

June 15, 2022

TO: Chairman and Members of the Board of Directors

FROM: James D. Herberg, General Manager

SUBJECT: **General Manager’s Fiscal Year 2021-2022 Work Plan Year-End Report**

I am pleased to present the year-end report for my Fiscal Year 2021-2022 Work Plan. The Work Plan had 23 individual goals organized under four Strategic Planning categories: Business Principles, Environmental Stewardship, Wastewater Management, and Workplace Environment. The Work Plan was reviewed and approved by the Steering Committee and Board of Directors in August 2021 and a mid-year update was provided in January 2022.

1. **Business Principles**

- **Paperless Office** – Incorporate the trusted system and implement a fully digital process to reduce the use of paper by June 30, 2022.

UPDATE: Complete. The trusted system has been installed and the repository structure is complete. IT is working with Board Services and Human Resources to migrate documents. This goal will carry on while we work through each division of the agency.

- **Cyber Security Policy** – Complete the Cyber Security Incident Response Program playbooks and incorporate the playbooks into the OC San Integrated Emergency Response Plan by June 30, 2022.

UPDATE: Complete. The Cyber Security Incident Response Plan playbooks were integrated into the OC San Integrated Emergency Response Plan in October 2021.

- **Warehouse Modernization** – Implement remote warehousing at Plant No. 2 to allow for the demolition of the current warehouse facility for construction of new digesters. Present an implementation plan and budget for review and approval in June 2022.

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

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UPDATE: Complete. The plan and budget have been completed and the team is now working on implementation. The Plant No. 2 warehouse staff and inventory are scheduled to be vacated by Summer 2023.

- **Property Management** – (Continued from FY 2020/21) – Complete action plans for OC San's real property, easement, and rights-of-way for encroachments and encumbrances which limit access or impede proper use of OC San's rights by December 31, 2021, that will restore long-term use for identified encroachments or encumbrances.

UPDATE: Complete. Property Management and Collections have completed the assessment and rating of the easement and right-of-way areas. A plan for maintaining these areas is complete.

- **Permit and Reporting Management System** – (Continued from FY 2020/21) – Implement the business process mapping for source control permit management, compliance data management, and Environmental Protection Agency compliance reporting system by June 30, 2022.

UPDATE: In progress. OC San continues to work with the contractor to develop business processes and two of 23 milestones have draft documentation. Further milestones and interviews are on hold until the first milestone is finalized.

- **Organizational Advocacy and Outreach** – Develop a new Organizational Advocacy & Outreach policy consistent with the Strategic Plan as adopted by the Board of Directors by November 30, 2021.

UPDATE: Complete. New policy area added to the 2021 Strategic Plan which was adopted by the Board on November 17, 2021.

2. Environmental Stewardship

- **Energy Independence** – (Continued from FY 2020/21) – Overhaul one Central Generation Engine and issue a request for proposals for a study of long-term alternatives for treatment plant energy recovery by December 31, 2021.
- **UPDATE: Complete.** Engine rebuild is complete. Proposals for PS21-014, Energy and Digester Gas Master Plan, has been received, evaluated, and a

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recommended proposal will be brought forth to the June 2022 Board of Directors meeting for approval.

- **Climate and Catastrophic Event Resilience Policy** – Complete the preliminary design for the perimeter wall along the southwest portion of Plant No. 2 as part of the TPAD Digester Facility at Plant No. 2, Project No. P2-128, by June 30, 2022.

UPDATE: Complete. The Preliminary Design Report was completed on January 6, 2022.

- **Food Waste Treatment Policy** – Establish a feedstock agreement and initiate the bid process within three months of agreement finalization to accept up to 150 tons per day of food waste slurry for co-digestion. Provide an information update to the Board of Directors by December 31, 2021.

UPDATE: Complete. Presented in June 2021, OC San has a feedstock agreement template in place for potential vendors. OC San continues to meet with potential vendors regularly and is ready to initiate the bid process for food waste slurry as soon as one or more solid waste hauler informs OC San of the availability of slurry that meets our specification. OC San continues to work with CASA to develop a unified food waste feedstock standard for wastewater treatment plants.

- **Interagency Regional Wastewater Capacity and Water Quality Solutions** – Develop the scope and objectives for interagency study among OC San, Orange County Water District, and Orange County Watersheds on feasibility of accepting additional dry weather urban runoff and potential stormwater harvesting and present to the Board of Directors by December 31, 2021.

UPDATE: Complete. OC San presented to the Board in December 2021, and this goal was completed by the mid-year update. Staff is working with OCWD and OC Public Works to develop the final scope of work.

- **Wastewater Surveillance** – Collaborate with the Centers for Disease Control (CDC)/California Department of Public Health (CDPH) to continue developing a Wastewater Surveillance program for COVID-19 and beyond. Provide an information update to the Board of Directors by June 30, 2022.

UPDATE: Complete. OC San provided an update to the Board in February 2022. OC San formalized an active collaboration with the Wastewater Epidemiology Program that includes pathogens beyond SARS-CoV2.

3. Wastewater Management

- **Chemical Sustainability Policy** – Create a plan to optimize chemical usage in the treatment plants and create a plan to guide operations in the event of a sudden loss of chemical supply. Complete plans by June 30, 2022.

UPDATE: In progress. The Chemical Sustainability Study is nearing completion. The final plan is scheduled for final approval on August 15, 2022.

- **Biosolids Management Policy – Super Critical Water Oxidation** – Work with 374Water to initiate a research project to scale up a super critical water oxidation system to six tons per day production levels. Investigate the treatment of raw sludge, biosolids, food waste, and other organic waste stream. If practical, seek Board approval for a research project by October 31, 2021. If approved, start processing waste streams by June 30, 2022.

UPDATE: In progress. A research project and contract to 374Water were approved in December 2021. Work is on-going to construct the unit and the design for the site improvements is nearing completion. Staff is working closely with the 374Water and the South Coast Air Quality Management District to get the necessary research permitting to install the unit. Staff estimates starting the unit closer to the new year.

- **Constituents of Emerging Concern Policy** – Formalize a Constituents of Emerging Concern (CEC) Management Framework that emphasizes controlling PFAS and other CECs at the source. Continue to work with industry partners to explore technologies that measure, reduce, sequester, or destroy PFAS. Provide a report with recommendations to the Board of Directors by June 30, 2022.

UPDATE: Complete. OC San has successfully implemented and validated the framework for its ongoing PFAS source investigation. OC San's framework has been shared with the wastewater treatment community as a timely and informative case study on how to approach a ubiquitous contaminant, which includes residential discharges and conventional industrial discharges. OC San is actively applying its framework for PFAS and other CECs and has involved

the academic and upper watershed partners to help identify discharge sources. This framework applies to all CECs, and the system is robust to be able to adjust for different sources. An update will be provided in the June General Manager's monthly status report.

- **Interagency Emergency Preparedness and Contingency Coordination** – Review contracting agencies' (e.g., SAWPA and IRWD) emergency preparedness and contingency plans to ensure compatibility with OC San's operational and regulatory constraints. Provide an information update to the Board of Directors by June 30, 2022.

UPDATE: In progress. OC San continues to work with SAWPA and IRWD to be prepared and have adequate measures in place. There are both short-term procedures that can be strengthened, such as notifications, and longer-term structural matters that will take some time to address. An update will be provided in the June General Manager's monthly status report.

- **Supplemental Engineering Services Contracts** – Procure new agreements for Supplemental Engineering Services to replace the existing Supplemental Engineering Services and Staff Support Services. Advertise the Request for Proposals by October 31, 2021.

UPDATE: Complete. New agreements obtained Board approval on April 27, 2022.

4. Workplace Environment

- **Safety and Physical Security** – Conduct security assessment for Plant No. 2 to determine layout and design of entry/exit points via siting study (i.e. cameras, traffic flow, reject lane, security zones) and install access card readers in all occupied buildings by June 30, 2022.

UPDATE: Complete. The Plant No. 2 security assessment will be completed by the P2-138 Operations & Maintenance Complex Project. Access card readers were installed at the Plant No. 2 Construction Management trailers in February 2022.

- **Voluntary Protection Program** – Continue to assess and maintain all programs and training relative to a Voluntary Protection Program (VPP). Implement a Wildfire Smoke Exposure Management Program by December 31,

2021 and conduct an annual third-party review of the safety program by June 30, 2022.

UPDATE: Complete. In May 2022, OC San completed its annual comprehensive safety audit to assess our safety and health management systems as part of our standard process and our pursuit of the California Voluntary Protection Program (Cal/VPP) recognition. Training for the Wildfire Smoke Exposure Management Program was assigned to staff and completed in April 2022.

- **Emergency Response** – Conduct an annual exercise on Tsunami response by June 30, 2022.

UDPATE: Complete. On June 27, 2022, OC San will conduct a tabletop exercise which will focus on our Tsunami Response Plan. Risk Management staff have developed the exercise utilizing reference material from the Pacific Tsunami Warning Exercise conducted by the National Oceanic and Atmospheric Administration to help formulate the scenario and source material. Staff will also incorporate Operational Area operating procedures to simulate real time reporting and communications.

- **OC San U** – Expand OC San U offerings to outside agencies by June 30, 2022 and continue to offer one employee training session per month that pertains to organizational awareness, leadership, communications, technology, or partnerships for the future.

UDPATE: Complete. Fiscal year 2021/22 marks the second year of OC San “U”, OC San’s renewed, employee development program. Achievements include increased employee participation, ongoing monthly trainings, and a new agency outreach learning opportunity in which a portion of seats from a leadership course were extended to member agency employees.

- **Centralized Training Program** – Evaluate and determine agency needs for a centralized training program with defined budget and goals with management housed under one division by December 31, 2021, in time for budget consideration for Fiscal Year 2022/2023.

UDPATE: Complete. OC San fully evaluated its training needs and reviewed compliance with applicable laws and regulations. Based on assessment results and feedback from management, it was determined that a centralized training

program should be implemented to address organizational needs. In the coming fiscal year, Human Resources will develop program parameters, a strategic plan, identify allocation of necessary resources, and implement the new program.

- **Labor Negotiations** – Facilitate Board and Board Chairman in hiring Chief Negotiator prior to December 31, 2021 and engage in contract negotiations with all unions prior to the expiration of current contracts on June 30, 2022.

UDPATE: In progress. The OC San Labor Negotiations Team met with the Steering Committee and Board on January 26, 2022 to discuss negotiations with the six represented bargaining units. To date, we have had six meetings with SPMT (Supervisors & Professionals), six meetings with Local 501, and four meetings with OCEA (Admin/Clerical, Engineering, and Technical Services). The OC San Labor Negotiations Team continues to make progress with each of the groups and have exchanged numerous proposals and counter proposals.

- **Classification & Compensation Study** – Conduct an agencywide Classification and Compensation study, complete analysis and Board presentations by March 31, 2022.

UDPATE: Complete. OC San's comprehensive Classification and Compensation Study began in June 2021 with Board approval of consultant Koff & Associates. Study goals included updates to job descriptions and benchmarking against other organizations' job and pay structures. Job descriptions were developed by the consultant and reviewed by management, Human Resources, and labor groups. The updated job descriptions will be implemented following final stakeholder review currently underway. Market data collection and analysis for OC San's 17 comparator agencies is complete for the compensation phase and supports ongoing labor contract negotiations. The study's outcome will be presented to the Board of Directors in June 2022.