



**Orange County Sanitation District
BOARD OF DIRECTORS
Regular Meeting Agenda
Wednesday, August 28, 2019 - 6:00 PM
Board Room
Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433**

ACCOMMODATIONS FOR THE DISABLED: Meeting Rooms are wheelchair accessible. If you require any special disability related accommodations, please contact the Orange County Sanitation District 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 Sanitation District's Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, and on the Sanitation District's website at www.ocsd.com 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 AUDIO: An audio recording of this meeting is available within 24 hours after adjournment of the meeting. Please contact the Clerk of the Board's office at (714) 593-7433 to request the audio file.

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@ocsd.com at least 14 days before the meeting.

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

General Manager: Jim Herberg, jherberg@ocsd.com / (714) 593-7300
Asst. General Manager: Lorenzo Tyner, ltyner@ocsd.com / (714) 593-7550
Asst. General Manager: Rob Thompson, rthompson@ocsd.com / (714) 593-7310
Director of Human Resources: Celia Chandler, cchandler@ocsd.com / (714) 593-7202
Director of Engineering: Kathy Millea, kmillea@ocsd.com / (714) 593-7365
Director of Environmental Services: Lan Wiborg, lwiborg@ocsd.com / (714) 593-7450

CALL TO ORDER

(Board Chairman David Shawver)

INVOCATION AND PLEDGE OF ALLEGIANCE (Mariellen Yarc, City of Cypress)

ROLL CALL (Clerk of the Board)

DECLARATION OF QUORUM

PUBLIC COMMENTS:

If you wish to address the Board of Directors on any item, please complete a Speaker's Form (located at the table outside of the Board Room) and submit it to the Clerk of the Board or notify the Clerk of the Board the item number on which you wish to speak. Speakers will be recognized by the Chairperson and are requested to limit comments to three minutes.

SPECIAL PRESENTATIONS:

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.

1. APPROVAL OF MINUTES [2019-447](#)

RECOMMENDATION:

Approve Minutes of the Regular Meeting of the Board of Directors held July 24, 2019.

Originator: Kelly Lore

Attachments: [Agenda Report](#)
[07-24-19 Board Minutes](#)

2. ANNUAL MANHOLE FRAME AND COVER REPAIR CONTRACT [2019-481](#)**RECOMMENDATION:**

- A. Receive and file Bid Tabulation and Recommendation for Ayala Engineering for Manhole Frame Cover Replacement Services, Specification No. S-2019-1055BD.
- B. Award a Service Contract to Ayala Engineering to provided Manhole Frame & Cover Replacement Services, Specification No. S-2019-1055BD, for a total amount not to exceed \$390,220 for the period beginning November 1, 2019 through October 31, 2020, with four optional one-year renewals; and
- C. Approve an annual contingency of \$58,533 (15%).

Originator: Rob Thompson**Attachments:** [Agenda Report](#)
[S-2019-1055BD FINAL SERVICE CONTRACT](#)**3. GENERAL MANAGER APPROVED PURCHASES AND ADDITIONS TO THE PRE-APPROVED OEM SOLE SOURCE LIST [2019-483](#)****RECOMMENDATION:**

- A. Receive and file District purchases made under the General Manager's authority for the period of April 1, 2019 to June 30, 2019; and
- B. Approve the following additions to the pre-approved OEM Sole Source List for the period of April 1, 2019 to June 30, 2019:
 - 1. DME - Exhaust Bellows
 - 2. FAIRBANKS NIJHUIS (FAIRBANKS MORSE) - Pump Repairs
 - 3. JOHNSON MATTHEY SEC - Oxidation Catalyst (OXI) Units
 - 4. SOUTHERN CALIFORNIA COASTAL WATER RESEARCH PROJECT (SCCWRP)-Bight'18 Biological Impacts Assessment
 - 5. WONDERWARE CALIFORNIA - Industrial Operator Interface Products (IntelaTrac)

Originator: Lorenzo Tyner**Attachments:** [Agenda Report](#)**RECEIVE AND FILE:**

4. COMMITTEE MEETING MINUTES [2019-449](#)**RECOMMENDATION:**

Receive and file the approved minutes of the following committees:

Steering Committee Meeting held June 26, 2019

Originator: Kelly Lore

Attachments: [Agenda Report](#)
[06-26-2019 Steering Committee Minutes](#)

5. REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF JULY 2019 [2019-448](#)**RECOMMENDATION:**

Receive and file the report of the Investment Transactions for the month of July 2019.

Originator: Lorenzo Tyner

Attachments: [Agenda Report](#)
[Investment Transactions As Of 07-01-2019](#)

PUBLIC HEARING:

6. COLLECTION OF SEWER SERVICE CHARGES VIA THE TAX ROLL [2019-486](#)**RECOMMENDATION:**

- A. Conduct a public hearing to receive input on a report filed with the Clerk of the Board entitled: "Sewer Service Charges for Collection on Tax Rolls for Fiscal Year 2019-20"
 - 1. Open the Public Hearing
 - 2. Receive staff report and recommendations
 - 3. Report of written communications by Clerk of the Board
 - 4. Public Comment
 - 5. Close Public Hearing
 - 6. Discussion by Board of Directors;
- B. Unless there is a majority protest, adopt the report, which has the assessor's parcel numbers and amount of charges for collection on the tax rolls;
- C. Adopt Resolution No. OCSD 19-11 entitled "A Resolution of the Board of Directors of the Orange County Sanitation District adopting the Report proposing to collect Sewer Service Fees on the Tax Roll for Fiscal Year 2019/2012";
- D. Authorize execution of the "Certification of Assessment";
- E. Direct staff to file a certified copy of the adopted Resolution, Report and the Certification of assessment with the County Auditor-Controller; and
- F. Direct staff to coordinate collection of sanitary sewer service charges on the general Orange County tax rolls with the County Auditor-Controller, Assessor, and Tax Collector.

Originator: Lorenzo Tyner

Attachments: [Agenda Report](#)
[OCSD Resolution Collection of Sewer Fees on Tax Rolls 19-20](#)
[Prop 218 Certification of Assessment](#)

STEERING COMMITTEE:

7. AMENDMENT TO BIG CANYON COUNTRY CLUB EASEMENT [2019-496](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Approve the Amendment to Easement between Orange County Sanitation District and Big Canyon Country Club to adjust the Sanitation District's easement to correspond with the new sewer location within the Big Canyon Country Club in the City of Newport Beach.

Originator: Lorenzo Tyner

Attachments: [Agenda Report](#)
[Amendment to Easement](#)

8. SETTLEMENT AGREEMENT WITH ASEPTIC TECHNOLOGY, LLC [2019-497](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Authorize the General Manager to execute a Settlement Agreement to settle industrial wastewater discharge enforcement matters with Aseptic Technology, LLC, a facility that discharged without a valid Orange County Sanitation District permit, for \$185,000 plus applicable fees and interest, in a form approved by General Counsel.

Attachments: [Agenda Report](#)
[Aseptic Technology Settlement Memo](#)
[Aseptic Technology Settlement Agreement](#)

9. GENERAL MANAGER'S FISCAL YEAR 2019-20 DRAFT WORK PLAN [2019-498](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Receive and file the General Manager's Fiscal Year 2019-2020 Draft Work Plan.

Attachments: [Agenda Report](#)
[2019-2020 GM Work Plan - Draft](#)

10. ELIMINATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY [2019-526](#)
(UAAL) AND NET PENSION LIABILITY (NPL) WITHIN THE ORANGE
COUNTY EMPLOYEES' RETIREMENT SYSTEM

RECOMMENDATION: Recommend to the Board of Directors to:

Direct staff to pay off the following amounts in the Orange County Sanitation District's defined pension plan administered by the Orange County Employees' Retirement System (OCERS) in an amount not to exceed \$38 million:

- Unfunded Actuarial Accrued Liability (UAAL) in the amount of \$9 million for pension benefits
- Net Pension Liability (NPL) in the amount of \$29 million for deferred investment loss

Originator: Lorenzo Tyner

Attachments: [Agenda Report](#)

NON-CONSENT:

11. TREASURER'S REPORT FOR THE FOURTH QUARTER ENDED JUNE [2019-488](#)
30, 2019

RECOMMENDATION:

Receive and file the Orange County Sanitation District Fourth Quarter Treasurer's Report for the period ended June 30, 2019.

Originator: Lorenzo Tyner

Attachments: [Agenda Report](#)
[Quarterly Treasurer's Report for Three Months Ended June 30, 2019 Web Copy](#)

12. SUCCESSOR MEMORANDUMS OF UNDERSTANDING FOR THE SUPERVISOR & PROFESSIONAL GROUPS [2019-499](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Adopt Resolution No. OCSD 19-08, entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District approving the Memoranda of Understanding between the Orange County Sanitation District and the Supervisory and Professional Management Group, for Fiscal Years 2019/2020, 2020/2021 & 2021/2022; and
- B. Direct staff to finalize and sign the Memoranda of Understanding (MOUs) between Orange County Sanitation District and the two (2) Supervisory and Professional Management Group bargaining units.

Attachments: [Agenda Report](#)
[SPMG BOD Resolution 19-08](#)
[DRAFT Supervisor Group MOU 2019 through 2022](#)
[DRAFT Professional Group MOU 2019 through 2022](#)

13. SUCCESSOR MEMORANDUMS OF UNDERSTANDING FOR THE ORANGE COUNTY EMPLOYEES ASSOCIATION [2019-500](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Adopt Resolution No. OCSD 19-09, entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District approving the Memoranda of Understanding between the Orange County Sanitation District and the Orange County Employees Association (OCEA), for Fiscal Years 2019/2020, 2020/2021 & 2021/2022; and
- B. Direct staff to finalize and sign the Memoranda of Understanding (MOUs) between Orange County Sanitation District and the three (3) OCEA bargaining units.

Attachments: [Agenda Report](#)
[OCEA BOD Resolution 19-09](#)
[DRAFT OCEA ADMIN-CLERICAL 7-2019 through 6-2022](#)
[DRAFT OCEA ENG 7-2019 through 6-2022](#)
[DRAFT OCEA TECH SERVICES 7-2019 through 6-2022](#)

**14. SUCCESSOR MEMORANDUMS OF UNDERSTANDING FOR THE [2019-501](#)
INTERNATIONAL UNION OF OPERATING ENGINEERS - LOCAL 501**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Adopt Resolution No. OCSD 19-10, entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District approving the Memoranda of Understanding between the Orange County Sanitation District and the International Union of Operating Engineers, Local 501, for Fiscal Years 2019/2020, 2020/2021 & 2021/2022; and
- B. Direct staff to finalize and sign the Memoranda of Understanding (MOUs) between Orange County Sanitation District and the Local 501 bargaining unit.

Originator: Celia Chandler

Attachments: [Agenda Report](#)
[LOCAL 501 BOD Resolution 19-10](#)
[DRAFT LOCAL 501 MOU 7-2019 through 6-2022](#)

15. STRATEGIC PLAN DEVELOPMENT [2019-492](#)

RECOMMENDATION:

Provide input to staff on the development of the Strategic Plan.

Originator: Rob Thompson

Attachments: [Agenda Report](#)
[Budget and Fiscal Policy](#)
[Energy Independence Policy](#)
[Asset Management Policy](#)
[Chemical Sustainability Policy](#)
[Climate and Catastrophic Event Resilience Policy risk edits](#)

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).

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 LABOR NEGOTIATORS - GOVERNMENT CODE [2019-450](#)
SECTION 54957.6

RECOMMENDATION: Convene in Closed Session:

Agency Designated Representatives: General Manager James Herberg, Assistant General Manager Lorenzo Tyner, and Director of Human Resources Celia Chandler.

Unrepresented Employees: Confidential Group: Assistant Clerk of the Board; Clerk of the Board; Human Resources Analyst; Human Resources Assistant; Human Resources Supervisor; Principal HR Analyst; Secretary to the General Manager; and Senior Human Resources Analyst.

Attachments: [CS-2 Board of Directors Closed Session Memo re Labor Negotiations Confidential Group 8-28-19](#)

CS-2 CONFERENCE WITH LABOR NEGOTIATORS - GOVERNMENT CODE [2019-451](#)
SECTION 54957.6

RECOMMENDATION: Convene in Closed Session:

Agency Designated Representatives: General Manager James Herberg, Assistant General Manager Lorenzo Tyner and Director of Human Resources Celia Chander.

Unrepresented Employees: Managers Group: Administration Manager; Controller; Engineering Manager; Environmental Laboratory & Ocean Monitoring Manager; Human Resources & Risk Manager; IT Systems & Operations Manager; Maintenance Manager; Operations Manager; and Purchasing and Contracts Manager.

Attachments: [CS-3 Board of Directors Closed Session Memo re Labor Negotiations Managers Group 8-28-19](#)

CS-3 CONFERENCE WITH LABOR NEGOTIATORS - GOVERNMENT CODE SECTION 54957.6 [2019-452](#)

RECOMMENDATION: Convene in Closed Session:

Agency Designated Representatives: General Manager James Herberg, Assistant General Manager Lorenzo Tyner, and Director of Human Resources Celia Chandler.

Unrepresented Employees: Executive Managers Group: Assistant General Manager; Director of Engineering; Director of Environmental Services; and Director of Human Resources.

Attachments: [CS-4 Board of Directors Closed Session Memo re Labor Negotiations Executive Managers Group 8-28-19](#)

CS-4 CONFERENCE WITH LEGAL COUNSEL RE ANTICIPATED LITIGATION - GOVERNMENT CODE SECTION 54956.9(D)(2) [2019-453](#)

RECOMMENDATION: Convene in Closed Session:

Number of Potential Cases: 1

Significant exposure to litigation: Claim of Jose Cruz

Attachments: [CS-1 Board of Directors Closed Session Memo re Anticipated Litigation Jose Cruz 8-28-19](#)

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 Board members may request staff to place an item on a future agenda.

ADJOURNMENT:

Adjourn the Board meeting until the SPECIAL Meeting of the Board of Directors on September 18, 2019 at 5:00 p.m.