not limited to, grading, temporary culverts, and clearing.
  - 2) Any fence removed for access shall be replaced with same or like materials as approved by OC San.
- C. Upon termination of this Agreement, Supplier shall demobilize and restore the site to pre-setup conditions. Demobilization shall include all activities and costs for transportation of personnel, equipment, and supplies from the site, including the disassembly, removal, and site cleanup, buildings, and other facilities assembled on the site specifically for this Agreement. Supplier shall also submit an outline of their proposed schedule to transition the different elements of this project, including a projected time schedule and a coordination with other suppliers to ensure that the ROCCS Program objectives and requirements are met in a safe, reliable, and cost-effective manner.
- D. OC San may reimburse the Supplier for direct mobilization or demobilization expenses for field-scale comparison tests, up to a maximum amount of \$50,000 per year. Reimbursable expenses include equipment rental such as a crane or backhoe and subcontractor work. Receipts must accompany Supplier's invoices for OC San to reimburse Company.

## 8 Alternative Odor Control Evaluation

- A. OC San periodically evaluates its treatment approach and anticipates conducting future trials for odor control based on changing regulations, costs, and conditions. OC San reserves the right to try new products, technologies, equipment, or methods to remove and reduce corrosion and odors at selected sites. However, OC San does not guarantee that these technologies will be evaluated or utilized during the term of the Agreement. The Supplier should anticipate mobilizing equipment and service for two (2) trials per year. The results of the testing may alter the treatment approach or add a dosing station site to the SOW. The final decision to regularly dose at a site is at the sole discretion of OC San.
- B. The Supplier would be required to assess sewer trunkline(s) for current conditions, mobilize equipment, dose the chemical, monitor and sample to optimize dose rates. Supplier shall notify OC San in accordance with established standard procedures prior to site access to all dosing stations and manhole sites.
- C. If the Supplier uses any design, device or materials covered by letters, patent or copyright, the Supplier shall provide proof in a form acceptable to OC San of rights to supply such patented or copyrighted design, device, or material. It is mutually agreed and understood, without exception, that the Agreement prices shall include all royalties or costs arising from the use of such design, device, or materials, in any way involved in the work.

## 9 General Services

As the collection system is expanded and modified over time, the corrosion and odor mitigation demands will change as well. Therefore, Supplier must be flexible and adjust the service to meet the changing needs.

Supplier shall provide, upon request from OC San, technical resources, materials, equipment, products, and staffing for special project work including slow chemical feed by tanker truck into sewer trunk lines to support CIP and special projects.

### A. Emergency Events, Alarms and Notification

- 1) An emergency event means a leak or product spill. In an emergency event, Supplier shall physically be at the chemical feed location within two (2) hours of the alarm.
  - 2) Supplier shall respond to all alarms remotely within one (1) hour and then, if necessary, a physical visit to the odor control station within two (2) hours of receiving the alarm.
  - 3) The Supplier shall provide an initial notification to OC San staff via email on the cause of the emergency and action taken. A formal incident report shall be provided to OC San within five (5) business days of the emergency events.
  - 4) Supplier shall contain and mitigate all emergency events.
- B. OC San may require an emergency back-up supply of its chemicals. On a case-by-case basis, OC San may need to alter its chemical choice due to impacts at the treatment plants, impacts on trunk systems, costs, or chemical availability. In such events, OC San may seek secondary chemicals, and request price proposals for this service.

## 10 Hydrogen Sulfide (H<sub>2</sub>S) Treatment Validation

- A. Supplier shall provide field sampling personnel and instrumentation for data collection and sampling to assist OC San staff in monitoring effectiveness of the chemical addition to obtain LOS. The effort shall include collection system monitoring, both routine weekly monitoring and up to eight (8) annual intensive tests per Agreement term.

The routine monitoring shall consist of deployment/retrieval of data logging instruments and liquid-phase grab samples (24-hour sampling may be considered where sample

integrity can be maintained). The weekly monitoring shall be conducted on rotating days and times with eighty percent (80%) or more taking place during weekday business hours (6 am – 4 pm) and the remaining twenty percent (20%) may be during night shifts or weekends.

- B. Supplier shall notify OC San in accordance with standard procedures prior to site access to all dosing stations and manhole sites.
- C. Supplier shall provide equipment necessary for wastewater liquid sampling, i.e. LaMotte (or OC San approved equal) hydrogen sulfide test kit, temperature and pH meter, and nitrate test strips.
  - OC San provides H<sub>2</sub>S monitors (i.e. Smartcover, Acrulog, Odialog, and RTX meters).
- D. All sampling and monitoring data shall be reported to OC San within twenty-four (24) hours of obtaining results. The report format and document nomenclature shall be approved by OC San prior to commencement of monitoring, sampling, and reporting. Routine weekly monitoring shall include:
  - Total and dissolved sulfide, pH, temperature (grab)
  - Total and ferrous iron (grab)
  - Vapor H<sub>2</sub>S (24-hour continuous data logging year around)
  - Residual nitrate mg/L total nitrate–nitrogen (grab)

Analytical methods and number of sites requiring each analysis are listed in Table 2:

**TABLE 2 – ANALYTICAL METHODS**

<b>Liquid (grab) samples</b>	<b>Methods &amp; Procedures</b>	<b>Number of Sites</b>
Total sulfide	Std. Methods 4500-S2- D. Methylene Blue	12-15
Dissolved sulfide	Std. Methods 4500-S2 using pre-flocculation to remove insoluble sulfides	12-15
Wastewater pH	HACH portable meter of equivalent	5-10
Temperature	NIST calibrated thermometer	5-10
Total iron	Std. Methods 3500-Fe D. Phenanthroline (Hach colorimeter)	5-10
Residual nitrate mg/L Nitrate - Nitrogen	CHEMets kit or equal and/or Hach Aquacheck Nitrate-Nitrite test strips	5-10
Dissolved iron	Ferrous iron Std. Methods 3500-Fe without hydroxylamine reduction step Per total iron	5-10
H <sub>2</sub> S, vapor	Acrulog, SmartCover or equivalent OdaLogs	12-15

- E. Each fiscal year, the Supplier will conduct up to eight (8) detailed monitoring and analyses events for trunk line assessments, base lining, or troubleshooting an odor source.
- F. The monitoring locations will be selected by OC San. For each monitoring event, vapor-phase hydrogen sulfide shall be monitored for a 2-week period (24-hr/day). For each monitoring event, liquid sampling/analyses shall be conducted up to three (3) times during the 2-week monitoring period and at four (4) locations minimum. For each location, up to

four (4) grab samples shall be collected/analyzed. 24-hour sample collection may be substituted if sample integrity can be maintained and OC San agrees in advance. An alternative test plan may be developed for OC San to consider.

G. Routine monitoring shall include but not limited to all the following Table 3:

**TABLE 3 – ANALYTICAL METHODS for Routine Grab and Continuous Monitoring**

<b>Samples</b>	<b>Procedure</b>	<b>Frequency</b>
Total sulfide, liquid	Std. Methods 4500-S2- D. Methylene Blue	Hourly for a 24-hour period
Dissolved sulfide, liquid	Std. Methods 4500-S2 using pre-flocculation to remove insoluble sulfides	Hourly for a 24-hour period
Wastewater pH, liquid	HACH portable meter of equivalent	Hourly for a 24-hour period
Temperature, liquid	NIST calibrated thermometer	Hourly for a 24-hour period
Total iron, liquid	Std. Methods 3500-Fe D. Phenanthroline (Hach colorimeter)	Hourly for a 24-hour period
Residual nitrate mg/L Nitrate - Nitrogen, liquid	CHEMets kit or equal and/or Hach Aquacheck Nitrate-Nitrite test strips	Hourly for a 24-hour period
Dissolved iron, liquid	Ferrous iron Std. Methods 3500-Fe without hydroxylamine reduction step Per total iron	Hourly for a 24-hour period
H2S, vapor	Acrulog, SmartCover or equivalent OdaLogs	Continuous, 24 hours
BOD, liquid	EPA SM5210B	Composite from 24-hour sampler
COD, liquid	HACH (8000) EPA 5220D	Composite from 24-hour sampler
Total Suspended Solids (TSS), liquid	EPA SM2540D	Composite from 24-hour sampler
Salinity/ Conductivity	YSI Model 30 portable conductivity/salinity meter	Hourly for a 24-hour period

## 11 Program Extension Options for the Purpose of Transition

In the event that at the end of this Agreement, Supplier is required to transition the ROCCS program responsibility to a new supplier, OC San may require the Supplier to enter into a month-to-month agreement, for a minimum of three (3) months, to ensure that the program remains in full compliance up until the time that the said transition is fully completed. During said month-to-month agreement, Supplier shall charge OC San at the same pricing and rates as then current in this Agreement.

**APPENDIX A**  
**For**  
**Regional Odor and Corrosion Control Services (ROCCS)**

**APPENDIX A  
FERROUS CHLORIDE  
SUPPLY AND DELIVERY TECHNICAL GRADE  
SPECIFICATION NO. C-2023-1378BD  
(Ferrous Chloride for Wastewater Treatment)**

**A. Disclaimer:**

1. The ferrous chloride must contain nothing that will adversely affect or interfere with normal operation of the Agency’s treatment processes or be injurious to the ferrous chloride feeding equipment.
2. Product shall not cause scale formation in OC San piping or equipment.
3. The ferrous chloride supplied under these specifications shall be clean and free from all dirt, wood, and plastic particulate matter.
4. Product shall contain no foreign substances, organic or inorganic, in injurious quantities. An injurious quantity shall be defined as the minimum capable of producing ill effects in the treatment plant process, in the receiving water, or causing OC San to exceed its NPDES requirements, other OC San obligation.
5. OC San reserves the right to reject a load or terminate the Agreement if the stated requirements are not met.

**B. General Specifications:**

Supplier shall conform to the technical grade chemical specifications.

Ferrous Chloride (FeCl<sub>2</sub>)

General Specifications:

	<u>Minimum</u>	<u>Maximum</u>
Ferrous Chloride	33%	36%
Free HCl	1%	2%
Specific Gravity @ 20 C	1.38	1.41
Product Mass (Lbs/Gal @ 68 F)	11.52	11.77
% Insoluble	0.0%	0.03%
Iron (Fe) lbs Fe/gallon @ 20 C	1.68	1.88
Sulfate (%)		<1%

**C. Documentation**

A certificate of analysis prepared by a reputable outside laboratory or bidder’s in- house laboratory if ISO certified shall be submitted for each ferrous chloride delivery. The certificate of analysis shall be based on a representative sample of the specific batch or lot of chemical currently being

used to make deliveries. Failure to supply the required certificate of analysis shall be sufficient cause to reject the load. Charges for certificate of analysis shall be included in the bid price. This report shall contain the following:

- Date of manufacture
- Date of delivery
- Shipper ID
- Specific gravity
- Total insoluble matter, percent by weight
- Ferrous chloride, FeCl<sub>2</sub>, percent by weight
- Percent of free acid, expressed as HCl
- Iron content, expressed as lb/gallon
- Percent of Sulfate

One 200 mL sample of the delivered product shall be provided by the Bidder at the time of each delivery if requested by the Agency either when the order is placed or at the time of delivery. In order to ensure these samples are representative of the chemicals being delivered, the samples shall be drawn from the delivery truck at the time of delivery.

No deliveries will be accepted by the Agency unless accompanied by said certificate of analysis for the specific batch or lot of chemical delivered and the quality specifications listed in the bid contract documents are met.

- a. Charges for certificate of analysis from an ISO certified laboratory shall be included in the bid price.
- b. Failure to supply the required certificate of analysis shall be sufficient cause to reject the load. A certificate of analysis that does not meet the current AWWA Standard B407 shall be cause to reject the load.
- c. One 200 mL sample of the delivered product shall be provided by the Bidder at the time of each delivery if requested by the Agency either when the order is placed or at the time of delivery. In order to ensure these samples are representative of the chemicals being delivered, the samples shall be drawn from the delivery truck at the time of delivery.
- d. Where the Agency has specific impurity limits other than those listed in 4. And 5. Above, the certificate of analysis that accompanies the delivery should specify the actual concentrations of the said impurities.

#### **D. Deliveries**

At the time of deliveries, Supplier shall provide all the necessary, fully trained and qualified personnel for a minimum of 3-man days per week to be in continuous attendance during the transfer of chemical. OC SAN will provide staff to act as an observer during connection and disconnection. Supplier personnel shall provide a written copy of the delivery statement to OC SAN's representative prior to connection. Supplier shall provide all necessary safety equipment required by Supplier or any subcontract hauler.

Supplier shall provide a telephone number at each tank location where qualified personnel can be contacted in the event of an emergency on a twenty-four (24) hour basis. It will be Supplier's responsibility to update any changes or phone numbers. Supplier shall be responsible for cleanup of spilled material. Clean up must be conducted in conformance with OC SAN's safety procedures, Environmental Protection Agency (EPA), regional and local regulations and ordinances, and product manufacturer's recommended clean-up procedures. All equipment and materials required for cleanup must be furnished by Supplier.

Supplier shall be responsible for ensuring compliance with all Federal, State, and local environmental health and safety regulations concerning the transport, delivery, transfer and cleanup of hazardous materials while performing under the Agreement.

Supplier shall observe the entire filling operation at each delivery site and shall be responsible for minimizing and cleaning up any spillage due to such operation. After off-load is complete Supplier shall not blow-down inside tank causing spill and unsafe conditions. Any spillage shall be reported immediately to OC SAN's representative. If OC SAN must hire a Supplier to clean up the spill, all costs for cleanup will be Supplier's responsibility. No leakage to atmosphere or environment will be permitted. No waste material shall be disposed of in OC SAN receptacles. No vehicle washing may be done on OC SAN property or dosing sites. Certified scales shall determine delivery weight of material. Supplier shall, for all loads of Ferrous Chloride delivered, furnish certificates of weight and delivery slips. A written delivery statement shall accompany all shipments and state the delivered product being shipped, and the actual content of the chemicals delivered.

At a minimum, the invoice shall include a description of the delivery location, the delivery date, the unit price, the weight of product delivered, the percent solution, weight, gallons, actual specific gravity and other parameters used to determine the cost for the shipment. Supplier shall email OC SAN staff forty-eight (48) hours in advance of delivery to confirm delivery.

Supplier shall be responsible for ensuring that sufficient product is available in the tanks to achieve treatment objectives. Scheduled deliveries will be made Monday through Friday 7:00am to 2:00pm. However, Supplier shall be required to deliver on any day of the week, on an as needed basis. Supplier will give OC SAN or representatives at least 48-hour email notice prior to all deliveries, as appropriate, except in case of emergencies, when deliveries within a 24-hour period will be required.

Supplier shall not over-pressurize the off-loading system, piping or appurtenances. Chemical shall not be off-loaded at an unsafe rate or at pressures greater than 35 psi. In addition, when Supplier clears or purges the tank, hose or piping, he will not surge the system or create hammer pressures in the system.

## **E. Truck Delivery Sample**

OC SAN may request truck driver to take grab sample of the delivered product to be pulled and analyzed at a frequency as determined by OC SAN to verify that the delivered product meets the specifications herein. Upon OC SAN's request, the delivered load shall be sampled from the cargo trailer at the point of delivery, the truck driver shall take two (2) samples from each cargo trailer load, with Supplier's furnished bottles and sampler, in the presence of an on-site OC SAN representative. Each sample shall be labeled with the date, chemical name, shipping invoice number, and sampler's name. A sampler and sample bottles shall accompany every delivery truck. The samples will be provided to OC SAN personnel staff for observation and logging. Two (2) sample containers shall be provided in 1000ml plastic/glass containers with lids utilizing Falcon Model #4020 manufactured by Becton Dickinson Labware, Lincoln Park, New Jersey, or approved equal.

## **F. Certified Laboratory Report**

Supplier shall at the beginning of each Agreement term and at the mid-point of the term of the agreement period or when a significant change occurs in Supplier's manufacturing process, submit a certified laboratory report of delivered, accepted, and approved product to:

Orange County Sanitation District  
ATTN: "Project Manager"  
10844 Ellis Avenue  
Fountain Valley, CA 92708

OC SAN shall be responsible for sending the sample to the certified laboratory. The report shall be received by OC SAN within thirty (30) calendar days of said delivery and shall contain date and location of delivery and the following in the specified units:

1. In Percent by Weight
  - a. Ferrous chloride ( $\text{FeCl}_2$ )
  - b. Total iron (Fe)
  - c. Percent total iron as ferrous
  - d. Free acid (expressed as HCl)
  - e. Insoluble matter
2. In Pounds per Gallon
  - a. Ferrous chloride ( $\text{FeCl}_2$ ), dry
  - b. Specific weight of solution
3. Physical Property
  - a. Specific gravity
4. Heavy Metals and Miscellaneous Constituents (in mg/kg anhydrous  $\text{FeCl}_2$ )
  - a. Antimony
  - b. Arsenic
  - c. Cadmium
  - d. Chromium
  - e. Lead
  - f. Mercury
  - g. Nickel
  - h. Zinc

The method(s) used to perform the laboratory analysis result for each constituent required under the Agreement shall be disclosed in all reports to OC SAN.

Analysis for Heavy Metal determination shall be performed by ICP/MS, ICP/AES, or Atomic Adsorption method, with the appropriate adjustments for Iron interference, or equivalent method as approved by OC SAN.

#### **G. Storage Facility**

Supplier shall maintain a minimum one (1) week supply of ferrous chloride at storage or warehouse locations in the U.S. within an eighteen (18) hour drive of the delivery points.

#### **H. Safety & Permitting**

A meeting with personnel from OC SAN's Safety and Risk Management Division will be required before the start of any work. OC SAN requires personal protective equipment be worn at the chemical dosing sites in accordance with OC SAN Safety Standards. Face shields may also be required to be worn when working around pressured chemical systems at connections, disconnections, adjustments and observations. It is the responsibility of Supplier to ensure that the delivery truck drivers are trained in these requirements.

Safety showers and eyewash stations are located at the chemical dosing sites. Supplier shall review the shower and eyewash locations prior to off-loading chemicals. Supplier shall comply with OC SAN's safety policies while at the chemical dosing sites. Supplier shall provide safety equipment. **Lack of safety equipment or failure to use safety equipment will be cause for rejection of the product.**

**APPENDIX B**  
**For**  
**Regional Odor and Corrosion Control Services (ROCCS)**

**APPENDIX B  
FERROUS CHLORIDE  
STORAGE AND HANDLING SYSTEM EQUIPMENT  
SPECIFICATION NO. C-2023-1378BD**

**A. General**

The standard design consists of a tank system, chemical transfer system, dosing system(s), a monitor/controller and a site containment system.

Each ferrous chloride storage and feed system shall include, but not be limited to the following items:

- Storage tank system
- Chemical transfer system
- Dosing system(s) sized for the targeted feed rate dosing module
- Monitor/Controller
- Site containment system
- Safety shower/eyewash station

Supplier shall be responsible for supplying a complete and fully functioning package for the ferrous chloride systems. This responsibility covers all aspects of the design including but not limited to chemical compatibility of all materials in contact with the chemical.

Tank and appurtenances shall be upgraded as industry standards and regulations change.

**B. Storage Tank System**

The suggested tank module consists of a single wall high-density linear polyethylene tank with fiberglass reinforced plastic (FRP) reinforcing to control deflection during filling with heated ferrous chloride. The molding resin used shall be virgin, as compounded by the manufacturer, with the following chemical properties as a minimum:

<b>Property</b>	<b>ASTM</b>	<b>Value</b>
Resin Density	D1505	0.938-0.944 g/cc
Tensile Yield Stress	D638	2600 psi
Elongation at Break	D638	350%
ESCR (100% Igepal, Cond. A, F50)	D1693	400-1000 hours
ESCR (10% Igepal, Cond. A, F50)	D1693	200-500 hours
Vicat Softening Temperature	D1525	235°F
Flexural Modulus	D790	97,000-103,000 psi

1. The tank wall thickness shall be rated for >1.9 specific gravity, extra heavy wall, and the overall minimum required wall thickness shall be in accordance with ASTM D1998.
2. The tank wall shall contain between 0.25-0.50 percent ultraviolet stabilizer that is compounded in the resin. No titanium, or carbon-based pigments shall be used.

3. Tanks are sized at 10,000 to 12,000 gal for maximum storage efficiency.
4. Tank vents shall comply with California Code of Regulations (CCR), Title 8 for normal venting of atmospheric tanks. Sufficient venting, pursuant to industry standards, shall provide adequate relief in the event of deflagration of the tank contents.
5. Each tank shall have a dedicated Schedule 80 CPVC fill line. All connections are welded couplings with all attachments below liquid level having dual gussets for additional strength. Gaskets shall be of a Polytetrafluoroethylene compound, or a suitable Fluoroelastomer - Terpolymer. Bolts made of Type 316 stainless steel.
6. All tanks shall be outfitted with a reverse level indicator with a chemically compatible float device and a rigid external level indicator scaled to the specific tank size.
7. Proper caution, or warning signs, shall be affixed to the tank in a manner consistent with all Federal, State, and local codes.
8. For deflection control with warm solutions and for application of custom paint schemes the entire tank is covered with a fiberglass reinforced polyester wrapping. The wraps include a minimum of one (1) woven roving reinforcing per 1/8" planned wrap thickness to increase tensile strength of the tank wall with the bottom half of the tank receiving 3/8" thick material and the upper half at 1/4" thick. When wrapping the tank the tank shall be filled with water for an expanded configuration.
9. The tank includes lifting lugs and a tee vent assembly and a nameplate for identification.
10. The tank systems are delivered with a standard rust brown gel coat paint system. The gel coat paint is non-hazardous and can be easily applied for repairs or system cleanup onsite. Other colors are available upon request.

### **C. Transfer system**

1. Suction, discharge, and injection pipe (rigid and flexible) shall be constructed of PVC & CPVC thermoplastic. All rigid piping in the transfer system shall be a minimum of heavy-duty Schedule 80 CPVC. Pipe shall conform to ASTM D-1784 standard for manufacturing and ASTM D-1785 and F-441 standards for dimensions and workmanship.
  - 1.1 All fittings shall be injection molded of PVC fitting compound of cell classification 12454-B and of CPVC fitting compound of cell classification 23447-B as described in ASTM D-1784.
  - 1.2 All threaded fittings shall conform to thread standard ANSI/ASME B1.20.1 for tapered pipe thread.
  - 1.3 All socket weld fittings dimensions and tolerances shall conform to appended table PVC IPS schedule 80 socket dimensions.
2. Hand valves within the system shall provide safety isolation, operational functionality, and isolation of pump components for inspection and repair.

- 2.1 All hand valves (ball and butterfly) shall bear the manufacturer's name (or trademark), material designation, size, and IPS schedule.
3. Gaskets shall be either Viton B (or equal Fluoroelastomer – Terpolymer), or a Polytetrafluoroethylene compound. O-rings shall be Viton B, or approved equal Fluoroelastomer - Terpolymer. Pipe compound shall be Loctite 567, or approved equal.
4. All shop and field assembly work that involves solvent cemented joints (socket weld) shall conform to ASTM D-2855 practice for make-up procedures.

#### **D. Dosing System**

1. The skid shall be enclosed in lockable, weather resistant, hardcover enclosure. The enclosure shall be constructed of LDPE, with UV inhibitors and shall include an integrated spill/leak containment sump with leak detection hardware. The enclosure shall be of a design that complies with 40 CFR 122.26: BMP for Stormwater Pollution Prevention Plan.
2. The chemical metering pump(s) shall be motor-driven mechanically actuated multi-diaphragm style pump(s).
  - 2.1 The motor driven pump shall be sized to support the full range of operation and shall be designed specific for the corrosive ferrous chloride service with a Kynar pump head, Viton GFLT diaphragms and o-rings, Hastelloy valves and seats.
    - 2.1.1 The unit shall have a C-face adapter and coupling, driven by a 1.5hp, 3phase, 230/460V, and 1750rpm Inverter Duty Motor- Marathon Black Max, and 1000 to one turndown ratio.
    - 2.1.2 A NEMA 4X, AC variable frequency drive with single phase, 115V input and 3 phase, 230V out to the pump motor is required.
    - 2.1.3 Suggested pump for this application is A Wanner Hydra-Cell D10EKMGTTTMA, or approved equal.
  - 2.2 The chemical dosing pumps shall be mated to a flanged magnetic flow meter with ½" 150 lb flanged connections. The unit shall be designed for corrosive ferrous chloride service with all wetted parts to be PTFE. Unit body shall be 304/316 stainless steel. Unit shall include Hastelloy C Electrodes and conductivity ring. Unit shall include a remote mount interface panel. System performance per the following:
    - 2.2.1 0.25% accuracy at 1 to 39 fps independent of fluid viscosity, temperature or density
    - 2.2.2 0.1% repeatability
    - 2.2.3 Accurate to minimum fluid conductivity of 5.0 micromhos/cm
    - 2.2.4 Bi-directional flow
    - 2.2.5 Analog output - 4-20 mA scaled analog output (pulse output to 5kHz)
    - 2.2.6 Digital output – 24 VDC, 100mA max
    - 2.2.7 Noise dampening programmable from 1 to 6
    - 2.2.8 Pulse width programmable to 500ms
    - 2.2.9 Automatic correction for zero stability

- 2.2.10 LCD display
- 2.2.11 Panel rating of NEMA 4X
- 2.2.12 ½ npt cord grip connector
- 2.2.13 Ambient temperate - -4 to 140 F

2.3 The back pressure valve (BPV) provided shall have a PVC body and wetted components, a PTFE faced diaphragm, and a ¾" FNPT process connection. The BPV shall be capable of handling 400 gph (pulsating).

### 3. Monitor / Controller

3.1 A continuous level device, intended for dynamic tank level readings, shall be provided for the storage tank. The device consists of a loop powered ultrasonic level element incorporating: user programmable functions, a PVDF or PFE transducer, Hart compliance, and 4-20 mA scalable analog output.

3.2 An integrated telemeter/controller device shall be provided. All incoming data (real-time and historic) received by the device shall be accessible to a central control center, at any time during the day. All control functionality shall be accessible to a central control center, for remote adjustment and actuation, at any time during the day. Communication shall be via: a hardwire (twisted-pair) landline, a RTU to landline, or a cellular phone.

3.3 The device shall be capable of receiving analog inputs from associated instrumentation. One (1) channel shall be dedicated to receiving an analog input from any standard continuous level device, and correlating the signal to gallons of product with the tank. This value shall be displayed on a local display. One (1) channel shall be dedicated to receiving an analog input from a pressure transducer, and correlating the signal to a pump health value, for diagnostic and preventive maintenance issues.

3.3.1 The device shall be capable of providing analog and discrete outputs to associated pumps. A minimum of two (2) channels shall be dedicated to providing an analog output to a pump. This output shall allow for independent profiling of a dynamic pump, in one (1) hour increments, repeated over a 24-hour day, and seven (7) distinct days of the week. A minimum of two (2) digital outputs shall be dedicated to providing a discrete output to the pumps. These outputs shall provide a start-stop function for a steady-state pump, or a pacing function for a relay driven pump.

3.3.2 The device shall incorporate a remote flow meter on the fill line and a totalizer function within the computer that will enable the control center to determine the amount of fluid added to the storage tank during a refill.

3.3.3 The device shall have an internet webpage access that will allow for the monitor and control of the dosing system and storage tank. Remote monitor capabilities shall include real time and historical tank level readings, current pump speed, and pump status. Remote control aspects shall include ability to pause pump operation, switch the active pump from one to the other, and change pump speed as situations may require. Supplier shall provide OC SAN with the ability to disable process control to the SCADA system.

- 3.3.4 The device shall incorporate a Human Machine Interface to enable local control functions and minor parameter changes such as the driver of the chemical truck to enter the amount delivered and an ability to change pump profiles based on a 24/7 requirement. Both functions shall have different passwords in order to limit access to control. This HMI terminal shall be touch screen capable.
- 3.3.5 The device shall be housed in a NEMA 4X rated electrical enclosure(s). The device shall be capable of providing the operating temperature inside the enclosure, as well as calculating the nominal environmental temperature, for both device and instrumentation health. Any penetrations into the enclosure should maintain the NEMA 4X integrity.
- 3.3.6 The device shall have the appropriate spare channels, capable of receiving output from standard instrument suites. The device shall have a local bus connection for system diagnosis and adjustment by a technician.
- 3.3.7 The enclosure that receives any voltage above 30volts shall be UL-508 certified as a minimum standard of safety.
- 3.3.8 The device shall have additional input/outputs that can incorporate such features as (but not limited to):
  - 3.3.8.1 Leak detection
  - 3.3.8.2 Presence of fluid in containment system (rainwater, etc.)
  - 3.3.8.3 Site requirements (lights, etc.)
- 3.3.9 The device shall have the flexibility to incorporate other communication protocols such as MODBUS or PROFIBUS
- 3.3.10 The device shall have additional communication abilities to send e-mail or SMS alerts, cautions, or advisory information to designated personnel for (but not limited to):
  - 3.3.10.1 Low tank level
  - 3.3.10.2 High tank level
  - 3.3.10.3 Pump failure
  - 3.3.10.4 Received gallons of product
  - 3.3.10.5 Fluid in containment
  - 3.3.10.6 Leak detected in pump skid

#### 4. Site Containment System

- 4.1 Site containment shall be erected with galvanized corrugated steel panels, of 33" in height, creating the perimeter wall of the containment.
  - 4.1.1 Panels shall be fastened to an appropriate substrate utilizing anchor lugs (chair) fastened with 3/8-inch wedge anchors, for penetrations up to 3 inches, and 1/2-inch HILTI quick bolts for penetrations 4-inch, or greater; or approved equal.
  - 4.1.2 Panels shall be joined with fluted galvanized steel angle and appropriate self-tapping fasteners.
- 4.2 The containment area shall be filled with sand to create a level surface.
- 4.3 The area delineated by the perimeter wall shall have a geotextile pad to prevent unwanted penetrations and tears in the containment liner.

- 4.4 The entire containment shall be lined with an EPDM liner and fastened to the wall utilizing the fluted joining angle.
- 4.5 Foot traffic into the containment shall be via "OSHA compliant crossover stairs" provided by containment manufacturer.

Site containment shall be sized to contain one hundred percent (100%) of the storage vessel, plus 5 inches of freeboard, capable of containing uncharacteristic twenty-five (25) year rain event.

Supplier shall provide all labor, supervision, materials, equipment, and incidental items required to control aqueous hydrogen sulfide within the wastewater collection system to the target levels specified herein.

**APPENDIX C**  
**For**  
**Regional Odor and Corrosion Control Services (ROCCS)**

**APPENDIX C  
CALCIUM NITRATE/CALCIUM AMMONIUM NITRATE  
CHEMICAL SUPPLY AND DELIVERY TECHNICAL GRADE  
SPECIFICATION NO. C-2023-1378BD**

**(Calcium Nitrate/Calcium Ammonium Nitrate for Wastewater Treatment)**

**A. Disclaimer:**

- a. The calcium ammonium nitrate must contain nothing that will adversely affect or interfere with normal operation to OCSAN's treatment processes or be injurious to the chemical feeding equipment.
- b. Product shall not cause scale formation in OCSAN piping or equipment.
- c. The calcium ammonium nitrate supplied under these specifications shall be clean and free from all dirt, wood, and plastic particulate matter.
- d. Product shall contain no foreign substances, organic or inorganic, in injurious quantities. An injurious quantity shall be defined as the minimum capable of producing ill effects in the treatment plant process, in the receiving water, or causing OCSAN to exceed its NPDES requirements, other OCSAN obligation.
- e. OCSAN reserves the right to reject a load or terminate the Agreement if the stated requirements are not met.

**B. General Specifications:**

Supplier shall conform to the following technical grade chemical specifications.

1.1.	Calcium Ammonium Nitrate 17% (Ca(NO <sub>3</sub> ) <sub>2</sub> )	
	Total Nitrogen	17 %
	Ammoniacal Nitrogen	5.4 %
	Nitrate Nitrogen	11.6 %
	Nitrate Nitrogen	1.464 (lb/gal)
	Specific Gravity	1.518
	PH Range	5.0 – 6.5
	Density	12.6 (lbs/gal)
	Water Insolubles	<0.03 %
1.2.	Calcium Nitrate 9%	
	Total Nitrogen	9 %
	Ammoniacal Nitrogen	0.5 %
	Nitrate Nitrogen	8.42 %
	Nitrate Nitrogen	1.026 (lb/gal)

Specific Gravity	1.465
PH Range	5.0 – 6.5
Density	12.2 (lbs/gal)
Water Insolubles	<0.03 %

The product supplied shall not be a reconstituted, reclaimed or spent product. The delivered product shall be clean and free from dirt, wood, and plastic particulate matter that could cause pumping failure. It shall contain no foreign substances, organic or inorganic, in injurious quantities. An injurious quantity shall be defined as the minimum capable of producing ill effects in the treatment plant process, in the receiving water, or causing OCSAN to exceed its NPDES requirements, other OCSAN obligation, impacts plant processes negatively, or does not conform with the quality criteria outlined in this technical specification. OCSAN reserves the right to reject a load or terminate the Agreement if the stated requirements are not met.

### **C. Documentation**

A certificate of analysis prepared by a reputable outside laboratory or bidder's in-house laboratory if ISO certified shall be submitted for each calcium ammonium nitrate delivery. The certificate of analysis shall be based on a representative sample of the specific batch or lot of chemicals currently being used to make deliveries. Failure to supply the required certificate of analysis shall be sufficient cause to reject the load. Where the Agency has specific impurity limits other than those listed above, the certificate of analysis that accompanies the delivery should specify the actual concentrations of the said impurities. Charges for certificate of analysis shall be included in the bid price. This report shall contain the following:

- Date of manufacture
- Date of delivery
- Shipper ID
- Specific gravity
- Calcium ammonium nitrate as double salt (% weight/weight)
- Active Nitrate Content, expressed as %
- Ammoniacal Nitrogen content (% weight/weight)

One 200 mL sample of the delivered product shall be provided by the Bidder at the time of each delivery if requested by the Agency either when the order is placed or at the time of delivery. In order to ensure these samples are representative of the chemicals being delivered, the samples shall be drawn from the delivery truck at the time of delivery.

### **D. Deliveries**

At the time of deliveries, Supplier shall provide all the necessary, fully trained and qualified personnel for a minimum of 3-man days per week to be in continuous attendance during the transfer of chemical. OCSAN will provide staff to act as an observer during connection and disconnection. Supplier's personnel shall provide a written copy of the delivery statement to OCSAN's representative prior to connection. Supplier shall provide all necessary safety equipment required by Supplier or any subcontract hauler. Supplier shall provide a telephone number at each tank location where qualified personnel can be contacted in the event of an

emergency on a twenty-four (24) hour basis. It will be Supplier's responsibility to update any changes or phone numbers. Supplier is responsible for cleanup of spilled material. Clean-up must be conducted in conformance with OCSAN's safety procedures, Environmental Protection Agency (EPA), regional and local regulations and ordinances, and product manufacturer's recommended clean-up procedures. All equipment and materials required for cleanup must be furnished by Supplier

Supplier shall be responsible for ensuring compliance with all Federal, State, and local environmental health and safety regulations concerning the transport, delivery, transfer and cleanup of hazardous materials while performing under the Agreement.

Supplier shall observe the entire filling operation at each delivery site and shall be responsible for minimizing and cleaning up any spillage due to such operation. Any spillage shall be reported immediately to OCSAN's representative. If OCSAN must hire a Supplier to clean up the spill, all costs for cleanup will be Supplier's responsibility. No leakage to atmosphere or environment will be permitted. No waste material shall be disposed of in OCSAN receptacles. No vehicle washing may be done on OCSAN property or dosing sites.

Certified scales shall determine delivery weight of material. Supplier shall furnish certificates of weight and delivery slips for all loads of Calcium ammonium nitrate delivered. At a minimum, the invoice shall include a description of the delivery location, the delivery date, the unit price, the weight of product delivered, the percent solution, weight, gallons, actual specific gravity and other parameters used to determine the cost for the shipment

Supplier shall email OCSAN staff twenty-four (24) hours in advance of delivery to confirm delivery. Supplier shall be responsible for ensuring that sufficient product is available in the tanks to achieve treatment objectives. Scheduled deliveries will be made Monday through Friday 7:00am to 2:00pm. However, Supplier shall be required to deliver on any day of the week, on an as needed basis. OCSAN representatives will give Supplier at least 48-hour verbal notice prior to all requested deliveries, as appropriate, except in case of emergencies, when deliveries within a 24-hour period will be required.

Supplier shall not over-pressurize the off-loading system, piping or appurtenances. Chemical shall not be off-loaded at an unsafe rate or at pressures greater than 35 psi. In addition, when Supplier clears or purges the tank, hose or piping, he will not surge the system or create hammer pressures in the system.

OCSAN may request a sample of the delivered product to be pulled and analyzed at a frequency determined by OCSAN to verify that the delivered product meets the specifications herein. Upon OCSAN's request, the delivered load shall be sampled from the cargo trailer at the point of delivery. Supplier shall take two (2) samples from each cargo trailer load, with Supplier's furnished bottles and sampler, in the presence of an on-site OCSAN representative. Each sample shall be labeled with the date, chemical name, shipping invoice number, and sampler's name. A sampler and sample bottles shall accompany every delivery truck. Two (2) samples will be provided to OCSAN staff for observation and logging. The two (2) sample containers shall be provided in 1000ml plastic/glass containers with lids utilizing Falcon Model #4020 manufactured by Becton Dickinson Labware, Lincoln Park, New Jersey, or approved equal.

## **E. Safety & Permitting**

A meeting with personnel from OCSAN's Safety and Risk Management Division will be required before the start of any work. OCSAN requires personal protective equipment be worn at the chemical dosing sites in accordance with OCSAN Safety Standards. Face shields may also be required to be worn when working around pressured chemical systems at connections, disconnections, adjustments, and observations. It is the responsibility of the Supplier to ensure that its drivers are trained in these requirements.

Safety showers and eyewash stations are located at the chemical dosing sites. Supplier must review the shower and eyewash locations prior to off-loading chemicals. Supplier shall comply with OCSAN's safety policies while at the chemical dosing sites. Supplier shall provide safety equipment. **Lack of safety equipment or failure to use safety equipment will be cause for rejection of the product.**

**APPENDIX D**  
**For**  
**Regional Odor and Corrosion Control Services (ROCCS)**

**APPENDIX D  
CALCIUM NITRATE  
STORAGE AND HANDLING EQUIPMENT  
SPECIFICATION NO. C-2023-1378BD**

**1. General**

The standard design consists of a tank system, chemical transfer system, dosing system(s), a monitor/controller and a site containment system.

Each calcium nitrate storage and feed system shall include, but not be limited to the following items:

- Storage tank system
- Chemical transfer system
- Dosing system(s) sized for the targeted feed rate dosing module
- Monitor/Controller
- Site containment system
- Safety shower/eyewash station

Supplier shall be responsible for supplying a complete and fully functioning package for the calcium nitrate systems. This responsibility covers all aspects of the design including but not limited to chemical compatibility of all materials in contact with the chemical.

Tank and appurtenances shall be upgraded as industry standards and regulations change.

**2. Storage Tank System**

The tank working capacity ranges from 3,000 gallons to 12,000 gallons with specific tanks selected based on usage, space availability, logistics etc. Supplier shall recommend a tank size for each application. Each tank system has integral secondary containment and is designed with a completely sealed containment area. The tank module consists of gallon high density cross linked polyethylene double wall storage tank with bottom draw.

- 2.1. The tank wall thickness shall be extra heavy wall, and the overall minimum required wall thickness shall be in accordance with ASTM D1998.
- 2.2. The tank wall shall contain between 0.25-0.50 percent ultraviolet stabilizer that is compounded in the resin. No titanium, or carbon-based pigments shall be used.
- 2.3. Tanks are sized at 3,000 to 12,000 gallons for maximum storage efficiency.
- 2.4. Tank vents shall comply with California Code of Regulations (CCR), Title 8 for normal venting of atmospheric tanks. Sufficient venting, pursuant to industry standards, shall provide adequate relief.
- 2.5. Each tank shall have a dedicated Schedule 80 CPVC fill line. All connections are welded couplings with all attachments below liquid level having dual gussets for additional strength. Gaskets shall be of a Polytetrafluoroethylene compound, or a suitable Fluoroelastomer - Terpolymer. Bolts made of Type 316 stainless steel.
- 2.6. All tanks shall be outfitted with a reverse level indicator with a chemically compatible float device and a rigid external level indicator scaled to the specific tank size.

- 2.7. Proper caution, or warning signs, shall be affixed to the tank in a manner consistent with local codes.
- 2.8. The tank shall include lifting lugs and a tee vent assembly and a name plate for identification.
- 2.9. The tank systems shall be delivered with a gel coat paint system. The gel coat paint is non-hazardous and can be easily applied for repairs or system cleanup onsite. Other colors shall be available upon request.

### **3. Transfer system**

- 3.1. Suction, discharge, and injection pipe (rigid and flexible) shall be constructed of PVC & CPVC thermoplastic. All rigid piping in the transfer system shall be a minimum of heavy-duty Schedule 80 CPVC. Pipe shall conform to ASTM D-1784 standard for manufacturing and ASTM D-1785 and F-441 standards for dimensions and workmanship.
  - 3.1.1. All fittings shall be injection molded of PVC fitting compound of cell classification 12454-B and of CPVC fitting compound of cell classification 23447-B as described in ASTM D-1784.
    - 3.1.1.1. All threaded fittings shall conform to thread standard ANSI/ASME B1.20.1 for tapered pipe thread.
    - 3.1.1.2. All socket weld fittings dimensions and tolerances shall conform to appended table PVC IPS schedule 80 socket dimensions.
  - 3.1.2. Hand valves within the system shall provide safety isolation, operational functionality, and isolation of pump components for inspection and repair.
    - 3.1.2.1. All hand valves (ball and butterfly) shall bear the manufacturer's name (or trademark), material designation, size, and IPS schedule.
  - 3.1.3. Gaskets shall be either Viton B (or equal Fluoroelastomer – Terpolymer), or a Polytetrafluoroethylene compound. O-rings shall be Viton B, or approved equal Fluoroelastomer - Terpolymer. Pipe compound shall be Loctite 567, or approved equal.
  - 3.1.4. All shop and field assembly work that involves solvent cemented joints (socket weld) shall conform to ASTM D-2855 practice for make-up procedures.

### **4. Dosing System**

- 4.1. The skid shall be enclosed in lockable, weather resistant, hardcover enclosure. The enclosure shall be constructed of LDPE, with UV inhibitors and shall include an integrated spill/leak containment sump with leak detection hardware. The enclosure shall be of a design that complies with 40 CFR 122.26: BMP for Stormwater Pollution Prevention Plan.
- 4.2. The chemical metering pump(s) shall be motor-driven mechanically actuated multi-diaphragm style pump(s).
  - 4.2.1. The motor driven pump shall be sized to support the full range of operation and shall be designed specific for the chemical.

4.3. The chemical dosing pumps shall be mated to a flanged magnetic flow meter with ½-inch 150 lb flanged connections. The unit shall be designed for specific chemical in service. Unit shall include a remote mount interface panel. Suggested system performance per the following:

- 0.25% accuracy at 1 to 39 fps independent of fluid viscosity, temperature or density
- 0.1% repeatability
- Accurate to minimum fluid conductivity of 5.0 micromhos/cm
- Bi-directional flow
- Analog output - 4-20 mA scaled analog output (pulse output to 5kHz)
- Digital output – 24 VDC, 100mA max
- Noise dampening programmable from 1 to 6
- Pulse width programmable to 500ms
- Automatic correction for zero stability
- LCD display
- Panel rating of NEMA 4X
- ½ npt cord grip connector
- Ambient temperate - -4 to 140 Fahrenheit

4.4. The back-pressure valve (BPV) provided shall have a PVC body and wetted components, a PTFE faced diaphragm, and a ¾" FNPT process connection. The BPV shall be capable of handling 400 gph (pulsating).

## **5. Monitor / Controller**

5.1. A continuous level device, intended for dynamic tank level readings, shall be provided for the storage tank. The device consists of a loop powered ultrasonic level element incorporating: user programmable functions, a PVDF or PFE transducer, Hart compliance, and 4-20 mA scalable analog output.

5.2. An integrated telemeter/controller device shall be provided. All incoming data (real-time and historic) received by the device shall be accessible to a central control center, at any time during the day. All control functionality shall be accessible to a central control center, for remote adjustment and actuation, at any time during the day. Communication shall be via: a hardwire (twisted-pair) landline, a RTU to landline, or a cellular phone.

5.2.1. The device shall be capable of receiving analog inputs from associated instrumentation. One (1) channel shall be dedicated to receiving an analog input from any standard continuous level device, and correlating the signal to gallons of product with the tank. This value shall be displayed on a local display. One (1) channel shall be dedicated to receiving an analog input from a pressure transducer, and correlating the signal to a pump health value, for diagnostic and preventive maintenance issues.

5.2.2. The device shall be capable of providing analog and discrete outputs to associated pumps. A minimum of two (2) channels shall be dedicated to providing an analog output to a pump. This output shall allow for independent profiling of a dynamic pump, in one (1) hour increments, repeated over a 24-hour day, and seven (7) distinct days of the week. A minimum of two (2) digital outputs shall be dedicated to providing a discrete output to the pumps. These outputs shall provide a start-stop function for a steady-state pump, or a pacing function for a relay driven pump.

- 5.2.3. The device shall incorporate a remote flow meter on the fill line and a totalizer function within the computer that will enable the control center to determine the amount of fluid added to the storage tank during a refill.
- 5.2.4. The device shall have an internet webpage access that will allow for the monitor and control of the dosing system and storage tank. Remote monitor capabilities shall include real time and historical tank level readings, current pump speed, and pump status. Remote control aspects shall include ability to pause pump operation, switch the active pump from one to the other, and change pump speed as situations may require. Supplier shall provide OC SAN with the ability to disable process control to the SCADA system.
- 5.2.5. The device shall incorporate a Human Machine Interface to enable local control functions and minor parameter changes such as the driver of the chemical truck to enter the amount he delivered and an ability to change pump profiles based on a 24/7 requirement. Both functions shall have different passwords in order to limit access to control. This HMI terminal shall be touch screen capable.
- 5.2.6. The device shall be housed in a NEMA 4X rated electrical enclosure(s). The device shall be capable of providing the operating temperature inside the enclosure, as well as calculating the nominal environmental temperature, for both device and instrumentation health. Any penetrations into the enclosure should maintain the NEMA 4X integrity.
- 5.2.7. The device shall have the appropriate spare channels, capable of receiving output from standard instrument suites. The device shall have a local bus connection for system diagnosis and adjustment by a technician.
- 5.2.8. The enclosure that receives any voltage above 30volts shall be UL-508 certified as a minimum standard of safety.
- 5.2.9. The device shall have additional input/outputs that can incorporate such features as (but not limited to):
- Leak detection
  - Presence of fluid in containment system (rainwater, etc.
  - Site requirements (lights, etc.)
- 5.2.10. The device shall have the flexibility to incorporate other communication protocols such as MODBUS or PROFIBUS
- 5.2.11. The device shall have additional communication abilities to send e-mail or SMS alerts, cautions, or advisory information to designated personnel for (but not limited to):
- Low tank level
  - High tank level
  - Pump failure
  - Received XXXX gallons of product
  - Fluid in containment
  - Leak detected in pump skid

**APPENDIX E**

**For**

**Regional Odor and Corrosion Control Services (ROCCS)**

**APPENDIX E  
MAGNESIUM HYDROXIDE  
SUPPLY AND DELIVERY TECHNICAL GRADE  
SPECIFICATION NO. C-2023-1378BD**

**A. Disclaimer:**

1. The magnesium hydroxide must contain nothing that will adversely affect or interfere with normal operation of the Agency's treatment processes or be injurious to the magnesium hydroxide feeding equipment.
2. Product shall not cause scale formation in OC SAN piping or equipment.
3. The magnesium hydroxide supplied under these specifications shall be clean and free from all dirt, wood, and plastic particulate matter.
4. Product shall contain no foreign substances, organic or inorganic, in injurious quantities. An injurious quantity shall be defined as the minimum capable of producing ill effects in the treatment plant process, in the receiving water, or causing OC SAN to exceed its NPDES requirements, other OC SAN obligation.
5. OC SAN reserves the right to reject a load or terminate the Agreement if the stated requirements are not met.

**B. Product Description**

Supplier will supply magnesium hydroxide as the primary hydrogen sulfide control agent delivered in bulk trailers to each designated chemical feed site conforming to the following specifications:

<u>General Specifications:</u>	Typical	<u>Minimum</u>	<u>Maximum</u>
Percent Solids (%)	60%	58%	62%
Density (lb/Gal)	12.9`	12.5	13.1
Viscosity (cps)	150	100	500
Median Particle Size (micron)	6		10
Specific Surface Area (m <sup>2</sup> /g)	14	12	25
Caustic Magnesia Activity	75	70	150
CaCO <sub>3</sub> Equivalent	1 lb. Equivalent to .59 lb. Mg(OH) <sub>2</sub>		
% of MgO in Dry Solids (%)	93%	92	

Additional dose sites can be added or relocated on a full-service basis at the request of OC SAN as needed and in accordance with the terms and conditions of the Agreement.

**C. Documentation**

A certificate of analysis prepared by a reputable outside laboratory or bidder's in- house laboratory if ISO certified shall be submitted for each magnesium hydroxide delivery. The certificate of analysis shall be based on a representative sample of the specific batch or lot of chemical currently being used to make deliveries. Failure to supply the required certificate of

analysis shall be sufficient cause to reject the load. Charges for certificate of analysis shall be included in the bid price. This report shall contain the following:

- Date of manufacture
- Date of delivery
- Shipper ID
- Specific gravity
- Percent solids in solution (%)
- Density (lb/Gal)
- Percent of MgO in dry solids
- Caustic Magnesia Activity
- Alkalinity (as CaCO<sub>3</sub>)
- Median particle size
- Specific surface area

One 500 mL sample of the delivered product shall be provided by the Bidder at the time of each delivery if requested by the Agency either when the order is placed or at the time of delivery. In order to ensure these samples are representative of the chemicals being delivered, the samples shall be drawn from the delivery truck at the time of delivery. Where the Agency has specific impurity limits other than those listed above, the certificate of analysis that accompanies the delivery should specify the actual concentrations of the said impurities.

#### **D. Deliveries**

At the time of deliveries, Supplier shall provide all the necessary, fully trained and qualified personnel for a minimum of 3-man days per week to be in continuous attendance during the transfer of chemical. OC SAN will provide staff to act as observer during connection and disconnection. Supplier personnel shall provide a written copy of the delivery statement to OC SAN's representative prior to connection. Supplier shall provide a telephone number at each tank location where qualified personnel can be contacted in the event of an emergency on a twenty-four (24) hour basis. It will be Supplier's responsibility to update any changes or phone numbers. Supplier is responsible for cleanup of spilled material. Clean up must be conducted in conformance with OC SAN's safety procedures, Environmental Protection Agency (EPA), regional and local regulations and ordinances, and product manufacturer's recommended clean-up procedures. All equipment and materials required for cleanup must be furnished by Supplier.

Supplier shall be responsible for ensuring compliance with all Federal, State, and local environmental health and safety regulations concerning the transport, delivery, transfer, storage and cleanup of hazardous materials while performing under the Agreement.

Supplier shall observe the entire filling operation at each delivery site and shall be responsible for minimizing and cleaning up any spillage due to such operation. Any spillage shall be reported immediately to OC SAN. If OC SAN must hire a Supplier to clean up the spill, all costs for cleanup will be Supplier's responsibility. No leakage to atmosphere or environment will be permitted. No waste material shall be disposed of in OC SAN receptacles. No vehicle washing may be done on OC SAN property or dosing sites.

Certified scales shall determine delivery weight of material. Supplier shall furnish certificates of weight and delivery slips for all loads of Magnesium Hydroxide delivered. A written delivery statement shall accompany all shipments and state the delivered name of the product being shipped, and the actual content of the chemicals delivered. At a minimum, the invoice shall

include a description of the delivery location, the delivery date, the unit price, the weight of product delivered, the percent solution, weight, gallons, actual specific gravity and other parameters used to determine the cost for the shipment.

Supplier shall email OC SAN staff twenty-four (24) hours in advance of delivery to confirm delivery. Supplier shall be responsible for ensuring that sufficient product is available in the tanks to achieve treatment objectives. Scheduled deliveries will be made Monday through Friday 7:00am to 2:00pm. However, Supplier shall be required to deliver on any day of the week, on an as needed basis. OC SAN or representatives will give Supplier at least 48-hour verbal notice prior to all requested deliveries, as appropriate, except in case of emergencies, when deliveries within a 24-hour period will be required.

Supplier shall not over-pressurize the off-loading system, piping or appurtenances. Chemical shall not be off-loaded at an unsafe rate or at pressures greater than 35 psi. In addition, when Supplier clears or purges the tank, hose or piping, he will not surge the system or create hammer pressures in the system.

**E. Truck Delivery Sample**

OC SAN may request samples of the delivered product to be pulled and analyzed at a frequency determined by OC SAN to verify that the delivered product meets the specifications herein. Upon OC SAN's request the delivered load shall be sampled from the cargo trailer at the point of delivery, the truck driver shall take two (2) samples from each cargo trailer load, with Supplier's furnished bottles and sampler, in the presence of on-site OC SAN representative. Each sample shall be labeled with the date, chemical name, shipping invoice number, and sampler's name. A sampler and sample bottles shall accompany every delivery truck. Two (2) samples will be provided to OC SAN staff for observation and logging. Two (2) sample containers shall be provided in 1000ml plastic/glass containers with lids utilizing Falcon Model #4020 manufactured by Becton Dickinson Labware, Lincoln Park, New Jersey, or approved equal.

**F. Safety & Permitting**

A meeting with personnel from OC SAN's Safety and Risk Management Division will be required before the start of any work. OC SAN requires personal protective equipment be worn at the chemical dosing sites in accordance with OC SAN Safety Standards. Face shields may also be required to be worn when working around pressured chemical systems at connections, disconnections, adjustments and observations. It is the responsibility of Supplier to ensure that its drivers are trained in these requirements.

Safety showers and eyewash stations are located at the chemical dosing sites. Supplier must review the shower and eyewash locations prior to off-loading chemicals. Supplier shall comply with OC SAN's safety policies while at the chemical dosing sites. Supplier shall provide safety equipment. **Lack of safety equipment or failure to use safety equipment will be cause for rejection of the product.**

**APPENDIX F**  
**For**  
**Regional Odor and Corrosion Control Services (ROCCS)**

**APPENDIX F  
MAGNESIUM HYDROXIDE  
STORAGE AND HANDLING SYSTEM EQUIPMENT  
SPECIFICATION NO. C-2023-1378BD**

**A. General**

The standard design consists of a tank system, chemical transfer system, dosing system(s), a monitor/controller and a site containment system.

Each magnesium hydroxide storage and feed system shall include, but not be limited to the following items:

- Storage tank system
- Chemical transfer system
- Dosing system(s) sized for the targeted feed rate dosing module
- Monitor/Controller
- Site containment system
- Safety shower/eyewash station

Supplier shall be responsible for supplying a complete and fully functioning package for the magnesium hydroxide systems. This responsibility covers all aspects of the design including, but not limited to chemical compatibility of all materials in contact with the chemical. Tank and appurtenances shall be upgraded as industry standards and regulations change.

**B. Dosing System**

The skid shall be enclosed in lockable, weather resistant, hardcover enclosure. The enclosure shall be constructed of low-density polyethylene (LDPE), with ultraviolet (UV) inhibitors and shall include an integrated spill/lead containment sump with leak detection hardware. The enclosure shall be of a design that complies with 40 CFR 122.26: BMP for Stormwater Pollution Prevention Plan.

Supplier shall provide chemical metering hose (peristaltic) type pumps. There shall be two (2) pumps on a skid. The pump shall be continuously operated. Output volume shall be adjustable while pumps are in operation from a predetermined minimum to the proper maximum capacity to fulfill all pumping requirements for the intended sewer flow. The chemical metering pumps shall be capable of pumping magnesium hydroxide slurry against pressures up to 50 psig. All wetted parts shall be specifically designed and warranted for use with commercially available magnesium hydroxide.

The pump is to be of the peristaltic hose pump type using a thick-walled hose to maintain positive hydraulic pressure as the measuring wheels roll over the hose. The process head will have unrestricted flow path without the use of check valves or any other obstructions.

The hose in the pump shall be rubber or equivalent. The metering pump shall be self-priming and capable of indefinite operation without process slurry. The hose must operate under full head pressure without stressing the hose and barb connection at the suction or discharge.

The chemical dosing system shall operate remotely with a programmable logic controller (PLC), running twenty-four (24) set points per day and seven (7) days, or a computer system with cell based two-way communications.

Connections to the pump shall be by Supplier preferred tubing.

### **C. Monitor / Controller**

The device shall be capable of providing analog and discrete outputs to associated pumps. A minimum of two (2) channels shall be dedicated to providing an analog output to a pump. This output shall allow for remote wireless independent profiling of a dynamic pump, in one (1) hour increments, repeated over a 24-hour day, and seven (7) days of the week. A minimum of two (2) digital outputs shall be dedicated to providing a discrete output to the pumps. These outputs shall provide a remote wireless start-stop function for a steady-state pump, and/or a pacing function for a relay driven pump.

The device shall have an internet webpage access that will allow for the monitor and control of the dosing system and storage tank. Remote monitor capabilities shall include real time and historical tank level readings, current pump speed, and pump status. Remote control aspects shall include ability to pause pump operation, switch the active pump from one to the other, and change pump speed as situations may require. Supplier will provide OCSD with the ability to disable process control to the SCADA system.

The device shall incorporate a Human Machine Interface to enable local control functions and minor parameter changes such as the amount of chemical delivered and an ability to change pump profiles based on a 24/7 requirement. Both functions shall have different passwords to limit access to control.

The device shall have the appropriate spare channels, capable of receiving output from standard instrument suites. The device shall have a local bus connection for system diagnosis and adjustment by a technician.

The device shall have additional input/outputs that can incorporate such features as (but not limited to):

- Leak detection
- Presence of fluid in containment system (rainwater, etc.)
- Site requirements (lights, etc.)

The device shall have the flexibility to incorporate other communication protocols such as MODBUS or PROFIBUS

The device shall have additional communication abilities to send e-mail or SMS alerts, cautions, or advisory information to designated personnel for (but not limited to):

- Low tank level
- High tank level
- Pump failure
- Fluid in containment

#### **D. Site Containment System**

1. Site containment shall be built with galvanized corrugated steel panels, of 42 inches in height, creating the perimeter wall of the containment.
  - a) Panels shall be fastened to an appropriate substrate utilizing anchor lugs (chair) fastened with 3/8-inch wedge anchors, for penetrations up to 3 inches, and 1/2-inch HILTI, or approved equal, quick bolts for penetrations 4 inches, or greater.
  - b) Panels shall be linked with fluted galvanized steel angle and appropriate self-tapping fasteners.
2. The containment area can be filled with sand to create a level surface.
3. The area delineated by the perimeter wall can have a geotextile pad to prevent unwanted penetrations and tears in the containment liner.
4. The entire containment shall be lined with a 30-mil plastic liner and fastened to the wall utilizing the fluted joining angle.
5. Foot traffic into the containment shall be via "OSHA compliant crossover stairs" provided by containment manufacturer.
6. Site containment shall be sized to contain one hundred percent (100%) of the storage vessel, plus 5 inches of Freeboard, capable of containing uncharacteristic twenty-five (25) year rain events.



# OPERATIONS COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2915

**Agenda Date:** 4/26/2023

**Agenda Item No:** 13.

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**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Acting Director of Engineering

**SUBJECT:**

### **ENGINE AND GENERATOR OVERHAULS AT PLANT NO. 1 AND 2, CONTRACT NO. J-135B**

#### **GENERAL MANAGER'S RECOMMENDATION**

##### RECOMMENDATION:

Approve the addition of funds to include generator overhauls as part of the construction contract with Cooper Machinery Services LLC for the Engine and Generator Overhauls at Plant Nos. 1 and 2, Contract No. J-135B, in the amount of \$1,637,117 (5.6%), for a total construction contingency of \$4,573,220 (15.6%).

#### **BACKGROUND**

In the early 1990s, Orange County Sanitation District (OC San) installed eight internal combustion engines manufactured by Cooper Bessemer at the Central Generation (CenGen) facilities at Plant Nos. 1 and 2 to generate electricity using digester gas. During normal operating conditions, the CenGen facilities supply approximately 60% of the electricity at Plant No. 1 and 95% of the electricity at Plant No. 2.

In July 2022, a construction contract was awarded to Cooper Machinery Services LLC for Engine and Generator Overhauls at Plant No. 1 and 2, Contract No. J-135B. The work under this contract overhauls four engines and refurbishes five generators.

#### **RELEVANT STANDARDS**

- Protect OC San assets
- Maintain a proactive asset management program
- 24/7/365 treatment plant reliability
- Comply with environmental permit requirements
- Use all practical and effective means for resource recovery

#### **PROBLEM**

The original contract provided for five generators to be sent to the factory to be tested, cleaned, and minor repairs to be performed at the same time their respective engines are being overhauled. While performing repairs to the first two generators of this project, it was found the rotors and stators both

needed to be rewound, which was beyond the original scope of work. During a visual inspection, the stator and rotor windings had heavy carbon buildup with some visible insulation damage in one of the generators. Field winding tests showed signs of insulation deterioration with one stator winding failing the test. Generator cable leads were also found to be cracked and the generator bearings required refurbishment. Due to these issues, the two generators were rewound and refurbished to restore original function with the Board-approved contract contingency.

The remaining three generators are in similar condition and have similar run hours as the first two generators and it is anticipated that steam cleaning and baking as required by the original contract will not be an effective solution to extend the useful life of the generators.

## **PROPOSED SOLUTION**

Approve additional funds in the amount of \$1,637,117 for the three remaining generators to be rewound and refurbished to ensure their function and reliability, and to ensure the work performed can be covered under warranty.

## **TIMING CONCERNS**

The third generator is scheduled to return to the factory for cleaning in May 2023, so the additional work must be authorized before to prevent schedule impact or additional costs.

## **RAMIFICATIONS OF NOT TAKING ACTION**

If the recommended action is not approved, the factory will clean and test the generators as required by the existing contract. If defects found in the prior two units are found in the next three units, the units will need to be rewound similar to the first two units. The cost to clean, bake, and test the units will be lost. The intent of this project is to rebuild the engines and generators to provide another 25 years of service, so staff recommends the added service to ensure the generator can match the projected engine life. In addition, OC San could face potential SCAQMD permit violations.

## **PRIOR COMMITTEE/BOARD ACTIONS**

July 2022 - Awarded a Sole Source Service Contract to Cooper Machinery Services LLC for Engine and Generator Overhauls at Plant No.1 and 2, Project No. J-135B, for a total amount of not to exceed \$29,361,029; and approved a contingency of \$2,936,103 (10%).

March 2021 - Awarded a Sole Source Service Contract to Cooper Machinery Services LLC to provide a Central Generation Engine No. 1 Overhaul at Plant No.1, per Proposal 210204-839, for a total amount of not to exceed \$3,705,932; and approved a contingency of \$741,186 (20%).

## **ADDITIONAL INFORMATION**

The overhaul of two generators, including the rewinding, has been successfully completed and both generator/engine sets are in operation as of March 2023 under the current contract with Cooper Machinery Services LLC.

Although the approved contract contingency is sufficient to complete the work, it will exhaust the contingency remaining and leave very little funds for unforeseen work needed when completing the overhaul of the remaining engines.

### **CEQA**

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301.

### **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 42, Central Generation Engine Overhauls at Plant No. 1 and 2, Project No. J-135) and the budget is sufficient for the recommended action.

### **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Presentation

SN:tk

# Engine and Generator Overhauls at Plant No. 1 and 2 Contract No. J-135B

Presented by:  
Mike Dorman  
Acting Director  
of Engineering

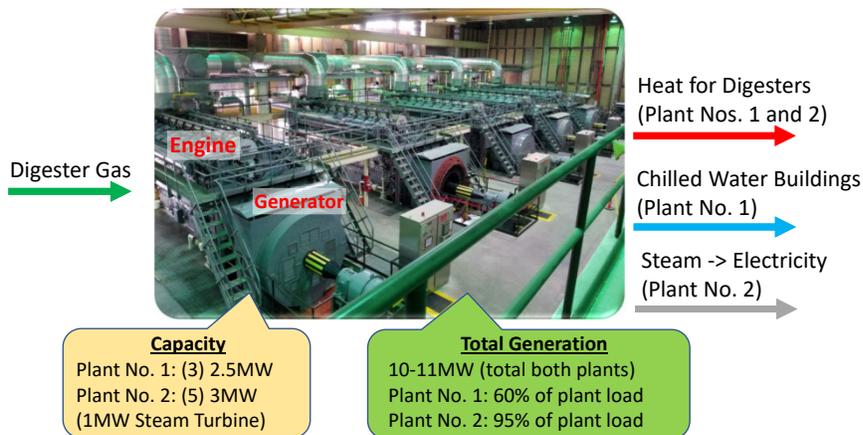
Operations  
Committee  
April 5, 2023



1

## Background - Central Generation

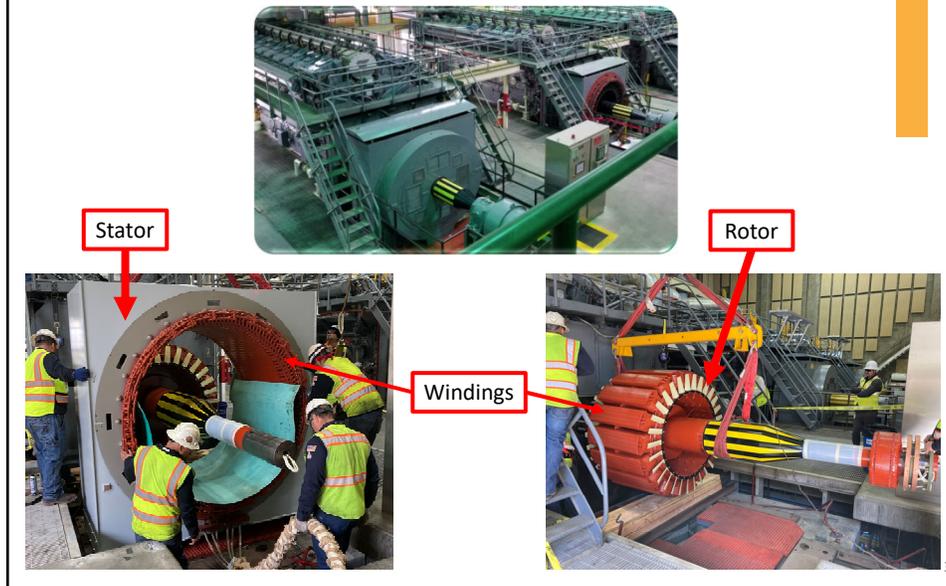
Central Generation Facilities installed in the early 1990s at Plant No. 1 and 2



2

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## Major Components of a Generator



3

## Original Scope of Work

### Engine Scope (4 engines):

- Overhaul

### Generator Scope (5 generators):

- Test stator and rotor windings
- Steam clean
- Replace power cable leads
- Replace auxiliary components



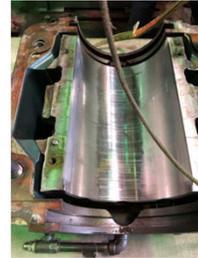
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## Initial Findings



Cracked generator cable leads



Wear on bearing surface

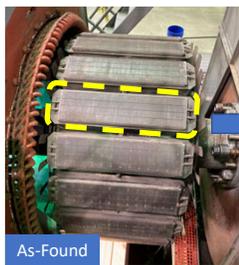
### Generator Winding Findings

- Signs of insulation failure (carbon dust)
- Aged insulation based on additional testing
- Damaged insulation
- Windings may not survive steam cleaning

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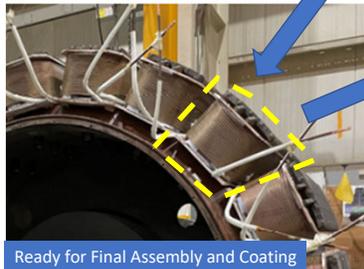
## Rotor Rewinding



As-Found



In-Progress



Ready for Final Assembly and Coating

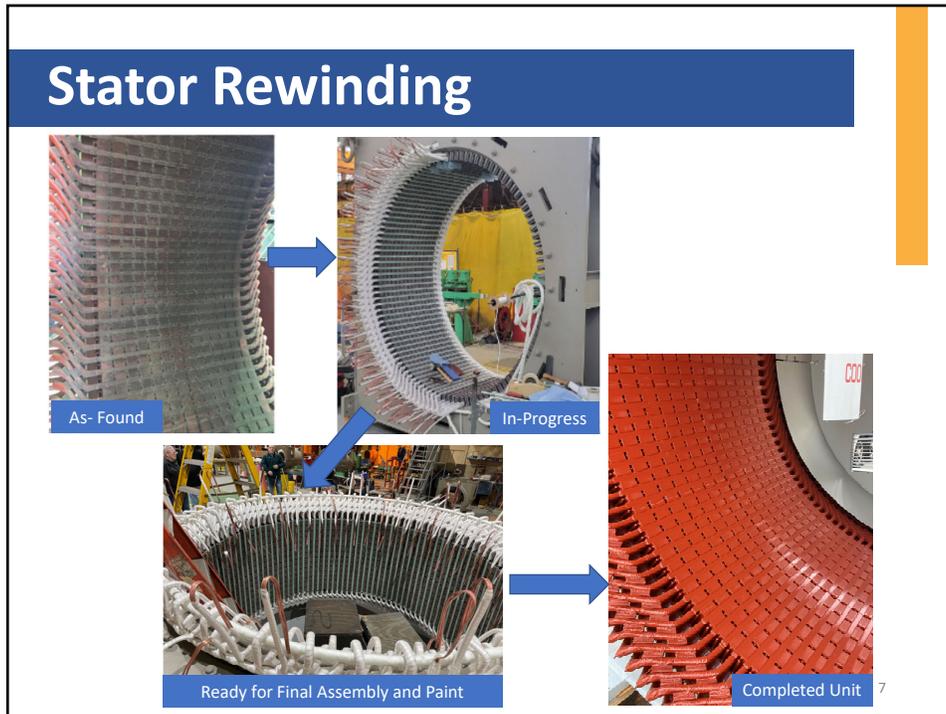


Completed Unit

6

6

## Stator Rewinding



7

## Contingency Fund Request

Original Contract = \$29,361,029

	CONTINGENCY
Original Board Approved Contingency	\$2,936,103 (10%)
Issued Change Order (rewind two generators)	-\$917,783 (-3.1%)
Future Change Order (rewind three generators)	-\$1,637,117 (-5.6%)
<b>Remaining Contingency</b>	<b>\$381,203 (1.3%)</b>
<b>Contingency Increase Request</b>	<b>\$1,637,117 (5.6%)</b>
<b>Remaining Contingency After Request</b>	<b>\$2,018,320 (6.9%)</b>

**Total Request Contingency = \$4,573,220 (15.6%)**

8

8

## Recommendation

Recommend to the Board of Directors to:

Approve the addition of funds to include generator overhauls as part of the construction contract with Cooper Machinery Services LLC, for the Engine and Generator Overhauls at Plant No. 1 and 2, Contract No. J-135B, in the amount of \$1,637,117 (5.6%), for a total construction contingency of \$4,573,220 (15.6%).

9

9

## Questions



10



# ADMINISTRATION COMMITTEE

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

**File #:** 2023-2926

**Agenda Date:** 4/26/2023

**Agenda Item No:** 14.

**FROM:** Robert Thompson, General Manager  
Originator: Lan C. Wiborg, Director of Environmental Services

**SUBJECT:**

**TRIPLE QUADRUPOLE GAS CHROMATOGRAPH MASS SPECTROMETER (TQ-GC/MS)**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Approve a purchase order to VWR for the purchase of a Triple Quadrupole Gas Chromatograph Mass Spectrometer (TQ-GC/MS) System using the National Association of State Procurement Officers (NASPO) Agreement No. MA16000234-2 for a total amount not to exceed \$295,649 which includes installation and training, 2-year extended warranty, sales tax, and freight.

**BACKGROUND**

The laboratory has budgeted for three TQ-GC/MS systems to replace several aging single-quadrupole GC/MS instruments. This TQ-GC/MS system (#2 in the below table) is needed to analyze fish tissue and sediment samples for the ocean monitoring program as required by Orange County Sanitation District's (OC San) NPDES permit and various special projects.

New Instrument	Existing Instrument	Age of Existing Instruments	Regulatory Requirement	Budgeted
TQ-GC/MS #1	Bruker Scion GC/MS	8 years	NPDES	June 2020
TQ-GC/MS #2	2 Thermo Scientific GC/MS units	15 years	NPDES	FY 22/23
TQ-GC/MS #3	LECO Pegasus GC/MS Time of Flight (TOF) analyzer	19 years	NPDES	FY 23/24

**RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- Comply with environmental permit requirements
- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Maintain a proactive asset management program
- Participate in local, state, and national cooperative purchasing programs

## **PROBLEM**

This request is to replace two 15-year-old analytical instruments that have exceeded the manufacturer-recommended serviceable life of 7-10 years. One instrument is completely inoperable and, for the remaining instrument, instances of instrument breakdown have increased due to age and sample turnaround time has consequently increased due to the need to repeat analyses. In combination, these occurrences have increased OC San's expenditure on staff time, replacements parts, and repair services. Both instruments are also no longer supported by the manufacturer for service or parts. In the past, this workgroup utilized three GC/MS systems to accomplish all required analyses; one was replaced in 2020 by a TQ-GS/MS system, which is currently the only reliable instrument within the workgroup. Should any issues arise with the existing TQ-GC/MS, there is no suitable backup option to ensure that samples can be analyzed on time and with the required level of data quality.

## **PROPOSED SOLUTION**

Approve a purchase order to VWR for the TQ-GC/MS system in the amount of \$295,649 to replace the two existing GC/MS system. Purchasing the TQ-GC/MS system will equip OC San with a more reliable system that uses the most up-to-date technology and provides enhanced instrument capabilities to better support regulatory compliance, for both current and future regulatory requirements. As a result of the increased reliability and sensitivity of the TQ-GC/MS, the team will be able to perform the same scope of analyses which previously required three instruments. This system will also provide valuable redundancy and backup to the existing TQ-GC/MS system within the workgroup.

## **TIMING CONCERNS**

Potential cost and down time may increase if the current system is not replaced in a timely manner.

## **RAMIFICATIONS OF NOT TAKING ACTION**

Without the TQ-GCMS system, it will be difficult to meet compliance for the analysis of chemicals in support of the core monitoring of sediment and fish samples as required by the NPDES permit. If NPDES permit compliance is not met, OC San could be subject to enforcement action and daily penalties up to \$25,000 for each violation, in addition to other actions deemed appropriate by the EPA and SARWQCB.

## **PRIOR COMMITTEE/BOARD ACTIONS**

N/A

## **ADDITIONAL INFORMATION**

NASPO agreements are available to all State of California governmental entities (e.g., state agencies, cities, counties, special districts, school districts, universities) that expend public funds for the acquisition of both goods and services. Under these agreements, the State of California

purchases a wide variety of goods and services ranging from pencils to temporary labor. Annual purchases total nearly \$10 billion. The Procurement Division is the central purchasing authority for all State departments and local government agencies. With a massive marketplace and billions of dollars in purchasing power, they can offer a lower procurement cost to California's state, county, city, special districts, education, and other government entities through their Leveraged Procurement Agreements. Leveraged Procurement Agreements allow entities/agencies to buy directly from suppliers through existing contracts and agreements. One of these that the state offers to California governmental agencies is the NASPO for Commodities, IT Goods & Services, and Telecommunication Goods and Services.

OC San is utilizing NASPO Agreement No. MA16000234-2 with VWR, under Ordinance No. OC SAN -56, Section 2.03(B), Cooperative Purchases.

The total cost of \$295,649 includes the TQ-GC/MS system, installation and training, 2-year extended warranty, sales tax, and freight.

### **CEQA**

N/A

### **FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted in Division 630 2022/2023 Capital Equipment.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
04/26/2023	\$295,649	N/A

### **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A



# STEERING COMMITTEE

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

---

**File #:** 2023-2932

**Agenda Date:** 4/26/2023

**Agenda Item No:** 15.

---

**FROM:** Robert Thompson, General Manager

**SUBJECT:**

**PUBLIC AFFAIRS UPDATE FOR THE MONTH OF MARCH 2023**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file the Public Affairs Update for the month of March 2023.

**BACKGROUND**

Included in this report are recent activities of interest managed by the Public Affairs Office for the month of March 2023.

**RELEVANT STANDARDS**

- Maintain influential legislative advocacy and a public outreach program
- Build brand, trust, and support with policy makers and community leaders
- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities
- Listen to and seriously consider community input on environmental concerns

**PROBLEM**

The Orange County Sanitation District (OC San) is well-recognized within the water/wastewater industry; however, within OC San's service area, as OC San does not have direct communications through a billing method, there may be limited knowledge by customers of the important work OC San does to protect public health and the environment. In general, the customers OC San serves may not realize that when they improperly dispose of waste into the sanitation system, it can negatively affect OC San's sewer lines, treatment plants, and the quality of water supplied for the GWRS.

**PROPOSED SOLUTION**

By providing tours, community outreach, education, and general communication via OC San's website, social media, and direct mailings, OC San shares information with the community, local agencies, and businesses on messaging such as the What2Flush program, energy production, water recycling, biosolids, and OC San's source control program. This, in turn, helps improve the quality of

wastewater that is recycled or released to the ocean and the knowledge and understanding of wastewater treatment.

## **RAMIFICATIONS OF NOT TAKING ACTION**

If OC San does not inform the community, local agencies, and area businesses about OC San, we may not have the support necessary to deliver our mission.

## **PRIOR COMMITTEE/BOARD ACTIONS**

July 2022 - Public Affairs Strategic Plan for Fiscal Year 2022-2024 approved.

## **ADDITIONAL INFORMATION**

### **Activities for the month of March 2023:**

#### **Outreach Report**

An outreach report that includes tours, website and social media posts, construction notifications, speaking engagements, etc. is attached to this Agenda Report.

#### **Social Media**

OC San messaging, announcements, and program updates were posted across OC San's social media platforms.

- Facebook: 17 posts reaching 2.9k people
- Twitter: 12 posts reaching 1.1k people
- Instagram: 22 posts reaching 4.3k people
- LinkedIn: 4 posts and reaching 3.1k people

#### **Media Coverage**

OC San has had some media coverage recently with articles published 374WaterInc and Kokomo Tribune. Both articles highlighted the Supercritical Water Oxidation Demonstration project. OC San was also mentioned in the Daily Pilot with an article highlighting the GWRS. These articles can be found in the Outreach Report.

#### **Presentations**

During the month of March, employees participated in six tours and six speaking engagements including the Newport Beach City Council; University of California, Irvine; Construction Network Water Event; and Children's Water Festival. Details about the speaking engagements can be found in the Outreach Report.

#### **Construction Outreach**

Outreach efforts are ongoing for OC San construction activities throughout the service area. Projects are ongoing in Fountain Valley, Seal Beach, Westminster, Buena Park, Anaheim, Costa Mesa, Santa Ana, and within both of our treatment plants. Website updates, email text alerts, and direct notifications continue to be distributed as the projects progress. In March, over 9,000 notifications were distributed in Seal Beach, Los Alamitos, and Rossmoor.

**Ice Cream Social Event**

OC San hosted the first in-person event for employees since the start of the pandemic. An Ice Cream Social took place to give employees the opportunity to socialize and as a farewell to recent retirees. Retirees from the last three years were invited to attend. Overall, we had 300 people participate in the event.

**Children's Water Festival**

OC San once again participated in the Orange County Water District's Children's Water Festival. Over the two-day period, OC San engaged over 340 3<sup>rd</sup>, 4<sup>th</sup>, and 5<sup>th</sup> grade students from various Orange County schools.

**Wastewater 101 Citizens Academy**

The third session of OC San's Wastewater 101 Citizens Academy began in March, with two workshops taking place. The next two workshops will take place in April concluding with a tour of the plant and a graduation at the April Board meeting.

**Internal Communication**

Internal communication is a key pillar of the Public Affairs Office. There were 67 posts on the employee intranet - *The San Box*, four weekly emails distributed on hot topics for the week, and the employee newsletter, *The Pipeline*, is scheduled to be published in April.

**Awards**

- The American Academy of Environmental Engineers and Scientists (AAEES) awarded OC San and OCWD the Grand Prize for Design for "A Headworks Divided - The Key to Unlocking Expanded Water Reuse in Orange County, CA". The award was presented virtually during the AAEES Conference on April 13.
- The California Municipal Treasurers Association awarded OC San with an Investment Policy Certification. To receive certification, OC San's policy must adhere with the State of California Government Code and meet the program requirements within 18 different topic areas deemed to be best practices for investment policies such as delegation of authority, internal controls, performance standards, reporting, investment policy adoption, ethics, and conflicts of interest.
- The American Society of Civil Engineers recognized OC San and OCWD with the 2022 Outstanding Water Treatment Project and Project of the Year Award for the GWRS. The awards will be presented in May during their annual awards ceremony.

**Upcoming Activities for April:****Honor Walk**

The employee nominations for Honor Walk recognition were submitted in March with review by an employee led committee taking place in April. Employee recommendations for recognition, along with former Board Member nominations, will be presented to the Steering Committee in May. The Honor Walk celebration will be held on Wednesday, June 28 at 4 p.m.

**Neighborhood Connection Newsletter**

The spring issue of OC San's community newsletter is set for distribution in April. The issue includes updates on infrastructure projects throughout the service area and both plants. There are also articles on OC San programs. The newsletter is distributed electronically to approximately 4,500 readers.

**Groundwater Final Expansion Event**

OC San and the Orange County Water District hosted a dedication event for the final completion of the GWRS on April 14. Over 350 dignitaries attended the event.

**FINANCIAL CONSIDERATIONS**

All items mentioned are included in OC San's FY 2022-2024 Budget.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Outreach Report - March 2023

# Outreach and Media Summary



**March 2023**

OC San Public Affairs Office

# Table of Contents

<b>OUTREACH REPORT.....</b>	<b>PAGE 1</b>
<b>FACEBOOK POSTINGS .....</b>	<b>PAGE 3</b>
<b>TWITTER POSTINGS .....</b>	<b>PAGE 4</b>
<b>INSTAGRAM POSTINGS.....</b>	<b>PAGE 5</b>
<b>LINKEDIN POSTINGS.....</b>	<b>PAGE 6</b>
<b>NEWS ARTICLES.....</b>	<b>PAGE 7</b>

# Outreach Report March 2023

Date	Tours	Attendees	Tour Guide
3/1/23	Operations Committee members	12	Rob Thompson
3/8/23	Administration Committee members	13	Rob Thompson
3/15/23	Cypress College	31	Pegah Behreban
3/18/23	Residential Tour	9	Rob Thompson
3/25/23	Bassett Adult School	10	Shabbir Basrai
3/28/23	Costa Mesa Neighbors	15	April Frost/ Jim Spears
Date	Speaking Engagements/Events	Attendees	Presenter
3/6/23	University of Irvine	23	Yiping Cao/ Anthony Pimentel/ Margil Jimenez
3/8/23	Construction Network Water Event	100	Raul Cuellar
3/8/23	Orange County Science and Engineering Fair	200	Cindy Murra/ Jeff Brown/ Rachel Van Exel/ Yiping Cao/ David Lo/ Dawn Myers/ Jenna Obenshain
3/14/23	Newport Beach City Council	40	Rob Thompson
3/21/23	PFA's Source Investigation- Panel	60	Lan Wiborg
3/29 & 3/30	Children's Water Festival	340	Victoria Pilko/ Dickie Fernandez/ Randa AbuShaban/ Dawn Myers/ Yiping Cao/ Dindo Carrillo/ Jacob Dalgoff
Project Area	Construction Outreach Notifications	# of People Reached	Website Posts and Text Alerts
Anaheim/ Buena Park	Orange Western Sewer - project update	100	1 website posts/ 1 text alerts
Los Alamitos/ Seal Beach	Los Alamitos Sewer - project update	600	1 website posts/ 1 text alert
Westminster	Westminster Sewer - project update	710	2 website post / 4 text alert
External Communications	Distribution	# of People Reached	
5 Minutes Per Month	One	216	

Board Member Talking Points	One	50	
Website Posts	6 posts	1.1k views	Website
Facebook	17 posts	2.9k reached	Social Media
Twitter	12 tweets	1.1k reached	Social Media
Instagram	22 posts	4.3k reached	Social Media
LinkedIn	4 posts	3.1 k reached	Social Media

## Post performance - Facebook Pages

Data from 01 Mar, 2023 to 31 Mar, 2023

### Sources

Orange County Sanitation District

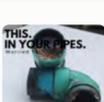
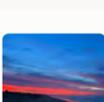
DATE ▼	POST	ENGAGEMENT RATE	IMPRESSIONS	REACH
Orange County Sanitation District Mar 28, 16:55	Back to Testing Tuesday (yes, we made that up). We will share what a Rotifer is. Just another fact we learned from our Lab team!	0%	0	0
Orange County Sanitation District Mar 28, 16:55	Back to Testing Tuesday (yes, we made that up). We will share what a Rotifer is. Just another fact we learned from our Lab team!	2.34%	137	128
Orange County Sanitation District Mar 26, 17:00	Poop jokes aren't my favorite, but they're a solid #2. Making you laugh one last time before March is over.	0%	0	0
Orange County Sanitation District Mar 26, 17:00	Poop jokes aren't my favorite, but they're a solid #2. Making you laugh one last time before March is over.	12.46%	294	281
Orange County Sanitation District Mar 24, 15:50	OC San has officially named a new Director of Human Resources. Congratulations to Laura on her new role. Visit <a href="https://ocsan.gov">ocsan.gov</a> to learn more.	23.15%	317	298
Orange County Sanitation District Mar 22, 18:06	When we saw this year's World Water Day theme... Accelerating Change, we knew it fit us perfectly. We've gone ahead and highlighted a few ways that we do this. To learn more, check out our Annual Report at <a href="http://ow.ly/M7nl50Ng...">http://ow.ly/M7nl50Ng...</a>	11.43%	83	70
Orange County Sanitation District Mar 20, 19:26	(Post with no description)	4.17%	84	72
Orange County Sanitation District Mar 20, 14:30	The OC San Board of Directors Meeting is happening this week on March 22 at 6 pm. Click here to view the agenda:	4.76%	76	63
Orange County Sanitation District Mar 16, 18:43	The Steering Committee Meeting is happening on March 22 at 5 pm. Click here to view the agenda:	3.16%	111	95
Orange County Sanitation District Mar 13, 20:50	Construction Alert @cityofwestminsterca - Paving taking place TODAY at the intersection of Westminster Blvd. and Bolsa Chica. Please avoid the area and use alternate routes. Visit <a href="http://www.ocsan.gov/westminster">www.ocsan.gov/westminster</a> . Questions? Constructio...	3.2%	887	875
Orange County Sanitation District Mar 12, 15:00	And now.... Back to the OC San Boat. Check out the special guest aboard the Nerissa last week when we were out collecting samples.	0%	0	0
Orange County Sanitation District Mar 12, 15:00	And now.... Back to the OC San Boat. Check out the special guest aboard the Nerissa last week when we were out collecting samples.	5.07%	149	138
Orange County Sanitation District Mar 10, 20:04	It takes an entire OC San crew, a tire, and a truck to unplug a regional sewer pipe. And that's no joke. Throw your FOG in the trash so you don't have blockages at your home too. #FOGclogs	8.79%	107	91
Orange County Sanitation District Mar 09, 20:33	Special Board of Directors Meeting - Board Orientation Part 2 is happening on March 15 at 3:00 pm. Click here for full details:	5.05%	112	99
Orange County Sanitation District Mar 08, 16:02	Taking some inspiration from Bill Nye The Science Guy. Today on Testing Tuesday (yes, we made that up) we're going to share what Flagella is.	0%	0	0
Orange County Sanitation District Mar 06, 17:21	We had to steal this line from Taylor Swift. It just fits. "I just wanna stay in that lavender haze." A perfect view from a recent beach sampling at Sunset Beach, CA.	8.64%	348	324
Orange County Sanitation District Mar 03, 20:01	The next Wastewater 101 session is around the corner, don't miss out. Register today at <a href="https://ocsan.gov/wastewater101">ocsan.gov/wastewater101</a>	3.95%	88	76
Orange County Sanitation District Mar 02, 18:14	The Administration Committee Meeting is coming up on March 8 at 3 pm. Click here to view the agenda and get full details to join: <a href="https://ocsd.legistar.com/Calendar.aspx">https://ocsd.legistar.com/Calendar.aspx</a>	6.67%	74	60
Orange County Sanitation District Mar 02, 16:14	Construction Alert in City of Westminster. Starting Thursday, paving in the Westminster Blvd./Bolsa Chica Rd. intersection from 9am - 3pm. Expect delays. Details at <a href="http://www.ocsan.gov/westminster">www.ocsan.gov/westminster</a> .	1.39%	85	72
Orange County Sanitation District Mar 01, 19:18	Want a career instead of a job? Apply now at <a href="http://www.ocsan.gov/jobs">www.ocsan.gov/jobs</a> and check out all of our open positions.	6.17%	177	162

## Post performance - Twitter

Data from 01 Mar, 2023 to 31 Mar, 2023

### Sources

 @OCSanDistrict

DATE ▼	POST	ENGAGEMENT RATE	ENGAGEMENTS	IMPRESSIONS
 @OCSanDistrict Mar 28, 16:55	 Back to Testing Tuesday (yes, we made that up). We will share what a Rotifer is. Just another fact we learned from our Lab team! <a href="https://twitter.com/OCSanDistrict/status/1640759455276040206/photo/1">https://twitter.com/OCSanDistrict/status/1640759455276040206/photo/1</a>	2.35%	2	85
 @OCSanDistrict Mar 26, 17:00	 Poop jokes aren't my favorite, but they're a solid #2. Making you laugh one last time before March is over. <a href="https://twitter.com/OCSanDistrict/status/1640036037006163970/photo/1">https://twitter.com/OCSanDistrict/status/1640036037006163970/photo/1</a>	5.79%	19	328
 @OCSanDistrict Mar 24, 15:50	 OC San has officially named a new Director of Human Resources. Congratulations to Laura on her new role. Visit <a href="http://ocsan.gov">http://ocsan.gov</a> to learn more. <a href="https://twitter.com/OCSanDistrict/status/1639293546980155395/video/1">https://twitter.com/OCSanDistrict/status/1639293546980155395/video/1</a>	7.29%	7	96
 @OCSanDistrict Mar 22, 18:07	 When we saw this year's World Water Day theme... Accelerating Change, we knew it fit us perfectly. We've gone ahead and highlighter a few ways that we do this. To learn more, check out our Annual Report at <a href="http://ow.ly/mp8Q50Npn...">http://ow.ly/mp8Q50Npn...</a>	3.64%	2	55
 @OCSanDistrict Mar 18, 03:23	@davidtedu Hi David, you can contact our control center at: (714) 593-7025 to report the smell.	0%	0	9
 @OCSanDistrict Mar 13, 20:57	 Construction Alert @WestminsterPIO – Paving taking place TODAY at the intersection of Westminster Blvd. and Bolsa Chica. Please avoid the area and use alternate routes. Visit <a href="http://www.ocsan.gov/westminster">http://www.ocsan.gov/westminster</a> . Questions?...	12.33%	9	73
 @OCSanDistrict Mar 13, 20:51	 Construction Alert @WestminsterPIO – Paving taking place TODAY at the intersection of Westminster Blvd. and Bolsa Chica. Please avoid the area and alternate routes. Visit <a href="http://www.ocsan.gov/westminster">http://www.ocsan.gov/westminster</a> . Questions?...	0%	0	0
 @OCSanDistrict Mar 12, 15:00	 And now.... Back to the OC San Boat. Check out the special guest aboard the Nerissa last week when we were out collecting samples. <a href="https://twitter.com/OCSanDistrict/status/1634932463213371393/photo/1">https://twitter.com/OCSanDistrict/status/1634932463213371393/photo/1</a>	2.24%	3	134
 @OCSanDistrict Mar 10, 20:00	 It takes an entire OC San crew, a tire, and a truck to unclog a regional sewer pipe. And that's no joke. Throw your FOG in the trash so you don't have blockages at your home too. #FOGclogs <a href="https://twitter.com/OCSanDistrict/st...">https://twitter.com/OCSanDistrict/st...</a>	1.61%	2	124
 @OCSanDistrict Mar 08, 16:02	 Taking some inspiration from @BillNye the Science Guy. Today on Testing Tuesday (yes, we made that up) we're going to share what Flagella is. <a href="https://twitter.com/OCSanDistrict/status/1633498362375983109/photo/1">https://twitter.com/OCSanDistrict/status/1633498362375983109/photo/1</a>	6.67%	1	15
 @OCSanDistrict Mar 06, 17:21	 We had to steal this line from @taylorswift13 It just fits. "I just wanna stay in that lavender haze." A perfect view from a recent beach sampling at Sunset Beach, CA <a href="https://twitter.com/OCSanDistrict/status/1632793642556424192/photo/1">https://twitter.com/OCSanDistrict/status/1632793642556424192/photo/1</a>	0.98%	1	102
 @OCSanDistrict Mar 03, 20:01	 The next Wastewater 101 session is around the corner, don't miss out. Register today at <a href="http://ocsan.gov/wastewater101">http://ocsan.gov/wastewater101</a> <a href="https://twitter.com/OCSanDistrict/status/1631746518947430419/photo/1">https://twitter.com/OCSanDistrict/status/1631746518947430419/photo/1</a>	1.52%	1	66
 @OCSanDistrict Mar 01, 19:18	 Want a career instead of a job? Apply now at <a href="http://www.ocsan.gov/jobs">http://www.ocsan.gov/jobs</a> and check out all of our open positions. <a href="https://twitter.com/OCSanDistrict/status/1631010963003527188/photo/1">https://twitter.com/OCSanDistrict/status/1631010963003527188/photo/1</a>	0%	0	46

## Post performance - Instagram Business

Data from 01 Mar, 2023 to 31 Mar, 2023

### Sources

ocsandistrict

DATE ▼	POST	ENGAGEMENT RATE	IMPRESSIONS	LIKES	REACH
ocsandistrict Mar 29, 17:03	Rain or shine! Today at the Children's Water Education Festival @ocwd	0%	180	0	170
ocsandistrict Mar 28, 16:55	Back to Testing Tuesday (yes, we made that up). We will share what a Rotifer is. Just another fact we learned from our Lab team!	5.1%	217	9	196
ocsandistrict Mar 26, 17:00	Poop jokes aren't my favorite, but they're a solid #2. Making you laugh one last time before March is over.	9.07%	568	39	518
ocsandistrict Mar 24, 18:31	(No description)	0%	138	0	137
ocsandistrict Mar 24, 15:50	OC San has officially named a new Director of Human Resources. Congratulations to Laura on her new role. Visit <a href="https://ocsan.gov">ocsan.gov</a> to learn more.	10.31%	385	33	359
ocsandistrict Mar 22, 18:07	When we saw this year's World Water Day theme... Accelerating Change, we knew it fit us perfectly. We've gone ahead and highlighted a few ways that we do this. To learn more, check out our Annual Report at <a href="http://ow.ly/KZF50NqD...">http://ow.ly/KZF50NqD...</a>	4.09%	181	7	171
ocsandistrict Mar 21, 18:45	❤️❤️❤️	0%	220	0	215
ocsandistrict Mar 19, 04:53	@cweamembers OC San for the Win!	0%	196	0	191
ocsandistrict Mar 18, 02:05	(No description)	0%	75	0	75
ocsandistrict Mar 17, 21:51	(No description)	0%	74	0	71
ocsandistrict Mar 16, 22:56	(No description)	0%	155	0	155
ocsandistrict Mar 13, 20:50	Construction Alert @cityofwestminsterca - Paving taking place TODAY at the intersection of Westminster Blvd. and Bolsa Chica. Please avoid the area and use alternate routes. Visit <a href="http://www.ocsan.gov/westminster">www.ocsan.gov/westminster</a> . Questions? Constructio...	2.53%	214	5	198
ocsandistrict Mar 12, 15:00	And now... Back to the OC San Boat. Check out the special guest aboard the Nerissa last week when we were out collecting samples.	7.66%	229	15	209
ocsandistrict Mar 10, 20:05	It takes an entire OC San crew, a tire, and a truck to unplug a regional sewer pipe. And that's no joke. Throw your FOG in the trash so you don't have blockages at your home too. #FOGclogs	2.81%	388	9	356
ocsandistrict Mar 08, 20:16	(No description)	0%	140	0	136
ocsandistrict Mar 08, 16:02	Taking some inspiration from @BillNye the Science Guy. Today on Testing Tuesday (yes, we made that up) we're going to share what Flagella is.	0%	44	0	43
ocsandistrict Mar 06, 22:46	(No description)	0%	174	0	173
ocsandistrict Mar 06, 17:22	We had to steal this line from @TaylorSwift. It just fit. "I just wanna stay in that lavender haze." A perfect view from a recent beach sampling at @SunsetBeach	7.98%	220	13	163
ocsandistrict Mar 03, 20:01	The next Wastewater 101 session is around the corner, don't miss out. Register today at <a href="https://ocsan.gov/wastewater101">ocsan.gov/wastewater101</a>	6.29%	188	9	159
ocsandistrict Mar 03, 00:32	(No description)	0%	165	0	163
ocsandistrict Mar 02, 16:14	Construction Alert in City of Westminster. Starting Thursday, paving in the Westminster Blvd./Bolsa Chica Rd. intersection from 9am - 3pm. Expect delays. Details at <a href="http://www.ocsan.gov/westminster">www.ocsan.gov/westminster</a> .	1.93%	225	3	207
ocsandistrict Mar 01, 19:18	Want a career instead of a job? Apply now at <a href="http://www.ocsan.gov/jobs">www.ocsan.gov/jobs</a> and check out all of our open positions.	2.85%	342	9	316

## Post performance - LinkedIn Pages

Data from 01 Mar, 2023 to 31 Mar, 2023

### Sources

 Orange County Sanitation District

DATE ▼	POST	ENGAGEMENT RATE	IMPRESSIONS	REACTIONS	SHARES
 <b>Orange County Sanitation District</b> Mar 24, 15:50	 <p>OC San has officially named a new Director of Human Resources. Congratulations to Laura on her new role. Visit <a href="https://ocsan.gov">ocsan.gov</a> to learn more.</p>	5.86%	1,144	31	0
 <b>Orange County Sanitation District</b> Mar 22, 18:06	 <p>When we saw this year's World Water Day theme... Accelerating Change, we knew it fit us perfectly. We've gone ahead and highlighted a few ways that we do this. To learn more, check out our Annual Report at <a href="http://ow.ly/z62m50Np...">http://ow.ly/z62m50Np...</a></p>	4.71%	786	21	0
 <b>Orange County Sanitation District</b> Mar 03, 20:01	 <p>The next Wastewater 101 session is around the corner, don't miss out. Register today at <a href="https://ocsan.gov/wastewater101">ocsan.gov/wastewater101</a></p>	5.86%	495	12	0
 <b>Orange County Sanitation District</b> Mar 01, 19:18	 <p>Want a career instead of a job? Apply now at <a href="https://www.ocsan.gov/jobs">www.ocsan.gov/jobs</a> and check out all of our open positions.</p>	9.76%	758	16	2

March Media News Articles

Los Alamitos Newsletter- OC San Wastewater 101	3-Mar-23	Los Alamitos Newsletter	<a href="#">showdocument (ocsan.gov)</a>
ACC-OC Weekly Update- OC San Wastewater 101	9-Mar-23	ACC-OC Weekly Update	<a href="#">showdocument (ocsan.gov)</a>
On the Agenda for the Newport Beach City Council Meeting on March 14, 2023	10-Mar-23	Newport Beach Independant	<a href="https://www.newportbeachindy.com/on-the-agenda-for-the-newport-beach-city-council-meeting-on-march-14-2023/">https://www.newportbeachindy.com/on-the-agenda-for-the-newport-beach-city-council-meeting-on-march-14-2023/</a>
Newport Beach receives updates on groundwater replenishment system	17-Mar-23	Daily Pilot	<a href="https://www.ocsan.gov/home/showdocument?id=33791&amp;t=638150895639122855">https://www.ocsan.gov/home/showdocument?id=33791&amp;t=638150895639122855</a>
374Water Drives 2022 Revenue Increase Over 6,000% while Charting Progress Toward a World Without Waste	17-Mar-23	374Water Inc.	<a href="https://finance.yahoo.com/news/374water-drives-2022-revenue-increase-130000782.html">https://finance.yahoo.com/news/374water-drives-2022-revenue-increase-130000782.html</a>
374Water demonstrates its cleantech product	29-Mar-23	Kokomo Tribune	<a href="#">374Water demonstrates its cleantech product   News   kokomotribune.com</a>



# STEERING COMMITTEE

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

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**File #:** 2023-2938

**Agenda Date:** 4/26/2023

**Agenda Item No:** 16.

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**FROM:** Robert Thompson, General Manager

**SUBJECT:**

**LEGISLATIVE AFFAIRS UPDATE FOR THE MONTH OF MARCH 2023**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file the Legislative Affairs Update for the month of March 2023.

**BACKGROUND**

The Orange County Sanitation District's (OC San) legislative affairs program includes advocating for OC San's legislative interests; sponsoring legislation (where appropriate); and seeking Local, State, and Federal funding for projects and programs.

**RELEVANT STANDARDS**

- Maintain influential legislative advocacy and a public outreach program
- Build brand, trust, and support with policy makers and community leaders
- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities

**PROBLEM**

Without a strong advocacy program, elected officials may not be aware of OC San's mission, programs, and projects and how they could be impacted by proposed legislation.

**PROPOSED SOLUTION**

Continue to work with Local, State, and Federal officials to advocate for OC San's legislative interests. Help to create/monitor legislation and grants that would benefit OC San, the wastewater industry, and the community. To assist in relationship building efforts, OC San will continue to reach out to elected officials providing facility tours, one-on-one meetings, and trips to Washington D.C. and Sacramento.

## **RAMIFICATIONS OF NOT TAKING ACTION**

If OC San does not work with Local, State, and Federal elected officials, legislation could be passed that negatively affects OC San and the wastewater industry. Additionally, a lack of engagement may result in missed funding opportunities.

## **ADDITIONAL INFORMATION**

### **Federal Update:**

The US EPA is pursuing regulation to classify PFAS as hazardous substances under Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). If completed, this could expose water agencies to liability associated with the disposal of PFAS contaminated residuals. OC San staff and our lobbyist are closely monitoring this issue as it could have a trickle-down effect for OC San and our fellow wastewater agencies.

### **State Update:**

OC San joined fellow agencies and associations on two Oppose Unless Amended coalition letters, Senate Bill (SB) 229 and Senate Bill (SB) 34 by Senator Umberg. Both bills are in alignment with OC San's 2023 Legislative Plan.

- SB 229 will amend the Surplus Land Act (SLA) to provide that if a local agency is disposing of a parcel by sale or lease and received a notice of violation from the Department of Housing and Community Development (HCD) that it is in violation of the SLA with regard to the parcel. As written, the bill may create a concerning precedent for all local agencies. Because SB 229 includes a reference to notices of violation from HCD in connection with a "sale or lease" by a local agency, the bill may establish a statutory precedent that leases are subject to the SLA.
- SB 34 will amend the SLA to provide that if the HCD notifies the County of Orange, or any city located within Orange County, that its planned sale or lease of surplus land is in violation of the SLA, certain procedures for addressing the notice of violation must be followed. As written, the bill may create a concerning precedent for all local agencies statewide. Because SB 34 includes a reference to notices of violation from HCD in connection with a "sale or lease" by a local agency, the bill may establish a statutory precedent that leases are subject to the SLA.

## **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Federal Update - ENS Resources
- State Update - Townsend Public Affairs
- Federal Legislative Matrix - ENS Resources
- State Legislative Matrix - Townsend Public Affairs
- Joint Coalition Letter Senator Umberg - Oppose Unless Amended Senate Bill 229

- Joint Coalition Letter Senate Governance and Finance Committee - Oppose Unless Amended Senate Bill 229
- Senate Bill 229 Bill Text
- Joint Coalition Letter Senator Umberg - Oppose Unless Amended Senate Bill 34
- Joint Coalition Letter Senate Governance and Finance Committee - Oppose Unless Amended Senate Bill 34
- Senate Bill 34 Bill Text
- OC San 2023 Legislative & Regulatory Plan



TO: Rebecca Long  
FROM: Eric Sapirstein  
DATE: April 4, 2023  
SUBJECT: Washington Update

Over the past month, congressional activities continued to focus on fiscal year 2024 budget matters, review of infrastructure investments, Waters of the United States (WOTUS) implementation, and Per- and polyfluoroalkyl substances (PFAS) rulemaking. Regulatory developments of interest at United States Environmental Protection Agency (USEPA) focused primarily upon PFAS and Superfund liability. The following summarizes issues of interest to OC San.

- ***Fiscal Year 2024 Budget Request***

The Administration formally transmitted the fiscal year 2024 budget request to Congress. House and Senate appropriations and authorization committees began the process of reviewing the budget request. Overall, the request for federal agencies continues the Administration's priority to increase spending for most programs. The exception is found at USEPA and USBR where water related infrastructure programs essentially remain at current levels. The requested funding levels are a function of the billions of dollars in funding that programs, like the State Revolving Fund (SRF), Water Infrastructure Finance and Innovation Act (WIFIA) and western drought, received through the Infrastructure Investment and Jobs Act and the Inflation Reduction Act over the past two years.

USEPA Administrator Michael Regan faced skepticism on elements of the USEPA request, including the 19 percent increase over the current budget year. Responding to questions on the need to increase the agency's staffing by 2,000 positions, Regan stated that this represents the priority to restore the agency's staffing to historic levels, he stated staffing increases would help to implement the priority for expedited infrastructure project funding and manage the new \$27 billion clean energy program provided under the Inflation Reduction Act.

Regan also emphasized that the budget request will support the agency's effort to maintain progress to advance environmental justice initiatives. PFAS received special attention as Members sought to elicit answers to how the agency intended to move forward on the designation of the chemicals as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Acknowledging concerns that the designation could increase water treatment costs and foreclose biosolids management options, Regan noted the budget would support ongoing research into the management and treatment of PFAS chemicals. Notably, during the United States Department of Agriculture's (USDA's) budget hearing before the Senate Committee on Appropriations, Secretary Tom Vilsack stated that it is vital to leverage the Department's programs to support increased research into the impacts of PFAS on soils and crops and ways to remediate any public health threats.

- ***Waters of the U.S.***

The Senate followed earlier House action and passed H.J. Res. 27, a resolution to veto USEPA's recent rulemaking to define which waters are subject to Clean Water Act regulation. Using the Congressional Review Act, the Senate voted 53-43 to overturn the new definition that would have extended the Clean Water Act's reach and require permits for ditches and stormwater facilities currently not captured by the existing rule. The Senate vote means the resolution will go to the president for veto or enactment. It will be vetoed and the votes to override do not appear to be in place. The Supreme Court will issue a decision on USEPA's definition of a water of the U.S. (navigable waters) in late spring or early summer and this action will ultimately decide how the agency must revise the WOTUS rulemaking. For the current time, the USEPA rule maintains the regulatory provisions that exempt wastewater treatment facilities from further regulation and is in effect in California.

***Importance to OC San:*** While the WOTUS rulemaking has generated significant opposition, its importance to OC San can be found in the fact that it could impact OC San cities and the County that manage stormwater flows. For OC San the fact that the rule maintains the existing exemption for wastewater facilities, the rule should not adversely impact OC San at this time.

- ***USEPA Issues PFAS MCL***

USEPA's Office of Water proposed a 4 parts per trillion (PPT) drinking water standard (MCL) for PFOS and PFOA. The MCL Goal is set at zero. The proposed rule is under a public comment period until May 30. It is anticipated that upon conclusion of the public comment period, the office will issue the final rule with little change and an effective date consistent with its PFAS Roadmap of late 2023 or early 2024. It is notable that the MCL is set at current technology detection capability. The office also set a standard for four other PFAS chemicals, including HFPO dimer acid (GenX) that would be based upon a hazard index determination. This approach would rely upon an analysis of the combined presence and level of these chemicals and whether the threat to human health exists. Presumably as more data is collected, an MCL would be issued for these members of the PFAS family.

Stakeholders, most notably the American Water Works Association, have noted that the rulemaking will cost water agencies \$3.4 billion in annual O&M costs and \$70 billion in capital investments in order for water agencies to comply with the MCL. It is assumed that wastewater agencies could face similar cost challenges as source control, pretreatment, monitoring and additional treatment of effluent discharges and biosolids are considered by the agency.

**Importance to OC San:** The issuance of the MCL is important because it will likely serve as a baseline for USEPA as it seeks to determine how to address source control mandates on industrial discharges into POTWs. It will also be important as USEPA reviews influent and effluent flows monitoring to determine the nature of PFAS in the wastewater stream. Last, the agency could consider the MCL standard to determine how to address PFAS in biosolids and risks to public health and the environment in the coming year.

- **USEPA Maintains Position to Designate PFAS as Hazardous Substance**  
Despite significant pushback from a broad array of public and private water, wastewater, and solid waste stakeholders, who are passive receivers of PFAS, USEPA continues the regulatory effort to classify PFAS as hazardous substances under CERCLA. The action, if finalized, carries the potential of exposing water agencies to liability associated with the disposal of PFAS contaminated treatment residuals, for example. USEPA officials have stated that the agency intends to use its “discretionary authority” not to enforce against water agencies. However, this position fails to recognize that with a CERCLA designation of PFAS chemicals, it would allow industrial stakeholders to attempt to make public water agencies contributors to the contamination due to the disposal of PFAS contaminated treatment residuals, for example. As a result of this possible scenario, water, wastewater, and solid waste stakeholders are working to secure an exemption, or an affirmative defense, against such litigation and preserve the CERCLA Polluter Pays Principle as part of any PFAS legislation Congress could consider.

**Importance to OC San:** The designation of PFAS as a hazardous substance under CERCLA is important to OC San for two reasons. First, the immediate impact could mean an increase in the cost of residual disposal contaminated with PFAS as the use of hazardous waste management facilities might be required. Second, CERCLA’s liability regime allows potentially responsible parties (PRP) that are subject to site clean-up orders to seek contributions from other contributors. This means if a wastewater agency disposed of biosolids contaminated with PFASs at a site, it could be forced to commit resources to defend against such litigation, regardless of the merit of the PRP’s litigation.

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**M E M O R A N D U M**

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**To:** Orange County Sanitation District  
**From:** Townsend Public Affairs  
**Date:** April 5, 2023  
**Subject:** Monthly Legislative Report

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**State Legislative Update**

The month of March highlighted the State Legislature's quick pace of considering and amending legislation to ensure bills progressed through their first house. In addition to the growing momentum of legislative activity within the Legislature, March featured numerous developments related to addressing priority issues such as homelessness, mental health reform, and high gas prices. Below is an overview of pertinent State actions from the month of March.

**State Legislature**

Each week throughout the month of March featured numerous policy committees and robust agendas for bill considerations. This pace will continue through April and May before bills must cross over to their second house. The Legislature will shift its focus once again to the budget process in May, which marks the time the Governor debuts his "May Revision" of the January budget proposal, followed by the constitutional deadline of July 1 wherein the Governor must sign a budget bill into law.

In addition to numerous policy committee events, March saw a number of bill amendments. Since the bill introduction of February 17, the Legislature produced 1,751 Assembly Bills and 881 Senate Bills, for a total of 2,632 bills. Of those bills introduced, there were 495 spot bills and 551 intent bills between the two houses, for a total of 1,046 placeholder measures. That means 40 percent of the introduced bills were placeholder measures in need of substantive language amendments.

**Governor Newsom Announces the Easement of Drought Restrictions**

On March 24, Governor Newsom announced the State's plan to ease previous Emergency Drought Restrictions. The following restrictions have been eased, while some have been maintained in line with the State's water preservation measures:

- Ends the voluntary 15 percent water conservation goal, continues to encourage using water wisely;
- Ends requirement that local water agencies implement level 2 drought contingency plans;
- Maintains ban on wasteful water uses, like watering ornamental grass on commercial grounds;
- Preserves current emergency orders focused on groundwater supply;
- Maintains orders on specific watersheds that have not benefited as much from recent rains;
- Retains state of emergency for all 58 counties so response and recovery efforts can continue.

These actions come as the State announced increased water deliveries to 29 public water agencies that serve 27 million Californians, now expecting to deliver 75 percent of requested water supplies – up from 35 percent announced in February, and the highest since 2017.

While the winter storms have mitigated some issues related to the drought, the Governor iterated that regions and communities across the State continue to experience water supply shortages, especially communities that rely on groundwater supplies that have been severely depleted in recent years.

### Governor Newsom Tours State to Discuss Priority Issues: Homelessness, Prison Reform, Public Safety, and Mental Health Care

In lieu of a State of the State this year, Governor Newsom opted to hold a statewide tour and meet directly with residents and make major announcements related to reducing homelessness, improving public safety, reducing health care costs, and initiating mental health care reforms. The tour took place during the week of March 16.

The first announcement regarding reducing homelessness was made in Sacramento. During this first announcement, the Governor discussed state funding programs aimed at reducing homelessness, including the \$1 billion poised to be distributed to cities, counties, and continuums of care as part of the fourth cycle of the Homeless, Housing Assistance, and Prevention (HHAP) grant program. Additionally, the Governor discussed investments in encampment resolution, including a \$30 million investment to build 1,200 tiny homes across the state this year. The homes, some as small as 120 square feet, can be assembled in 90 minutes and cost a fraction of what it takes to build permanent housing. The Governor said the homes can create space to help clear homeless encampments that have sprung up across the State’s major cities.

Following his announcement on homelessness efforts, the Governor made his second announcement regarding public safety and prison reforms from San Quentin Prison. He announced that the prison will be renamed to the “San Quentin Rehabilitation Center.” The prison will move from a maximum-security prison to a prison focused on education, training, and rehabilitation. Maximum-security inmates will begin to be moved to other prisons to allow for the change. The Governor has asked the Legislature for \$20 million for this initiative in the upcoming budget cycle. The new San Quentin Rehabilitation Center takes practices found in places such as Norway.

In his third announcement, the Governor discussed the State’s progress toward public safety and health reforms, including addressing the fentanyl crisis. The Governor announced that the State would begin to manufacture and distribute its own opioid antagonist medicine through its contract with CalRx. CalRx was authorized in 2020 as part of the State’s efforts to partner with drugmakers that could produce cheaper generic alternatives to existing drugs that are no longer protected by patents, including naloxone and insulin.

Governor Newsom has approved \$100 million in the State budget for the project. These budget efforts are likely to complement legislative proposals seeking to expand access and education relating to opioid antagonist drugs.

Finally, on Sunday March 19, the Governor concluded his tour by discussing reforms that would go on the 2024 ballot to improve how California treats mental health and substance use disorders.

The Governor's proposal breaks down to three main components:

- A general obligation bond to finance the construction of thousands of new community mental health facilities throughout the state.
- Reforms to the Mental Health Services Act, directing \$1 billion annually to pay for housing and other community-based residential solutions, expanding treatment eligibility to include those with substance use disorders, and creating greater flexibility in the use of remaining funds.
- Alignment of behavioral health benefits across all health plans in California and new accountability and oversight measures for county behavioral health plans.

# Federal Legislative Report - April 2023

Last Updated: April 05, 2023

## Bills by Issue

### Priority: High (1)

Bill Number	Last Action	Status	Position	Priority
HR 1181	Referred To The Subcommittee On Water Resources And Environment 2023 02 27	In House	Monitor	High
<b>Title</b> To amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.		<b>Introduction Date:</b> 2023-02-24		
<b>Primary Sponsors</b> John Garamendi				

### Priority: Medium (1)

Bill Number	Last Action	Status	Position	Priority
HR 250	Referred To The Subcommittee On Water Resources And Environment 2023 02 01	In House	Monitor	Medium
<b>Title</b> Clean Water SRF Parity Act		<b>Introduction Date:</b> 2023-01-10		
<b>Description</b> Clean Water SRF Parity Act This bill expands the state revolving fund established under the Clean Water Act, including by allowing low-interest loans to be given to privately owned treatment works to address wastewater. Currently, loans are given to wastewater systems that are publicly owned.				
<b>Primary Sponsors</b> John Garamendi				

### Priority: None (4)

Bill Number	Last Action	Status	Position	Priority
HR 1729	Referred To The Subcommittee On Water Resources And Environment 2023 03 23	In House	None	None

**Title** Introduction Date: 2023-03-22

To establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.

**Primary Sponsors**

Bonnie Watson Coleman

Bill Number	Last Action	Status	Position	Priority
HR 1837	Referred To The House Committee On Ways And Means 2023 03 28	In House	None	None

**Title** Introduction Date: 2023-03-28

To amend the Internal Revenue Code of 1986 to reinstate advance refunding bonds.

**Primary Sponsors**

David Kustoff

Bill Number	Last Action	Status	Position	Priority
S 115	Read Twice And Referred To The Committee On Environment And Public Works 2023 01 26	In Senate	None	None

**Title** Introduction Date: 2023-01-26

Clean Water Allotment Modernization Act of 2023

**Primary Sponsors**

Marco Rubio

Bill Number	Last Action	Status	Position	Priority
S 938	Read Twice And Referred To The Committee On Finance 2023 03 22	In Senate	None	None

**Title** Introduction Date: 2023-03-22

A bill to establish a trust fund to provide for adequate funding for water and sewer infrastructure, and for other purposes.

**Primary Sponsors**

Bernie Sanders

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
<b>Proposed Legislation 2023</b>						
<b>High Priority</b>						
<b>AB 234</b>	<b>Bauer-Kahan [D]</b>	The Microbeads Nuisance Prevention Law prohibits a person from selling or offering for promotional purposes in the state any personal care products containing plastic microbeads that are used to exfoliate or cleanse in a rinse-off product, including, but not limited to, toothpaste. This bill would express the intent of the Legislature to enact subsequent legislation that would prohibit the sale in this state of rinse-off cosmetics, detergents, waxes, and polishes that contain intentionally added synthetic polymer microparticles, including products identified in the synthetic polymer microparticle Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) restrictions adopted by the European Union (EU).	Referred to the Assembly Natural Resources Committee	Watch	<b>State Priorities:</b> Support legislation or regulations that restrict the use of microplastics and chemicals of emerging concern in any product that is disposed of through the sewer system.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
<b>AB 246</b>	<b>Papan [D]</b>	Current law, beginning January 1, 2025, prohibits a person or entity from manufacturing, selling, delivering, holding, or offering for sale in commerce any cosmetic product that contains intentionally added perfluoroalkyl and polyfluoroalkyl substances (PFAS), as defined. This bill would state the intent of the Legislature to enact legislation to eliminate PFAS from menstrual products.	Referred to the Assembly Environmental Safety and Toxic Materials Committee	Watch	<b>State Priorities:</b> Monitor state legislation as well as State Water Resources Control Board (SWRCB) regulatory activity related to PFAS.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
<b>AB 281</b>	<b>Grayson [D]</b>	Current law, which is part of the Planning and Zoning Law, requires a local agency to compile a list of information needed to approve or deny a post entitlement phase permit, to post an example of a complete, approved application and an example of a complete set of post entitlement phase permits for at least 5 types of housing development projects in the jurisdiction, as specified, and to make those items available to all applicants for these permits no later than January 1, 2024. Current law establishes time limits for completing reviews regarding whether an application for a post entitlement phase permit is complete and compliant and whether to approve or deny an application, as specified, and makes any failure to meet these time limits a violation of specified law. Current law defines various terms for these purposes, including "local agency" to mean a city, county, or city and county, and "post entitlement phase permit," among other things, to exclude a permit required and issued by a special district. This bill would include a special district in the definition of "local agency" and would remove special districts from the exclusion in the definition of "post entitlement phase permit."	Passed the Assembly Local Government Committee and currently in the Assembly Housing and Community Development Committee	Watch	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
<b>AB 334</b>	<b>Rubio [D]</b>	Seeks to clarify the State's conflict of interest law, California Government Code 1090. This bill would establish that an independent contractor, who meets specified requirements, is not an officer for purposes of being subject to the prohibition on being financially interested in a contract.	Referred to the Assembly Elections Committee	Watch	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 340	Fong [R]	The California Environmental Quality Act (CEQA) prohibits an action or proceeding from being brought in a court to challenge the approval of a project by a public agency unless the alleged grounds for noncompliance are presented to the public agency orally or in writing by a person during the public comment period provided by CEQA or before the close of the public hearing on the project before the issuance of the notice of determination. This bill would require the alleged grounds for noncompliance with CEQA presented to the public agency in writing be presented at least 10 days before the public hearing on the project before the issuance of the notice of determination. The bill would prohibit the inclusion of written comments presented to the public agency after that time period in the record of proceedings and would prohibit those documents from serving as basis on which an action or proceeding may be brought.	Hearing cancelled in Assembly Natural Resources Committee	Watch	<b>Legislative and Regulatory Policies: Environment/Climate Resiliency</b> - Support efforts to reform the California Environmental Quality Act (CEQA) to streamline current procedures and regulations for projects to refurbish or replace existing infrastructure facilities.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
AB 516	Ramos [D]	The Mitigation Fee Act, requires a local agency that establishes, increases, or imposes a fee as a condition of approval of a development project to, among other things, determine a reasonable relationship between the fee's use and the type of development project on which the fee is imposed. The Mitigation Fee Act also imposes additional requirements for fees imposed to provide for an improvement to be constructed to serve a development project, or which is a fee for public improvements, as specified, including that the fees be deposited in a separate capital facilities account or fund. This bill would require a local agency that requires a qualified applicant, as described, to deposit fees for improvements, as described, into an escrow account as a condition for receiving a conditional use permit or equivalent development permit to expend the fees within a reasonable time of the deposit. The bill would require any fees not expended within this period to be returned to the qualified applicant that originally deposited the fees.	Heard in the Assembly Local Government Committee on April 18. Double referred to the Assembly Housing and Community Development Committee	Watch	<b>Legislative and Regulatory Policies: Special Districts</b> - Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
AB 557	Hart [D]	Current law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health, as specified. Current law prohibits a legislative body that holds a teleconferenced meeting under these abbreviated teleconferencing procedures from requiring public comments to be submitted in advance of the meeting and would specify that the legislative body must provide an opportunity for the public to address the legislative body and offer comment in real time. This bill would extend the above-described abbreviated teleconferencing provisions when a declared state of emergency is in effect, or in other situations related to public health, as specified, indefinitely.	Referred to the Assembly Local Government Committee	Watch	<b>Legislative and Regulatory Policies: Special Districts</b> - Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - Support CASA - NYC CSDA - NYC ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 727	Weber	Seeks to ensure that additional perfluoroalkyl and polyfluoroalkyl substances (PFAS) are kept out of our environment. AB 727 focuses on prohibiting manufacturing, selling, delivering, distributing, holding, or offering for sale in the state, a cleaning product that contains regulated PFAS.	Referred to the Assembly Environmental Safety and Toxic Materials Committee and will be heard on April 18	Watch	<b>State Priorities:</b> Monitor state legislation as well as State Water Resources Control Board (SWRCB) regulatory activity related to PFAS.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
AB 759	Grayson [D]	Current law authorizes a sanitary district to acquire, plan, construct, reconstruct, alter, enlarge, lay, renew, replace, maintain, and operate garbage dumpsites and garbage collection and disposal systems, sewers, drains, septic tanks, and sewerage collection, outfall, treatment works and other sanitary disposal systems, and storm water drains and storm water collection, outfall and disposal systems, and water recycling and distribution systems, as the deemed necessary and proper by the governing board of the district. Current law generally authorizes the district to expend money only upon written order of the board. This bill would instead authorize funds to be expended in a manner prescribed by the board.	Passed the Assembly Local Government Committee. Currently on the Assembly Floor	Watch	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - Sponsor CSDA - NYC ACWA - NYC
AB 1152	Patterson [R]	Would exempt from the California Environmental Quality Act (CEQA) a project to construct or expand a recycled water pipeline for the purpose of mitigating drought conditions for which a state of emergency was proclaimed by the Governor if the project meets specified criteria. Because a lead agency would be required to determine if a project qualifies for this exemption, this bill would impose a state-mandated local program. The bill would also exempt from CEQA the development and approval of building standards by state agencies for recycled water systems.	Referred to the Assembly Natural Resources Committee	Watch	<b>Legislative and Regulatory Policies: Environment/Climate Resiliency -</b> Support efforts to reform the California Environmental Quality Act (CEQA) to streamline current procedures and regulations for projects to refurbish or replace existing infrastructure facilities.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
AB 1196	Villapadua [D]	The Water Quality, Supply, and Infrastructure Improvement Act of 2014, a bond act approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds to finance a water quality, supply, and infrastructure improvement program, as specified. Under the bond act, \$520,000,000 is available, upon appropriation by the Legislature, for expenditures, grants, and loans for projects that improve water quality or help provide clean, safe, and reliable drinking water to all Californians. Current law requires projects eligible for this funding to help improve water quality for a beneficial use. This bill would make a nonsubstantive change to the latter provision.	Introduced	Watch	<b>Guiding Priorities:</b> Obtain financial assistance for OC San projects through grants, loans, and legislative directed funding.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 1216	Muratsuchi [D]	Would state the intent of the Legislature to enact legislation that would relate to improving the monitoring of emissions from wastewater treatment plants.	Referred to the Assembly Natural Resources Committee	Watch	<b>Legislative and Regulatory Policies: Air Quality</b> - Oppose redundant and unreasonable requirements, such as potentially double reporting requirements, with respect to emissions reporting associated with AB 617.	ACC-OC - NYC LOCC - NYC CASA - Oppose CSDA - NYC ACWA - NYC
AB 1423	Schiavo [D]	Current law, beginning January 1, 2025, prohibits the manufacture, sale, delivery, hold, or offer for sale in commerce of any cosmetic product that contains any intentionally added perfluoroalkyl and polyfluoroalkyl substances (PFAS). This bill would express the intent of the Legislature to enact subsequent legislation that would require notification of PFAS in specified products.	Referred to the Assembly Environmental Safety and Toxic Materials Committee and will be heard on April 18	Watch	<b>State Priorities:</b> Monitor state legislation as well as State Water Resources Control Board (SWRCB) regulatory activity related to PFAS.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
AB 1660	Ta [R]	Existing law requires the State Air Resources Board to adopt regulations to achieve the maximum feasible reduction in volatile organic compounds emitted by consumer products, as defined, if the state board determines adequate data exist to establish the regulations are necessary to attain state and federal ambient air quality standards and the regulations are commercially and technologically feasible and necessary. This bill would authorize the state board to exempt an intentionally added PFAS from that prohibition if the state board determines that the intentionally added PFAS has characteristics that are beneficial for the environmental goals of the State of California and is not identified as persistent, bioaccumulative, and toxic to the environment. This bill contains other existing laws.	Referred to the Assembly Environmental Safety and Toxic Materials Committee and will be heard on April 18	Watch	<b>State Priorities:</b> Monitor state legislation as well as State Water Resources Control Board (SWRCB) regulatory activity related to PFAS.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
ACA 2	Alanis [R]	Would establish the Water and Wildfire Resiliency Fund within the State Treasury, and would require the Treasurer to annually transfer an amount equal to 3% of all state revenues that may be appropriated as described from the General Fund to the Water and Wildfire Resiliency Fund. The measure would require the moneys in the fund to be appropriated by the Legislature and would require that 50% of the moneys in the fund be used for water projects, as specified, and that the other 50% of the moneys in the fund be used for forest maintenance and health projects, as specified.	Introduced	Watch	<b>Guiding Priorities:</b> Obtain financial assistance for OC San projects through grants, loans, and legislative directed funding.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
SB 23	Caballero [D]	This bill would require, if an applicant requests a preapplication consultation, the state board or regional boards to adhere to specified procedures and timelines in reviewing the application before issuing project certification. The bill would authorize a project proponent to petition the state board to reconsider its determination of application completeness, or to appeal to the state board any regional board's determination of application completeness. This bill would authorize a state agency, defined to mean any agency, board, or commission, including the state board or the regional boards, with the power to issue a permit that would authorize a water supply project or authorize a flood risk reduction project, to take specified actions in order to complete permit review and approval in an expeditious manner. The bill would make findings and declarations related to the need to expedite water supply projects and flood risk reduction projects to better address climate change impacts while protecting the environment.	Referred to the Senate Natural Resources and Water Committee and will be heard on April 11	Watch	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - Sponsor
SB 34	Umberg [D]	This bill, until January 1, 2030, would require the County of Orange, or any city located within Orange County, if notified by the department that its planned sale or lease of surplus land is in violation of existing law, to cure or correct the alleged violation within 60 days, as prescribed. The bill would prohibit an Orange County jurisdiction that has not cured or corrected any alleged violation from disposing of the parcel until the department determines that it has complied with existing law or deems the alleged violation not to be a violation.	Re-referred to Com. on Gov. & Fin. Hearing set for April 19	Oppose Unless Amended	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - Oppopse Unless Amended ACWA - NYC
SB 229	Umberg [D]	This bill would require a local agency that has received a notification of violation from the department to hold an open and public session to review and consider the substance of the notice of violation. The bill would require the local agency's governing body to provide prescribed notice no later than 14 days before the public session. The bill would prohibit the local agency's governing body from taking final action to ratify or approve the proposed disposal until a public session is held as required. By imposing new duties on local agencies, the bill would impose a state-mandated local program. The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.	Re-referred to Com. on Gov. & Fin. Hearing set for April 19	Oppose Unless Amended	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - Oppopse Unless Amended ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
<b>SB 411</b>	<b>Portantino [D]</b>	This bill would authorize a legislative body to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would alternatively define “legislative body” for this purpose to mean a board, commission, or advisory body of a local agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body is otherwise subject to the Ralph M. Brown Act.	Referred to the Senate Governance and Finance Committee and the Senate Judiciary Committee	Watch	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
<b>SB 659</b>	<b>Ashby [D]</b>	Would establish the California Water Supply Solutions Act of 2023 to, among other things, achieve an increase of 10,000,000 acre-feet of annual groundwater recharge by December 31, 2035, in order to increase the state’s groundwater supply. The bill would require, on or before January 1, 2025, the department, in consultation with the water boards, as defined, to prepare and approve a groundwater recharge action plan to be included in the next update to the California Water Plan. The bill would require the groundwater recharge action plan to identify and make recommendations on immediate opportunities and potential long-term solutions to increase the state’s groundwater supply, as specified. The bill would require specified actions with regards to the groundwater recharge action plan, including, among other things, requiring the department and water boards to update the groundwater recharge action plan at the same time that they prepare updates to the California Water Plan. The bill would require, by December 31, 2035, the department and water boards to implement the recommendations identified in the groundwater recharge action plan that result in new infrastructure and institutional mechanisms in place that provide for the ability to create an additional average annual groundwater recharge amount of 10,000,000 acre-feet.	Referred to the Senate Natural Resources and Water Committee and will be heard on April 11	Watch	<b>Guiding Priorities:</b> Obtain financial assistance for OC San projects through grants, loans, and legislative directed funding.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC
<b>SB 745</b>	<b>Cortese [D]</b>	Would require the California Building Standards Commission to develop and propose mandatory building standards to reduce the designed potable water demand of new buildings by 25% from current mandatory design requirements and to minimize the use of potable water for nonpotable uses. The bill would require the commission to adopt mandatory building standards that require new buildings to be designed to capture graywater and use alternative water sources for nonpotable building and landscaping water uses, as specified.	Referred to the Senate Housing Committee and will be heard on April 18	Watch	<b>Legislative and Regulatory Policies: Special Districts -</b> Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - NYC LOCC - NYC CASA - NYC CSDA - NYC ACWA - NYC

**Legend:**

ACC-OC - Association of California Cities, Orange County

LOCC - League of California Cities

NYC - Not Yet Considered

CASA - California Association of Sanitation Agencies

ACWA - Association of California Water Agencies

CSDA - California Special Districts Association



**California Special  
Districts Association**  
*Districts Stronger Together*



**Irvine Ranch  
Water District**



April 13, 2023

The Honorable Thomas Umberg  
California State Senate  
1021 O Street, Suite 6530  
Sacramento, CA 95814

**RE: Senate Bill 229 (Umberg) – Oppose Unless Amended [As Amended February 23, 2023]**

Dear Senator Umberg:

The statewide associations and individual local agencies listed above must respectfully oppose your Senate Bill 229, unless it is amended to address our concerns discussed below.

SB 229 will amend the Surplus Land Act (SLA) to provide that if a local agency is disposing of a parcel by sale or lease, and received a notice of violation from the Department of Housing and Community Development (HCD), pursuant to Government Code Section 54230.5, that it is in violation of the SLA with regard to the parcel, the local agency shall hold an open and public session to review and consider the substance of the notice of violation. In addition to any other applicable notice requirements, the local agency shall provide notice disclosed on the local agency's internet website, in a conspicuous public place at the offices of the local agency, and to HCD no later than 14 days before the public session at which the notice of violation will be considered. The local agency's governing body shall not take final action to ratify or approve the proposed disposal until a public session is held.

As written, the bill may create a concerning precedent for all local agencies statewide. Because SB 229 includes a reference to notices of violation from HCD in connection with a "sale **or lease**" by a local agency, the bill may establish a statutory precedent that leases are subject to the SLA. Notwithstanding guidelines developed by HCD defining "disposition of surplus land," at this time the term "dispose" is undefined in the SLA, and prior legislative efforts to define "dispose" to include leases were unsuccessful. Removing and excluding the bill's reference to leases would in no way compromise or otherwise impact the ability of this legislation to address a planned sale of surplus land. However, including any reference to leases in the bill would be inconsistent with the clear, established legislative intent for the meaning of disposal of surplus land that is subject to the requirements of the SLA. We therefore oppose SB 229 unless it is amended to remove its reference to leases and HCD notices of violations in connection with planned leases.

Local agencies routinely enter leases for a variety of purposes that support their work or operations and that do not relate to the purposes of the SLA. Examples include a cell tower lease, a lease to a nonprofit for office space because that nonprofit is partnering with a local government to further a governmental purpose, and a short-term lease of park space.

The clear, established intent of the Legislature is not to apply the requirements of the SLA for surplus land to leases. In 2019, as introduced, AB 1486 (Ting) proposed to define "dispose of" as the "sale, **lease**,

transfer, or other conveyance of any interest in real property owned by a local agency” (emphasis added). A broad local agency coalition opposed this proposed expansion of the meaning of “dispose of,” and consequently leases were amended out of the bill before it became law.

Our organizations also seek amendments to the procedural requirements of SB 229, to provide greater flexibility to local agencies. While our organizations recognize the transparency concerns addressed by this bill, those concerns can be addressed while providing additional local agency flexibility. For example, a public meeting, instead of a public session, to consider a notice of violation, provides transparency while providing flexibility to local agencies in their selection of a format consistent with the Brown Act. Additionally, local agencies should be provided with an offramp from the requirement to hold a meeting if they elect not to proceed with a proposed disposal after receiving a notice of violation from HCD. Furthermore, not all local agencies maintain websites, and additional notice flexibility is needed.

For the above reasons, we must respectfully oppose your Senate Bill 229, unless it is amended to address our concerns. We look forward to continuing our dialogue with your office and seeking amendments to resolve our concerns.

Sincerely,

Aaron A. Avery  
Senior Legislative Representative  
California Special District Association

Dennis P. Cafferty  
General Manager  
El Toro Water District

Daniel R. Feron  
General Manager  
Santa Margarita Water District

Mark Neuburger  
Legislative Advocate  
California State Association of Counties

Paul E. Shoenberger, P.E.  
General Manager  
Mesa Waster District

Paul A. Cook  
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Robert S. Grantham  
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Fernando Paludi  
General Manager  
Trabuco Canyon Water District

Jean Hurst  
Legislative Representative  
Urban Counties of California

Tracy Rhine  
Senior Policy Advocate  
Rural County Representatives of California

Sarah Bridge  
Senior Legislative Advocate  
Association of California Healthcare Districts

A handwritten signature in black ink, appearing to read "Rob Thompson". The signature is fluid and cursive, with a large initial "R" and "T".

Rob Thompson  
General Manager  
Orange County Sanitation District



**California Special Districts Association**  
Districts Stronger Together



April 13, 2023

The Honorable Anna Caballero  
Chair, Senate Committee on Governance and Finance  
1021 O Street, Suite 6530  
Sacramento, CA 95814

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The clear, established intent of the Legislature is not to apply the requirements of the SLA for surplus land to leases. In 2019, as introduced, AB 1486 (Ting) proposed to define “dispose of” as the “sale, lease, transfer, or other conveyance of any interest in real property owned by a local agency” (emphasis added). A broad local agency coalition opposed this proposed expansion of the meaning of “dispose of,” and consequently leases were amended out of the bill before it became law.

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For the above reasons, we must respectfully oppose Senate Bill 229, unless it is amended to address our concerns.

Sincerely,



Aaron A. Avery  
Senior Legislative Representative  
California Special District Association



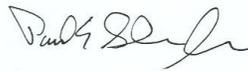
Dennis P. Cafferty  
General Manager  
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Sarah Bridge  
Senior Legislative Advocate  
Association of California Healthcare Districts



Rob Thompson  
General Manager  
Orange County Sanitation District

CC: The Honorable Thomas Umberg  
Members, Senate Committee on Governance and Finance  
Cassie Royce, Interim Consultant, Senate Committee on Governance and Finance  
Ryan Eisberg, Policy Consultant, Senate Republican Caucus

**Introduced by Senator Umberg**

January 23, 2023

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An act to add Section 54230.7 to the Government Code, relating to surplus land.

LEGISLATIVE COUNSEL'S DIGEST

SB 229, as amended, Umberg. Surplus land: disposal of property: violations: public meeting.

Existing law prescribes requirements for the disposal of land determined to be surplus land by a local agency. Those requirements include a requirement that a local agency, before disposing of a property or participating in negotiations to dispose of that property with a prospective transferee, send a written notice of availability of the property to specified entities, depending on the property's intended use, and send specified information in regard to the disposal of the parcel of surplus land to the Department of Housing and Community Development. Existing law, among other enforcement provisions, makes a local agency that disposes of land in violation of these disposal provisions, after receiving notification of violation from the department, liable for a penalty of 30% of the final sale price of the land sold in violation for a first violation and 50% for any subsequent violation. Under existing law, except as specified, a local agency has 60 days to cure or correct an alleged violation before an enforcement action may be brought.

This bill would require a local agency that has received a notification of violation from the department to hold an open and public session to review and consider the substance of the notice of violation. The bill

would require the local agency’s governing body to provide prescribed notice no later than 14 days before the public session. The bill would prohibit the local agency’s governing body from taking final action to ratify or approve the proposed disposal until a public session is held as required. By imposing new duties on local agencies, the bill would impose a state-mandated local program.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 54230.7 is added to the Government  
2 Code, to read:  
3 54230.7. (a) If a local agency is disposing of a parcel *by sale*  
4 *or lease* and has received a notification from the Department of  
5 Housing and Community Development pursuant to Section 54230.5  
6 that it is in violation of this article with regard to the parcel, the  
7 local agency shall hold an open and public session to review and  
8 consider the substance of the notice of violation. In addition to any  
9 other applicable notice requirements, the local agency shall provide  
10 notice, in the manner prescribed by this section, before the public  
11 session. The notice shall be disclosed on the local agency’s internet  
12 website, in a conspicuous public place at the offices of the local  
13 agency, and to the Department of Housing and Community  
14 Development no later than 14 days before the public session at  
15 which the notice of violation will be considered.

1 (b) The local agency’s governing body shall not take final action  
2 to ratify or approve the proposed disposal until a public session is  
3 held as required by this section.

4 (c) Nothing in this section shall be construed to require the  
5 legislative body of a local agency to disclose information that is  
6 privileged or protected pursuant to Section 54956.8 in the public  
7 meeting to discuss the substance of the notice of violation.

8 SEC. 2. The Legislature finds and declares that Section 1 of  
9 this act, which adds Section 54230.7 to the Government Code,  
10 furthers, within the meaning of paragraph (7) of subdivision (b)  
11 of Section 3 of Article I of the California Constitution, the purposes  
12 of that constitutional section as it relates to the right of public  
13 access to the meetings of local public bodies or the writings of  
14 local public officials and local agencies. Pursuant to paragraph (7)  
15 of subdivision (b) of Section 3 of Article I of the California  
16 Constitution, the Legislature makes the following findings:

17 This act is necessary to give the public adequate notice of and  
18 opportunity to comment in an open and public session on the  
19 proposed disposition and use of surplus public property by a local  
20 agency in cases where the local agency has not complied with the  
21 statutory requirements for the disposal of surplus land in Article  
22 8 (commencing with Section 54220) of Chapter 5 of Part 1 of  
23 Division 2 of Title 5 of the Government Code.

24 SEC. 3. No reimbursement is required by this act pursuant to  
25 Section 6 of Article XIII B of the California Constitution because  
26 the only costs that may be incurred by a local agency or school  
27 district under this act would result from a legislative mandate that  
28 is within the scope of paragraph (7) of subdivision (b) of Section  
29 3 of Article I of the California Constitution.



**California Special  
Districts Association**  
*Districts Stronger Together*



April 13, 2023

The Honorable Thomas Umberg  
California State Senate  
1021 O Street, Suite 6530  
Sacramento, CA 95814

**RE: Senate Bill 34 (Umberg) – Oppose Unless Amended [As Amended February 22, 2023]**

Dear Senator Umberg:

The statewide associations and individual local agencies listed above must respectfully oppose your Senate Bill 34, unless it is amended to address our concerns discussed below.

SB 34 will amend the Surplus Land Act (SLA) to provide that if the Department of Housing and Community Development (HCD), pursuant to Government Code Section 54230.5, notifies the County of Orange, or any city located within Orange County, that its planned sale or lease of surplus land is in violation of the SLA, certain procedures for addressing the notice of violation must be followed.

As written, the bill may create a concerning precedent for all local agencies statewide. Because SB 34 includes a reference to notices of violation from HCD in connection with a “sale **or lease**” by a local agency, the bill may establish a statutory precedent that leases are subject to the SLA. Notwithstanding guidelines developed by HCD defining “disposition of surplus land,” at this time the term “dispose” is undefined in the SLA, and prior legislative efforts to define “dispose” to include leases were unsuccessful. Removing and excluding the bill’s reference to leases would in no way compromise or otherwise impact the ability of this legislation to address a planned sale of surplus land by the County of Orange or any city located within Orange County. However, including any reference to leases in the bill would be inconsistent with the clear, established legislative intent for the meaning of disposal of surplus land that is subject to the requirements of the SLA. We therefore oppose SB 34 unless it is amended to remove its reference to leases and HCD notices of violations in connection with planned leases.

Local agencies routinely enter leases for a variety of purposes that support their work or operations and that do not relate to the purposes of the SLA. Examples include a cell tower lease, a lease to a nonprofit for office space because that nonprofit is partnering with a local government to further a governmental purpose, and a short-term lease of park space.

The clear, established intent of the Legislature is not to apply the requirements of the SLA for surplus land to leases. In 2019, as introduced, AB 1486 (Ting) proposed to define “dispose of” as the “sale, **lease**, transfer, or other conveyance of any interest in real property owned by a local agency” (emphasis added). A broad local agency coalition opposed this proposed expansion of the meaning of “dispose of,” and consequently leases were amended out of the bill before it became law.

For the above reasons, we must respectfully oppose your Senate Bill 34, unless it is amended to address our concerns. We look forward to continuing our dialogue with your office and seeking amendments to resolve our concerns.

Sincerely,



Aaron A. Avery  
Senior Legislative Representative  
California Special District Association



Dennis P. Cafferty  
General Manager  
El Toro Water District



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**California Special  
Districts Association**  
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April 13, 2023

The Honorable Anna Caballero  
Chair, Senate Committee on Governance and Finance  
1021 O Street, Suite 6530  
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For the above reasons, we must respectfully oppose Senate Bill 34, unless it is amended to address our concerns.

Sincerely,



Aaron A. Avery  
Senior Legislative Representative  
California Special District Association



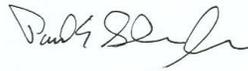
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Association of California Healthcare Districts



Rob Thompson  
General Manager  
Orange County Sanitation District

### 3 | Senate Bill 34 (Umberg)

CC: The Honorable Thomas Umberg  
Members, Senate Committee on Governance and Finance  
Cassie Royce, Interim Consultant, Senate Committee on Governance and Finance  
Ryan Eisberg, Policy Consultant, Senate Republican Caucus

AMENDED IN SENATE FEBRUARY 22, 2023

AMENDED IN SENATE FEBRUARY 16, 2023

**SENATE BILL**

**No. 34**

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**Introduced by Senator Umberg**  
**(Coauthor: Senator Min)**  
(Coauthor: Assembly Member Ting)  
**(Coauthors: Senators Min and Newman)**  
(Coauthors: Assembly Members Quirk-Silva and Ting)

December 5, 2022

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An act to add and repeal Section ~~54230.7~~ 54230.8 of the Government Code, relating to surplus land.

LEGISLATIVE COUNSEL'S DIGEST

SB 34, as amended, Umberg. Surplus land disposal: violations: Orange County.

Existing law prescribes requirements for the disposal of land determined to be surplus land by a local agency. Those requirements include a requirement that a local agency, prior to disposing of a property or participating in negotiations to dispose of that property with a prospective transferee, send a written notice of availability of the property to specified entities, depending on the property's intended use, and send specified information in regard to the disposal of the parcel of surplus land to the Department of Housing and Community Development. Existing law, among other enforcement provisions, makes a local agency that disposes of land in violation of these disposal provisions, after receiving notification of violation from the department, liable for a penalty of 30% of the final sale price of the land sold in violation for a first violation and 50% for any subsequent violation. Under existing law, except as specified, a local agency has 60 days to

cure or correct an alleged violation before an enforcement action may be brought. Existing law provides for the deposit and use of penalty revenues for housing, as prescribed.

This bill, until January 1, 2030, would require the County of Orange, or any city located within Orange County, if notified by the department that its planned sale or lease of surplus land is in violation of existing law, to cure or correct the alleged violation within 60 days, as prescribed. The bill would prohibit an Orange County jurisdiction that has not cured or corrected any alleged violation from disposing of the parcel until the department determines that it has complied with existing law or deems the alleged violation not to be a violation.

This bill would make legislative findings and declarations as to the necessity of a special statute for Orange County.

By imposing new duties on local agencies, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. Section 54230.7 is added to the Government~~  
2     ~~Code, to read:~~  
3     ~~54230.7.—~~  
4     SECTION 1. Section 54230.8 is added to the Government Code,  
5     to read:  
6     54230.8. (a) If the Department of Housing and Community  
7     Development, pursuant to Section 54230.5, notifies the County of  
8     Orange, or any city located within Orange County, that its planned  
9     sale or lease of surplus land is in violation of this article, the  
10    jurisdiction shall have 60 days from the date of receipt of the  
11    notification of violation to cure or correct an alleged violation,  
12    unless the Department of Housing and Community Development  
13    deems the alleged violation not to be a violation in less than 60

1 days. If the jurisdiction has not cured or corrected any alleged  
2 violation within 60 days, it shall not dispose of the parcel until the  
3 Department of Housing and Community Development determines  
4 that it has complied with this article or deems the alleged violation  
5 not to be a violation.

6 (b) This section shall remain in effect only until January 1, 2030,  
7 and as of that date is repealed.

8 SEC. 2. The Legislature finds and declares that a special statute  
9 is necessary and that a general statute cannot be made applicable  
10 within the meaning of Section 16 of Article IV of the California  
11 Constitution because of the unique circumstances in Orange  
12 County.

13 SEC. 3. If the Commission on State Mandates determines that  
14 this act contains costs mandated by the state, reimbursement to  
15 local agencies and school districts for those costs shall be made  
16 pursuant to Part 7 (commencing with Section 17500) of Division  
17 4 of Title 2 of the Government Code.



# 2023 Legislative and Regulatory Plan

**Table of Contents**

- Legislative and Regulatory Team
- Introduction
- Procedure for Taking Positions
- Guiding Priorities
- Federal and State Priorities
- Appendix

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**Legislative Public Affairs Committee**

Jesus Silva	Chairman
Kim Carr	Vice-Chairman
Anthony Kuo	Member-At-Large
Andrew Nguyen	Member-At-Large
John Withers	Member-At-Large
Chad Wanke	Board Chairman
Ryan Gallagher	Board Vice-Chairman

**Introduction**

The Orange County Sanitation District (OC San) recognizes the need for an active local, state, and federal legislative and regulatory advocacy program to ensure that the interests of the ratepayers and the Board of Directors (Board) are advocated and supported. The legislative and regulatory team actively engages, pursues, and monitors activities in California and Washington, D.C. and takes appropriate action in support of or opposition to legislative and regulatory initiatives.

Each year, the Board of Directors adopts a Legislative and Regulatory Plan, which is a summary of OC San’s goals, key issues, and policy positions. The legislative and regulatory policies in this document were developed taking into consideration OC San’s priorities, specifically for the wastewater industry and policy needs. These Board-approved policies serve as OC San’s official positions of support or opposition on issues of importance to the agency. The Legislative and Regulatory Plan is a dynamic document, adopted and modified annually to meet the everchanging federal, state, and local policymaking changes throughout the year.

The legislative and regulatory team, in conjunction with the Board, may take appropriate action consistent with the Legislative and Regulatory Plan, including, but not limited to, drafting position letters, advocating to legislators and their staff, and proposing and/or commenting on legislation and regulations.

**Procedure for Taking Positions**

1. Staff will track bills and proposed regulations of greatest interest to OC San, particularly those that fall within the goals and objectives identified by the Board and included in this plan. Staff will monitor bills and proposed regulations being watched by similar agencies within our region (Los Angeles County Sanitation Districts, South Orange County Water Authority, Orange County Water District, Irvine Ranch Water District, Municipal Water District of Orange County, etc.) as well as state, federal and national associations such as California Association of Sanitation Agencies (CASA), Southern California Alliance of Publicly Owned Treatment Works (SCAP), California Special Districts Association (CSDA), Association of California Water Agencies (ACWA), Association of California Cities Orange County (ACC-OC), League of California Cities (LOCC), and National Association of Clean Water Agencies (NACWA).
2. For those bills and proposed regulations that are being tracked and where there is clear policy direction stated in the Board-adopted Legislative and Regulatory Plan, Public Affairs and Regulatory staff can send letters to legislators and regulators and give direction to the lobbyists to advocate that position.

3. When Regulatory Affairs is deciding to issue a comment letter on proposed regulations, they first review the Board approved criteria established in the Legislative and Regulatory plan. If the proposed position meets the established criteria, then the Regulatory Affairs team will work with OC San's member associations including but not limited to Southern California Alliance of Publicly Owned Treatment Works (SCAP), California Association of Sanitation Agencies (CASA), and National Association of Clean Water Agencies (NACWA). When appropriate, the member association(s) will take the lead and advocate on our behalf. Otherwise, a comment letter will be submitted from OC San directly. This will be decided by both the Regulatory Affairs team with input from the Public Affairs Office. Additionally, the Regulatory Affairs team will work directly with OC San's Administration Manager and other manager's as appropriate when crafting an official comment letter.
4. When an issue is not urgent, all legislative letters will be hand-signed by the Board Chairman or Vice-Chairman. If a matter is urgent, staff may use the electronic signature, so long as a clear policy direction exists, and the General Manager or Designee approves the letter.
5. When a bill does not fall within the scope of the Legislative and Regulatory Plan or is a controversial issue, staff will seek direction from the Legislative and Public Affairs Committee.
6. If a bill does not fall within the scope of the Legislative and Regulatory Plan , but the Association of California Cities Orange County (ACCOC), the California Association of Sanitation Agencies (CASA), the California Special Districts Association (CSDA) and/ or the National Association of Clean Water Agencies (NACWA) has adopted a position, staff may follow this position but must inform the Legislative and Public Affairs Committee of such action at the next regularly scheduled meeting.

### **Guiding Priorities**

- Oppose redundant regulatory and legislative requirements that cause undue constraints on efficient operations;
- Support legislative and regulatory streamlining that promotes affordability, public health, and environmental protection;
- Maintain local control over governance of special districts and other local entities; and
- Obtain financial assistance for OC San projects through grants, loans, and legislative directed funding.

### **Federal Priorities**

- **Funding/Finance**
  - Advocate for national infrastructure program that includes wastewater infrastructure needs.
  - Advocate for robust federal water infrastructure funding of existing programs in addition to national infrastructure initiative, including State Revolving Fund, Water Infrastructure Finance and Innovation Act (WIFIA), Smart Water Infrastructure Grants, and Water Recycling. Additionally, advocate for federal support assistance for workforce training.
  - Secure competitive and direct federal grants assistance in support of green infrastructure, renewable energy, biosolids management, and water and organic management recycling projects assistance.
  - Monitor and obtain federal grants for funding of traditional wastewater treatment needs, alternative renewable energy, bioenergy, water recycling, biosolids beneficial use, and beach protection.

- Support development of infrastructure policies and legislation that will close funding gaps and encourage direct grants assistance in support of projects and programs addressing resiliency needs that protect OC San infrastructure investments from natural disasters.
- Work with U.S. Department of Energy and United States Environmental Protection Agency (EPA) to identify and support efforts to secure funding assistance for the OC San’s energy-water nexus project demonstrations such as super critical water oxidation and/or future biosolids/biogas projects.
- Support legislation, policies and regulations that offer to provide below market bonding rate assistance to construct treatment facilities, including credit assistance, Build America Bonds, Municipal Facility Assistance and infrastructure banks. Focus should include modernizing wastewater treatment facilities including energy and water use efficiency as well as sustainable energy recovery technologies and core infrastructure assistance related wastewater treatment.
- Secure federal support of OC San’s capital project needs to aid in the budget decision making process for the coming fiscal year.
- Promote restoration of federal deductibility of state and local tax payments and oppose elimination or restriction on the use or availability of tax-exempt financing for public infrastructure.
- Support maximum funding in annual federal appropriations for the Clean Water Act State Revolving Fund (CWSRF).
- Support legislation to revise the SRF allocation formula to allow for appropriate and fair share of funding to California consistent with the EPA study (20 percent increase in share).
- Support removal of private activity Bond State Volume Cap as part of national infrastructure initiative on water and wastewater facilities to allow for innovative financing approaches.
- **Innovative Technology**
  - Work with Congress and the EPA to enhance the WaterSense Program to increase the use of energy and water use efficient technologies at OC San while protecting against treatment cost increases related to program rulemaking.
  - Work with Congress to authorize and fund direct assistance to support innovative technology adoption.
- **Contaminants of Emerging Concern**
  - Work with Congress to advance federal assistance to support the treatment of forever chemicals and to protect public agencies from liability for per- and polyfluoroalkyl acids (PFAS) presence in biosolids and wastewater.
  - Provide that any funding regime be derived from the manufacturers of PFAS chemicals to provide federal grants and low-interest loans to agencies impacted.
  - Support regulations or legislation that limit the creation, formulation, and general use of PFAS constituents.
  - Support the reduction/elimination of Contaminants of Emerging Concern (e.g., PFAS) within consumer and commercial products.
  - Oppose regulations or legislation that would place responsibility for addressing PFAS as a class of constituents on public treatment plants.
  - Oppose designation of PFAS as hazardous substances under Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).
  - Secure liability exemption for wastewater agencies if PFAS or other “forever” chemicals defined as a hazardous substance under CERCLA or are regulated as a class. Work with the EPA on emerging regulatory issues of concern including integrated planning, method development, monitoring effluent limitations and guidelines, and contaminants of emerging concern including, but not limited to, PFAS and microplastics.

- Support legislation that will eliminate non-essential PFAS uses to reduce and mitigate PFAS in everyday consumer goods.
- **NPDES/Permitting**
  - Work with the Administration and Congress to advance commonsense permitting processes including ten-year National Pollutant Discharge Elimination System (NPDES) permits and programmatic permits issued by USEPA and the U.S. Army Corps of Engineers to reduce ratepayer costs. Any authority to issue efficient permitting solutions should not impose new requirements or burdens on permittees.
  - Support streamlining the Clean Water Act permitting processes.
- **Environment/Climate Resiliency**
  - Work with OC San’s congressional delegation and administration officials to advance funding of resiliency needs, including impacts associated with sea level rise, climate change, natural disasters such as wildfires that could affect our utility grid and cause power outages. Also, seismic events, drought and general resiliency planning that would support OC San’s water recycling, conservation, and other resiliency projects.
- **Source Control**
  - Support legislation to label wipes as non-flushable/non-dispersible.
  - Advocate for federal policies that minimize regulatory burdens imposed upon communities and public agencies that seek to adopt programs for the giveback of pharmaceuticals that will result in the reduction of disposal of pharmaceuticals through wastewater treatment facilities. Additionally, OC San will advocate for federal funding of programs currently authorized that support the development of pharmaceutical management programs including education.
  - Monitor legislation and regulations that limit PFAS in industrial wastewater.

#### State Priorities

- **Funding/Finance**
  - Secure funding through grants and legislation for infrastructure, collection improvements, and alternative renewable energy at the Fountain Valley, Plant No. 1 and Huntington Beach, Plant No. 2.
  - Promote a regional distribution/statewide equity approach to the disbursement of State Revolving Fund monies.
  - Oppose legislation or any regulations that would mandate volumetric pricing of wastewater.
  - Actively protect the allocation of local property taxes to special districts in the state budget process.
  - Monitor legislation that affects capacity and connection fees for accessory dwelling units or single-family residences.
  - Support legislation that would encourage or develop bulk energy storage facilities as well as legislation that would provide funding for long-term energy storage.
  - Obtain funding for projects that meet the State’s goals of expanded water supply, energy reduction, and renewable energy implementation.
  - Where appropriate, obtain State funding for critical aging infrastructure, through funding sources made available through any agency including but not limited to the SWRCB and the Department of Water Resources.
  - Support funding through grants and legislation for a Food Waste/Organic Co-Digestion facility.
  - Monitor pension reform legislation for clean-up bills and relevant proposed regulations.
  - Support legislation that would supersede the Kaanana decision by limiting prevailing wage requirements for utilities to construction contracts.
  - Support targeted funding through grants and legislation for zero and near zero emission vehicles and the supporting infrastructure required for zero emission vehicles.
  - Monitor and support State grants for PFAS-containing firefighting foam collection and disposal programs.

- **Contaminants of Emerging Concern**
  - Support regulations and legislations that abide by the 'producer pays' principle when allocating clean up responsibility and enable cost recovery
  - Oppose regulations or legislation that puts responsibility of addressing PFAS as a class of constituents on public treatment plants.
  - Monitor state legislation as well as State Water Resources Control Board (SWRCB) and California Air Resources Control Board on regulatory activity related to PFAS.
  - Work with legislators to address concerns stemming from Mobile Persistent Bioaccumulative Toxic substances (MPBTs) such as PFAS. Support funding opportunities for clean-up costs from the manufacturers of PFAS and through state grants and low-interest loans.
  - Support legislation that will eliminate non-essential PFAS uses to reduce and mitigate PFAS in everyday consumer goods.
- **Environment/Climate Resiliency**
  - Support and participate in Integrated Regional Water Management planning efforts in the Santa Ana River watershed.
  - Oppose restrictive and redundant regulatory requirements for biosolids.
  - Support the creation of a Statewide Organics Management Plan that includes the beneficial use of biosolids, education, market expansion activities, and mandates to buy-back compost and other organics diverted from landfills.
  - Support efforts to reform the California Environmental Quality Act (CEQA) to streamline current procedures and regulations for projects to refurbish or replace existing infrastructure facilities.
  - Actively monitor the Little Hoover Commission hearings and reports related to climate change adaptation, special districts, and other topics as it relates to OC San.
- **Water Reuse**
  - Work with legislators who introduced legislation such as SB 163 (Hertzberg, 2015) and SB 332 (Hertzberg, 2019) to ensure that no unrealistic, one size fits all, regulations are placed on wastewater treatment facilities.
  - Support the inclusion of recycled water credits during the continued development and implementation of long-term water conservation legislation and regulations.
- **Source Control**
  - Support legislation and/or regulations that restrict the use of microplastics and chemicals of emerging concern in any product that is disposed of through the sanitary sewer system.
  - Support legislation, such as AB 1672 (Bloom), or regulations that discourage the flushing of wipes through the sewer system, unless they meet certain performance standards.
  - Monitor legislation and regulations that limit PFAS in industrial wastewater.
- **Local Government**
  - Support the State's efforts to increase the effectiveness and efficiencies of Local Agency Formation Commissions.
  - Oppose state mandates, regulations, or legislation such as AB 1217 (Daly, 2015) that set, alter, or otherwise modify the governance structure of special districts, joint powers authorities, or other local government entities.

**Appendix**

- A. Federal Tactics
- B. State Tactics
- C. Legislative and Regulatory Policies
- D. State, Federal and Regulatory Processes

# Appendices

Appendix A

<b>Federal Tactics</b>	
<b>Initiative</b>	<b>Action</b>
1. Identify and advise on federal funding opportunities for the OC San infrastructure projects	<ul style="list-style-type: none"> <li>● Schedule meetings with federal agency stakeholders and senior officials in Washington D.C. and district offices to build support for OC San priority projects; and</li> <li>● Work with congressional delegation to update priority needs; and</li> <li>● Develop white papers to justify requested assistance through direct grants.</li> </ul>
2. Seek funding assistance to advance recovery of energy and other resources from biosolids and other organics such as food waste	<ul style="list-style-type: none"> <li>● Meet with federal agency officials to review OC San’s needs and to discuss funding opportunities and options related to the energy water nexus; and</li> <li>● Work with EPA and other agencies to advance energy and water efficient technologies related to smart water technologies and WaterSense grant program.</li> </ul>
3. Seek Infrastructure assistance <ul style="list-style-type: none"> <li>A. Robust funding of State Revolving Fund (SRF) and revise SRF Allocation Formula</li> <li>B. Innovative Financing</li> <li>C. Regulatory Streamlining</li> </ul>	<ul style="list-style-type: none"> <li>● Meet with congressional delegation and key congressional committees; and</li> <li>● Develop priorities and disseminate to OC San’s congressional delegation; and</li> <li>● Advocate before congressional infrastructure committees and applicable Executive Branch officials to secure adoption of alternative water infrastructure financing including credit, loans, public-private-partnerships and grants in addition to direct grants assistance; and</li> </ul>

	<ul style="list-style-type: none"> <li>● Work to ensure expedited National Environmental Policy Act and related reviews and approvals; and</li> <li>● Work with Congress and U.S. Bureau of Reclamation on proposals to provide enhanced alternative water infrastructure financing tools; and Seek opportunities to testify before Congress.</li> </ul>
<p>4. Support tax reform that protects public agencies</p>	<ul style="list-style-type: none"> <li>● Work with NACWA and CASA in support of unrestricted use of tax- exempt financing and feasible innovative financing approaches such as infrastructure banks to supplement traditional funding approaches; and</li> <li>● Work with state and local government stakeholders to restore state and local tax deductibility and advocate before congressional delegation; and</li> <li>● Present or submit testimony; and</li> <li>● Transmit communications on tax-exempt financing.</li> </ul>
<p>5. Support resiliency legislation, regulations, and policies that support protection of OC San’s investments and promote water and biosolids recycling assistance</p>	<ul style="list-style-type: none"> <li>● Work with delegation and regulators to ensure incorporation of new programs for water and biosolids recycling assistance; and</li> <li>● Work with NACWA, CASA and ACWA to support resiliency water and biosolids recycling legislation and regulations; and</li> <li>● Work with congressional infrastructure committees to secure assistance for resiliency projects.</li> </ul>
<p>6. Work with federal agencies on permitting issues</p>	<ul style="list-style-type: none"> <li>● Work with U.S. Fish and Wildlife Service on environmental site assessment issues such as incidental take permits under Endangered Species Act (ESA); and</li> <li>● Advocate to authorize EPA to provide NPDES permits terms for a period of up to 10- years and to retain five-year administrative extension authority.</li> </ul>

Appendix B

<b>State Tactics</b>	
<b>Initiative</b>	<b>Action</b>
<p>1. Develop a proactive legislative and regulatory advocacy agenda</p>	<ul style="list-style-type: none"> <li>● Identify legislation that has the potential to benefit or impact OC San, as legislation is introduced and amended; and</li> <li>● Identify proposed state and local regulations that are introduced that have the potential to benefit or impact OC San; and</li> <li>● Recommend positions on identified legislation and proposed regulation to align with OC San’s Legislative and Regulatory Plan; and</li> <li>● Create and continually update a legislative and regulatory matrix to track identified pieces of priority legislation and proposed regulations; and</li> <li>● Schedule advocacy days in Sacramento with legislators and committee staff and regulators; and</li> <li>● Continue an active letter writing campaign to support or oppose priority legislation and proposed regulations; and</li> <li>● Schedule meetings with legislators, regulators, stakeholders, and senior officials in Sacramento and district offices to build support for OC San priority projects; and</li> <li>● Participate in CASA’s legislative committees and Regulatory Workgroup and SCAP’s air quality, water issues, collection systems, biosolids, and wastewater pretreatment committees.</li> </ul>
<p>2. Compile a comprehensive list of Capital Improvement projects</p>	<ul style="list-style-type: none"> <li>● Meet with management to discuss future capital projects and priorities; and</li> <li>● Match capital improvements with funding opportunities based on project eligibility.</li> </ul>
<p>3. Monitor and advise on possible funding opportunities, including but not limited to funding through Statewide bonds</p>	<ul style="list-style-type: none"> <li>● Proactively engage in the drafting of grant funding guidelines and provide input to drafting agency or committee to ensure eligibility and competitiveness of OC San’s projects and priorities; and</li> <li>● Proactively engage on proposed legislation and regulations that would have an impact on the implementation of funding programs; and</li> <li>● Identify funding opportunities and provide recommendations for eligible projects. Create an advocacy and outreach schedule on the planning and execution of efforts to seek funds.</li> </ul>

<p>4. Monitor and advise on funding available through Cap and Trade</p>	<ul style="list-style-type: none"> <li>● Monitor the rollout of the Cap and Trade Expenditure Plan for waste diversion projects. Continue to advocate for additional funding in future Cap and Trade Expenditure Plans that OC San is eligible for; and</li> <li>● Identify eligible and competitive projects and programs; and</li> <li>● Create a schedule on planning and execution of efforts to seek funds, including outreach and advocacy strategy.</li> </ul>
<p>5. Monitor and advise on energy or other resource recovery related funding opportunities</p>	<ul style="list-style-type: none"> <li>● Track energy related grant opportunities; and</li> <li>● Identify potential projects for funding, including, but not limited to alternative renewable energy, not limited to biogas, biosolids to energy conversion, organic waste (high strength food waste and fats, oils, and grease) to energy conversion, and greenhouse gas reduction projects; and</li> <li>● Ensure wastewater interests are protected as significant decisions are made related to renewable energy production financing, mandates, climate change goals, programs and continued efforts to extend the state’s emissions reduction target; and</li> <li>● Schedule meetings with local delegation as well as key members to discuss project benefits and funding opportunity; and</li> <li>● Support initiatives that help OC San strive for energy independence by minimizing energy utilization and maximizing useful energy recovery from the sewage it receives; and</li> <li>● Support fair and reasonable regulations for the pipeline injection of biomethane produced from anaerobic digestion; and</li> <li>● Support renewable energy initiatives that are reasonable and fair.</li> </ul>
<p>6. Schedule and attend advocacy and outreach meetings to provide OC San project updates</p>	<ul style="list-style-type: none"> <li>● Educate current administration, key staff and agencies on priority projects and advocate for funding allocations that align with the OC San’s priorities; and</li> <li>● Schedule stakeholder meetings to build support for projects; and</li> <li>● Hold advocacy meetings in coordination with funding opportunities and project timelines; and</li> <li>● Work with relevant budget committees, budget sub-committees, policy committees and their staff to advocate for funding allocations that align with OC San’s priorities; and</li> <li>● Provide full briefings and updates to Orange County legislative delegation and relevant members on OC San’s priority projects.</li> </ul>
<p>7. Ensure that there is regulatory support in place to allow for non-reclaimable discharge such as brine</p>	<ul style="list-style-type: none"> <li>● Outreach with the California Environmental Protection Agency, Department of Toxic Substances, State Water Resources Control Board, Regional Water Quality Control Board, the governor's office, legislative leadership and other appropriate stakeholders.</li> </ul>

<p>8. Ensure development and implementation of a statewide biosolids land application management policy</p>	<ul style="list-style-type: none"> <li>● Work in conjunction with CASA , SCAP etc. to outreach and educate legislators and regulators to develop an advocacy strategy for regulatory framework that will support statewide objectives to manage biosolids land application.</li> </ul>
<p>9. Ensure development and implementation of a strategy to relieve the OC San of cumbersome and outdated bid advertising costs</p>	<ul style="list-style-type: none"> <li>● Work with relevant legislators and committees to draft legislation that will lessen the cost burden on OC San rate payers of complying with outdated bid advertising requirements; and</li> <li>● Conduct outreach with various other sanitation districts/POTW's across the State to form a coalition to support any efforts.</li> </ul>
<p>10. Ensure development and advocacy for legislation to raise the contracting and bid threshold for the OC San</p>	<ul style="list-style-type: none"> <li>● Meet with local labor groups to initially present the issue; and</li> <li>● Brainstorm proposed solutions that will give OC San and other sanitation district's/POTW's more flexibility to complete small scale public works projects in house; and</li> <li>● Work in conjunction with CASA to outreach, educate, and develop an advocacy strategy that will target all sanitation districts/POTW's affected by the current threshold limitations; and</li> <li>● Develop and advocate for legislation that will raise the threshold for work that can be performed in house as well as work that is required to be bid.</li> </ul>

Appendix C

**Legislative and Regulatory Policies**

- a. **Air Quality:** OC San is committed to complying with federal, state, and local air quality laws, rules, regulations, and policies.
  - a. Support air quality legislations, regulations, rules, and policies that minimize permitting barriers and encourage the use of advanced air emission control technologies through greater flexibility and financial incentives.
  - b. Support measures that maintain and enhance local decision-making authority, where appropriate, in the development and implementation of air quality attainment strategies.
  - c. Support legislation and regulations to ensure greater consistency between the California and Federal Clean Air Acts.
  - d. Support strategies that clearly demonstrate and provide for the most cost-effective means for meeting air quality goals.
  - e. Continue to follow OC San’s odor policy to assure OC San is a good neighbor to the surrounding communities.
  - f. Support regulatory and legislative changes that allow exemptions from CARB's medium and heavy-duty clean air requirements for critical wastewater response vehicles.
  - g. Oppose regulations that mandate specific fuel types or neglect the significant benefits of renewable fuels.
  - h. Obtain grant funding for zero-emitting vehicles and equipment and any necessary infrastructure to support those emerging technologies.
  - i. Support legislation that will include emergency response vehicles from essential public services in the definition of “Emergency Vehicles” in CVC section 165.
  - j. Monitor legislative and regulatory developments in response to State’s goal of achieving Carbon Neutrality including the electrification of engine-driven equipment and fleets. Oppose measures that require special districts and local governments to be early adopters of this unproven technology.
  - k. Monitor South Coast Air Quality Management District’s (SCAQMD’s) development of regulations and guidelines associated with AB 617 in the following areas: (1) implementation of best available retrofit control technology (BARCT) requirements for existing stationary sources; (2) deployment of air monitoring systems in selected communities; and (3) implementation of emissions reduction plans in selected



- i. Limit redundant reporting requirements on organics, recyclable material, and solid waste.
  - j. Support organic co-digestion and recycling projects.
- c. **Source Control:** OC San supports legislation that reduces pollutants and harmful materials that could enter the sewer system.
- a. Support statewide or targeted public education programs and initiatives that teach appropriate “What To Flush” practices and fats, oils, and grease management.
  - b. Support federal policies and legislation that regulates the disposal of flushable wipes to ensure clarity on the definition of “flushable”.
  - c. Support legislation, regulations, and funding assistance would lead to decreased introduction of microplastics and other chemicals of concern discharged into the sewer system.
  - d. Support legislation and funding mechanisms that reduce the amount of trash, waste, chemicals, and harmful organic material that enter the sewer system.
  - e. Support legislation that would create forever homes for forever chemicals.
  - f. Oppose regulations or legislation that would place the responsibility of addressing PFAS as a class of constituents on the public treatment plants.
  - g. Support funding opportunities for clean-up costs from the manufacturers of PFAS and through state grants and low-interest loans.
  - h. Support the reduction/elimination of Contaminants of Emerging Concern (e.g., PFAS) within consumer and commercial products.
  - i. Monitor the development of PFAS-containing firefighting foam collection and disposal programs across the country.
- d. **Grant Funding:** OC San is committed to advancing the state of knowledge in the treatment and management of wastewater through the application of innovative and alternative technologies. To this end, OC San supports grants assistance to offset its research, special projects, and capital improvement projects.
- a. Support legislation, bonds, programs, and projects that provide funding for: infrastructure construction and rehabilitation, special studies and research or projects relating to security, environmental education, water quality, wastewater processing, urban runoff, wastewater recycling, biosolids and organics management, water quality improvement, resource recovery, or alternative energy.
  - b. Support projects that provide for public benefit over projects that are primarily intended for private benefit or gain.
  - c. Oppose proposals placing further requirements on grant recipients that return low value for high administrative costs.

- d. Support regional collaboration and funding for public agencies for food waste co-digestion and recycling projects.
- e. **Innovative Funding:** OC San is committed to supporting programs that provide the highest quality services to its ratepayers.
  - a. Support programs to leverage federal assistance such as credit assistance and highly subsidized loan assistance.
  - b. Support Public-Private-Partnerships, Public to Public and other financing approaches that can reduce costs only if such projects do not impose costs on OC San ratepayers.
  - c. Support the full funding of the Clean Water Act- State Revolving Fund Program at \$4 billion annually.
  - d. Seek federal assistance to support water conservation projects such as water recycling, green infrastructure through the Water Infrastructure Finance and Innovation Act (WIFIA) and direct grants to reduce project costs.
- f. **Labor Relations/Human Resources:** OC San is committed to employer-employee relations including, but not limited to meeting and conferring in good faith with recognized employee organizations regarding the wages, hours of work and other terms and conditions of employment. As Congress considers reforming the federal tax code, many of the provisions subject to reform may impact labor relations.
  - a. Support measures to reform current workers compensation formulas that rely on a proportionate exposure formula.
  - b. Support health insurance reform that does not create additional financial burdens on special districts.
  - c. Support measures to ease applicability of the Fair Labor Standards Act (FLSA) on public agencies.
  - d. Oppose any measure imposing compulsory and binding arbitration with respect to public employees.
  - e. Oppose any measure that imposes upon local government mandated employee benefits that are more properly decided at the local bargaining table.
  - f. Oppose efforts reducing local control over public employee disputes and imposing regulations on an outside agency.
  - g. Oppose any measure granting essential public employees the right to strike.
  - h. Oppose a new mandatory Social Security tax for public employers and public employees.
  - i. Oppose overreaching and costly mandates that require non-necessary disclosures to employees

- j. Oppose legislation and regulations that force OC San to adjust paid and unpaid leave time parameters.
  
- g. **Security:** OC San is committed to the safety of all personnel, facilities, and the entire sewer system.
  - a. Support legislation that would create efficiencies around the retention policy of surveillance video recordings.
  - b. Support funding assistance to implement COVID-19 type employee protection needs.
  - c. Support funding for the hardening of essential regional facilities such as water recycling and sewer collection and recycling sites.
  - d. Support legislation and funding for regional emergency management collaboration to protect critical infrastructure.
  
- h. **Planning:** OC San ensures the long-range planning of capital improvement programs in order to deliver the highest quality facilities.
  - a. Support reform of existing state, regional and local planning processes only if directly linked to reforms in the current revenue and tax structure of state and local governments.
  - b. Support measures that provide new revenues for growth management and the public facilities necessary to support expected growth.
  - c. Support proposals encouraging regional, sub-regional or countywide cooperation in planning urban development strategies, especially those that provide funding for effective implementation of agreed upon goals.
  - d. Oppose legislation consolidating special districts that fail to address the concerns of cities affected by the proposed consolidation.
  - e. Oppose measures that prevent or restrict the ability of cities or special districts to participate in the Southern California Association of Governments' (SCAG) sub-regional process.
  
- i. **Public Health:** Protection of public health is OC San's core mission. OC San will work cooperatively with county and state health officers to assure local health protection.
  - a. Support hazard mitigation, emergency response, planning, and recovery through direct legislation, policy directives, and funding toward floodplain security within the Santa Ana River watershed.
  - b. Support funding assistance to implement COVID-19 and other viral type employee protection needs.

- c. Support (generally) measures that provide for improved public health through regulation.
  - d. Support the protection of public health and environment through the construction and implementation of advanced wastewater treatment technology.
  - e. Support sharing critical information and data from state and county agencies in the interest of protecting the public health and saving taxpayer dollars.
  - f. Monitor legislation that provides additional occupational safety and health standard requirements for employees, contractors, or subcontractors.
- j. **Public Works:** OC San is committed to the achievement of effective and efficient projects that provide wastewater treatment services that benefit its ratepayers.
- a. Support measures that provide funding and support to publicly owned treatment works and sewage collection systems.
  - b. Support legislation and regulation that allow public agencies to procure goods and services in manners similar to private industry, thereby reducing overall costs of delivery.
  - c. Support legislation and regulation that improve the Utility Underground Service Alert Program in order to improve coordination, identification, minimize damage, minimize environmental risks, and minimize cost exposure to publicly owned facilities when contractors are performing sub- surface work.
  - d. Support a comprehensive response to the state’s electricity and natural gas shortages that provide a stable energy supply, respects the ability of municipalities to provide power, recognizes that infrastructure (i.e. emergency and standby generators) exists that could be employed temporarily during periods with minimal air quality impact and protects ratepayers (including cities and special districts) against dramatic rate increases and statewide power outages.
  - e. Support legislation and regulation that allows OC San to utilize the Best Value Design Build, Progressive Design Build and Construction Manager at Risk Design Build option for the construction of public works projects.
  - f. Oppose Buy American mandates legislation that would increase project costs or prevent the use of the most innovative technologies.
  - g. Monitor legislation that would require the inspection and possible repair of sewer laterals at the time of sale in residential, commercial, and industrial areas.
  - h. Monitor legislation connected with government claims against special districts regarding risk and wrap-up insurance.
  - i. Support legislation that increases the thresholds for bid work and force account work.
- k. **Tax Reform/Revenue and Taxation:** Track pending legislation to ensure OC San remains in compliance with the government code as it pertains to wastewater system user fees and property tax revenues and the investment of public funds.
- a. Support measures leading to a greater financial independence from the state that would result

- in greater stability and predictability in local government budgeting.
  - b. Oppose measures that impose mandated costs for which there is no guarantee of local reimbursement or offsetting benefits.
  - c. Oppose legislation that shifts tax revenues away from local governments without the adequate provision of a constitutionally guaranteed backfill to offset the lost revenues of those local governments.
  - d. Oppose measures that shift existing local revenue sources back to the state, including the special district share of property tax, sales tax, vehicle license fees, and rate payer fees.
  - e. Oppose the use of revenues traditionally used to fund the delivery of municipal services to fund programs for which the state is responsible, particularly the courts, health, and welfare programs.
  - f. Oppose elimination or restriction of state and local tax deduction from federal tax liability of local taxpayers.
  - g. Oppose elimination or restriction on the availability of municipal tax-exempt financing for public infrastructure projects.
  - h. Monitor legislation regarding changes in law that influence the fees and charges that OC San facilitates.
- i. **Special Districts:** OC San supports the maintenance of special districts to provide specific services, in response to citizen’s demands, in a cost-effective manner.
- a. Support efforts to provide equitable treatment of special districts in emergency funding assistance.
  - b. Support outreach to local, regional, and state elected officials to foster a greater understanding regarding the critical relationship between adequate reserves and the successful short-and-long- term operation of water and wastewater agencies.
  - c. Support the work of the Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA), and California Special Districts Association (CSDA) etc.in any future discussions or negotiations pertaining to the legislative and budget issues relative to preserving control of members’ reserves.
  - d. Oppose further state regulations that adversely impact special district financing, operations, and administration.
  - e. Oppose measures that create or grant powers to sub-regional or regional bodies that would result in an infringement on clearly local concerns.
  - f. Oppose any administrative or legislative efforts to access or transfer any reserve funds held by water and wastewater districts.

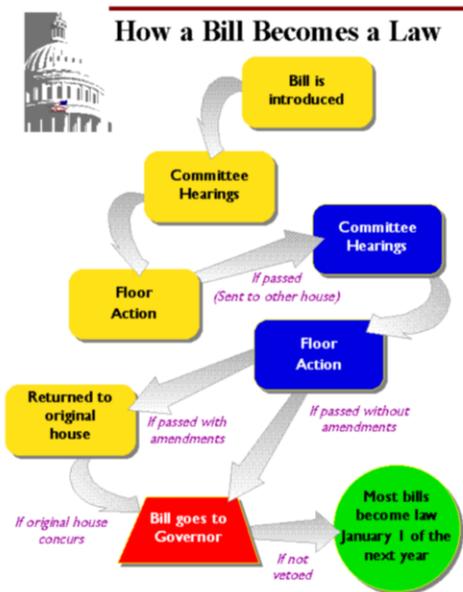
- g. Oppose the imposition of unfunded, mandated programs on local governments.
  - h. Oppose efforts that diminish OC San's ability to govern efficiently and effectively, including expanding the size of the Board of Directors.
  - i. Support alternate methods of public meetings notices that maintain transparency but are more cost efficient and technologically advanced.
  - j. Support maximum flexibility for special districts to conduct Board of Directors business virtually while providing for public transparency
  - k. Support legislation that gives local control on video retention guidelines to special districts to maintain maximum flexibility and cost control.
- m. **Water Quality and Supply:** OC San is committed to participating collaboratively in the protection of regional water resources for the benefit of the people we serve.
- a. Support (generally) measures to increase water supply and improve water quality in the region, including drought relief legislations and regulations.
  - b. Support measures that would increase funding for water reuse technologies, including support for the Groundwater Replenishment System project by the Orange County Water District and the OC San to create new water supplies through wastewater recycling.
  - c. Support measures that promote and provide for the use of reclaimed water.
  - d. Support policy development, funding, and research for addressing urban runoff, stormwater, and beach closures, including funding for studies that identify the sources of bacterial, viral, and other microbial contaminants and human pathogens.
  - e. Support measures to evaluate water quality standards, as needed, to ensure the objectives are appropriately protecting the designated use.
  - f. Support legislation and regulation that would direct U.S. EPA levied fines to remain in the region.
  - g. Support measures addressing non-point source pollution in order to protect our ocean water quality and provide funding to mitigate its effects, including integrated permitting approaches that can reduce costs and achieve water quality improvements while allowing permits to be tailored to the needs of Orange County and its watershed.
  - h. Support national infrastructure policies that contain aspirational goal that promotes improved water use efficiency in construction of water efficient buildings and communities.
  - i. Support legislation and regulation that promote improved water use efficiency through state assistance in evaluating and implementing new programs and technologies and increasing public awareness of water use efficiency.

- j. Support legislation and regulation that provide for the development of the watershed approach, including watershed management plans and watershed-based permitting.
- k. Support legislation and regulation that necessitate the responsible use of water in residential, commercial, and industrial areas.
- l. Support streamlined environmental guidelines and regulations that would safeguard the region, providing increased protections and lesser costs to ratepayers.
- m. Oppose the imposition of statewide fees for environmental cleanup that is caused through private sector actions or are regional in nature (e.g., when the nexus between those responsible for environmental abuse and those required to pay for cleanup or mitigation is absent).
- n. Support approaches to reduce compliance costs associated with stormwater controls including the use of integrated plans.
- o. Monitor state and federal legislation and regulations related to contaminants of emerging concern (e.g., PFAS).

Appendix D

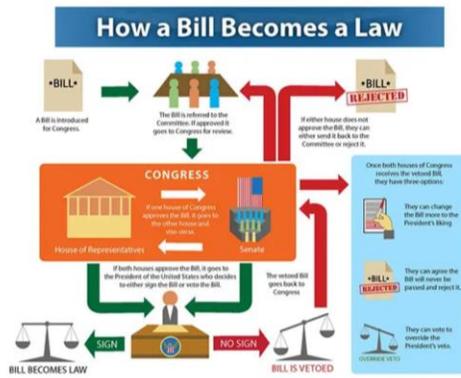
Legislative and Regulatory Process Flow Chart

State

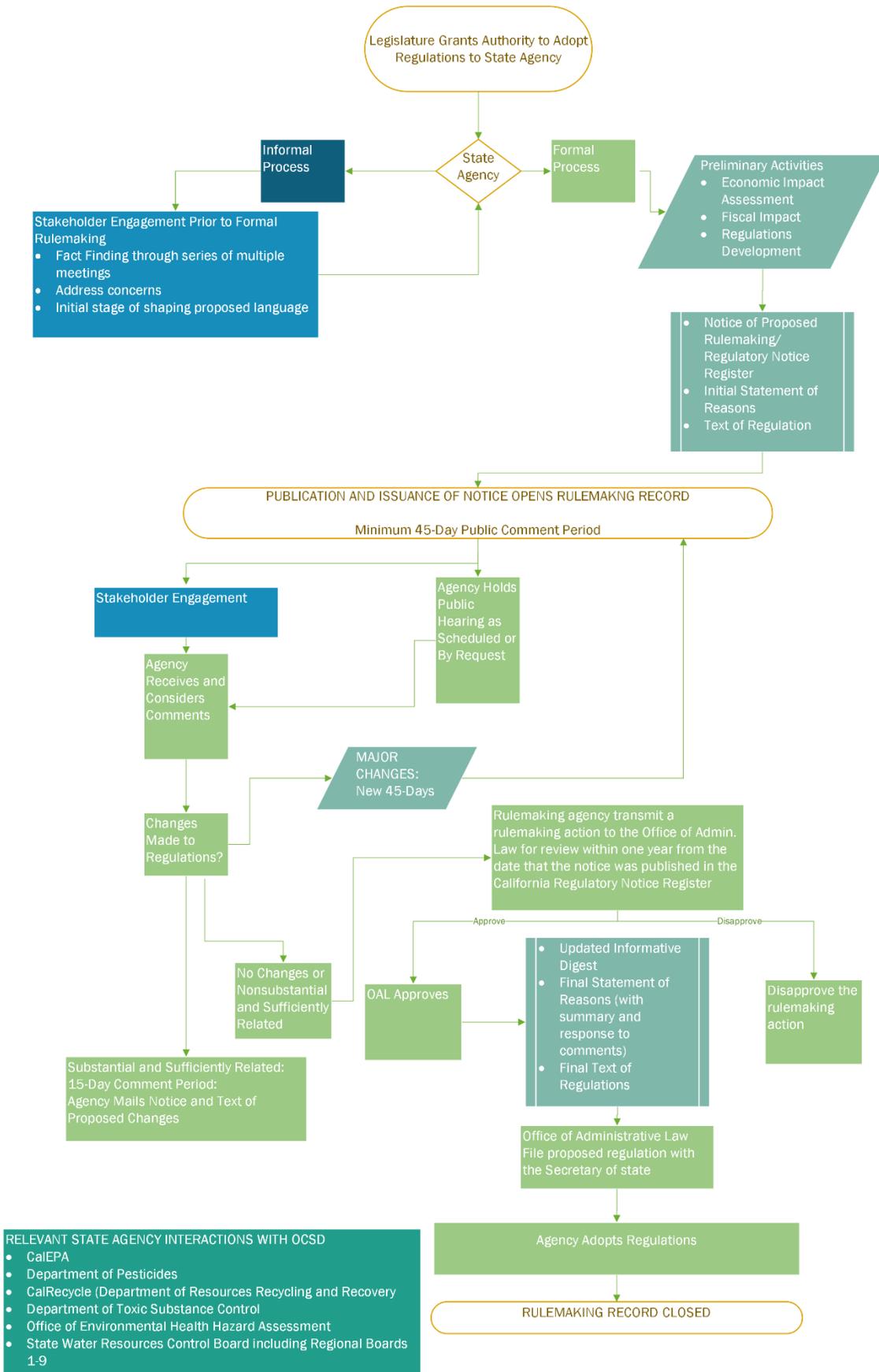


Graphic Obtained from Leginfo.ca.gov

# Federal



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# STEERING COMMITTEE

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

**File #:** 2023-2934

**Agenda Date:** 4/26/2023

**Agenda Item No:** 17.

**FROM:** Robert Thompson, General Manager  
Originator: Mike Dorman, Acting Director of Engineering

**SUBJECT:**

**WESTMINSTER BOULEVARD FORCE MAIN REPLACEMENT, PROJECT NO. 3-62**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a project budget increase of \$900,000 for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a new total project budget of \$43,900,000; and
- B. Approve a contingency increase of \$1,109,720 (4%) to the existing Construction Agreement with Teichert Energy & Utilities Group, Inc. for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a new total contingency amount of \$3,884,020 (14%).

**BACKGROUND**

The Westminster Boulevard Force Main Replacement, Project No. 3-62, replaced two force mains that run from the Seal Beach Pump Station at the intersection of Seal Beach Boulevard and Westminster Boulevard in the City of Seal Beach, to the intersection of Westminster Boulevard and Rancho Road in the City of Westminster, a distance of approximately 14,000 feet.

All pipeline installation work is complete and beneficial use of the new force mains was achieved in December 2022. Contract-required asphalt and landscaping restoration efforts were recently completed.

**RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities
- Sound engineering and accounting practices, complying with local, state, and federal laws

**PROBLEM**

Construction of the new force mains required shifting of vehicular traffic onto existing bike lanes for several months to create space for pipeline installation. Vehicle traffic compounded by nearby I-405 construction and heavy rain in 2023 caused unanticipated asphalt damage to the existing bike lane.

The project has achieved substantial completion and needs to restore the existing bike lanes to mitigate delays to project completion. Half of the bike lane repairs have been performed with existing project contingency. The project budget and construction contract contingency are insufficient to complete the remaining asphalt repairs and costs for anticipated compensable time impacts due to unknown construction conditions.

### **PROPOSED SOLUTION**

Increase the project budget and approve a construction contract contingency increase for Westminster Boulevard Force Main Replacement, Project No. 3-62, to restore the existing bike lanes and cover anticipated compensable time impacts.

### **TIMING CONCERNS**

Delaying the project budget and construction contract contingency increase could result in additional compensable contractor overhead costs.

### **RAMIFICATIONS OF NOT TAKING ACTION**

Contractor would potentially submit a public works claim for justified compensable time delays. Delaying the bike lane work will require ongoing temporary asphalt repairs.

### **PRIOR COMMITTEE/BOARD ACTIONS**

December 2019 - Board approved a Construction Contract to Teichert Energy & Utilities Group, Inc. for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a total amount not to exceed \$27,743,000; and approved a contingency of \$2,774,300.

### **ADDITIONAL INFORMATION**

N/A

### **CEQA**

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301. A Notice of Exemption was filed with the OC Clerk-Recorder on January 6, 2020.

### **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 21, Westminster Boulevard Force Main Replacement, Project No. 3-62). This item will increase the project budget and will be funded from the Capital Improvement Program budget.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Presentation

JGD:tk

# Westminster Boulevard Force Main Replacement

## Project No. 3-62

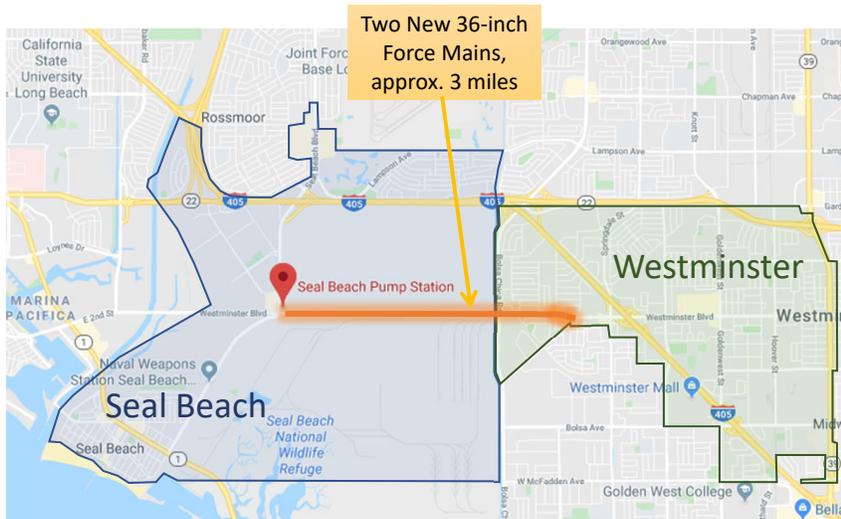
Presented by:  
Raul Cuellar  
Engineering  
Manager

Steering  
Committee  
April 26, 2023



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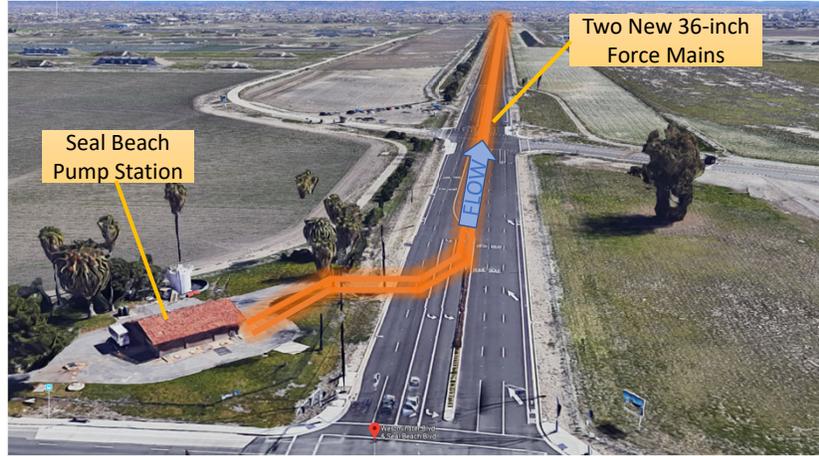
## Location: Seal Beach & Westminster



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## City of Seal Beach



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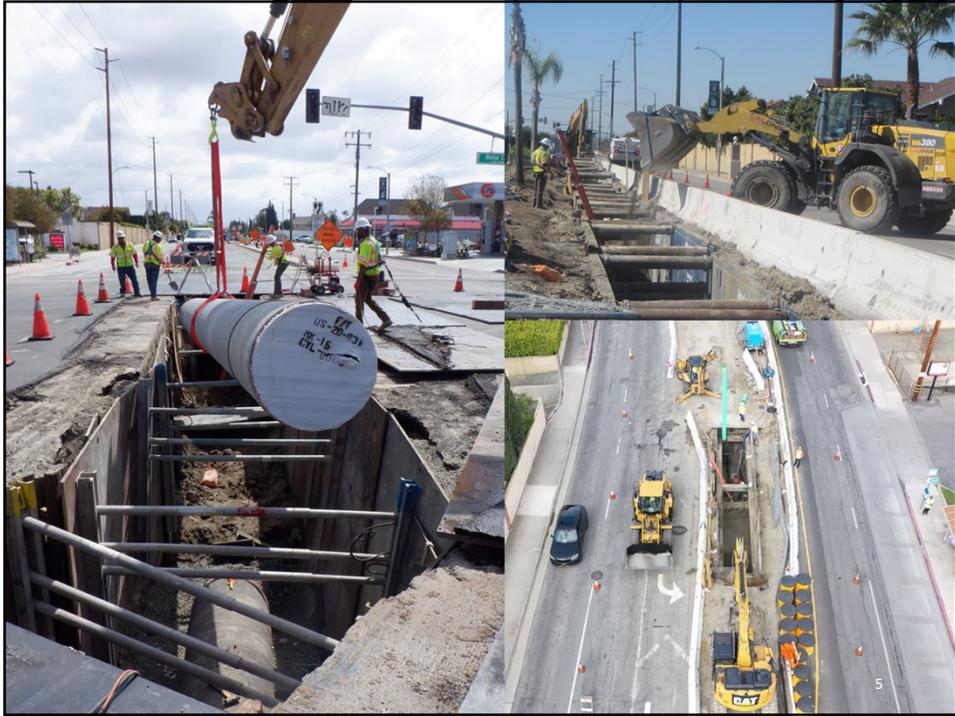
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## City of Westminster



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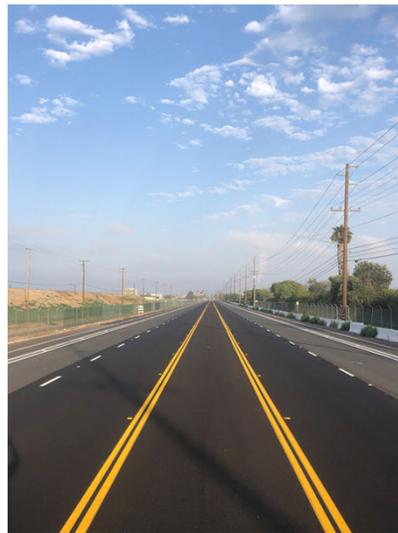
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## Final Closeout

- Substantial completion achieved
- Facilities in service
- Major pavement restoration is complete
- Remaining work:
  - ✓ Complete remaining bike lane restoration
  - ✓ Punchlist work
  - ✓ Resolve outstanding change orders



8

8

## Major Construction Changes

- Asphalt repairs & restoration
  - ✓ OC 405 heavy traffic detours
  - ✓ Wet weather conditions early 2023
- Unknown conditions (utilities & obstructions)
- City permit / inspection fees
- Coordination for future Seal Beach Pump Station replacement
  - ✓ Isolation valves
  - ✓ Fire hydrant



9

9

## Bike Lane Damage



Temporary Bike Lane



Damage after Construction

10

10

## Schedule

Milestone	Original Contract Date	Actual / Forecasted Date
Notice to Proceed	1/27/2020	-
Milestone 1: Substantial Completion	7/2/2022	3/31/2023
Milestone 2: Final Completion	9/30/2022	6/29/2023

- Schedule impacts due to:
  - ✓ Unknown conditions
  - ✓ Pavement restoration
  - ✓ Coordination for future Seal Beach Pump Station replacement
  - ✓ 6 month no work wet weather restriction per Contract
  - ✓ Wet weather delays in early 2023

11

11

## Construction Contingency Request

**Original Contract = \$27,743,000**

Description	Amount
Original Board Authorized Contingency (10%)	\$ 2,774,300
Change Orders to Date	\$ (2,478,213)
Remaining Contingency	\$ 296,087
<b>Contingency Increase Request (4%)</b>	<b>\$ 1,109,720</b>

**Total Requested Contingency = \$3,884,020 (14%)**

12

12

## Project Budget Request

**Original Project Budget = \$43,000,000**

Description	Amount
Construction Contingency Increase Request	\$ 1,100,000
Available Project Contingency	\$ (200,000)
<b>Project Budget Increase Request</b>	<b>\$ 900,000</b>

**Total Requested Project Budget = \$43,900,000**

13

13

## Recommendation

Recommend to the Board of Directors to:

- A. Approve a project budget increase of \$900,000 for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a new total project budget of \$43,900,000; and
- B. Approve a contingency increase of \$1,109,720 (4%) to the existing Construction Agreement with Teichert Energy & Utilities Group, Inc. for Westminster Boulevard Force Main Replacement, Project No. 3-62, for a new total contingency amount of \$3,884,020 (14%).

14

14

**Questions**

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15



# BOARD OF DIRECTORS

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

## Agenda Report

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**File #:** 2023-2875

**Agenda Date:** 4/26/2023

**Agenda Item No:** 18.

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**FROM:** Robert Thompson, General Manager

**SUBJECT:**

### STRATEGIC PLANNING

### GENERAL MANAGER'S RECOMMENDATION

#### RECOMMENDATION:

Information Only.

### BACKGROUND

The Orange County Sanitation District (OC San) is updating its Strategic Plan. The Strategic Plan is a policy level roadmap which defines the future desired state of the agency and lays out initiatives to move toward that desired state.

There are 15 individual policy areas which comprise the overall Strategic Plan. The policy statements were developed by Executive Management based on input previously provided by Board Members and staff. Board of Directors input is critical to the development and updating of the Strategic Plan. Staff will provide a brief overview of the policy areas from the 2021 Strategic Plan:

- Budget Control and Fiscal Discipline
- Cybersecurity
- Water Reuse
- Biosolids Management
- Environmental Water Quality, Stormwater Management, and Urban Runoff
- Constituents of Emerging Concern
- Food Waste Treatment
- Property Management
- Organizational Advocacy and Outreach
- Asset Management
- Energy Independence
- Climate and Catastrophic Event Resilience
- Chemical Sustainability
- Resilient Staffing
- Safety and Physical Security

Staff intends to receive input from the Board of Directors through the summer, update the policies, and compile them into a draft plan in September. The completed Strategic Plan is scheduled for formal adoption in November of this year. The adopted Strategic Plan will be the basis of Fiscal Year 2024-25 and 2025-26 budget development.

### **RELEVANT STANDARDS**

- Build brand, trust, and support with policy makers and community leaders
- Make it easy for people to understand OC San's roles and value to the community

### **PROBLEM**

The Strategic Plan needs to be updated to ensure its relevancy.

### **PROPOSED SOLUTION**

Solicit and incorporate the Board of Directors' input in the development of the proposed Strategic Plan document.

### **PRIOR COMMITTEE/BOARD ACTIONS**

November 2021 - Adopted the OC San Strategic Plan 2021.

### **ADDITIONAL INFORMATION**

The adopted Strategic Plan will be the basis of Fiscal Year 2024-25 and 2025-26 budget development and for the General Manager's Fiscal Year 2024-25 Work Plan. Attached to this report is the General Manager's Fiscal Year 2022-2023 Work Plan for illustration purposes.

### **CEQA**

N/A

### **ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- OC San Strategic Plan 2021
- General Manager's Fiscal Year 2022-2023 Work Plan
- Presentation

ORANGE COUNTY SANITATION DISTRICT

# Strategic Plan '21





## Table of Contents

Board of Directors	4
Message from the General Manager	5
Executive Summary	6
Our Mission and Vision	9
Core Values	10
Levels of Service	12
Risk Register	14
Policy Areas	15

## Appendix

### Business Principles

Budget Control and Fiscal Discipline Policy	24
Asset Management Policy	28
Cybersecurity Policy	31
Property Management Policy	34
Organizational Advocacy and Outreach Policy	36

### Environmental Stewardship

Energy Independence Policy	41
Climate and Catastrophic Event Resilience Policy	44
Food Waste Treatment Policy	48
Water Reuse Policy	52
Environmental Water Quality, Stormwater Management, and Urban Runoff Policy	55

### Wastewater Management

Chemical Sustainability Policy	60
Biosolids Management Policy	64
Constituents of Emerging Concern Policy	68

### Workforce Environment

Resilient Staffing Policy	73
Safety and Physical Security Policy	78

## Board of Directors

### CITIES

Anaheim  
Brea  
Buena Park  
Cypress  
Fountain Valley  
Fullerton  
Garden Grove  
Huntington Beach  
Irvine  
La Habra  
La Palma  
Los Alamitos  
Newport Beach  
Orange  
Placentia  
Santa Ana  
Seal Beach  
Stanton  
Tustin  
Villa Park

### AGENCIES

Costa Mesa Sanitary District  
Midway City Sanitary District  
Irvine Ranch Water District  
Yorba Linda Water District  
Member of the Board  
of Supervisors

### ACTIVE DIRECTOR

Stephen Faessel  
Glenn Parker  
Art Brown  
Paulo Morales  
Patrick Harper  
Jesus J. Silva  
Steve Jones  
Kim Carr  
Anthony Kuo  
Rose Espinoza  
Marshall Goodman  
Mark Chirco  
Brad Avery  
Kim Nichols  
Chad Wanke  
Johnathan Ryan Hernandez  
Sandra Massa-Lavitt  
David Shawver  
Ryan Gallagher  
Chad Zimmerman

Robert Ooten  
Andrew Nguyen  
John Withers  
Brooke Jones  
  
Doug Chaffee

### ALTERNATE DIRECTOR

Jose Diaz  
Steven Vargas  
Connor Traut  
Anne Hertz  
Glenn Grandis  
Nick Dunlap  
John O'Neill  
Dan Kalmick  
Farrah N. Khan  
Jose Medrano  
Nitesh Patel  
Ron Bates  
Joy Brenner  
Chip Monaco  
Ward Smith  
Nelida Mendoza  
Schelly Sustarsic  
Carol Warren  
Austin Lumbard  
Robert Collacott

Art Perry  
Sergio Contreras  
Douglas Reinhart  
Phil Hawkins  
  
Donald P. Wagner

## Message from the GM

The Orange County Sanitation District's (OC San) resilience and preparedness have been clearly demonstrated over the past year and a half as we continued to deliver our mission to protect public health and the environment, while also planning for the future.

Working through the COVID-19 pandemic, we continued to move forward, making progress on the strategies set by our Board of Directors in our previous Strategic Plans. We even adopted a new logo and name that is reflective of our innovation and culture, changing from OCSD to OC San.

This Strategic Plan, which sets the course for our agency for the next few years, is the result of a Board of Directors-driven planning process. The plan is reviewed and updated every two years to verify and validate whether the issues, policies, and initiatives are still relevant and appropriate. This year's update coincided with the addition of eleven new Board Members.

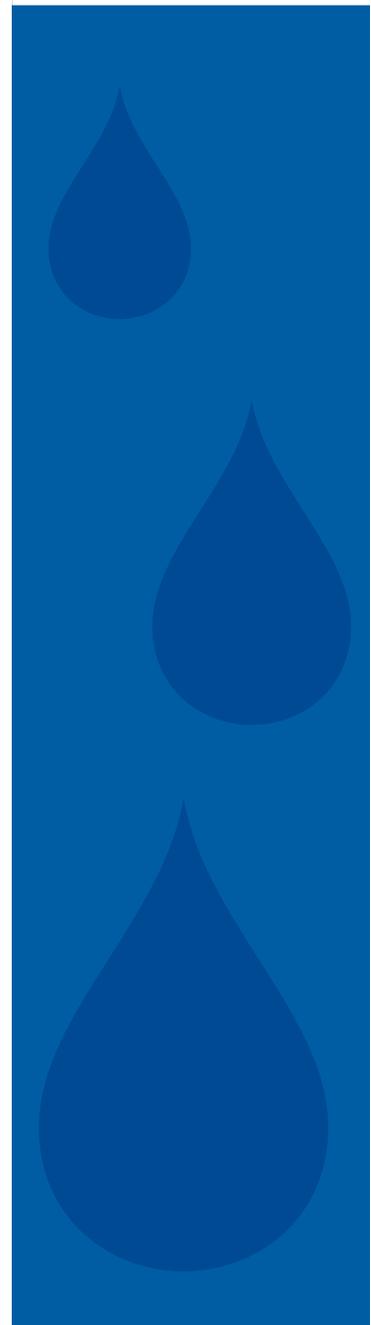
While it may have seemed like inopportune timing to update a plan of this nature, it was actually a great opportunity. The process allowed the new members to become engaged in the important strategic issues facing OC San. This fresh set of eyes created greater clarity and validated the issues and topics being addressed. The Board's direct input into the Strategic Plan has also created organizational alignment ensuring that staff's efforts are in line with the Board's priorities.

I would like to thank our former Board Members for their vision and guidance that set the course we are on today, and our current Board for their trust and confidence giving us the opportunity to grow and excel as we strive to provide industry leading service.

Sincerely,



James D. Herberg  
General Manager



## Strategic Plan Executive Summary

The Orange County Sanitation District (OC San) is a resource recovery agency focused on providing reliable and cost-effective public services. OC San uses a two-year, four-step management process that creates and maintains vision alignment between the Board of Directors, staff, and the public we serve. It all begins with a Strategic Plan developed by the Board and staff that provides guidance and direction for long-term financial, capital, and operational efforts.

Strategic planning is the first step to define OC San’s ability to have people and assets in place to meet its agreed upon mission. The second step is budget development. The budget document lays out the tactical

planning and resource allocation based on the adopted Strategic Plan. The third step is budget execution which is the day in and day out delivery of services to the public we serve. The final step is reporting on our level of service delivery and goal attainment.

These four steps are repeated every two years to maintain alignment and adjust based on Board Member input, legal and regulatory changes, and the needs of the communities we serve. This management system is intended to carry on over the course of transitioning Board Members and staff to deliver resilient daily services and morph our facilities and systems over time to meet new challenges facing Orange County.



The policy areas from the 2019 Strategic Plan were evaluated and determined to be relevant today, slight modifications were made to address new findings or continue to advance the original goal with new initiatives. We are continuing with four broad categories with 15 policy areas that define our role in the wastewater environment for Orange County.

**The areas are:**

**Business Principles**

- Budget Control and Fiscal Discipline
- Asset Management
- Cybersecurity
- Property Management
- Organizational Advocacy and Outreach

**Environmental Stewardship**

- Energy Independence
- Climate and Catastrophic Event Resiliency
- Food Waste Treatment
- Water Reuse
- Environmental Water Quality, Stormwater Management and Urban Runoff

**Wastewater Management**

- Chemical Sustainability
- Biosolids Management
- Constituents of Emerging Concern

**Workplace Environment**

- Resilient Staffing
- Safety and Physical Security

Three workshops were held with the Board of Directors from February to April to introduce and present each area and the corresponding initiatives. Feedback and recommendations were made by the Board leading to revisions of some of the proposed initiatives for each area.

During these workshops, a fifteenth topic was introduced to reinforce the importance of

transparency and communication with our public. Organizational Advocacy and Outreach was added under the category of Business Principles. While OC San already has active communication efforts and programs in place, including it in the Strategic Plan emphasizes to our stakeholders the importance we place on keeping our community informed and involved.

Based on direction from the Board, the Strategic Plan policy papers were finalized and included in the appendix of this report. Each paper includes a policy statement, background information, the current situation, and initiatives to reach the policy goal.

The topics covered in this report will trickle down to supporting documents such as the Budget and General Manager's Work Plan. The work plan is where we will note measurable results on each goal and the supporting initiatives.

As part of the Strategic Plan, the agency's Core Values, and Levels of Service (LOS) were also updated to be reflective of the current status of OC San. The Core Values are intended to reflect and guide the culture practiced at OC San. Our LOS are our commitment to our various stakeholders; that includes the public, regulators, our Board, and our employees. As regulations change, technology advances, expectations change, so must our service to the public. Our LOS were updated to more closely align with the Strategic Plan. They reflect our promise to the public to protect public health and the environment by providing them with state-of-the-art service. OC San's Risk Register was also reviewed and updated to capture the appropriate areas of concern as well as our action plan to mitigate those risks.



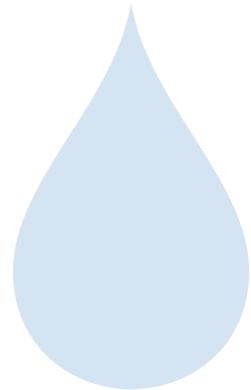
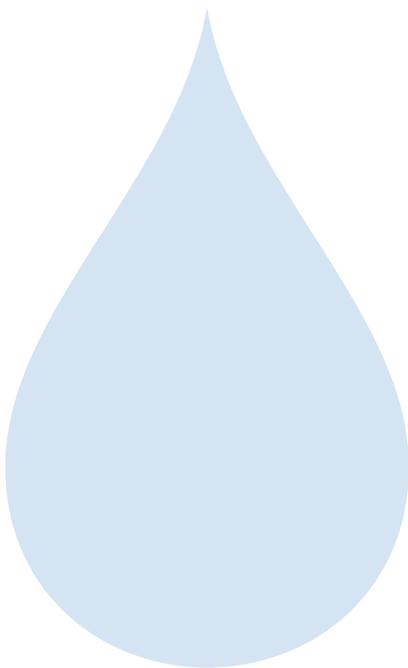
## Our Mission

*“To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.”*

## Our Vision

### **ORANGE COUNTY SANITATION DISTRICT WILL BE A LEADER IN:**

- Providing reliable, responsive, and affordable services in line with customer needs and expectations.
- Protecting public health and the environment utilizing all practical and effective means for wastewater, energy, and solids resource recovery.
- Continually seeking efficiencies to ensure that the public’s money is wisely spent.
- Communicating our mission and strategies with those we serve and all other stakeholders.
- Partnering with others to benefit our customers, this region, and our industry.
- Creating the best possible workforce in terms of safety, productivity, customer service, and training.



## Core Values

OC San's Core Values support the Mission and Vision Statements by expressing the values, beliefs, and philosophy that guides the agency's daily actions. They help form the framework of the organization and reinforce a professional work ethic. The Core Values were updated this year as part of the overall Strategic Plan update to reflect the agency and workforce we are today. These Core Values more accurately express the philosophy and practice of OC San's workforce.

### **Integrity, Inclusion, Honesty, and Respect**

We aspire to the highest degree of integrity, inclusion, honesty, and respect in our interaction with each other, our suppliers, our customers, and our community. We strive to demonstrate these values in our actions, commitments, and service.

### **Leadership, Teamwork, and Problem Solving**

We lead by example, acknowledging the value of our resources and using them wisely to achieve our mission. We strive to reach OC San goals through cooperative efforts and collaboration with each other and our constituencies. We work to solve problems in a creative, cost-effective, and safe manner, and we acknowledge team and individual efforts.

### **Customer Service, Transparency, and Accountability**

We are committed to acting in a timely, accurate, accessible, and transparent manner through excellent customer service. We are committed to act in the best interest of our internal and external stakeholders.

### **Resiliency, Innovation, and Learning**

We continuously develop ourselves, enhancing our talents, skills, and abilities. We recognize that only through personal growth and development will we progress as an agency and as individuals.

### **Safety**

We are committed to providing a safe work environment. We will demonstrate leadership, promote individual accountability, and participate actively in the advancement of our health and safety practices.





## Levels of Service

OC San's Levels of Service (LOS) are the commitment made to our rate payers, regulators, employees, and the Board of Directors on our operational efforts. The LOS have been updated from last year to better align with the Strategic Plan and showcase how the initiatives are being implemented and monitored.

ENVIRONMENTAL STEWARDSHIP	LEVELS OF SERVICE
<b>OC San will protect public health and the environment.</b>	
• Compliance with Ocean Discharge Permit	100%
• Dry weather urban runoff collected and treated	Up to 10 MGD
• Major non-conformance audit findings	<5 per permit per audit
• Respond to corrective actions within regulatory timeline for air, solids, and water compliance audits	100%
• Comply with Fleet Air Emission Regulations	100%
• Number of odor complaints under normal operations	< 5 events per treatment plant < 12 events for collection system
• Sanitary Sewer Spills per 100 miles	<2.1
• Compliance with core industrial pretreatment requirements	100%
<b>OC San's effluent, solids and biogas will be recycled.</b>	
• Provide specification effluent to Groundwater Replenishment System	100%
• Beneficially reuse biosolids during normal operations	100%
WASTEWATER MANAGEMENT	
<b>OC San will be a good neighbor and will be responsive to its customers.</b>	
• Respond to collection system spills within one hour of notification	100%
• Respond to odor complaints	Within 1 hour in plants Within 24 hours in collection system
• Respond to public complaints or inquiries regarding construction within 24 hours	100%
• Respond to biosolids contractor violations within one week of violation notice	100%
• Respond to Public Records Act requests within the statutory requirements	Within 10 days
• Dig alert response within 48 hours	100%

<b>OC San will manage its assets to ensure reliability and security.</b>	
• Cybersecurity event monitoring and incident handling, percent successful	>87%
• Annual real property assessments/inspections	25% of properties
• Annual Inspection, documentation, and evaluation of collection system	70 miles of sewers 880 manholes
<b>BUSINESS PRINCIPLES</b>	
<b>OC San will exercise sound financial management.</b>	
• Annual user fees sufficient to cover 100% of O&M Budget	100%
• Collection, treatment, and disposal costs per million gallons	Within 10% of budget
• Maintain Credit Rating* (Moody's, Fitch, S&P)	AAA
<b>WORKPLACE ENVIRONMENT</b>	
<b>OC San will provide a safe, productive workplace.</b>	
• Employee injury incident rate per 100 employees	<4.4
• Annual days away from work, restricted activity, or job transfer resulting from a work-related injury	<2.5
• Annual training hours per employee	45 hours

\*As of 2021

## Risk Register

The Risk Register is a biennial report that is prepared for management to use as a reference in the daily activities of OC San and in the preparation and support of the Strategic Plan and General Manager's Work Plan. It provides an overview, from an internal perspective, of OC San's risks as identified by the Executive Management Team and Managers.

The 2021 Risk Register was developed by conducting two types of analysis:

- Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis focusing on internal areas that OC San actions can directly impact.
- Political, Economic, Social, and Technology (PEST) Analysis recognizing outside influences that OC San needs to be aware of and may affect OC San operations.

The results from the analysis were further explored to identify possible solutions and level of priority and concern. Due to the nature of the information, specific details are limited to reduce OC San risk.

The risks fell across the board with many of the top concerns having to do with staffing and succession management, cybersecurity, supply chain issues, and operating concerns.

The opportunities included asset management, staffing and succession management, working with other agencies, and technology.

The information included in the 2021 Risk Register is a resource for management. It is part of an effort to maintain and improve the operation and status of OC San going forward.



## Policy Areas

The Strategic Plan is broken down into four categories with 15 topic areas. Below are the policy statements and corresponding initiatives to achieve the goals of the plan. The complete policy papers can be found in the appendix.

### **BUSINESS PRINCIPLES**

#### **Budget Control and Fiscal Discipline POLICY STATEMENT**

OC San will prudently manage the public funds that it collects. It will take a long-term planning approach to its facilities and rate setting that provides a stable setting program, prudent reserves, and pay-as-you-go philosophy for operating and replacement capital expenses.

#### **Initiatives**

- Maintain a stable and fiscally responsible financial plan that is based on long-term planning which supports stable rate setting and a pay-as-you-go philosophy for operating and replacement capital expenses.
- Maintain the current investment policy that prioritizes safety, liquidity and return on investment, in that order.
- Maintain a long-term debt program that will pay off all existing debt issuances by 2044 and avoid new debt to support existing facilities.
- Maintain all Post Employment Benefit funding levels between 95% and 105% while minimizing and/or eliminating Unfunded Actuarially Accrued Liabilities.

#### **Asset Management POLICY STATEMENT**

OC San will assess and manage the collection system and treatment plant systems and assets to improve resilience and reliability while lowering lifecycle costs. This will be accomplished through adaptive operation, coordinated maintenance and condition assessment, and planned capital

investment. Staff will balance maintenance, refurbishment, and replacement strategies to maximize useful life, system availability and efficiency.

#### **Initiatives**

- Create an annual Asset Management Plan documenting the condition of the collection system and treatment plants, and upcoming maintenance or capital projects.
- Coordinate the efforts of operations, collections, mechanical maintenance, electrical maintenance, instrument maintenance and engineering through process teams to assure OC San's resources are focused on the high priority work functions.
- Maintain a 20-year forecast of all CIP projects needed to maintain or upgrade OC San's nearly \$11 billion in assets on a prioritized risk basis to establish rate structures.

#### **Cybersecurity POLICY STATEMENT**

OC San must maintain adequate cybersecurity (information technology security) techniques that protect computer assets, networks, programs, data, and industrial control equipment from unauthorized access or attacks that are aimed for exploitation.

#### **Initiatives**

- Conduct various tabletop exercises to determine the organization's ability to respond to a targeted cyberattack and to improve the quality of the response, should an attack occur.
- Evaluate, enhance, and monitor network security including activities to protect the usability, reliability, integrity, and safety of the network by developing Security Operations Center capabilities that support continuous monitoring and is responsible for the continuous threat protection process.

- Conduct a comprehensive third-party cybersecurity operations assessment (Red Team). A thorough Red Team engagement will expose vulnerabilities and risks regarding:

**Technology** — Networks, applications, routers, switches, appliances, etc.

**People** — Staff, independent contractors, departments, business partners, etc.

**Physical** — Offices, warehouses, substations, data centers, buildings, etc.

### **Property Management POLICY STATEMENT**

OC San owns and operates assets throughout its service area located in property owned in fee, through easements, and in the public right-of-way. OC San will identify and protect all of its property rights to assure assets are not encumbered or encroached upon so that the facilities may be properly operated, maintained, upgraded, and replaced.

#### **Initiatives**

- Review property rights to identify encroachments or encumbrances that restrict operation, maintenance, inspection, or emergency repair access.
- Work with identified parties to remove encroachments or encumbrances.
- Consolidate real estate and property management activities to maximize its resources and effectiveness.
- Augment OC San resources with contracted specialized real estate services to limit the need for additional staffing.

### **Organizational Advocacy and Outreach POLICY STATEMENT**

OC San will create and disseminate information to our stakeholders with an end goal to educate, inform, and garner support for the services provided thus allowing us to operate in a more efficient and effective manner. OC San will deliver messages that are accurate, transparent, and designed to foster

public trust and confidence. Additionally, following legislative oversight will ensure OC San’s interests are explained and protected.

#### **Initiatives**

- Relaunch the Vendor Outreach Program with a focus on Orange County firms to enhance the competitive bidding opportunities for OC San. This effort will increase the number of vendor and contractors soliciting OC San projects thus expanding the pool and providing a greater variety of partners.
- Develop an outreach program for member agencies regarding inflow and infiltration issues within their sewer system. The program will aim to educate, inform, and reduce inflow and infiltration affecting the local and regional sewer system.
- Develop an educational display in the Headquarters building to illustrate OC San’s reuse and recycling efforts in support of the environment and public health. Display to be revealed when new building is unveiled.
- Commemorate OC San’s achievement of reusing 100 percent of the reclaimable flow upon completion of the Groundwater Replenishment System’s Final Expansion. Celebrate the milestone and acknowledge the accomplishment with staff and stakeholders.
- Actively monitor and engage regulatory and legislative activity across California and Washington, D.C. And take appropriate action in support of or opposition to, legislative and regulatory initiatives affecting OC San and the wastewater industry. This includes using Monitoring and Analysis, Advocacy Days, Position letters and Funding Requests (as deemed suitable).

## **ENVIRONMENTAL STEWARDSHIP**

### ***Energy Independence*** **POLICY STATEMENT**

OC San will strive to be a net energy exporter. Electrical, thermal, and methane gas generation will be maximized. Energy utilization will be minimized using sound engineering and financial principles.

#### **Initiatives**

- Maximize the anaerobic digestion conversion of organics to methane through receipt of food waste and operational techniques.
- Investigate and install energy storage and photovoltaic systems where practical to achieve energy independence/resilience.
- Continue to support the conversion of biomethane into electricity and heat for process use. Improve systems as necessary to comply with air regulations.
- Pursue technology innovation to reduce energy use, reduce transportation energy impacts, and reduce greenhouse gas impacts.

### ***Climate and Catastrophic Event Resilience Policy*** **POLICY STATEMENT**

OC San aims to design, maintain, and operate valuable wastewater assets that withstand or adapt to adverse conditions in a reasonable manner that is both cost-effective and sustainable for present and future generations. These adverse conditions include drought, heavy rains, flooding, sea level rise, earthquakes, tsunamis, extreme heat, wildfires, pandemic, and electrical grid interruptions.

#### **Initiatives**

- Complete an engineering study of the seismic vulnerabilities of the treatment plants. Incorporate necessary upgrades into future capital improvement projects.
- Complete the biannual high flow exercise to assure readiness for a high flow event.

Maintain a higher level of readiness October 15 through March 15 and in advance of predicted significant rain events.

### ***Food Waste Treatment*** **POLICY STATEMENT**

The State of California limits the volume of organic waste that may be diverted to landfills. OC San will collaborate with the County of Orange, other local agencies, and waste haulers to find ways to beneficially reuse food waste, a type of organic waste, to assist cities in our service area in meeting their diversion requirements while increasing OC San's energy production.

#### **Initiatives**

- OC San will accept a preprocessed food waste slurry from contracted waste haulers that will be fed to existing anaerobic digesters. OC San will charge a tipping fee to offset its costs for capital construction, operations, handling, maintenance, and biosolids disposal.
- Design, build, and operate a food waste receiving station. Create a specification for food waste slurry and contract with solid waste haulers to receive and process food waste.

### ***Water Reuse*** **POLICY STATEMENT**

OC San will seek to beneficially reuse all reclaimable water for potable, industrial, irrigation, and environmental uses.

#### **Initiatives**

- Support the completion of the final phase of the Groundwater Replenishment System and maximize reclaimable wastewater availability to the Orange County Water District.
- Support Green Acres project water production to provide reclaimed water for industrial and irrigation uses.

## ***Environmental Water Quality, Stormwater Management and Urban Runoff*** **POLICY STATEMENT**

OC San will collaborate with regional stakeholders to accept up to ten million gallons per day of dry weather urban runoff at no cost to the dischargers through its permit-based Dry Weather Urban Runoff Diversion Program (DWURD Program). The primary objective of the DWURD Program is to improve water quality in streams, rivers, and beaches in OC San's service area without adversely impacting OC San's occupational safety, collection and treatment systems, reuse initiatives, or permit compliance. Unauthorized discharge of urban runoff to OC San is strictly prohibited.

### **Initiatives**

- Issue dry weather urban runoff connection permits to accept up to a total of ten million gallons per day of controlled discharge of dry weather urban runoff where existing conveyance capacity exists,

and the constituents within the flow will not adversely impact OC San.

- Safeguard OC San's sanitary sewer system against uncontrolled and unregulated discharge by supporting responsible industry practices for flow management and urban runoff pollutant reduction at the source. Utilize OC San's pretreatment expertise to support effective urban runoff best management practices and special purpose discharge requests among OC San's regional stakeholders.
- Conduct a comprehensive study of the feasible opportunities for cooperative projects for urban runoff diversions to OC San to improve water quality and increase water recycling by maximizing the useful capacity of local collection systems, OC San treatment systems, and OCWD recycling and recharge systems.
- Support responsible and practicable urban runoff management and reuse legislations and regulations.



## **WASTEWATER MANAGEMENT**

### ***Chemical Sustainability*** **POLICY STATEMENT**

OC San has a need to use chemicals in its treatment process to improve plant performance, reduce odor and corrosion potential, and meet its regulatory requirements. These commodity chemicals are provided by outside vendors through the purchasing process. Some of these chemicals are subject to price swings due to market condition changes such as energy cost impacts, raw material cost changes, commercial competition changes, and transportation cost volatility. OC San will identify chemicals key to its operation, investigate the market risks for those chemicals and devise strategies to mitigate identified risks to availability and pricing.

#### **Initiative**

- Reduce the exclusive reliance on particular chemicals and individual vendors to establish flexibility to utilize other chemicals/processes to accomplish operational objectives.

### ***Biosolids Management*** **POLICY STATEMENT**

OC San will remain committed to a sustainable biosolids program and will beneficially reuse biosolids in accordance with Resolution No. OC San 13-03 and the 2017 Biosolids Master Plan.

#### **Initiatives**

- Proceed with implementation of new thermophilic biosolids facilities at Plant No. 2 to improve OC San's operational resiliency against seismic events while enhancing biosolids quality and marketability.
- Continue to explore biosolids thermal conversion technology for energy generation and destruction of persistent contaminants.
- Engage with local, state, and federal agencies to ensure that biosolids will continue to be safely and legally used as a soil amendment.
- Stay abreast of new biosolids management options, technologies, and biosolids recycling and renewable energy partnerships in Southern California, with



special emphasis on technologies that address the removal, sequestration, and destruction of contaminants of emerging concern.

### **Constituents of Emerging Concern POLICY STATEMENT**

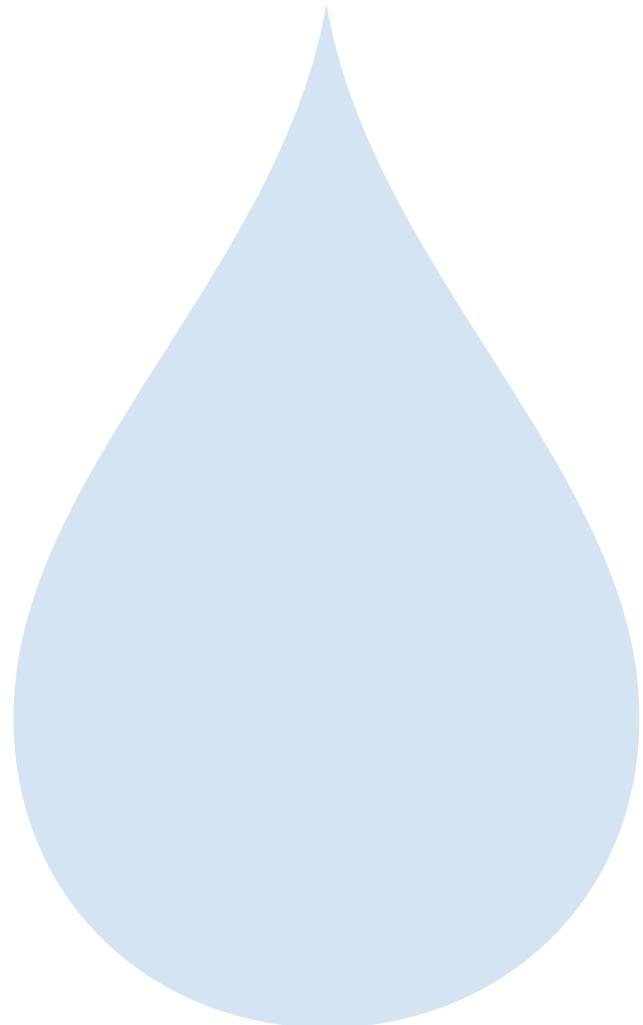
OC San will partner with other agencies, associations, and institutions to support the use of sound science to inform policy and regulatory decisions on constituents (or contaminants) of emerging concern (CECs) at the federal, state, and regional levels. Staff will obtain and maintain current knowledge on CECs under regulatory consideration, including occurrence, analytical methods, regulations, and treatment to support OC San's mission and regulatory compliance.

#### **Initiatives**

- Actively engage water and wastewater stakeholders to stay abreast of the scientific progress and any potential operational and financial impacts of CECs and provide timely briefings to OC San's Executive Management Team and Board of Directors to facilitate informed decision making.
- Develop capacity to identify, detect, quantify, and characterize CEC sources throughout the service area and treatment

process to promote source reduction, treatment effectiveness, communication of credible risks, and responsible reuse and disposal.

- Proactively establish internal expertise and develop laboratory capability to research the potential impact of CECs on beneficial reuse of water and biosolids. OC San will use science-based knowledge to help shape CEC legislation and regulations to protect the public health and environment.
- In the absence of promulgated regulatory limits for specific CECs, OC San will work with regulatory agencies to establish interim source control measures to safeguard its water and biosolids reuse initiatives and ocean discharge against potential adverse impacts.



## **WORKPLACE ENVIRONMENT**

### ***Resilient Staffing*** **POLICY STATEMENT**

OC San will attract and retain high-quality talent to support its mission and continue to be an industry leader. It will safeguard leadership continuity and support effective performance of the organization by proactively monitoring the changing work environment and requirements to ensure employee development programs are relevant and facilitate building a skilled bench of readily available successors for key leadership and mission-critical positions.

#### **Initiatives**

- Maintain and enhance current employee development programs that are in place to provide the direction to identify, develop and select the next generation of prepared, capable, and engaged leaders, which include:
  - Vocational/Professional Student Internship Programs
  - Employee Development Programs
  - Workforce Vulnerability Assessments
  - Talent Readiness Assessments
  - Orange County Sanitation District University (OC San “U”)
- Continue to build the OC San “U” program and evaluate various options to partner with member agencies to share content and interactive development opportunities.
- Continue to build on the employee development opportunities to enhance organizational awareness and strengthening knowledge, skills, and abilities in the areas of OC San business systems, leadership, technology, and communication. Additionally, Human Resources will partner with other member agencies to provide and host training and development programs to foster collaboration and innovation.
- Conduct a Classification & Compensation study to ensure job classifications accurately depict the work being performed, to set

compensation levels accordingly, and stay abreast of market benefit and salary data.

Human Resources and the Board-approved Consultant will work with stakeholders to complete an organization-wide Classification & Compensation Study. It will incorporate feedback on survey agencies solicited from the Board over the past year and union feedback through meet and confer in upcoming labor negotiations.

### ***Safety and Physical Security*** **POLICY STATEMENT**

OC San will ensure the safety and security of employees, contractors and visitors through standard practices, policies, and procedures that support a safe and secure environment, provide an appropriate level of security and safeguard OC San’s property and physical assets.

#### **Initiatives**

##### ***Safety***

- Complete outstanding safety projects, improvements, and corrective actions to apply and obtain Cal/OSHA Voluntary Protection Program (VPP) status; and continue to foster a culture where employees are accountable for their safety as well as the safety of others.

##### ***Emergency Management***

- Support facility and countywide emergency preparedness, response, and recovery efforts by partnering with entities, such as the Water Emergency Response Organization of Orange County (WEROC), Orange County Sheriff’s Department, and local fire departments to plan and continue to conduct disaster preparedness training and exercises.

##### ***Security***

- Continually identify and assess vulnerabilities and implement solutions through the Security Committee and third-party assessments. Prevent/mitigate security breaches using physical security systems such as video monitoring, access control, and armed security patrols.



## APPENDIX



# Business Principles

## Budget Control and Fiscal Discipline Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will prudently manage the public funds that it collects. It will take a long-term planning approach to its facilities and rate setting that provides a stable setting program, prudent reserves, and pay-as-you-go philosophy for operating and replacement capital expenses.

### Background

OC San's annual budget is approximately \$500 million. These funds support OC San's Operating, Capital, and Debt expenditures. OC San focuses its fiscal policy around three distinct areas, (1) Revenues, (2) Portfolio Management and (3) Debt Management and these areas are described in the Budget, Investment Policy and Debt Policy, all of which are updated annually.

### Current Situation

#### 1) Revenues

Most of OC San's revenue is generated by user fees and charges. Currently, OC San fees are in the lower third of its comparison agencies.

OC San's revenues come from three general areas: Fees and Charges (74%), Property Taxes (21%) and other smaller revenue sources (5%).

**Fees and Charges:** User fees are ongoing fees for services paid by Single Family and Multifamily customers connected to the sewer system. Also included in this category are Permit Fees (User fees paid by large industrial and commercial business owners connected to the sewer system and Capital Facility Capacity Charges (CFCC) (a one-time charge imposed at the time a newly constructed building or structure is connected to the OC San system. The OC San policy has been to focus on cost recovery while keeping fees as low as possible.

**Property Taxes:** OC San receives a share of the basic property tax levy proportionate to what was received in the 1976 to 1978 period less \$3.5 million allocated to school districts. These funds are dedicated to the payment of debt service.

**Other Revenue:** Other Revenue includes Interest Earnings, Intra-District Transfers, and small revenue sources.

#### 2) Portfolio Management

The OC San Investment Policy is governed by three tenets:

- A. **Safety:** The safety and preservation of principal is the foremost objective of the investment program. Investments shall be selected in a manner that seeks to ensure the preservation of capital in the overall portfolio. This will be accomplished through a program of diversification and maturity limitations.
- B. **Liquidity:** The investment program will be administered in a manner that will ensure that sufficient funds are available for OC San to meet its reasonably anticipated operating expenditure needs.
- C. **Return on Investments:** OC San's investment portfolio will be structured and managed with the objective of achieving a rate of return throughout budgetary and economic cycles, commensurate with legal, safety, and liquidity considerations.

OC San's investments are separated into two distinct portfolios, Long-term and Short-term, with a primary focus on the Long-term portfolio.

The Long-term portfolio always focuses on four elements: duration, sector allocation, term structure, and security selection.

### **Duration**

- Typically, OC San keeps the duration of a portfolio 'close' to the benchmark duration as we feel the benchmark duration is consistent with the risk tolerance of the strategy.
- The investment policy of OC San stipulates the average duration must not exceed 60 months and be within 80-120% of the benchmark.
- Historically, the deviation of the long-term portfolio versus the benchmark is close to 5%. Large deviations in the duration of the portfolio compared to the benchmark are an anomaly.

### **Sector Allocation**

- OC San takes an active approach to asset allocation, differentiating our holdings versus the benchmark, with typically a modestly higher risk exposure compared to the benchmark.
- Some of the asset classes we find more attractive in the current investing environment include Corporate notes, Asset Backed Securities, and Treasury notes relative to the Agency and Supranational sectors.
- The sector allocation of the portfolio will evolve over time as our outlook for the various eligible investment options changes.

### **Term Structure**

- OC San manages the term structure of the portfolio by focusing on either a bullet, ladder, or barbell structure, relative to the benchmark.
- For most of 2019, the structure was gravitating towards more of a bullet structure in light of the change in the yield curve, with short-term interest rates moving higher at a greater velocity than longer maturity securities.
- Currently, with the yield curve very flat, we are migrating back towards more of a barbell structure, with new purchases focused at the short and long end of the eligible maturity distribution. We also find the middle of the maturity distribution, near the three-year maturity point, to be the most expensive from an absolute and relative value perspective, further supporting the barbell structure.

### **Security Selection**

- Within the Corporate and Asset Backed sector, the Chandler team focuses on adding stable to improving credits to be consistent with the overall investment objective of safety, liquidity, and return.
  - As a Corporate holding becomes more seasoned with a short maturity, it is often utilized as a 'source of funds' to facilitate new holdings in the portfolio.
  - Typically, Asset Backed securities are held to maturity, but in the event of a liquidity need and/or a deteriorating credit situation, we would look to reduce the exposure.

- OC San allocates to the Agency and Supranational asset classes when we find the spread over like maturity Treasury notes to be attractive.
  - Considering the lack of issuance in the Agency sector since the financial crisis, the relative value of the sector has become more challenging.
  - OC San has a core view that the Supranational Asset class should offer a modest spread concession to the Agency sector, and the team is typically active in the sector when the additional spread pick-up is compelling.
- Across all asset classes, OC San will remove exposure to a security that is faced with a deteriorating credit situation and/or trading at an irrational valuation where a swap into an alternative security will be beneficial to the portfolio over a reasonable investment time horizon.

### **3) Debt Management**

Due to the magnitude of the capital improvement program, OC San has utilized a combination of user fees, property taxes and debt to meet its total obligations and maintain generational equity.

It is OC San's policy not to issue any new additional debt for any existing obligations. However, OC San will actively review opportunities to refinance existing debt where possible, provided the new refinancing results in a lower total cost and/or shortens the length of the obligations.

The primary debt financing mechanism used is Certificates of Participation (COP). COPs are a repayment obligation based on lease or installment sale agreements. As of July 1, 2020, the total outstanding COP indebtedness was \$940 million with a blended interest rate of 3.05%. It is anticipated that the debt will be paid off by 2044.

#### **Initiatives to Support Progress Toward the Policy Goal**

- Maintain a stable and fiscally responsible financial plan that is based on long-term planning which supports stable rate setting and a "pay-as-you-go" philosophy for operating and replacement capital expenses.
- Maintain the current investment policy that prioritizes safety, liquidity and return on investment, in that order.
- Maintain a long-term debt program that will pay off all existing debt issuances by 2044 and avoid new debt to support existing facilities.
- Maintain all Post Employment Benefit funding levels between 95% and 105% while minimizing and/or eliminating and Unfunded Actuarially Accrued Liabilities.



## Asset Management Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will assess and manage the collection system and treatment plant systems and assets to improve resilience and reliability while lowering lifecycle costs. This will be accomplished through adaptive operation, coordinated maintenance and condition assessment, and planned capital investment. Staff will balance maintenance, refurbishment, and replacement strategies to maximize useful life, system availability and efficiency.

### Background

OC San is a regional governmental agency principally chartered to protect the public health through collection and treatment of wastewater. The governing Board of Directors has defined this role to include the recovery and utilization of resources from wastewater for the public good as a part of that mission. The environmental impact mitigation of the human activity of 2.6 million people and the natural drainage of the 471 square miles OC San serves is our principal concern.

OC San owns and operates extensive facilities to achieve its mission. OC San estimates the replacement value of the civil, mechanical, and electrical assets in its collection system, Plant No. 1 in Fountain Valley, and Plant No. 2 in Huntington Beach to be nearly \$11 billion. OC San has been building the piping, pumping, and treatment infrastructure it utilizes for more than 65 years. It is necessary to expand, renew, replace, demolish, and rebuild components of the system to deal with wear and tear and meet new challenges.

The early years for OC San were characterized mostly by capacity expansion to meet the challenges of increased flows as the county grew. The late 1970s to the 2000s were more defined by improved levels of treatment. The last ten years have been focused on increasing the level of resource reuse. One of the key success factors for OC San has been the ability to upgrade and repurpose its operating facilities to accomplish high levels of treatment and reuse.

### Current Situation

OC San is a highly planned, forward-looking organization. The collection system and each of the treatment plants are broken down into granular functional parts. Each part is well defined and future requirements are estimated. OC San has a detailed understanding of what is owned, what condition it is in, and how it is capable of performing.

The collection system is made up of independent pipe networks that were installed by the former independent sanitation districts to deliver flow to the joint treatment works. Generally speaking, the natural watershed drainages in the service area are served by major trunk sewer systems. OC San has worked with member city and agency staff to understand future development plans, flow estimates, and has collected historical inflow and infiltration rates during wet weather events to assure adequate flow carrying capability exists in each trunk sewer system. OC San also factors in the effects of drought and lower domestic water usage rates to make sure the sewers operate properly at low-flow rates.

The treatment plants are broken down into the discrete process units that make up the whole. Each plant has a headworks unit that brings in flow and does preliminary treatment, a primary treatment unit which does gravity settling, multiple biological secondary treatment systems, solids handling and dewatering, power generation and distribution utilities, water and air

system utilities, and an outfall system to release treated water to the ocean. Each plant can treat 320 million gallons per day of wet weather flow, but only 185 million gallons total on average is treated. OC San must always maintain the ability to treat both the average flow and peak wet weather flow.

OC San understands that every asset has an expected life. Electrical systems are generally limited by component obsolescence to 20 years of life. Mechanical and coating systems are also generally limited by erosion, corrosion, and wear to 20 years of life. Civil structures and pipes are generally limited to 60 to 80 years of life if maintained on a regular basis.

With this in mind, OC San has created a Facilities Master Plan that plans to renew or replace facilities on this regular basis. Collection system projects are driven by growth projections or condition findings. Pipes are upsized or renewed based on flow projections, corrosion observation, coating system failure, or the ability to increase reclamation. The 15 regional pump stations are renewed on a more frequent basis due to the mechanical wear and tear and electrical component obsolescence needs, about every 25 years.

The master plan for the treatment plants is much more dynamic. In addition to the electrical, mechanical, and civil asset considerations, there is also the need to meet new requirements. The new requirements are driven by regulatory agencies or by the Board of Directors to change a discretionary level of service. Examples include: capacity demands (more water, more solids), lower discharge requirements (lower BOD/TSS to the outfall, lower nutrients to the ocean), more water for reclamation, better energy conversion of solids, and many more. The 2017 Facilities Master Plan took a snapshot in time looking at the anticipated needs and levels of service to lay out a detailed project plan to morph OC San infrastructure over time to meet the expectation. Renewal or replacement projects with costs and schedules were laid out for each individual unit of the treatment plants to address capacity, condition, level of service, and anticipated new regulatory drivers.

### **Future Policy Statement**

OC San will continue to invest in the infrastructure necessary to meet its mission. OC San will seek to provide its required level of service at the minimum lifecycle cost for its collection and treatment systems. The 2017 Master Plan was the snapshot basis of the Capital Improvement Plan, but the Asset Management Plan is the means to update and modify the Capital Improvement Plan to meet new requirements and conditions as time goes by.

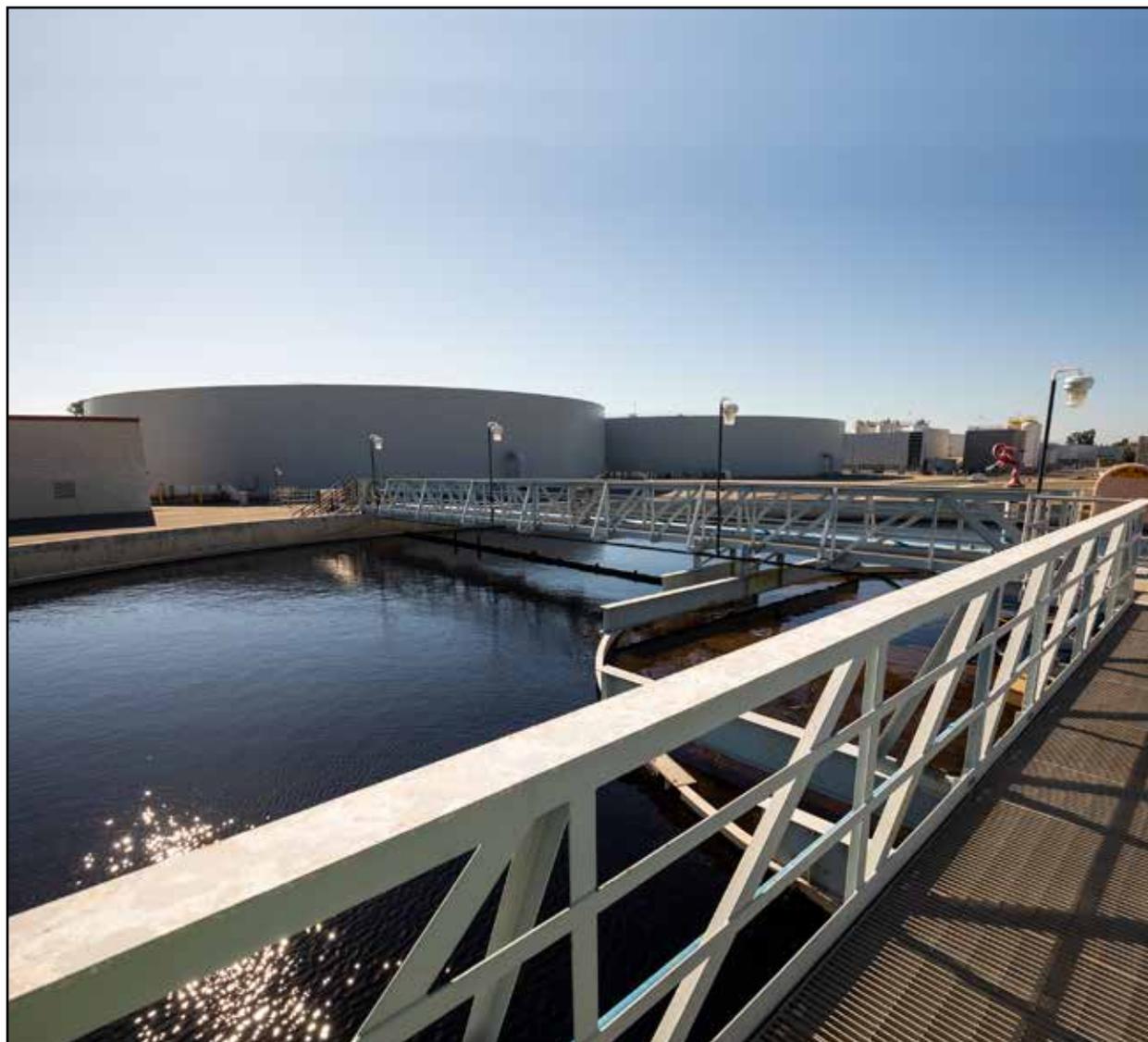
OC San will understand in a transparent way: what it owns, the condition of those assets, the capacity of collections and treatment required, the level of service required by its regulators and Board of Directors and will anticipate new regulations that may require system improvement. This understanding will drive coherent operations, targeted maintenance, and capital investment strategies to assure resilient, lowest lifecycle cost compliance with the requirements.

Operations is committed to optimizing the operation of the systems to extend equipment life and minimize energy and chemical utilization, while meeting all regulatory and level-of-service requirement. Maintenance is committed to maintain the installed assets in a ready state for operations. Maintenance will seek to balance individual component preventive maintenance, repair, and renewal in harmony with the Capital Improvement Program. The Capital Improvement Program is based on the Master Plan, modified by the annual Asset Management Plan, and will execute the projects to install, renew, or replace trunk sewers or treatment plant units on a scheduled basis.

Asset Management at OC San is the living management of the operation strategies, maintenance plans, and implementation of the Capital Improvement Program. OC San will find creative ways to maximize asset life or meet new capacity or level of service goals through operations and maintenance. OC San will annually reassess its condition, capacity, level of service, and regulatory conditions to drive operations and maintenance practices and modify the Capital Improvement Program projects.

### **Initiatives to Support Progress Toward the Policy Goal**

- Create an annual Asset Management Plan documenting the condition of the collection system and treatment plants, and upcoming maintenance or capital projects.
- Coordinate the efforts of operations, collections, mechanical maintenance, electrical maintenance, instrument maintenance and engineering through process teams to assure OC San’s resources are focused on the high priority work functions.
- Maintain a 20-year forecast of all CIP projects needed to maintain or upgrade OC San’s nearly \$11 billion in assets on a prioritized risk basis to establish rate structures.



## Cybersecurity Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) must maintain adequate cybersecurity (information technology security) techniques that protect computer assets, networks, programs, data, and industrial control equipment from unauthorized access or attacks that are aimed for exploitation.

### Background

Developing an effective, sustainable cybersecurity program is a pressing challenge for organizations of all sizes. The reasons behind the scope of the challenge are many. Cyber risk continues to grow at an exponential rate with routine attacks from nation states, criminal elements, hacktivists, and insider threats. The bottom line is cybercrime pays. The booming cybercrime economy is productizing malware and making cybercrime as easy as shopping at Amazon. With this easy access to cybercriminal tools and services, enterprises are experiencing rapid increases in the volume, scale, and sophistication of cyberattacks. Complex and dynamic information security disciplines are subject to continuous changes in the business, technology, and threat environments. Many organizations will struggle to implement security programs that support continuous improvements in this challenging environment.

### Current Situation

OC San has evolved over recent years from dedicating less than half of a position towards cybersecurity, to one position, to currently two full-time positions. OC San's cybersecurity portfolio consists of strategic policy management, defense in depth practices, periodic risk assessments, ongoing awareness communication and operational (e.g., security monitoring and incident response, threat and vulnerability management, user provisioning) processes. For example:

- **Cybersecurity Awareness and Training Program** - OC San understands that our employees are our best line of defense in protecting and defending our enterprise from attack. We have built a comprehensive security awareness program by focusing on four critical functions: phishing attack simulations and reporting, quarterly education requirements, targeted training for IT developers and SCADA engineers, and pervasive communications utilizing internal communication tools.
- **Vulnerability Management** - IT staff subscribe to and monitor security advisories and threat bulletins from Microsoft, US-CERT, ICS-CERT, KnowBe4, Cisco, and other vendors to understand and manage new vulnerabilities. All internet accessible servers and applications are scanned weekly for vulnerabilities and remediated, as necessary. Microsoft operating system and application patches are deployed monthly while third party updates are deployed weekly. We use a vulnerability platform for continuous assessment of our security and compliance posture.
- **Intrusion Detection and Response** - We have implemented several security solutions to be able to detect, prevent and respond to malicious network activity. These include firewalls, intrusion prevent systems, web security gateway, and next-generation anti-malware. In addition, we also have user behavior analysis tools to identify insider threats and ransomware activity.
- **Privileged Access Management Program** - We use a privileged access management solution to remove and manage local administrative rights on workstations/servers to prevent lateral

movement. The solution is also used to protect, control, and monitor privileged access across files and systems.

- **Backup and Restore Capabilities** — IT practices a 3-2-1 backup strategy:

- 3 – Keep three copies of critical data
- 2 – Have your data on two types of media
- 1 – One copy must be offsite and offline

Restores are performed on at least a weekly basis in response to customer incidents. Disaster Recovery Testing is performed monthly by selecting a major system and testing restore capabilities of that system to our secondary treatment facility, as well as our remote site. We sandbox the restores and provide access to our application subject matter experts to conduct application specific testing. These tests are logged and kept for auditing and management purposes.

- **Security Incident Response** — A security incident response plan is an organized approach to handle a cyberattack. We have developed an incident response plan, playbooks, and procedures for various attacks as well as trained IT security staff. In addition, there are external contacts we can call for assistance including the FBI, Department of Homeland Security and organizations that specialize in incident response like Mandiant, Cylance, and Microsoft.
- **Security Assessments** — The purpose of a security assessment is to identify the current security posture of a system, network, or organization. The assessment provides recommendations to improve the security posture by mitigating identified risks. Our goal is to do one or two security assessments per year.

### **Future Policy Statement**

The main objective of our information security program is the establishment of a continuous, iterative regimen of planning, building, running, and governing security capabilities that are derived from business requirements. Our security program cannot be a static entity. It must be adapted and continuously refined to keep pace with the ever-changing threat environment and changes in how OC San adopts digital business practices. Cybersecurity incidents are inevitable. Mistakes and/or a lack of preparation in the response can have serious repercussions. The ability of an organization to respond effectively to a security incident is a direct result of the time spent preparing for such an eventuality. If you fail to prepare, then you effectively prepare to fail. OC San will be prepared. This will be accomplished by the following proposed initiatives.

### **Initiatives to Support Progress Toward the Policy Goal**

- Conduct various tabletop exercises to determine the organization’s ability to respond to a targeted cyberattack and to improve the quality of the response, should an attack occur.
- Evaluate, enhance, and monitor network security including activities to protect the usability, reliability, integrity, and safety of the network by developing Security Operations Center capabilities that support continuous monitoring and is responsible for the continuous threat protection process.
- Conduct a comprehensive third-party cybersecurity operations assessment (Red Team). A thorough Red Team engagement will expose vulnerabilities and risks regarding:
  - Technology — Networks, applications, routers, switches, appliances, etc.
  - People — Staff, independent contractors, departments, business partners, etc.
  - Physical — Offices, warehouses, substations, data centers, buildings, etc.



## Property Management Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) owns and operates assets throughout our service area located in property owned in fee, through easements, and in the public right-of-way. OC San will identify and protect all of its property rights to assure that our assets are not encumbered or encroached upon so that the facilities may be properly operated, maintained, upgraded, and replaced.

### Background

OC San owns and operates more than \$11 billion in assets. A portion of those assets include buildings, easements, rights-of-way, and other encroachments. OC San has recently sold and purchased property to support its efforts. OC San does not maintain expertise in the real estate discipline. Since these transactions are limited and not core to OC San, it has been determined that it is more cost effective to augment OC San resources with contracted specialized real estate services.

### Current Situation

OC San manages its physical property and property rights. Additionally, it manages landscaping, building maintenance, security and building maintenance. OC San staff primarily manages these activities.

### Future Policy Statement

OC San will effectively manage its assets and proactively research and maintain all encroachments, encumbrances, and easements. Many of these activities are not core to OC San's mission. When prudent, OC San will augment resources with contracted specialized real estate and property management services. Although OC San is not in the business of managing property as a revenue enhancement or core activity, it does own and operate millions in physical property and property rights.

### Initiatives to Support Progress Toward the Policy Goal

- Review property rights to identify encroachments or encumbrances that restrict operation, maintenance, inspection, or emergency repair access.
- Work with identified parties to remove encroachments or encumbrances.
- Consolidate real estate and property management activities to maximize resources and effectiveness.
- Augment OC San resources with contracted specialized real estate services to limit the need for additional staffing.



## Organizational Advocacy and Outreach Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will create and disseminate information to our stakeholders with an end goal to educate, inform, and garner support for the services provided, thus allowing us to operate in a more efficient and effective manner. OC San will deliver messages that are accurate, transparent, and designed to foster public trust and confidence. Additionally, following legislative activity will ensure OC San's interests are explained and considered.

### Background

OC San provides regional sewer service for 2.6 million people living, working, and commuting in central and northwest Orange County. The various stakeholders include over 600 employees, 50 local elected officials appointed to our Board of Directors, regulators, policy makers, and the public. It is critical for OC San to have a multi-pronged outreach program to reach the intended audiences and to gain support for OC San's mission.

OC San provides services and tools to effectively communicate about the various programs that help achieve its mission. These programs include:

- **Student Educational Outreach**

Promoting and educating the youth within our service area on OC San's mission and the essential services provided. Reaching out to students allows for future generations to be aware of the environmental impact we each make and what we can accomplish working together. This knowledge will help our future generations to take action and make positive changes. It also introduces them to an industry they may be unaware of as a career choice. We do this through programs such as Inside the Outdoors which goes directly into classrooms to teach the wastewater treatment process; school-based plant tours that give them an inside view into a treatment plant and how the system works; events such as the Youth Environmental Summit (YES) which provides an opportunity to reach thousands of local children in a short amount of time with clear and direct messaging; and contests such as the Public Service Announcement, which is an incentive for students to get involved in developing messages for environmental issues.

- **Infrastructure Outreach**

OC San has \$11 billion in infrastructure that must be designed, operated, maintained, replaced, and enhanced to continue providing the essential service of protecting public health and the environment. Forming a positive presence in the community prior to the start of construction projects or maintenance activities is imperative to build trust, understanding, and support for the necessary construction. This is done through an extensive outreach program that develops and implements communication tools, such as dedicated Community Liaisons, construction webpages, collateral material, and presentations, to engage the communities affected by OC San Construction projects. Over the next fiscal year about two dozen projects will be in construction with various degrees of public impacts.

- **Employee Engagement**

Open and honest communication with our employees creates a positive and trusting environment, thus resulting in a more engaged workforce and ambassadors for our

agency. OC San creates employee engagement by utilizing various communication methods to share agency-wide messages. A diverse toolkit of communication pieces allows messages to be delivered to over 600 staff with various professional backgrounds, work shifts, work locations, and access to online materials. This toolkit of communication pieces includes The San Box (intranet), *Pipeline* Newsletter, Digester (messaging piece), Three Things to Know email, etc.

- **Brand Recognition**

As an industry leader, OC San must ensure its brand and image are portrayed accurately and positively. A cohesive voice, message, look, and feel are critical to maintaining a positive public perception and the trust granted to us by the community we serve and the stakeholders we work with. To build and maintain a positive image, we engage in general outreach efforts such as plant tours; community newsletters; a Speakers Bureau Program (which allows us to go into the community and meet with various groups to inform them of who we are and what we do); an informative and educational website, an active social media presence; and the development of programs such as Wastewater 101 Academy which provides an opportunity to showcase OC San's operations and initiatives for our ratepayers, fellow agencies, and influential public.

- **Regulatory and Legislative Advocacy**

OC San also recognizes the need for an active regulatory and legislative advocacy program at the local, state, and federal levels to ensure that the interests of the rate payers and the Board of Directors are communicated, understood, and supported. Towards this end, the legislative and regulatory team actively monitors and engages officials across California and in Washington, D.C., and takes appropriate action in support of, or opposition to, legislative and regulatory initiatives.

## **Current Situation**

OC San is an industry leader involved in innovative and significant programs. However, it is most often seen as a silent utility due to its consistent attainment of its mission. News coverage for a wastewater resource recovery agency is most often about a mission failure. People tend not to think about their wastewater or where it goes until a beach is closed or a spill occurs.

In addition, OC San has no direct connection to its rate payers. User fees are paid via property tax bills thus eliminating an opportunity to reach our customers directly. This ultimately results in a limited understanding of OC San, what we do, and the important service provided to the community.

To that extent, OC San's outreach efforts are imperative to positively inform and educate the public we serve about the value we provide, including policy makers and regulators.

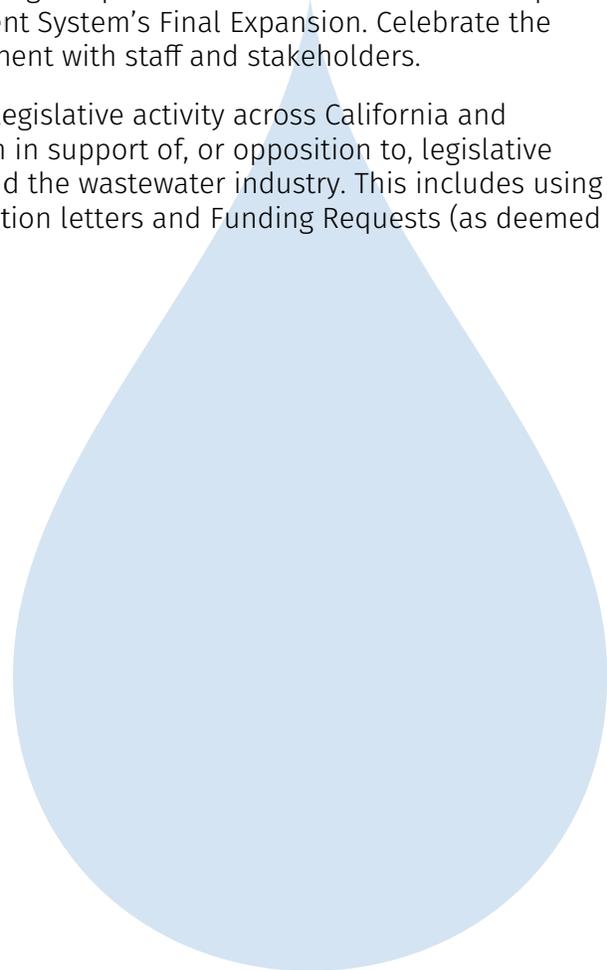
## **Future Policy Statement**

OC San will creatively and effectively develop communication tools and tactics to inform and educate our various stakeholders. As a silent utility, it is imperative that OC San connect with the public we serve in a clear and transparent way to create a bank of trust, and garner support for the programs that allow us to continue protecting the public health and the environment.

OC San will maintain an active legislative and regulatory outreach program to help inform and guide leaders to ensure the wastewater industry is able to protect the public health and environment in a cost-effective way.

### **Initiatives to Support Progress Toward the Policy Goal**

- Relaunch the Vendor Outreach Program with a focus on Orange County firms to enhance the competitive bidding opportunities for OC San. This effort will increase the number of vendors and contractors soliciting OC San projects, thus expanding the pool of service providers thus generating a greater variety of partners.
- Develop an outreach program for member agencies regarding inflow and infiltration issues within their sewer systems. The program will aim to educate, inform, and reduce inflow and infiltration affecting the local and regional sewer system.
- Develop an educational display in the Headquarters building to illustrate OC San's reuse and recycling efforts in support of the environment and public health. Display to be revealed when new building is unveiled.
- Commemorate OC San's achievement of reusing 100 percent of the reclaimable flow upon completion of the Groundwater Replenishment System's Final Expansion. Celebrate the milestone and acknowledge the accomplishment with staff and stakeholders.
- Actively monitor and engage regulatory and legislative activity across California and Washington, D.C., and take appropriate action in support of, or opposition to, legislative and regulatory initiatives affecting OC San and the wastewater industry. This includes using Monitoring and Analysis, Advocacy Days, Position letters and Funding Requests (as deemed suitable).







# Environmental Stewardship

## Energy Independence Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will strive to be a net energy exporter. Electrical, thermal, and methane gas generation will be maximized. Energy utilization will be minimized using sound engineering and financial principles.

### Background

OC San must balance the impacts of its operation between land, air, and water. For example, as a water focused utility, OC San seeks to produce the cleanest water possible to minimize the impacts of human activity on the ocean, as well as to renew freshwater resources for further domestic and commercial use. A natural result of cleaning this water is the separation and concentration of constituent solid and gaseous materials. These solid and gaseous products can impact land and air. The balance of impact on land, air, and water are shifted by application or creation of energy through chemical, biological, or thermal conversion techniques.

OC San is also committed to being a good neighbor. As such, significant amounts of energy are spent capturing and converting odorous air and vapor streams. OC San has pursued a comprehensive program to cover and seal its liquid and solid processes. Air streams are ducted to large fans which move thousands of cubic feet of foul air per minute through chemical, biological, and activated carbon beds to scrub the air of odorants that are regulated or may be perceived as a nuisance by the community.

OC San has utilized an anaerobic digestion process that relies on biological conversion of solid organic material to methane and carbon dioxide gas or Biogas. The Biogas is converted to electrical and heat energy in power plants for internal use. OC San's secondary treatment system is another example of using energy to convert water impacts to air emissions. Approximately 23% of OC San's energy usage within the treatment process is devoted to aerating water so biological agents can convert soluble organic material to nitrogen and carbon dioxide. The generation of energy itself creates an impact on the environment in air and thermal emissions.

### Current Situation

The potential exists to further shift environmental impacts between land, air, and water through the utilization of energy. OC San is an environmental steward that seeks to balance and minimize overall impact by efficiently utilizing the energy inputs to its processes and maximizing the harvesting of energy available in the incoming wastewater.

On the energy use side of the ledger, OC San invests prudently in lifecycle energy efficiency to minimize the use of energy to achieve its mission. Pumping systems to lift water and move material are premium efficiency. Thermal energy is harvested from power production for use in the process and to heat and cool occupied buildings. Aeration compressors and diffusers are selected by overall efficiency. Lighting systems are upgraded over time to more efficient technologies and lighting levels are balanced between safety and security needs versus energy utilization and light pollution concerns. Facility designers and operators make careful choices regarding the utilization of every watt of electricity, British Thermal Unit of heat, and therm of gas consumed.

On the energy generation side of the ledger, OC San seeks to maximize the internal creation of energy. The primary source of energy creation is in Biogas. Organic solids collected and concentrated in the water treatment processes are converted biologically to Biogas composed of 65% methane, 34% carbon dioxide, and other trace constituents. OC San has been using this technology since the 1950s. Research has been ongoing since that time to maximize the production of digester gas. Some of the areas of research include improved mixing and

heating; improved feeding; chemical addition to limit trace pollutant production; introduction of food waste; injection of fats, oils, and grease; and cell lysing.

OC San cleans the Biogas and converts this Biogas into electricity, heat, and exhaust gas. The exhaust gas is regulated even more tightly for nitrogen compounds, carbon monoxide, particulates, and volatile organic compounds which require costly and performance degrading engine control technologies. This is another example of an air impact/energy trade off. These internal systems of energy harvesting provide roughly 66% of OC San's electrical demand and 92% of OC San's thermal demand in the treatment plants. OC San can shift the digester gas between treatment plants via an interplant pipeline and has roughly eight megawatts of additional generation capacity if more gas is produced.

In addition, OC San has installed electrical battery storage capacity. This system is primarily in place to lower operating cost by importing electricity for charging during low-cost nighttime hours and discharging that energy for process use during peak-cost hours. The slight energy loss due to system inefficiencies is outweighed by the cost savings and benefit to the region by lowering the peak demand of OC San by up to five megawatts.

### **Future Policy Statement**

OC San seeks to be energy independent by self-generating all the electrical and thermal energy necessary to sustain its operations. This will be accomplished by economically minimizing its utilization requirements and maximizing energy harvested from the wastewater it receives. Energy independence will improve OC San's environmental impact and improve its operational reliability and resiliency.

OC San will also study and use photovoltaic cells in non-process areas where it makes economic sense. For example, the new Administration Building will include photovoltaic panels linked to the treatment plant. Staff will also investigate the installation of photovoltaic arrays over OC San owned property between the treatment plants with additional battery storage systems.

OC San also plans to investigate the treatment and sale of Biogas to external users. The State of California has set goals for renewable energy utilization for electrical production and hydrogen transportation fuels. OC San's Biogas is viewed favorably in these industries to meet the State of California targets. OC San is working very diligently and creatively to maximize the production of gas and reduce its own energy needs, but energy independence is the first goal which has not yet been met.

Staff recommends that innovative research continue to maximize energy harvesting and to minimize energy usage to make OC San energy independent in the most basic mission of protecting the public health and the environment. Super Critical Water Oxidation and other biosolids thermal conversion technologies offer some exciting opportunities to cut power use, reduce diesel fueled transportation, and create useful energy.

### **Initiatives to Support Progress Toward the Policy Goal**

- Maximize the anaerobic digestion conversion of organics to methane through receipt of food waste and operational techniques.
- Investigate and install energy storage and photovoltaic systems where practical to achieve energy independence/resilience.
- Continue to support the conversion of biomethane into electricity and heat for process use. Improve systems as necessary to comply with air regulations.
- Pursue technology innovation to reduce energy use, reduce transportation energy impacts, and reduce greenhouse gas impacts.



## Climate and Catastrophic Event Resilience Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) aims to design, maintain, and operate valuable wastewater assets that withstand or adapt to adverse conditions in a reasonable manner that is both cost-effective and sustainable for present and future generations. These adverse conditions include drought, heavy rains, flooding, sea level rise, earthquakes, tsunamis, extreme heat, wildfires, pandemic, and electrical grid interruptions.

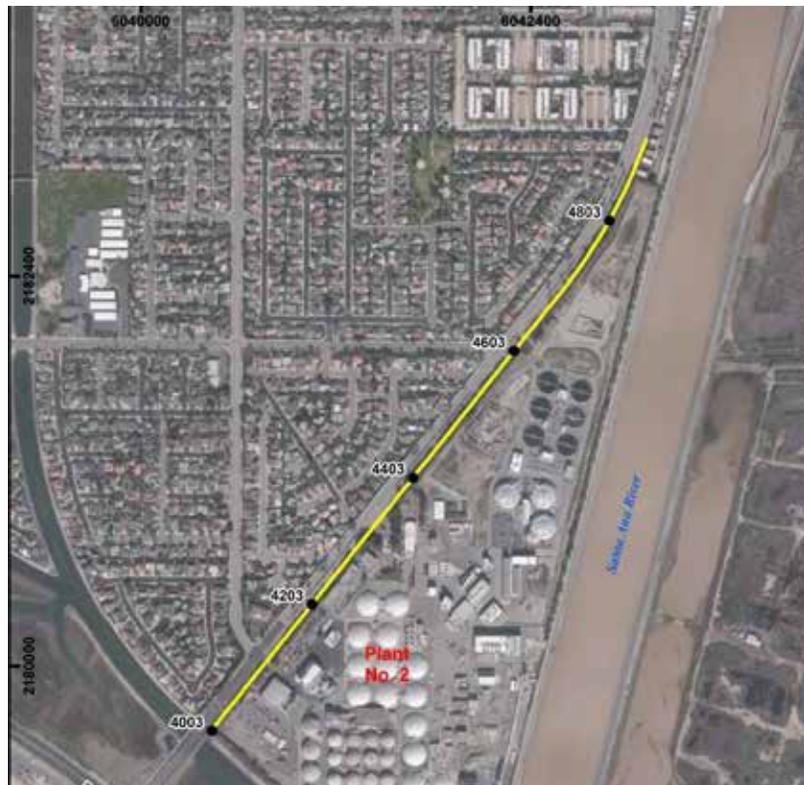
### Background

OC San owns and operates extensive wastewater collection and treatment facilities valued at nearly \$11 billion. The OC San service area faces special challenges because of the geographic location of its facilities. These challenges include: its position on and near seismic risk factors, its proximity to the Pacific Coast, adjacency of its treatment facilities to the Santa Ana River, and being served by increasingly fragile energy utilities.

OC San's facilities are situated on or near several seismic risk factors. Plant No. 2 is located directly on top of the Newport-Inglewood fault. Both plants and the collection system are influenced by many adjacent major and minor faults capable of delivering damaging energy. Both of our treatment plants and the majority of our collection system sit on top of silty, alluvial soils that can have the effect of amplifying the earth motion and risk liquefaction during a seismic event. OC San has invested significantly over the last 50 years to improve the soils, foundations, and structures to mitigate these seismic risks. As geotechnical and structural knowledge and building codes progress, upgrades and facility replacements will be necessary.

Another seismic risk associated with having a treatment plant and several pump stations located on the Pacific Coast is the risk of tsunami inundation. OC San has been working with and reviewing the plans of the City of Huntington Beach and the City of Newport Beach to understand and quantify this risk. The American Society of Civil Engineers (ASCE) has created a new standard, ASCE 7-16, to layout design parameters for lateral forces an inundation zone associated with potential tsunamis.

OC San understands that climactic factors we face change widely over time. OC San's systems must perform in extreme wet weather situations (atmospheric rivers), extreme dry weather conditions (drought), extreme tidal conditions (king tides, rising sea levels), as well



as high and low temperature extremes. OC San generally designs for historical and expected “average conditions” for optimal performance but must also assure operations for extreme weather events.

OC San serves a critical public health role. Its operations must be reliable 24-hours per day, 365 days a year. Electricity, and to a lesser extent natural gas, are necessary for pumping and treatment operations. Both electricity and natural gas supplies have become increasingly vulnerable to interruption. Electricity deliveries are more vulnerable due to wildfire outage criteria, loss of local generation assets, aging infrastructure, and extreme weather events. Natural gas supplies are more vulnerable due to the loss of local storage capacity, aging infrastructure, line corrosion, and more stringent regulatory requirements. OC San has significant capacity to self-supply critical energy requirement for extended periods.

### **Current Situation**

OC San has spent considerable effort quantifying its seismic, climate, and utility supply risks. Several key studies have been initiated and will be completed in the next two years. The most acute risk factor faced by OC San is seismic risk. Climate and utility supply risks are more accurately described as chronic risks.

Seismic risk factors include ground shaking, liquefaction, lateral spreading, and fault rupture. Both treatment plants are situated in a historic riverbed with poor soil conditions. The collection system is vulnerable to failures during seismic events. The state of the art for seismic design has changed greatly over OC San’s history and will continue to do so. Many of our critical structures were designed or installed prior to the advancements that occurred as a result of the various earthquakes of the 1990s. Significant effort has been expended to better characterize the soil conditions under our treatment plants and pump stations. Projects to refurbish or replace existing unit processes are, or soon will be, scoped and budgeted to provide enhanced seismic resilience. These measures include soil mixing to stiffen the soil, various foundation designs and building structure improvements.

Tsunami resilience and flooding protection can go hand in hand. To a great extent, these two risk factors can be mitigated in the same way. The Tsunami guidelines for inundation in ASCE 7-16 are a reasonable peer reviewed standard. By complying with this standard for Huntington Beach and Newport Beach, OC San will be reasonably prepared for flooding caused by extreme storm events and conservative sea level rise estimates at Plant No. 2 and pump stations in the City of Newport Beach.

OC San has also expended significant effort to prepare for the effects of weather extremes on its operations. Extreme wet weather impacts operations. Inflow and infiltration during intense storm activity have multiplied average dry weather flow rate by up to three times in recent years. OC San has significant wet weather capacity and will continue to maintain a 640 million gallon per day influent and outfall capacity which is roughly 3.5 times our average dry weather flow. Historically, high rains as seen in 1863 and 1938 will push our systems to the limit.

OC San has also adapted its systems to perform in extreme dry weather. OC San in cooperation with OCWD operates the largest potable water reuse system in the world. This is made possible by replumbing our treatment plants and adding new smaller pump stations to deal with extreme low outfall flow rates in the morning hours. OC San also continues to grow the ability to shift influent flow between its treatment plants which creates additional resilience for risk factors.

Finally, on the topic of utility supply, OC San built redundant supplies for its most critical needs: electricity, natural gas, and water. OC San has maintained three sources of electricity supply for more than 25 years. The treatment plants can be supplied with power from Southern California Edison, OC San's Central Generation Plants, or on-site diesel generation systems to maintain basic operation to protect public health. In terms of natural gas, OC San has been producing bio-methane through anaerobic digestion since the 1950s with enough capacity to provide electricity and necessary process heat.

### **Future Policy Statement**

OC San will continue to build and improve its facilities to meet the seismic, climate and energy infrastructure risks that it faces with a long-term, planned approach. Acute life-safety risks that are identified or facilities that are damaged or fail in a catastrophic event will be addressed very quickly. However, it is not practical to update \$11 billion in facilities every time a code is updated, or a new climate change estimate is released. OC San will stay abreast of code and climate change estimates as they occur and will implement improvements or replacements to facilities on a long-term basis in line with its asset management practices. OC San generally plans to refurbish or replace its mechanical and electrical assets every 20 to 25 years with an average capital improvement investment of \$250 million per year.

OC San facilities are designed to meet industry codes. As time goes on and codes are updated, it is not required to upgrade existing facilities to meet those latest codes unless there is a mandate to do so, or an unacceptable risk in not doing so is recognized. OC San will accept some incremental risk in having some facilities that are not necessarily compliant with the latest building codes until a project to rehabilitate or replace these facilities is developed. All of OC San's facilities have a planned life span with two to three refurbishment cycles. Identified seismic or flooding vulnerabilities may drive a replacement versus refurbishment decision in the normal capital planning process.

OC San will continue to aspire to energy independence which will help mitigate vulnerabilities to loss of electrical and gas utilities. In addition, OC San will continue to maintain third level, diesel generator, electrical supply capability for critical loads. On-site diesel storage will provide up to three days of power to run the plants. Pump stations diesel generation will be site specific in its design based on flow risks, hydraulic storage capacity, and site constraints. Either on-site generation or quickly deployable mobile generators will provide emergency power for up to several days at a time.

### **Initiatives to Support Progress Toward the Policy Goal**

- Complete an engineering study of the seismic vulnerabilities of the treatment plants. Incorporate necessary upgrades into future capital improvement projects.
- Complete the biannual high flow exercise to assure readiness for a high flow event. Maintain a higher level of readiness October 15 through March 15 and in advance of predicted significant rain events.



## Food Waste Treatment Policy

### Summary Policy Statement

The State of California limits the volume of organic waste that may be diverted to landfills. The Orange County Sanitation District (OC San) will collaborate with the County of Orange, other local agencies, and waste haulers to find ways to beneficially reuse food waste, a type of organic waste, to assist cities in our service area in meeting their diversion requirements while increasing OC San's energy production.

### Background

Whether supplying secondary treated wastewater for the Groundwater Replenishment System, creating renewable energy in the form of biogas from anaerobic digestion to produce electricity, or benefiting from the use of biosolids as a soil amendment, OC San is a resource recovery agency committed to providing resilient and reliable wastewater treatment service while protecting the public health and the environment.

In recent years, there has been a significant change in the regulatory landscape in California related to the diversion of organics such as food, green material, wood, paper, biosolids, digestate, and sludges from landfills. Currently, much of the state's diverted organics are being composted or used as alternative daily cover on landfills. With the phaseout of organics as alternative daily cover, the regulatory shift is creating an organics market for the wastewater sector to provide a solution to manage organics such as food waste by way of co-digestion. There is an opportunity for OC San to produce additional biogas, reducing the need to purchase electricity from the local utility.

Anaerobic digestion is currently at the nexus of important State of California mandates, namely: (1) organics diversion from landfills (AB 1826 and SB 1383), and (2) increased renewable energy and fuels generation (SB 32 and SB 100). The primary alternatives for organics management are anaerobic digestion and composting – of which anaerobic digestion is the only process offering energy recovery potential. Over the next few years, California's cities and counties, along with municipal solid waste haulers, material recovery facilities, and landfills will need to develop collection, processing, and energy recovery infrastructure to address new state legislation and goals. Existing wastewater treatment plants such as OC San are uniquely positioned to play a role in the new organics marketplace since solid waste management facilities do not typically have anaerobic digesters, the energy recovery infrastructure in place, or experience regarding the management of biosolids for beneficial use.

In 2017, OC San completed a comprehensive Biosolids Master Plan (Plan) that provides a roadmap and framework for sustainable and cost-effective biosolids management options and future capital facilities improvement over a 20-year planning horizon. Considering the timeliness of the regulatory mandates requiring organic diversion from landfills and increased renewable energy, the Plan evaluated the feasibility of implementing a high strength organic waste receiving program involving the co-digestion of preprocessed food waste.

While food waste digestion appears to be feasible, OC San's existing infrastructure isn't well suited for receiving, handling, or digesting green waste. Current digester feed, mixing, heating, dewatering and truck loading facilities aren't designed to deal with cellulosic products in green waste. The highly fibrous material doesn't readily break down and clogs the various systems optimized for sewage sludge treatment. In addition, there are legal hurdles specified in the California Health and Safety Code, Section 4700, that must be addressed before OC San could operate a refuse transfer facility.

## **Current Situation**

### **Project Viability**

OC San's Plan concluded that the costs to construct and operate a food waste receiving facility could be offset by tipping fees charged to food waste processors/haulers and by additional power generated from the increased digester gas production. The Plan recommended that OC San build an interim food waste receiving station immediately to take advantage of existing digestion and power generation capacity of approximately 150-250 wet tons per day at Plant No. 2. OC San will construct a more permanent facility in the future to coincide with the planned construction of new digesters at Plant No. 2, allowing additional capacity to co-digest approximately 500 wet tons per day of food waste. OC San also has at least six megawatts of installed electrical generation capacity that can convert the produced digester gas to electricity and heat.

Based on these recommendations, in 2018, OC San's Board approved a project (P2-124) to construct an interim (10-15 year service life) food waste facility to receive, store, and feed preprocessed food waste slurry to the digester complex at Plant No. 2 to generate additional digester gas. This project will be designed to accept approximately 150 wet tons per day of preprocessed food waste and will produce approximately 15 percent more methane gas for onsite energy production. This results in a greenhouse gas reduction of approximately 10,800 metric tons of carbon dioxide, which is equivalent to the annual greenhouse gases generated by approximately 2,000 passenger vehicles. This is consistent with OC San's Energy Independence Policy, which is to strive to be energy independent by minimizing energy utilization and maximizing useful energy recovery from the sewage it receives.

The final biosolids product currently produced by OC San is anticipated to be largely unaffected by the addition of food waste slurry. Pilot testing conducted by OC San indicates that there will be increased gas production due to mixing sewage sludge and food waste feed stock, but the final biosolids product will remain largely unchanged.

A draft Preliminary Design Report was issued in June 2019 for the interim receiving facility which included a viability evaluation concluding that the project is economically justifiable based on project costs and anticipated tipping fees. Final design of the interim food waste receiving station is complete and ready to bid for construction. The tipping fee and food slurry specifications are complete, and OC San is soliciting waste hauling partners to contract deliveries of material. When contracts for food waste deliveries are signed, OC San will commence bidding and construction to be in a position to receive material within two years.

There are three large municipal solid waste haulers that have expressed interest in collaborating with OC San to provide preprocessed food waste for digestion. Of these, two haulers are located within the county, and one is located outside the county. Another important partner for OC San is Orange County Waste and Recycling (OCWR). OC San has met with OCWR, and they have expressed interest in partnering with OC San to find local solutions to meet SB 1383's organics diversion mandate including in-county biosolids management, composting, food waste co-digestion, and biogas production.

### **Future Policy Statement**

#### **Food Waste Slurry**

OC San will only accept a preprocessed food waste slurry. We do not have available land or air permits to handle, sort, and process solid or green wastes. OC San will work with other public agencies and waste haulers to develop an industry standard for food waste slurry

that specifies water, organic, metal, plastic, and glass content requirements. A common specification for slurry will help all parties make investment decisions.

### **Food Waste Volume**

OC San has identified available capacity within its infrastructure at Plant No. 2 to accommodate food waste conversion to energy. The processes impacted by food waste conversion are digestion, gas cleaning, gas compression, generation, process heating, biosolid dewatering, and biosolids loading. Each of these impacted systems at Plant No. 2 in Huntington Beach have the capacity to accept 150 to 250 wet tons per day for the next ten years. Beyond ten years, OC San plans on upgrading its digestion, gas compression, and gas treatment systems. Based on the lessons learned from the interim system and the development of the food waste market, OC San plans to be able to accept up to 500 wet tons per day when the new digestion, gas compression, and gas treatment systems are completed.

OC San believes that the full implementation of the current regulations will create a food waste slurry market significantly greater than 500 wet tons per day in Southern California.

### **Tipping Fee Basis**

The acceptance of food waste has the opportunity to more fully utilize the system capacity that already exists for the benefit of OC San's rate payers.

OC San staff will develop a base tipping fee rate schedule for Board of Directors' approval that meets the following criteria:

- Recover all capital costs to construct facilities within ten years (this will allow OC San and waste haulers to properly invest in processing facilities);
- Recover all on-going costs including operating cost, maintenance cost, electricity usage, biosolids dewatering, and reuse costs;
- Food Waste will not be operated "for profit" but rather a cost recovered service with tipping fees offsetting costs to not impact OC San's wastewater service fee structure.

Food waste generated and processed within the service area will be charged the base rate and will be prioritized over food waste from outside the service area. This is justified by the fact that the underlying infrastructure of OC San is already owned by service area rate payers. OC San contracts with service area waste haulers must provide for a pass-through savings to OC San rate payers. That means waste haulers may charge for collection and processing of food waste but must disclose to their City or Special District franchise partner OC San's tipping fees and negotiate pricing adjustments as necessary with City or Special District franchise partners.

If additional capacity exists, but isn't utilized by in-service area users, then that capacity may be contracted by out-of-service area users at a premium to help offset the cost of the underlying infrastructure necessary to process the food waste.

OC San will pursue grant opportunities to the extent possible to reduce the overall capital and operating cost basis for the program to reduce the tipping fee base rate.

### **Initiatives to Support Progress Toward the Policy Goal**

- OC San will accept a preprocessed food waste slurry from contracted waste haulers that will be fed to existing anaerobic digesters. OC San will charge a tipping fee to offset its costs for capital construction, operations, handling, maintenance, and biosolids disposal.
- Design, build, and operate a food waste receiving station. Create a specification for food waste slurry and contract with solid waste haulers to receive and process food waste.



## Water Reuse Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will seek to beneficially reuse all reclaimable water for potable, industrial, irrigation, and environmental uses.

### Background

For over 40 years, OC San and the Orange County Water District (OCWD) have partnered to beneficially reuse treated wastewater from OC San. OCWD, which serves roughly the same service area as OC San, manages and replenishes the groundwater basin in northern and central Orange County, ensures water reliability and quality, prevents seawater intrusion, and protects Orange County's rights to Santa Ana River water.

Beginning in 1975, OC San contributed treated wastewater from its Plant No. 1 to OCWD for the operation of Water Factory 21, which reclaimed the treated wastewater and injected it along with deep well water into the groundwater basin to prevent seawater intrusion. In the mid-1990s, OCWD needed to expand Water Factory 21. At the same time, OC San faced the challenge of having to build a second ocean outfall pipe to discharge treated wastewater into the Pacific Ocean. Both agencies collaborated to build an advanced water purification facility to resolve these challenges. This state-of-the-art facility, known as the Groundwater Replenishment System (GWRS), took the place of Water Factory 21, and began operation in 2008.

The GWRS treats secondary treated wastewater from OC San Plant No. 1 to drinking water standards and uses the purified water for both injection and percolation, through injection wells and recharge basins, as source water to replenish the groundwater basin's drinking water supplies. With approximately 75 percent of the water demand in northern and central Orange County cities coming from the groundwater basin, GWRS supplements existing water supplies by providing a new, reliable, high-quality source of water. OC San made a considerable investment to improve its level of treatment and source control to support the GWRS partnership. The upgrade to full secondary treatment and shifting the source control regulations, testing, and enforcement from a focus on ocean discharge to drinking water supply was very significant.

While the original GWRS facility was initially constructed to supply up to 70 million gallons per day (MGD) of purified water, the facility was designed for an ultimate treatment and conveyance capacity of 130 MGD. The original GWRS design intent was to expand the GWRS facility in two phases – an initial and a final expansion of an additional 30 MGD of treatment capacity with each expansion. The GWRS Initial Expansion Project was completed in June 2015 and has been producing up to 100 MGD of purified water for groundwater injection and recharge. The Final Expansion of GWRS is scheduled to be completed in 2023 and will produce the maximum capacity of 130 MGD.

In addition to providing treated wastewater to the GWRS, OC San also provides treated water to OCWD's Green Acres Project and OC San uses treated effluent within the treatment plants to offset potable water use. The Green Acres Project provides recycled water for landscape irrigation at parks, schools, and golf courses; and industrial uses, such as carpet dyeing; toilet flushing; and power generation cooling. OC San uses nearly 10 MGD of treated effluent, called Plant Water, within the treatment plants for engine and equipment cooling, polymer make-down, equipment flushing and washdown, and other uses.

## Current Situation

The GWRS currently produces 100 million gallons per day of purified water – enough water for about 850,000 people. All of OC San’s Plant No. 1 secondary effluent, between 120-130 MGD, is made available to OCWD for the GWRS and Green Acres Project. However, secondary effluent from OC San’s Plant No. 2 and other non-reclaimable flows, such as brine from inland desalters and GWRS’s reverse osmosis process, and OC San’s process sidestreams, continue to be released into the ocean.

In 2016, OC San and OCWD jointly conducted the Effluent Reuse Study, which evaluated the feasibility of recycling OC San’s secondary effluent from Plant No. 2 and identified projects required to achieve the final expansion of the GWRS. The GWRS final expansion effort will include implementation of projects to construct new, modified or rehabilitated facilities at Plant No. 2 to separate reclaimable flows from non-reclaimable flows; to equalize, pump, and convey secondary effluent from OC San’s Plant No. 2 to the GWRS facility; and to treat the additional source water to produce 130 MGD of purified water.

Reverse Osmosis brine generated at the GWRS is currently discharged into the ocean. The 2016 Effluent Reuse Study identified alternative brine management strategies such as evaporation ponds, deep well injection, and engineered wetlands. Evaporation ponds are land intensive and are also energy intensive when combined with a brine crystallizer to remove solids from highly concentrated brine system using heat and pressure. While the areas around both OC San treatment plants have the appropriate geology for brine injection, there are concerns with contamination of drinking water aquifers, and seismic risks due to the Newport-Inglewood zones near Plant No. 2. At this time, it does not appear economically feasible to provide alternative management strategies for the brine discharge.

In November 2016, OC San Board of Directors adopted the Second Amended and Restated Joint Exercise of Powers Agreement for the Development, Operation, and Maintenance of the Groundwater Replenishment System and Green Acres Project, which committed the agency to continue supporting the GWRS and the Green Acres Project, and specifically, the final expansion of the GWRS. The implementation of the final phase of the expansion will be executed by multiple projects, some executed by OC San while the others executed by OCWD. Project costs related to the GWRS are funded by OCWD, including up to \$50 million in reimbursements to OC San for its costs incurred to execute related projects.

By supporting the GWRS Final Expansion, OC San will be able to recycle all reclaimable wastewater generated in its service area and treated at its two treatment plants, and OCWD will have sufficient water to run the GWRS facility to full capacity.

## Future Policy Statement

The treated effluent produced from OC San’s Plant Nos. 1 and 2 is a valuable resource that can help boost local water resources and reduce dependence on imported water, while reducing the effluent discharged to the ocean. OC San will continue to seek opportunities for beneficial reuse of all reclaimable wastewater collected and treated at its facilities.

OC San will continue to support the completion of the final expansion of the GWRS in accordance with the adopted Second Amended and Restated Joint Exercise of Powers Agreement for the Development, Operation, and Maintenance of the Groundwater Replenishment System and Green Acres Project. This includes providing secondary effluent as source water for the GWRS free of charge; allowing OCWD to discharge brine via OC San’s ocean outfall free of charge; leasing approximately 10 acres of land to OCWD at \$1 per year for GWRS;

allowing OCWD to discharge North and South Basin extraction well flows to OC San sewers; managing the design and construction efforts of the Plant No. 2 Headworks Modifications Project and the Plant Water Pump Station Replacement Project (OCWD will reimburse up to \$50 million of project cost); managing and financing the construction of the Ocean Outfall Low Flow Pump Station at Plant No. 2, and the construction of Plant No. 2 primary and secondary facilities to allow segregation of non-reclaimable flows.

OC San will continue to maximize the delivery of secondary effluent available to GWRS and the Green Acres Project in order to maximize full production of purified recycled water for indirect potable reuse, and industrial and irrigational uses. OC San has been operating the Steve Anderson Lift Station to divert more flows to Plant No. 1. The two agencies regularly communicate and coordinate OC San operations and construction projects that may have impacts on GWRS operation and will continue this collaboration effort.

OC San has adequate flow to maximize the production of the GWRS through final expansion. Diversion of additional non-wastewater into the sewer system is unnecessary. Non-wastewater diversions create high flow risks during wet weather conditions and can introduce constituents of concern to existing water and biosolid reuse programs.

### **Initiatives to Support Progress Toward the Policy Goal**

- Support the completion of the final phase of the Groundwater Replenishment System and maximize reclaimable wastewater availability to OCWD.
- Support Green Acres project water production to provide reclaimed water for industrial and irrigation uses.



## **Environmental Water Quality, Stormwater Management, and Urban Runoff Policy**

### **Summary Policy Statement**

The Orange County Sanitation District (OC San) will collaborate with regional stakeholders to accept up to ten million gallons per day (MGD) of dry weather urban runoff at no cost to the dischargers through its permit-based Dry Weather Urban Runoff Diversion Program. The primary objective of the Dry Weather Urban Runoff Diversion Program is to improve water quality in streams, rivers, and beaches in OC San's service area without adversely impacting OC San's occupational safety, collection and treatment systems, reuse initiatives, or permit compliance. Unauthorized discharge of urban runoff to OC San is strictly prohibited.

### **Background**

OC San is a regional governmental agency principally chartered to protect public health and the environment through an extensive regional sanitary sewer system and a highly effective wastewater treatment operation. The governing Board of Directors (Board) has refined this role to include the recovery and utilization of resources from wastewater for the public good. In addition to beneficial reuse of biosolids and responsible ocean discharge, OC San delivers high-quality treated wastewater to Orange County Water District's (OCWD) Groundwater Replenishment System (GWRS) for advance treatment and purification followed by storage in the Orange County groundwater basin.

OC San operates its regional wastewater collection system in accordance with its Sewer System Management Plan, which was developed in compliance with the California Statewide General Waste Discharge Requirements for Sanitary Sewer Systems, Water Quality Order No. 2006-0003-DWQ. The Board periodically updates OC San's Wastewater Discharge Regulations Ordinance (Ordinance) to set uniform requirements for all users of OC San's system and enable OC San to comply with all applicable state and federal regulations. The Ordinance establishes limits on all wastewater discharges which may adversely affect OC San's system and includes language that prohibits sewer users from discharging groundwater, stormwater, surface runoff, or subsurface drainage to the sewer without written authorization or a valid permit. Uncontrolled discharge of any type is strictly prohibited and any person who violates any provision of the Ordinance is subject to administrative, civil and criminal penalties.

Most of the local sanitary sewer systems within OC San's highly urbanized service area are owned and operated by cities, water districts, or sanitary districts. These local systems are designed to transport wastewater from homes and businesses to OC San's regional sewers. These local and regional wastewater systems are designed to be wholly separate from Orange County's Municipal Separate Stormwater Sewer System (MS4), which is a system of conveyances that includes roads, streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains that carry surface runoff into receiving waters and is regulated by the Santa Ana Regional Water Quality Control Board. Throughout the year, dry and wet weather urban runoff are collected through the MS4 and discharged along the coastline.

During wet weather, the vast majority of urban runoff is comprised of stormwater from rainfall that either travels at a flow rate that does not allow enough time to soak into the ground or whose volume has exceeded the ability of the soil to hold any more moisture. In communities with a high percentage of covered or impervious surfaces, the runoff volume and velocity can be considerably greater when compared to rural areas. Additionally, sheets of runoff in these communities can pick up pollutants and debris from transportation, construction, industrial, and residential sources as they travel by gravity toward storm drains or other low points. Stormwater runoff carries trash, debris, bacteria, chemicals, oil, silt, sediments, microplastics,

and other common and emerging contaminants, and is the responsibility of MS4 permittees, who typically have jurisdiction over land use practices and flood control.

During wet weather, the volume of surface runoff is well beyond the capacity of OC San's conveyance and treatment systems. Inflow and infiltration into the sanitary sewer system during storm events can strain the hydraulic capacity of OC San to its limit of under 1,000 cubic feet per second. In addition, storm flow runoff also contains a much greater debris load that would compromise the sanitary sewer system.

During dry weather, OC San has the capacity normally reserved for inflow and infiltration to accept urban runoff. The Best Management Practices (BMPs) required of MS4 permit holders such as screening, street sweeping, spill prevention, and waste reduction campaigns help to effectively remove trash, silt, and other debris which help make these relatively small flows more compatible with the sanitary sewer. However, pollutants and pathogens that are not removed by the BMPs are carried by runoff from sources such as excess outdoor irrigation into storm drains which is discharged along the coastline.

In response to the significant and persistent adverse impacts from urban runoff to coastal beaches and waters, OC San sought support from the California legislature to accept controlled discharge of surface urban runoff into its wastewater system and was authorized in April 2000 to initiate a permit-based Dry Weather Urban Runoff Diversion Program to accept up to three million gallons of dry weather flow per day. OC San Board Resolution No. 00-04 allowed local agencies to apply for a Dry Weather Urban Runoff Permit where there was not an economically or practically feasible alternative and permittees are subject to requirements of the Ordinance.

Since its inception, the Dry Weather Urban Runoff Diversion Program has significantly improved beach water quality throughout OC San's service area as evidenced by excellent ratings in Heal the Bay's Annual Beach Report Cards and a notable decrease in water quality-based beach closures. In June 2013, OC San modified the Dry Weather Urban Runoff Policy (Resolution No. 13-09) to cap discharges received to 10 million MGD and waived fees associated with the program until discharges exceeded 10 MGD, or until the policy is revised. The Board established an action threshold of nine MGD to trigger revisiting the policy.

In addition to Dry Weather Urban Runoff Permits, OC San's Ordinance allows for normally prohibited wastes such as groundwater, stormwater, surface runoff, and subsurface drainage to be discharged to OC San through a Special Purpose Discharge Permit or written authorization from OC San when no alternate method of disposal is reasonably available to mitigate an environmental risk or health hazard.

Both Dry Weather Urban Runoff and Special Purpose Discharge permits carry strict wet weather shut-off and debris limiting provisions to protect the sanitary sewer system from hydraulic overload and the associated sewer spills. These permits also require flow monitoring and constituent sampling so that OC San can assure that water reused, water discharged to the ocean, and biosolids reused for agriculture are safe and fit for their greater environmental and resource recovery programs.

### **Current Situation**

As of April 2021, OC San has issued 21 Dry Weather Urban Runoff Permits for diversions owned and operated by the City of Huntington Beach, the City of Newport Beach, OC Public Works, Irvine Ranch Water District, and an LLC responsible for the areas in and around Pelican Point community. For the July to December 2020 reporting period, OC San received on average 1.4 MGD from these facilities, which is well below the current 10 MGD policy cap and nine

MGD action threshold. Since the program's inception in 2000, the Dry Weather Urban Runoff Program has treated over 10 billion gallons of urban runoff.

Under special circumstances, OC San may also accept runoff on a limited-term and limited-volume basis through the SPDP or direct authorization process if there is adequate capacity, the runoff/wastewater meets applicable effluent discharge standards, there is no practical alternative method of disposal, and the runoff/wastewater is captured and held until it can be safely discharged to OC San.

In combination, these practices have enabled responsible management of persistent urban runoff challenges in OC San's service area and support a thriving and healthy local economy.

### **Future Policy Statement**

Since the inception of OC San's Dry Weather Urban Runoff Diversion Program, the program success has depended on collaboration among stakeholders to improve beach water quality, urban runoff diversion water quality, coordinate flow management, and minimize any potential adverse impact on OC San's ocean discharge, biosolids management, and potable reuse.

OC San's enhanced source control program and vigilant operations provide a solid foundation for GWRS water's safety and reliability. Much of the current urban runoff diversion is attributable to Plant No. 2 in Huntington Beach which does not provide source water for OCWD. However, as OC San and OCWD progress toward maximizing potable reuse at GWRS to 130 MGD in 2023, OC San is keenly aware of the critical role of source water quality and the need for a region-wide commitment to prevent Constituents of Emerging Concern from entering OC San's system.

Although OC San will continue to accept controlled discharge from Dry Weather Urban Runoff Diversion Program in accordance with Resolution No. 13-09, which supports long-term integrated regional water management, OC San recognizes that urban runoff is a source of Contaminants of Emerging Concern such as microplastics which were measured at levels many times higher than raw wastewater in a 2020 study by the San Francisco Estuary institute. Contaminants in urban runoff will continue to be studied in the future, and the results of these scientific studies will be of utmost importance when considering the viability of future diversions to OC San's system.

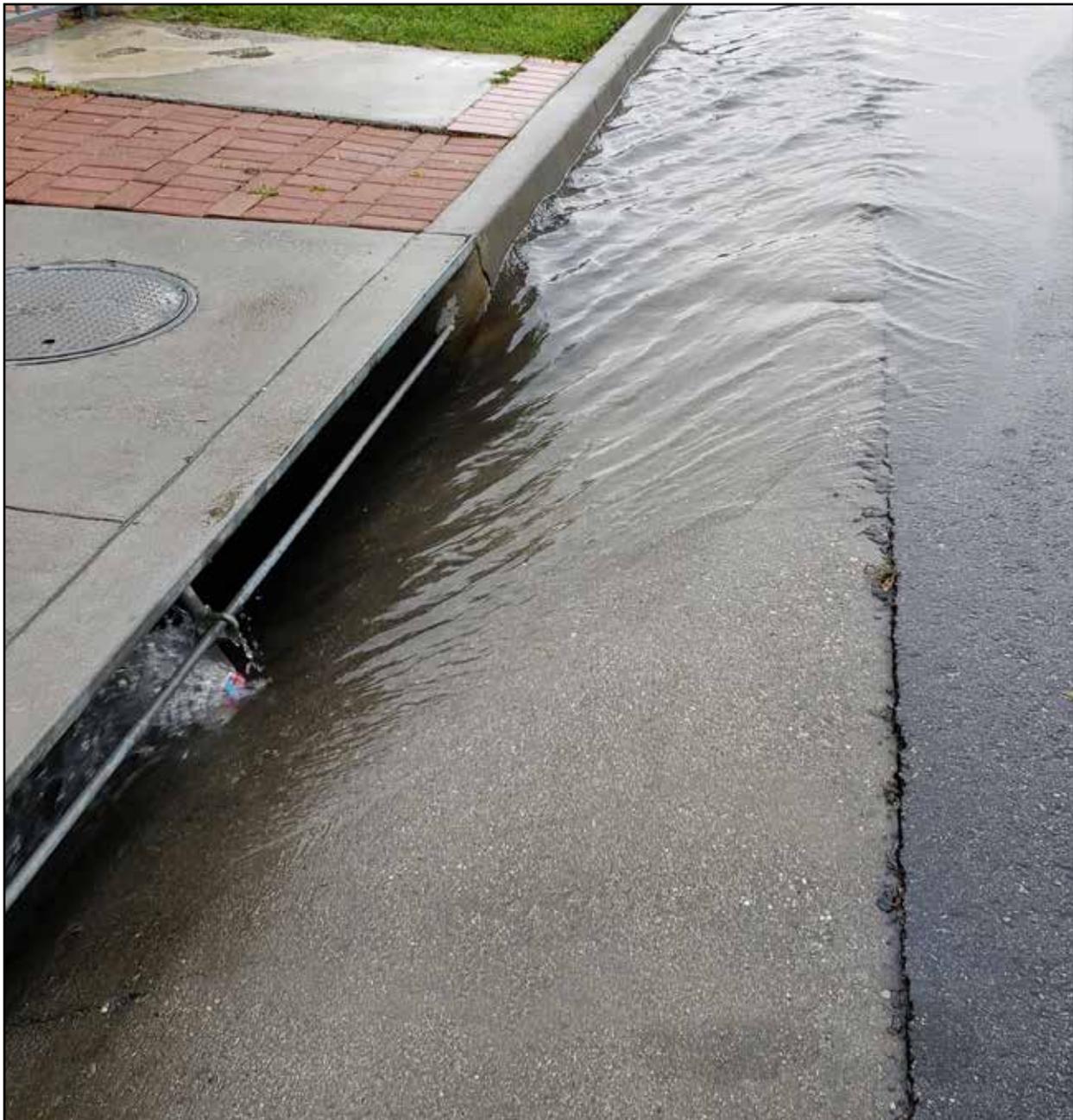
There is continuing interest in maximizing urban runoff diversions to OC San's wastewater system to help improve water quality in streams, estuaries, and beaches; and to potentially increase water available for recycling. One potential driver of additional urban runoff diversions is assumed reductions in future wastewater flows due to enhanced indoor water conservation. Reduced wastewater flows may free up system capacity for increased urban runoff diversions.

However, the future available capacity in OC San's system to handle additional urban runoff flows, and the OCWD's need for additional effluent for recycling have not been the subject of a comprehensive engineering study that identifies the opportunities and costs of increasing diversions. Such a study is being jointly planned by OC San, OCWD and the Orange County Flood Control District.

### **Initiatives to Support Progress Toward the Policy Goal**

- Issue dry weather urban runoff connection permits to accept up to a total of ten million gallons per day of controlled discharge of dry weather urban runoff where existing conveyance capacity exists, and the constituents within the flow will not adversely impact OC San.

- Safeguard OC San’s sanitary sewer system against uncontrolled and unregulated discharge by supporting responsible industry practices for flow management and urban runoff pollutant reduction at the source. Utilize OC San’s pretreatment expertise to support effective urban runoff best management practices and special purpose discharge requests among OC San’s regional stakeholders.
- Conduct a comprehensive study of the feasible opportunities for cooperative projects for urban runoff diversions to OC San to improve water quality and increase water recycling by maximizing the useful capacity of local collection systems , OC San treatment systems, and OCWD recycling and recharge systems.
- Support responsible and practicable urban runoff management and reuse legislations and regulations.





# Wastewater Management

## Chemical Sustainability Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) has a need to use chemicals in its treatment process to improve plant performance, reduce odor and corrosion potential, and meet its regulatory requirements. These commodity chemicals are provided by outside vendors through the purchasing process. Some of these chemicals are subject to price swings due to market condition changes such as energy cost impacts, raw material cost changes, commercial competition changes, and transportation cost volatility. OC San will identify chemicals key to its operation, investigate the market risks for those chemicals and devise strategies to mitigate identified risks to availability and pricing.

### Background

OC San's treatment plants and collection system use several bulk chemicals. A sustainable supply of these chemicals is critical to maintaining an acceptable level of treatment and for ensuring compliance with all regulatory requirements. OC San spends about \$13 million annually on the procurement of eight key chemicals which generally can be broken down into four categories: coagulants, odor/corrosion control, disinfection, and boiler water treatment. Boiler water treatment chemicals are low volume and readily available and will not be considered here.

### Coagulant Chemicals

Coagulant chemicals include ferric chloride, anionic polymer, and cationic polymer. These chemicals are the workhorses of the sewage treatment process. Coagulant chemicals work to clump together organic material so it can more readily be separated from water. Ferric chloride is the first chemical added in the treatment process. It is a powerful settling agent that causes organics to clump together and settle to the bottom of primary basins. It is a double-duty chemical in that it also controls the formation of hydrogen sulfide gas, which is a major odorant, by binding to suspended sulphur compounds and causing them to settle before they can be converted by natural bacterial processes to hydrogen sulfide.

Ferric chloride is an iron salt that is produced by reacting iron with hydrochloric acid. It is generally a byproduct of steel treatment, a leftover pickling agent. Ferric chloride is commonly used in the water and wastewater industries. Historically, this chemical has been the subject of a limited supplier base in Southern California. OC San has been actively splitting supply contracts to multiple vendors to ensure multiple vendors are available. On-site generation of the chemical is impractical due to the hazardous nature of the manufacturing process and acid handling, the bulk steel handling logistics, and waste products disposal.

Anionic polymer works with ferric chloride to further aid in the coagulation or settling of organic compounds in the primary treatment process. These long-chain molecules are designed to be negatively charged to attract or collect positively charged ferric chloride induced organic clumps or flocculant. The use of ferric chloride and anionic polymer is called Chemically Enhanced Primary Treatment or CEPT. OC San has been using CEPT for more than thirty years.

Anionic polymers are specially designed chains with many potential variants and multiple vendors. Part of the purchasing process for polymers involves polymer trials to document the efficacy of different products from different vendors to get the best cost-performance balance.

Cationic polymer is generally used to thicken sludge or biosolids in centrifuges or dissolved air floatation thickeners (DAFT). These long-chained, positively charged molecules are essential to

the proper operation of centrifuges and DAFT units. Part of the purchasing process for these polymers also involves polymer trials to document the efficacy of different products from different vendors to get the best cost-performance balance. It is important to note that it is entirely possible that four different cationic polymers will be used to optimize the performance of Plant No. 1 dewatering centrifuges, Plant No. 1 thickening centrifuges, Plant No. 2 dewatering centrifuges, and Plant No. 2 DAFTs, because the performance can vary greatly depending on the equipment or process. Each process will have its own polymer trial to determine the cost-performance balance for each application.

### **Odor Control Chemicals**

OC San uses several chemicals in the collection system and the treatment plant to reduce the odors normally attributed to sewage and sewage treatment. These chemicals can either prevent the formation of odor causing compounds, called odorants, or they can destroy odorants that already exist. Chemicals that prevent the formation of odorants include ferrous chloride, calcium nitrate, magnesium hydroxide, and caustic.

Chemicals used in the collection systems tend to be more benign than chemicals used in the treatment plants due to their proximity to the public. Ferrous chloride is closely related to Ferric chloride as described above. It is a powerful settling agent that prevents the formation of hydrogen sulfide by tying up and settling sulfide compounds in the collection system. It is a preferred chemical because of its dual role, but it is not as benign as other choices.

Calcium nitrate is another choice for collection system odor control. It works in a different way. Calcium nitrate alters the biological equilibrium in sewage. Generally, bacteria that live by respirating oxygen are the most robust organisms, followed by nitrogen respirating bacteria, and finally sulfur respirating bacteria. Adding calcium nitrate to sewage creates an environment where sulfur loving bacteria do not thrive or create hydrogen sulfide.

Magnesium hydroxide is a third choice for collection system odor control. It works primarily by raising the pH of sewage to a point that is not conducive for odor causing bacteria to thrive. Magnesium hydroxide is the most benign of the chemical choices as it is the main ingredient in Milk of Magnesia.

All three of these chemicals are continuously fed into sewer systems at different points to consistently control the formation of odorants in the system. Where OC San does not have the ability to site a chemical dosing station and persistent odors are being experienced, there is the option to utilize caustic slug dosing. Caustic slug dosing involves using tanker trucks to discharge up to 6,000 gallons of sodium hydroxide into a sewer manhole structure. The very high pH has the effect of killing the bioslime layer on sewer pipes that creates hydrogen sulfide. This treatment has an instant benefit that reduces hydrogen sulfide production for days to weeks depending on system conditions.

The final major odor fighting chemical is bleach. Bleach is used in treatment plant chemical scrubbers to oxidize odorants in air scrubber units. Bleach is an effective neutralizer of hydrogen sulfide, methyl mercaptan, methyl disulfide, dimethyl disulfide, and many others.

### **Disinfection**

OC San successfully discontinued disinfection of its effluent to the long outfall. This means that thousands of gallons of bleach and sodium bisulfate are no longer required to be purchased or discharged to the ocean. However, in the event of a discharge to the short outfall or river overflow, disinfection by bleach will be required. Significant on-site storage of bleach and dechlorination chemical, sodium bisulfite, is necessary for this emergency contingency. Bleach does have a shelf life of about six months. OC San rotates its disinfection supply to its odor control and plant water treatment systems to prevent product waste.

## **Process Specific Chemicals**

OC San uses pure oxygen to support its activated sludge secondary treatment process for Plant No. 2. OC San previously self-generated pure oxygen using a cryogenic oxygen plant rated at 70 tons per day. This plant was removed because it was inefficient at the current average utilization of 35 tons per day and was at the end of its useful life. OC San contracts for delivery of liquid oxygen and uses a vaporization system to deliver pure gaseous oxygen to the activated sludge process.

## **Chemical Supply – Purchase vs. Make**

OC San has relied on purchasing bulk commodity chemicals for its treatment plants and collection system. This has proven to be an effective strategy for operational flexibility and to allow concentration on core business. Operationally, the types and volume of chemicals change over time. Over time the types of polymers that are most efficient change. There is a need for more or less volume of chemicals based on sewage flow rates, sewage composition, and flow splits between plants. Managing the generation of specialized chemicals using hazardous materials imposes a significant training burden on staff, increases the regulatory oversight and requirements, and increases overall risk to the organization.

OC San maintains a policy to split the volume of orders between two vendors to assure competition exists in the marketplace for ferric chloride. While OC San generally cooperates with other public agencies to pool purchasing power to secure the lowest possible cost through high volume purchasing, some specialty chemicals like ferric chloride require split orders to maintain competitive market forces.

## **Current Situation**

OC San is constantly changing and improving its facilities to meet new challenges. Each of the facility changes offer new opportunities to reconsider how OC San operates its processes and how chemicals are used. The best chemical stability outcome is to cost-effectively eliminate the use of the chemical. This is the strategy behind cessation of bleach disinfection of the outfall effluent.

Staff is studying the potential to operate the treatment plants differently to minimize or eliminate use of selected chemicals. Facilities like centrifuge sludge thickening provide new opportunities to adjust ferric chloride and anionic polymer usage. Opportunities for substitute chemicals will be explored to understand overall cost and efficiency savings potential. This includes iron vs. aluminum coagulant studies, anionic polymer trials, and cationic polymer trials. Staff also evaluate operating parameters such as in-basin sludge co-thickening, primary basin sludge blanket level parameters, as well as the greater loading of the secondary treatment systems.

## **Future Policy Statement**

OC San will thoroughly understand its treatment processes, the potential modes of operation, and the benefit and cost of chemicals to improve or stabilize its process. OC San will maintain a list of necessary chemicals for optimal treatment operations which will consider chemical cost, chemical availability, treatment stability, energy utilization, energy creation, nuisance odor control, biosolids generation/cost, and regulatory permit compliance risks.

Chemicals that are deemed most beneficial will be procured at the lowest overall cost from market providers to the extent possible. Where there are market stability concerns, the purchasing division will devise procurement strategies to mitigate procurement risks. Where

procurement risk cannot be satisfactorily mitigated, technical staff will evaluate alternatives such as alternate operating methods, substitute chemical usage, or on-site generation of a chemical if feasible.

### **Initiatives to Support Progress Toward the Policy Goal**

- Reduce the exclusive reliance on particular chemicals and individual vendors to establish flexibility to utilize other chemicals/processes to accomplish operational objectives.



## Biosolids Management Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will remain committed to a sustainable biosolids program and will beneficially reuse biosolids in accordance with Resolution No. OC San 13-03 and the 2017 Biosolids Master Plan.

### Background

Wastewater solids at both our treatment plants are separated, thickened, digested, and dewatered before being recycled offsite by contractors for composting and land application. Biogas created from the digesters is used to generate electricity to offset the need to purchase power from a local utility. Although OC San currently receives sewage sludge from the Irvine Ranch Water District (IRWD) at Plant No. 1, IRWD is currently commissioning its own solids treatment facility and is anticipated to discontinue the sludge transfer to OC San by the second half of 2021.

Prior to 2019, OC San produced an average of 800 wet tons per day (~20 percent solids) of Class B biosolids that were dewatered by belt presses. Following the commissioning of the co-thickening sludge and dewatering centrifuge system in 2019, OC San has been producing approximately 500-600 wet tons per day (23-28 percent solids), which resulted in an approximately \$4 million per year reduction of biosolids hauling costs.

OC San's biosolids program is developed in compliance with federal, state, and local regulations, OC San's biosolids policy (Board Resolution 13-03), biosolids management system, and the 2017 Biosolids Master Plan (Plan). OC San's adaptive and highly effective biosolids program emphasizes diversification of beneficial reuse options and markets for biosolids. Although cost is a key consideration, the incorporation of failsafe options is considered paramount. These principles align with the policy and Plan and provide a framework for identifying and adopting reliable and sustainable biosolids management options while minimizing cost. Moreover, through innovation and continuous improvements in its biosolids management practice, OC San has been well-positioned to sustain regulatory compliance and its commitment to beneficially reuse biosolids. Currently, about 20 percent of the annual biosolids production is going to a bioenergy facility in California to create pellets and biochar while producing renewable energy, about 50 percent is used to produce Class A compost in California, and about 30 percent is used for Class B land application in Arizona.

The Plan forecasted future capital improvements projects needed to sustain responsible and cost-effective biosolids management over a 20-year planning horizon. As an example, OC San has initiated a project at Plant No. 2 to construct new thermophilic digesters and batch holding tanks that will generate Class A biosolids beginning in 2030. These new digesters are needed to increase operational resiliency against seismic events and biosolids reuse options. Plant No. 1 will continue to produce Class B biosolids.

According to the Plan, upon commissioning the new thermophilic digesters, future biosolids management options may include:

- Emerging markets: Management options and technologies that become available following the adoption of the Plan, such as mine and fire reclamation, gasification, pyrolysis, supercritical water oxidation, fluidized bed combustion, and cement kiln drying.

- Soil blending: Partner with local soil blenders to deliver and blend Class A biosolids with soil to produce a high-quality soil amendment that can be used in a larger variety of markets than current Class A compost such as construction back-fill.
- California land application: While Class A compost and granules are currently land-applied in California, land application of Class A biosolids is still restricted in most counties. However, with the recent implementation of California’s organics diversion regulations and planned enforcement in 2022, stringent local ordinances that unreasonably restrict land application of biosolids are prohibited.
- Arizona land application: Land application in Arizona will continue to be a part of OC San’s overall biosolids program and serves as a large-capacity outlet for biosolids management.

### **Current Situation**

The legislative and regulatory landscapes in California are changing regarding organics management. Since 2003, direct land application of Class B biosolids in Southern California has largely been prohibited due to strict ordinances and conditional use requirements that preempted state recycling laws. However, in recent years there has been a greater focus on healthy soils, renewable energy, organics diversion from landfills, and reduction of Greenhouse Gases (GHGs), which are reflected in several bills and initiatives that have been adopted:

- AB 1826 (2014) — Mandatory Organics Recycling for Businesses.
- SB 1383 (2016) — 50% organics diversion from landfill by 2020 and 75% by 2025, which includes biosolids and mandatory organics procurement (compost and biogas) for impacted jurisdiction.
- SB 32 (2016) — 40% Reduction GHG below 1990 levels by 2030
- SB 100 (2018) — 50% renewable resources (i.e., anaerobic co-digestion of food waste) target by December 31, 2026, and to achieve a 60% target by December 31, 2030
- Increasing soil carbon and carbon sequestration under the Healthy Soils Initiative and Forest Carbon Plan.

In combination, these measures are expanding the “organic waste markets”, thereby stimulating interest in siting more composting facilities and organic waste-to-energy projects and could also support soil blending and direct land application of biosolids and create opportunities for wastewater agencies to innovate. Agencies such as the State Water Resources Control Board (SWRCB), CalRecycle, California Department of Food and Agriculture, California Air Resources Board, and California Energy Commission are developing regulations to implement the new laws. Throughout the rulemaking process, OC San has been actively involved through the California Association of Sanitation Agencies (CASA) and the Southern California Alliance of POTWs (SCAP) to encourage regulators to open more biosolids management options in California. In particular, the recently adopted regulations for SB 1383 require jurisdictions such as cities and counties to procure recycled organics such as compost and biogas for localized beneficial reuse.

It is worth noting that while there is growing interest in California for enhanced organics management, there has also been a rising concern from the regulatory community regarding emerging contaminants such as polyfluoroalkyl substances (PFAS) and microplastics. These

ubiquitous, often household, compounds have been detected in the wastewater pathway and biosolids, and OC San has been actively monitoring the development of the science and regulations across all water, wastewater, air, and soil sectors. To date, PFAS regulations have been established for drinking water and a series of phased investigative orders were issued by the SWRCB to examine the fate and transport of PFAS. OC San was among 249 wastewater treatment plants that were included in Phase three of the investigative order, and OC San is on track to complete all required sampling, analysis, and reporting. Additionally, effective in Fall 2021, OC San is sending 100 tons per day to a state-of-the-technology bioenergy facility which will be sampled for PFAS to potentially demonstrate the destruction of PFAS in biosolids using pyrolysis while creating biochar for recycling and renewable energy for distribution.

### **Future Policy Statement**

As environmental regulations continue to drive the organic waste markets in California, OC San will continue to leverage its memberships with various professional/industry associations to encourage local, state, and federal agencies to promote the beneficial reuse of biosolids. OC San will also continue to monitor the development of regulations for constituents of emerging concern that may impact the beneficial reuse of biosolids.

OC San's long-standing leadership role in key professional organizations will continue to ensure timely and meaningful engagement on key regional, state, and national biosolids management policies.

OC San will continue to stay abreast of new biosolids management options, technologies, and regional biosolids recycling and renewable energy partnerships within Southern California, especially those that address the removal, sequestration, and destruction of constituents of emerging concern.

Based on the findings from the abovementioned pyrolysis PFAS demonstration project and any regulation that are developed in the coming years, staff will update OC San's biosolids strategy to account for emerging contaminant management.

Consistent with the Plan, staff will work with OC Waste and Recycling (OCWR) to explore regional biosolids management opportunities as well as local solutions to meet SB 1383's organics diversion mandates, with emphasis on in-county biosolids utilization, composting, food waste co-digestion, and biogas production.

### **Initiatives to Support Progress Toward the Policy Goal**

- Proceed with implementation of new thermophilic biosolids facilities at Plant No. 2 to improve OC San's operational resiliency against seismic events while enhancing biosolids quality and marketability.
- Continue to explore biosolids thermal conversion technology for energy generation and destruction of persistent contaminants.
- Engage with local, state, and federal agencies to ensure that biosolids will continue to be safely and legally used as a soil amendment.
- Stay abreast of new biosolids management options, technologies, and biosolids recycling and renewable energy partnerships in Southern California, with special emphasis on technologies that address the removal, sequestration, and destruction of contaminants of emerging concern.



## Constituents of Emerging Concern Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will partner with other agencies, associations, and institutions to support the use of sound science to inform policy and regulatory decisions on constituents (or contaminants) of emerging concern (CECs) at the federal, state, and regional levels. Staff will obtain and maintain current knowledge on CECs under regulatory consideration, including occurrence, analytical methods, regulations, and treatment to support OC San's mission and regulatory compliance.

### Background

CECs are pollutants that are not necessarily subject to existing regulations but have the potential to pose significant risk to public health and/or the environment. Wastewater treatment systems are generally not designed to remove or destroy CECs but can serve as a pathway for persistent CECs such as per- and polyfluoroalkyl substances (commonly known as the Forever Compound, or PFAS) and microplastics that enter the system from sources such as residential dwellings, commercial establishments, industrial facilities, dry weather urban runoff diversions, and special purpose discharges. In fact, certain CECs have the potential to compromise wastewater treatment and reuse operations, if found at levels that impair OC San's biological treatment systems, digester gas utilization, or advance water purification at the Groundwater Replenishment System.

As with most pollutants, reduction of CECs at the source is by far the most effective means of safeguarding public health and the environment. However, since the full range of adverse effects associated with each CEC is often unknown until contamination has become widespread, OC San routinely coordinates with environmental regulators, industry partners, and community stakeholder to maintain up-to-date scientific knowledge, technological developments, and relevant regulatory and legislative initiatives.

It is worth noting that some of today's regulated pollutants were once considered CECs, such as 1,4-dioxane and polychlorinated biphenyls (PCBs), and OC San is engaged in multiple regional collaborations to continuously increase our collective understanding of pollutant fate and transport and develop integrated water quality improvement strategies.

With steadfast support from the OC San Board of Directors, multiple generations of staff have acquired and conveyed considerable institutional knowledge and experience with identifying, monitoring, and reducing CECs through a combination of source control, treatment optimization, analytical innovations, outreach, and responsible reuse and disposal.

A key takeaway from OC San's decades-long experience with CECs is that there is no such thing as 'away' for some pollutants. Thus, we must consider CEC management in every facet of OC San operation, with special emphasis on advance planning for source control, beneficial reuse, and responsible ocean discharge.

### Current Situation

OC San has prioritized CEC source control to prevent potential adverse impacts to its mission of protecting public health and the environment. Industrial and certain non-domestic discharges are regulated by OC San's Pre-treatment Program through a permitting and source control inspection program that enforces OC San's Waste Discharge Ordinance and federal, state, and local mandates. For CECs that are undergoing regulatory development, OC San may choose to utilize interim guidelines and recommended thresholds from federal, state, and

local regulatory agencies to safeguard our ocean discharge and beneficial reuse of water and biosolids.

Specifically, OC San has worked with regulators at the federal, state, and local levels in advance of CEC regulations to develop special projects that can be incorporated into its National Pollutant Discharge Elimination System (NPDES) Permit to evaluate the presence and quantity of CECs in our final discharge to the ocean and the background levels in the receiving environment. OC San's current CEC monitoring program includes constituents in the following category: Hormones (8), Industrial Endocrine Disrupting Compounds (7), Pharmaceuticals and Personal Care Products (13), and Flame Retardants (9). Data from OC San's ongoing CEC program were reviewed by the regulatory and natural resource agencies during the recent NPDES permit renewal consultations, and additional CECs have been added to the 2021 NPDES permit.

Over time, OC San's source control program has been enhanced and updated to meet the needs of the Groundwater Replenishment System (GWRS) as it underwent expansion to increase water supply reliability for north-central Orange County. Through formal agreements and staff-level coordination, OC San and the Orange County Water District (OCWD) have forged a world-class partnership that currently produces 100 million gallons per day (MGD) of purified water and is on track to increase production to 130 MGD in 2023.

To safeguard this potable reuse effort against CECs and other pollutants that are not removed by conventional wastewater treatment systems, OC San and OCWD established a response plan that is activated whenever a pollutant or pollutant precursor becomes a concern to either agency. Where the source can be identified, the plan organizes responsive actions from OC San and OCWD for industrial and commercial facilities. A typical response could include source investigation by OC San that begins with data review, accelerated sampling, laboratory analysis, and result in inspections and enforcement actions. CECs from suspected domestic and residential sources are typically addressed by way of educational outreach to the public. However, OC San's Board of Directors have also authorized financial and in-kind services to support targeted research at academic institutions that investigate CECs from domestic and residential origins.

CECs that are not removed through the treatment process can also be found in biosolids. At high concentrations, CECs may preclude beneficial reuse of biosolids as soil amendments for non-food crop and force OC San to dispose of biosolids in landfills or pursue costly means of destruction.

Thus, responsible legislations and regulations that reduce the production and use CECs, encourage substitution with less toxic materials, and promote adaptive source control programs are essential for sustaining OC San's mission and commitments to the community.

If source control, education and outreach, or legislative and regulatory efforts are not successful, OC San may be required to implement a technological or operational process change/investment to address a CEC.

### **Future Policy Statement**

OC San shall align its resources to manage CECs throughout its service area and treatment process to comply with existing and anticipated regulatory requirements and sustain beneficial reuse of treated effluent and biosolids.

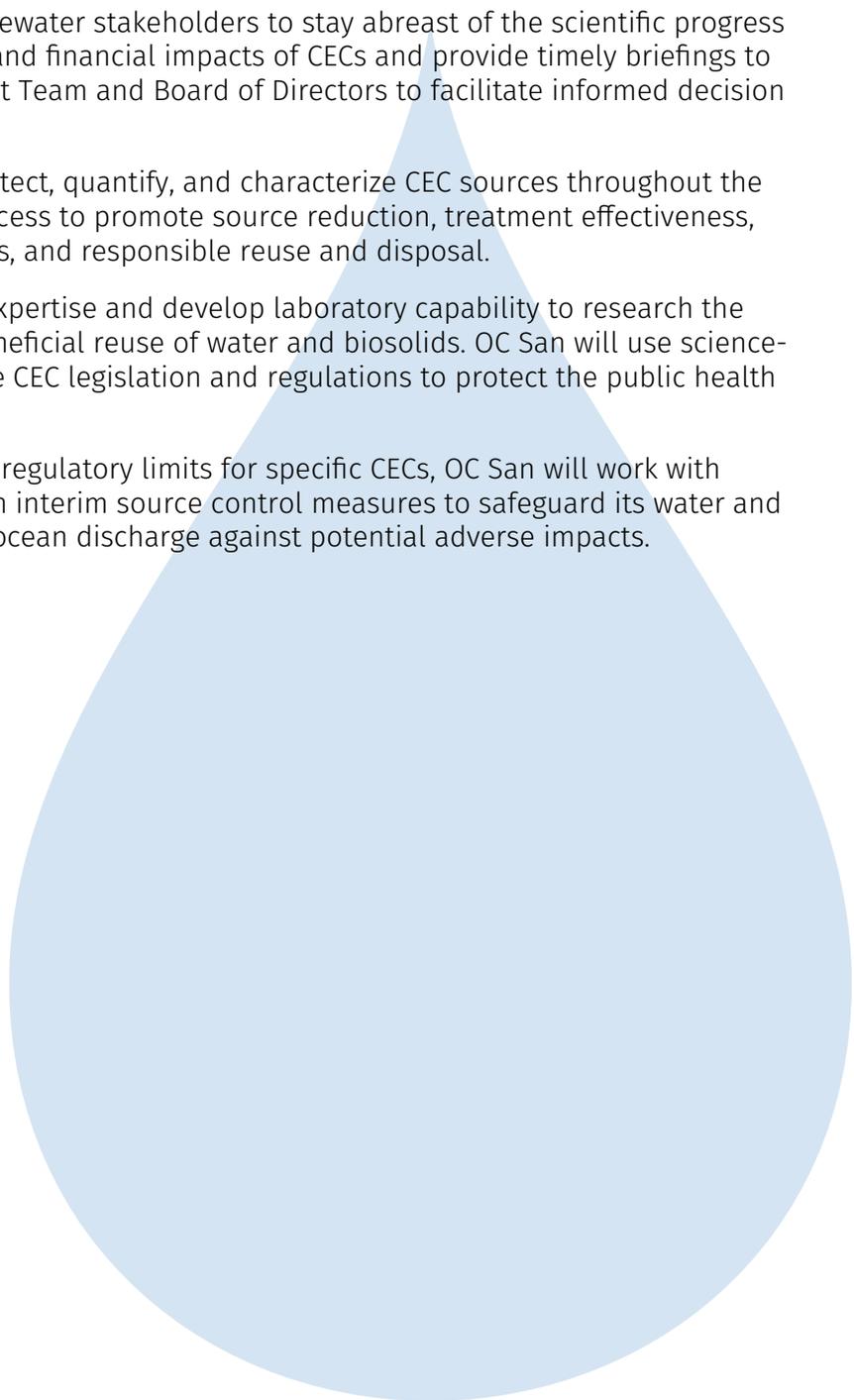
OC San shall acquire and maintain a high level of subject matter expertise and engagement across the wastewater, water, water reuse, air quality, ocean monitoring, and biosolids sectors to monitor the environmental, operational, and financial threats posed by CECs.

OC San shall continue to work with other agencies and professional organizations to develop robust analytical methods and routinely monitor its local limits in order to shape and comply with regulation to protect public health and the environment.

OC San shall continue to implement and update the GWRS Response Plan to sustain effective water reuse and prepare for next-generation CECs and emerging regulatory obligations.

### **Initiatives to Support Progress Toward the Policy Goal**

- Actively engage water and wastewater stakeholders to stay abreast of the scientific progress and any potential operational and financial impacts of CECs and provide timely briefings to OC San's Executive Management Team and Board of Directors to facilitate informed decision making.
- Develop capacity to identify, detect, quantify, and characterize CEC sources throughout the service area and treatment process to promote source reduction, treatment effectiveness, communication of credible risks, and responsible reuse and disposal.
- Proactively establish internal expertise and develop laboratory capability to research the potential impact of CECs on beneficial reuse of water and biosolids. OC San will use science-based knowledge to help shape CEC legislation and regulations to protect the public health and environment.
- In the absence of promulgated regulatory limits for specific CECs, OC San will work with regulatory agencies to establish interim source control measures to safeguard its water and biosolids reuse initiatives and ocean discharge against potential adverse impacts.







# Workforce Environment

## Resilient Staffing Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will attract and retain high-quality talent to support its mission and continue to be an industry leader. It will safeguard leadership continuity and support effective performance of the organization by proactively monitoring the changing work environment and requirements to ensure employee development programs are relevant and facilitate building a skilled bench of readily available successors for key leadership and mission-critical positions.

### Background

At OC San, employees are the organization's most valuable resource. With over 600 highly skilled and dedicated employees whose collective efforts make OC San an industry leader, resulting in national awards and recognition. OC San has a continuing commitment to providing educational and training opportunities to its employees, resulting in a prepared, highly skilled, and educated workforce to carry out the mission of protecting public health and the environment.

OC San has a diverse workforce and a wide range of expertise with approximately 70 percent of positions requiring a degree, certification, and/or license. Occupations include scientists, engineers, environmental and regulatory specialists, operators, mechanics, construction inspectors, as well as professionals in public affairs, finance, IT, safety, and human resources.

To cultivate a committed and engaged workforce in a competitive economy, OC San must promote initiatives to attract and retain talent and also prepare staff for both current and future key positions to ensure succession management of our most critical positions. Strategic succession management initiatives have been developed and adopted that support the design and implementation of comprehensive workforce planning and development tools accompanied by activities that facilitate the improvement of workforce capability, adaptability, efficiency, and accountability. Strategic workforce planning empowers management to project the loss of knowledge and experience caused by retirement and attrition and utilizes a variety of methods to ensure that OC San has adequate access to talent internally, and externally through the recruitment, promotion, and selection process.

OC San has a competitive recruitment process that ensures we hire the best person for the job based on qualifications and merit. Human Resources utilizes an objective multi-hurdle approach to hiring which includes, among other processes, assessment centers and skills testing, screening, and recommendation to the hiring authority of only those candidates that meet job specifications. The process also includes a second review by the subject matter expert in the department of those applications that have been forwarded, panel interviews (both for technical skills and fit), and full background and reference checks.

Programs that have proven effective in attracting, retaining, and developing highly skilled staff for key positions, include:

- **Vocational/Professional Student Internship Programs**

Vocational students from the Water Utility Science Program at Santiago Canyon College, and Los Angeles Trade Technical College work 28 hours a week and rotate through five technical trades for 53 weeks in our Operations and Maintenance Department. Furthermore, 23 of the program participants have been hired full-time since the program inception. OC San is piloting the program with other technical colleges in Southern California to include Cypress College.

In addition to the Vocational Internship Program, OC San also offers a Professional Student Internship Program that allows students at local Universities an opportunity to work at the professional ranks while attending college full-time for a two-year maximum duration. OC San partners with Cal State Fullerton, Long Beach, Cal Poly Pomona, and UC Irvine, among others.

- **Employee Development Program**

In addition to providing all legally mandated training, OC San provides training and development opportunities for the purpose of increasing job knowledge and to maximize skill sets in employees' current positions and to prepare them for future mission-critical positions. Comprehensive training programs include technical training through industry-specific associations or groups, local schools, and professional associations including informal on the job training. Employees are encouraged to obtain job-related training necessary to keep OC San current with recent industry best practices and developments in their respective fields of expertise and can be eligible to receive Development Pay in select categories that OC San deems mission critical. As 70 percent of OC San's positions require a degree, certificate and/or license, OC San also promotes professional development through its tuition and certification reimbursement programs for courses completed toward obtaining an associate's, bachelor's or master's degree at accredited colleges, universities, or other institutions or industry-specific certifications.

- **Workforce Vulnerability Assessments**

Each year, OC San management conducts an evaluation of their respective departments and identifies key and vulnerable positions based on three criteria: criticality, retention, and difficulty to fill. Vulnerability assessments provide a broader view into the areas of the agency that could potentially be facing a high risk in turnover and are essential to operations. Management is tasked with identifying positions based on the criteria above, then making recommendations on the level of action that is required, complete with proposed action plans. Human Resources staff facilitates the workforce vulnerability assessments and develops current and future staffing plans based on the management outcomes annually. It is essential that OC San continues its planning efforts in this area and to prioritize sufficient staffing to service the community we serve.

- **Talent Readiness Assessments**

The process includes departmental leadership evaluating staff preparedness for key positions as well as reviewing current and future development efforts. Key positions along with the positions that feed into those positions is identified with the expectation that talent pools are developed to align with agency goals and builds the talent pipeline.

- **Orange County Sanitation District University (OC San "U")**

In 2011, OC San began offering a comprehensive voluntary development program to employees. The program was designed to help address the potential loss of talent due to ongoing retirements and to develop employees from within the organization for succession management. The program is currently known as OC San "U" (Orange County Sanitation District University) and it is administered by volunteer employees from across the agency with oversight by the Human Resources Department. Under this program, employees can participate in various learning options to increase their knowledge, skills, abilities, and enhance organizational awareness. The focus of the program and the types of learning options offered have varied over the years to meet the evolving needs of OC San. Employees

may choose to attend on demand web-based courses and live instructor-led virtual trainings on various topics that pertain to OC San business systems, technology, leadership, communications, and more. Employees may also apply to participate in the Cal State Fullerton 14-week Leadership Academy and OC San “U” recently launched a mentoring program. Additionally, OC San U will expand its partnerships for success section of the program to include offerings to outside organizations. The intent is to promote and provide information on OC San as well as network and expand our offerings.

Additionally, OC San partnered with UC Irvine, Cal State University at Long Beach and California Polytechnic University at Pomona, which provided students an opportunity to job shadow Human Resources and Engineering staff to gain insight into the profession, employment in the public sector and the wastewater industry. OC San employees also serve on Advisory Councils that weigh in on course curriculum at various schools, both at the high school and college level, across Southern California.

Throughout the agency, we have several employees who are active members of various professional associations, serve on a Board, or volunteer in various capacities within the industry. OC San is regularly invited to present and teach others about resource recovery. Recruiters attend job fairs, and work closely with universities, professional organizations, and serve on advisory committees.

Education and workforce investment programs represent the most important preparation we can accomplish today to safeguard the agency’s future for tomorrow. Finding an adequate pool of applicants and retaining qualified workers is increasingly difficult, which we anticipate will continue. Retirements are disrupting employment within our industry and changes in technology have made work more complex.

### **Current Situation**

Currently, the majority of OC San’s executives are eligible for retirement. Managers, our next level of leadership, closely follow with 43 percent of them eligible to retire now, and that number increases to 71 percent in five years. For trades and professional occupations, 48 percent are eligible to retire in the next five years. OC San has many long-term employees with vast knowledge in their respective areas of expertise. The average years of service is 10 years with some employees having been a part of the OC San family for over 35 years. Looking at OC San’s total attrition over the last five years, we have lost 2,980 years of knowledge and experience by 128 individuals leaving the agency since 2016.

In 2010, OC San proactively implemented a second retirement benefit formula (“classic open plan”) ahead of the Public Employee Pension Reform Act, which offered candidates moving from other public sector agencies to OC San with a retirement benefit of 2.43 percent at 65, with zero employer paid member contribution. Based on OC San’s classic open retirement plan, competing for experienced and highly skilled talent from surrounding municipalities, who offer a more attractive retirement benefit of 2.5 percent or 2.7 percent at 55 in addition to paying for a portion of the employees’ contribution has been challenging. Since implementation of the classic open plan in 2010, approximately 35 percent of new hires come from other public sector agencies which limits our ability to hire already trained and experienced staff which can be particularly difficult for technical, scientific, and management positions. OC San has had experience with public sector candidates withdrawing from the process or declining job offers once they learn of the impact to their retirement benefit formula. Given the legal restrictions which bind OC San to the classic open retirement formula, it is critical OC San focus its efforts on retaining current staff, attracting qualified and experienced candidates, and investing in

developing and growing employees' knowledge, skills, and abilities for the future, to address any potential talent shortages.

### **Future Policy Statement**

Human Resources will continue to implement strategic initiatives that ensure workforce capabilities match the work required to meet OC San's mission and levels of service. Staff is dedicated to proactively monitoring the changing work environment and requirements to implement programs now that address future vulnerabilities. Assessments of changes in business needs, workforce composition, and legal requirements are necessary to ensure resilient staffing.

### **Initiatives to Support Progress Toward the Policy Goal**

- Maintain and enhance current employee development programs that are in place to provide the direction to identify, develop and select the next generation of prepared, capable, and engaged leaders, which include:
  - Vocational/Professional Student Internship Programs
  - Employee Development Programs
  - Workforce Vulnerability Assessments
  - Talent Readiness Assessments
  - Orange County Sanitation District University (OC San "U")
- Continue to build the OC San "U" program and evaluate various options to partner with member agencies to share content and interactive development opportunities.
- Continue to build on the employee development opportunities to enhance organizational awareness and strengthening knowledge, skills, and abilities in the areas of OC San business systems, leadership, technology, and communication. Additionally, Human Resources will partner with other member agencies to provide and host training and development programs to foster collaboration and innovation.
- Conduct a Classification & Compensation study to ensure job classifications accurately depict the work being performed, to set compensation levels accordingly, and stay abreast of market benefit and salary data. Human Resources and the Board-approved Consultant will work with stakeholders to complete an organization-wide Classification & Compensation Study. It will incorporate feedback on survey agencies solicited from the Board over the past year and union feedback through meet and confer in upcoming labor negotiations.



## Safety and Physical Security Policy

### Summary Policy Statement

The Orange County Sanitation District (OC San) will ensure the safety and security of employees, contractors, and visitors through standard practices, policies, and procedures that support a safe and secure environment, provide an appropriate level of security, and safeguard OC San's property and physical assets.

### Background

In California, employers must furnish employees with a place of employment free from recognized hazards that cause death or serious physical harm, that is compliant with all legal requirements, and aligns with industry best practices. The safety and wellness of the public and employees is our number one priority. OC San is committed to identifying all hazards through inspection and providing engineering controls, job specific safety training, and personal protective equipment.

Programs that have proved effective in ensuring the safety and wellness of OC San's workforce, visitors, and contractors include:

### Safety Assessments and Engineering Controls

In 2014, OC San conducted a Facility-Wide Safety Assessment Project (SP-145-1) to identify process equipment design and configuration issues that may impact worker safety, and compliance with regulations. The main purpose of this effort was to enhance worker safety and ensure compliance with safety codes. At the same time, safety improvements allow for reliable and efficient operation, so that our facilities can meet regulatory, and process demands, while providing cost-effective operation. All the Project SP-145-1 recommendations to be implemented by OC San have either been addressed by Maintenance or have been incorporated into the Safety Improvement Project (J-126).

### Emergency Management

OC San must be prepared to control risks to the organization, and routinely recognize, evaluate, and prepare for emergencies. An emergency can include a major explosion, fire, verified bomb threat, civil disorder, active shooter situation, or uncontrolled materials release which interrupts OC San's ability to provide safe and environmentally responsible wastewater treatment. The Sanitation District's protocol to control and respond to emergencies is contained within the Integrated Emergency Response Plan (IERP).

The IERP identifies and assesses hazards regarding emergency events which OC San may be confronted with and contains policies, plans, and procedures for preparing and responding to emergencies. The Sanitation District's emergency response organization, called the Incident Command System (ICS), is activated when an emergency condition cannot be effectively responded to under routine operations. Once the immediate emergency has been controlled, then OC San must resume normal operations. In the event of a prolonged emergency state, the return to normal operations is guided by a Continuity of Operations Plan (COOP). In May 2018, a COOP was completed with all divisions contributing to its development. Business continuity planning is an ongoing process for OC San with plans being updated as information changes.

OC San collaborates with local agencies to ensure available resources are identified and engaged in the event of an emergency. OC San has partnered with local agencies in the areas of emergency response for evacuation drills and resource sharing.

- 1) OC San participated in the 2019 Orange Crush Regional Emergency Preparedness and Training Exercise in January 2019. This county-wide exercise used a scenario of a magnitude 7.8 earthquake strike along the San Andreas Fault. A full Emergency Operations Center activation occurred for this functional exercise and gave OC San the opportunity to test the Integrated Emergency Response Plan.
- 2) The Orange County Sheriff's Department and the Orange County Health Care Agency established a Joint Information Center at Plant No. 2 on May 13-14, 2019, to host an enforcement event in Talbert Park. In addition, the operation was overseen by three federal judges who were present to ensure the rights of all citizens were not violated by law enforcement or The Health Care Agency. Officials utilized Plant No. 2 contractor gates for points of entry.
- 3) OC San is a member and funding agency of the Water Emergency Response of Orange County (WERO), which is an organization that is administered by the Municipal Water District of Orange County (MWD). It supports and manages countywide emergency preparedness, planning, response and recovery efforts among Orange County water and wastewater utilities.

## **Security**

The Department of Homeland Security has designated 16 critical infrastructure sectors, which includes water and wastewater systems. Wastewater systems are vulnerable to a variety of attacks, including acts of terrorism, contamination with deadly agents; physical attacks, such as the release of toxic gaseous chemicals, and cyberattacks. In addition, the Department of Homeland Security indicates that the average time it takes for a critical incident to take place is up to 12 minutes while the average police response time can be up to 11 minutes, and that time could increase should there be a natural disaster.

Additional security concerns include physical violence, vandalism, theft, and trespassers. With approximately 100 acres at each site, 600 employees, contractors, and members of the public on site for tours and meetings, it is essential to maintain a security force that can respond to security threats promptly.

OC San contracts with a security firm that supplies four armed and five unarmed guards to provide round the clock security monitoring of over 80 cameras, monitoring gate access, and patrolling the perimeter at both plants.

## **Current Situation**

The Risk Management division has been given the responsibility and an adequate budget to assess and control the safety, security, and health risks that employees, contractors, and guests may be exposed to from OC San operations. Assessment and control of risks is achieved collaboratively between Risk Management staff and internal stakeholders. Risk Management, managers, and staff collaborate to develop written procedures (e.g., policies) that are used for controlling and eliminating hazards at OC San; thus, ensuring compliance with occupational health and safety standards and laws.

## **Safety**

As the health and safety of employees, contractors, and visitors is the number one priority, OC San strives to achieve safety excellence. This is exemplified by our pursuit of the California Voluntary Protection Program (Cal/VPP). The Cal/VPP is a program created by Cal/OSHA to recognize organizations who have implemented safety and health programs that effectively

prevent and control occupational hazards. A Cal/VPP workplace is expected to continually improve its safety program, which means a safe workplace for all. A reduction in injuries and illness has been documented at sites that have committed to the VPP approach. Cal/VPP is recognized as a higher level of protection for the workplace, for this reason, OC San is pursuing this designation.

In preparation for application to the Cal/VPP program, OC San conducted a Cal/VPP readiness assessment in January 2019 and developed an implementation strategy. The assessment included interviews with various OC San subject matter experts and discussions with employees during facility tours. OC San procedures and records were reviewed, and limited visual inspection of work locations and facilities was conducted. The assessment considered basic Cal/OSHA regulatory compliance and additional best management practices that are expected to be implemented in VPP certified workplaces. Based on the results of the VPP assessment, OC San is working toward applying for VPP before the end of calendar year 2019. The timing coincides with the implementation of most of the Safety Improvement Project (J-126), which are critical for success in our VPP pursuit.

This Safety Improvement Project (J-126) is progressing on-schedule. Of the eleven J-126 projects, two have been completed, seven are in the construction phase, and two are pending contractor award. It is important to note that interim measures have been taken to ensure worker safety at the locations identified for safety improvements. Workers are not exposed to hazards while projects are completed.

Eliminating hazards through engineering projects is critical, along with a positive safety culture. In order to assess the safety culture at OC San, a survey was conducted from February to April 2019. The results of this survey indicated employees believe the safety culture is improving, desired an increase in communication on safety issues, and wanted less online and more hands-on customized safety training.

### **Emergency Management**

OC San partners with local agencies to ensure available resources are identified and engaged in the event of an emergency. Collaborations currently scheduled include:

- 1) In conjunction with WEROC, OC San participated in the development of the Orange County Water and Wastewater Hazard Mitigation Plan (Plan) which will be submitted for approval to the State. The Plan provides a framework for participating water and wastewater utilities to plan for natural and man-made hazards in Orange County. OC San is an active participant in the Plan, and developed a hazard mitigation plan, which is Annex C of the Plan. The resources and information within the Plan will allow OC San, and participating jurisdictions to identify and prioritize future mitigation projects, meet the requirements of federal assistance programs and grant applications, and encourage coordination and collaboration in meeting mitigation goals.
- 2) On July 27, 2019, the Sanitation District partnered with the Fountain Valley Police Department Explorers during OC San's Open House event. The Police Explorers assisted Human Resources and Risk Management with crowd and traffic control. Their assistance was beneficial in the management of public during this important event.

### **Security**

The designation of wastewater systems as critical infrastructure by the Department of Homeland Security requires OC San to be diligent in protecting people and property from security breaches. OC San seeks to continually improve the security program. On June 7, 2019,

OC San issued a Request for Proposal (RFP) for Security Services, which included a potential expansion of security services for OC San’s new Headquarters Complex. As part of the RFP evaluation, OC San will review procedural and technical enhancements/innovations that may improve the existing program.

In addition, OC San has established a Security Committee, which includes stakeholders from a cross-section of the organization, to collect input and assess physical and cybersecurity concerns and suggestions. Responsibilities of the committee include, but are not limited to, development of a physical and cybersecurity plan, reviewing orders and policies, reviewing incident reports, and planning drills. The first meeting of the committee was held on June 6, 2019.

### **Future Policy Statement**

Risk Management has and will continue to implement strategic initiatives that will ensure the safety, health, and security of its workforce, and proactively plan for emergencies to ensure continuity of operations. Staff is dedicated to proactively monitoring the changing work environment and requirements to implement programs now that address future vulnerabilities. Assessments of changes in business needs, plant processes, and legal requirements are necessary to ensure a safe and secure work environment. The results of improvement will be measured using leading metric indicators and reported to the workforce to foster employee engagement.

### **Initiatives to Support Progress Toward the Policy Goal**

#### **Safety**

- Complete outstanding safety projects, improvements, and corrective actions to apply and obtain Cal/OSHA Voluntary Protection Program (VPP) status; and continue to foster a culture where employees are accountable for their safety, as well as the safety of others.

#### **Emergency Management**

- Support facility and countywide emergency preparedness, response, and recovery efforts by partnering with entities, such as, the Water Emergency Response Organization of Orange County (WEROC), Orange County Sheriff’s Department, and local fire departments to plan and continue to conduct disaster preparedness training and exercises.

#### **Security**

- Continually identify and assess vulnerabilities and implement solutions through the Security Committee and third-party assessments. Prevent/mitigate security breaches using physical security systems such as video monitoring, access control, and armed security patrols.



**Reclamation Plant No. 1**  
(Administration Offices)  
10844 Ellis Avenue  
Fountain Valley, California 92708  
714.962.2411

**Treatment Plant No. 2**  
22212 Brookhurst Street  
Huntington Beach, California 92646

**For more information**  
Email: [ForInformation@ocsan.gov](mailto:ForInformation@ocsan.gov)  
Phone: 714.962.2411

[www.ocsan.gov](http://www.ocsan.gov)



June 15, 2022

**TO:** Chairman and Members of the Board of Directors

**FROM:** James D. Herberg, General Manager

**SUBJECT: General Manager's Fiscal Year 2022-2023 Work Plan**

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I am pleased to present my work plan for Fiscal Year 2022-2023. This plan has been developed based on the 2021 Strategic Plan adopted by the Board of Directors on November 17, 2021 and is organized under the four Strategic Planning categories: Business Principles, Environmental Stewardship, Wastewater Management, and Workplace Environment. The 17 work plan goals that I am proposing for next year support our efforts to ensure that our operations are safe; we continue to attract, develop, and retain a capable workforce; that we enhance our sustainability by maximizing water recycling; and implement sound financial practices. This forward-looking work plan is designed to position our agency to continue providing our customers with a high level of service while seizing opportunities and meeting future challenges.

### **1. Business Principles**

- **Rate Study** – In preparation for establishing a new five-year rate program, conduct a five-year rate study to determine customers' fair and equitable share of collection, treatment, and disposal costs. Develop an accurate rate model which ensures full cost recovery and provides support to the Proposition 218 notifications. This comprehensive rate study allocates costs to Flow, Biochemical Oxygen Demand, and Total Suspended Solids for the purpose of billing different customer classes including high flow and high strength dischargers and will be applicable to all fees and charges including annexation fees and urban runoff fees. Study to be completed by December 31, 2022.
- **Asset Management Plan** – Create an annual Asset Management Plan documenting the condition for the collection system, treatment plants, and upcoming maintenance or capital projects by December 31, 2022.
- **Interagency Agreements for Wastewater Service** – Conduct an analysis of consolidated agreements set to expire to determine affected agencies, potential risks, opportunities, and a path moving forward by June 30, 2023.

## 2. Environmental Stewardship

- **Food Waste Treatment** – Continue to meet on a quarterly basis with potential food waste pre-processors on the feasibility of potential food waste process technology and siting logistics. Collaborate with CASA to draft uniform standards for food waste slurry with an update to the Board of Directors by December 31, 2022.
- **Urban Runoff Optimization Study** – Advertise for a Request for Proposal for an interagency study among OC San, Orange County Water District, and Orange County Watersheds to study the feasibility of accepting additional dry weather urban runoff and potential stormwater harvesting by October 31, 2022.
- **Energy Resilience** – Investigate energy storage options to build resilience and offer potential cost savings. Work with the consultant as part of the Energy Master Plan Study and report to the Board of Directors by June 30, 2023.
- **Fleet Long-term Strategy** – The current fleet of vehicles is aging and will be subject to new regulations that will require a change in the way vehicles are fueled and will require significant new infrastructure facility changes. Staff will prepare a study based on probable adopted requirements outlining fleet procurements and infrastructure changes necessary to meet the new requirements by December 31, 2022.
- **Headquarters Educational Display** – Develop an educational display for the headquarters building to illustrate OC San's reuse and recycling efforts in support of the environment and public health. Have plan approved and in production by June 30, 2023, for installation by December 2023.
- **Member Agency Outreach Program** – Develop an outreach program for member agencies regarding inflow and infiltration, FOG, and saltwater issues within their sewer systems. The program will aim to educate, inform, and reduce these elements affecting the local and regional sewer system by June 2023.
- **Industrial Users Award Program** – Develop an award program with the qualifying criteria for an Industrial Users Award Program for consideration by the Board of Directors by December 31, 2022.

### 3. Wastewater Management

- **Supercritical Water Oxidization** – Complete the commissioning and begin demonstration of the pilot project by June 30, 2023, subject to regulatory permitting.
- **Chemical Sustainability Policy** – Utilize the recently produced Chemical Sustainability Study to perform testing for dosage reduction or chemical substitution and report back to the Board of Directors by June 30, 2023.
- **GWRS Final Expansion** – Headworks Modifications at Plant No. 2 for GWRS Final Expansion will be substantially completed by January 2023. OC San will host a celebration to commemorate OC San's achievement of reusing 100 percent of the reclaimable flow upon completion of the Groundwater Replenishment System's Final Expansion. Celebrate the milestone and acknowledge the accomplishment with staff and stakeholders by June 2023.

### 4. Workplace Environment

- **Scanning & Paper Reduction** – Continue implementation of the trusted system in the Contracts, Purchasing, and Finance divisions while incorporating a fully digital processes to reduce the use of paper by June 30, 2023.
- **Emergency Management** – Support countywide emergency preparedness, response, and recovery efforts by partnering with entities, such as the Water Emergency Response Organization of Orange County, Orange County Sheriff's Department, and local fire departments, to plan and continue to conduct two emergency preparedness exercises by June 30, 2023.
- **Warehouse Modernization** – Implement remote warehousing at Plant No. 2 to allow for the demolition of the current warehouse facility for construction of new digesters. Relocate the Plant No. 2 Warehouse staff and inventory to Plant No. 1 by June 2023. Advertise Warehouse Stations and Demolition at Plant No. 2, FE21-05, for construction bids by March 31, 2023.
- **Centralized Training Program** – Develop a Centralized Training Program with levels of service to be implemented by June 30, 2023.

# Strategic Planning

Presented by:  
Rob Thompson,  
General Manager

April 26, 2023

Board Meeting

**OC SAN**  
ORANGE COUNTY SANITATION DISTRICT

1

## Importance of Strategic Planning

### The Board of Directors Defines OC San's Services

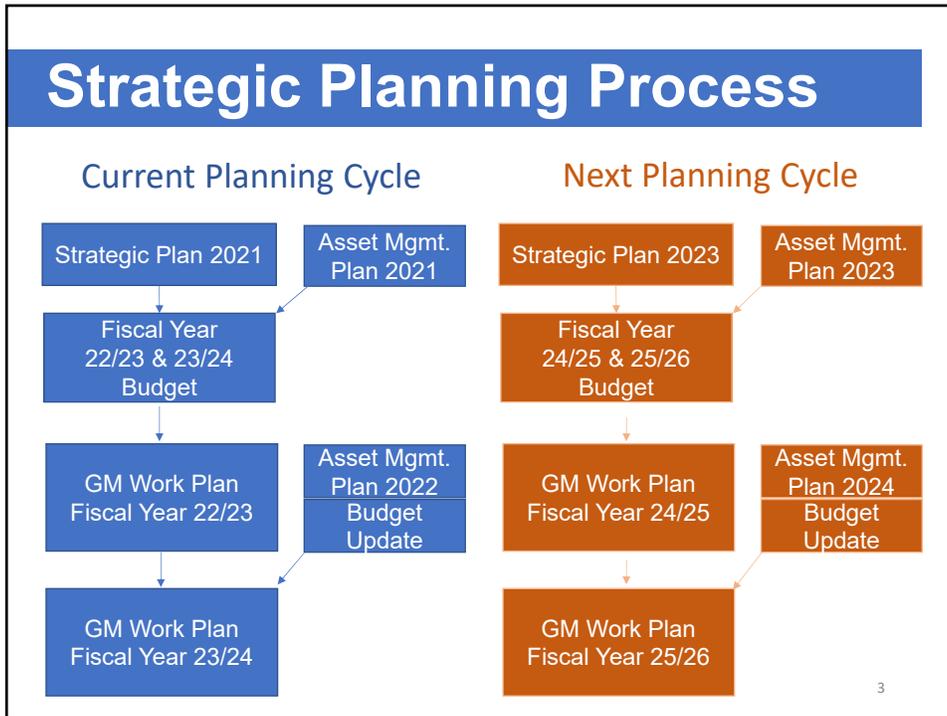
- Major initiatives take many years of consistent effort to deliver.
- Focuses staff and resources on true, long-term priorities.
- Improves the ability to collaborate with other agencies.

### Builds Unity

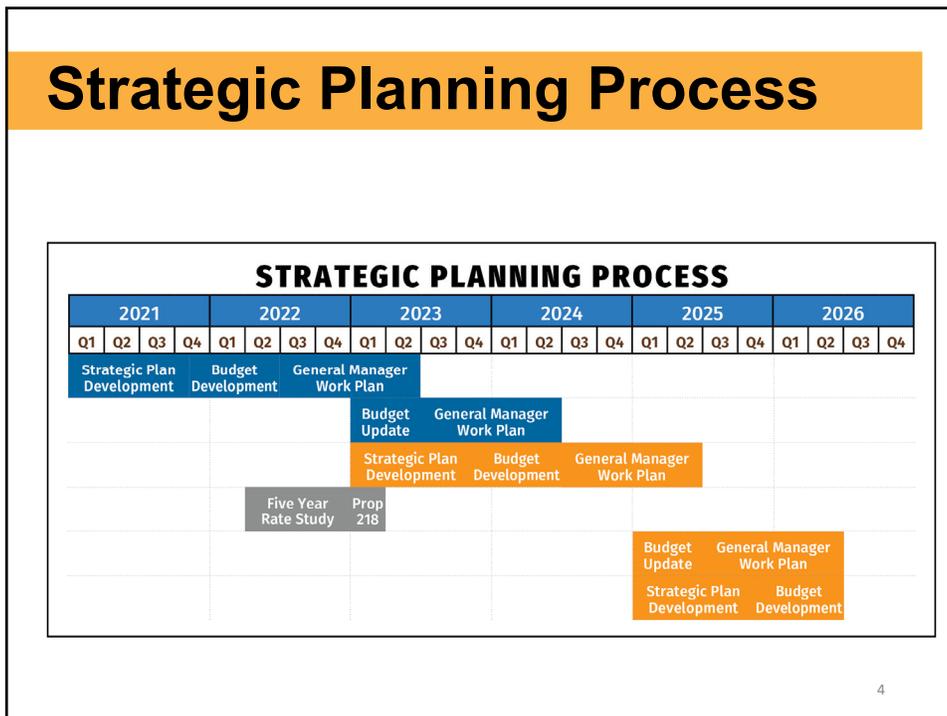
- Staff and other agencies clearly understand OC San Board of Directors expectations.
- Staff processes align with Board of Directors direction.
- The General Manager's Work Plan holds staff accountable.
- Defines both what OC San does and does not do.

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## OC San's Policy Areas

### Business Principles

- Budget Control and Fiscal Discipline
- Asset Management
- Cybersecurity
- Property Management
- Organizational Advocacy and Outreach

### Environmental Stewardship

- Energy Independence
- Climate and Catastrophic Event Resilience
- Food Waste Treatment
- Water Reuse
- Environmental Water Quality, and Urban Runoff

### Wastewater Management

- Chemical Sustainability
- Biosolids Management
- Constituents of Emerging Concern

### Workplace Environment

- Resilient Staffing
- Safety and Physical Security

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## Example: Food Waste Treatment

*Strat Plan Pg. 48*

### Policy Statement:

The State of California limits the volume of organic waste that may be diverted to landfills. OC San will collaborate with the County of Orange, other local agencies, and waste haulers to find ways to beneficially reuse food waste, a type of organic waste to assist cities in our service area in meeting their diversion requirements while increasing OC San's energy production.

### Initiative

- Accept a preprocessed food waste slurry from contracted waste haulers
- Design, build, and operate a food waste receiving station

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## Core Values

*Strat Plan Pg. 10*

- Integrity, Inclusion, Honesty, and Respect
- Leadership, Teamwork, and Problem Solving
- Customer Service, Transparency, and Accountability
- Resiliency, Innovation, and Learning
- Safety

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## Levels of Service

*Strat Plan Pg. 12*

Our Commitment To:

- Rate Payers
- Regulators
- Employees
- Board of Directors
- Stakeholders

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# Risk Register

Strat Plan Pg. 14

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# Committee Meetings

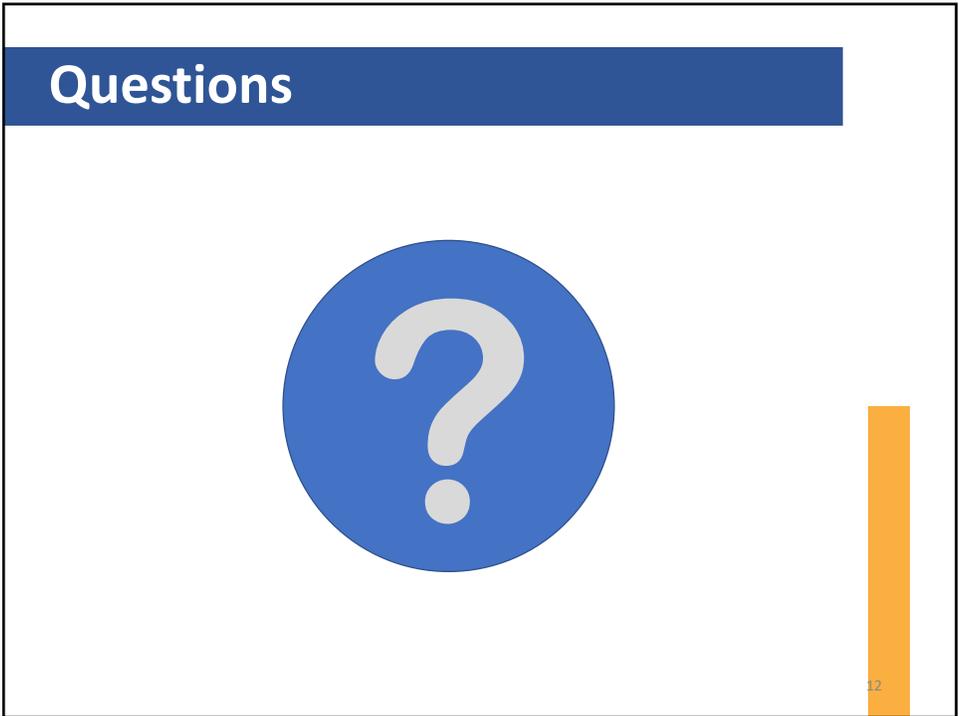
- Levels of Service
- Core Values
- Risk Register

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12



# BOARD OF DIRECTORS

## Agenda Report

Administration Building  
10844 Ellis Avenue  
Fountain Valley, CA 92708  
(714) 593-7433

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**File #:** 2023-2927

**Agenda Date:** 4/26/2023

**Agenda Item No:** CS-1

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**FROM:** Robert Thompson, General Manager

**SUBJECT:**

**CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - GOVERNMENT CODE SECTION 54956.9(D)(1)**

RECOMMENDATION: Convene in Closed Session:

Number of Cases: 1

Gilbert Barela v. Orange County Sanitation District; Steve Thornburg; Roy Reynolds; and Does 1-100, inclusive. Superior Court of California, County of Orange, Case No. 30-2021-01220927-CU-WT-CJC.

**BACKGROUND**

During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chairperson may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters.

Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

**RELEVANT STANDARDS**

- Government Code Sections 54956.8, 54956.9, 54957, or 54957.6, as noted

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

- Memorandum from General Counsel

**MEMORANDUM**

TO: Hon. Chair and Members of the Orange County Sanitation District Board of Directors

FROM: Bradley R. Hogin, Esq.  
General Counsel

DATE: April 18, 2023

RE: Closed Session Item

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The Board of Directors desires to hold a closed session on April 26, 2023 for the purpose of conferring with its legal counsel regarding existing litigation to which the District is a party. The title of the case is *Gilbert Barela v. Orange County Sanitation District; Steve Thornburg; Roy Reynolds; and Does 1-100, inclusive*, Superior Court of California, County of Orange, Case No. 30-2021-01220927. The closed session will be held pursuant to the authority of California Government Code Section 54956.9(d)(1).

Respectfully submitted,

By   
Bradley R. Hogin, General Counsel

## ORANGE COUNTY SANITATION DISTRICT COMMON ACRONYMS

<b>ACWA</b>	Association of California Water Agencies	<b>LOS</b>	Level Of Service	<b>RFP</b>	Request For Proposal
<b>APWA</b>	American Public Works Association	<b>MGD</b>	Million Gallons Per Day	<b>RWQCB</b>	Regional Water Quality Control Board
<b>AQMD</b>	Air Quality Management District	<b>MOU</b>	Memorandum of Understanding	<b>SARFPA</b>	Santa Ana River Flood Protection Agency
<b>ASCE</b>	American Society of Civil Engineers	<b>NACWA</b>	National Association of Clean Water Agencies	<b>SARI</b>	Santa Ana River Interceptor
<b>BOD</b>	Biochemical Oxygen Demand	<b>NEPA</b>	National Environmental Policy Act	<b>SARWQCB</b>	Santa Ana Regional Water Quality Control Board
<b>CARB</b>	California Air Resources Board	<b>NGOs</b>	Non-Governmental Organizations	<b>SAWPA</b>	Santa Ana Watershed Project Authority
<b>CASA</b>	California Association of Sanitation Agencies	<b>NPDES</b>	National Pollutant Discharge Elimination System	<b>SCADA</b>	Supervisory Control And Data Acquisition
<b>CCTV</b>	Closed Circuit Television	<b>NWRI</b>	National Water Research Institute	<b>SCAP</b>	Southern California Alliance of Publicly Owned Treatment Works
<b>CEQA</b>	California Environmental Quality Act	<b>O &amp; M</b>	Operations & Maintenance	<b>SCAQMD</b>	South Coast Air Quality Management District
<b>CIP</b>	Capital Improvement Program	<b>OCCOG</b>	Orange County Council of Governments	<b>SOCWA</b>	South Orange County Wastewater Authority
<b>CRWQCB</b>	California Regional Water Quality Control Board	<b>OCHCA</b>	Orange County Health Care Agency	<b>SRF</b>	Clean Water State Revolving Fund
<b>CWA</b>	Clean Water Act	<b>OCSD</b>	Orange County Sanitation District	<b>SSMP</b>	Sewer System Management Plan
<b>CWEA</b>	California Water Environment Association	<b>OCWD</b>	Orange County Water District	<b>SSO</b>	Sanitary Sewer Overflow
<b>EIR</b>	Environmental Impact Report	<b>OOBS</b>	Ocean Outfall Booster Station	<b>SWRCB</b>	State Water Resources Control Board
<b>EMT</b>	Executive Management Team	<b>OSHA</b>	Occupational Safety and Health Administration	<b>TDS</b>	Total Dissolved Solids
<b>EPA</b>	US Environmental Protection Agency	<b>PCSA</b>	Professional Consultant/Construction Services Agreement	<b>TMDL</b>	Total Maximum Daily Load
<b>FOG</b>	Fats, Oils, and Grease	<b>PDSA</b>	Professional Design Services Agreement	<b>TSS</b>	Total Suspended Solids
<b>gpd</b>	gallons per day	<b>PFAS</b>	Per- and Polyfluoroalkyl Substances	<b>WDR</b>	Waste Discharge Requirements
<b>GWRS</b>	Groundwater Replenishment System	<b>PFOA</b>	Perfluorooctanoic Acid	<b>WEF</b>	Water Environment Federation
<b>ICS</b>	Incident Command System	<b>PFOS</b>	Perfluorooctanesulfonic Acid	<b>WERF</b>	Water Environment & Reuse Foundation
<b>IERP</b>	Integrated Emergency Response Plan	<b>POTW</b>	Publicly Owned Treatment Works	<b>WIFIA</b>	Water Infrastructure Finance and Innovation Act
<b>JPA</b>	Joint Powers Authority	<b>ppm</b>	parts per million	<b>WIIN</b>	Water Infrastructure Improvements for the Nation Act
<b>LAFCO</b>	Local Agency Formation Commission	<b>PSA</b>	Professional Services Agreement	<b>WRDA</b>	Water Resources Development Act

## ORANGE COUNTY SANITATION DISTRICT GLOSSARY OF TERMS

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**ACTIVATED SLUDGE PROCESS** – A secondary biological wastewater treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen and consume dissolved nutrients in the wastewater.

**BENTHOS** – The community of organisms, such as sea stars, worms, and shrimp, which live on, in, or near the seabed, also known as the benthic zone.

**BIOCHEMICAL OXYGEN DEMAND (BOD)** – The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

**BIOGAS** – A gas that is produced by the action of anaerobic bacteria on organic waste matter in a digester tank that can be used as a fuel.

**BIOSOLIDS** – Biosolids are nutrient rich organic and highly treated solid materials produced by the wastewater treatment process. This high-quality product can be recycled as a soil amendment on farmland or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

**CAPITAL IMPROVEMENT PROGRAM (CIP)** – Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

**COLIFORM BACTERIA** – A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere, used as indicators of sewage pollution. E. coli are the most common bacteria in wastewater.

**COLLECTIONS SYSTEM** – In wastewater, it is the system of typically underground pipes that receive and convey sanitary wastewater or storm water.

**CERTIFICATE OF PARTICIPATION (COP)** – A type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues.

**CONTAMINANTS OF POTENTIAL CONCERN (CPC)** – Pharmaceuticals, hormones, and other organic wastewater contaminants.

**DILUTION TO THRESHOLD (D/T)** – The dilution at which the majority of people detect the odor becomes the D/T for that air sample.

**GREENHOUSE GASES (GHG)** – In the order of relative abundance water vapor, carbon dioxide, methane, nitrous oxide, and ozone gases that are considered the cause of global warming (“greenhouse effect”).

**GROUNDWATER REPLENISHMENT SYSTEM (GWRS)** – A joint water reclamation project that proactively responds to Southern California’s current and future water needs. This joint project between the Orange County Water District and OCSD provides 70 million gallons per day of drinking quality water to replenish the local groundwater supply.

**LEVEL OF SERVICE (LOS)** – Goals to support environmental and public expectations for performance.

**N-NITROSODIMETHYLAMINE (NDMA)** – A N-nitrosamine suspected cancer-causing agent. It has been found in the GWRS process and is eliminated using hydrogen peroxide with extra ultra-violet treatment.

**NATIONAL BIOSOLIDS PARTNERSHIP (NBP)** – An alliance of the NACWA and WEF, with advisory support from the EPA. NBP is committed to developing and advancing environmentally sound and sustainable biosolids management practices that go beyond regulatory compliance and promote public participation to enhance the credibility of local agency biosolids programs and improved communications that lead to public acceptance.

**PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS)** – A large group (over 6,000) of human-made compounds that are resistant to heat, water, and oil and used for a variety of applications including firefighting foam, stain and water-resistant clothing, cosmetics, and food packaging. Two PFAS compounds, perfluorooctanesulfonic acid (PFOS) and perfluorooctanoic acid (PFOA) have been the focus of increasing regulatory scrutiny in drinking water and may result in adverse health effects including developmental effects to fetuses during pregnancy, cancer, liver damage, immunosuppression, thyroid effects, and other effects.

**PERFLUOROCTANOIC ACID (PFOA)** – An ingredient for several industrial applications including carpeting, upholstery, apparel, floor wax, textiles, sealants, food packaging, and cookware (Teflon).

**PERFLUOROCTANESULFONIC ACID (PFOS)** – A key ingredient in Scotchgard, a fabric protector made by 3M, and used in numerous stain repellents.

**PLUME** – A visible or measurable concentration of discharge from a stationary source or fixed facility.

**PUBLICLY OWNED TREATMENT WORKS (POTW)** – A municipal wastewater treatment plant.

**SANTA ANA RIVER INTERCEPTOR (SARI) LINE** – A regional brine line designed to convey 30 million gallons per day of non-reclaimable wastewater from the upper Santa Ana River basin to the ocean for disposal, after treatment.

**SANITARY SEWER** – Separate sewer systems specifically for the carrying of domestic and industrial wastewater.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)** – Regional regulatory agency that develops plans and regulations designed to achieve public health standards by reducing emissions from business and industry.

**SECONDARY TREATMENT** – Biological wastewater treatment, particularly the activated sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.

**SLUDGE** – Untreated solid material created by the treatment of wastewater.

**TOTAL SUSPENDED SOLIDS (TSS)** – The amount of solids floating and in suspension in wastewater.

## **ORANGE COUNTY SANITATION DISTRICT GLOSSARY OF TERMS**

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**TRICKLING FILTER** – A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in wastewater as it trickles over them.

**URBAN RUNOFF** – Water from city streets and domestic properties that carry pollutants into the storm drains, rivers, lakes, and oceans.

**WASTEWATER** – Any water that enters the sanitary sewer.

**WATERSHED** – A land area from which water drains to a particular water body. OCSD's service area is in the Santa Ana River Watershed.