



## **ORANGE COUNTY SANITATION DISTRICT** **SPECIAL NOTICE REGARDING CORONAVIRUS (COVID-19)** **AND ATTENDANCE AT PUBLIC MEETINGS**

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 12, 2020 and March 18, 2020, Governor Newsom issued Executive Order N-25-20 and Executive Order N-29-20, which temporarily suspends portions of the Brown Act which addresses the conduct of public meetings. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which continues the suspension of portions of the Brown Act which addresses the conduct of public meetings through September 30, 2021.

The General Manager and the Chairman of the Board of Directors have determined that due to the size of the Orange County Sanitation District's Board of Directors (25), and the health and safety of the members, the Board of Directors will be participating in meetings of the Board telephonically and via Internet accessibility.

### **PUBLIC PARTICIPATION**

Your participation is always welcome. The Board of Directors meeting will be available to the public online at:

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

You may submit your comments and questions in writing for the Board's consideration in advance of the meeting by using the eComment feature available via the webpage above 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". Submit your written comments by 6:00 p.m. on Tuesday, September 28, 2021.

You may also submit comments and questions for the Board's consideration during the meeting by using the eComment feature that will be available via the webpage above for the duration of the meeting.

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

Thank you.

September 22, 2021

**NOTICE OF SPECIAL MEETING**

BOARD OF DIRECTORS  
ORANGE COUNTY SANITATION DISTRICT

**Wednesday, September 29, 2021 – 6:00 P.M.**

**ACCESSIBILITY FOR THE GENERAL PUBLIC**

**Due to the spread of COVID-19, the Orange County Sanitation District will be holding all upcoming Board and Committee meetings by teleconferencing and Internet accessibility. This meeting will be available to the public online at:**

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

The Special Meeting of the Board of Directors of the Orange County Sanitation District will be held in the manner indicated above on Wednesday, September 29, 2021 at 6:00 p.m.



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

***Upcoming Meetings:***

**GWRS Steering Committee -  
Steering Committee -  
Board Meeting -**

**Monday, October 11, 2021 at 5:00 p.m.  
Wednesday, October 27, 2021 at 5:00 p.m.  
Wednesday, October 27, 2021 at 6:00 p.m.**

*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**

September 29, 2021

October 27, 2021

***November 17, 2021 \****

***December 15, 2021 \****

January 26, 2022

February 23, 2022

March 23, 2022

April 27, 2022

May 25, 2022

June 22, 2022

July 27, 2022

August 24, 2022

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

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

Effective 7/13/2021

<b>AGENCY/CITIES</b>	<b>ACTIVE DIRECTOR</b>	<b>ALTERNATE DIRECTOR</b>
Anaheim	Stephen Faessel	Jose Diaz
Brea	Glenn Parker	Steven Vargas
Buena Park	Art Brown	Connor Traut
Cypress	Paulo Morales	Anne Hertz
Fountain Valley	Patrick Harper	Glenn Grandis
Fullerton	Jesus J. Silva	Nick Dunlap
Garden Grove	Steve Jones	John O'Neill
Huntington Beach	Kim Carr	Dan Kalmick
Irvine	Anthony Kuo	Farrah N. Khan
La Habra	Rose Espinoza	Jose Medrano
La Palma	Marshall Goodman	Nitesh Patel
Los Alamitos	Mark A. Chirco	Ron Bates
Newport Beach	Brad Avery	Joy Brenner
Orange	Kim Nichols	Chip Monaco
Placentia	Chad Wanke	Ward Smith
Santa Ana	Johnathan Ryan Hernandez	Nelida Mendoza
Seal Beach	Sandra Massa-Lavitt	Schelly Sustarsic
Stanton	David Shawver	Carol Warren
Tustin	Ryan Gallagher	Austin Lumbard
Villa Park	Chad Zimmerman	Robert Collacott

**Sanitary/Water Districts**

Costa Mesa Sanitary District	Bob Ooten	Art Perry
Midway City Sanitary District	Andrew Nguyen	Sergio Contreras
Irvine Ranch Water District	John Withers	Douglas Reinhart
Yorba Linda Water District	Brooke Jones	Phil Hawkins

**County Areas**

Board of Supervisors	Doug Chaffee	Donald P. Wagner
----------------------	--------------	------------------



**BOARD OF DIRECTORS**  
**Special Meeting Agenda**  
**Wednesday, September 29, 2021 - 6:00 PM**  
**Board Room**  
**Administration Building**  
**10844 Ellis Avenue**  
**Fountain Valley, CA 92708**  
**(714) 593-7433**

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

**CALL TO ORDER**

(Board Chairman John Withers)

**INVOCATION AND PLEDGE OF ALLEGIANCE**

Steve Jones, City of Garden Grove

**ROLL CALL AND DECLARATION OF QUORUM**

Clerk of the Board

**PUBLIC COMMENTS:**

*Your participation is always welcome. The Board of Directors meeting will be available to the public online at: <https://ocsd.legistar.com/Calendar.aspx>.*

*You may submit your comments and questions in writing for the Board of Directors consideration in advance of the meeting by using the eComment feature available via the webpage above 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". Submit your written comments by 6:00 p.m. on September 28, 2021.*

*You may also submit comments and questions for the Board of Directors consideration during the meeting by using the eComment feature that will be available via the webpage above for the duration of the meeting. All public comments will be provided to the Board of Directors and may be read into the record or compiled as part of the record.*

**SPECIAL PRESENTATIONS:**

**1. EMPLOYEE SERVICE AWARDS**

[2021-1851](#)

**30-year Service Awards**

Ron Cortez - Operations Supervisor, Division 830

Tyler Hoang - Lead Plant Operator, Division 830

**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.*

**2. APPROVAL OF MINUTES [2021-1860](#)****RECOMMENDATION:**

Approve Minutes of the Regular Meeting of the Board of Directors held August 25, 2021.

**Originator:** Kelly Lore

**Attachments:** [Agenda Report](#)  
[08-25-2021 Board Meeting Minutes](#)

**RECEIVE AND FILE:****3. CAPITAL IMPROVEMENT PROGRAM ANNUAL REPORT [2021-1424](#)****RECOMMENDATION:**

Receive and file the Capital Improvement Program Annual Report for Fiscal Year 2020-2021.

**Originator:** Kathy Millea

**Attachments:** [Agenda Report](#)  
[CIP Annual Report 2020-21](#)

**4. COMMITTEE MEETING MINUTES [2021-1548](#)**

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

- A. Minutes of the Operations Committee Meeting held July 7, 2021
- B. Minutes of the Legislative and Public Affairs Committee Meeting held July 12, 2021
- C. Minutes of the Administration Committee Meeting held July 14, 2021
- D. Minutes of the Steering Committee Meeting held July 28, 2021

**Originator:** Kelly Lore

**Attachments:** [Agenda Report](#)  
[07-07-2021 Operations Committee Minutes](#)  
[07-12-2021 LaPA Committee Minutes](#)  
[07-14-2021 Administration Committee Minutes](#)  
[07-28-2021 Steering Committee Minutes](#)

5. **REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF AUGUST 2021** [2021-1698](#)

RECOMMENDATION: Receive and file the following:

Report of the Investment Transactions for the month of August 2021.

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[Investment Transactions for the Month of August 2021](#)

**OPERATIONS COMMITTEE:**

6. **PUMP STATION PORTABLE GENERATOR CONNECTORS, PROJECT NO. FE19-01** [2021-1840](#)

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Pump Station Portable Generator Connectors, Project No. FE19-01;
- B. Award a Construction Contract to Pacific International Electric Company, Inc., dba Pacific Industrial Electric, for Pump Station Portable Generator Connectors, Project No. FE19-01, for an amount not to exceed \$1,207,479; and
- C. Approve a contingency of \$120,748 (10%).

**Originator:** Kathy Millea

**Attachments:** [Agenda Report](#)  
[FE19-01 Contract Agreement & Exhibit A](#)

7. **CONDITION ASSESSMENT ON-CALL CONTRACTOR SUPPORT SERVICES SPECIFICATION NO. S-2021-1255BD** [2021-1841](#)

RECOMMENDATION:

- A. Approve a Service Contract with Jamison Engineering for Condition Assessment On-Call Contractor Support Services, Specification S-2021-1255BD, for the period of November 1, 2021 through October 31, 2022, for a total amount not to exceed \$783,470, with four, one-year renewal options; and
- B. Approve an annual contingency of \$78,347 (10%).

**Originator:** Kathy Millea

**Attachments:** [Agenda Report](#)  
[S-2021-1255BD Contract & SOW](#)

8. **EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2, PROJECT NO. FE19-06** [2021-1842](#)

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for EPSA Motor Cooling Improvements at Plant No. 2, Project No. FE19-06;
- B. Award a Construction Contract to Mehta Mechanical Company Inc. dba MMC Inc. for EPSA Motor Cooling Improvements at Plant No. 2, Project No. FE19-06, for a total amount not to exceed \$854,000; and
- C. Approve a contingency of \$85,400 (10%).

**Originator:** Kathy Millea

**Attachments:** [Agenda Report](#)  
[FE19-06 Contract](#)

9. **ENGINEERING PROGRAM CONTRACT PERFORMANCE REPORT** [2021-1843](#)

RECOMMENDATION:

Receive and file the Engineering Program Contract Performance Report for the period ending June 30, 2021.

**Originator:** Kathy Millea

**Attachments:** [Agenda Report](#)  
[CIP Contract Report Period Ending 2021-06-30](#)

10. **PLANT NO. 2 PRIMARY DISTRIBUTION STRUCTURE B GATES REPAIR** [2021-1844](#)

RECOMMENDATION:

- A. Approve a Service Contract to J.R. Filanc Construction Co. to repair ten slide gates for Plant No. 2 Primary Distribution Structure, per Specification No. S-2021-1249BD, for a total amount not to exceed \$309,500, including sales tax and freight; and
- B. Approve a contingency of \$46,425 (15%).

**Originator:** Rob Thompson

**Attachments:** [Agenda Report](#)  
[S-2021-1249BD Final Contract and SOW](#)

**11. FLEET PURCHASE OF REPLACEMENT VEHICLES, LIGHT DUTY TRUCKS, AND MEDIUM DUTY TRUCKS FOR FY21-22** [2021-1845](#)RECOMMENDATION:

- A. Approve a Purchase Order to National Auto Fleet Group to purchase one Ford F550 service body utility truck and five Ford F250 service body utility trucks using Sourcewell Cooperative Contract No. 120716-NAF, for a total amount of \$326,408; and
- B. Approve a 5% contingency of \$16,321.

**Originator:** Rob Thompson

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

**12. ON-CALL MAINTENANCE AND REPAIR MASTER SERVICES CONTRACTS - SPECIFICATION NO. S-2021-1234BD** [2021-1846](#)RECOMMENDATION:

- A. Approve Master Services Contracts to provide on-call maintenance and repair services, Specification No. S-2021-1234BD, for a one-year period effective December 1, 2021 through November 30, 2022, with two, one-year renewal options, in accordance with Ordinance No. OC SAN-56, Section 2.03(F), with the seven qualified firms, for bids less than \$300,000:
1. Jamison Engineering Contractor, Inc.
  2. Charles King Company
  3. J.R. Filanc Construction Company, Inc.
  4. Shimmick Construction Company, Inc.
  5. W.A. Rasic Construction Company, Inc.
  6. Kiewit Infrastructure West Co.
  7. O'Connell Engineering & Construction, Inc.; and
- B. Authorize the General Manager to add or delete firms as necessary to maintain a qualified base of up to seven firms in accordance with the Request for Qualifications Specification No. S-2021-1234BD.

**Originator:** Rob Thompson

**Attachments:** [Agenda Report](#)  
[S-2021-1234BD - Jamison Engineering Contractors Inc](#)  
[S-2021-1234BD - Charles King Company](#)  
[S-2021-1234BD - J R Filanc Construction Co Inc](#)  
[S-2021-1234BD - Shimmick Construction Inc](#)  
[S-2021-1234BD - W A Rasic Construction Company, Inc](#)  
[S-2021-1234BD - Kiewit Infrastructure West Co](#)  
[S-2021-1234BD - O'Connell Engineering & Construction, Inc](#)

**13. PROCUREMENT OF 21 ELECTRIC CARTS** [2021-1847](#)RECOMMENDATION:

- A. Approve a Purchase Order to Southwest Toyota Lift for the purchase of 21 electric carts using OMNIA Partners Cooperative Contract No. EV2671 for a total amount not to exceed \$432,283, including tax and freight; and
- B. Approve a contingency of \$21,615 (5%).

**Originator:** Rob Thompson

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

**14. MANHOLE FRAME AND COVER SERVICES, SPECIFICATION NO. S-2021-1258BD** [2021-1848](#)RECOMMENDATION:

- A. Approve a Service Contract to Ayala Engineering, Inc. to provide Manhole Frame & Cover Replacement Services, Specification No. S-2021-1258BD, for a total amount not to exceed \$992,105 for the period beginning November 1, 2021 through October 31, 2022, with four, one-year renewal options; and
- B. Approve a contingency of \$148,816 (15%).

**Originator:** Rob Thompson

**Attachments:** [Agenda Report](#)  
[Service Contract S-2021-1258BD](#)

**15. AGREEMENT FOR PURCHASE OF ANIONIC POLYMER, SPECIFICATION NO. C-2021-1252BD** [2021-1849](#)RECOMMENDATION:

- A. Approve a Chemical Supplier Agreement to Polydyne, Inc. for the purchase of Liquid Anionic Polymer, Specification No. C-2021-1252BD, for the period of November 1, 2021 through October 31, 2022, for a unit price of \$4.50 per active pound delivered, plus applicable sales tax for a total estimated annual amount of \$685,125, with four, one-year renewal options; and
- B. Approve an annual unit price contingency of 10%.

**Originator:** Rob Thompson

**Attachments:** [Agenda Report](#)  
[C 2021-1252BD Chemical Agreement](#)

**16. REDHILL RELIEF SEWER RELOCATION AT STATE ROUTE 55, PROJECT NO. FE18-13** [2021-1850](#)

RECOMMENDATION:

Approve the First Amendment to Utility Agreement No. OCSD-1005, between the Orange County Sanitation District and the Orange County Transportation Authority agreeing to a funding increase for the relocation and protection of the Redhill Relief Sewer at State Route 55 in the City of Santa Ana.

**Originator:** Kathy Millea

**Attachments:** [Agenda Report](#)  
[OCTA First Amendment to Utility Agreement OCSD-1005](#)  
[OCTA Utility Agreement OCSD-1005](#)  
[Presentation - Redhill Relief OCTA](#)

**ADMINISTRATION COMMITTEE:**

**17. GENERAL MANAGER APPROVED PURCHASES AND ADDITIONS TO THE PRE-APPROVED OEM SOLE SOURCE LIST** [2021-1856](#)

RECOMMENDATION:

- A. Receive and file Orange County Sanitation District purchases made under the General Manager's authority for the period of April 1, 2021 to June 30, 2021; and
- B. Approve the following additions to the pre-approved OEM Sole Source List for the period of April 1, 2021 to June 30, 2021:
- CBS Arcsafe - Remote Switch Actuators
  - MILTON ROY - Pumps and Equipment
  - MONTEREY BAY AQUARIUM RESEARCH INSTITUTE (MBARI) - Ocean Mooring Support
  - RDI TECHNOLOGIES, INC. - Iris M and Iris MX Systems
  - SEAL ANALYTICAL, INC - DEENA Automated Digestion System, Parts, and Software

**Originator:** Lorenzo Tyner

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

**18. REIMBURSEMENTS TO BOARD MEMBERS AND STAFF** [2021-1857](#)

RECOMMENDATION:

Receive and file report of reimbursements to Board Members and Staff per Government Code Section 53065.5 for the period July 1, 2020 through June 30, 2021.

**Originator:** Lorenzo Tyner

**Attachments:** [Agenda Report](#)  
[20-21 Employee Reimbursement Report](#)

**LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE:**

19. PUBLIC AFFAIRS UPDATE FOR THE MONTHS OF JULY AND AUGUST 2021 [2021-1863](#)

RECOMMENDATION:

Receive and file the Public Affairs Update for the months of July and August 2021.

**Originator:** Jim Herberg

**Attachments:** [Agenda Report](#)  
[Outreach Report July and August](#)  
[Presentation - PAO Update](#)

20. LEGISLATIVE AFFAIRS UPDATE FOR THE MONTHS OF JULY/AUGUST 2021 [2021-1864](#)

RECOMMENDATION:

Receive and file the Legislative Affairs Update for the month of July and August 2021.

**Originator:** Jim Herberg

**Attachments:** [Agenda Report](#)  
[2021.09.13 Federal Update - ENS](#)  
[Federal Legislative Matrix - ENS](#)  
[2021.09.13 State Update - TPA](#)  
[State Legislative Matrix - TPA](#)  
[Grant Matrix 2021-2022](#)  
[Presentation - ENS Federal Legislative Update](#)  
[Presentation - TPA State Legislative Update](#)

**STEERING COMMITTEE:**

None.

**NON-CONSENT:**

None.

**INFORMATION ITEMS:****21. STRATEGIC PLAN 2021**[2021-1871](#)**RECOMMENDATION:**

Information Only.

**Originator:** Jim Herberg**Attachments:** [Agenda Report](#)  
[Proposed Strategic Plan 2021](#)  
[Strategic Plan 2019](#)**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 LEGAL COUNSEL RE ANTICIPATED LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(4)**[2021-1881](#)**RECOMMENDATION:** Convene in Closed Session:

Number of Potential Cases: 2

- A. Initiation of litigation regarding permittee: Aseptic Technology and Beverage Visions, LLC.
- B. Potential initiation of eminent domain litigation regarding property owned by Bayside Village Marina, LLC.

**Attachments:** [Agenda Report](#)  
[CS-1A Board Memo Aseptic Litigation](#)  
[CS-1B Board Memo Eminent Domain Litigation](#)

**CS-2 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - [2021-1882](#)  
GOVERNMENT CODE SECTION 54956.9(d)(1)**

RECOMMENDATION: Convene in Closed Session:

Number of Cases: 3

- A. Arlin Blazevic v. Orange County Sanitation District; Natasha Dubrovski; Lorenzo Tyner; and Does 1-100, inclusive. Superior Court of California, County of Orange, Case No. 30-2020-01149812-CU-WT-CJC.
- B. Heidi M. Janz v. Orange County Sanitation District; Its Board of Directors, Officers, Officials, Agents and Celia Chandler, Director of Human Resources and Does 1 through 10, Superior Court of California, County of Orange, Case No. 30-2021-01208616-CU-OE-CJC.
- C. Raul Palazuelos v. Orange County Sanitation District, a government entity; Richard Kwiecien, an individual; and Does 1 through 100, inclusive. Superior Court of California, County of Orange, Case No. 30-2021-01217839-CU-OE-CJC.

**Attachments:** [Agenda Report](#)  
[CS-2A Board Memo re Blazevic Litigation](#)  
[CS-2B Board Memo re Janz Litigation](#)  
[CS-2C Board Memo re Palazuelos Litigation](#)

**CS-3 CONFERENCE WITH LABOR NEGOTIATORS - GOVERNMENT CODE SECTION 54957.6 [2021-1879](#)**

RECOMMENDATION: Convene in Closed Session:

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

Employee Organizations: International Union of Operating Engineers, Local 501; Orange County Employees Association; and the Supervisors and Professionals Group.

**Attachments:** [Agenda Report](#)  
[CS-3 Board Memo re Labor Negotiations](#)

**CS-4 CONFERENCE WITH REAL PROPERTY NEGOTIATORS - [2021-1880](#)  
GOVERNMENT CODE SECTION 54956.8**

RECOMMENDATION: Convene in Closed Session:

Number of Cases: 1

Property: Portions of 300 East Coast Highway, Newport Beach, CA; APN No. 440-132-60.

Agency negotiators: General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, and Controller Wally Ritchie.

Negotiating parties: Bayside Village Marina, LLC

Under negotiation: Price and terms of payment

**Attachments:** [Agenda Report](#)  
[CS-4 Board Memo re Real Property](#)

**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 October 27, 2021 at 6:00 p.m.



# BOARD OF DIRECTORS

## Agenda Report

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

---

**File #:** 2021-1860

**Agenda Date:** 9/29/2021

**Agenda Item No:** 2.

---

**FROM:** James D. Herberg, 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 August 25, 2021.

**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 21-04

**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 August 25, 2021

**ORANGE COUNTY SANITATION DISTRICT**

**MINUTES**

**BOARD OF DIRECTORS**

**AUGUST 25, 2021**



**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 John Withers on August 25, 2021 at 6:02 p.m. in the Administration Building. Director Anthony Kuo delivered the invocation and led the Pledge of Allegiance. Chair Withers announced that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19). Chair Withers announced the meeting guidelines.

**ROLL CALL AND DECLARATION OF QUORUM**

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

**PRESENT:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**STAFF MEMBERS PRESENT:** General Manager Jim Herberg, Clerk of the Board Kelly Lore, and Joshua Martinez were present in the Board Room. Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, Andrew Brown, Jennifer Cabral, Tanya Chong, Raul Cuellar, Brian Engeln, Laurie Klinger, Tina Knapp, Laura Maravilla, Jeffrey Mohr, and Thomas Vu participated telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel, and Gary Weisberg, Associate Counsel, were present in the Board Room.

**PUBLIC COMMENTS:**

No public comment was provided.

Clerk of the Board Kelly Lore stated that late communication was received regarding a change to the attachment on Item No. 8 which was provided to the Directors and made available to the public.

**SPECIAL PRESENTATIONS:****1. EMPLOYEE SERVICE AWARDS**

[2021-1789](#)

**Originator:** Kelly Lore

Chair Withers recognized:

**25-year Service Award**

Brian Bingman - Engineering Supervisor, Division 770

**REPORTS:**

Chair Withers announced that the Board Member talking points regarding OC San activities for assistance with agency reporting would be made available tomorrow.

Chair Withers reported on plans for the Board and Committee meetings to return to in-person public meetings beginning with the Operations Committee on October 6. He stated that the Board will receive communication in the near future announcing the return, along with expectations to comply with OC San's COVID protocols. Should the Governor's executive order be extended to allow the continuance of virtual meetings, OC San will remain in a virtual format.

Chair Withers reminded the Board Members that the September Steering and Board meeting date was changed from September 22 to the 29th. The Clerk will send out a reminder.

General Manager Jim Herberg reported on fund transfers within the Biosolids Account Pool from one contract to another, as deemed necessary to effectively manage biosolids. He stated that \$1,600,000 was moved from the Tule Ranch contract to increase the Nursery Products and the Liberty Compost account by \$800,000, each to ensure sufficient funds were available to sustain these contracts through the end of the year.

Mr. Herberg reported on the current status of the phased return to office plan wherein 25% of remote workers recently moved back onsite. Mr. Herberg stated that due to the current up tick in COVID-19 cases in our community and onsite, the escalation of additional workers returning to office has paused, and we will remain at our current capacity until we begin to see the numbers resume back in a downward trend.

Mr. Herberg stated that the final 2021-2022 GM Work Plan was presented to the Steering Committee this evening. He provided a brief explanation of this year's plan for the Board and stated that a change was made to a goal which was provided to the Board by the Clerk.

**CONSENT CALENDAR:****2. APPROVAL OF MINUTES**[2021-1788](#)**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Board of Directors held July 28, 2021.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**3. CORRECTIONS TO THE 2021-2022 BUDGET - ERRATA INFORMATION**

[2021-1811](#)

MOVED, SECONDED, AND DULY CARRIED TO:

Approve the incorporation of adjustments and corrections into the 2021-22 Fiscal Year Budget.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**RECEIVE AND FILE:**

**4. COMMITTEE MEETING MINUTES**

[2021-1547](#)

**Originator:** Kelly Lore

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

A. Minutes of the GWRS Steering Committee Meeting held April 12, 2021.

B. Minutes of the Steering Committee Meeting held June 23, 2021.

C. Minutes of the Operations Committee Meeting held July 7, 2021.

D. Minutes of the Administration Committee Meeting held July 14, 2021.

**5. REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF JULY 2021**

[2021-1697](#)

**Originator:** Lorenzo Tyner

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

Report of the Investment Transactions for the month of July 2021.

6. **2021 ORANGE COUNTY SANITATION DISTRICT NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT (NPDES PERMIT NO. CA0110604, ORDER R8-2021-0010)** [2021-1795](#)

**Originator:** Lan Wiborg

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

Receive and file the U.S. Environmental Protection Agency (EPA) National Pollutant Discharge Elimination System (NPDES) Permit No. CA0110604 and Santa Ana Regional Water Quality Control Board Waste Discharge Requirements Order No. R8-2021-0010.

### **PUBLIC HEARING**

7. **COLLECTION OF SEWER SERVICE CHARGES VIA THE TAX ROLL** [2021-1708](#)

**Originator:** Lorenzo Tyner

Chair Withers opened the public hearing at 6:15 p.m. and hearing no comment or objections, closed the public hearing.

MOVED, SECONDED, AND DULY CARRIED TO:

- 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 2021-22":
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. OC SAN 21-13 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 2021/2022";
- 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.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**OPERATIONS COMMITTEE:**

None.

**ADMINISTRATION COMMITTEE:**

None.

**LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE:**

None.

**STEERING COMMITTEE:****8. GENERAL MANAGER'S FISCAL YEAR 2021-22 WORK PLAN [2021-1816](#)**

**Originator:** Jim Herberg

MOVED, SECONDED, AND DULY CARRIED TO:

Approve the General Manager's Fiscal Year 2021-22 Work Plan.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**9. BAY BRIDGE PUMP STATION FORCE MAIN ISOLATION VALVE REPLACEMENT, PROJECT NO. FRC-0013 [2021-1819](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

A. Ratify Approval of an Emergency Repair Service Contract to Charles King Company for Bay Bridge Pump Station Force Main Isolation Valve Replacement, Project No. FRC-0013, for an amount not to exceed \$289,585; and

B. Approve a contingency of \$144,793 (50%).

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**10. BAY BRIDGE PUMP STATION VALVE REPLACEMENT, PROJECT NO. FRC-0002 [2021-1820](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

Approve a contingency increase of \$269,100 (45%) to the service contract with Innovative Construction Solutions for Bay Bridge Pump Station Valve Replacement, Project No. FRC-0002, Specification No. S-2020-1192BD, for a total contingency of \$328,900 (55%).

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**NON-CONSENT:**

**11. TREASURER'S REPORT FOR THE FOURTH QUARTER ENDED [2021-1703](#)  
JUNE 30, 2021**

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the Orange County Sanitation District Fourth Quarter Treasurer's Report for the period ended June 30, 2021.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**12. GENERAL MANAGER'S COMPENSATION AND BENEFITS [2021-1815](#)**

**Originator:** Celia Chandler

Mr. Herberg left the Board Room for discussion on this item.

Chair Withers provided a report on the General Manager's performance evaluation.

MOVED, SECONDED, AND DULY CARRIED TO:

Approve a performance-based non-base building lump sum merit payment of 2.5% for the General Manager based on Fiscal Year 2020/2021 job performance, as authorized in Resolution No. OCSD 19-12.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

### **INFORMATION ITEMS:**

**13. 2020-21 FISCAL YEAR BUDGET - FINANCIAL CLOSING UPDATE [2021-1813](#)**

**Originator:** Lorenzo Tyner

Assistant General Manager Lorenzo Tyner provided a report on changes to the closing of the 2020-21 fiscal year budget.

ITEM RECEIVED AS AN:

Information Item.

**14. ORANGE COUNTY SANITATION DISTRICT LEVELS OF SERVICE [2021-1799](#)**

**Originator:** Jim Herberg

Assistant General Manager Rob Thompson provided a presentation outlining OC San's proposed Levels of Service meant to align with the upcoming Strategic Plan.

RECEIVED AS AN:

Information Only.

### **AB 1234 DISCLOSURE REPORTS:**

Director Dave Shawver reported on his recent virtual tour of the GWRS expansion and requested that the Board of Directors be offered the same tour in the future.

### **CLOSED SESSION:**

**CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9(d)(4), 54956.9(d)(1) & 54956.8.**

The Board convened in closed session at 6:55 p.m. to hear three items. 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)** [2021-1817](#)

CONVENED IN CLOSED SESSION:

Number of Cases: 1

Potential initiation of eminent domain litigation regarding property owned by Bayside Village Marina, LLC.

**CS-2 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(1)** [2021-1818](#)

CONVENED IN CLOSED SESSION:

Number of Cases: 1

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.

**CS-3 CONFERENCE WITH REAL PROPERTY NEGOTIATORS - GOVERNMENT CODE SECTION 54956.8** [2021-1823](#)

CONVENED IN CLOSED SESSION:

Number of Cases: 1

Property: Portions of 300 East Coast Highway, Newport Beach, CA; APN No. 440-132-60.

Agency negotiators: General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, and Controller Wally Richie.

Negotiating parties: Bayside Village Marina, LLC

Under negotiation: Price and terms of payment

**RECONVENE IN REGULAR SESSION.**

The Board reconvened in regular session at 7:25 p.m.

---

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

General Counsel Brad Hogin reported the Board of Directors voted unanimously in Closed Session to:

Approve the appraisal of Back Bay Landing at Coast Highway and Bayside Drive in Newport Beach for OC San Pump Station Bay Bridge Pump Station Expansion Project dated August 25, 2021;

Authorize staff to offer Bayside Village Marina, LLC \$4,417,486 for the real property interests described in the appraisal and that are needed to construct the project; and

Authorize staff to reimburse Bayside Village Marina, LLC for the reasonable costs of an independent appraisal not to exceed \$5,000.

**AYES:** Art Brown, Kim Carr, Doug Chaffee, Mark Chirco, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Brooke Jones, Steve Jones, Anthony Kuo, Sandra Massa-Lavitt, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Rose Espinoza, Johnathan Ryan Hernandez, Kim Nichols and Jesus Silva

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

None.

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

None.

**ADJOURNMENT:**

At 7:27 p.m., Chair Withers adjourned the meeting until the Special Meeting of the Board of Directors to be held on Wednesday, September 29, 2021 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

---

**File #:** 2021-1424

**Agenda Date:** 9/29/2021

**Agenda Item No:** 3.

---

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**CAPITAL IMPROVEMENT PROGRAM ANNUAL REPORT**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file the Capital Improvement Program Annual Report for Fiscal Year 2020-2021.

### **BACKGROUND**

The Capital Improvement Program Annual Report summarizes and highlights achievements of active Capital Improvement Program projects, financial data, and contract activities for Fiscal Year 2020-2021. This report is updated annually.

### **RELEVANT STANDARDS**

- Ensure the public's money is wisely spent
- 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

### **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:*

- Capital Improvement Program Annual Report Fiscal Year 2020-2021

KM:sa:gc

ORANGE COUNTY SANITATION DISTRICT



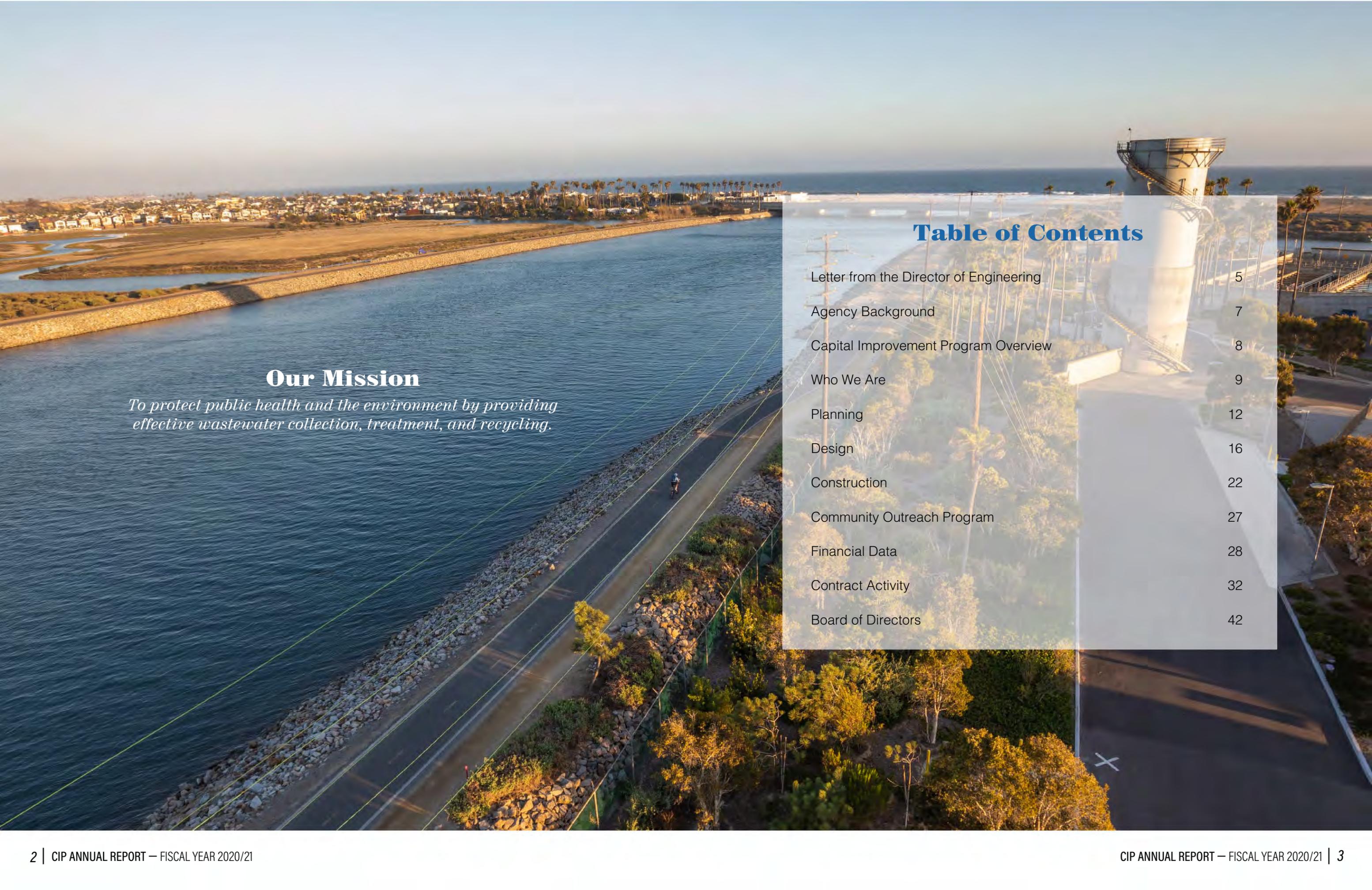
***We Can Do So Much***

# Capital Improvement Program **ANNUAL REPORT**

---

Fiscal Year 2020/21





## Our Mission

*To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.*

## Table of Contents

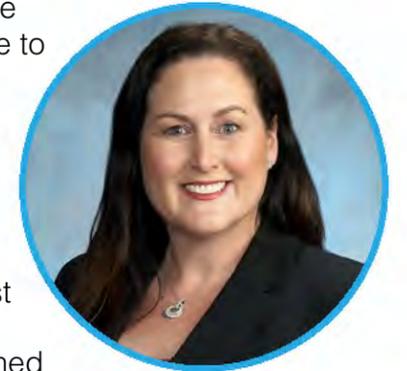
Letter from the Director of Engineering	5
Agency Background	7
Capital Improvement Program Overview	8
Who We Are	9
Planning	12
Design	16
Construction	22
Community Outreach Program	27
Financial Data	28
Contract Activity	32
Board of Directors	42



Top row: Chris Forrest (Construction Inspector), Dana Andrews (Sr. Construction Inspector), Phil Sullivan (Construction Inspector).  
 Middle: Tony Acayan (Engineer), Mike O'Reilly (Construction Inspector), Michelle Spengler (Engineering Assistant II), Liz Lapite (Administrative Assistant), Matthew Perry (Engineering Associate), Hye Oh (Engineer), Mickey Whitney (Sr. Construction Inspector)  
 Bottom: Scott Ahn (Engineer), Valerie Ratto (Sr. Engineer, Consultant), Chris Cervellone (Engineering Supervisor retiree), Eros Yong (Engineering Manager, Consultant).

## Letter from the Director of Engineering

On the first page of this Capital Improvement Program Annual Report for Fiscal Year 2020-21, OC San's mission is clearly stated. And despite the adjustments we have had to make in our work practices due to the global pandemic of COVID-19, we never wavered from our mission: to protect public health and the environment.



Living through a pandemic has taught us many lessons. As an Engineering Department, we have had to become more innovative on how we do our jobs. Instead of physical site visits, we used technology and photographic images to host virtual job walks. In person face-to-face meetings became video conferences. Patience and skills sets were strengthened with technology and internet connections. I'm not sure how many times I have been told "you're muted" during an online meeting! Our strong working relationships carried us through. We worked, hand in hand, as a team and I am extremely proud of the collaborative energy and the work produced.

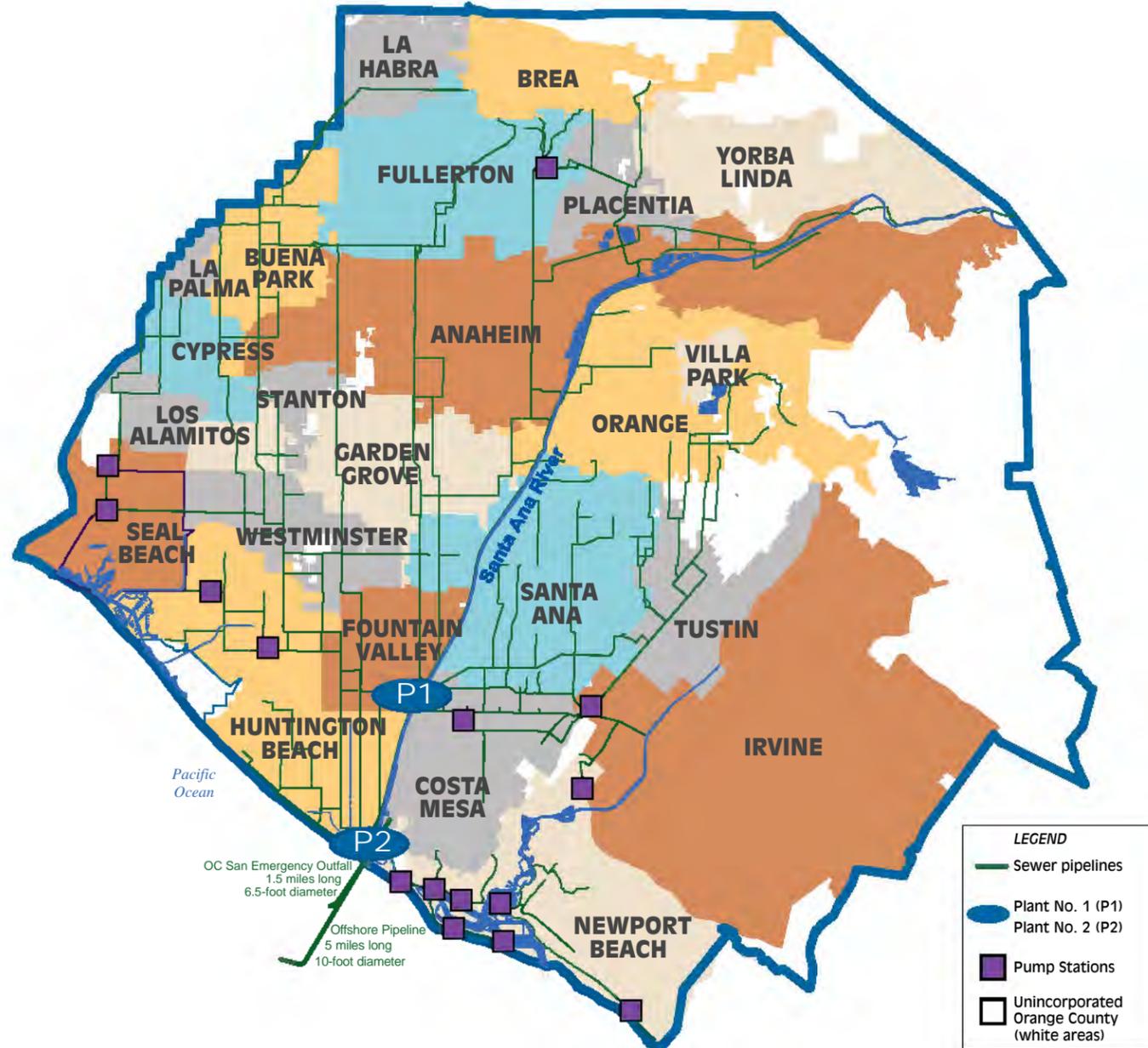
Many thought the pandemic would have thrown a wrench in our work, but we quickly adapted and made modifications along the way. Despite it all, Fiscal Year 2020-21 was one of our busiest and most productive years, issuing over \$475 million of construction contracts for over 20 capital projects. We highlight several of these notable projects in this report. I am thrilled to see the commitment the team put forth with planning studies and design efforts and transitioning those projects into construction. It brings great pleasure to take part in the adventure with the team.

Because **together, we can do so much.**

*Kathleen T. Millea*

Kathleen T. Millea, P.E.  
 Director of Engineering

## Service Area



## Agency Background

The Orange County Sanitation District (OC San) provides regional wastewater collection, treatment, and recycling to 2.6 million people within a 480-square mile service area in central and northwest Orange County, CA.

Official operations began in 1954 as the County Sanitation District of Orange County. In 1998, the agency consolidated and changed its name to Orange County Sanitation District. In October 2020, the agency rebranded to OC San and updated the logo to reflect the water resource recovery agency it has become, evolving from the basic wastewater collection and treatment of the past. Valuable resources are recovered from wastewater treatment, principally water, energy, and agricultural fertilizer.

Today, OC San has two operating facilities located in Fountain Valley and Huntington Beach. Over 180 million gallons a day of wastewater is collected, treated, and either safely released five miles offshore in the Pacific Ocean or further treated by our partners, the Orange County Water District for the Groundwater Replenishment System. OC San maintains nearly 400 miles of regional pipelines in the collection system and 15 off-site pump stations.



## Capital Improvement Program Overview

The Capital Improvement Program (CIP) is OC San’s long-term plan to maintain its infrastructure — the vast network of facilities, pipelines, and pump stations to provide wastewater collection, treatment, and recycling services. The CIP is reviewed annually, approved by the Board of Directors, and capital projects are developed and prioritize to meet the levels of service. Over \$5.8 billion of CIP spending is projected over the next 20 years.

Key drivers for CIP projects include increased wastewater flow capacity, regulations, strategic initiatives, and the need for rehabilitation and replacement. As many of OC San’s existing facilities near the end of their useful life, the main driver for many of the CIP projects today focus on rehabilitation and replacement to ensure reliable service to recycle treated wastewater for indirect potable reuse and discharge clean water into the Pacific Ocean.

This document is an annual report of OC San’s CIP for the fiscal year starting July 1, 2020 and ending June 30, 2021. The CIP program included over 30 active construction projects and a net CIP expenditure of over \$160 million.

The activities address a range of projects, with notable efforts on finalizing designs and laying the foundation for significant multi-year construction projects for the replacement and rehabilitation of existing facilities such as the Headworks, Primary Treatment, and over eight miles of the Western Regional Sewers in the collection system.



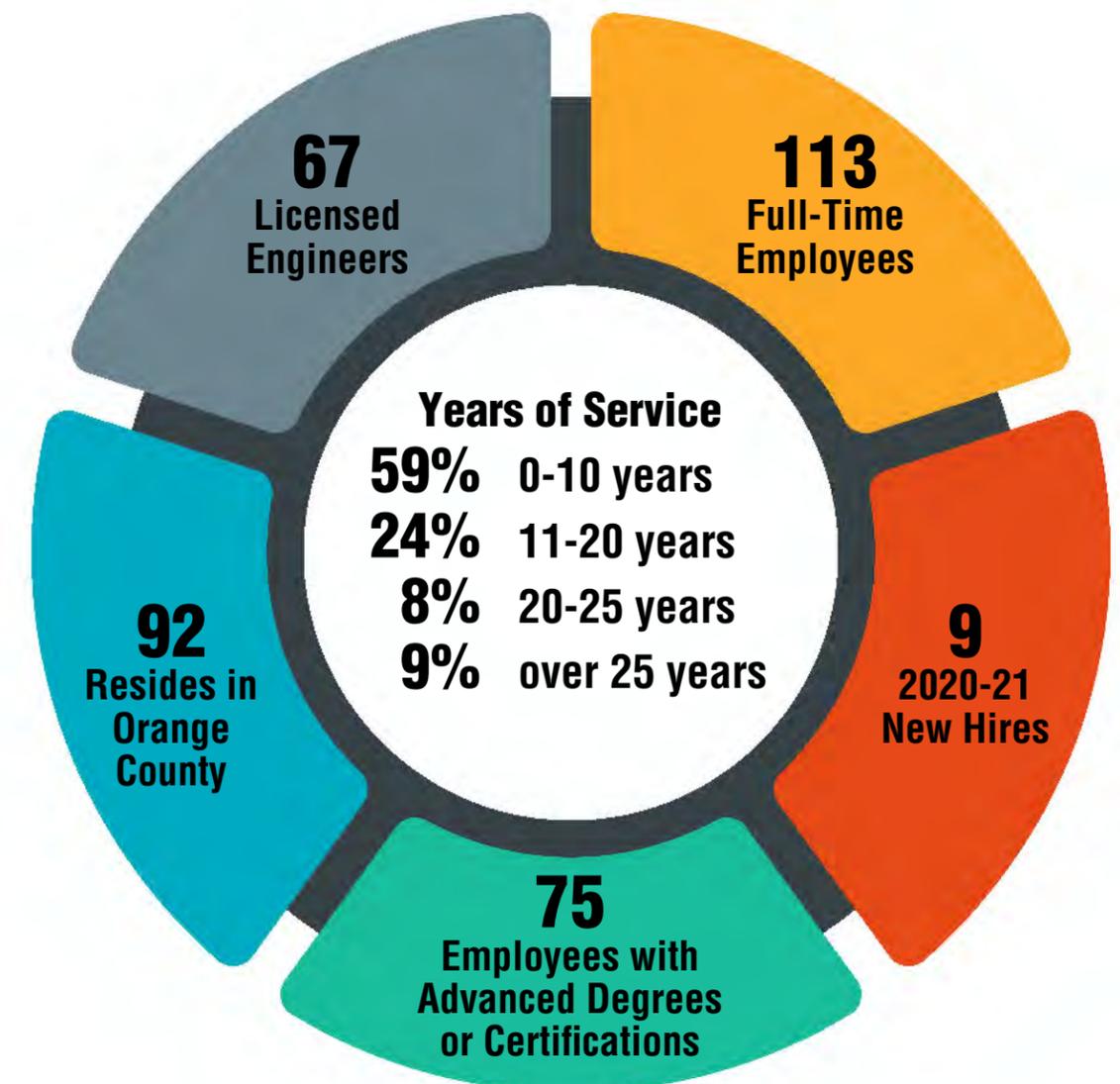
*View of the construction project site of the Outfall Low Flow Pump Station Project at Plant No. 2 in Huntington Beach.*

## Who We Are

The Engineering Department is responsible for the planning and execution of the CIP. It is comprised of dedicated team members, from the development and maintenance of a comprehensive CIP, project management delivery, engineering design, and construction management.

Although these numbers are representative of the Engineering Department, the overall success of the CIP Program involves the teamwork and collaboration across the agency.

## Engineering Department Stats



# MEET THE ENGINEERING





# Planning Together

Planning studies and reports are conducted to evaluate all areas of OC San assets to determine its condition. Results are used to help develop and prepare the design level scopes and work elements necessary to ensure assets are able to meet level of service requirements for future CIP projects.

## DOWN AND OUT

OC San's ocean outfall is a five mile long, 120-inch diameter pipeline that sits on the ocean floor to take treated water out to sea. The **Ocean Outfall Condition Assessment and Scoping Study** includes a condition assessment, 3D scanning and modeling, port cleaning and clearing, and a study on the impacts of low flows through the outfall. To perform the interior inspection, a remote operated vehicle was lowered into the surge tower at Plant No. 2 and made its journey down the outfall taking video and sonar images along the way.

*A crane slowly lowered a remote operated vehicle unit into the surge tower at Plant No. 2 in Huntington Beach.*

## Living with our Faults

Planning studies are conducted to assess and evaluate different components of each treatment plant, collection system, new technologies, etc. The **Active Fault Location Study at Plant No. 2** provided a site-specific fault analysis of OC San’s Huntington Beach facility. Plant No. 2 is bounded by Brookhurst Street, the Santa Ana River, and the Talbert Marsh wetland. The wetland, Pacific Coast Highway, and the Huntington State Beach separates Plant No. 2 from the Pacific Ocean.

The Plant No. 2 site spans a portion of the Newport-Inglewood fault zone. Geotechnical data from soil borings and cone penetration tests were collected from within and along the perimeter of Plant No. 2. The collected data was analyzed to identify the locations of active faults, which will be used in planning for future siting of facilities, and developing engineering design and seismic resiliency strategies.



This vehicle is used for cone penetration tests. A cone penetrometer is pushed down 100 feet into the ground and resistance information is recorded as it goes down to generate a profile of the subsurface conditions.

Map of fault displacement hazard zones at Plant No. 2 in Huntington Beach.

## Know Your Worth

OC San continues to evaluate and manage critical and major assets to ensure essential wastewater infrastructure can provide the necessary levels of service.

OC San’s infrastructure must be able to operate day and night, 24 hours a day. The replacement value of these assets is worth \$10.7 billion, and it is critical to know the condition and identify performance issues. The annual Asset Management Plan reviews and updates the ongoing and future CIP to appropriately manage risks, improve resiliency and reliability, and lower lifecycle costs.



Cover page of OC San’s 2020 Asset Management Plan.

# Design Collaboration

The dedication to the design of each project requires teamwork and collaboration. It demands countless hours, months, and years to effectively work together and produce a final design that OC San is willing to invest in for the upgrade and betterment of its infrastructure. During this reporting period, highlights demonstrating the design team's efforts include finalizing designs and transitioning large capital projects into construction.

Amid the COVID-19 pandemic, OC San continued to prepare for the well-being of Orange County's future, issuing over \$475 million of CIP construction contracts.

## The Next Generation

The **Temperature-Phased Anaerobic Digestion (TPAD) Digester Facility at Plant No. 2** will construct six new thermophilic digesters and six new Class A batch tanks. The new system will team's long-term resource recovery and operational benefits, providing reliable service to ratepayers and replacing aging infrastructure with improved technology and innovative solutions. The current digesters are over 40 - 60 years old. This next generation of digesters will make improvements in biogas and methane production, solids and organics removal, pathogen reduction, and dewaterability over conventional digesters. The new digesters will produce Class A biosolids that would expand the key reuse options from non-food crop application to food crop application in California and Arizona, landscaping amendments, and compost.

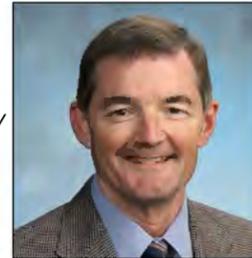
*This project is currently in Preliminary Design, with Construction expected to begin in 2025.*

*Preliminary rendering of the new TPAD digester facility at the southwest corner of Plant No. 2 in Huntington Beach.*

## Fixer to Fabulous

The **Headworks Rehabilitation at Plant No. 1** is getting a makeover. The Metering and Diversion Structure, Bar Screen Building, Headworks Odor Control Scrubbers, electrical power distribution and control systems are some of the project elements that will be rehabilitated and upgraded with new pumps, motors, and equipment. This is a complex project that will require work to be performed in prescribed sequence while maintaining the facility at all times.

*“Renewing our facilities is really important and being able to do this while keeping everything operating without interruption can become a real challenge. Good planning and a lot of collaboration is the only way to be successful...it takes a lot of specific knowledge and a lot of attention to detail to pull it off safely.” – Dean Fisher, Construction Management Manager*



*Design was finalized and the project moved to Construction during this reporting period. This is OC San’s biggest construction contract to date at over \$222 million. Construction is anticipated to be completed in 2028.*



*Aerial view of the Headworks Rehabilitation Project at Plant No. 1 in Fountain Valley.*



*The Metering and Diversion Structure will be rehabilitated as part of the Headworks Rehabilitation at Plant No. 1 project.*

## On the Streets

The streets are about to get busy with construction. As part of the Rehabilitation of the Western Regional Sewers, the **Orange-Western Sub-Trunk & Los Alamitos Trunk Sewer Rehabilitation** will be making a presence in the cities of Anaheim, Buena Park, Cypress, Los Alamitos, Seal Beach, and unincorporated area of Rossmore. Over eight miles of pipelines and 100 manholes will be either rehabilitated or replaced.

*Design was finalized during this reporting period. The \$17.8-million construction contract will begin Fall 2021 and be completed in 2023.*

## Back to Basics

The basics of wastewater treatment are preliminary, primary, and secondary stages. The **A-Side Primary Clarifiers Replacement** at Plant No. 2 will construct four new primary clarifiers. Preliminary treated wastewater settles in these large circular tanks and solids are removed. Although the concept of wastewater treatment has not changed much, this project will also include upgraded odor control, improved pump station maintainability, and more resilient power distribution.

*Design was finalized during this reporting period. The \$111-million construction contract will begin Fall 2021 and be completed in 2026.*



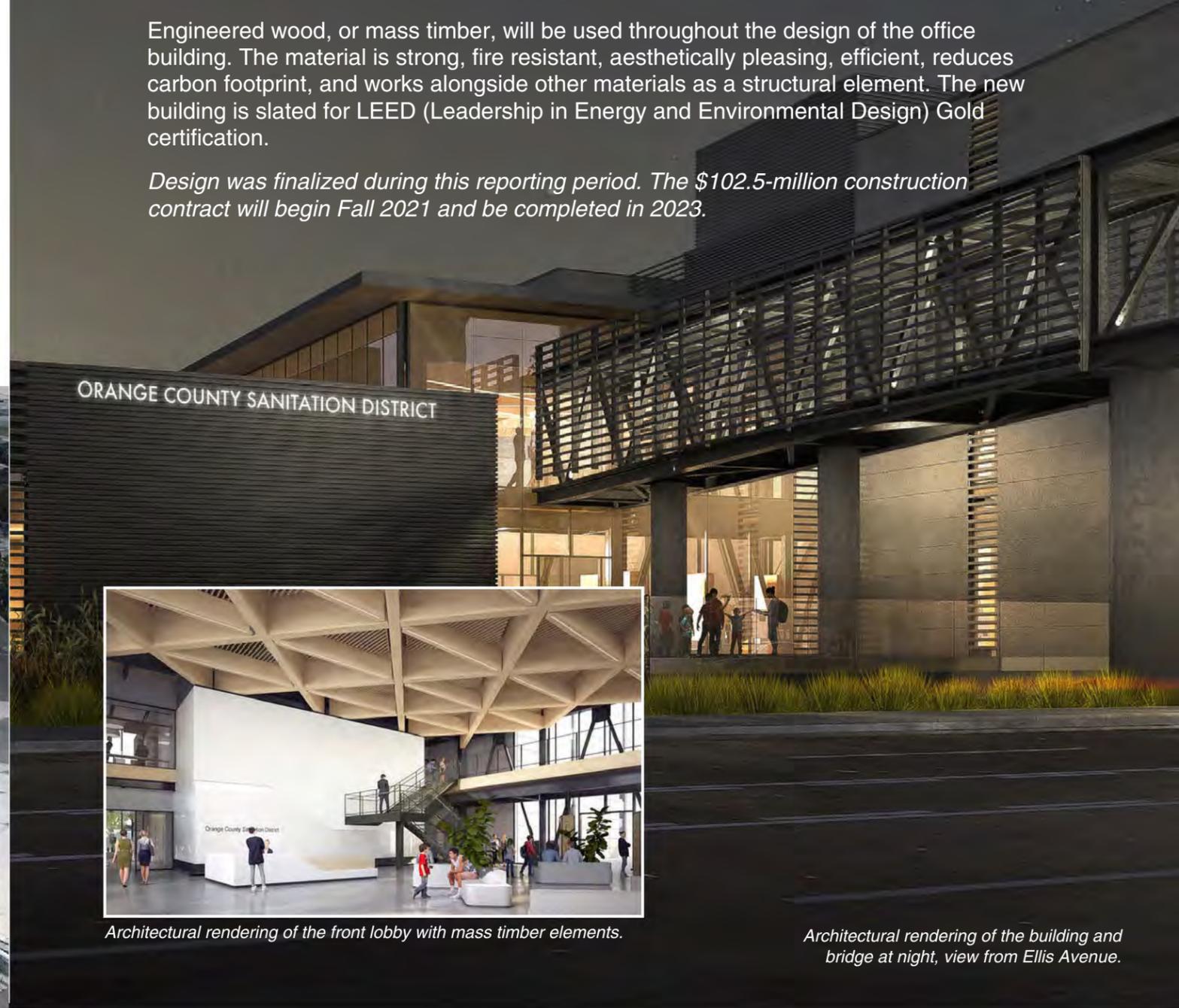
*Aerial view of the existing Primary Clarifiers at Plant No. 2 in Huntington Beach.*

## For the Future

OC San has always planned for the long-term, developing progressive roadmaps and facilities master plans for the agency to maintain and build the necessary infrastructure. A new administrative **Headquarters Complex** will be constructed across the street from Plant No. 1, allowing various administrative staff dispersed throughout the plant to come together in a centralized location. This will allow ten aging buildings and temporary trailers to be demolished, preserving space for future wastewater infrastructure. The three-story office building will include an educational center, public lobby, surface parking, and pedestrian bridge connecting the new building to Plant No. 1.

Engineered wood, or mass timber, will be used throughout the design of the office building. The material is strong, fire resistant, aesthetically pleasing, efficient, reduces carbon footprint, and works alongside other materials as a structural element. The new building is slated for LEED (Leadership in Energy and Environmental Design) Gold certification.

*Design was finalized during this reporting period. The \$102.5-million construction contract will begin Fall 2021 and be completed in 2023.*



*Architectural rendering of the front lobby with mass timber elements.*

*Architectural rendering of the building and bridge at night, view from Ellis Avenue.*



# Construction During COVID

OC San collects, treats, recycles, and disposes more than 180 million gallons of wastewater every single day, a service which is vital, crucial, and critical to the everyday lives in central and northern Orange County. As COVID-19 was declared a pandemic, California issued a statewide executive order mandating residents to stay at home except to maintain continuity of operations of essential services. Despite the uncertainties of the COVID-19 global pandemic, construction at OC San continued to ensure reliability of its essential infrastructure.

*On the Westminster Blvd. Sewer Project, a 30-inch diameter steel pipe is being installed through the intersection of Westminster Blvd. and Bolsa Chica Rd. in the City of Westminster.*

## The Work Must Go On

As office staff acclimated to working from home, construction ramped up on the **Westminster Blvd. Sewer Project** to replace a critical infrastructure, a dual force main system spanning three miles in the cities of Seal Beach and Westminster. “Essential service” was one of the popular COVID buzz phrases of 2020, and for OC San, that is exactly what it was. This project had to go on to meet our responsibility of providing the reliable infrastructure needed to protect public health.

*Construction commenced Spring 2020 and is anticipated to be completed late 2022.*



*Senior Construction Inspector Matt Goldsmith overlooking the Westminster Blvd. Sewer Project in the City of Seal Beach.*

## End of the Road

With a new larger pipeline constructed as part of the **Newhope-Placentia Trunk Replacement, Segment B Project**, up to an additional eight million gallons per day of sewer flows will be diverted to Plant No. 1 for treatment and further treated at the Groundwater Replenishment System. It's the end of the road as this project wraps up construction. After three years of construction along State College Boulevard, the streets will be fully returned to the City of Anaheim after roadway paving and median restoration are completed.

*Construction commenced Fall 2018 and is anticipated to be completed Fall 2021.*

## Time for a Split

The Groundwater Replenishment System (GWRS), a partnership between OC San and the Orange County Water District, is the world's largest water purification system. To increase the production rate, it's time to split the Headworks Modifications at Plant No. 2 in Huntington Beach to expand GWRS by separating reclaimable from non-reclaimable flows. When Final Expansion of GWRS is completed, we will be able to recycle 100 percent of reclaimable secondary effluent.

*Construction commenced Spring 2020 and is anticipated to be completed Winter 2023.*



*On the Headworks Modifications at Plant No. 2 Project in Huntington Beach, a 72-inch diversion pipe transition piece is being installed for the influent metering structure.*

## Process Junction, What's Your Function?

This project also supports the GWRS Final Expansion. Because all reclaimable flows will be recycled with the final expansion, less flow will be pumped out the five mile long ocean outfall pipeline to the ocean. The Outfall Low Flow Pump Station at Plant No. 2 will construct a new pump station to handle the lower flows more efficiently and replace the plant water pump station to maintain separation of reclaimable and non-reclaimable flows.

A new junction structure will deliver secondary effluent from the trickling filter process to the new Outfall Low Flow and Plant Water Pump Stations.

*Construction commenced Spring 2019 and is anticipated to be completed Fall 2024.*



*View of the new wet well for the Outfall Low Flow Pump Station (right) and wet well for the Plant Water Pump Station (left). At the top is the new Junction Structure. When construction is completed, most of the infrastructure will be underground, and a few feet of the top of the junction structure will be above ground.*

## Community Outreach Program A Virtual Connection

The Community Outreach Team works closely and collaboratively as a team to deliver transparent communications of its capital improvement projects. OC San has a very proactive community outreach approach, aiming to start communications early and to get stakeholders engaged.

Community outreach plays a significant role in the overall success of the CIP. A variety of tools and resources are used to broaden reach to the public. With a program designed to connect with the people, the global COVID-19 pandemic with stay-at-home orders, face masks, and social distancing required a more virtual presence. It is fortunate we are in a time that technology is so prevalent, allowing the program to face the pandemic challenges head on and make positive use of the internet, text messaging, and virtual meetings.



*Principal Public Affairs Specialist and State College Sewer Project Community Liaison Daisy Covarrubias at a virtual community outreach meeting.*

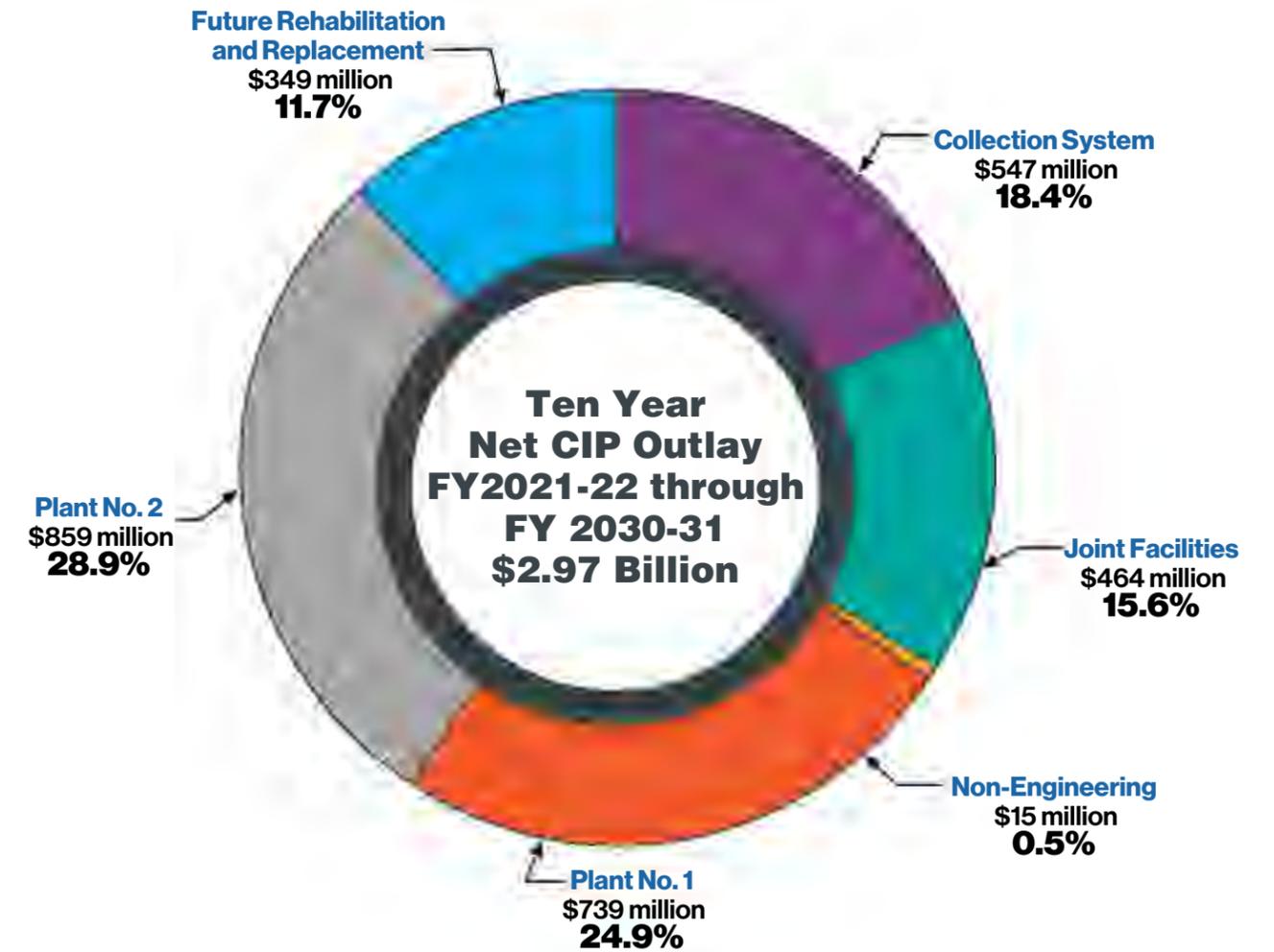
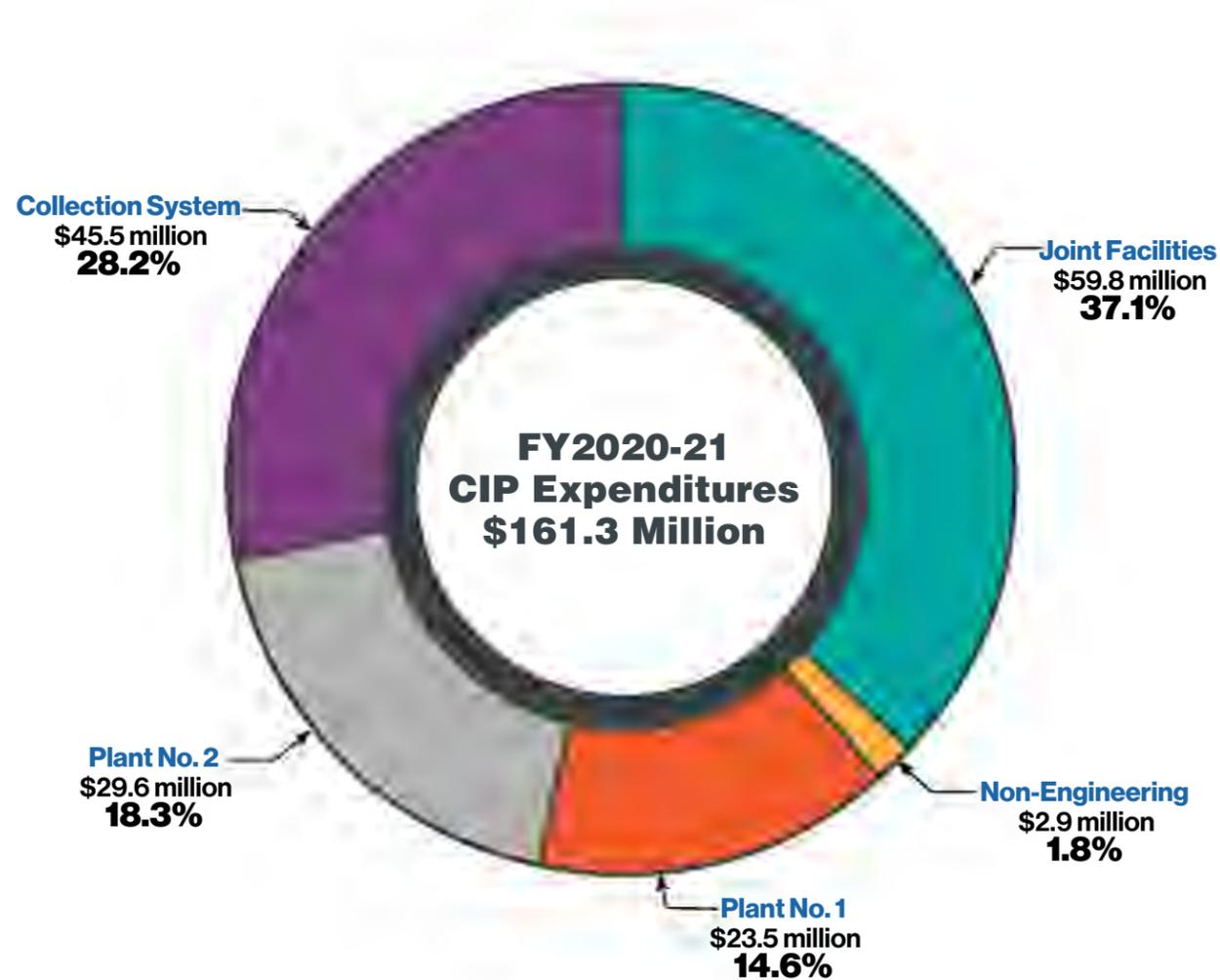


## Financial Data

The Capital Improvement Program (CIP) budget is thoroughly reviewed, validated, and approved annually by the Board of Directors as part of OC San's overall budget process. The cashflow, or CIP outlay, is forecasted based on predicted expenditures throughout the various phases of active projects.

During the pandemic, the work produced by the CIP never wavered. In fact, the CIP outlay actuals of \$161.3 million not only met but exceeded planned projections.

The net CIP outlay for the next 10 years is \$2.97 billion, with many projects primarily focused on rehabilitation and replacement at both facilities and throughout the collection system. Projects that have not been fully scoped yet are represented as future rehabilitation and replacement. Non-engineering projects are expenses from Information Technology and Operations and Maintenance.

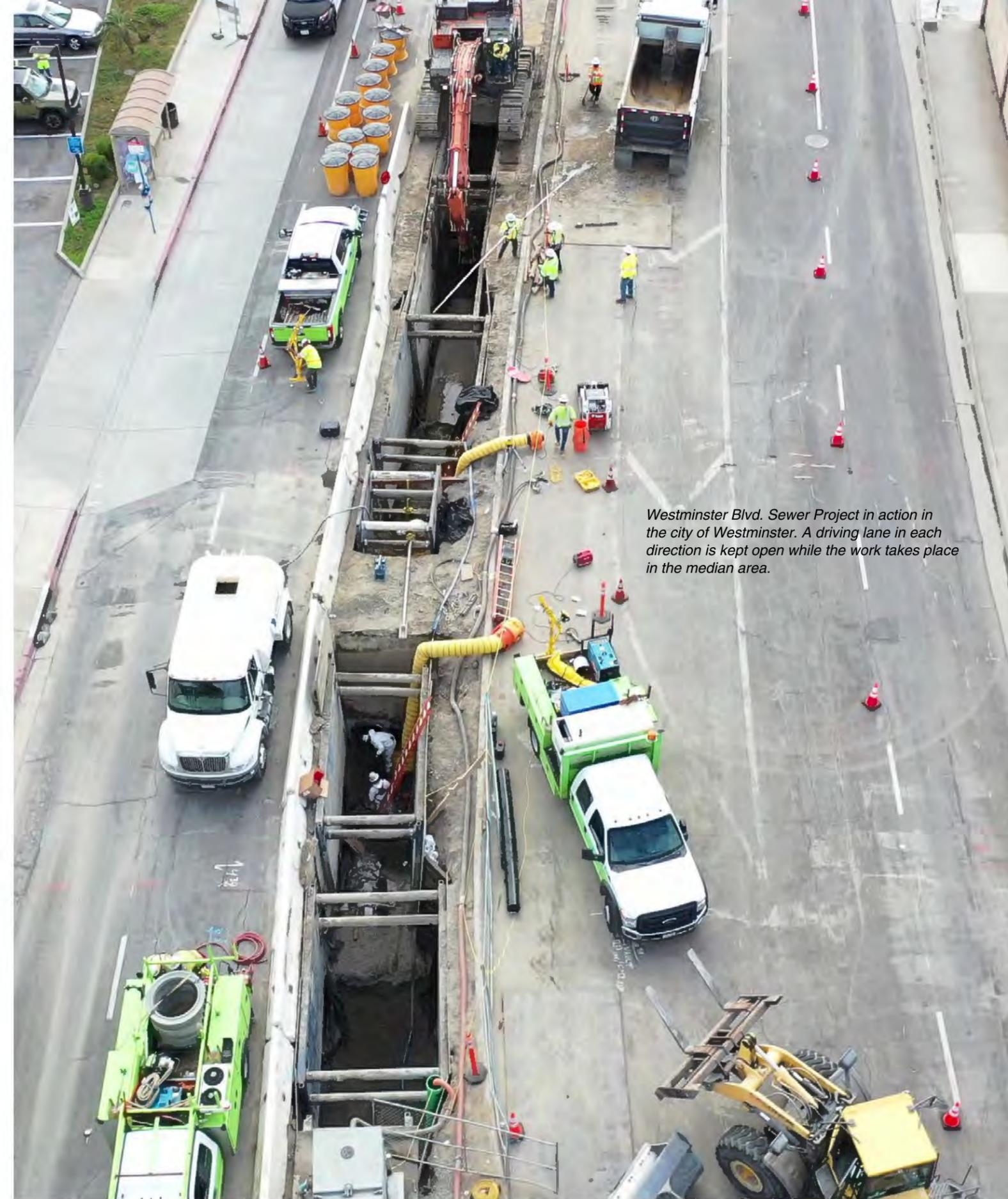
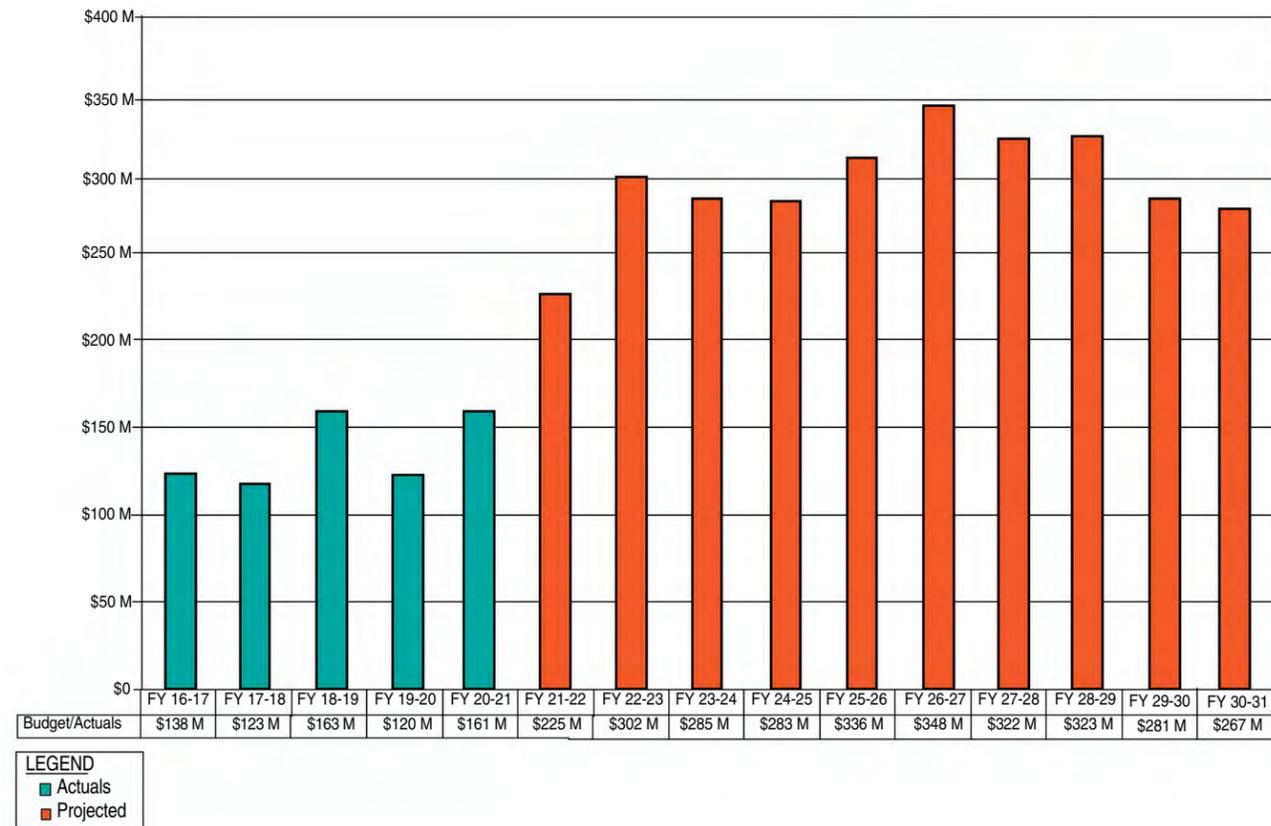


## Program Cash Flow

Just as the agency name and logo has evolved over time, so has the CIP. From creating the initial infrastructure to provide basic wastewater collection and treatment, expanding capacity for future growth, to now focusing on aging infrastructure and maximizing resource recovery. With guidance from OC San's Board of Directors, we have a strong rehabilitation and replacement CIP program.

The chart below shows the historical expenditures over the past five years and the projected CIP budget for the next ten years. Starting FY 22-23, you see a trend of future CIP spending over \$250 million annually!

### Annual Net CIP Outlay



*Westminster Blvd. Sewer Project in action in the city of Westminster. A driving lane in each direction is kept open while the work takes place in the median area.*

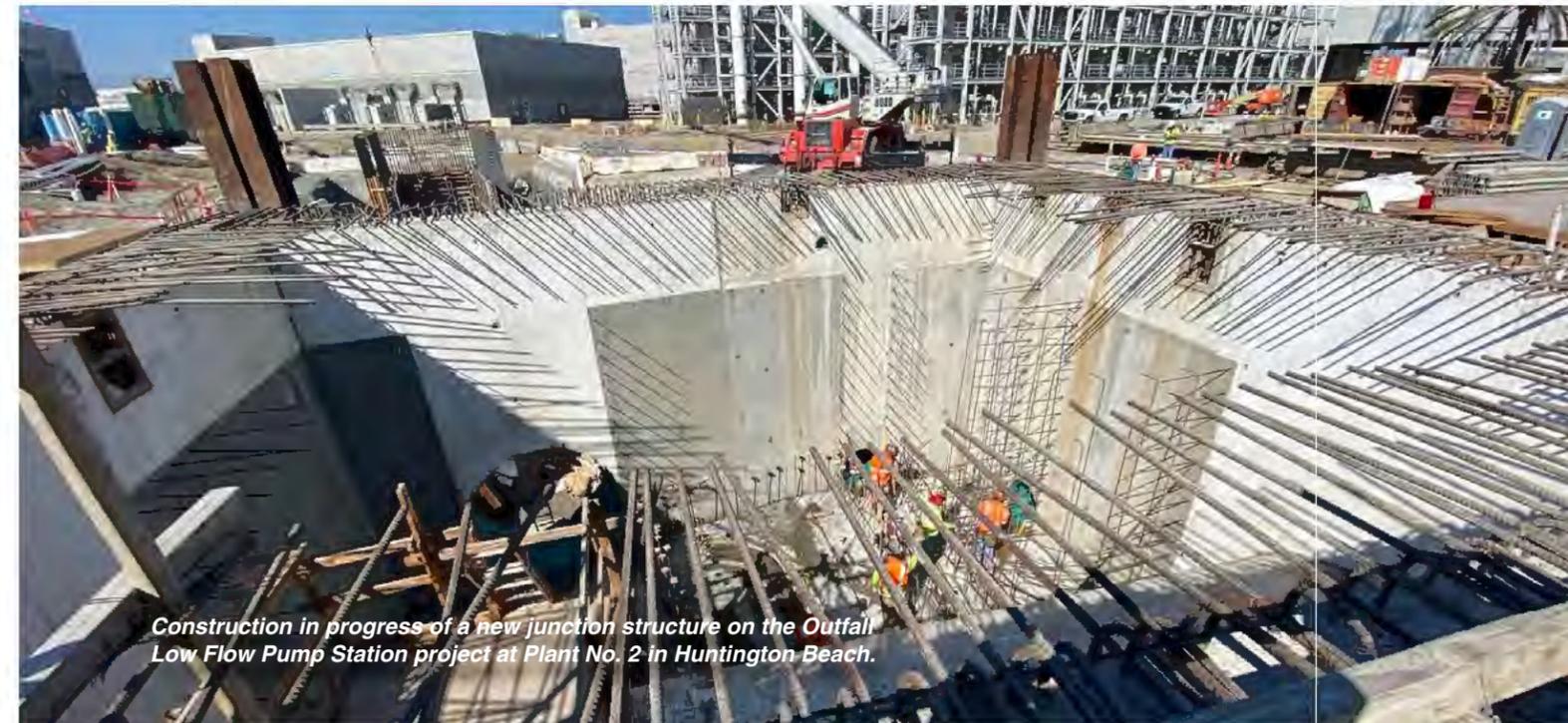
## Contract Activity

The following tables show the contracts awarded (rounded to the nearest thousand) between July 1, 2020 through June 30, 2021. Small capital or non-engineering projects from Information Technology and Operations and Maintenance are not listed.

PLANNING STUDIES CONTRACTS AWARDED					
Location(s)	Project No.	Project Name	Consultant	Amount of Award	Date of Award
Plant No. 1	PS19-03	Laboratory Rehabilitation Feasibility Study	HDR Engineering, Inc.	\$275,000	October 2020
Plant Nos. 1 and 2	PS20-04	Power Generation Overhaul Feasibility Study	Brown and Caldwell	\$123,000	March 2021
Plant Nos. 1 and 2	RE20-02	Chemical Resilience Study at Plant Nos. 1 and 2	Hazen and Sawyer	\$279,000	June 2021

DESIGN CONTRACTS AWARDED					
Location(s)	Project No.	Project Name	Consultant	Amount of Award	Date of Award
Plant No. 2	P2-128	TPAD Digester Facility at Plant No. 2	Brown and Caldwell	\$39,300,000	July 2020
Costa Mesa, Irvine	7-65	Gisler - Red Hill Interceptor Rehabilitation	CDM Smith Inc.	\$1,754,000	October 2020
Plant No. 2	P2-126	Warehouse, Electrical Substation and 12kV Service Center Replacement at Plant No. 2	Stantec Consulting Services, Inc.	\$4,876,000	November 2020
Orange	2-49	Taft Branch Improvements	Woodward and Curran	\$2,200,000	February 2021
Newport Beach	7-68	MacArthur Force Main Improvements	Michael Baker International, Inc.	\$500,000	May 2021

CONSTRUCTION CONTRACTS AWARDED					
Location(s)	Project No.	Project Name	Contractor	Amount of Award	Date of Award
Plant Nos. 1 and 2	J-127	Natural Gas Pipelines Replacement at Plant Nos. 1 and 2	Innovative Construction Solutions	\$275,000	July 2020
Fullerton	FE19-09	Newhope - Placentia Trunk Grade Separation Replacement Repairs	Charles King Company, Inc.	\$123,000	September 2020
Plant No. 2	FE18-14	Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	MMC, Inc.	\$1,134,000	December 2020
Plant No. 1	P1-105	Headworks Rehabilitation at Plant No. 1	Kiewit Infrastructure West Co.	\$222,330,000	February 2021
Plant No. 1	P1-135	Digester Ferric Chloride Piping Replacement at Plant No. 1	PPM Contracting	\$515,000	February 2021
Plant No. 2	FE18-15	Plant Boiler System Relief at Plant No. 2	MMC, Inc.	\$230,000	April 2021
Anaheim, Buena Park, Cypress, Los Alamitos, Seal Beach, unincorporated County of Orange	3-64A & 3-64B	Orange-Western Sub-Trunk and Los Alamitos Trunk Sewer Rehabilitation	Steve P. Rados, Inc.	\$17,775,000	May 2021
Plant No. 1	P1-128A	Headquarters Complex at Plant No. 1	Swinerton Builders	\$102,545,000	May 2021
Plant No. 2	P2-98A	A-Side Primary Clarifiers Replacement at Plant 2	PCL Construction, Inc.	\$111,406,000	May 2021



Construction in progress of a new junction structure on the Outfall Low Flow Pump Station project at Plant No. 2 in Huntington Beach.

This table shows the construction contracts completed between July 1, 2020 and June 30, 2021.

CONSTRUCTION CONTRACTS COMPLETED					
Location(s)	Project No.	Project Name	Contractor	Total Contract Amount	Date of Completion
Brea	FE17-01	Carbon Canyon Pipeline Sag Repairs	Mike Prlich and Sons, Inc.	\$455,118	August 2020
Plant Nos. 1 and 2, OC San Service Area	J-126PQ	Ladders, Hatches, Roof Fall Protection	Tharsos, Inc.	\$816,625	August 2020
Plant No. 1	P1-115B	Rehabilitation of Fleet Services Building, Building 8 and Paving Area	ODC Engineering & Technology	\$2,451,757	August 2020
Plant No. 1	P1-129	Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1	Abhe & Svoboda, Inc.	\$6,931,452	November 2020
Placentia	FE17-06	Tustin Ave Manhole and Pipe Repair	Nuline Technologies, LLC	\$440,684	December 2020
Fullerton	FE19-09	Newhope - Placentia Trunk Grade Separation Replacement Repairs	Charles King Company, Inc.	\$298,850	December 2020
Plant No. 2	P2-92	Sludge Dewatering and Odor Control at Plant No. 2	Shimmick Construction Co., Inc.	\$52,839,236	December 2020
Plant No. 1	SC18-05	Laboratory Boiler Burner Replacement at Plant No. 1	ODC Engineering & Technology	\$292,767	February 2021
Plant No. 2	FE18-17	Trunkline Sampler Power Feed at Plant No 2	M. Brey Electric, Inc.	\$101,050	February 2021
Plant Nos. 1 and 2	SC17-03	CenGen Oil Filters Platform at Plant No. 1 and Plant No. 2	Metro Builders and Engineers Group, Ltd.	\$145,439	March 2021
Plant Nos. 1 and 2, OC San Service Area	J-126JK	Stairs, Hatches, Walkway Hazards, Ladders, Guardrails, Roof Fall Protection	Olsson Construction, Inc.	\$3,903,884	April 2021



Senior Construction Inspector Glenn Suchor overlooking work on the Headworks Modification at Plant No. 2 project in Huntington Beach.

## Engineering CIP Projects

This section lists all the active studies and projects during the reporting period.



*Resident Engineer Adam Coghill at the Outfall Low Flow Pump Station Project at Plant No. 2 in Huntington Beach.*

The following table lists the active and completed planning and research studies. Results from these studies help to develop future CIP projects.

PLANNING AND RESEARCH STUDIES				
Location(s)	Project No.	Project Name	Status	Project Budget
Huntington Beach	PS15-02	Edinger Pump Station Rehabilitation Study	Completed	\$971,000
Plant No. 2	PS17-03	Active Fault Location Study at Plant No. 2	Active	\$1,300,000
Plant Nos. 1 and 2, OC San Service Area	PS18-06	Go/No-Go Lights and Signage	Active	\$495,000
Plant No. 2	PS18-09	Ocean Outfall Condition Assessment and Scoping Study	Active	\$3,340,000
Plant Nos. 1 and 2	PS18-11	ETAP Model Updates for Plant Nos 1 and 2	Active	\$553,000
Plant No. 1	PS19-01	Digester 6 Pipe Stress Analysis at Plant No. 1	Completed	\$45,000
Plant No. 1	PS19-03	Laboratory Rehabilitation Feasibility Study	Active	\$450,000
Plant No. 2	PS20-01	O&M Complex and Collections Yard Relocation at Plant No. 2	Active	\$375,000
OC San Service Area	PS20-02	Collection System Flow Level Monitoring Study	Active	\$575,000
Plant No. 2	PS20-03	Truck Loading Bay Odor Control Improvements Study at Plant No. 2	Active	\$200,000
Plant Nos. 1 and 2	PS20-04	Power Generation Overhaul Feasibility Study	Active	\$200,000
Plant Nos. 1 and 2	PS20-05	Cen Gen Pressure Vessel Integrity Assessment at Plant Nos. 1 and 2	Active	\$400,000
Costa Mesa	PS20-07	College Pump Station Wet Well Condition Assessment Study	Active	\$200,000
Anaheim, Fountain Valley, Fullerton, Garden Grove, Santa Ana	PS20-08	Euclid Trunk Sewer Hydraulic Modeling and Odor Control Analyses	Active	\$500,000
Plant Nos. 1 and 2	RE17-02	Biogas Scrubber Evaluation	Completed	\$865,000
Plant Nos. 1 and 2	RE17-04	AquaNereda Aerobic Granular Sludge Process	Completed	\$242,000
Plant No. 1	RE18-02	Protein Matrix Demonstration Study at Plant No 1	Completed	\$310,000
Plant No. 1	RE19-01	Primary Scum Equipment Evaluation at Plant No. 1	Active	\$31,000
Plant No. 1	RE20-01	Co-Thickened Sludge Density Meter Trial at Plant No. 1	Active	\$121,000
Plant Nos. 1 and 2	RE20-02	Chemical Evaluation Study at Plant No 1 and 2	Active	\$330,000
Plant No. 1	RE20-04	Holding Digester 6 Solids Shredder Study at Plant No. 1	Active	\$95,000

The tables on the following pages are all the active or completed projects for the reporting period. The status, phase, and project budget (rounded to the nearest hundred) are as of June 30, 2021. Small capital or non-engineering projects from Information Technology and Operations and Maintenance are not listed.

RECLAMATION PLANT NO. 1 IN FOUNTAIN VALLEY			
Project No.	Project Name	Phase	Project Budget
P1-101	Sludge Dewatering and Odor Control at Plant No. 1	Completed	\$197,000,000
P1-105	Headworks Rehabilitation at Plant No. 1	Construction	\$406,000,000
P1-115	Title 24 Access Compliance and Building Rehabilitation Project	Completed	\$14,043,000
P1-115B	Rehabilitation of Fleet Services Building, Building 8 and Paving Area	Completed	\$4,357,000
P1-126	Primary Sedimentation Basins No. 3-5 Replacement at Plant No. 1	Project Development	\$127,000,000
P1-128A	Headquarters Complex at Plant No. 1	Construction	\$163,949,000
P1-128C	Headquarters Complex Site Preparation	Close out	\$2,453,000
P1-129	Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1	Close out	\$9,300,000
P1-132	Uninterruptible Power Supply Improvements at Plant No. 1	Design	\$7,000,000
P1-133	Primary Sedimentation Basins No. 6-31 Reliability Improvements at Plant No. 1	Design	\$14,100,000
P1-134	South Perimeter Security and Utility Improvements at Plant No.1	Bid and Award	\$10,000,000
P1-135	Digester Ferric Chloride Piping Replacement at Plant No. 1	Construction	\$1,360,000
P1-137	Supports Buildings Seismic Improvements at Plant No. 1	Project Development	\$23,730,000

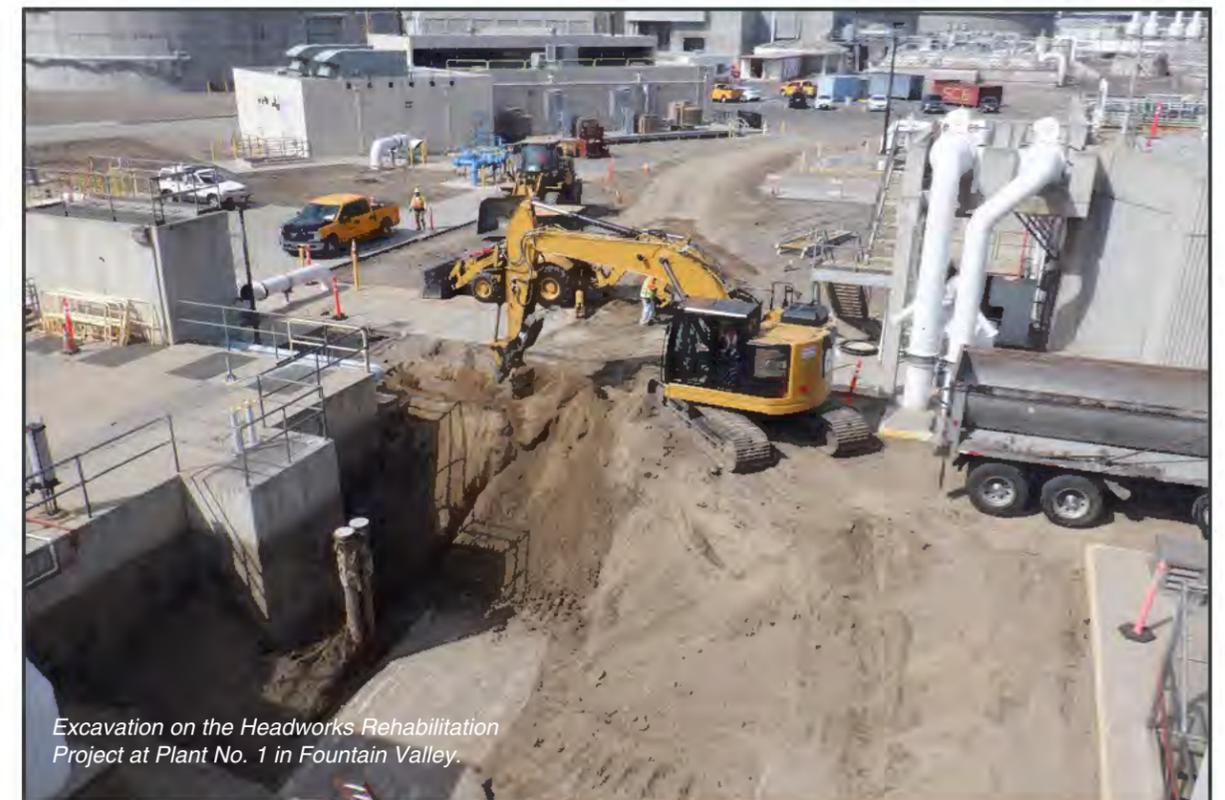
TREATMENT PLANT NO. 2 IN HUNTINGTON BEACH			
Project No.	Project Name	Phase	Project Budget
P2-92	Sludge Dewatering and Odor Control at Plant No. 2	Close out	\$86,768,000
P2-98A	A-Side Primary Clarifiers Replacement at Plant No. 2	Construction	\$171,856,000
P2-98B	B/C-Side Primary Clarifiers Interim Repair at Plant No. 2	Construction	\$13,635,000
P2-110	Consolidated Demolition and Utility Improvements at Plant No. 2	Completed	\$31,000,000
P2-122	Headworks Modifications at Plant No. 2 for GWRS Final Expansion	Construction	\$32,000,000
P2-123	Return Activated Sludge Piping Replacement at Plant No. 2	Construction	\$10,000,000
P2-124	Interim Food Waste Receiving Facility	On Hold	\$6,300,000
P2-126	Warehouse, Electrical Substation and 12kV Service Center Replacement at Plant No. 2	On Hold	\$65,000,000
P2-128	TPAD Digester Facility at Plant No. 2	Project Development	\$455,000,000

JOINT FACILITIES PROJECTS LOCATED AT PLANT NO. 1, PLANT NO. 2, AND/OR OC SAN SERVICE AREA			
Project No.	Project Name	Phase	Project Budget
J-98	Electrical Power Distribution System Improvements	Design	\$26,500,000
J-117B	Outfall Low Flow Pump Station	Construction	\$136,070,000
J-124	Digester Gas Facilities Replacement	Design	\$173,000,000
J-126C	NFPA 820 HVAC and Electrical Improvements	Close Out	\$516,000
J-126JK	Stairs, Hatches, Walkway Hazards, Ladders, Guardrails, Roof Fall Protection	Close Out	\$4,001,000
J-126L	Safety Improvement at Bitter Point, MacArthur, Seal Beach, Westside, and Yorba Linda Pump Stations	Completed	\$234,000
J-126PQ	Ladders, Hatches, Roof Fall Protection	Completed	\$865,000
J-127	Natural Gas Pipelines Replacement at Plant Nos. 1 and 2	Construction	\$2,000,000
J-128	Project Management Information System	Construction	\$2,280,000

COLLECTION SYSTEM PROJECTS				
Location(s)	Project No.	Project Name	Phase	Project Budget
Yorba Linda	2-41-8	SARI Rock Stabilizers Removal	Completed	\$4,860,000
Orange	2-49	Taft Branch Improvements	Preliminary Design	\$16,800,000
Fullerton	2-65	Newhope - Placentia Trunk Grade Separation Replacement	Completed	\$4,300,000
Anaheim	2-72B	Newhope - Placentia Trunk Replacement, Segment B	Construction	\$82,897,000
Seal Beach, Westminster	3-62	Westminster Blvd Force Main Replacement	Construction	\$44,000,000
Anaheim, Buena Park, Cypress, Los Alamitos, Seal Beach, County of Orange	3-64A & 3-64B	Orange - Western Sub-Trunk and Los Alamitos Trunk Sewer Rehabilitation	Construction	\$28,624,000
Cypress, La Palma, Los Alamitos	3-64C	Cypress Trunk Sewer Rehabilitation - West	Design	\$39,458,000
Seal Beach, Westminster	3-67	Seal Beach Pump Station Replacement	Design	\$87,000,000
Newport Beach	5-67	Bay Bridge Pump Station Replacement	Preliminary Design	\$74,000,000
Newport Beach	5-68	Newport Beach Pump Station Pressurization Improvements	Design	\$4,300,000
Newport Beach	6-17	District 6 Trunk Sewer Relief	Completed	\$7,250,000
Costa Mesa, Irvine	7-65	Gisler - Red Hill Interceptor Rehabilitation	Design	\$39,000,000
Irvine, Santa Ana	7-66	Sunflower and Red Hill Interceptor Repairs	Bid and Award	\$7,000,000
Newport Beach	7-68	MacArthur Pump Station Force Main Improvements	Preliminary Design	\$3,500,000

SMALL CONSTRUCTION PROJECTS				
Location(s)	Project No.	Project Name	Phase	Project Budget
Fullerton	FE10-21	Area 02 Craig Regional Park Manhole Improvements	Bid and Award	\$1,359,000
Plant No. 1	FE14-05	Plant No. 1 Fleet Services UST Leak Remediation	Close Out	\$1,487,000
Plant No. 1	FE15-07	Secondary Treatment and Plant Water VFD Replacement at Plant 1	Completed	\$3,320,000
Newport Beach	FE15-10	East Lido Force Main Rehabilitation	Completed	\$2,228,000
Plant No. 1	FE16-06	Fuel Cell Facilities Demolition	Completed	\$960,000
Irvine	FE16-11	Lane Channel Crossing	Completed	\$500,000
Huntington Beach	FE16-14	Slater Pump Station Valve Replacements	Completed	\$947,000
Brea	FE17-01	Carbon Canyon Pipeline Sag Repairs	Completed	\$873,000
Plant No. 1	FE17-03	Battery Storage System at Plant No. 1	Close Out	\$650,000
Plant No. 1	FE17-05	Plant 1 ICS Network Extension	Construction	\$950,000
Plant Nos. 1 and 2	FE18-06	GenGen Instrument Air Compressors Replacement at Plant No. 1 and Plant No. 2	Design	\$1,450,000
Santa Ana	FE18-08	West Trunk Bypass Sewer Realignment	Completed	\$158,000
Plant No. 1 and 2	FE18-11	Headworks Explosive Gas Monitoring Systems at Plant No. 1 and Plant No. 2	Construction	\$470,000
Huntington Beach	FE18-12	Erosion Control at Santa Ana River and Hamilton Ave	Bid and Award	\$330,000
Santa Ana	FE18-13	Redhill Relief Sewer Relocation at State Route 55	Design	\$2,840,000
Plant No. 2	FE18-14	Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	Construction	\$1,895,000
Plant No. 1	FE18-15	Plant Boiler System Relief at Plant No. 2	Construction	\$465,000
Plant No. 1	FE18-16	Truck Loading Basement Drain Modifications at Plant No. 1	Bid and Award	\$592,000
Plant No. 2	FE18-17	Trunkline Sampler Power Feed at Plant No 2	Close Out	\$249,000
Newport Beach	FE18-18	Portable Generator Connector at Lido Pump Station	Completed	\$116,000
Plant No. 2	FE18-19	12KV Distribution B and East RAS Pump Station Roofing Replacement	Close Out	\$1,188,000
Plant No. 1	FE18-20	Blower Building No. 1 Air Compressors at Plant No. 1	Design	\$1,200,000
OC San Service Area	FE19-01	Pump Station Portable Generator Connectors	Bid and Award	\$2,570,000
Plant No. 1	FE19-02	GenGen Plant Water Pipe Replacement at Plant No. 1	Design	\$2,250,000
Plant No. 1	FE19-03	Trickling Filter Sludge and Scum Pumps Replacement at Plant No. 1	Design	\$700,000
Plant No. 1	FE19-04	Sunflower Pump Replacement at Plant No. 1	Bid and Award	\$3,200,000
Plant No. 2	FE19-06	EPSA Motor Cooling Improvements at Plant No. 2	Bid and Award	\$1,475,000
Plant No. 2	FE19-08	Secondary Treatment VFD Replacements at Plant No. 2	Design	\$3,337,000
Fullerton	FE19-09	Newhope - Placentia Trunk Grade Separation Replacement Repairs	Completed	\$500,000
Plant No. 2	FE19-10	Digesters C, D, F, G and I Gas Balance Lines Replacement at Plant No. 2	Design	\$300,000

SMALL CONSTRUCTION PROJECTS (CONTINUED)				
Location(s)	Project No.	Project Name	Phase	Project Budget
Plant No. 1	FE19-11	Primary Clarifiers Nos. 6-31 Lighting and Alarm Improvements at Plant No. 1	Design	\$1,250,000
Plant No. 1	FE19-12	Rebuild Shop Fume Extractor Installation at Plant No 1	Design	\$445,000
Seal Beach	FE19-13	VFD Replacements at Seal Beach Pump Station	Design	\$690,000
Plant No. 1	FE20-01	Wastehauler Station Safety and Security Improvements	Design	\$830,000
Plant No. 2	FE20-02	Digester C, D, F, and G Mechanical Rehabilitation at Plant No. 2	Design	\$2,800,000
Plant No. 1	FE20-03	Return Activated Sludge Discharge Piping Replacement at Activated Sludge Plant No. 1	Design	\$4,250,000
Plant No. 2	FE20-04	GenGen Cooling Water Pipe Replacement at Plant No. 2	Design	\$3,500,000
Plant No. 1	FE20-05	Plant Water Piping Replacement at Secondary Clarifiers 1-26 at Plant No. 1	Design	\$1,545,000
Plant No. 1	FE20-06	Thickening and Dewatering Building Pipe Support Improvements at Plant No. 1	Design	\$1,500,000
Plant No. 1	FE20-07	Santa Ana Trunk Rehabilitation at Plant No. 1	Design	\$1,240,000
Anaheim, Orange	FE20-08	Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River	Design	\$1,850,000
Plant Nos. 1 and 2	FE20-09	GenGen Smoke Detection Improvements at Plant No. 1 and No. 2	Design	\$600,000
Seal Beach	FE20-10	Adolfo Lopez Chemical Dosing Station Installation	Project Development	\$1,000,000



Excavation on the Headworks Rehabilitation Project at Plant No. 1 in Fountain Valley.

## 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

### 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

### 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

### AGENCIES

Costa Mesa Sanitary District  
 Midway City Sanitary District  
 Irvine Ranch Water District  
 Yorba Linda Water District  
 Member of the Board  
 of Supervisors

Robert Ooten  
 Andrew Nguyen  
 John Withers  
 Brooke Jones  
 Doug Chaffee

Art Perry  
 Sergio Contreras  
 Douglas Reinhart  
 Phil Hawkins  
 Donald P. Wagner



*After pipeline installation is completed, medians are constructed as part of the final street restoration along State College Blvd. on the Newhope-Placentia Trunk Replacement, Segment B Project in the City of Anaheim.*

# TOGETHER

**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: [constructionhotline@ocsan.gov](mailto:constructionhotline@ocsan.gov)  
Phone: 714.378.2965

[www.ocsan.gov](http://www.ocsan.gov)

Follow us on  
social media @OCSanDistrict





# BOARD OF DIRECTORS

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

## Agenda Report

---

**File #:** 2021-1548

**Agenda Date:** 9/29/2021

**Agenda Item No:** 4.

---

**FROM:** James D. Herberg, 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 Operations Committee Meeting held July 7, 2021
- B. Minutes of the Legislative and Public Affairs Committee Meeting held July 12, 2021
- C. Minutes of the Administration Committee Meeting held July 14, 2021
- D. Minutes of the Steering Committee Meeting held July 28, 2021

### 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 21-04

### 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



---

**CALL TO ORDER**

A regular meeting of the Operations Committee of the Orange County Sanitation District was called to order by Committee Chairman Brooke Jones on Wednesday, July 7, 2021 at 5:00 p.m. in the Administration Building of the Orange County Sanitation District. Committee Vice-Chair Ryan Gallagher led the flag salute. Chair Jones stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19).

**ROLL CALL AND DECLARATION OF QUORUM:**

- PRESENT:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva, Chad Wanke, John Withers and Chad Zimmerman
- ABSENT:** None

**STAFF MEMBERS PRESENT:** Clerk of the Board Kelly Lore and Mortimer Caparas were present in the Board Room. General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, Sam Choi, Tanya Chong, Raul Cuellar, Mike Dorman, Tina Knapp, Joshua Martinez, Tom Merregillano, Robert Michaels, Jeffrey Mohr, Thomas Vu, Eros Yong, and Ruth Zintzun participated telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel, participated telephonically.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Jones did not provide a report.

General Manager Jim Herberg did not provide a report.

**CONSENT CALENDAR:****1. APPROVAL OF MINUTES**[2021-1723](#)**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Operations Committee held June 2, 2021.

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva and Chad Wanke**NOES:** None**ABSENT:** John Withers and Chad Zimmerman**ABSTENTIONS:** None**2. REPLACEMENT PURCHASE OF A COMBINATION SEWER CLEANING VEHICLE**[2021-1602](#)**Originator:** Rob Thompson

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

A. Approve a Purchase Order to Haaker Equipment Company to purchase one new/unused Combination Sewer Cleaning Truck using Sourcewell Cooperative Contract No. 122017-FSC-2 for a total amount not to exceed \$775,410, including freight and taxes; and

B. Approve a contingency of \$23,262 (3%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva and Chad Wanke**NOES:** None**ABSENT:** John Withers and Chad Zimmerman**ABSTENTIONS:** None**3. AREA 02 CRAIG REGIONAL PARK MANHOLE IMPROVEMENTS, PROJECT NO. FE10-21**[2020-1381](#)**Originator:** Kathy Millea

---

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

- A. Receive and file Bid Tabulation and Recommendation for Area 02 Craig Regional Park Manhole Improvements, Project No. FE10-21;
- B. Award a Construction Contract to Deark E&C, Inc. for Area 02 Craig Regional Park Manhole Improvements, Project No. FE10-21, for a total amount not to exceed \$427,400; and
- C. Approve a contingency of \$42,740 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva and Chad Wanke

**NOES:** None

**ABSENT:** John Withers and Chad Zimmerman

**ABSTENTIONS:** None

**4. OUTFALL LOW FLOW PUMP STATION, CONTRACT NO. J-117B [2021-1644](#)**

**Originator:** Kathy Millea

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

Approve a Purchase Order to ePlus Technology Inc. for Specification No. E-2021-1253BD for IT Server Hardware for Outfall Low Flow Pump Station, Contract No. J-117B, for a total amount of \$793,882.96, plus applicable sales tax and freight.

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva and Chad Wanke

**NOES:** None

**ABSENT:** John Withers and Chad Zimmerman

**ABSTENTIONS:** None

**5. SPRINGDALE RELIEF CONCRETE ENCASEMENT EXTENSION AT WINTERSBURG CHANNEL, PROJECT NO. FRC-0012 [2021-1686](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a sole source with J. F. Shea Construction, Inc. for \$167,694 for Springdale Relief Concrete Encasement Extension at Wintersburg Channel, Project No. FRC-0012;
- B. Authorize the General Manager to award the Construction Contract to J. F. Shea Construction, Inc. for \$167,694 for Springdale Relief Concrete Encasement Extension at Wintersburg Channel, Project No. FRC-0012; and
- C. Approve a contingency of \$30,185 (18%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva and Chad Wanke

**NOES:** None

**ABSENT:** John Withers and Chad Zimmerman

**ABSTENTIONS:** None

**6. COLLECTION SYSTEM FLOW LEVEL MONITORING STUDY, [2021-1707](#)  
PROJECT NO. PS20-02**

**Originator:** Kathy Millea

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

- A. Approve a Professional Services Agreement with Woodard and Curran, Inc. to provide engineering services for the Collection System Flow Level Monitoring Study, Project No. PS20-02, for an amount not to exceed \$616,562; and
- B. Approve a contingency of \$61,656 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva and Chad Wanke

**NOES:** None

**ABSENT:** John Withers and Chad Zimmerman

**ABSTENTIONS:** None

**NON-CONSENT:**

*Board Chair Withers joined the meeting at 5:12 p.m.*

**7. SUNFLOWER AND RED HILL INTERCEPTOR REPAIRS, PROJECT [2021-1533](#)  
NO. 7-66**

**Originator:** Kathy Millea

---

Engineering Manager Jeff Mohr provided a PowerPoint presentation which described the project location, repairs needed, collaboration with locally affected agencies, sewage spill risks, and bidder information.

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

- A. Receive and file Bid Tabulation and Recommendation for Sunflower and Red Hill Interceptor Repairs, Project No. 7-66;
- B. Award a Construction Contract to Charles King Company for Sunflower and Red Hill Interceptor Repairs, Project No. 7-66, for an amount not to exceed \$4,777,000; and
- C. Approve a contingency of \$477,700 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Chad Zimmerman

**ABSTENTIONS:** None

8. **SUNFLOWER AND RED HILL INTERCEPTOR REPAIRS, PROJECT [2021-1532](#)  
NO. 7-66**

**Originator:** Kathy Millea

Mr. Mohr provided a PowerPoint presentation regarding the professional construction services needed for the project.

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

- A. Approve a Professional Construction Services Agreement with GHD, Inc. to provide construction support services for Sunflower and Red Hill Interceptor Repairs, Project No. 7-66, for an amount not to exceed \$166,000; and
- B. Approve a contingency of \$16,600 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Kim Nichols, Robert Ooten, Jesus Silva, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Chad Zimmerman

**ABSTENTIONS:** None

*Director Nichols and Board Vice-Chair Wanke departed the meeting.*

**9. SOUTH PERIMETER SECURITY AND UTILITY IMPROVEMENTS AT PLANT NO. 1, PROJECT NO. P1-134** [2021-1572](#)

**Originator:** Kathy Millea

Mr. Mohr provided a PowerPoint presentation which included an overview of the three scope areas and work to be completed, and provided information of the protest from the 3rd low bidder.

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

- A. Receive and file Bid Tabulation and Recommendation for South Perimeter Security and Utility Improvements at Plant No. 1, Project No. P1-134;
- B. Reject the bid from apparent low bidder, RT Contractor Corp., as non-responsive;
- C. Receive and file Orange County Sanitation District's Notice of Intent to Award dated June 3, 2021;
- D. Receive and file Award Protest from Act 1 Construction, Inc. dated June 4, 2021, concerning the award to Tovey/Shultz Construction, Inc.;
- E. Receive and file response letter from Tovey/Shultz Construction, Inc. dated June 8, 2021, regarding the bid protest of Act 1 Construction, Inc.;
- F. Receive and file Orange County Sanitation District's determination letter dated June 10, 2021, to Act 1 Construction, Inc. responding to award protest;
- G. Award a Construction Contract to Tovey/Shultz Construction, Inc. for South Perimeter Security and Utility Improvements at Plant No. 1, Project No. P1-134, for an amount not to exceed \$4,396,779; and
- H. Approve a contingency of \$439,678 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Robert Ooten, Jesus Silva and John Withers

**NOES:** None

**ABSENT:** Kim Nichols, Chad Wanke and Chad Zimmerman

**ABSTENTIONS:** None

---

10. **SOUTH PERIMETER SECURITY AND UTILITY IMPROVEMENTS AT PLANT NO. 1, PROJECT NO. P1-134** [2021-1573](#)

**Originator:** Kathy Millea

Mr. Mohr provided a PowerPoint presentation which described the professional construction services needed for the project.

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

A. Approve a Professional Construction Services Agreement with HDR Engineering, Inc. to provide construction support services for South Perimeter Security and Utility Improvements at Plant No. 1, Project No. P1-134, for an amount not to exceed \$235,000; and

B. Approve a contingency of \$23,500 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Robert Ooten, Jesus Silva and John Withers

**NOES:** None

**ABSENT:** Kim Nichols, Chad Wanke and Chad Zimmerman

**ABSTENTIONS:** None

*Director Zimmerman joined the meeting at approximately 5:35 p.m.*

11. **PROCESS CONTROL SYSTEMS UPGRADES STUDY, PROJECT NO. SP-196** [2021-1719](#)

**Originator:** Kathy Millea

Engineering Manager Mike Dorman provided a PowerPoint presentation regarding the SCADA system which allows 24-hour operation from a location at each plant. Mr. Dorman explained the critical need for replacement and the competitive procurement process.

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

- A. Approve a Master Services Agreement with ABB Inc. for the design, installation, implementation, and maintenance of a process control system;
- B. Authorize staff to specify ABB Inc. as the sole source provider for equipment, materials, software, and services for control systems on current and future projects; and
- C. Ratify the addition of ABB Inc. to the list of pre-approved Original Equipment Manufacturers for procurements under \$100,000 for equipment, materials, software, and services for control systems.

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Robert Ooten, Jesus Silva and John Withers

**NOES:** None

**ABSENT:** Kim Nichols and Chad Wanke

**ABSTENTIONS:** Chad Zimmerman

**12. PROCESS CONTROL SYSTEMS UPGRADES, PROJECT NO. J-120 [2021-1584](#)**

**Originator:** Kathy Millea

Mr. Dorman provided a PowerPoint presentation regarding the Process Control Systems upgrade, scope of work, schedule, and costs associated with the Task Order requested.

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

- A. Approve 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
- B. Approve a contingency of \$1,181,848 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Robert Ooten, Jesus Silva, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Kim Nichols and Chad Wanke

**ABSTENTIONS:** None

**13. RIALTO BIOENERGY FACILITY DRYING AND THERMAL CONVERSION CONTRACT - BIOSOLIDS MANAGEMENT [2021-1728](#)**

**Originator:** Lan Wiborg

Environmental Supervisor Tom Meregillano provided an informative PowerPoint presentation which described Biosolids thermal conversion, RFI results, and the Rialto Bioenergy facility process and locations.

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

- A. Approve a Sole Source Service Contract to Rialto Bioenergy Facility (RBF) to pilot a biosolids drying and thermal conversion service for approximately 100 wet tons per day at a base fee of \$94 per wet ton, plus monthly fuel surcharge, annual CPI (consumer price index) adjustment, and special sampling events at a rate of \$3,950 per event (6 events) for targeted Per- and Polyfluoroalkyl Substances (PFAS) compounds. The term of this Contract is for three (3) years with two (2) optional one-year renewals for a total annual amount not to exceed \$3,463,095; and
- B. Approve an annual contingency of \$346,310 (10%).

**AYES:** Brooke Jones, Ryan Gallagher, Doug Chaffee, Stephen Faessel, Johnathan Ryan Hernandez, Anne Hertz (Alternate), Steve Jones, Sandra Massa-Lavitt, Robert Ooten, Jesus Silva, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Kim Nichols and Chad Wanke

**ABSTENTIONS:** None

#### **INFORMATION ITEMS:**

14. **ORANGE COUNTY SANITATION DISTRICT ENVIRONMENTAL SERVICES LABORATORY AND OCEAN MONITORING UPDATE** [2021-1733](#)

**Originator:** Lan Wiborg

Environmental Laboratory and Ocean Monitoring Manager Dr. Sam Choi presented an informative PowerPoint presentation regarding an overview of the Environmental Laboratory and Ocean Monitoring program.

ITEM RECEIVED AS AN:

Information Item.

15. **SUPER CRITICAL WATER OXIDATION RESEARCH OPPORTUNITY** [2021-1736](#)

**Originator:** Rob Thompson

Assistant General Manager Rob Thompson provided a PowerPoint presentation to describe Super Critical Water Oxidation Solids Treatment.

ITEM RECEIVED AS AN:

Information Item.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

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

None.

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

None.

**ADJOURNMENT:**

Chair Jones declared the meeting adjourned at 6:47 p.m. to the next Operations Committee meeting to be held on Wednesday, September 1, 2021 at 5:00 p.m.

Submitted by:

*Kelly Lore*

---

Kelly A. Lore, MMC  
Clerk of the Board



---

## **CALL TO ORDER**

A special meeting of the Legislative and Public Affairs Committee of the Orange County Sanitation District was called to order by Committee Chair Jesus J. Silva on Monday, July 12, 2021 at 3:01 p.m. in the Administration Building of the Orange County Sanitation District. Chair Silva stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19). Director Anthony Kuo led the Flag Salute.

## **ROLL CALL AND DECLARATION OF QUORUM:**

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

**PRESENT:** Jesus Silva, Marshall Goodman, Anthony Kuo, Andrew Nguyen,  
Chad Wanke and John Withers  
**ABSENT:** Kim Carr

**STAFF MEMBERS PRESENT:** Mortimer Caparas was present in the Board Room. General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, Clerk of the Board Kelly Lore, Jennifer Cabral, Jackie Castro, Tanya Chong, Daisy Covarrubias, Tina Knapp, Rebecca Long, Laura Maravilla, Joshua Martinez, Robert Michaels, Kelly Newell, Thomas Vu, and Ruth Zintzun participated telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel; Eric Sapirstein, ENS Resources; Eric O'Donnell, Townsend Public Affairs (TPA); and Diana Moreno and Justin Glover, Communication Lab; were in attendance telephonically.

## **PUBLIC COMMENTS:**

None.

## **REPORTS:**

Chair Silva did not provide a report.

General Manager Jim Herberg did not provide a report.

**CONSENT CALENDAR:**

**1. APPROVAL OF MINUTES**

[2021-1725](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Legislative and Public Affairs Committee held May 10, 2021.

**AYES:** Jesus Silva, Marshall Goodman, Anthony Kuo, Andrew Nguyen, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Kim Carr

**ABSTENTIONS:** None

**NON-CONSENT:**

**2. PUBLIC AFFAIRS STRATEGIC PLAN YEAR END REPORT**

[2021-1617](#)

**Originator:** Jim Herberg

Administration Manager Jennifer Cabral provided a PowerPoint presentation regarding a Year End Update to the PAO Strategic Plan and a look ahead to upcoming items for the next fiscal year.

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

Receive and file the Public Affairs Strategic Plan for Fiscal Years 2020-21 and 2021-22 Year End Update.

**AYES:** Jesus Silva, Marshall Goodman, Anthony Kuo, Andrew Nguyen, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Kim Carr

**ABSTENTIONS:** None

**3. CONSTRUCTION OUTREACH COMMUNICATIONS AUDIT REPORT**

[2021-1618](#)

**Originator:** Jim Herberg

Ms. Cabral provided information regarding the Construction Outreach Communications Audit Report and introduced Diana Moreno from Communications Lab. Ms. Moreno provided a PowerPoint presentation which included: Audit findings; stakeholder, community members, and City partner input; areas of growth; and key recommendations. Ms. Cabral responded to questions regarding community outreach

efforts to minority areas which are currently being translated based on the project and area of work.

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

Receive and file the Construction Outreach Communications Review and Audit 2021.

**AYES:** Jesus Silva, Marshall Goodman, Anthony Kuo, Andrew Nguyen, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Kim Carr

**ABSTENTIONS:** None

4. **PUBLIC AFFAIRS UPDATE FOR THE MONTHS OF MAY AND JUNE 2021** [2021-1737](#)

**Originator:** Jim Herberg

Principal Public Affairs Specialist Daisy Covarrubias provided a PowerPoint presentation regarding current events, construction outreach, Inside the Outdoors, newsletters, and awards received.

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

Receive and file the Public Affairs Update for the months of May and June 2021.

**AYES:** Jesus Silva, Marshall Goodman, Anthony Kuo, Andrew Nguyen, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Kim Carr

**ABSTENTIONS:** None

5. **LEGISLATIVE AFFAIRS UPDATE FOR THE MONTHS OF JUNE/JULY 2021** [2021-1734](#)

**Originator:** Jim Herberg

Senior Public Affairs Specialist Rebecca Long introduced Eric Sapirstein (ENS) who provided the Federal legislative update including a PowerPoint presentation on various House and Senate bills regarding Infrastructure, Appropriations, PFAS/PFOA Committee approvals, nominations update for USEPA, US Army Corps of Engineers, and US Bureau of Reclamation.

Eric O'Donnell from Townsend Public Affairs provided the State legislative update including a PowerPoint presentation regarding: Legislative Calendar, State budget update including total budget expenditures and additional budget trailer bills, recall election on September 14, eviction moratorium, Cal/OSHA guidelines for workplace

---

regulations, and specific legislation: AB 339 (Lee) Meetings and AB 818 (Bloom) Flushable Wipes.

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

Receive and file the Legislative Affairs Update for the months of June/July 2021.

**AYES:** Jesus Silva, Marshall Goodman, Anthony Kuo, Andrew Nguyen, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Kim Carr

**ABSTENTIONS:** None

**INFORMATION ITEMS:**

**6. STRATEGIC PLAN ORGANIZATIONAL ADVOCACY AND OUTREACH POLICY [2021-1726](#)**

**Originator:** Jim Herberg

Ms. Cabral provided a brief introduction to the item and reviewed the Organizational Advocacy and Outreach Policy paper and the five proposed Initiatives to meet the policy statement goals. The Committee requested a presentation for the September LaPA Committee meeting.

ITEM RECEIVED AS AN:

Information Only.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

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

None.

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

None.

**ADJOURNMENT:**

Chair Silva declared the meeting adjourned at 4:28 p.m. to the next Legislative and Public Affairs Committee meeting to be held on Monday, September 13, 2021 at 4:30 p.m.

Submitted by:

*Kelly Lore*

---

Kelly A. Lore, MMC  
Clerk of the Board



---

**CALL TO ORDER**

A regular meeting of the Administration Committee of the Orange County Sanitation District was called to order by Chairman Glenn Parker on Wednesday, July 14, 2021 at 5:00 p.m. in the Administration Building of the Orange County Sanitation District. Chair Parker stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19). Chair Parker led the flag salute.

**ROLL CALL AND DECLARATION OF QUORUM:**

A quorum was declared present, as follows:

- PRESENT:** Glenn Parker, Anthony Kuo, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, David Shawver, Chad Wanke and John Withers
- ABSENT:** Brad Avery

**STAFF MEMBERS PRESENT:** Clerk of the Board Kelly Lore and Mortimer Caparas were present in the Board Room. General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, Jennifer Cabral, Sam Choi, Tina Knapp, Laura Maravilla, Joshua Martinez, Robert Michaels, Wally Ritchie, Thomas Vu, and Ruth Zintzun participated telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel; Audrey Donovan, Roger Alfaro, and David Rowan, Eide Bailley; and Anna Laliberte and Brent Graham, Alliant, participated telephonically.

**PUBLIC COMMENTS:**

None.

Chair Parker announced that Item No. 6 would be heard prior to Item No. 5.

**REPORTS:**

Chair Parker and General Manager Jim Herberg did not provide a report.

Assistant General Manager Lorenzo Tyner announced that earlier this week OC San successfully sold \$134 million of Wastewater Refunding Revenue Obligations. He stated that by refunding existing debt into fixed rate, we anticipated a net present value savings of \$7

million, but due to the attractiveness of the bonds, our savings were closer to \$7.5 million. Mr. Tyner stated that the favorable rate was due in great part to OC San's strong financial condition demonstrated by our AAA bond rating by Fitch, Moody's, and Standard and Poor's.

**CONSENT CALENDAR:**

**1. APPROVAL OF MINUTES**

[2021-1724](#)

**Originator:** Kelly Lore

MOVED, SECONDED AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Administration Committee held June 9, 2021.

**AYES:** Glenn Parker, Anthony Kuo, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Brad Avery

**ABSTENTIONS:** None

**2. ENVIRONMENTAL REGULATORY REPORTS**

[2021-1557](#)

**Originator:** Lan Wiborg

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

Receive and file environmental regulatory reports: Biosolids Management Compliance Report 2020, Annual Pretreatment Program Report Fiscal Year 2019-2020, Semi-Annual Pretreatment Program Report Fiscal Year 2020-2021 (July-December), Annual Greenhouse Gas Emissions Report 2020, Annual Emission Report 2020, Marine Monitoring Annual Report 2019/2020, and Biennial Wastewater Discharge Requirements Sewer System Management Plan Audit Report 2021.

**AYES:** Glenn Parker, Anthony Kuo, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Brad Avery

**ABSTENTIONS:** None

**NON-CONSENT:**

**3. JANITORIAL & FLOOR MAINTENANCE SERVICE CONTRACT FOR PLANT NOS. 1 AND 2** [2021-1744](#)

**Originator:** Rob Thompson

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

Award a Sole Source Service Contract to Gamboa Services, Inc. DBA Corporate Image Maintenance to provide janitorial and floor maintenance service at Plant Nos. 1 and 2 for the period August 1, 2021 through January 31, 2022, for an amount not to exceed \$397,900.

**AYES:** Glenn Parker, Anthony Kuo, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, David Shawver, Chad Wanke and John Withers

**NOES:** None

**ABSENT:** Brad Avery

**ABSTENTIONS:** None

*Board Vice-Chair Wanke departed the meeting at approximately 5:24 p.m.*

**4. 2022 BENEFITS INSURANCE RENEWAL** [2021-1740](#)

**Originator:** Celia Chandler

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

Approve the Orange County Sanitation District 2022 Benefits Insurance Renewal for the amount of \$12,322,235 for active employees and \$518,340 for retiree-paid health premiums, for an overall not-to-exceed amount of \$12,840,575, as specified below:

- A. WORKTERRA (medical, dental, and vision plans; and Employee Assistance Program [EAP]) - Not to Exceed \$11,745,607;
- B. The Standard (basic life, short- and long-term disability) - Not to Exceed \$514,178;
- C. The Standard (EMT & Manager disability) - Not to Exceed \$30,000;
- D. BenefitWallet (Health Savings Accounts [HSA]) - Not to Exceed \$32,450;
- E. WORKTERRA (additional retiree costs, recouped from retirees through premium payments) - Not to Exceed \$518,340; and
- F. Approve a contingency of \$642,029 (5%).

**AYES:** Glenn Parker, Anthony Kuo, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, David Shawver and John Withers

**NOES:** None

**ABSENT:** Brad Avery and Chad Wanke

**ABSTENTIONS:** None

**INFORMATION ITEMS:**

- 6. **ORANGE COUNTY SANITATION DISTRICT ENVIRONMENTAL SERVICES LABORATORY AND OCEAN MONITORING UPDATE** [2021-1749](#)

**Originator:** Lan Wiborg

Dr. Samuel Choi, Environmental Laboratory and Ocean Monitoring Manager, provided an informative PowerPoint presentation which contained an overview of the Environmental Services Department, environmental monitoring and accreditations, and the Laboratory and Ocean Monitoring Division. He provided details on the number of laboratory tests completed annually, instruments used, studies, research and innovation, and OC San partners.

ITEM RECEIVED AS AN:

Information Item.

- 5. **INTERNAL AUDIT UPDATE: CYBER SECURITY** [2021-1743](#)

**Originator:** Lorenzo Tyner

Mr. Tyner introduced the item. The Committee moved to Closed Session and then proceeded to vote on this item.

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

Receive and file the Internal Audit Report from Eide Bailly LLP.

**AYES:** Glenn Parker, Anthony Kuo, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, David Shawver and John Withers

**NOES:** None

**ABSENT:** Brad Avery and Chad Wanke

**ABSTENTIONS:** None

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

**CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957.**

The Committee convened in closed session at 5:44 p.m. Confidential minutes of the Closed Session have been prepared in accordance with the above Government Code Section 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 THREAT TO PUBLIC SERVICES OR FACILITIES (GOVERNMENT CODE SECTION 54957)**

[2021-1629](#)

CONVENED IN CLOSED SESSION:

Consultation with the Information Technology Systems & Operations Manager regarding cyber security.

**RECONVENE IN REGULAR SESSION:**

The Committee reconvened in regular session at 5:54 p.m.

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

General Counsel Brad Hogin did not provide a report.

The Committee went back to take the vote on Item No. 5.

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

Board Chair Withers thanked Chair Parker and Vice-Chair Kuo for their great leadership.

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

Chair Parker encouraged the Committee to reach out to staff at any time prior to the meeting if they had questions regarding the agenda materials.

**ADJOURNMENT:**

Chair Parker declared the meeting adjourned at 5:59 p.m. to the next Administration Committee meeting to be held on September 8, 2021 at 5:00 p.m.

Submitted by:

*Kelly Lore*

---

Kelly A. Lore, MMC  
Clerk of the Board



---

**CALL TO ORDER**

A regular meeting of the Steering Committee of the Orange County Sanitation District was called to order by Board Chairman John Withers on Wednesday, July 28, 2021 at 5:00 p.m. in the Administration Building of the Orange County Sanitation District. Chair Withers stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19).

**ROLL CALL AND DECLARATION OF QUORUM:**

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

**PRESENT:** John Withers, Chad Wanke, Ryan Gallagher, Brooke Jones, Sandra Massa-Lavitt, Jesus Silva and Glenn Parker  
**ABSENT:** None

**STAFF MEMBERS PRESENT:** General Manager Jim Herberg, Clerk of the Board Kelly Lore, and Mortimer Caparas were present in the Board Room. Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Director of Environmental Services Lan Wiborg, Director of Human Resources Celia Chandler, Jennifer Cabral, Tanya Chong, Al Garcia, Jessica Frazier, Laurie Klinger, Tina Knapp, Laura Maravilla, Joshua Martinez, Wally Ritchie, and Thomas Vu participated telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel, was present in the Board Room.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Withers stated that OC San will resume in-person Board and Committee meetings beginning in October and that, prior to the first meeting, the Board will receive information related to COVID-19 protocols in effect at the time of the meeting.

General Manager Jim Herberg did not provide a report, but stated that at the Board meeting Assistant General Manager Thompson would be providing an update on the emergency repairs at the Bay Bridge pump station in Newport Beach.

**CONSENT CALENDAR:****1. APPROVAL OF MINUTES**[2021-1730](#)**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of Steering Committee held June 23, 2021.

**AYES:** John Withers, Chad Wanke, Ryan Gallagher, Brooke Jones, Sandra Massa-Lavitt, Jesus Silva and Glenn Parker**NOES:** None**ABSENT:** None**ABSTENTIONS:** None**NON-CONSENT:****2. GENERAL MANAGER'S FISCAL YEAR 2021-22 PROPOSED WORK PLAN**[2021-1742](#)**Originator:** Jim Herberg

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the General Manager's Fiscal Year 2021-22 Proposed Work Plan.

**AYES:** John Withers, Chad Wanke, Ryan Gallagher, Brooke Jones, Sandra Massa-Lavitt, Jesus Silva and Glenn Parker**NOES:** None**ABSENT:** None**ABSTENTIONS:** None**INFORMATION ITEMS:**

None.

**CLOSED SESSION:****CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54956.8 & 54957(b)(1).**

The Committee convened in closed session at 5:14 p.m. to hear two items. 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 REAL PROPERTY NEGOTIATORS -  
GOVERNMENT CODE SECTION 54956.8**[2021-1775](#)

CONVENED IN CLOSED SESSION:

Property: 1516 W. Balboa Blvd., Newport Beach, CA; APN No. 047-222-10

Agency negotiators: General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, Controller Wally Richie, and Principal Staff Analyst Jessica Frazier.

Negotiating parties: City of Newport Beach.

Under negotiation: Price and terms of payment

**CS-2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION 54957(b)(1)**[2021-1751](#)

**Originator:** Celia Chandler

CONVENED IN CLOSED SESSION:

Public Employee Performance Evaluation

Number of Employees: 1

- General Manager

**RECONVENED IN REGULAR SESSION.**

The Committee reconvened in regular session at 5:44 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 Withers declared the meeting adjourned at 5:45 p.m. to the next Steering Committee meeting to be held on Wednesday, August 25, 2021 at 5:00 p.m.

Submitted by:

*Kelly Lore*

---

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

---

**File #:** 2021-1698

**Agenda Date:** 9/29/2021

**Agenda Item No:** 5.

---

**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF AUGUST 2021**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION: Receive and file the following:

Report of the Investment Transactions for the month of August 2021.

**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 August 31, 2021.

**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 for the Month of August 2021

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
<b>ACQUISITIONS</b>							
08/02/2021	89239CAC3	PURCHASED PAR VALUE OF TOYOTA LEASE OWNER 0.420% 10/21/24 /MITSUBISHI UFJ SECURITIES USA/3,185,000 PAR VALUE AT 99.99864992 %	3,185,000.0000	0.999987	-3,184,957.00	3,184,957.00	0.00
08/02/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	53,543,125.0000	1.000000	-53,543,125.00	53,543,125.00	0.00
08/03/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	60.1900	1.000000	-60.19	60.19	0.00
08/03/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	115.2100	1.000000	-115.21	115.21	0.00
08/05/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	62,500.0000	1.000000	-62,500.00	62,500.00	0.00
08/09/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	81,525.0000	1.000000	-81,525.00	81,525.00	0.00
08/12/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	92,512.5000	1.000000	-92,512.50	92,512.50	0.00
08/13/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	25,187.5000	1.000000	-25,187.50	25,187.50	0.00
08/16/2021	06367WB85	PURCHASED PAR VALUE OF BANK OF MONTREAL MTN 1.850% 5/01/25 /J.P. MORGAN SECURITIES LLC/7,000,000 PAR VALUE AT 103.242 %	7,000,000.0000	1.032420	-7,226,940.00	7,226,940.00	0.00
08/16/2021	912796F61	PURCHASED PAR VALUE OF U S TREASURY BILL 9/30/21 /WELLS FARGO SECURITIES, LLC/5,000,000 PAR VALUE AT 99.9949126 %	5,000,000.0000	0.999949	-4,999,745.63	4,999,745.63	0.00
08/16/2021	912828H86	PURCHASED PAR VALUE OF U S TREASURY NT 1.500% 1/31/22 /CITIGROUP GLOBAL MARKETS INC./5,000,000 PAR VALUE AT 100.65625 %	5,000,000.0000	1.006563	-5,032,812.50	5,032,812.50	0.00
08/16/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	1,232.7600	1.000000	-1,232.76	1,232.76	0.00
08/17/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	13,125.0000	1.000000	-13,125.00	13,125.00	0.00
08/18/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	23,931.0800	1.000000	-23,931.08	23,931.08	0.00
08/20/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	2,407.9000	1.000000	-2,407.90	2,407.90	0.00
08/23/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	155,473.9800	1.000000	-155,473.98	155,473.98	0.00
08/25/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	7,525,000.0000	1.000000	-7,525,000.00	7,525,000.00	0.00
08/25/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	6,505.1100	1.000000	-6,505.11	6,505.11	0.00
08/25/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	32,585.3600	1.000000	-32,585.36	32,585.36	0.00
08/26/2021	86959RQE3	PURCHASED PAR VALUE OF SVENSKA C D 0.230% 5/10/22 /WELLS FARGO SECURITIES, LLC/3,000,000 PAR VALUE AT 100.04269767 %	3,000,000.0000	1.000427	-3,001,280.93	3,001,280.93	0.00
08/26/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	13,029,500.0000	1.000000	-13,029,500.00	13,029,500.00	0.00
08/26/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	13,212.5000	1.000000	-13,212.50	13,212.50	0.00
08/27/2021	912828H86	PURCHASED PAR VALUE OF U S TREASURY NT 1.500% 1/31/22 /J.P. MORGAN SECURITIES LLC/10,000,000 PAR VALUE AT 100.6171875 %	10,000,000.0000	1.006172	-10,061,718.75	10,061,718.75	0.00
08/31/2021	912796D30	PURCHASED PAR VALUE OF U S TREASURY BILL 2/24/22 /BOFA SECURITIES, INC./FXD INC/13,250,000 PAR VALUE AT 99.97713751 %	13,250,000.0000	0.999771	-13,246,970.72	13,246,970.72	0.00
08/31/2021	31846V567	PURCHASED UNITS OF FIRST AM GOVT OB FD CL Z	162,500.0000	1.000000	-162,500.00	162,500.00	0.00
<b>TOTAL ACQUISITIONS</b>			<b>121,205,499.0900</b>		<b>-121,524,924.62</b>	<b>121,524,924.62</b>	<b>0.00</b>
<b>DISPOSITIONS</b>							
08/02/2021	912828S76	MATURED PAR VALUE OF U S TREASURY NT 1.125% 7/31/21 43,000,000 PAR VALUE AT 100 %	-43,000,000.0000	1.000000	43,000,000.00	-43,267,968.77	-267,968.77

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
08/02/2021	9128287F1	MATURED PAR VALUE OF U S TREASURY NT VALUE AT 100 %	1.750% 7/31/21 2,000,000 PAR	-2,000,000.0000	1.000000	2,000,000.00	-2,014,531.25 -14,531.25
08/02/2021	912828WY2	MATURED PAR VALUE OF U S TREASURY NT VALUE AT 100 %	2.250% 7/31/21 8,000,000 PAR	-8,000,000.0000	1.000000	8,000,000.00	-8,144,296.88 -144,296.88
08/02/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z		-43,000,000.0000	1.000000	43,000,000.00	-43,000,000.00 0.00
08/02/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z		-3,060,582.0000	1.000000	3,060,582.00	-3,060,582.00 0.00
08/16/2021	912828RC6	MATURED PAR VALUE OF U S TREASURY NT VALUE AT 100 %	2.125% 8/15/21 5,000,000 PAR	-5,000,000.0000	1.000000	5,000,000.00	-5,039,453.13 -39,453.13
08/16/2021	31348SWZ3	PAID DOWN PAR VALUE OF F H L M C #786064 DUE 8/15/21	2.262% 1/01/28 JULY FHLMC	-22.8400	0.000000	22.84	-22.28 0.56
08/16/2021	3133TCE95	PAID DOWN PAR VALUE OF F H L M C MLTCL MTG	3.855% 8/15/32	-77.6000	14,794.736082	77.60	-77.68 -0.08
08/16/2021	47788EAC2	PAID DOWN PAR VALUE OF JOHN DEERE OWNER	3.080% 11/15/22	-143,699.6000	0.000000	143,699.60	-143,688.71 10.89
08/16/2021	58770FAC6	PAID DOWN PAR VALUE OF MERCEDES BENZ AUTO	1.840% 12/15/22	-186,115.1300	0.000000	186,115.13	-186,090.60 24.53
08/16/2021	65479JAD5	PAID DOWN PAR VALUE OF NISSAN AUTO	1.930% 7/15/24	-302,923.0600	0.000000	302,923.06	-302,907.07 15.99
08/16/2021	65479GAD1	PAID DOWN PAR VALUE OF NISSAN AUTO	3.060% 3/15/23	-153,289.3600	0.000000	153,289.36	-153,284.39 4.97
08/16/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z		-4,982,694.0000	1.000000	4,982,694.00	-4,982,694.00 0.00
08/16/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z		-6,460,291.8000	1.000000	6,460,291.80	-6,460,291.80 0.00
08/18/2021	43814UAG4	PAID DOWN PAR VALUE OF HONDA AUTO PAYDOWN	3.010% 5/18/22 CMO FINAL	-22,876.2400	0.000000	22,876.24	-22,875.74 0.50
08/20/2021	36225CAZ9	PAID DOWN PAR VALUE OF G N M A I I #080023	2.125% 12/20/26 JULY GNMA DUE	-151.5500	0.000000	151.55	-154.05 -2.50
08/20/2021	36225CC20	PAID DOWN PAR VALUE OF G N M A I I #080088	2.000% 6/20/27 JULY GNMA DUE	-109.4500	0.000000	109.45	-111.84 -2.39
08/20/2021	36225CNM4	PAID DOWN PAR VALUE OF G N M A I I #080395	1.875% 4/20/30 JULY GNMA DUE	-113.4500	0.000000	113.45	-112.42 1.03
08/20/2021	36225CN28	PAID DOWN PAR VALUE OF G N M A I I #080408	1.875% 5/20/30 JULY GNMA DUE	-1,285.4300	0.000000	1,285.43	-1,272.37 13.06
08/20/2021	36225DCB8	PAID DOWN PAR VALUE OF G N M A I I #080965	2.250% 7/20/34 JULY GNMA DUE	-609.0500	0.000000	609.05	-608.67 0.38
08/23/2021	43815HAC1	PAID DOWN PAR VALUE OF HONDA AUTO	2.950% 8/22/22	-153,888.2000	0.000000	153,888.20	-153,867.09 21.11
08/25/2021	313385KW5	MATURED PAR VALUE OF F H L B DISC NTS 100 %	8/25/21 7,525,000 PAR VALUE AT	-7,525,000.0000	1.000000	7,523,032.66	-7,523,032.66 0.00
08/25/2021	31394JY35	PAID DOWN PAR VALUE OF F H L M C MLTCL MTG	6.500% 9/25/43	-3,754.3200	0.000000	3,754.32	-4,251.77 -497.45
08/25/2021	31371NUC7	PAID DOWN PAR VALUE OF F N M A #257179	4.500% 4/01/28 JULY FNMA DUE	-921.6900	0.000000	921.69	-974.78 -53.09
08/25/2021	31376KT22	PAID DOWN PAR VALUE OF F N M A #357969	5.000% 9/01/35 JULY FNMA DUE	-2,526.6700	0.000000	2,526.67	-2,716.17 -189.50
08/25/2021	31403DJZ3	PAID DOWN PAR VALUE OF F N M A #745580	5.000% 6/01/36 JULY FNMA DUE	-1,439.8500	0.000000	1,439.85	-1,547.84 -107.99

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation		Units	Price	Net Cash Amt	Cost	Gain/Loss	
08/25/2021	31403GXF4	PAID DOWN PAR VALUE OF F N M A #748678 8/25/21	5.000% 10/01/33 JULY	FNMA DUE	-3.9900	0.000000	3.99	-4.29	-0.30
08/25/2021	31406PQY8	PAID DOWN PAR VALUE OF F N M A #815971 8/25/21	5.000% 3/01/35 JULY	FNMA DUE	-2,091.7200	0.000000	2,091.72	-2,248.60	-156.88
08/25/2021	31406XWT5	PAID DOWN PAR VALUE OF F N M A #823358 8/25/21	2.035% 2/01/35 JULY	FNMA DUE	-410.0000	0.000000	410.00	-406.80	3.20
08/25/2021	31407BXH7	PAID DOWN PAR VALUE OF F N M A #826080 8/25/21	5.000% 7/01/35 JULY	FNMA DUE	-70.9500	0.000000	70.95	-76.27	-5.32
08/25/2021	31410F4V4	PAID DOWN PAR VALUE OF F N M A #888336 8/25/21	5.000% 7/01/36 JULY	FNMA DUE	-4,224.5600	0.000000	4,224.56	-4,541.40	-316.84
08/25/2021	3138EG6F6	PAID DOWN PAR VALUE OF F N M A #AL0869 8/25/21	4.500% 6/01/29 JULY	FNMA DUE	-187.4100	0.000000	187.41	-198.20	-10.79
08/25/2021	31417YAY3	PAID DOWN PAR VALUE OF F N M A #MA0022 8/25/21	4.500% 4/01/29 JULY	FNMA DUE	-287.9500	0.000000	287.95	-304.54	-16.59
08/25/2021	31397QRE0	PAID DOWN PAR VALUE OF F N M A GTD REMIC	2.472% 2/25/41		-3,461.4300	0.000000	3,461.43	-3,460.35	1.08
08/26/2021	912796D55	MATURED PAR VALUE OF U S TREASURY BILL AT 100 %	8/26/21 13,000,000 PAR VALUE		-13,000,000.0000	1.000000	12,996,273.41	-12,996,273.41	0.00
08/26/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z			-3,003,350.9300	1.000000	3,003,350.93	-3,003,350.93	0.00
08/27/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z			-10,072,724.1800	1.000000	10,072,724.18	-10,072,724.18	0.00
08/31/2021	912828YC8	MATURED PAR VALUE OF U S TREASURY NT VALUE AT 100 %	1.500% 8/31/21 9,000,000 PAR		-9,000,000.0000	1.000000	9,000,000.00	-9,084,726.56	-84,726.56
08/31/2021	31846V567	SOLD UNITS OF FIRST AM GOVT OB FD CL Z			-4,113,845.7200	1.000000	4,113,845.72	-4,113,845.72	0.00
<b>TOTAL DISPOSITIONS</b>					<b>-163,203,030.1300</b>		<b>163,197,336.20</b>	<b>-163,749,575.21</b>	<b>-552,239.01</b>
<b>OTHER TRANSACTIONS</b>									
08/02/2021		CASH DISBURSEMENT PAID TO BANC OF CALIFORNIA OUTGOING DOMESTIC WIRE PER DIR DTD 7/29/2021			0.0000	0.000000	-43,000,000.00	0.00	0.00
08/02/2021	31846V567	INTEREST EARNED ON FIRST AM GOVT OB FD CL Z UNIT ON 0.0000 SHARES DUE 7/31/2021 INTEREST FROM 7/1/21 TO 7/31/21			0.0000	0.000000	60.19	0.00	0.00
08/02/2021	31846V567	INTEREST EARNED ON FIRST AM GOVT OB FD CL Z UNIT ON 0.0000 SHARES DUE 7/31/2021 INTEREST FROM 7/1/21 TO 7/31/21			0.0000	0.000000	115.21	0.00	0.00
08/02/2021	91282CBG5	INTEREST EARNED ON U S TREASURY NT 0.125% 1/31/23 \$1 PV ON 10000000.0000 SHARES DUE 7/31/2021			0.0000	0.000000	6,250.00	0.00	0.00
08/02/2021	91282CBH3	INTEREST EARNED ON U S TREASURY NT 0.375% 1/31/26 \$1 PV ON 18000000.0000 SHARES DUE 7/31/2021			0.0000	0.000000	33,750.00	0.00	0.00
08/02/2021	912828S76	INTEREST EARNED ON U S TREASURY NT 1.125% 7/31/21 \$1 PV ON 43000000.0000 SHARES DUE 7/31/2021			0.0000	0.000000	241,875.00	0.00	0.00
08/02/2021	912828Z60	INTEREST EARNED ON U S TREASURY NT 1.375% 1/31/22 \$1 PV ON 20000000.0000 SHARES DUE 7/31/2021			0.0000	0.000000	137,500.00	0.00	0.00
08/02/2021	912828H86	INTEREST EARNED ON U S TREASURY NT 1.500% 1/31/22 \$1 PV ON 7500000.0000 SHARES DUE 7/31/2021			0.0000	0.000000	56,250.00	0.00	0.00

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
08/02/2021	9128287F1	INTEREST EARNED ON U S TREASURY NT SHARES DUE 7/31/2021 1.750% 7/31/21 \$1 PV ON 2000000.0000	0.0000	0.000000	17,500.00	0.00	0.00
08/02/2021	912828V80	INTEREST EARNED ON U S TREASURY NT SHARES DUE 7/31/2021 2.250% 1/31/24 \$1 PV ON 7500000.0000	0.0000	0.000000	84,375.00	0.00	0.00
08/02/2021	912828WY2	INTEREST EARNED ON U S TREASURY NT SHARES DUE 7/31/2021 2.250% 7/31/21 \$1 PV ON 8000000.0000	0.0000	0.000000	90,000.00	0.00	0.00
08/05/2021	3135G0V34	INTEREST EARNED ON F N M A SHARES DUE 8/5/2021 2.500% 2/05/24 \$1 PV ON 5000000.0000	0.0000	0.000000	62,500.00	0.00	0.00
08/09/2021	037833AZ3	INTEREST EARNED ON APPLE INC SHARES DUE 8/9/2021 2.500% 2/09/25 \$1 PV ON 3922000.0000	0.0000	0.000000	49,025.00	0.00	0.00
08/09/2021	06406RAA5	INTEREST EARNED ON BANK OF NY MTN SHARES DUE 8/7/2021 2.600% 2/07/22 \$1 PV ON 2500000.0000	0.0000	0.000000	32,500.00	0.00	0.00
08/12/2021	912828WU0	BOOK VALUE OF U S TREASURY I P S INCREASE TO ADJUST FOR CHANGE IN CPI 0.125% 7/15/24 ADJUSTED BY 52520.00 UNITS	0.0000	0.000000	0.00	0.00	0.00
08/12/2021	912828WU0	FED BASIS OF U S TREASURY I P S INCREASE TO ADJUST FOR CHANGE IN CPI 0.125% 7/15/24 ADJUSTED BY 52520.00 UNITS	0.0000	0.000000	0.00	52,520.00	0.00
08/12/2021	3137EAEP0	INTEREST EARNED ON F H L M C SHARES DUE 8/12/2021 1.500% 2/12/25 \$1 PV ON 12335000.0000	0.0000	0.000000	92,512.50	0.00	0.00
08/12/2021	912828WU0	PAR VALUE OF U S TREASURY I P S UNITS INCREASE TO ADJUST FOR CHANGE IN CPI 0.125% 7/15/24 ADJUSTED BY 52520.0000	52,520.0000	0.000000	0.00	0.00	0.00
08/12/2021	912828WU0	STATE COST OF U S TREASURY I P S INCREASE TO ADJUST FOR CHANGE IN CPI 0.125% 7/15/24 ADJUSTED BY 52520.00 UNITS	0.0000	0.000000	0.00	0.00	0.00
08/13/2021	06051GHY8	INTEREST EARNED ON BANK OF AMERICAN MTN 2500000.0000 SHARES DUE 8/13/2021 2.015% 2/13/26 \$1 PV ON	0.0000	0.000000	25,187.50	0.00	0.00
08/16/2021	31348SWZ3	INTEREST EARNED ON F H L M C #786064 DUE 8/15/2021 JUNE FHLMC DUE 8/15/21 2.262% 1/01/28 \$1 PV ON 2.7100 SHARES	0.0000	0.000000	2.71	0.00	0.00
08/16/2021	3133TCE95	INTEREST EARNED ON F H L M C MLTCL MTG SHARES DUE 8/15/2021 \$0.00321/PV ON 3,907.65 PV DUE 8/15/21 3.855% 8/15/32 \$1 PV ON 12.5300	0.0000	0.000000	12.53	0.00	0.00
08/16/2021	44934KAC8	INTEREST EARNED ON HTUNDAI AUTO REC TR SHARES DUE 8/15/2021 \$0.00018/PV ON 6,040,000.00 PV DUE 8/15/21 0.380% 1/15/26 \$1 PV ON 1083.8400	0.0000	0.000000	1,083.84	0.00	0.00
08/16/2021	44891VAC5	INTEREST EARNED ON HYUNDAI AUTO LEASE SHARES DUE 8/15/2021 \$0.00027/PV ON 4,155,000.00 PV DUE 8/15/21 0.330% 6/17/24 \$1 PV ON 1142.6300	0.0000	0.000000	1,142.63	0.00	0.00
08/16/2021	44933LAC7	INTEREST EARNED ON HYUNDAI AUTO REC SHARES DUE 8/15/2021 \$0.00032/PV ON 2,100,000.00 PV DUE 8/15/21 0.380% 9/15/25 \$1 PV ON 665.0000	0.0000	0.000000	665.00	0.00	0.00
08/16/2021	47788UAC6	INTEREST EARNED ON JOHN DEERE OWNER SHARES DUE 8/15/2021 \$0.00030/PV ON 2,300,000.00 PV DUE 8/15/21 0.360% 9/15/25 \$1 PV ON 690.0000	0.0000	0.000000	690.00	0.00	0.00
08/16/2021	47787NAC3	INTEREST EARNED ON JOHN DEERE OWNER SHARES DUE 8/15/2021 \$0.00042/PV ON 1,480,000.00 PV DUE 8/15/21 0.510% 11/15/24 \$1 PV ON 629.0000	0.0000	0.000000	629.00	0.00	0.00
08/16/2021	47788EAC2	INTEREST EARNED ON JOHN DEERE OWNER SHARES DUE 8/15/2021 \$0.00257/PV ON 435,620.08 PV DUE 8/15/21 3.080% 11/15/22 \$1 PV ON 1118.0900	0.0000	0.000000	1,118.09	0.00	0.00

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
08/16/2021	58769KAD6	INTEREST EARNED ON MERCEDES BENZ AUTO 0.400% 11/15/24 \$1 PV ON 1105.0000 SHARES DUE 8/15/2021 \$0.00033/PV ON 3,315,000.00 PV DUE 8/15/21	0.0000	0.000000	1,105.00	0.00	0.00
08/16/2021	58770FAC6	INTEREST EARNED ON MERCEDES BENZ AUTO 1.840% 12/15/22 \$1 PV ON 2943.3700 SHARES DUE 8/15/2021 \$0.00153/PV ON 1,919,585.70 PV DUE 8/15/21	0.0000	0.000000	2,943.37	0.00	0.00
08/16/2021	65479JAD5	INTEREST EARNED ON NISSAN AUTO 1.930% 7/15/24 \$1 PV ON 6540.8000 SHARES DUE 8/15/2021 \$0.00161/PV ON 4,066,821.42 PV DUE 8/15/21	0.0000	0.000000	6,540.80	0.00	0.00
08/16/2021	65479GAD1	INTEREST EARNED ON NISSAN AUTO 3.060% 3/15/23 \$1 PV ON 2505.9000 SHARES DUE 8/15/2021 \$0.00255/PV ON 982,705.58 PV DUE 8/15/21	0.0000	0.000000	2,505.90	0.00	0.00
08/16/2021	89237VAB5	INTEREST EARNED ON TOYOTA AUTO RECV 0.440% 10/15/24 \$1 PV ON 1085.3300 SHARES DUE 8/15/2021 \$0.00037/PV ON 2,960,000.00 PV DUE 8/15/21	0.0000	0.000000	1,085.33	0.00	0.00
08/16/2021	912828RC6	INTEREST EARNED ON U S TREASURY NT 2.125% 8/15/21 \$1 PV ON 5000000.0000 SHARES DUE 8/15/2021	0.0000	0.000000	53,125.00	0.00	0.00
08/16/2021	06367WB85	PAID ACCRUED INTEREST ON PURCHASE OF BANK OF MONTREAL MTN 1.850% 5/01/25	0.0000	0.000000	-37,770.83	0.00	0.00
08/16/2021	912828H86	PAID ACCRUED INTEREST ON PURCHASE OF U S TREASURY NT 1.500% 1/31/22	0.0000	0.000000	-3,260.87	0.00	0.00
08/17/2021	69353RFB9	INTEREST EARNED ON PNC BANK NA MTN 2.625% 2/17/22 \$1 PV ON 1000000.0000 SHARES DUE 8/17/2021	0.0000	0.000000	13,125.00	0.00	0.00
08/18/2021	43813KAC6	INTEREST EARNED ON HONDA AUTO 0.370% 10/18/24 \$1 PV ON 997.4600 SHARES DUE 8/18/2021 \$0.00031/PV ON 3,235,000.00 PV DUE 8/18/21	0.0000	0.000000	997.46	0.00	0.00
08/18/2021	43814UAG4	INTEREST EARNED ON HONDA AUTO 3.010% 5/18/22 \$1 PV ON 57.3800 SHARES DUE 8/18/2021 \$0.00251/PV ON 22,876.24 PV DUE 8/18/21	0.0000	0.000000	57.38	0.00	0.00
08/20/2021	36225CAZ9	INTEREST EARNED ON G N M A I I #080023 2.125% 12/20/26 \$1 PV ON 17.4300 SHARES DUE 8/20/2021 JULY GNMA DUE 8/20/21	0.0000	0.000000	17.43	0.00	0.00
08/20/2021	36225CC20	INTEREST EARNED ON G N M A I I #080088 2.000% 6/20/27 \$1 PV ON 12.8800 SHARES DUE 8/20/2021 JULY GNMA DUE 8/20/21	0.0000	0.000000	12.88	0.00	0.00
08/20/2021	36225CNM4	INTEREST EARNED ON G N M A I I #080395 1.875% 4/20/30 \$1 PV ON 6.3300 SHARES DUE 8/20/2021 JULY GNMA DUE 8/20/21	0.0000	0.000000	6.33	0.00	0.00
08/20/2021	36225CN28	INTEREST EARNED ON G N M A I I #080408 1.875% 5/20/30 \$1 PV ON 51.0300 SHARES DUE 8/20/2021 JULY GNMA DUE 8/20/21	0.0000	0.000000	51.03	0.00	0.00
08/20/2021	36225DCB8	INTEREST EARNED ON G N M A I I #080965 2.250% 7/20/34 \$1 PV ON 51.3000 SHARES DUE 8/20/2021 JULY GNMA DUE 8/20/21	0.0000	0.000000	51.30	0.00	0.00
08/23/2021	43813GAC5	INTEREST EARNED ON HONDA AUTO 0.270% 4/21/25 \$1 PV ON 361.1300 SHARES DUE 8/21/2021 \$0.00023/PV ON 1,605,000.00 PV DUE 8/21/21	0.0000	0.000000	361.13	0.00	0.00
08/23/2021	43815HAC1	INTEREST EARNED ON HONDA AUTO 2.950% 8/22/22 \$1 PV ON 1224.6500 SHARES DUE 8/21/2021 \$0.00246/PV ON 498,162.14 PV DUE 8/21/21	0.0000	0.000000	1,224.65	0.00	0.00
08/25/2021	03215PFN4	INTEREST EARNED ON AMRESCO 3.91711% 6/25/29 \$1 PV ON 388.5200 SHARES DUE 8/25/2021 \$0.00326/PV ON 119,021.64 PV DUE 8/25/21	0.0000	0.000000	388.52	0.00	0.00
08/25/2021	313385KW5	INTEREST EARNED ON F H L B DISC NTS 8/25/21 \$1 PV ON 7525000.0000 SHARES DUE 8/25/2021 7,525,000 PAR VALUE AT 100 %	0.0000	0.000000	1,967.34	0.00	0.00
08/25/2021	3137BFE98	INTEREST EARNED ON F H L B GTD REMIC 3.171% 10/25/24 \$1 PV ON 13212.5000 SHARES DUE 8/25/2021 \$0.00264/PV ON 5,000,000.00 PV DUE 8/25/21	0.0000	0.000000	13,212.50	0.00	0.00

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss
08/25/2021	31394JY35	INTEREST EARNED ON F H L M C MLTCL MTG 6.500% 9/25/43 \$1 PV ON 2750.7900 SHARES DUE 8/25/2021 \$0.00542/PV ON 507,838.31 PV DUE 8/25/21	0.0000	0.000000	2,750.79	0.00	0.00
08/25/2021	3135G05X7	INTEREST EARNED ON F N M A 0.375% 8/25/25 \$1 PV ON 7945000.0000 SHARES DUE 8/25/2021	0.0000	0.000000	14,896.88	0.00	0.00
08/25/2021	31371NUC7	INTEREST EARNED ON F N M A #257179 4.500% 4/01/28 \$1 PV ON 32.7900 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	32.79	0.00	0.00
08/25/2021	31376KT22	INTEREST EARNED ON F N M A #357969 5.000% 9/01/35 \$1 PV ON 276.8500 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	276.85	0.00	0.00
08/25/2021	31403DJZ3	INTEREST EARNED ON F N M A #745580 5.000% 6/01/36 \$1 PV ON 250.0800 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	250.08	0.00	0.00
08/25/2021	31403GXF4	INTEREST EARNED ON F N M A #748678 5.000% 10/01/33 \$1 PV ON 3.3700 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	3.37	0.00	0.00
08/25/2021	31406PQY8	INTEREST EARNED ON F N M A #815971 5.000% 3/01/35 \$1 PV ON 373.8100 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	373.81	0.00	0.00
08/25/2021	31406XWT5	INTEREST EARNED ON F N M A #823358 2.035% 2/01/35 \$1 PV ON 117.7600 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	117.76	0.00	0.00
08/25/2021	31407BXH7	INTEREST EARNED ON F N M A #826080 5.000% 7/01/35 \$1 PV ON 49.6700 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	49.67	0.00	0.00
08/25/2021	31410F4V4	INTEREST EARNED ON F N M A #888336 5.000% 7/01/36 \$1 PV ON 442.1500 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	442.15	0.00	0.00
08/25/2021	3138EG6F6	INTEREST EARNED ON F N M A #AL0869 4.500% 6/01/29 \$1 PV ON 21.2200 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	21.22	0.00	0.00
08/25/2021	31417YAY3	INTEREST EARNED ON F N M A #MA0022 4.500% 4/01/29 \$1 PV ON 36.2400 SHARES DUE 8/25/2021 JULY FNMA DUE 8/25/21	0.0000	0.000000	36.24	0.00	0.00
08/25/2021	31397QRE0	INTEREST EARNED ON F N M A GTD REMIC 2.472% 2/25/41 \$1 PV ON 69.8000 SHARES DUE 8/25/2021 \$0.00064/PV ON 108,887.66 PV DUE 8/25/21	0.0000	0.000000	69.80	0.00	0.00
08/26/2021	14913Q2T5	INTEREST EARNED ON CATERPILLAR FINL MTN 2.950% 2/26/22 \$1 PV ON 2000000.0000 SHARES DUE 8/26/2021	0.0000	0.000000	29,500.00	0.00	0.00
08/26/2021	912796D55	INTEREST EARNED ON U S TREASURY BILL 8/26/21 \$1 PV ON 13000000.0000 SHARES DUE 8/26/2021 13,000,000 PAR VALUE AT 100 %	0.0000	0.000000	3,726.59	0.00	0.00
08/26/2021	86959RQE3	PAID ACCRUED INTEREST ON PURCHASE OF SVENSKA C D 0.230% 5/10/22	0.0000	0.000000	-2,070.00	0.00	0.00
08/27/2021	912828WU0	BOOK VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 56472.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	0.00	0.00
08/27/2021	912828WU0	FED BASIS OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 56472.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	56,472.00	0.00
08/27/2021	912828H86	PAID ACCRUED INTEREST ON PURCHASE OF U S TREASURY NT 1.500% 1/31/22	0.0000	0.000000	-11,005.43	0.00	0.00
08/27/2021	912828WU0	PAR VALUE OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 56472.0000 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	56,472.0000	0.000000	0.00	0.00	0.00
08/27/2021	912828WU0	STATE COST OF U S TREASURY I P S 0.125% 7/15/24 ADJUSTED BY 56472.00 UNITS INCREASE TO ADJUST FOR CHANGE IN CPI	0.0000	0.000000	0.00	0.00	0.00

**U.S. Bank  
Transaction History  
August 2021**

Entry Date	CUSIP Id	Explanation	Units	Price	Net Cash Amt	Cost	Gain/Loss	
08/31/2021	912828YC8	INTEREST EARNED ON U S TREASURY NT SHARES DUE 8/31/2021	1.500% 8/31/21 \$1 PV ON 9000000.0000	0.0000	0.000000	67,500.00	0.00	
08/31/2021	912828J43	INTEREST EARNED ON U S TREASURY NT SHARES DUE 8/31/2021	1.750% 2/28/22 \$1 PV ON 7500000.0000	0.0000	0.000000	65,625.00	0.00	
08/31/2021	912828L24	INTEREST EARNED ON U S TREASURY NT SHARES DUE 8/31/2021	1.875% 8/31/22 \$1 PV ON 6000000.0000	0.0000	0.000000	56,250.00	0.00	
08/31/2021	912828W48	INTEREST EARNED ON U S TREASURY NT 10000000.0000 SHARES DUE 8/31/2021	2.125% 2/29/24 \$1 PV ON	0.0000	0.000000	106,250.00	0.00	
<b>TOTAL OTHER TRANSACTIONS</b>					<b>108,992.0000</b>	<b>-41,672,411.58</b>	<b>108,992.00</b>	<b>0.00</b>



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1840

**Agenda Date:** 9/29/2021

**Agenda Item No:** 6.

---

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**PUMP STATION PORTABLE GENERATOR CONNECTORS, PROJECT NO. FE19-01**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for Pump Station Portable Generator Connectors, Project No. FE19-01;
- B. Award a Construction Contract to Pacific International Electric Company, Inc., dba Pacific Industrial Electric, for Pump Station Portable Generator Connectors, Project No. FE19-01, for an amount not to exceed \$1,207,479; and
- C. Approve a contingency of \$120,748 (10%).

**BACKGROUND**

The Orange County Sanitation District (OC San) operates 15 pump stations as part of its collection system. These pump stations require emergency power during the loss of utility power. Seven of the pump stations include dedicated, on-site standby generators. The remaining eight pump stations have connectors to quickly connect a portable generator.

Pump stations typically have a main switchboard to distribute power, either from Southern California Edison or standby generator, through motor control centers to all the loads in the pump station. These switchboards require periodic inspection and maintenance that requires them to be de-energized.

**RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Commitment to safety & reducing risk in all operations

**PROBLEM**

The current configuration of the Southern California Edison and emergency generator power feeds through the main switchboard do not allow for pump station operation during switchboard inspection and maintenance. The main switchboard must be fully de-energized to perform the required inspection and maintenance.

The current maintenance practice is to by-pass a pump station or do the work at night during low flow periods while carefully monitoring wet well levels and certain low-lying upstream manholes to be sure that no spill occurs. If the level does rise too quickly, the work must be immediately stopped to put the pump station back in service.

**PROPOSED SOLUTION**

Award a Construction Contract for Pump Station Portable Generator Connectors, Project No. FE19-01 to reconfigure the generator connections to allow pump station operation and switchboard maintenance at the same time. This project will install new generator connectors at 13 of the 15 pump stations. An earlier project installed a portable generator connector at one of the pump stations which is operating satisfactorily, and the other pump station is planned for demolition in the near future.

**TIMING CONCERNS**

Until these generator connectors are installed, routine switchboard maintenance runs the risk of creating a sewage spill.

**RAMIFICATIONS OF NOT TAKING ACTION**

Routine maintenance on the main switchboard will continue to be more difficult to perform during the limited low flow windows or with costly by-pass pumping.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised Pump Station Portable Generator Connectors, Project No. FE19-01 for bids on April 27, 2021, and eight sealed bids were received on June 23, 2021. A summary of the bid opening follows:

Engineer's Estimate	\$ 1,562,000
<u>Bidder</u>	<u>Amount of Bid</u>
Pacific International Electric Company, Inc., dba Pacific Industrial Electric	\$ 1,207,479
AMTEK Construction	\$ 1,325,333
Metro Builders & Engineers Group, Ltd	\$ 1,384,408

R.I.C. Construction Co., Inc.	\$ 1,400,783
Mass Electric Construction Co.	\$ 1,419,180
Leed Electric, Inc.	\$ 1,877,211
Shimmick Construction Inc.	\$ 1,979,048
R2BUILD, dba R2B Engineering	\$ 2,160,000

The bids were evaluated in accordance with OC San's policies and procedures. A notice was sent to all bidders on July 28, 2021, informing them of the intent of OC San to recommend award of the Construction Contract to Pacific International Electric Company, Inc., dba Pacific Industrial Electric.

Staff recommends awarding a Construction Contract to the lowest responsive and responsible bidder, Pacific International Electric Company, Inc., dba Pacific Industrial Electric, for a total amount not to exceed \$1,207,479.

### **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 the Sanitation District's Board of Directors approval of the construction contract.

### **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update, Fiscal Year 2021-2022, Appendix A, Page A-8, 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

SP:sa:gc

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

# TABLE OF CONTENTS

## CONTRACT AGREEMENT

SECTION – 1	GENERAL CONDITIONS .....	1
SECTION – 2	MATERIALS AND LABOR.....	4
SECTION – 3	PROJECT .....	5
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 .....	21
SECTION – 18	TERMINATION.....	21
SECTION – 19	WARRANTY .....	21
SECTION – 20	ASSIGNMENT.....	22
SECTION – 21	RESOLUTION OF DISPUTES.....	22
SECTION – 22	SAFETY & HEALTH .....	23
SECTION – 23	NOTICES .....	23

CONTRACT AGREEMENT  
ORANGE COUNTY SANITATION DISTRICT

**PROJECT NO. FE19-01**

**PUMP STATION AND POWER BUILDING 5 PORTABLE GENERATOR CONNECTORS**

THIS AGREEMENT is made and entered into, to be effective, this September 29, 2021, by and between Pacific International Electric Company, Inc. dba Pacific Industrial Electric, hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OCSD".

WITNESSETH

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

**SECTION – 1      GENERAL CONDITIONS**

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 OCSD. 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.

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 OCSD'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 OCSD, to construct and complete the Project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, OCSD 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, OCSD may settle them directly and deduct the amount of payments from the Contract Price and any amounts due to CONTRACTOR. In the event OCSD receives a stop payment notice from any laborer or material supplier alleging non-payment by CONTRACTOR, OCSD 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. FE19-01**

**PUMP STATION AND POWER BUILDING 5 PORTABLE GENERATOR CONNECTORS**

**SECTION – 4 PLANS AND SPECIFICATIONS**

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

**PROJECT NO. FE19-01**

**PUMP STATION AND POWER BUILDING 5 PORTABLE GENERATOR CONNECTORS**

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 OCSD, unless otherwise specified therein and shall diligently prosecute the Work to completion within five hundred forty (540) calendar days from the date of the “Notice to Proceed” issued by OCSD, excluding delays caused or authorized by OCSD as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions.

The time for completion includes seven (7) calendar days determined by OCSD 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 OCSD, 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. OCSD 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”. OCSD’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 OCSD 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 OCSD pursuant to the Contract Documents, OCSD 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 OCSD's ENGINEER. The decision of the ENGINEER shall be final.

## **SECTION – 9 CHANGES IN PROJECT**

OCSD 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 OCSD-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. OCSD 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 Two Hundred Seven Thousand Four Hundred Seventy-Nine Dollars (\$1,207,479) 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. OCSD 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 OCSD’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 OCSD;
    - b. plus the value of material suitably stored at the worksite, treatment plant or approved storage yards subject to or under the control of OCSD since the commencement of the Work as determined by OCSD;
    - 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 OCSD 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, OCSD 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:**

OCSD 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 OCSD. 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, OCSD 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 OCSD, 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 OCSD 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 OCSD'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 OCSD. 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 OCSD, 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 OCSD 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 OCSD 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. OCSD 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 OCSD 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 OCSD herein, the requirement(s) providing the more protective coverage for both OCSD and the Third Parties shall control and be purchased and maintained by 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 OCSD, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OCSD 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 OCSD, its or their officers, agents, or employees. 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: Two Million Dollars (\$2,000,000) per occurrence and a general aggregate limit of Four Million Dollars (\$4,000,000) 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 Two Million Dollars (\$2,000,000) per occurrence and a general aggregate limit of Four Million Dollars (\$4,000,000) 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 OCSD 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 limits of liability coverage:

Either (1) a combined single limit of One Million Dollars (\$1,000,000) for bodily injury, personal injury and property damage;

Or alternatively, (2) Five Hundred Thousand Dollars (\$500,000) per person for bodily injury, One Million Dollars (\$1,000,000) per accident for bodily injury, and Five Hundred Thousand Dollars (\$500,000) per accident for 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 OCSD.
5. **Worker's Compensation/Employer's Liability:** CONTRACTOR shall provide such Worker's 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.

B. **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by OCSD. At the option of OCSD, either: the Insurer shall reduce or eliminate such self-insured retentions as respects OCSD, its Directors, officers, agents, CONSULTANTS, and employees; or CONTRACTOR shall provide a financial guarantee satisfactory to OCSD 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. OCSD, 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 OCSD 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 OCSD shall be excess only and not contributing with insurance provided under this policy.
2. Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, and that coverage shall not be cancelled for non-payment of premium except after ten (10) days prior written notice by certified mail, return receipt requested. Should there be changes in coverage or an increase in deductible or SIR amounts, CONTRACTOR undertakes to procure a manuscript endorsement from its insurer giving 30 days prior notice of such an event to OCSD, or to have its insurance broker/agent send to OCSD a certified letter describing the changes in coverage and any increase in deductible or SIR amounts. The certified letter must be sent Attention: Risk Management and shall be received not less than twenty (20) days prior to the effective date of the change(s). The letter must be

signed by a Director or Officer of the broker/agent and must be on company letterhead, and may be sent via e-mail in pdf format.

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. OCSD recognizes that State Compensation Insurance Fund has withdrawn from participation in the A.M. Best Rating Guide process. Nevertheless, OCSD will accept State Compensation Insurance Fund for the required policy of worker's compensation insurance, subject to OCSD's option, at any time during the term of this Contract, to require a change in insurer upon twenty (20) days written notice. Further, OCSD 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 OCSD or its agent.

E. Verification of Coverage

CONTRACTOR shall furnish OCSD 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 OCSD before Work commences. OCSD 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. OCSD 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 OCSD with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

a. Certificate of Liability Form 25

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-0001 10 01
- b. Additional Insured Including Products-Completed Operations Form CG-2010 10 01 **and** Form CG-2037 10 01
- c. Waiver of Transfer of Rights of Recovery Against Others to Us/ Waiver of Subrogation Form CG-2404 11 85; **or** Form CG-2404 10 93



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. OCSD 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, OCSD 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 OCSD 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 OCSD 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 OCSD unless such assignment has had prior written approval and consent of OCSD and the Surety.

**SECTION – 21 RESOLUTION OF DISPUTES**

OCSD 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 OCSD, 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 OCSD: 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: Pacific International Electric Company, Inc. dba  
Pacific Industrial Electric  
230 N. Orange Avenue  
Brea, CA 92821

Copy to: Roxanne Medina, CEO  
Pacific International Electric Company, Inc. dba  
Pacific Industrial Electric  
230 N. Orange Avenue  
Brea, CA 92821

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

CONTRACTOR: Pacific International Electric Company, Inc. dba Pacific Industrial Electric  
230 N. Orange Avenue  
Brea, CA 92821

By \_\_\_\_\_

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

Its \_\_\_\_\_

CONTRACTOR's State License No. 655104 (Expiration Date – 09/30/2022)

OCSD: Orange County Sanitation District

By \_\_\_\_\_

John B. Withers  
Board Chairman

By \_\_\_\_\_

Kelly A. Lore  
Clerk of the Board

By \_\_\_\_\_

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.... 5

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 – “OCSD’s Right to Withhold Certain Amounts and Make Application Thereof”; and
9. General Conditions – “Final Payment.”

### EXA-3 RETENTION AND ESCROW ACCOUNTS

#### A. Retention:

OCSD 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 OCSD 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 OCSD, 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, OCSD 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 OCSD's discovery of deficiencies in the Work or non-compliance with the Specifications or any other requirement of the Contract;
3. Sums expended by OCSD in performing any of the CONTRACTOR'S obligations under the Contract that the CONTRACTOR has failed to perform, and;
4. Other sums that OCSD is entitled to recover from the CONTRACTOR under the terms of the Contract, including without limitation insurance deductibles and assessments.

The failure of OCSD to deduct any of the above-identified sums from a progress payment shall not constitute a waiver of OCSD'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, OCSD 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 OCSD 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 OCSD 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 OCSD 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 OCSD 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 OCSD, 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 OCSD, arising out of or filed in connection with the Work. Prior progress payments shall be subject to correction in OCSD'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, OCSD 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 OCSD, 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 OCSD, 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 OCSD, and agreements are reached on all issues regarding the application for Final Payment, OCSD, in exchange for an executed release, satisfactory in form and substance to OCSD, 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 OCSD are specifically reserved, and shall release and waive all unreserved Claims against OCSD 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 OCSD which has not been communicated in writing by the CONTRACTOR to OCSD 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, OCSD may make Final Payment subject to resolution of those claims. OCSD 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 OCSD's acceptance of the application for Final Payment and irrespective of whether it is before or after Final Payment has been made, OCSD 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.

OCSD 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 OCSD 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 OCSD 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 OCSD 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

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

See next pages for Bid Submittal Forms: Pacific Industrial Electric

BF-14 SCHEDULE OF PRICES, Pages 1 - 2

**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 OCSD 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.

Bid Submitted By: Pacific Industrial Electric

(Name of Firm)

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

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

Item No.	Description	Unit of Measurement	Approx Qty		Extended Price
1.	<b>Mobilization:</b> Initial progress payment for all fees, labor, materials and equipment required for mobilization, staging area, surety bonds, and other activities in conformance with the Contract Documents, for a fixed amount of...	Lump Sum	1	= \$	62,000
2.	<b>Completion of Work:</b> Furnish all labor, materials and equipment necessary for the completion of the Contract Work, except for the Work specified for Bid Item 1, in conformance with the Contract Documents, for the lump sum price of...	Lump Sum	1	= \$	1,145,479

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

**\$ 1,207,479**



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1841

**Agenda Date:** 9/29/2021

**Agenda Item No:** 7.

---

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**CONDITION ASSESSMENT ON-CALL CONTRACTOR SUPPORT SERVICES SPECIFICATION NO. S-2021-1255BD**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Service Contract with Jamison Engineering for Condition Assessment On-Call Contractor Support Services, Specification S-2021-1255BD, for the period of November 1, 2021 through October 31, 2022, for a total amount not to exceed \$783,470, with four, one-year renewal options; and
- B. Approve an annual contingency of \$78,347 (10%).

**BACKGROUND**

Contractor support services are used to support condition and/or corrosion assessments by Orange County Sanitation District (OC San) staff and corrosion consultants, and ensure that they are performed safely and efficiently. The Scope of Services includes, but is not limited to, confined space entry support, forced air ventilation, pipe cleaning, dewatering, bypass pumping, closed circuit television surveys, and minor incidental repairs.

Corrosion condition assessments provide vital information with respect to the condition and life expectancy of critical plant and collections process structures. Condition assessments are a key component of OC San's Asset Management Program.

**RELEVANT STANDARDS**

- Protection of OC San assets
- Maintain a proactive asset management program
- Maintain and adhere to appropriate internal planning documents (Strategic Plan)
- Commitment to safety & reducing risk is all operations

**PROBLEM**

Jamison Engineering currently provides on-call contractor support services for OC San's Asset Management Program. The current contract expires on October 31, 2021.

**PROPOSED SOLUTION**

OC San advertised an RFP on July 1, 2021 and two proposals were received. Based on OC San's evaluation process and pursuant to government codes, staff recommends approval of the Service Contract with Jamison Engineering for the Condition Assessment On-Call Contractor Support Services.

**TIMING CONCERNS**

The current contract will expire October 31, 2021. Delay of the new contract will suspend planned condition assessments that are part of the Asset Management Program.

**RAMIFICATIONS OF NOT TAKING ACTION**

There would be a reduction in the number of condition and corrosion assessments performed, increasing the risk of not detecting and addressing a deteriorating and failed condition.

**PRIOR COMMITTEE/BOARD ACTIONS**

September 2016 - Board approved On-Call Contractor Support Services, Specification No. S-2016-772BD, with Jamison Engineering for the period November 1, 2016 through October 31, 2017 for a total amount not to exceed \$700,615, with four one-year renewal options; and approved a contingency of \$70,061 (10%).

**ADDITIONAL INFORMATION**

A Request for Proposal (RFP) was issued for the Condition Assessment On-Call Contractor Support Services on July 1, 2021. A non-mandatory pre-proposal meeting was conducted virtually on July 14, 2021. The following evaluation criterion were described in the RFP and used to determine the most qualified company.

<b>CRITERION</b>	<b>WEIGHT</b>
Qualifications & Experience of Firm	30%
Staffing & Project Organization	30%
Understanding of Work	20%
Cost & Price	20%

Two proposals were received on July 30, 2021 and evaluated in accordance with the evaluation process set forth in OC San's Purchasing Ordinance by a pre-selected Evaluation Team consisting of one Engineering Supervisor, one Maintenance Superintendent, one Senior Engineer, and one Safety

Supervisor. Although OC San received two proposals, one company, Mehta Mechanical Company Inc., was found to be non-responsive for failing to submit a technical proposal.

The Evaluation Team met on August 3, 2021 and evaluated and scored the proposals on the established criterion as summarized in the table below:

	<b>Firm</b>	<b>Qualifications &amp; Experience (Max 30)</b>	<b>Proposed Staffing (Max 30)</b>	<b>Understanding of Work (Max 20)</b>	<b>Subtotal Score (Max 80)</b>
1	Jamison Engineering	29	28	19	76
2	Mehta Mechanical	Non-Responsive			

All proposals were accompanied by a sealed cost proposal. Only the cost proposal for the responsive proposal was opened.

	<b>Firm</b>	<b>Subtotal Score without Cost (Max 80)</b>	<b>Cost (Max 20)</b>	<b>Total Weighted Score (Max 100)</b>
1	Jamison Engineering	76	20	96

Staff reviewed and ranked the proposals and Jamison Engineering was the top-ranked proposer. Jamison Engineering is qualified based on the firm's and project team's qualifications and safety certifications. They have the appropriate relevant experience with OC San and other agencies conducting similar work. Their approach and understanding of the work were determined to be satisfactory.

Staff recommends approval of a Service Agreement with Jamison Engineering for an amount not to exceed \$783,470 per year for the first contract period (November 2021 - October 2022) with an annual contingency of \$78,347 (10%) to account for unforeseen field conditions that may need immediate response while performing assessments.

## **CEQA**

This is not a project as defined by the California Environmental Quality Act (CEQA), therefore CEQA does not apply.

## **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This recommendation would be funded under the Professional & Contractual Services line item for the Engineering Department (Budget Update Fiscal Year 2021-2022, Page 43). This contract will span over two separate Fiscal Years (Fiscal Year 2021-2022 and 2022-2023), and 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:*

- Service Contract

**SERVICE CONTRACT**  
**CONDITION ASSESSMENT ON-CALL CONTRACTOR SUPPORT SERVICES**  
**Specification No. S-2021-1255BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and Jamison Engineering Contractors, Inc. with a principal place of business at 2525 South Yale Street, Santa Ana, CA 92704 (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to temporarily retain the services of Contractor for Condition Assessment On-call Contractor Support Services as described in Exhibit "A"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56; and

**WHEREAS**, on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and

**WHEREAS**, Contractor is qualified by virtue of experience, training, and expertise to accomplish such Services,

**NOW, THEREFORE**, in consideration of the mutual promises and mutual benefits exchanged between the Parties, the Parties mutually agree as follows:

**1. Introduction**

1.1 This Contract and all exhibits hereto is made by OC San and the Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in Exhibit "A".

1.1 The term "Task Order", when referenced under this Contract, shall mean an order issued by the OC San Project Manager or designee for a specific scope of work.

1.2 Task Orders issued under this Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order.

1.3 Exhibits to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein.

Exhibit "A" Scope of Work  
Exhibit "B" Cost Proposal  
Exhibit "C" Determined Insurance Requirement Form  
Exhibit "D" Contractor Safety Standards  
Exhibit "E" Human Resources Policies  
Exhibit "F" General Conditions

1.4 In the event of any conflict or inconsistency between the provisions of this 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 Contract is set forth below:

- a. Addenda issued prior to opening of Bids – the last in time being the first in precedence
- b. Service Contract
- c. Exhibit “F” General Conditions
- d. Exhibit “C” Determined Insurance Requirement Form
- e. Exhibit “D” Contractor Safety Standards
- f. Permits and other regulatory requirements
- g. Exhibit “E” Human Resources Policies
- h. Individual Task Orders, Inclusive of Task Order Scopes of Work
- i. Exhibit “A” Scope of Work
- j. Exhibit “B” Cost Proposal Form

1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level.

1.6 The provisions of this Contract and provisions of the Task Orders may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.

1.7 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.

1.8 The term “hours”, when used in this Contract, shall be as defined in Exhibit “A”.

1.9 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under “Compensation” below.

1.10 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

**2. Compensation** Compensation to be paid by OC San to Contractor for the Services provided under this Contract shall be a total amount not exceed Seven Hundred Eighty-three Thousand, Four Hundred Seventy Dollars (\$783,470.00).

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its subcontractors who will perform Work during the design and preconstruction phases of a construction contract or perform work under a maintenance contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

3.5 In addition, refer to General Conditions, Exhibit "F", GC-4, LAWS TO BE OBSERVED.

**4. Payments and Invoicing**

4.1 OC San shall pay, net thirty (30) days, upon receipt and approval, by OC San's Project Manager or designee, of itemized invoices submitted for Task Orders completed in accordance with Exhibit "A" and the individual Task Order. OC San, at its sole discretion, shall be the determining party as to whether the Services have been satisfactorily completed.

4.2 Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OCSan.gov](mailto:APStaff@OCSan.gov) and "INVOICE" with the Purchase Order Number and Specific Task Order Number shall be referenced in the subject line.

**5. Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.

**6. Scope of Work** Subject to the terms of this Contract, Contractor shall perform the Services identified in Exhibit "A". Contractor shall perform said Services in accordance with generally accepted industry and professional standards.

**7. Modifications to Scope of Work** Requests for modifications to the Scope of Work hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties.

**8. Contract Term** The Services provided under this Contract shall be for the period of one (1) year commencing on November 1, 2021 and continuing through October 31, 2022.

**9. Renewals**

9.1 OC San may exercise the option to renew this Contract for up to four (4) one-year periods, under the terms and conditions contained herein. OC San shall make no obligation to renew nor give reason if it elects not to renew.

9.2 This Contract may be renewed by OC San Purchase Order.

**10. Extensions** The term of this Contract may be extended only by written instrument signed by both Parties. In addition, refer to General Conditions, Exhibit "F", GC-27, EXTENSION OF TIME FOR DELAY.

**11. Performance** Time is of the essence in the performance of the provisions hereof.

**12. Termination**

12.1 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 of intent to terminate. 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) to 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 to the date of termination.

12.2 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 any other default of this Contract.

12.3 OC San may also immediately cancel for default of this Contract 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 total amount of compensation exceeds the amount authorized under this Contract.

12.4 All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of this Contract, whichever occurs first.

13. **Insurance** Contractor and all subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Determined Insurance Requirement Form (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract.

14. **Bonds – Not Used**

15. **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 be caused by Contractor's 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.

16. **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 Contractor Safety Standards while working at OC San locations. If during the course of the Contract it is discovered that Contractor Safety Standards do not comply with Federal, State, or local regulations, then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all of its employees and subcontractors, shall adhere to the Safety requirements in Exhibit "A", all applicable Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
17. **Warranties - Refer to General Conditions, Exhibit "F", GC-19 WARRANTY (CONTRACTOR'S GUARANTEE).**
18. **Liquidated Damages – Not Used**
19. **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 said 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 or may be eliminated from the Contract.
20. **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.
21. **Familiarity with Work** By executing this Contract, Contractor 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 Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
22. **Regulatory Requirements** Contractor shall perform all work under this Contract 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 California Water Codes Division 2. In addition, refer to General Conditions, Exhibit "F", GC-35, STORMWATER REQUIREMENTS.
23. **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.
24. **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 engage in this work. 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 the terms of this Contract will be paid by Contractor.

25. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
26. **Contractor's Employees Compensation - In addition, refer to General Conditions, Exhibit "F", GC-4, LAWS TO BE OBSERVED**
- 26.1 **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.
- 26.2 **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 same are on file in the Engineering Department. The Contractor agrees that not less than said prevailing rates shall be paid to workers employed on this 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 project site, which shall be made available to any interested party upon request.
- 26.3 **Forfeiture For Violation** – Contractor shall, as a penalty to OC San, forfeit fifty dollars (\$50.00) 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.
- 26.4 **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 or twenty (20) working days or more; or if contracts of specialty contractors not bidding for work through the general or prime Contractor are two thousand dollars (\$2,000.00) or more or five (5) working days or more.
- 26.5 **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 it hereunder. 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 (1)

calendar day and forty (40) hours in any one (1) 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.

- 26.6 **Record of Wages: Inspection** – Contractor agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight-time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the project and agrees to require that each of its subcontractors do the same. All payroll records shall be certified as accurate by the applicable Contractor or subcontractor or its agent having authority over such matters. Contractor further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. Penalties for non-compliance with the requirements of Section 1776 may be deducted from project payments per the requirements of Section 1776.
27. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
28. **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.
29. **Breach** The waiver of 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.
30. **Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the Contract price, together with any incidental or consequential damages.
31. **Dispute Resolution - Refer to General Conditions, Exhibit "F", GC-25, DISPUTES**
32. **Attorney's Fees - Refer to General Conditions, Exhibit "F", GC-24, CLAIMS**
33. **Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

34. **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.
35. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San. In addition, refer to General Conditions, Exhibit "F", GC-9, PRESERVATION OF PROPERTY.
36. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from this project without the prior written consent from OC San.
37. **Independent Contractor** The legal 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.
38. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
39. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
40. **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 for the terms of this Contract.
41. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
42. **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.
43. **Entire Agreement** This Contract 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.

**44. Notices** All notices under this Contract must be in writing. Written notice shall be delivered by personal service 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: Jackie Lagade, Principal Buyer  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708

Contractor: Don Jamison, President  
Jamison Engineering Contractors, Inc.  
2525 South Yale Street  
Santa Ana, CA 92704

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

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

**ORANGE COUNTY SANITATION DISTRICT**

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
John B. Withers  
Chair, Board of Directors

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

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

**JAMISON ENGINEERING CONTRACTORS, INC.**

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

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

CMM

**Exhibit “A”**  
**SCOPE OF WORK**

**EXHIBIT A  
SCOPE OF WORK  
CONDITION ASSESSMENT ON CALL CONTRACTOR SUPPORT SERVICES  
SPECIFICATION NO. S-2021-1255BD**

<b>I. ORGANIZATIONAL INFORMATION .....</b>	<b>2</b>
<b>II. SUMMARY .....</b>	<b>2</b>
<b>III. BACKGROUND, PROJECT DESCRIPTION AND PROJECT ELEMENTS .....</b>	<b>3</b>
<b>A. BACKGROUND .....</b>	<b>3</b>
<b>B. GENERAL PROJECT DESCRIPTION .....</b>	<b>3</b>
<b>C. PROJECT ELEMENTS .....</b>	<b>4</b>
<b>I. PROJECT ELEMENT 1 – CONFINED SPACE ENTRY SUPPORT WITH SCBA,             SUPPLIED AIR OR DRAGER BG-4 RE-BREATHING APPARATUS .....</b>	<b>5</b>
<b>II. PROJECT ELEMENT 2 – CONFINED SPACE ENTRY SUPPORT (NON SCBA).....</b>	<b>5</b>
<b>III. PROJECT ELEMENT 3 – FORCED AIR VENTILATION .....</b>	<b>5</b>
<b>IV. PROJECT ELEMENT 4 – WATER JETTING – PIPE CLEANING .....</b>	<b>6</b>
<b>V. PROJECT ELEMENT 5 – DEWATERING AND BY-PASS PUMPING.....</b>	<b>6</b>
<b>VI. PROJECT ELEMENT 6 – DEBRIS, GRIT AND RAG REMOVAL .....</b>	<b>6</b>
<b>VII. PROJECT ELEMENT 7 – CLOSED CIRCUIT TELEVISION SURVEYS.....</b>	<b>6</b>
<b>VIII. PROJECT ELEMENT 8 – REPAIR OF PIPELINE LINER AND COATING SYSTEMS... </b>	<b>7</b>
<b>IX. PROJECT ELEMENT 9 – INCIDENTAL REPAIRS .....</b>	<b>7</b>
<b>X. PROJECT ELEMENT 10 – EXCAVATION AND SHORING...ERROR! BOOKMARK NOT             DEFINED.</b>	<b>7</b>
<b>IV. PROJECT MANAGEMENT .....</b>	<b>7</b>
<b>A. PROJECT SCHEDULE .....</b>	<b>8</b>
<b>B. PROJECT DOCUMENTATION .....</b>	<b>8</b>
<b>C. CONSTRUCTION AND INSTALLATION SERVICES .....</b>	<b>8</b>
<b>D. WORK HOURS/NOISE REQUIREMENTS.....</b>	<b>8</b>
<b>V. TRAFFIC CONTROL.....</b>	<b>9</b>
<b>VI. SPILL REPORTING AND HANDLING .....</b>	<b>11</b>
<b>VII. RESEALING MANHOLE AND VAULT COVERS .....</b>	<b>11</b>
<b>VIII. FOCUS MEETINGS AND DRY RUNS .....</b>	<b>11</b>
<b>IX. MANAGEMENT OF SUBCONTRACTORS AND SUB-CONSULTANTS .....</b>	<b>12</b>
<b>X. REQUEST FOR CORROSION ASSESSMENT SUPPORT .....</b>	<b>12</b>

## **I. ORGANIZATIONAL INFORMATION**

Orange County Sanitation District (OC San) is a governmental agency responsible for wastewater treatment for metropolitan Orange County, California. It has been in existence since 1954 and is the third largest wastewater treatment agency west of the Mississippi River. OCSD's Plant 1 and Administrative Offices are located at 10844 Ellis Avenue, Fountain Valley, and Plant 2 is located at 22212 Brookhurst Street, Huntington Beach.

## **II. SUMMARY**

This scope of work is for on-call Contractor support services for assessments and incidental repairs of OC San's assets including pipelines, sewers, manholes, wet wells, tunnels, and other structures to be determined by OC San staff. The Contractor shall provide all personnel and equipment as needed to support OC San staff in their assessment and incidental repairs of OC San assets including performing ancillary Task Orders such as cleaning, and debris removal to perform the assessments and to carry out incidental repairs as directed by OC San staff.

Required services include, but are not limited to the following:

- Confined space entry support, including provision of personnel and of all associated essential equipment for safe entry/exit, rescue personnel and equipment, preparation of safety plans in accordance with OC San requirements, focus meetings, shutdown dry runs, and coordinating lockout tagout (LOTO) procedures. As these entries include live sewers or exposure to potentially Immediately Dangerous to Life and Health (IDLH) environments, Contractor and Subcontractor will be required to provide and use Self-Contained Breathing Apparatus (SCBA) or Supplied Air Respirators (SAR), equipped with emergency escape bottles. Rescue personnel and support equipment shall be provided for all confined space entries, and all rescue teams shall be certified to comply with Cal-OSHA requirements.
- Forced-air ventilation
- Water jetting – pipe or wet well cleaning prior to assessments by OC San
- Dewatering or by-pass pumping
- Debris, grit, and rag removal prior to assessments
- Incidental repairs
- Closed Circuit TV (CCTV) support and CCTV production
- Repairs to existing T-Lock® Arrow-Lock® or other types of liners and coatings, and other incidental repairs as directed by OC San.
- Traffic control to facilitate assessments.

The Contractor shall at all times provide services to ensure compliance with all applicable regulatory requirements and OC San's standards. The Contractor shall contract with qualified and approved specialist consultants for the provision of specific services to include concrete core analysis, structural engineering evaluation, Non-Destructive Evaluation (NDE), and cathodic protection system surveys as needed to augment the directly provided services.

### **III. BACKGROUND, PROJECT DESCRIPTION AND PROJECT ELEMENTS**

#### **A. BACKGROUND**

In other industries, corrosion engineering and corrosion control design as it relates to pipelines, process piping, and storage and treatment facilities has experienced different levels of implementation depending on risk of failure and consequence of failure. Hazardous materials such as fuel oil and natural gas have a mandate from the United States Department of Transportation (DOT), as implemented by the California Public Utilities Commission (CPUC), calling for corrosion monitoring and assessment on a regular basis. As a result, these industries have proactive corrosion control programs and in-house corrosion departments.

Corrosion engineering in the water and wastewater industries varies by municipality. Generally, economic, and environmental factors have been the motivation for corrosion control, ranging from fix it as it leaks (reactive) to proactive programs of inspection/assessment followed by coatings, linings, and external cathodic protection. In the 1980s East Bay MUD demonstrated that investment into a proactive corrosion control and monitoring program resulted in a saving of \$15 to every \$1 allocated to corrosion control. OC San has constructed several new facilities for expansion since the first facilities began operation in 1954. Excavating facilities for repair or replacement due to corrosion requires an enormous effort and high cost. Regulations have been changing infrastructure management. In response to these factors OC San has elected to support a proactive maintenance program. One element of this proactive approach is to perform internal assessments of piping and associated facilities, to determine their current condition, and use this information to make recommendations regarding their future maintenance and operation.

#### **B. GENERAL PROJECT DESCRIPTION**

The purpose of this contract is to provide OC San with on-call Contractor-support services so that OC San can carry out assessments of selected facilities, structures, pipelines, and other assets in order to evaluate their current condition. In addition, perform maintenance remedial repairs as directed by OC San. The shutdowns, flow diversions, assessments and all other Task Order orders will be scheduled by OC San personnel.

The level of Contractor support will vary for each structure or asset to be assessed depending upon the specific facility and the planned level of assessment that is either desired or is practical. In all instances the assessments will be directed by OC San personnel and not by the Contractor.

The Contractor will provide the required support for each assessment Task Order as determined on a case-by-case basis. All subcontractors will be approved by OC San prior to performing any services under this contract.

The level of Contractor support for incidental repairs will be dependent upon the specific Task Order. In all instances the repairs will be directed by OC San personnel and not by the Contractor.

For each Task Order, OC San will prepare a “Request for Assessment Support/Incidental Repairs” that includes a scope of work, schedule, work duration and a not to exceed amount for the services to be provided by the Contractor.

It is also anticipated that the Contractor will provide input into or prepare a work plan or means and methods plan to optimize the assessment/incidental repair process. This may involve preliminary meetings and job walks with OCSD staff to finalize the support requirements to perform the required corrosion assessments. No Task Order shall exceed \$99,000, including incidental repairs.

The Contractor shall provide the following services:

- Confined space entry support for permit-required confined spaces, including but not limited to provision of SCBA/SAR equipment, rescue equipment (e.g., davits, winches, harnesses, tripods, SRLs), rescue team, ventilation equipment, communication equipment, and atmospheric monitoring equipment.
- Provision of 3,000 psi water-jetting equipment with up to 300 feet of associated hoses and trained operators to adequately water jet as needed prior to CCTV inspection and physical assessment by OC San.
- Provision of submersible or grade-mounted pumps of appropriate rating and capacity to dewater the identified structures for internal Corrosion assessment by OC San. This will include installation and removal of all required bypass piping and associated fittings.
- Debris and rag removal using vacuum excavation equipment (e.g., Vactors) or other approved equipment prior to physical or CCTV assessments.
- Provision of CCTV services and required support in compliance with OC San standards.
- Provision of a trailer mounted welding machine.
- Provision of as-needed incidental repairs.
- Provision of concrete core drilling equipment and drill bits for core sampling.
- Repair of existing Ameron T-Lock® liner or other lining and coatings by qualified and experienced personnel. The Contractor’s staff must be able to communicate in English both verbally and in writing with OC San staff as well as with other members of their crew. The Contractor’s staff shall demonstrate the capability to read, interpret, and understand the Safety/OSHA requirements, OC San’s plans, drawings, and specifications, as necessary. All work and equipment utilized shall conform to Cal OSHA Title 8 requirements including, but not limited to, work performed in confined spaces and/or gas hazardous environments.

### **C. PROJECT ELEMENTS**

The Project will be divided into Project Elements for which unit rates are to be provided by the Contractor as indicated in the Cost Proposal Form. For any

given assessment, the Contractor will be required to supply all manpower and equipment to provide for a combination of Project Elements as determined by OCSD to meet the needs of the individual assessments.

**i. PROJECT ELEMENT 1 – CONFINED SPACE ENTRY SUPPORT WITH SCBA, SUPPLIED AIR OR DRAGER BG-4 RE-BREATHING APPARATUS**

- Confined space entry support for permit-required confined spaces, including but not limited to provision of SCBA/SAR equipment, rescue equipment (e.g., davits, winches, harnesses, tripods, SRLs), rescue team, ventilation equipment, communication equipment, and atmospheric monitoring equipment. Contractor personnel shall be trained in confined space entry and rescue, including confined space entry supervisor, entrant, attendant, and rescue. The Contractor shall prepare all safety plans, confined space entry procedures, rescue plans, and coordinate lockout tagout (LOTO) with OC San staff for each assessment. The Contractor's rescue team shall be provided for all confined space entries. The rescue team shall be trained and certified in accordance with the Cal/OSHA requirements. All entry support staff shall be trained, experienced, and certified in the use and operation of SCBA, SAR, fall protection, ventilation, and atmospheric monitoring equipment. All entry support staff shall be trained and experienced in providing communications systems for entrants in often long-line live sewers where line of sight communications are not possible. Experience to include the use of bone mike-radio systems, hard wire communications, air horns and other technologies or means to provide adequate communications during assessments. Forced-air ventilation equipment including fans, venturis, ducting, and portable generators as needed to permit, where practical, non-SCBA entry for the OC San assessment engineers and Contractor's support crews.

**ii. PROJECT ELEMENT 2 – CONFINED SPACE ENTRY SUPPORT (NON SCBA)**

Confined space entry and support for OC San staff entry to include confined space entry supervisor, attendant, entrant, rescue personnel, entry and exit equipment, monitoring equipment and all standard safety equipment (including but not limited to all PPE, tripods, winches, harnesses, fall restraint lanyards and ropes), Self-Contained-Self-Rescue (SCSR) Re-breathers (Ocenco EBA 6.5) and communications systems to perform the required assessments. The Contractor's entry supervisor shall prepare the required safety plans with OC San Safety staff and coordinate LOTO with OC San personnel for each assessment.

**iii. PROJECT ELEMENT 3 – FORCED AIR VENTILATION**

Provision of forced-air ventilation equipment including fans, venturis, ducting, electrical cords, and portable generators with GFCI's as needed to permit entry into the assets for OC San and Contractor's staff. Contractor to provide suitably rated ventilation fans, associated equipment and support personnel from local subcontractors as required and as directed by the OC San Project Engineer.

**iv. PROJECT ELEMENT 4 – WATER JETTING – PIPE CLEANING**

The Contractor shall provide water jetting equipment rated at 3,000 PSI, with a minimum of 300 feet of associated hoses and trained operators to adequately clean surfaces prior to inspection and physical assessment by OC San staff. All water, power generation, and removal of jet water with contained debris to be performed by the Contractor. All extracted material shall be disposed of at OC San's Plant No. 1. Contractor shall provide or subcontract higher pressure water jetting equipment if required by OC San staff and invoiced per the attached Cost Proposal Form.

**v. PROJECT ELEMENT 5 – DEWATERING AND BY-PASS PUMPING**

Where required, the Contractor to provide suitably sized and rated pumps with all ancillary power supply, piping, and fittings to dewater an identified structure or pipe section or to bypass an asset to facilitate entry for physical or CCTV assessment. The Contractor shall work closely with OC San staff to optimize all dewatering and bypass piping operations to utilize available equipment and to meet OC San's operational requirements. The pump selection and piping requirements will vary significantly between Task Order orders. The Contractor shall provide a two-inch, submersible pump complete with 200 feet of associated hoses and AC power generation (with GFCI's) as part of the standard equipment on their 'Combo' trucks. Contractor shall also provide three-inch, four-inch and six-inch pumps as directed by OC San staff. Larger pumps (and associated equipment) shall be rented from specialist vendors as directed by OC San staff.

**vi. PROJECT ELEMENT 6 – DEBRIS, GRIT AND RAG REMOVAL**

Provide extraction or removal services for debris, grit, and rags from assets prior to assessment or CCTV inspection using vacuum excavators (e.g., Vactors) or other approved equipment. The Contractor shall provide all labor and equipment to remove debris, grit and rags that would impede or prevent the required assessment. All extracted material shall be disposed of within OC San's Plant No. 1 or as directed by OC San staff. Where special circumstances are encountered, such as very high volumes, in excess of two feet deep of debris and rags within a structure, the Contractor shall work with OC San to develop a location-specific plan for the debris removal process and for specialist subcontract services to be provided.

**vii. PROJECT ELEMENT 7 – CLOSED CIRCUIT TELEVISION (CCTV) SURVEYS**

Provision of CCTV inspection services shall be in compliance with OC San standards.

Contractor will furnish all labor, materials, equipment, and incidentals necessary for the video inspection of various lengths and sizes of sanitary sewers located in the treatment plants and throughout Orange County. Sewers will be cleaned sufficiently by the Contractor for the camera to pass through the pipe. All CCTV operators shall be National Association of Sewer Service Companies (NASSCO) certified.

A color video recording on DVD in MPEG 1 will be made of the inspection and submitted to OC San's representative(s), along with the required

Inspection Report. The Inspection Report will include a description, pictures, and location of the defects.

**viii. PROJECT ELEMENT 8 – REPAIR OF PIPELINE LINER AND COATING SYSTEMS**

Repair of Ameron T-Lock® pipeline liner or other liner materials shall be performed by experienced personnel. All repairs to T-Lock® liners shall be in full compliance with OC San master specification section 06620 - Plastic Liner (Polyvinyl Chloride). Repairs to all other pipeline liner and coating systems shall be in compliance with OC San's master specifications and procedures. The OC San master specifications are available for review upon request at OC San's Plant No.1. This scope of work to include provision of all T-Lock® or Arrow-Lock® repair materials or other pipe-liner and coating repair materials and equipment as needed. All confined space entry support for the liner repairs shall be as indicated for Project Elements 1 or 2 above, as applicable.

**ix. PROJECT ELEMENT 9 – INCIDENTAL REPAIRS**

Perform incidental repairs to OC San assets during the course of condition assessments. Incidental repairs may be performed on components that have failed or are likely to fail within the next 2 to 5 years and such failure could cause a disruption to the level of service or the asset will experience a significant loss of structural integrity. Incidental repairs may be warranted during the condition assessment to avoid duplication of setup and difficult or high-risk operational conditions. The cost of the incidental repairs performed during a condition assessment Task Order shall not exceed \$49,999. The Contractor shall keep a running total of all billings and expenses so that cost of the incidental repairs for an individual Task Order does not exceed \$49,999. OC San will not exceed this figure.

The repairs may include, but not be limited to, abrasive blasting/ultra-high pressure water blasting; coating and lining application and repair; concrete crack injection; repair of concrete and steel structures; replacement of wear items; mechanical repairs; machining; replacement of valves, repairs to gates, piping, and drains; and welding.

**IV. PROJECT MANAGEMENT**

The assessment project shall be managed by OC San staff. However, the Contractor shall manage all support Task Order orders including equipment supply, provision of manpower and other directly supplied or subcontracted services as detailed and shall keep OC San apprised of the status of the support effort for each instance.

The Contractor shall provide the key management and supervisory personnel as described in their proposal on this project. The Contractor shall not reassign the key project personnel without prior approval of OC San. OC San may request re-assignment of any of the Contractor's (or subcontractor's) personnel.

The Contractor shall be responsible for the supervision and management of all subcontractors.

## **A. PROJECT SCHEDULE**

Because the on-call Contractor support is for assessments and incidental repairs, a detailed project schedule is not applicable. However, the Contractor shall provide the anticipated levels of support as indicated in Project Elements I through 10 inclusive over the entire contract period. OC San staff will coordinate the planned shutdowns, assessments, and incidental repairs with the Contractor and with OC San operations to ensure that all required resources are available for each Task Order.

For each Task Order, OC San will prepare and issue to the contractor a "Request for Assessment Support/Incidental Repair" that includes a scope of work, schedule, work duration and a not to exceed amount for the services to be provided. No Task Order shall exceed \$99,000, including incidental repairs.

The Contractor shall be capable of responding to OC San Task Order requests within two calendar days. Delays in responses may be cause for cancellation of the contract.

This contract may require the Contractor to work schedules outside of the normal OC San business hours. For example, night work is common and weekend hours may also be necessary because of low flow conditions during these periods.

## **B. PROJECT DOCUMENTATION**

All OC San Projects are divided into five phases. Contractor shall provide support services for all "Project Elements" as listed in Section III of this Scope of Work for the following Phases:

Phase 1 – Project Development (not part of this project)

Phase 2 – Preliminary Design (not part of this project)

Phase 3 – Final Design (not part of this project)

Phase 4 – Construction and Installation Services

Phase 5 – Commissioning Services (not part of this project)

## **C. CONSTRUCTION AND INSTALLATION SERVICES**

Construction and installation services shall be provided by the Contractor on an "as needed" basis to support the corrosion assessments by OC San and perform incidental repairs over the duration of this contract.

## **D. WORK HOURS/NOISE REQUIREMENTS**

When working outside of the property limits of OC San Plants 1 or 2, specific work hours and nighttime schedules may be imposed by CALTRANS, local cities, the County of Orange, or whoever has jurisdiction. Contractor is required to work within those hours of operation and to provide necessary equipment to meet local noise restrictions that may be imposed.

## **V. SAFETY AND HEALTH REQUIREMENTS**

The Contractor and any Subcontractors shall comply with all applicable provisions of the OC San Safety Standards, Federal OSHA, California OSHA, and local regulations, whichever is most stringent.

### **A. INJURY AND ILLNESS PREVENTION PROGRAM**

The Contractor shall prepare and submit a written, Injury and Illness Prevention Program (IIPP). The IIPP must address responsibility, compliance, communication, hazard assessment, incident investigation, hazard correction, and training as required by Title 8, California Code of Regulations, Section 3203. The Contractor shall also prepare and submit safety programs where required by Cal OSHA. These programs may include fall protection, lockout tagout, confined space entry, and hazard communication. The safety plan must be specific to the work being completed and approved prior to the start of work (includes mobilization).

### **B. CONTRACTOR SAFETY ORIENTATION**

The Contractor shall attend a Contractor Safety Orientation (CSO) meeting prior to the start of work. The CSO is an OC San safety orientation conducted between OC San's Risk Management Division (safety and health) and the Contractor. The CSO is conducted once per year or as job conditions or scope of work changes. The Contractor shall participate in these meetings by providing work plans and other requested safety deliverables described below.

### **C. JOB SAFETY ANALYSIS (JSA)**

The Contractor shall prepare Job Safety Analyses for work Task Order orders completed by the Contractor. The JSA is a procedure where each basic step of the work Task Order has identified hazards and recommended controls for the safest way to complete the work Task Order.

### **D. LOCKOUT TAGOUT (LOTO)**

The Contractor shall participate in the OC San LOTO process. OC San will isolate the structure and associated systems prior to Contractor entry into the structure. OC San will prepare a written energy control procedure for the structure. OC San will demonstrate hazardous energy has been controlled by walking each isolation point and reviewing the energy control procedure with the Contractor. The Contractor shall apply their own lock and tag to the OC San lock box upon acceptable and sign the energy control procedure. Each Contractor employee working in the structure must apply their own lock and tag.

### **E. CONFINED SPACE ENTRY**

The Contractor shall assume the work area will be in an area classified as a PRCS. The Contractor shall prepare a PRCS Entry Permit, Entry Procedure and Rescue Plan that describes all procedures, equipment, and methods proposed to be used. A dedicated Rescue Team is required. Calling 911 or

relying on the local fire department for rescue is not acceptable. A ventilation plan is required to be developed by qualified personnel and implemented during any entry into the structure. The Contractor shall monitor the atmosphere during entry for oxygen, carbon monoxide, flammable gases, and hydrogen sulfide. The Contractor should not assume any OC San owned equipment is available for Contractor use. All safety support shall be provided for OC San Inspectors or Engineers at the Contractor's expense. The Contractor shall assume all work areas are classified as a Permit-Required Confined Space (PRCS). The Contractor is required to have a copy of its current confined space entry permit at every job site at all times. The OC San inspector or Engineer may shut down the job site at no additional cost to OC San if the permit is not available upon request. While isolation is provided, the Contractor should assume there will be a potential exposure to wastewater. OC San Risk Management will review submitted Entry Permit, Entry Procedures, Rescue Plan and Ventilation Plan. If accepted, OC San Risk Management will issue the Contractor a Confined Space JHA authorizing the Contractor for such entry.

## **F. FALL PROTECTION**

Fall protection shall be provided around all openings to protect Contractor employees and OC San. Fall protection at openings shall consist of a portable guardrail or other suitable barrier to prevent persons from falling to a lower level. Fall protection will be required for personnel when using Contractor provided extension ladders when accessing the structures. Fall protection will be required when working at heights greater than four feet.

If scaffolding is required, the scaffolding system shall be designed by a scaffold qualified person and erected, inspected and dismantled by a scaffold competent person. The scaffolding shall be supplied by a qualified, experienced scaffolding company. Contractor shall submit scaffold plans prior to use and must be approved by OC San.

## **G. HOT WORK**

Any activity producing spark, flame, or heat will require an OC San issued hot work permit. The Contractor, depending on the activity, will be required to provide appropriate controls in accordance with OC San's hot work program. These controls may include a fire watch, 20-pound fire extinguisher, fire blankets, and atmospheric monitor.

## **H. CHEMICAL SAFETY**

All chemicals brought onsite shall be accompanied with a safety data sheet (SDS). The Contractor must store and use those chemicals in accordance with the SDS and manufacturer instructions.

## **I. TRAINING RECORDS**

Contractor shall submit copies of its employee trainings records to Risk Management for retention.

## **VI. TRAFFIC CONTROL**

All traffic control on public rights of way shall be in accordance with the latest CALTRANS Manual of Traffic Control. Additional local regulations shall have precedence. Safe and adequate pedestrian and vehicular access shall be provided in accordance with Section 7-10 of the Standard Specifications for Public Works Construction, 2006 Edition. For work within OC San facilities, traffic control requirements as determined by OC San shall apply.

Contractor shall prepare or purchase traffic control plans, apply for all traffic control permits and pay all fees and permits for said permits as directed by OC San staff and shall invoice per the attached Cost Proposal Form.

**Note:** Inadequate or improper signing and delineation for traffic control may be cause for the cancellation of the contract.

## **VII. SPILL REPORTING AND HANDLING**

In the event of any Contractor-related overflow or interruption/backup of customer service, the Contractor shall immediately notify the OC San Control Center at (714) 593-7025 and shall contain and eliminate the overflow.

Workshops with Contractor's staff may be provided by OC San regarding containment methods.

Contractor shall be responsible for any fines levied by others, reimbursement of any agency incurred costs, damage, cleanup, restoration of flow, and any disruption of service costs to customers as of a result of the Contractor's work. This is in addition to any and all costs incurred by customers.

Contractor shall also notify the OC San Control Center immediately of any apparent non-Contractor related spills and/or any abnormal conditions.

## **VIII. RESEALING MANHOLE and VAULT COVERS**

Contractor shall reseal all manholes and vaults opened during the course of the contract that were previously sealed with Calpico #CD-5 duct seal or equal, within 24 hours after work is completed or as directed by OC San staff. Work area around the manhole covers shall be swept clean of all debris after completion of all work at that location.

## **IX. FOCUS MEETINGS AND DRY RUNS**

The Contractor shall prepare for and oversee a focus meeting and a dry run prior to each shutdown and corrosion assessment/incidental repair as directed by OC San staff. The focus meetings and dry runs will serve to share information, discuss technical issues, understand time constraints, receive, and resolve comments, obtain decisions, and receive direction by OC San. These actions shall insure that potential problems can be anticipated and either avoided or minimized. In addition, these activities will identify any specific equipment or spare parts that shall be required on site prior to the shutdown and subsequent work, so that delays are minimized or avoided for the shutdowns.

**X. MANAGEMENT OF SUBCONTRACTORS and SUB-CONSULTANTS**

The Contractor shall be responsible for and shall manage the activities of all subcontractors and Sub-consultants utilized under this scope of work.

**XI. REQUEST FOR CORROSION ASSESSMENT SUPPORT**

For each new assessment support Task Order OC San will prepare and issue a "Request for Assessment Support/Incidental Repair" to the support contractor.



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1842

**Agenda Date:** 9/29/2021

**Agenda Item No:** 8.

---

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2, PROJECT NO. FE19-06**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Receive and file Bid Tabulation and Recommendation for EPSA Motor Cooling Improvements at Plant No. 2, Project No. FE19-06;
- B. Award a Construction Contract to Mehta Mechanical Company Inc. dba MMC Inc. for EPSA Motor Cooling Improvements at Plant No. 2, Project No. FE19-06, for a total amount not to exceed \$854,000; and
- C. Approve a contingency of \$85,400 (10%).

**BACKGROUND**

Treated wastewater from Orange County Sanitation District (OC San) Plant Nos. 1 and 2 that cannot be reclaimed is pumped to the ocean through a five-mile-long outfall pipe. This pumping is accomplished by eight 120-million gallon per day pumps. The Ocean Outfall Booster Pump Station has five 2600-horsepower pumps, and the Effluent Pump Station Annex (EPSA) has three 3000-horsepower pumps. EPSA was completed in 2004 to supplement the capacity of the existing five outfall pumps.

Prior to widespread water conservation and reclamation through the Groundwater Replenishment System, outfall flows averaged around 240 million gallons per day. Now, discharges to the ocean average 88 million gallons per day, with minimum hourly flow rates dropping as low as 50 million gallons per day.

**RELEVANT STANDARDS**

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- Maintain a proactive asset management program

**PROBLEM**

At current low, night-time flow rates, an EPSA pump typically operates between 40% and 60% of full speed. The motor's air-cooling fans are driven by the motor shaft and provide insufficient air flow below 65% motor speed causing the motors to overheat. This limits the EPSA pumps availability to be rotated into service with the other five pumps Ocean Outfall Booster Station pumps.

**PROPOSED SOLUTION**

Award a Construction Contract for EPSA Motor Cooling Improvements at Plant No. 2, Project No. FE19-06. This project will install five new electrically driven fans on each EPSA pump motor to maintain air flow at low speeds to prevent motor overheating. This will allow the EPSA pumps to be operated in rotation with the other five outfall pumps.

**TIMING CONCERNS**

Until this work is completed, the EPSA pumps cannot be used for service, except during wet weather events.

**RAMIFICATIONS OF NOT TAKING ACTION**

The utility of the EPSA pumps is reduced until the cooling improvement are made.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised Project No. FE19-06 for bids on June 2, 2021, and two on-line bids were received on July 29, 2021. A summary of the bid opening follows:

Engineer's Estimate	\$ 835,000
<u>Bidder</u>	<u>Amount of Bid</u>
Mehta Mechanical Company Inc. dba MMC Inc.	\$ 854,000
Shimmick Construction Inc.	\$1,056,060

The bids were evaluated in accordance with OC San's policies and procedures. A notice was sent to all bidders on August 11, 2021, informing them of the intent of OC San staff to recommend award of the Construction Contract to Mehta Mechanical Company Inc. dba MMC Inc.

Staff recommends awarding a Construction Contract to the lowest responsive and responsible bidder, Mehta Mechanical Company Inc. dba MMC Inc. in an amount not to exceed \$854,000.

**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 the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update, Fiscal Year 2021-2022, Appendix A, Page A-8, 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

SS:dm:gc

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

# TABLE OF CONTENTS

## CONTRACT AGREEMENT

SECTION – 1	GENERAL CONDITIONS.....	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.....	9
SECTION – 14	CONTRACTOR'S EMPLOYEES COMPENSATION.....	10
SECTION – 15	SURETY BONDS .....	12
SECTION – 16	INSURANCE .....	13
SECTION – 17	RISK AND INDEMNIFICATION.....	20
SECTION – 18	TERMINATION.....	21
SECTION – 19	WARRANTY .....	21
SECTION – 20	ASSIGNMENT.....	22
SECTION – 21	RESOLUTION OF DISPUTES.....	22
SECTION – 22	SAFETY & HEALTH .....	22
SECTION – 23	NOTICES .....	23

CONTRACT AGREEMENT  
ORANGE COUNTY SANITATION DISTRICT

**PROJECT NO. FE19-06**  
**EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2**

THIS AGREEMENT is made and entered into, to be effective, this September 29, 2021, by and between Mehta Mechanical Company Inc. dba MMC Inc., hereinafter referred to as “CONTRACTOR” and the Orange County Sanitation District, hereinafter referred to as “OCSD”.

WITNESSETH

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

**SECTION – 1      GENERAL CONDITIONS**

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 OCSD. 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.

---

CONFORMED

C-CA-103020  
PROJECT NO. FE19-06  
EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2

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 OCSD'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 OCSD, to construct and complete the Project, in good workmanlike and substantial order. If CONTRACTOR fails to pay for labor or materials when due, OCSD 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, OCSD may settle them directly and deduct the amount of payments from the Contract Price and any amounts due to CONTRACTOR. In the event OCSD receives a stop payment notice from any laborer or material supplier alleging non-payment by CONTRACTOR, OCSD 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. FE19-06**

**EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2**

**SECTION – 4 PLANS AND SPECIFICATIONS**

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

**PROJECT NO. FE19-06**

**EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2**

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 OCSD, unless otherwise specified therein and shall diligently prosecute the Work to completion within three hundred fifty (350) calendar days from the date of the “Notice to Proceed” issued by OCSD, excluding delays caused or authorized by OCSD as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions.

The time for completion includes zero (0) calendar days determined by OCSD 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 OCSD, 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. OCSD 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

---

CONFORMED

C-CA-103020  
PROJECT NO. FE19-06  
EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2

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”. OCSD’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 OCSD 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 OCSD pursuant to the Contract Documents, OCSD 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 OCSD’s ENGINEER. The decision of the ENGINEER shall be final.

## **SECTION – 9 CHANGES IN PROJECT**

OCSD 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 OCSD-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. OCSD 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 Eight Hundred Fifty-Four Thousand Dollars (\$854,000) 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. OCSD 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 OCSD’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 OCSD;
  - b. plus the value of material suitably stored at the worksite, treatment plant or approved storage yards subject to or under the control of OCSD since the commencement of the Work as determined by OCSD;
  - 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 OCSD 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, OCSD 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:

OCSD 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 OCSD. 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, OCSD 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 OCSD, 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 OCSD 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 OCSD'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 OCSD. 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 OCSD, 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 OCSD 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 OCSD 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. OCSD 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 OCSD 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 OCSD herein, the requirement(s) providing the more protective coverage for both OCSD 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, OCSD 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 OCSD, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OCSD 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 OCSD, 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: Two Million Dollars (\$2,000,000) per occurrence and a general aggregate limit of Four Million Dollars (\$4,000,000) 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 Two Million Dollars (\$2,000,000) per occurrence and a general aggregate limit of Four Million Dollars (\$4,000,000) 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 OCSD 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:

A combined single limit of One Million Dollars (\$1,000,000).

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 OCSD.
5. Worker's Compensation/Employer's Liability: CONTRACTOR shall provide such Worker's Compensation Insurance as required by the Labor Code of the State of California, including employer's liability with a minimum limit of 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.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by OCSD. At the option of OCSD, either: the Insurer shall reduce or eliminate such deductibles or self-insured retentions as respects OCSD, its Directors, officers, agents, CONSULTANTS, and employees; or CONTRACTOR shall provide a financial guarantee satisfactory to OCSD 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. OCSD, 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 OCSD 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 OCSD shall be excess only and not contributing with insurance provided under this policy.
2. Each insurance policy required herein shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, and that coverage shall not be cancelled for non-payment of premium except after ten (10) days prior written notice by certified mail, return receipt requested. Should there be changes in coverage or an increase in deductible or SIR amounts, CONTRACTOR undertakes to procure a manuscript endorsement from its insurer giving 30 days prior notice of such an event to OCSD, or to have its insurance broker/agent send to OCSD a certified letter describing the changes in coverage and any increase in deductible or SIR amounts. The certified letter must be sent Attention: Risk Management and shall be received not less than twenty (20) days prior to the effective date of the change(s). The letter must be signed by a Director or Officer of the broker/agent and must be on company letterhead, and may be sent via e-mail in pdf format.
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. OCSD recognizes that State Compensation Insurance Fund has withdrawn from participation in the A.M. Best Rating Guide process. Nevertheless, OCSD will accept State Compensation Insurance Fund for the required policy of worker’s compensation insurance, subject to OCSD’s option, at any time during the term of this Contract, to require a change in insurer upon twenty (20) days written notice. Further, OCSD 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 OCSD or its agent.

E. Verification of Coverage

CONTRACTOR shall furnish OCSD 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 OCSD before Work commences. OCSD 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. OCSD 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 OCSD with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

a. Certificate of Liability Form 25

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-0001 10 01

b. Additional Insured Including Products-Completed Operations Form CG-2010 10 01 **and**  
Form CG-2037 10 01

c. Waiver of Transfer of Rights of Recovery Against Others to Us/  
Waiver of Subrogation Form CG-2404 11 85; **or**  
Form CG-2404 10 93

3. Required State Compensation Insurance Fund Endorsements

a. Waiver of Subrogation Endorsement No. 2570

b. Cancellation Notice Endorsement No. 2065

4. Additional Required Endorsements

a. Notice of Policy Termination Manuscript Endorsement

**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 OCSD 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 OCSD in the event of substantial failure by the CONTRACTOR to fulfill its obligations under this Agreement, or it may be terminated by OCSD 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 OCSD, 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 OCSD’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. OCSD 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, OCSD 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 OCSD 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 OCSD 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 OCSD unless such assignment has had prior written approval and consent of OCSD and the Surety.

**SECTION – 21 RESOLUTION OF DISPUTES**

OCSD 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 OCSD, 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.

[THIS SECTION INTENTIONALLY LEFT BLANK]

**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 OCSD: 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 Company Inc. dba MMC Inc.  
5901 Fresca Drive  
La Palma, CA 90623

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

[THIS SECTION INTENTIONALLY LEFT BLANK]

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

CONTRACTOR: Mehta Mechanical Company Inc. dba MMC Inc.  
5901 Fresca Drive  
La Palma, CA 90623

By \_\_\_\_\_

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

Its \_\_\_\_\_

CONTRACTOR's State License No. 573635 (Expiration Date – 7/31/2022)

OCSD: Orange County Sanitation District

By \_\_\_\_\_

John B. Withers  
Board Chairman

By \_\_\_\_\_

Kelly A. Lore  
Clerk of the Board

By \_\_\_\_\_

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.... 5

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 – “OCSD’s Right to Withhold Certain Amounts and Make Application Thereof”; and
9. General Conditions – “Final Payment.”

### EXA-3 RETENTION AND ESCROW ACCOUNTS

#### A. Retention:

OCSD 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 OCSD 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 OCSD, 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, OCSD 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 OCSD's discovery of deficiencies in the Work or non-compliance with the Specifications or any other requirement of the Contract;
3. Sums expended by OCSD in performing any of the CONTRACTOR'S obligations under the Contract that the CONTRACTOR has failed to perform, and;
4. Other sums that OCSD is entitled to recover from the CONTRACTOR under the terms of the Contract, including without limitation insurance deductibles and assessments.

The failure of OCSD to deduct any of the above-identified sums from a progress payment shall not constitute a waiver of OCSD'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, OCSD 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 OCSD 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 OCSD 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 OCSD 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 OCSD 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 OCSD, 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 OCSD, arising out of or filed in connection with the Work. Prior progress payments shall be subject to correction in OCSD'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, OCSD 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 OCSD, 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 OCSD, 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 OCSD, and agreements are reached on all issues regarding the application for Final Payment, OCSD, in exchange for an executed release, satisfactory in form and substance to OCSD, 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 OCSD are specifically reserved, and shall release and waive all unreserved Claims against OCSD 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 OCSD which has not been communicated in writing by the CONTRACTOR to OCSD 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, OCSD may make Final Payment subject to resolution of those claims. OCSD 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 OCSD's acceptance of the application for Final Payment and irrespective of whether it is before or after Final Payment has been made, OCSD 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.

OCSD 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.

[This Section Intentionally Left Blank]

**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 OCSD 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 OCSD 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 OCSD 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-080414  
PROJECT NO. FE19-06  
EPSA MOTOR COOLING IMPROVEMENTS AT PLANT NO. 2

## **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

**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 OCSD 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.

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

**EXHIBIT A  
 SCHEDULE OF PRICES**

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

Item No.	Description	Unit of Measurement	Approx Qty	Unit Price	Extended Price
1.	Mobilization, initial progress payment for all fees, labor, materials, and equipment required for mobilization, staging area, and surety bonds, and other activities in conformance with the Contract Documents, for a fixed amount of:	Lump Sum			= \$33,400
2.	Furnish all labor, materials, and equipment necessary for the completion of the Contract Work, except for the Work specified for Bid Item 1, in conformance with the Contract Documents, for a lump sum price of:	Lump Sum			= \$ 820,600

*guy*

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

\$ 854,000



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1843

**Agenda Date:** 9/29/2021

**Agenda Item No:** 9.

---

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**ENGINEERING PROGRAM CONTRACT PERFORMANCE REPORT**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file the Engineering Program Contract Performance Report for the period ending June 30, 2021.

**BACKGROUND**

The Engineering Program involves awarding and managing many construction and consulting contracts. In 2008, the Orange County Sanitation District Board of Directors began awarding contingencies along with construction and consulting contracts for the General Manager to approve construction change orders and amendments to consulting contracts up to the amount of the approved contingency. This practice reduces administrative costs, expedites resolution of project issues that arise, helps avoid contractor delay claims, and facilitates efficient management of many contracts.

The Engineering Program Contract Performance Report summarizes construction and consulting contract performance and activities for the quarter ending June 30, 2021. This report is updated quarterly.

**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:*

- Engineering Program Contract Performance Report for the period ending June 30, 2021

JM:dm:gc

DATE: August 12, 2021

TO: Orange County Sanitation District  
Board of Directors

FROM: James D. Herberg, General Manager  
Through: Kathy Millea, Director of Engineering

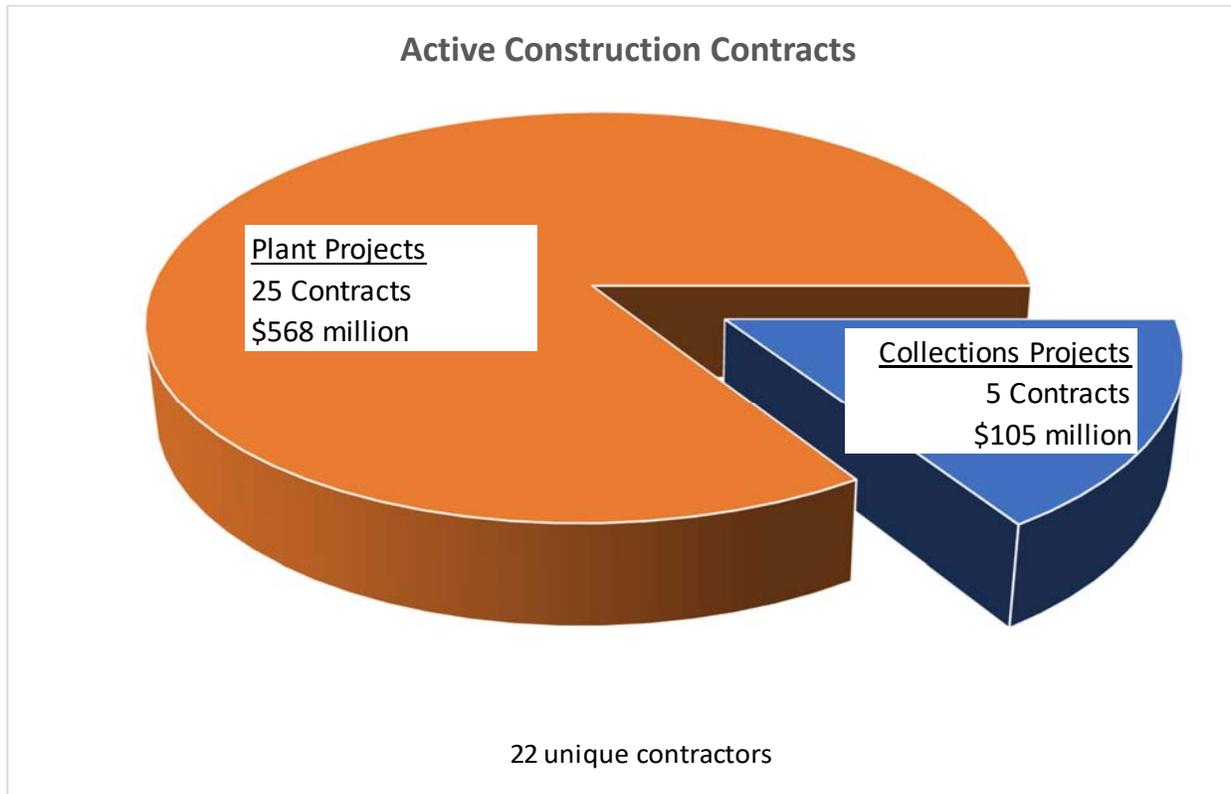
This report summarizes the status, activities, and performance of construction contracts and consultant agreements. This report also identifies the names and status of projects being performed under master budgets for planning studies, research, small construction projects, O&M capital projects, and information technology projects.

### **Table of Contents**

<u>Part 1 – Construction Contracts</u>	page 2
Active Construction Contracts	
Construction Contracts Closed in Last Quarter	
Cumulative Change Order Rates – Closed Construction Contracts	
<u>Part 2 – Engineering Services Agreements</u>	page 9
Active Engineering Services Agreements	
Active Task Orders by Master Agreement	
<u>Part 3 - Master Budget Projects</u>	page 14
Planning Studies Status Report	
Research Program Status Report	
Small Construction Projects Program Status Report	
Information Technology Capital Program Status Report	
Operations and Maintenance Capital Program Status Report	
<u>Part 4 - Supplemental Engineering Services Contract</u>	page 20
Supplemental Engineering Services Contract Status	
Supplemental Engineering Services Contract Labor Summary	

**PART 1 - CONSTRUCTION CONTRACTS**

Table 1 lists the Board-awarded construction contracts active as of June 30, 2021, while Table 2 lists the General Manager-awarded construction contracts. The General Manager may award contracts up to \$100,000 and task orders up to \$300,000. The graph below shows the number and total value of projects broken down plant and collections.



One Board-awarded construction contracts was closed in this quarter, as listed in Table 3. Three construction contracts awarded by the General Manager were closed in this quarter, as listed in Table 4.

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 1 - Active Board-Awarded Construction Contracts as of 6/30/2021**

Project / Contract	Contractor	Award Date	% Spent	Board Award Amount	Change Orders	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
<b>2-72 Newhope-Placentia Trunk Replacement</b>										
2-72B Newhope-Placentia Trunk Replacement, Segment B	OHL USA, INC.	06/15/2018	92%	\$58,242,000	\$3,735,407	\$61,977,407	6.5%	10.0%	6.4%	3.6%
<b>3-62 Westminster Blvd Force Main Replacement</b>										
3-62 Westminster Blvd Force Main Replacement	Teichert Energy & Utilities Group, Inc.	12/18/2019	57%	\$27,743,000	\$409,769	\$28,152,769	10.0%	10.0%	1.5%	8.5%
<b>3-64 Rehabilitation of Western Regional Sewers</b>										
3-64B Los Alamitos Trunk Sewer Rehabilitation	Steve P. Rados, Inc.	05/26/2021	0%	\$17,775,000	\$0	\$17,775,000	10.0%	10.0%	0.0%	10.0%
<b>J-117 Ocean Outfall System Rehabilitation</b>										
J-117B Outfall Low Flow Pump Station	Shimmick Construction Co., Inc.	12/19/2018	33%	\$90,200,000	\$504,722	\$90,704,722	8.0%	8.0%	0.6%	7.4%
<b>J-126 Safety Improvements Program</b>										
J-126C NFPA 820 HVAC and Electrical Improvements	MMC, Inc.	03/05/2019	92%	\$469,000	\$0	\$469,000	10.0%	10.0%	0.0%	10.0%
<b>J-127 Natural Gas Pipelines Replacement at Plant Nos. 1 and 2</b>										
J-127 Natural Gas Pipelines Replacement at Plant Nos. 1 and 2	Innovative Construction Solutions	07/22/2020	7%	\$745,500	\$0	\$745,500	10.0%	10.0%	0.0%	10.0%
<b>J-135 Central Generation Engine Overhauls at Plant No. 1 and 2</b>										
J-135A Central Generation Engine Overhaul at Plant No. 1	Cooper Machinery Services LLC	06/08/2021	0%	\$3,705,932	\$0	\$3,705,932	20.0%	20.0%	0.0%	20.0%
<b>M-FE Small Construction Projects Program</b>										
FE18-11 Headworks Explosive Gas Monitoring Systems at Plant No. 1 and No. 2	Baker Electric	01/22/2020	0%	\$223,984	\$0	\$223,984	10.0%	10.0%	0.0%	10.0%
FE18-14 Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	MMC, Inc.	12/16/2020	0%	\$1,134,000	\$0	\$1,134,000	15.0%	15.0%	0.0%	15.0%
FE18-15 Plant Boiler System Relief at Plant No. 2	MMC, Inc.	04/21/2021	0%	\$230,000	\$0	\$230,000	15.0%	15.0%	0.0%	15.0%
FE18-19 12KV Distribution B and East RAS Pump Station Roofing Replacement	O'Connell Engineering & Construction, Inc.	05/27/2020	46%	\$674,800	\$16,664	\$691,464	10.0%	10.0%	2.5%	7.5%
<b>M-FR-880 Master Operationally Funded</b>										
MP-105 P2 CENGEN Steam Turbine Rehabilitation	Dresser-Rand	03/25/2018	64%	**\$484,220	\$0	\$484,220	20.0%	20.0%	0.0%	20.0%
MP-638 Activated Sludge Plant Clarifier Inlet Gate Replacement at Plant No. 2	Innovative Construction Solutions	12/18/2019	83%	\$658,300	\$0	\$658,300	10.0%	10.0%	0.0%	10.0%
MP-305 Cengen Supply Air Fan Support Replacement at Plant No. 2	J.R. Filanc Construction Company, Inc.	12/16/2020	0%	\$297,000	\$0	\$297,000	15.0%	15.0%	0.0%	15.0%
FR1-0007 Control Center Offices and Day Training Room Remodeling at Plant No. 1	Thomas Solar Energy	05/26/2021	0%	\$256,790	\$0	\$256,790	10.0%	10.0%	0.0%	10.0%
FR2-0013 P2 Trickling Filter Sludge Pump Room Exhaust Fan Relocation at Plant No.2	MMC, Inc.	04/21/2021	0%	\$184,000	\$0	\$184,000	20.0%	20.0%	0.0%	20.0%
FRC-0002 Bay Bridge Pump Station Valve Replacement	Innovative Construction Solutions	11/18/2020	44%	\$598,000	\$0	\$598,000	10.0%	10.0%	0.0%	10.0%
FRC-0004 Seal Beach Pump Station Isolation Valve Replacement	J.R. Filanc Construction Company, Inc.	12/16/2020	0%	\$466,830	\$0	\$466,830	20.0%	20.0%	0.0%	20.0%
<b>M-SM-CAP Operations &amp; Maintenance Capital Program</b>										
SC19-03 Return Activated Sludge Pump Station Elevator Rehabilitation at Plant No. 2	OTIS	12/16/2020	0%	\$432,400	\$0	\$432,400	20.0%	20.0%	0.0%	20.0%
<b>P1-105 Headworks Rehabilitation at Plant 1</b>										
P1-105 Headworks Rehabilitation at Plant 1	Kiewit Infrastructure West Co.	02/24/2021	0%	\$222,330,000	\$0	\$222,330,000	4.0%	4.0%	0.0%	4.0%
<b>P1-128 Headquarters Complex</b>										
P1-128C Headquarters Complex Site Preparation	Resource Environmental, Inc.	07/01/2020	96%	\$1,555,000	\$0	\$1,555,000	10.0%	10.0%	0.0%	10.0%
P1-128A Headquarters Complex at Plant No. 1	Swinerton Builders	05/26/2021	0%	\$102,544,973	\$0	\$102,544,973	5.0%	5.0%	0.0%	5.0%
<b>P1-135 Digester Ferric Chloride Piping Replacement at Plant No. 1</b>										
P1-135 Digester Ferric Chloride Piping Replacement at Plant No. 1	PPM Contracting (PPM)	02/02/2021	0%	\$515,000	\$0	\$515,000	10.0%	10.0%	0.0%	10.0%

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 1 - Active Board-Awarded Construction Contracts as of 6/30/2021**

Project / Contract	Contractor	Award Date	% Spent	Board Award Amount	Change Orders	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
<b>P2-98 Primary Treatment Rehabilitation at Plant No. 2</b>										
<b>P2-98B</b> B/C-Side Primary Clarifiers Interim Repair at Plant 2	Myers & Sons Construction, LLC	01/23/2019	82%	\$8,665,000	\$428,356	\$9,093,356	10.0%	10.0%	4.9%	5.1%
<b>P2-98A</b> A-Side Primary Clarifiers Replacement at Plant 2	PCL CONSTRUCTION, INC.	05/26/2021	0%	\$111,405,880	\$0	\$111,405,880	6.0%	6.0%	0.0%	6.0%
<b>P2-122 Headworks Modifications at Plant No. 2 for GWRS Final Expansion</b>										
<b>P2-122</b> Headworks Modifications at Plant No. 2 for GWRS Final Expansion	Shimmick Construction Co., Inc.	01/22/2020	30%	\$14,487,735	\$276,841	\$14,764,576	10.0%	10.0%	1.9%	8.1%
<b>P2-123 Return Activated Sludge Piping Replacement at Plant 2</b>										
<b>P2-123</b> Return Activated Sludge Piping Replacement at Plant 2	Shimmick Construction Co., Inc.	09/25/2019	43%	\$6,042,110	\$132,139	\$6,174,249	10.0%	10.0%	2.2%	7.8%
<b>Total</b>				<b>\$672,066,454</b>	<b>\$5,503,898</b>	<b>\$677,570,352</b>				

\*\* Original Award was \$245,424, and later amended to \$484,220 with a contingency reduction by Board Action on 4/22/20

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 2 - Active GM-Awarded Construction Contracts and Task Orders as of 6/30/2021**

Project / Contract	Contractor	Award Date	% Spent	Original Award Amount	Change Orders	Current Contract Amount	Change Order Rate
<b>Operationally Funded Projects</b>							
FR1-0010 Laboratory Building Roof Repair at Plant No 1	J.R. Filanc Construction Company, Inc.	1/19/21	0%	\$88,283	\$0	\$88,283	0.0%
FR2-0019 Digester O Repairs at Plant No. 2	Jamison Engineering	8/28/20	60%	\$131,000	\$0	\$131,000	0.0%
FR2-0021 Boilers Retubing at Plant 2	RF MacDonald	2/8/21	0%	\$51,250	\$0	\$51,250	0.0%
<b>Total</b>				<b>\$270,533</b>	<b>\$0</b>	<b>\$270,533</b>	

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 3 - Board-Awarded Construction Contracts Closed in Last Quarter**

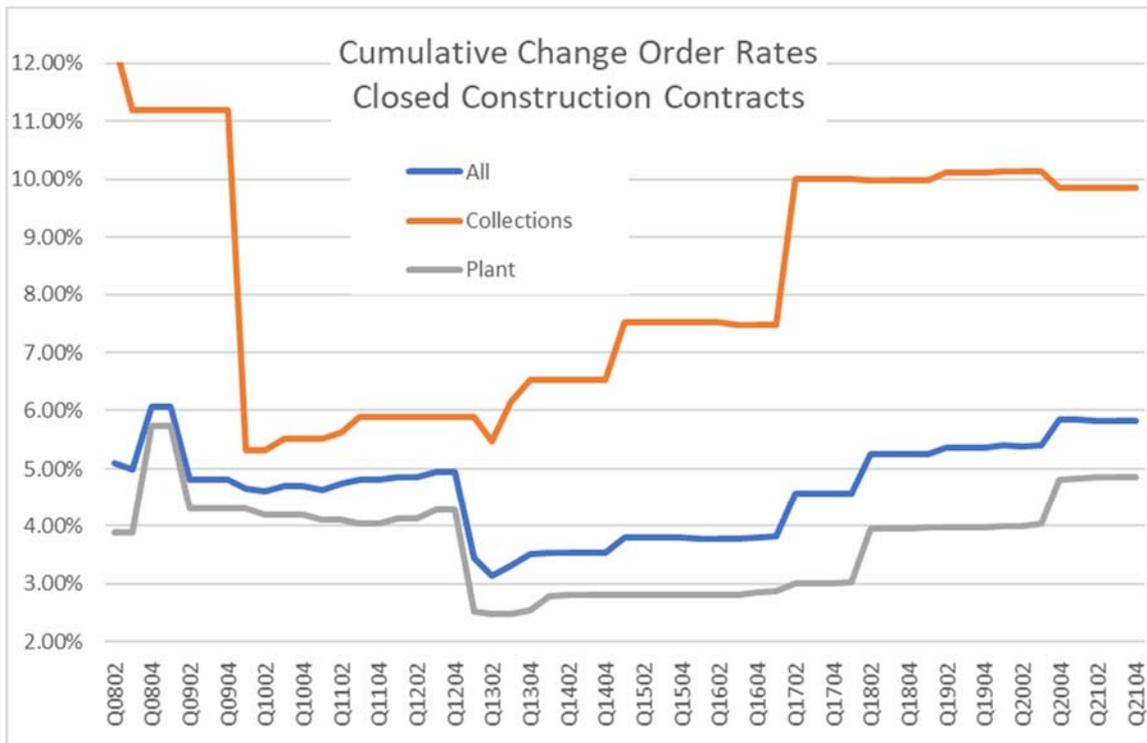
Project / Contract	Contractor	Date Closed	Award Date	Board Award Amount	Change Orders	Final Contract Amount	Original Contingency	Current Contingency	Contingency Used	Unused Contingency
<b>J-126 Safety Improvements Program</b>										
J-126JK Stairs, Hatches, Walkway Hazards, Ladders, Guardrails, Roof Fall Protection	Olsson Construction, Inc.	PLANT	10/24/2018	\$3,637,601	\$266,283	\$3,903,884	10.0%	10.0%	7.3%	2.7%
<b>Total</b>				<b>\$3,637,601</b>	<b>\$266,283</b>	<b>\$3,903,884</b>				

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 4 - GM-Awarded Construction Contracts and Task Order Closed in Last Quarter**

Project / Contract	Contractor	Date Closed	Award Date	Original Award Amount	Change Orders	Final Contract Amount	Final Change Order Rate
<b>M-FE Small Construction Projects Program</b>							
FE19-09 Newhope - Placentia Trunk Grade Separation Replacement Repairs	Charles King Company, Inc.	6/29/21	9/21/20	\$298,850	\$0	\$298,850	0.0%
<b>Operationally-Funded Projects</b>							
FR2-0019 Digester O Repairs at Plant No. 2	Jamison Engineering	4/23/21	8/28/20	\$131,000	\$14,450	\$145,450	11.0%
FRC-0008 East Lido Forcemain Repair	W.A. Rasic Construction Company	5/21/21	4/6/21	\$129,721	(\$3,320)	\$126,401	-2.6%
				<b>Total</b>	<b>\$559,571</b>	<b>\$11,130</b>	<b>\$570,701</b>

When the Orange County Sanitation District (OC San) Board awards a construction contract, they also approve a contingency which allows the General Manager to approve contract change orders up to the amount of the contingency. One purpose of this report is to document how much of the contingency is utilized. A contract's change order rate is only meaningful when the work is completed. As such, the change order performance charts in this report are based only on contracts closed since the Board began approving contingencies in 2008. The following chart shows how cumulative change order rates have changed for plant, collections, and all contracts since the contingency system was implemented.



## **PART 2 – ENGINEERING SERVICES AGREEMENTS**

OC San engages engineering consultants through Professional Service Agreements (PSAs), Professional Design Services Agreements (PDSAs), Professional Construction Services Agreements (PCSAs), and Master Professional Services Agreements (Master Agreements). PDSAs are used to obtain design engineering services, and PCSAs are a subsequent agreement with the design consultant to provide support services during construction. PSAs are used for planning studies and other consultant assignments. There are currently 18 firms with active engineering services agreements, not including firms with Master Agreements.

Master Agreements are issued to a pool of pre-qualified consultants for smaller projects. On those smaller projects, OC San solicits task order proposals from three or four of the firms and awards a task order to the most qualified consultant. There are currently four sets of Master Agreements.

- 2012 Master Design Agreements (expired)
- 2017 Master Agreements for Wastewater Treatment Planning Studies (expired)
- 2018 Master Design Agreements (expired)
- 2020 Master Agreements for On-Call Planning Studies
- 2021 Master Design Agreements

The two Master Design Agreement from 2012 and 2018, and the 2018 Master Agreements for Wastewater Planning Studies have expired, meaning no new task orders can be issued under them, but previously-issued task orders remain active until completed. The 2021 Master Design Agreement became effective on July 1<sup>st</sup>, but no task orders have been issued yet. Task Orders are limited by OC San Ordinance No. OCSD-52 to \$300,000 per task order.

A status table for all Active Engineering Services Agreements (PDSAs and PCSAs) is attached under Table 5, and a status table for all Active Task Orders by Master Agreement is attached under Table 6 (Master Agreements).

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 5 - Active Engineering Services Agreements as of 6/30/2021**

Project / Contract	Type	Consultant	Award Date	% Complete	Board Award Amount	Amendments	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
<b>2-49 Taft Branch Improvements</b>											
2-49 Taft Branch Improvements	PDSA	Woodward and Curran	02/03/2021	0%	\$2,200,000	\$26,000	\$2,226,000	10.0%	10.0%	1.2%	8.8%
<b>2-72 Newhope-Placentia Trunk Replacement</b>											
2-72 Newhope-Placentia Trunk Replacement	PCSA	Lee & Ro	03/23/2016	22%	\$3,253,946	\$0	\$3,253,946	10.0%	10.0%	0.0%	10.0%
<b>3-62 Westminster Blvd Force Main Replacement</b>											
3-62 Westminster Blvd Force Main Replacement	PCSA	Stantec Consulting Services, Inc.	12/18/2019	11%	\$1,183,000	\$0	\$1,183,000	10.0%	10.0%	0.0%	10.0%
<b>3-64 Rehabilitation of Western Regional Sewers</b>											
3-64 Rehabilitation of Western Regional Sewers	PDSA	AECOM Technical Services, Inc.	01/27/2016	63%	\$17,639,250	\$195,850	\$17,835,100	10.0%	10.0%	1.1%	8.9%
3-64B Los Alamitos Trunk Sewer Rehabilitation	PCSA	AECOM Technical Services, Inc.	05/26/2021	0%	\$610,000	\$0	\$610,000	10.0%	10.0%	0.0%	10.0%
<b>3-67 Seal Beach Pump Station Replacement</b>											
3-67 Seal Beach Pump Station Replacement	PDSA	Lee & Ro	11/20/2019	26%	\$5,947,850	\$0	\$5,947,850	10.0%	10.0%	0.0%	10.0%
<b>5-67 Bay Bridge Pump Station Replacement</b>											
5-67 Bay Bridge Pump Station Replacement	PDSA	Arcadis US Inc.	10/25/2017	10%	\$7,137,000	\$1,750,315	\$8,887,315	10.0%	35.0%	24.5%	10.5%
<b>5-68 Newport Beach Pump Station Pressurization Improvements</b>											
5-68 Newport Beach Pump Station Pressurization Improvements	PDSA	Dudek	05/06/2020	26%	\$542,988	\$0	\$542,988	10.0%	10.0%	0.0%	10.0%
<b>7-65 Gisler - Red Hill Interceptor Rehabilitation</b>											
7-65 Gisler - Red Hill Interceptor Rehabilitation	PDSA	CDM Smith Inc.	09/23/2020	13%	\$1,754,000	\$14,739	\$1,768,739	10.0%	10.0%	0.8%	9.2%
<b>7-66 Sunflower and Red Hill Interceptor Repairs</b>											
7-66 Sunflower and Red Hill Interceptor Repairs	PDSA	GHD	09/25/2019	73%	\$308,712	\$14,548	\$323,260	10.0%	10.0%	4.7%	5.3%
<b>7-68 MacArthur Force Main Improvements</b>											
7-68 MacArthur Force Main Improvements	PDSA	Michael Baker International, Inc.	05/26/2021	0%	\$500,000	\$0	\$500,000	10.0%	10.0%	0.0%	10.0%
<b>J-117 Ocean Outfall System Rehabilitation</b>											
J-117B Outfall Low Flow Pump Station	PCSA	Brown and Caldwell	12/19/2018	32%	\$8,563,913	\$346,857	\$8,910,770	10.0%	10.0%	4.1%	5.9%
<b>J-124 Digester Gas Facilities Replacement</b>											
J-124 Digester Gas Facilities Replacement	PDSA	Brown and Caldwell	11/15/2017	70%	\$11,770,000	\$903,117	\$12,673,117	10.0%	10.0%	7.7%	2.3%
<b>J-126 Safety Improvements Program</b>											
J-126 Safety Improvements Program	PDSA	Arcadis	08/29/2016	89%	**\$3,040,000	\$0	\$3,040,000	10.0%	10.0%	0.0%	10.0%
<b>J-98 Electrical Power Distribution System Improvements</b>											
J-98 Electrical Power Distribution System Improvements	PDSA	Brown and Caldwell	01/29/2020	22%	\$2,240,000	\$0	\$2,240,000	10.0%	10.0%	0.0%	10.0%
<b>M-RESEARCH - Research Program</b>											
RE17-02 Biogas Scrubber Evaluation	PSA	Carollo Engineers, Inc.	04/21/2017	88%	\$656,783	\$63,097	\$719,880	15.0%	15.0%	9.6%	5.4%
<b>M-STUDIES Planning Studies Program</b>											
PS15-02 Edinger Pump Station Rehabilitation Study	PSA	Lockwood, Andrews & Newman, Inc.	11/09/2017	78%	\$505,042	\$0	\$505,042	10.0%	10.0%	0.0%	10.0%
PS17-03 Active Fault Location Study at Plant No. 2	PSA	Lettis Consultants International, Inc.	03/06/2019	41%	\$868,286	\$12,500	\$880,786	10.0%	10.0%	1.4%	8.6%
PS18-09 Ocean Outfall Condition Assessment and Scoping Study	PSA	Carollo Engineers, Inc.	03/25/2020	51%	\$2,744,000	\$0	\$2,744,000	10.0%	10.0%	0.0%	10.0%
<b>P1-101 Sludge Dewatering and Odor Control at Plant 1</b>											
P1-101 Sludge Dewatering and Odor Control at Plant 1	PCSA	HDR Engineering, Inc.	06/28/2012	99%	\$7,140,000	\$2,453,653	\$9,593,653	8.0%	35.0%	34.4%	0.6%
<b>P1-105 Headworks Rehabilitation at Plant 1</b>											
P1-105 Headworks Rehabilitation at Plant 1	PCSA	Carollo Engineers, Inc.	03/02/2021	0%	\$16,500,000	\$0	\$16,500,000	10.0%	10.0%	0.0%	10.0%
P1-105 Headworks Rehabilitation at Plant 1	PDSA	Carollo Engineers, Inc.	05/27/2015	95%	\$17,528,957	\$8,059,598	\$25,588,555	10.0%	51.0%	46.0%	5.0%
<b>P1-128 Headquarters Complex</b>											
P1-128 Headquarters Complex	PDSA	HDR Engineering, Inc.	06/22/2016	8%	\$11,785,709	\$1,148,553	\$12,934,262	10.0%	10.0%	9.7%	0.3%
P1-128C Headquarters Complex Site Preparation	PCSA	HDR Engineering, Inc.	07/01/2020	15%	\$178,000	\$0	\$178,000	10.0%	10.0%	0.0%	10.0%
P1-128A Headquarters Complex at Plant No. 1	PCSA	HDR Engineering, Inc.	05/26/2021	0%	\$4,900,000	\$0	\$4,900,000	10.0%	10.0%	0.0%	10.0%
P1-128A Headquarters Complex at Plant No. 1	PSA	AECOM Technical Services, Inc.	04/28/2021	0%	\$6,750,000	\$0	\$6,750,000	10.0%	10.0%	0.0%	10.0%
<b>P1-129 Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1</b>											
P1-129 Return Activated Sludge Piping Replacement at Activated Sludge Plant No. 1	PCSA	AECOM Technical Services, Inc.	07/24/2019	86%	\$140,000	\$0	\$140,000	10.0%	10.0%	0.0%	10.0%
<b>P1-132 Uninterruptable Power Supply Improvements at Plant 1</b>											
P1-132 Uninterruptable Power Supply Improvements at Plant 1	PDSA	Tetra Tech, Inc.	10/23/2019	44%	\$784,680	\$0	\$784,680	10.0%	10.0%	0.0%	10.0%
<b>P1-133 Primary Sedimentation Basins No. 6-31 Reliability Improvements at Plant No. 1</b>											
P1-133 Primary Sedimentation Basins No. 6-31 Reliability Improvements at Plant No. 1	PDSA	Carollo Engineers, Inc.	09/25/2019	78%	\$1,219,667	\$0	\$1,219,667	10.0%	10.0%	0.0%	10.0%
<b>P2-92 Sludge Dewatering and Odor Control at Plant 2</b>											
P2-92 Sludge Dewatering and Odor Control at Plant 2	PCSA	Brown and Caldwell	12/17/2014	94%	\$4,798,328	\$0	\$4,798,328	10.0%	10.0%	0.0%	10.0%

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 5 - Active Engineering Services Agreements as of 6/30/2021**

Project / Contract	Type	Consultant	Award Date	% Complete	Board Award Amount	Amendments	Current Contract Amount	Original Contingency	Current Contingency	Contingency Used	Contingency Remaining
<b>P2-98 Primary Treatment Rehabilitation at Plant No. 2</b>											
P2-98 Primary Treatment Rehabilitation at Plant No. 2	PDSA	Black & Veatch	07/27/2016	47%	\$18,141,423	\$1,593,582	\$19,735,005	10.0%	10.0%	8.8%	1.2%
P2-98A A-Side Primary Clarifiers Replacement at Plant 2	PCSA	Black & Veatch	05/26/2021	0%	\$8,400,000	\$0	\$8,400,000	10.0%	10.0%	0.0%	10.0%
P2-98B B/C-Side Primary Clarifiers Interim Repair at Plant 2	PCSA	Black & Veatch	01/23/2019	42%	\$549,534	\$0	\$549,534	10.0%	10.0%	0.0%	10.0%
<b>P2-122 Headworks Modifications at Plant No. 2 for GWRS Final Expansion</b>											
P2-122 Headworks Modifications at Plant No. 2 for GWRS Final Expansion	PCSA	CDM Smith Inc.	01/15/2020	23%	\$2,200,000	\$0	\$2,200,000	10.0%	10.0%	0.0%	10.0%
<b>P2-123 Return Activated Sludge Piping Replacement at Plant 2</b>											
P2-123 Return Activated Sludge Piping Replacement at Plant 2	PCSA	SPEC Services, Inc.	09/25/2019	62%	\$252,329	\$0	\$252,329	10.0%	10.0%	0.0%	10.0%
<b>P2-124 Interim Food Waste Receiving Facility</b>											
P2-124 Interim Food Waste Receiving Facility	PDSA	Kennedy/Jenks Consultants	09/05/2018	100%	\$695,000	\$31,168	\$726,168	10.0%	10.0%	4.5%	5.5%
<b>P2-126 Warehouse, Electrical Substation and 12kV Service Center Replacement at Plant No. 2</b>											
P2-126 Warehouse, Electrical Substation and 12kV Service Center Replacement at Plant No. 2	PDSA	Stantec Consulting Services, Inc.	11/18/2020	0%	\$4,876,455	\$92,760	\$4,969,215	10.0%	10.0%	1.9%	8.1%
<b>P2-128 TPAD Digester Facility at Plant 2</b>											
P2-128 TPAD Digester Facility at Plant 2	PDSA	Brown and Caldwell	06/23/2020	4%	\$39,300,000	\$0	\$39,300,000	10.0%	10.0%	0.0%	10.0%
<b>SP-196 Process Control Systems Upgrades Study</b>											
SP-196 Process Control Systems Upgrades Study	PSA	Stantec Consulting Services, Inc.	03/01/2018	76%	\$1,389,866	\$108,966	\$1,498,832	10.0%	10.0%	7.8%	2.2%
<b>Operationally Funded Projects</b>											
FR1-0007 Control Center Offices and Day Training Room Remodeling at Plant No. 1	PSA	AECOM Technical Services, Inc.	01/15/2020	8%	\$81,351	\$0	\$81,351	0.0%	0.0%	0.0%	0.0%
<b>Total</b>					<b>\$219,076,069</b>	<b>\$16,815,303</b>	<b>\$235,891,372</b>				

\*\* Original Award was \$1,540,000, and later amended to \$3,040,000 by Board Action

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 6 - Active Task Orders by Master Agreement as of 6/30/2021**

Master Agreement / Project	Consultant	Award Date	Original Task Order Value	Amendments	Current Task Order Value
<b>2012 Master Professional Design Service Agreements (Expired)</b>					
FE10-21 Area 02 Craig Regional Park Manhole Improvements	GHD	10/8/2012	\$58,440	\$41,560	\$100,000
<b>2017 Master Agreements for Wastewater Treatment Planning Studies</b>					
PS18-11 ETAP Model Updates for Plant Nos 1 and 2	Brown and Caldwell	3/17/2020	\$227,412	\$0	\$227,412
PS19-03 Laboratory Rehabilitation Feasibility Study	HDR Engineering, Inc.	10/20/2020	\$274,888	\$0	\$274,888
<b>2018 Master Professional Design Service Agreements</b>					
FR2-0013 Trickling Filter Sludge Pump Room Exhaust Fan Relocation at Plant No. 2	AECOM	11/6/2019	\$75,120	\$0	\$75,120
FE19-02 Cengen Plant Water Pipe Replacement at Plant No. 1	AECOM	04/30/2020	\$156,498	\$0	\$156,498
FE19-11 Primary Clarifiers Nos. 6-31 Lighting and Alarm Improvements at Plant No. 1	AECOM	9/15/2020	\$226,685	\$6,137	\$232,822
FE19-13 VFD Replacements at Seal Beach Pump Station	AECOM	3/12/2021	\$78,033	\$0	\$78,033
FE20-01 Wastehauler Station Safety and Security Improvements	AECOM	3/12/2021	\$161,012	\$0	\$161,012
FR2-0022 Digester O Structural Repairs at Plant No. 2	AECOM	4/6/2021	\$46,115	\$0	\$46,115
J-127 Natural Gas Pipelines Replacement at Plant Nos. 1 and 2	Black & Veatch	1/21/2019	\$271,964	\$28,036	\$300,000
FE19-03 Trickling Filter Sludge and Scum Pumps Replacement at Plant No. 1	Black & Veatch	9/1/2020	\$244,728	\$0	\$244,728
FR1-0011 VFD Replacements at Plant No. 1	Black & Veatch	3/30/2021	\$283,000	\$0	\$283,000
FE18-14 Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	Dudek	11/6/2019	\$108,308	\$0	\$108,308
P1-135 Digester Ferric Chloride Piping Replacement at Plant No. 1	Dudek	2/19/2020	\$127,174	\$0	\$127,174
FE20-04 Cengen Cooling Water Pipe Replacement at Plant No. 2	Dudek	5/18/2021	\$240,000	\$0	\$240,000
FE20-08 Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River	Dudek	6/15/2021	\$240,000	\$0	\$240,000
FE18-16 Truck Loading Basement Drain Modifications at Plant No. 1	GHD, Inc.	12/4/2019	\$70,130	\$18,365	\$88,495
FE18-13 Redhill Relief Sewer Relocation at State Route 55	GHD, Inc.	3/27/2020	\$168,612	\$54,883	\$223,495
FE19-10 Digesters C, D, F, G, and I Gas Balance Lines Replacement at Plant No. 2	GHD, Inc.	1/19/2021	\$25,000	\$21,000	\$46,000
FE20-07 Santa Ana Trunk Rehabilitation at Plant No. 1	GHD, Inc.	5/4/2021	\$100,625	\$0	\$100,625

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 6 - Active Task Orders by Master Agreement as of 6/30/2021**

Master Agreement / Project	Consultant	Award Date	Original Task Order Value	Amendments	Current Task Order Value	
FE20-03 Return Activated Sludge Discharge Piping Replacement at Activated Sludge Plant No. 1	GHD, Inc.	6/15/2021	\$249,000	\$0	\$249,000	
FRC-0009 Bitter Point Trunk Sewer Repair at Bitter Point Pump Station	GHD, Inc.	6/15/2021	\$159,451	\$0	\$159,451	
FE18-19 12KV Distribution Center B and East RAS Pump Station Roof Replacement	HDR Engineering, Inc.	09/16/2019	\$74,771	\$8,672	\$83,443	
FE18-20 Blower Building No. 1 Air Compressors at Plant No. 1	HDR Engineering, Inc.	8/18/2020	\$243,954	\$0	\$243,954	
FE20-02 Digester C, D, F, and G Mechanical Rehabilitation at Plant No. 2	HDR Engineering, Inc.	3/2/2021	\$188,212	\$0	\$188,212	
FE18-15 Plant Boiler System Relief at Plant No. 2	IDS Group, Inc.	10/22/2019	\$23,299	\$0	\$23,299	
FE18-06 CenGen Instrument Air Compressors Replacement at Plant No. 1 and No. 2	IDS Group, Inc.	04/28/2020	\$89,876	\$0	\$89,876	
FE19-06 EPSA Motor Cooling Improvements at Plant No. 2	IDS Group, Inc.	05/05/2020	\$88,206	\$0	\$88,206	
FE20-09 CenGen Smoke Detection Improvements at Plant No. 1 and No. 2	IDS Group, Inc.	6/15/2021	\$63,275	\$0	\$63,275	
FE20-05 Plant Water Piping Replacement at Secondary Clarifiers 1-26 at Plant No. 1	IDS Group, Inc.	6/15/2021	\$186,626	\$0	\$186,626	
<b>2020 Master Agreements for On-Call Planning Studies</b>						
PS20-04 Power Generation Overhaul Feasibility Study	Brown and Caldwell	4/6/2021	\$122,748	\$0	\$122,748	
RE20-02 Chemical Resilience Study	Hazen and Sawyer	6/1/2021	\$278,784	\$0	\$278,784	
			<b>Total</b>	<b>\$4,951,946</b>	<b>\$178,653</b>	<b>\$5,130,599</b>

**PART 3 – MASTER BUDGET PROJECTS**

The Board-adopted budget for Fiscal Years 2018-19 and 2019-20 includes master program budgets that allow staff to more quickly initiate, execute, and manage smaller projects that fit within the scope of a particular program. The projects chartered under these program budgets are referred to as sub-projects and are managed to the same standards as projects specifically listed in the adopted budget. A status table for each of these programs listing the sub-projects is attached.

<b>Master Program Title</b>	<b>Status Table</b>
Planning Studies Program	Table 7
Research Program	Table 8
Small Construction Projects Program	Table 9
Information Technology Capital Program	Table 10
Operations & Maintenance Capital Program	Table 11

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021  
Table 7 - Planning Studies Status Report**

Project Number	Project Name	Status	Allocated Budget
PS15-02	Edinger Pump Station Rehabilitation Study	Active	\$ 971,000
PS16-02	SCE Feed Reliability Improvements Study	Active	\$ 293,000
PS17-03	Active Fault Location Study at Plant No. 2	Active	\$ 1,300,000
PS17-08	CEQA - Facilities Master Plan	Closed	\$ 999,966
PS18-06	Go/No-Go Lights and Signage	Active	\$ 495,000
PS18-09	Ocean Outfall Condition Assessment and Scoping Study	Active	\$ 3,340,000
PS18-11	ETAP Model Updates for Plant Nos 1 and 2	Active	\$ 428,000
PS19-03	Laboratory Rehabilitation Feasibility Study	Active	\$ 450,000
PS20-01	O&M Complex and Collections Yard Relocation at Plant No. 2	Active	\$ 375,000
PS20-02	Collection System Flow Level Monitoring Study	Active	\$ 575,000
PS20-03	Truck Loading Bay Odor Control Improvements Study at Plant No. 2	Active	\$ 200,000
PS20-04	Power Generation Overhaul Feasibility Study	Active	\$ 200,000
PS20-05	Cen Gen Pressure Vessel Integrity Assessment at Plant Nos. 1 & 2	Active	\$ 400,000
PS20-07	College Pump Station Wet Well Condition Assessment Study	Active	\$ 200,000
PS20-08	Euclid Trunk Sewer Hydraulic Modeling and Odor Control Analyses	Active	\$ 500,000
PS20-09	Thickening & Dewatering Plant Water Study at Plant No. 1	Active	\$ 400,000
<b>Grand Total</b>			<b>\$ 11,126,966</b>
Number of Chartered Projects			16
Board Approved Program Budget		\$	28,652,000
Remaining Unallocated Budget		\$	17,525,034

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 8 - Research Program Status Report**

<b>Project Number</b>	<b>Project Name</b>	<b>Status</b>	<b>Allocated Budget</b>
RE17-02	Biogas Scrubber Evaluation	Active	\$ 865,000
RE19-01	Primary Scum Equipment Evaluation at Plant No. 1	Active	\$ 69,853
RE20-01	Co-Thickened Sludge Density Meter Trial atl Plant No. 1	Active	\$ 121,000
RE20-02	Chemical Resilience Study at Plant No.1 and 2	Active	\$ 329,996
RE20-04	Holding Digester 6 Solids Shredder Study at Plant No. 1	Active	\$ 95,000
RE20-06	Co-Thickened Sludge Pump Trial at Plant No. 1	Active	\$ 160,000
<b>Grand Total</b>			<b>\$ 1,640,849</b>
Number of Chartered Projects			6
Board Approved Program Budget			\$ 8,500,000
Remaining Unallocated Budget			\$ 6,859,151

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021**

**Table 9 - Small Construction Projects Program Status Report**

<b>Project Number</b>	<b>Project Name</b>	<b>Status</b>	<b>Allocated Budget</b>
FE10-21	Area 02 Craig Regional Park Manhole Improvements	Active	\$ 1,359,000
FE14-05	Plant No. 1 Fleet Services UST Leak Remediation	Active	\$ 1,487,311
FE15-07	Secondary Treatment and Plant Water VFD Replacement at Plant 1	Closed	\$ 2,800,988
FE17-01	Carbon Canyon Pipeline Sag Repairs	Active	\$ 873,000
FE17-03	Battery Storage System at Plant No. 1	Active	\$ 650,000
FE17-05	Plant 1 ICS Network Extension	Active	\$ 950,000
FE18-06	CenGen Instrument Air Compressors Replacement at Plant No. 1	Active	\$ 1,450,000
FE18-08	West Trunk Bypass Sewer Realignment	Active	\$ 158,000
FE18-11	Headworks Explosive Gas Monitoring Systems at Plant No. 1 and No. 2	Active	\$ 470,000
FE18-12	Erosion Control at Santa Ana River and Hamilton Ave	Active	\$ 330,000
FE18-13	Redhill Relief Sewer Relocation at State Route 55	Active	\$ 2,840,000
FE18-14	Plant Water Pipeline Replacement in Kinnison, Lindstrom, and Scott Tunnels at Plant No. 2	Active	\$ 1,895,000
FE18-15	Plant Boiler System Relief at Plant No. 2	Active	\$ 465,000
FE18-16	Truck Loading Basement Drain Modifications at Plant No. 1	Active	\$ 592,000
FE18-17	Trunkline Sampler Power Feed at Plant No 2	Active	\$ 248,993
FE18-19	12KV Distribution B and East RAS Pump Station Roofing Replacement	Active	\$ 1,188,000
FE18-20	Blower Building No. 1 Air Compressors at Plant No. 1	Active	\$ 1,200,000
FE19-01	Pump Station Portable Generator Connectors	Active	\$ 2,570,000
FE19-02	Cengen Plant Water Pipe Replacement at Plant No. 1	Active	\$ 2,250,000
FE19-03	Trickling Filter Sludge and Scum Pumps Replacement at Plant No. 1	Active	\$ 3,200,000
FE19-04	Sunflower Pump Replacement at Plant No. 1	Active	\$ 6,300,000
FE19-06	EPSA Motor Cooling Improvements at Plant No. 2	Active	\$ 1,475,000
FE19-08	Secondary Treatment VFD Replacements at Plant No. 2	Active	\$ 3,337,000
FE19-09	Newhope - Placentia Trunk Grade Separation Replacement Repairs	Active	\$ 500,000
FE19-10	Digesters C, D, F, G and I Gas Balance Lines Replacement at Plant No. 2	Active	\$ 300,000
FE19-11	Primary Clarifiers Nos. 6-31 Lighting and Alarm Improvements at Plant No. 1	Active	\$ 1,250,000
FE19-12	Rebuild Shop Fume Extractor Installation at Plant No 1	Active	\$ 445,000
FE19-13	VFD Replacements at Seal Beach Pump Station	Active	\$ 690,000
FE20-01	Wastehauler Station Safety and Security Improvements	Active	\$ 830,000
FE20-02	Digester C, D, F, and G Mechanical Rehabilitation at Plant No. 2	Active	\$ 2,800,000
FE20-03	Return Activated Sludge Discharge Piping Replacement at Activated Sludge Plant No. 1	Active	\$ 4,250,000
FE20-04	Cengen Cooling Water Pipe Replacement at Plant No. 2	Active	\$ 3,500,000
FE20-05	Plant Water Piping Replacement at Secondary Clarifiers 1-26 at Plant No. 1	Active	\$ 1,545,000
FE20-06	Thickening and Dewatering Building Pipe Support Improvements at Plant No. 1	Active	\$ 1,500,000
FE20-07	Santa Ana Trunk Rehabilitation at Plant No. 1	Active	\$ 1,240,000
FE20-08	Olive Sub-Trunk Siphon Rehabilitation at Santa Ana River	Active	\$ 1,850,000
FE20-09	CenGen Smoke Detection Improvements at Plant No. 1 and No. 2	Active	\$ 600,000
FE20-10	Adolfo Lopez Chemical Dosing Station Installation	Active	\$ 1,000,000
<b>Grand Total</b>			<b>\$ 60,389,292</b>
Number of Chartered Projects			38
Board Approved Program Budget			\$ 90,000,000
Remaining Unallocated Budget			\$ 29,610,708

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021  
Table 10 - Information Technology Capital Program Status Report**

Project Number	Project Name	Status	Allocated Budget
IT16-11	Business Continuity Plan	Closed	\$ 117,600
IT17-06	Printer Obsolescence	Closed	\$ 335,141
IT17-07	Safety Management Suite	Closed	\$ 95,900
IT17-10	Electronic Operator Round Form	Active	\$ 45,000
IT17-12	Sever/Network Power Improvements	Active	\$ 90,000
IT17-14	Specialized Application Programing & Support	Closed	\$ 114,296
IT18-03	Timecard Systems Upgrade	Closed	\$ 78,696
IT18-09	Records Management Information System	Active	\$ 150,000
IT18-10	Board Services Management System	Closed	\$ 50,596
IT19-01	IT Safety VPP Systems (IT19-01)	Active	\$ 210,000
IT19-05	IT P1 & P2 Data Refresh (IT19-05)	Active	\$ 500,000
IT20-04	Cyber Security Program (IT20-04) 6520004	Active	\$ 150,000
IT20-05	Client Management Modernization (ICE-69_IT20-05) 6520005	Active	\$ 99,000
IT20-06	Nintex Workflow Cloud Implementation (ICE-75_IT20-06) 6520006	Active	\$ 350,000
IT20-07	Professional Services for Valo/SharePoint (ICE-74_IT20-07) 6520007	Active	\$ 100,000
IT20-08	Field Computer for Nerissa and Interface with LIMS(ICE-68_IT20-07) 6520008	Active	\$ 121,000
IT20-09	ITSM Migration (ICE-70_IT20-09) 6520009	Active	\$ 275,000
IT20-10	Digitize Quality Assurance Tracking Processes /TNI/ELAP Standards(ICE-76_IT20-10) 6520010	Active	\$ 145,700
IT20-11	Sewer Agency Fee System 2 (SAFS 2) Upgrade (ICE-77 IT20-11) 6520011	Active	\$ 42,042
IT20-12	Web-based Cloud Proxy Security with an Isolation Platform (ICE-78_6520012)	Active	\$ 50,000
<b>Grand Total</b>			<b>\$ 3,119,971</b>
Number of Chartered Projects			20
Board Approved Program Budget		\$	10,000,000
Remaining Unallocated Budget		\$	6,880,029

**Engineering Program Contract Performance Report  
for Quarter Ending 6/30/2021  
Table 11 - Operations & Maintenance Capital Program Status Report**

Project Number	Project Name	Status	Allocated Budget
MP-276-1	Central Generation Engine Overhauls at Plant No. 1 and Plant No. 2	Active	\$ 5,900,000
SC17-01	CENGEN #1 Elevator Rehab	Active	\$ 110,020
SC17-03	CenGen Oil Filter Platform	Active	\$ 275,000
SC18-01	P1 Primary Clarifier Fall Protection Improvements	Active	\$ 50,000
SC18-05	P1 Laboratory HVAC Boiler Burner Replacement At Plant No.1	Active	\$ 455,000
SC18-08	MacArthur Pump Station - FM Valve Replacement	Active	\$ 71,068
SC18-09	Admin Bldg UPS System Replacement	Active	\$ 81,332
SC19-02	Truck Loading-Conveyors 3&6 (SC19-02)	Active	\$ 205,300
SC19-03	Return Activated Sludge Pump Station Elevator Rehabilitation at Plant No. 2	Active	\$ 890,000
SC19-05	as the Lido PS UPS Replacement	Active	\$ 55,000
SC19-06	EPSA Standby Power Generator Control Upgrades at Plant No. 2	Active	\$ 1,600,000
SC19-07	Sunflower Pump Station Gearbox Swing Unit Purchase	Active	\$ -
SC20-02	Ocean Outfall Booster Station Elevator Rehabilitation	Active	\$ 410,000
<b>Grand Total</b>			<b>\$ 10,102,720</b>
Number of Chartered Projects			13
Board Approved Program Budget			\$ 15,622,000
Remaining Unallocated Budget			\$ 5,519,280

**PART 4 – SUPPLEMENTAL ENGINEERING SERVICES CONTRACT**

In May 2016, OC San Board of Directors approved a \$41 million professional services agreement with Jacobs Project Management Co. to provide supplemental engineering and support staff services for a four-year term with the option of three one-year renewals. The benefits of using a supplemental engineering services contract, as opposed to hiring full-time staff or limited-term employees, include rapid mobilization of highly skilled/technical staff, flexibility to change the mix of staff positions on an immediate and as-needed basis, the ability to reduce staff as workloads decrease, access to technical experts to support special tasks, and access to staff with wastewater project experience.

A status table for the supplemental engineering services contract summary is attached under Table 12, and the supplemental engineering services labor summary can be found under Table 13.

**Table 12 – Supplemental Engineering Services Contract Status**

	<b>Total Fees</b>	<b>Time</b>
Contract	\$41,000,000	86 months <sup>(1)</sup>
Actuals to Date	\$25,919,471 63%	62 months 72%
Remaining	\$15,080,529 37%	24 months 28%

<sup>(1)</sup> Assuming two more 1-year extensions

**Table 13 - Supplemental Engineering Services Labor Summary**

	<b>This Quarter</b>	<b>Inception to Date</b>
Labor Hours	7,790	192,002
Full Time Equivalentents	17.3	20.6
Labor Costs (no expenses)	\$1,147,541	\$25,395,761
Average Hourly Rate	\$147	\$132



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1844

**Agenda Date:** 9/29/2021

**Agenda Item No:** 10.

---

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Assistant General Manager

**SUBJECT:**

**PLANT NO. 2 PRIMARY DISTRIBUTION STRUCTURE B GATES REPAIR**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Service Contract to J.R. Filanc Construction Co. to repair ten slide gates for Plant No. 2 Primary Distribution Structure, per Specification No. S-2021-1249BD, for a total amount not to exceed \$309,500, including sales tax and freight; and
- B. Approve a contingency of \$46,425 (15%).

**BACKGROUND**

The Orange County Sanitation District (OC San) has three primary Distribution Structures at Plant No. 2 that direct primary influent from Headworks to groupings of Primary Sedimentation Basins. Distribution Structure B (DS-B) directs primary influent to primary clarifiers H, I, J, K, L, and M. A condition assessment conducted on DS-B while the six associated primary clarifiers were down during a construction outage identified 10 slide gates that are inoperable and other steel components inside DS-B that are corroded.

**RELEVANT STANDARDS**

- 24/7/365 treatment plant reliability
- Maintain a proactive asset management program
- Comply with environmental permit requirements

**PROBLEM**

Major corrosion issues were discovered during the condition assessment performed inside DS-B at Plant No. 2. 10 slide gates were inoperable and severe corrosion was found on numerous steel weir plates and a steel bulkhead. Replacement of these components is required to return DS-B to service.

**PROPOSED SOLUTION**

Staff recommends replacement of the corroded steel components identified in DS-B at Plant No. 2 through approval of a Purchase Order to the lowest responsive and responsible bidder, J. R. Filanc Construction Co.

**TIMING CONCERNS**

The proposed repair needs to be executed to restore DS-B and its associated six primary clarifiers to service to restore the rated primary clarification capacity at Plant No. 2. Restoration of DS-B provides OC San the ability to control and isolate flows to the B-Side primary clarifier basins.

**RAMIFICATIONS OF NOT TAKING ACTION**

Not repairing the slide gates will result in the inability to isolate individual B-Side primary clarifier basins. Failure of one primary basin requiring isolation will result in an outage that impacts all the B-Side primary clarifiers, severely impacting the ability to treat primary influent at Plant No. 2.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San advertised a Request for Bid on June 8, 2021, for repair of DS-B. Five bids were received. Below are the responsive bidders and their corresponding bids. The lowest responsive and responsible bidder is J.R. Filanc Construction Co.

<b>Bidder</b>	<b>Amount of Bid Plus Sales Tax</b>
J.R. Filanc Construction Co. Inc	\$309,500
Abhe & Svoboda Inc.	\$584,751
Kiewit Infrastructure West Co.	\$747,000
THARSOS Inc.	\$794,000
Mehta Mechanical Company Inc.	\$982,111

A contingency of 15% is requested for unforeseen issues or repair of additional corroded components potentially uncovered during disassembly and repairs that could add costs during installation and performance testing.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This recommendation would be funded under the Repairs and Maintenance line item for Division 870 FY 2020-21 Budget, Section 6, Page 100), and the available funding is sufficient for this action.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/29/2021	\$309,500	\$46,425 (15%)

**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:*

- Service Contract

RM:sa:jq:ls:qc

**SERVICE CONTRACT**  
**Primary Distribution Structure B Gates Repair at Plant 2**  
**Specification No. S-2021-1249BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and J.R. Filanc Construction Company, Inc. with a principal place of business at 740 N. Andreasen Drive, Escondido, CA 92029 (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to temporarily retain the services of Contractor for Primary Distribution Structure B gates repair at Plant 2 "Services" as described in Exhibit "A"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56; and

**WHEREAS**, on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and

**WHEREAS**, Contractor is qualified by virtue of experience, training, and expertise to accomplish such Services,

**NOW, THEREFORE**, in consideration of the mutual promises and mutual benefits exchanged between the Parties, the Parties mutually agree as follows:

**1. Introduction**

1.1 This Contract and all exhibits hereto (called the "Contract") is made by OC San and the Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in Exhibit "A".

1.2 Exhibits to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein.

- Exhibit "A" Scope of Work
- Exhibit "B" Bid
- Exhibit "C" Determined Insurance Requirement Form
- Exhibit "D" Contractor Safety Standards
- Exhibit "E" Human Resources Policies
- Exhibit "F" General Conditions
- Exhibit "G" Performance and Payment Bonds

1.3 In the event of any conflict or inconsistency between the provisions of this 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 Contract is set forth below:

- a. Addenda issued prior to opening of Bids – the last in time being the first in precedence
- b. Service Contract
- c. Exhibit "F" General Conditions
- d. Exhibit "C" Determined Insurance Requirement Form
- e. Exhibit "D" Contractor Safety Standards

- f. Permits and other regulatory requirements
  - g. Exhibit "E" Human Resources Policies
  - h. Exhibit "A" Scope of Work
  - i. Exhibit "B" Bid Price Form
  - j. Exhibit "G" Performance and Payment Bonds
- 1.4 The provisions of this Contract may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
  - 1.5 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.
  - 1.6 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
  - 1.7 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
  - 1.8 The term "hours" shall mean 7:00 A.M. to 4:00 P.M., Monday through Friday when used in this Contract.
  - 1.9 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under "Compensation" below.
  - 1.10 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.
2. **Compensation** Compensation to be paid by OC San to Contractor for the Services provided under this Contract shall be a total amount not to exceed Three Hundred Nine Thousand, Five Hundred Dollars (\$309,500.00).
  3. **California Department of Industrial Relations (DIR) Registration and Record of Wages**
    - 3.1 To the extent Contractor's employees and/or its subcontractors who will perform Work during the design and preconstruction phases of a construction contract or perform work under a maintenance contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its subcontractors 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 and enforcement by the DIR.
    - 3.2 The Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.
    - 3.3 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 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.

- 3.4 The Contractor and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).
- 4. Payments and Invoicing**
- 4.1 OC San shall pay, net thirty (30) days, upon receipt and approval, by OC San's Project Manager or designee, of an itemized invoice submitted for Services completed in accordance with Exhibit "A". OC San, at its sole discretion, shall be the determining party as to whether the Services have been satisfactorily completed.
- 4.2 Invoice shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OCSan.gov](mailto:APStaff@OCSan.gov) and "INVOICE" with the Purchase Order Number and S-2021-1249BD shall be referenced in the subject line.
- 5. Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
- 6. Scope of Work** Subject to the terms of this Contract, Contractor shall perform the Services identified in Exhibit "A". Contractor shall perform said Services in accordance with generally accepted industry and professional standards.
- 7. Modifications to Scope of Work** Requests for modifications to the Scope of Work hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties.
- 8. Contract Term** The Services provided under this Contract shall be completed within Sixty-three (63) calendar days from the effective date of the Notice to Proceed.
- 9. Extensions** The term of this Contract may be extended only by written instrument signed by both Parties. Also, refer to Exhibit F – General Conditions, Section entitled Extension Of Time For Delay.
- 10. Performance** Time is of the essence in the performance of the provisions hereof.
- 11. Termination**
- 11.1 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 of intent to terminate. 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) to 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 to the date of termination.
- 11.2 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 any other default of this Contract.

11.3 OC San may also immediately cancel for default of this Contract 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 total amount of compensation exceeds the amount authorized under this Contract.

11.4 All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of this Contract, whichever occurs first.

12. **Insurance** Contractor and all subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Determined Insurance Requirement Form (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract.

13. **Bonds** Contractor shall, before entering upon the performance of this Contract, furnish bonds (attached hereto in Exhibit "G") approved by OC San's General Counsel - 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.

14. **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 be caused by Contractor's 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.

15. **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 Contractor Safety Standards while working at OC San locations. If during the course of the Contract it is discovered that Contractor Safety Standards do not comply with Federal, State, or local regulations, then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all of its employees and subcontractors, shall adhere to all applicable Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Warranties** (Refer to Exhibit F – General Conditions, Section entitled Warranty (Contractor's Guarantee).
17. **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 said 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 or may be eliminated from the Contract.
18. **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.
19. **Familiarity with Work** By executing this Contract, Contractor 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 Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
20. **Regulatory Requirements** Contractor shall perform all work under this Contract 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 California Water Codes Division 2.
21. **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.
22. **Contractor's License Requirements** In accordance with California Business and Professions Code Section 7028.15 and pursuant to Public Contract Code Section 3300, the Contractor must possess the following classification of Contractor's License: "A".
  - 22.1 The Contractor must possess a valid license prior to starting any work and shall maintain the license throughout the duration of the Contract. All Subcontractors must possess and maintain the appropriate and valid licenses throughout the duration of the Contract.

- 22.2 If Contractor is required to handle hazardous materials as part of the Work under the Contract Documents, the Contractor and/or Subcontractor must possess and maintain throughout the duration of the Work any and all licenses, registrations and certifications required by existing law to perform the Work within the scope of the Contract, including, without limitation, a Class A license in accordance with §7028.15 A-E of the California Business and Professions Code, and certification for performance of Hazardous Substance Removal with the exception of “Asbestos-Related Work” in accordance with §7058.7 of the California Business and Professions Code. The term “Asbestos-Related Work”, is defined in Labor Code Section 6501.8.
23. **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 engage in this work. 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 the terms of this Contract will be paid by Contractor.
24. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
25. **Contractor's Employees Compensation**
- 25.1 **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.
- 25.2 **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 same are on file in the Engineering Department. The Contractor agrees that not less than said prevailing rates shall be paid to workers employed on this 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 project site, which shall be made available to any interested party upon request.
- 25.3 **Forfeiture For Violation** – Contractor shall, as a penalty to OC San, forfeit fifty dollars (\$50.00) 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.

- 25.4 **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 or twenty (20) working days or more; or if contracts of specialty contractors not bidding for work through the general or prime Contractor are two thousand dollars (\$2,000.00) or more or five (5) working days or more.
- 25.5 **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 it hereunder. 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 (1) calendar day and forty (40) hours in any one (1) 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.
- 25.6 **Record of Wages; Inspection** – Contractor agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight-time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the project and agrees to require that each of its subcontractors do the same. All payroll records shall be certified as accurate by the applicable Contractor or subcontractor or its agent having authority over such matters. Contractor further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. Penalties for non-compliance with the requirements of Section 1776 may be deducted from project payments per the requirements of Section 1776.
26. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
27. **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.
28. **Breach** The waiver of 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.
29. **Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price

OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the Contract price, together with any incidental or consequential damages.

**30. Dispute Resolution**

30.1 In the event of a dispute as to the construction or interpretation of this Contract, 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.

30.2 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.

**31. Attorney's Fees** If any action at law or inequity 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 he may be entitled.

**32. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**33. 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.

**34. Damage to OC San's Property** Any of OC San's property damaged by Contractor, any subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.

**35. Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from this project without the prior written consent from OC San.

36. **Independent Contractor** The legal 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.
37. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
38. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
39. **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 for the terms of this Contract.
40. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
41. **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.
42. **Entire Contract** This Contract 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.

**43. Notices** All notices under this Contract must be in writing. Written notice shall be delivered by personal service 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: Jackie Lagade, Principal Buyer  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708

Contractor: David J. Kiess, President  
J.R. Filanc Construction Company, Inc.  
704 N. Andreasen Drive  
Escondido, CA 92029

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

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

**ORANGE COUNTY SANITATION DISTRICT**

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
John B. Withers  
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**

**EXHIBIT A**  
**SCOPE OF WORK (ADDENDUM 3)**  
**Primary Distribution Structure B Gates Repair at Plant 2**  
**SPECIFICATION NO. S-2021-1249BD**

**EXECUTIVE SUMMARY/OVERVIEW**

The Orange County Sanitation District (OC San) operates the third largest wastewater agency west of the Mississippi River. Since 1954, we have safely collected, treated, and disposed of and/or reclaimed the wastewater generated by 2.6 million people living and working in central and northwestern Orange County, California.

Each day we treat approximately 185 million gallons of wastewater, enough water to fill Anaheim stadium over two and a quarter times. About 80 percent of the wastewater comes from homes – sinks, toilets, showers, laundry, and dishwashers. The remaining comes from businesses – retail stores, restaurants, manufacturers, hotels, offices, and other industries.

**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"):

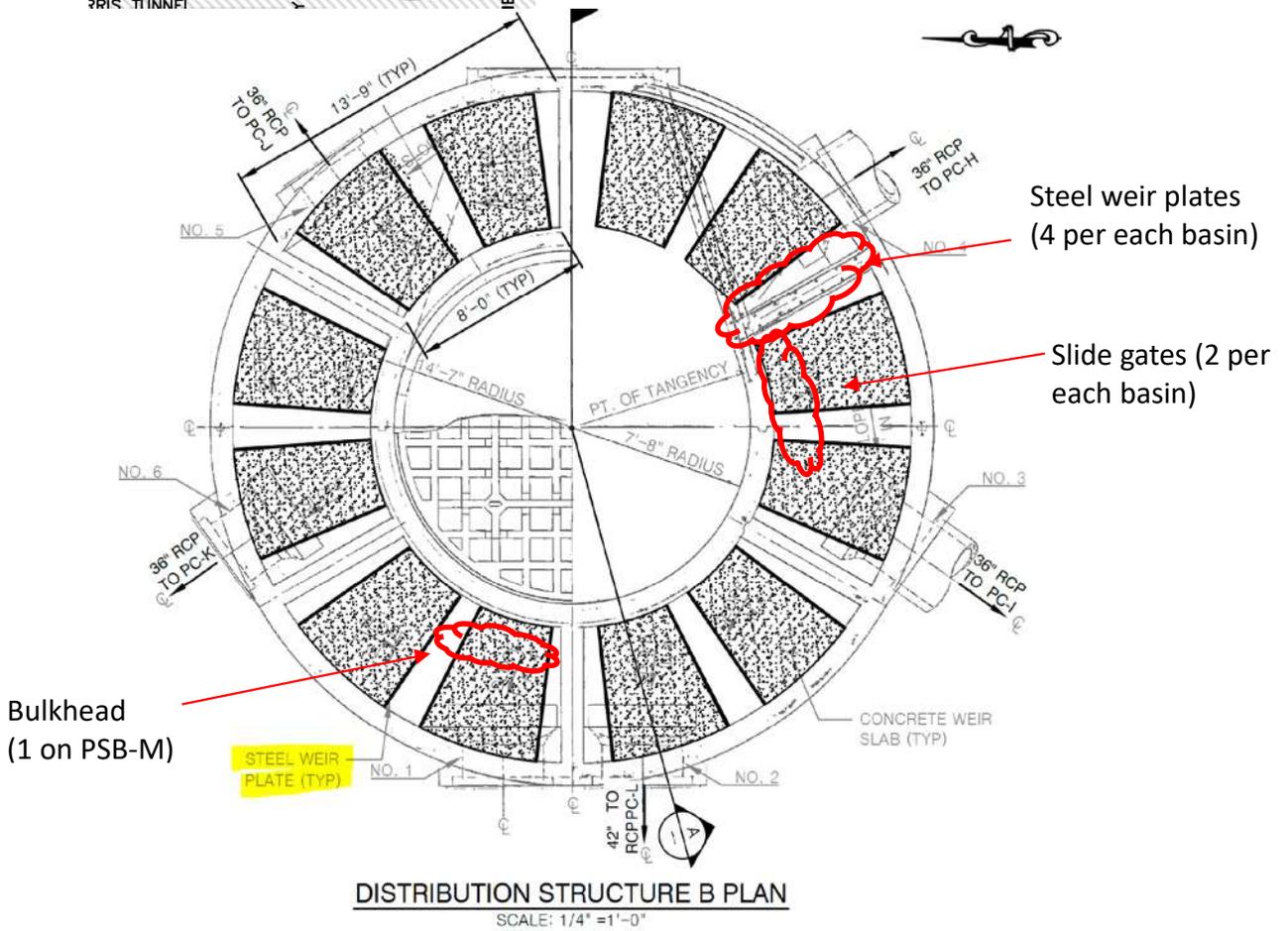
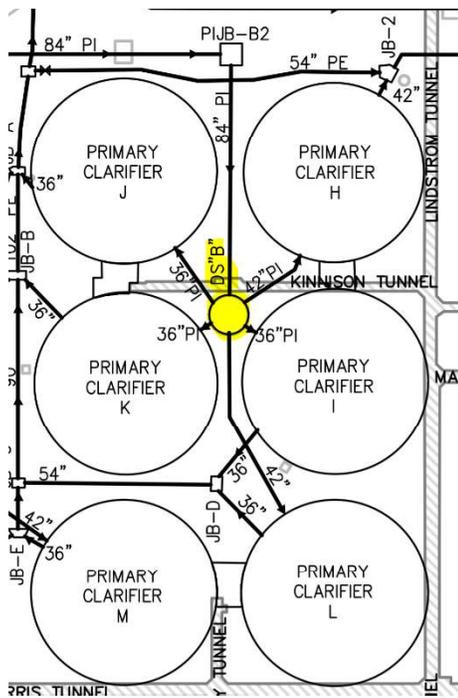
- *Plant 2 – 22212 Brookhurst Street, Huntington Beach, CA 92648*

**2 General**

OC San has a distribution structure (DS) that sends primary influent from Headworks to 6 Primary Sedimentation Basins (PSB) H, I, J, K, L, and M (normally closed). On February 2021, OC San conducted a condition assessment (Report found in Appendix A-1) around the DS-B (Picture 1). This project shall repair and replace 10 slide gates (2 gates per basin, except PSB-M), 1 carbon steel (CS) bulkhead for PSB-M, and 20 CS weir plates (4 weir plates per basin, except PSB-M) as described below.

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 Exhibit A and within other portions of the Contract Documents and Drawings and as more specifically described below.

Picture 1: Drawing



Picture 2: DS-B Plan Drawing

### 3 Description of the Work

#### A. Slide Gates Repair

There are 10 slide gates (2 gates per basin, except one from PSB-M) that are not operable due to bent stems and bad bevel gear operators (Picture 3). Also, there is coating failure and corrosion on the gate handles (Picture 4) and bent top frames (Picture 5). The Contractor shall replace stems, including new hardware and lubrication, replace bottom rubber gasket, bevel gear operators, and handwheels, and straighten top frames (“C” channel). Each gate shall be tested after the installation. Operations shall fully open and close each gate at a minimum of 3 times. Either contractor or OC San inspector shall be inside the center structure to visually confirm gates. A leak test may be required if operations allow the system to go online.



Picture 3: Bent stems and bevel gear operators



Picture 4: Corroded handwheel and bevel gear operator

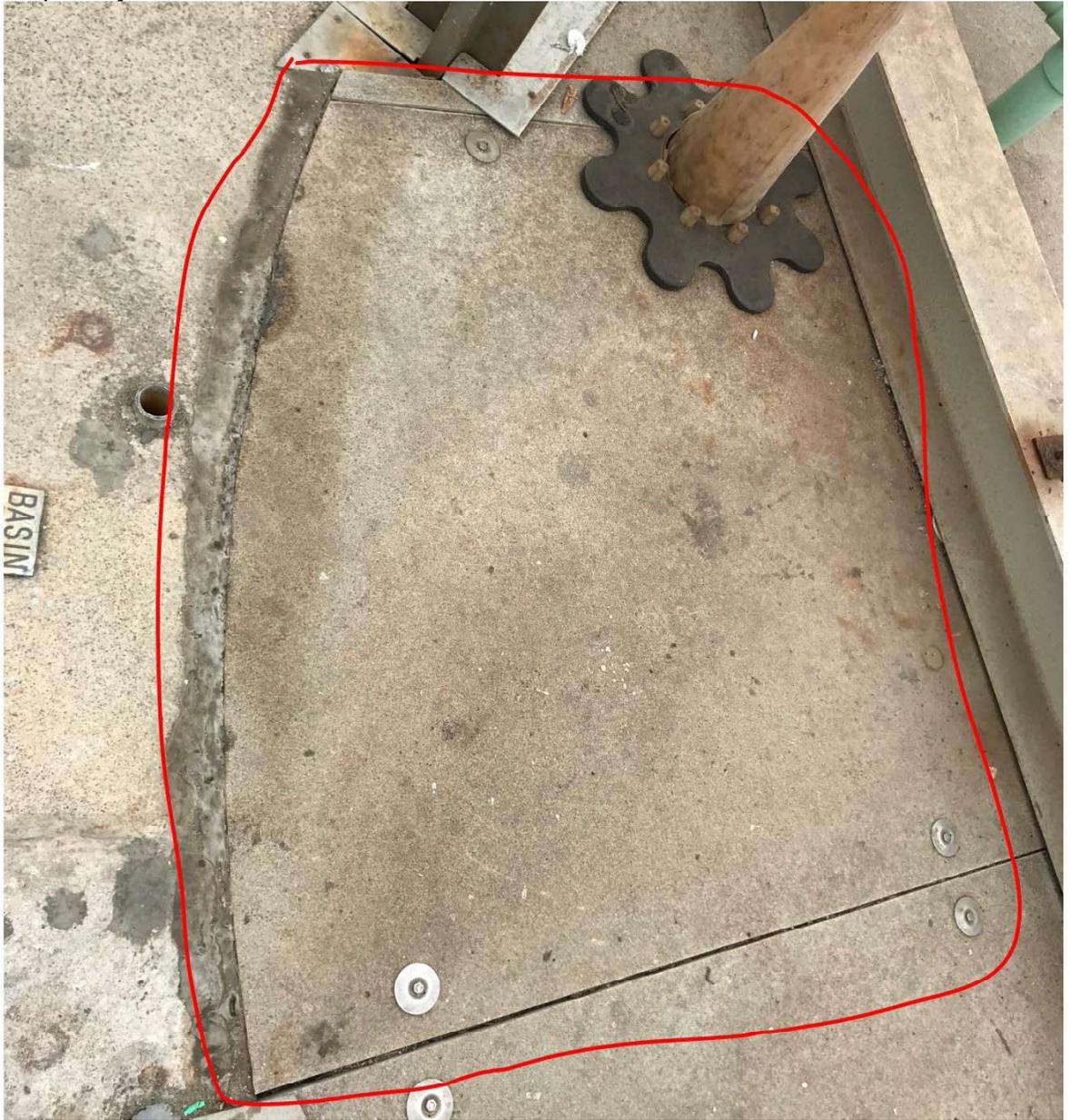


Picture 5: Bent gate top frame

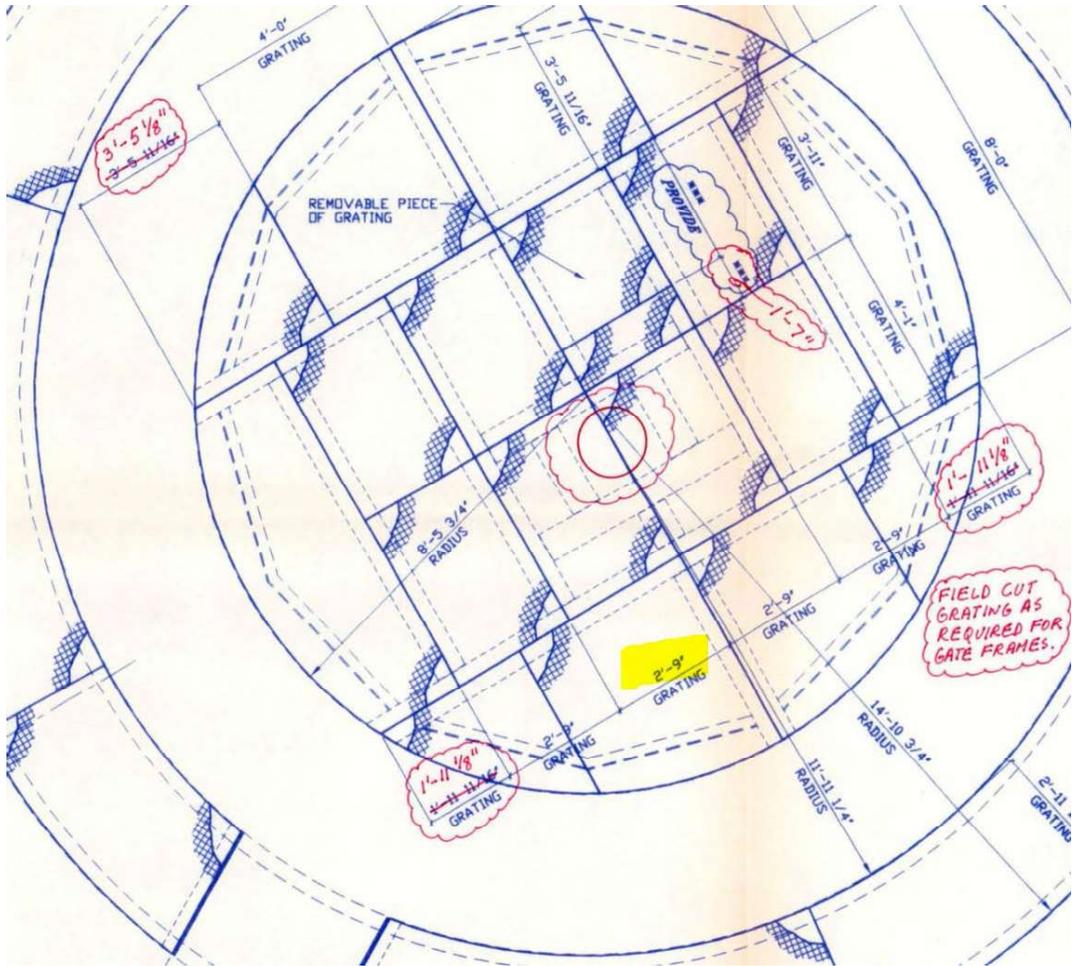
**B. Carbon Steel Bulkhead Replacement**

There is one corroded carbon steel bulkhead by PSB-M side. The Contractor shall remove FRP gratings to access center of distribution structure and bulkhead removal. In order to remove bulkhead, Contractor shall remove the grating red circled in Picture 6. Curved slat above the bulkhead may need to be removed (Picture 8). Also, bulkhead holes are in bad condition, so they may fail while trying to remove the bulkhead. Lastly, downstream

channel below is filled with primary influent, because PSB-M is normally fed from DS-C and may be operational during this project. Water elevation is below weir elevation in normal condition, but for safety concern, coordinate with OC San operations staff to temporarily turn off flow from DS-C to PSB-M while the bulkhead is removed.



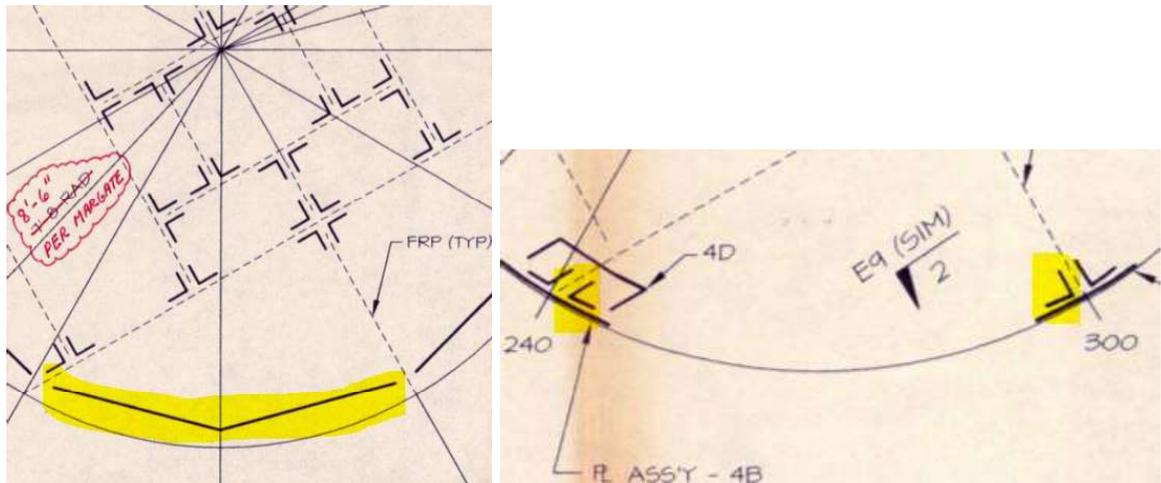
Picture 6: FRP grating from walkway



Picture 7: FRP grating dimension



Picture 8: Corroded carbon steel bulkhead from center of distribution structure



Picture 9: Curved slat and connections under FRP grating



Picture 10: One of weir slabs for PSB-M, and channel below filled with primary influent. Sludge on top of slabs will be removed by OC San.

C. Carbon Steel Weir Plates Replacement (Picture 12)

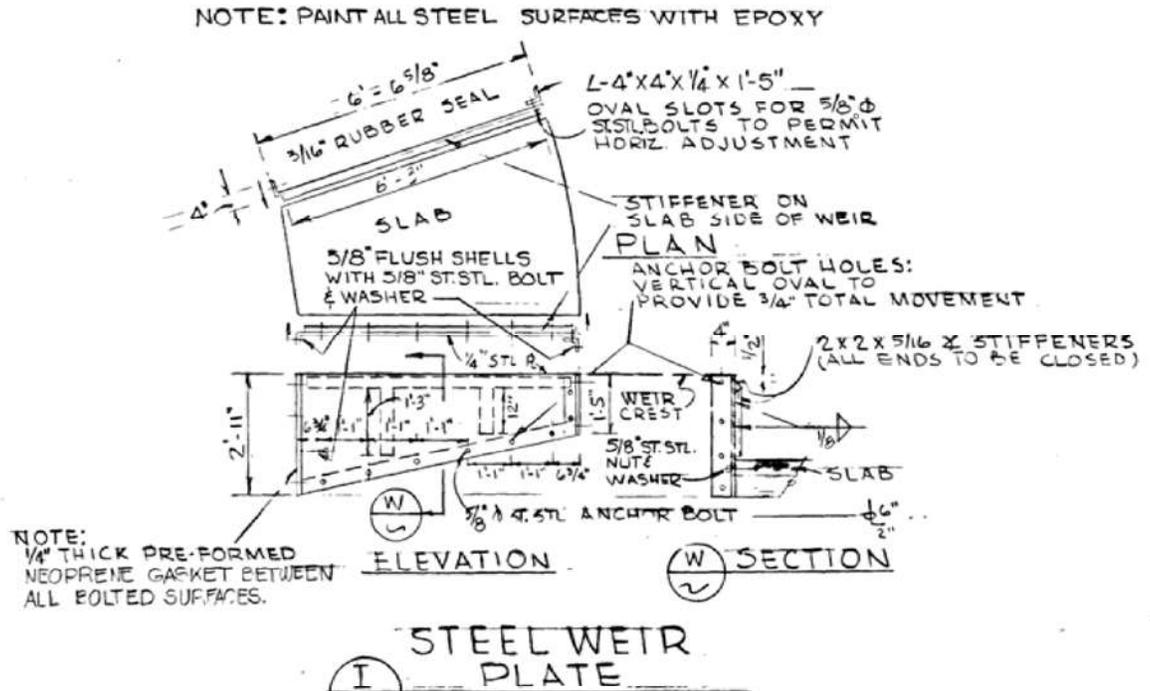
There are 20 carbon steel weir plates (4 weir plates per basin, except 4 from PSB-M) that are corroded with coating failures. The Contractor shall remove FRP gratings (Picture 11) to access weir plates, disassemble weir plates, including L-brackets, and replace them. Refer to Appendix A-3, Section I for the original shop drawing and dimensions. Rubber seals between bolted surfaces shall be replaced. Protect-in-place the existing concrete slabs attached to the weir plates. Individual components shall be marked so that replaced components match the existing installation when the work is completed.



Picture 11: FRP covers removed to access weir plates



Picture 12: Corroded steel weir plates



Picture 13: Steel weir plate original drawing

**D. Confined Space Entry Support**

The Contractor shall provide confined space entry and all confined space entry equipment, including but not limited to ventilation, lighting, and Self-Contained Breathing Apparatus (SCBA), for the structure entry. The Contractor shall clean and dewater necessary areas, such as inlet well and weir channels, for safe entrance.

**4 Project/Work Elements**

Because slide gates are not operable, OC San cannot individually isolate downstream primary basins (H, I, J, K, & L). This project would result in a shutdown of these 5 basins. In order to minimize process risk, the work shall be completed within 28 days after the mobilization.

**4.1 Submittals**

- A. Work plan
- B. Shop fabrication drawings of all supplied materials and hardware
- C. Repair procedures and all repair materials specified in this scope of work
- D. Construction schedule

**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 and testing.
- B. 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 Equipment Removal**

- A. Slide gates removal (not including one from PSB-M):
  - o 10 x stems & hardware
  - o 10 x bottom rubber seal at the bottom

- 10 x bevel gear operators with 24-in handwheels
- 10 x top frames & hardware
  - Top frames to be reused after straightened
- Polycarbonate thread cover (if exists)
- B. Bulkhead removal:
  - Clean both weir slabs for PSB-M
  - 1 x bulkhead
    - Before the removal, coordinate with operations staff to stop flow from DS-C to PSB-M. Target this activity early morning 6-7am when the plant observes low diurnal flow
    - Plan this activity when new bulkhead is fabricated and ready to be installed right after to minimize PSB-M downtime
  - Clean opening for new bulkhead installation
- C. Weir plates removal (not including 4 from PSB-M):
  - 20 x weir plate assemblies
    - 20 x weir plates
    - 40 x L-brackets
    - 40 x neoprene gaskets
    - 20 x rubber seals
    - SS bolts and nuts
- D. FRP grating removal to provide access

#### 4.4 Equipment Installation

- A. Slide gates installation:
  - Refer to Section 4.1 for the original project submittal
  - 10 x 316 stainless steel (SS) stem
    - 1½-in diameter
    - Approximately 70-in length – to be field verified
    - Refer to Detail “G” from Appendix 2, page 9 for required hardware
    - Refer to 4.5 Material Requirements for stem lubrication
  - 10 x 1/4-in rubber seal at the bottom
    - Use 3M 1300 Adhesive or approved equal
  - 10 x Limitorque® B-20 Single Shaft Bevel Gear Operator, or approved equal
    - Include 24-in slide as accessory
  - 10 x 2½-in diameter clear polycarbonate cover with cover on top
    - 60-in long
  - 10 x 316 SS straightened “C” channel (top frame)
    - Refer to Section DD from Appendix A-2, page 9 for required hardware
  - Refer to 4.5 Material Requirement for coating spec of handles
- B. Bulkhead installation:
  - 316 SS with dimension of 30-in x 58-in – to be field verified
  - 1 ½-in max thickness
  - 2 x 1 ½-in holes on top section – size and location to be field verified
  - Seal joints and make watertight
    - Use polyurethane sealant. [Sika Corp Sikaflex 1A; Tremco Vulkem 116] or Equal
- C. Weir plates installation:
  - 20 x weir plate assemblies
    - Refer to Appendix A-3, Section I for the original drawing and dimension, but to be field verified
    - 20 x 316 SS weir plates with 316 SS 2 x 2 x 5/16 angle stiffeners

- 20 x 316 SS L-brackets (4-in x 4-in x 1/4-in x 1-ft 5-in) with 1/4-in thick neoprene gasket
- 20 x 316 SS L-brackets (4-in x 4-in x 1/4-in x 2-ft 11-in) with 1/4-in thick neoprene gasket
- 40 x 3/16-in neoprene seals (6-ft 6 3/8-in x 5-in)
- 316 SS hardware

D. FRP grating installation

- After work is completed, install existing FRP grating back to original location
- Apply nonshrink grout gap between concrete and FRP grating

4.5 **Material Requirements**

The Contractor shall submit repair procedure and repair materials for OC San approval

- To lubricate new operating stems, use a high grade, heavy-duty lubricant such as:
  - Shell Alvania 2EP
  - Tycol Azepro II
  - Mobilox Grease 2EP
  - Valvoline Val-Lith 2EP
- Non-shrink grout shall be Masterflow 928 as manufactured by BASF Master Builders; or equal. Grout shall be mixed in accordance with the manufacturer's instructions.

4.6 **Permits/Licenses**

Confined space entry permit

4.7 **Commissioning**

*Not Used*

4.8 **Deliverables/As Built Drawings/Manufacturer's Documentation**

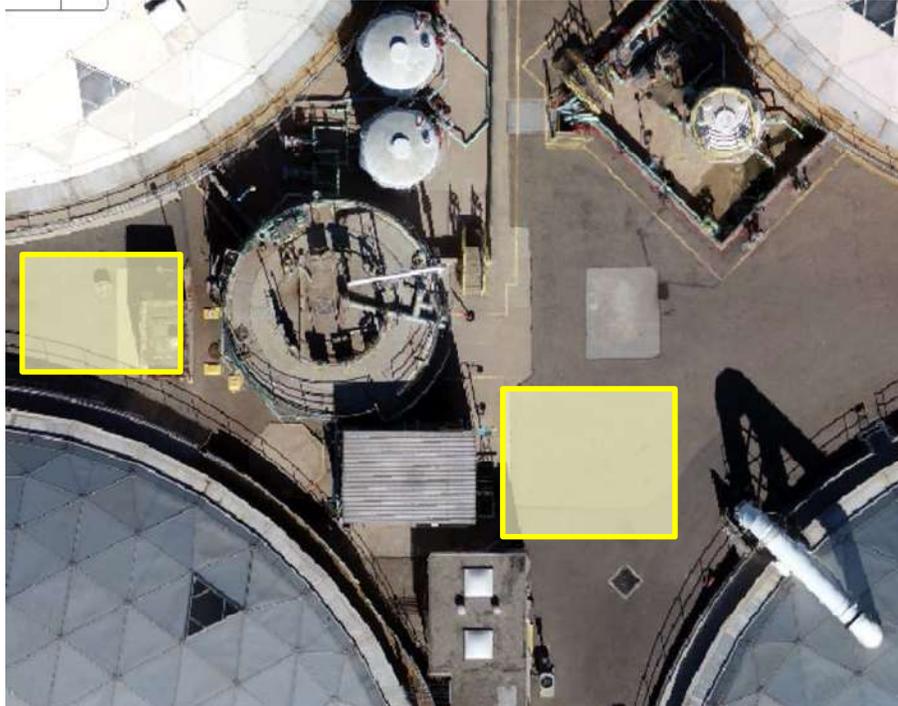
*Not Used*

4.9 **Training**

*Not Used*

**5 Resources Available**

- Appendices as reference information only
- Laydown and Staging Area (Picture 10) below. There may be a truck to load chemical to two bulk tanks north of the distribution structure.
- OC San will implement LOTO after the Contractor acquires Sanitation District's approval.



Picture 4014: Laydown and Staging Area by the highlighted area

## 6 Project Schedule

The Contractor shall complete the project within 98 calendar days from the effective date of Notice to Proceed. 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, but final completion of work shall be completed within 28 days after the mobilization

Milestones/Timeline	Deadline (Weeks from Kick-Off/NTP)	Review Period (Weeks)	Cumulative Weeks
Kick-Off Meeting (NTP)	Day of NTP	N/A	1 business day
Submittals	Within 21 days of NTP	7 days	28 days
Mobilization	Within 70 days of NTP and after submittal acceptance	N/A	70 days
Final Completion of Work	Within 98 days of NTP	N/A	98 days

## 7 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.

### 7.1 Project Kick-Off Meeting

- A. A minimum of two weeks prior to start of work, 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. Assume a minimum of two contract conferences for bidding purposes.

## **8 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 Project Manager.

## **9 Safety and Health Requirements**

The Contractor and any Subcontractors shall comply with all applicable provisions of the OC San Safety Standards, Federal OSHA, California OSHA, and Local regulations, whichever is most stringent. Please refer to the OC San Contractor Safety Standards for more information.

### **9.1 Injury and Illness Prevention Program/Site Specific Safety Plan (SSSP)**

- A. The Contractor shall prepare and submit a written, job specific safety plan (SSSP). The safety plan must address responsibility, compliance, communication, hazard assessment, incident investigation, hazard correction, and training as required by Title 8, California Code of Regulations, Section 3203.
- B. The Contractor shall also prepare and submit safety programs where required by Cal OSHA. These programs may include fall protection, lockout tagout, confined space entry, and hazard communication. The safety plan must be specific to the work being completed and approved prior to the start of work (includes mobilization).

### **9.2 Contractor Safety Orientation**

- A. The Contractor shall attend a Contractor Safety Orientation (CSO) meeting prior to the start of work. The CSO is an OC San safety orientation conducted between OC San's Risk Management Division (safety and health) and the Contractor. The CSO is conducted once per year or as job conditions or scope of work changes. The Contractor shall participate in these meetings by providing work plans and other requested safety deliverables described below.

### **9.3 Job Safety Analysis (JSA)**

- A. The Contractor shall prepare Job Safety Analysis (JSA) for work tasks completed by the Contractor. The JSA is a procedure where each basic step of the work task has identified hazards and recommended controls for the safest way to complete the work task.

### **9.4 Lock Out Tag Out (LOTO)**

- A. The Contractor shall participate in the OC San LOTO process. OC San will isolate the structure and associated systems prior to Contractor entry into the structure. OC San will prepare a written energy control procedure for the structure. OC San will demonstrate hazardous energy has been controlled by walking each isolation point and reviewing the energy control procedure with the Contractor. The Contractor shall apply their own lock and tag to the OC San lock box upon acceptance and sign the energy control procedure. Each Contractor employee working in the structure must apply their own lock and tag.

### **9.5 Confined Space Entry**

- A. The Contractor shall assume the work area will be in an area classified as a Permit Required Confined Space (PRCS). The Contractor shall prepare a PRCS Entry Permit, Entry Procedure and Rescue Plan that describes all procedures, equipment,

and methods proposed to be used. A dedicated Rescue Team is required. Calling 911 or relying on the local fire department for rescue is not acceptable. A ventilation plan is required to be developed by qualified personnel and implemented during any entry into the structure. The Contractor shall monitor the atmosphere during entry for oxygen, carbon monoxide, flammable gases, and hydrogen sulfide. The Contractor should not assume any OC San owned equipment is available for Contractor use. All safety support shall be provided for OC San Inspectors at the Contractor's expense. The Contractor shall assume all work areas are classified as a PRCS. The Contractor is required to have a copy of its current confined space entry permit at every job site at all times. The OC San inspector may shut down the job site at no additional cost to OC San if the permit is not available upon request. While the piping will be isolated, the Contractor should assume there will be a potential exposure to wastewater. OC San Risk Management will review submitted Entry Permit, Entry Procedures, Rescue Plan and Ventilation Plan. If accepted, OC San Risk Management will issue the Contractor a Confined Space JHA authorizing the Contractor for such entry.

#### **9.6 Fall Protection**

- A. Fall protection shall be provided around all openings to protect Contractor employees and OC San. Fall protection at openings shall consist of a portable guardrail or other suitable barrier to prevent persons from falling to a lower level. Fall protection will be required for personnel when using Contractor provided extension ladders when accessing the structures. Fall protection will be required when working at heights greater than six feet.
- B. Scaffold erection may be required. In all cases, the scaffolding system shall be designed by a scaffold qualified person and erected, inspected and dismantled by a scaffold competent person. The scaffolding shall be supplied by a qualified, experienced scaffolding company. Contractor shall submit scaffold plans prior to use and must be approved by OC San.

#### **9.7 Hot Work**

- A. Any activity producing spark, flame or heat will require an OC San issued hot work permit. The Contractor, depending on the activity, will be required to provide appropriate controls in accordance with OC San's hot work program. These controls may include a fire watch, 20-pound fire extinguisher, fire blankets, and atmospheric monitor.

#### **9.8 Chemical Safety**

All chemicals brought onsite shall be accompanied with a Safety Data Sheet (SDS). The Contractor must store and use those chemicals in accordance with the SDS and manufacturer instructions.



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1845

**Agenda Date:** 9/29/2021

**Agenda Item No:** 11.

---

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Assistant General Manager

**SUBJECT:**

**FLEET PURCHASE OF REPLACEMENT VEHICLES, LIGHT DUTY TRUCKS, AND MEDIUM DUTY TRUCKS FOR FY21-22**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Purchase Order to National Auto Fleet Group to purchase one Ford F550 service body utility truck and five Ford F250 service body utility trucks using Sourcewell Cooperative Contract No. 120716-NAF, for a total amount of \$326,408; and
- B. Approve a 5% contingency of \$16,321.

**BACKGROUND**

The Orange County Sanitation District (OC San) maintains a fleet of vehicles necessary to meet its business needs. The fleet is comprised of 27 heavy-duty equipment trucks, 92 light-duty trucks, 35 sedans, 12 SUVs, and 10 vans, for a total of 176 vehicles. Light-duty trucks compose the largest segment of the fleet and support the mobility needs of the Engineering, Operations, Collection Facilities, and Maintenance staff.

The OC San Fleet Services Division systematically replaces vehicles as part of an overall fleet right-sizing and modernization strategy. The replacement is based on the current vehicles' ability to meet the assigned group's needs, vehicle age, maintenance cost, condition, and mileage. Replacement of older vehicles improves safety by ensuring the vehicles are equipped with airbags, anti-lock brakes, and traction control. Replacement vehicles also offer new capabilities such as integrated davits or cranes to improve lifting and ergonomic safety.

Approximately 25% of OC San's vehicles are "Green" (electric, hybrid, CNG) or Flex-fuel vehicles. All replacement vehicles are evaluated for "Green" fuel applicability and feasibility.

**RELEVANT STANDARDS**

- Participate in local, state, and national cooperative purchasing programs
- Maintain a proactive asset management program
- Ensure the public's money is wisely spent

**PROBLEM**

The vehicles below are identified for replacement as they are no longer economical to maintain and are exhibiting deteriorating physical condition.

Type	Year	Make	Model	Mileage	Replacement Identifier
Lt. Truck	2006	FORD	F250	37,602	A
Lt. Truck	2012	FORD	F250	62,348	A
Lt. Truck	2015	FORD	F250	87,733	A
Md. Truck	2013	FORD	F550	64,180	B
Reallocated Positions					C

**PROPOSED SOLUTION**

Staff recommends replacing the above vehicles with the following vehicles:

Vehicle Description & Unit Quantities	Total Amounts (Including Options, Tax, Tire Fee)	Replacement Identifier
Three 2022 Ford F250 XL Service Body Utility Trucks	<b>\$143,127</b>	A
One 2022 Ford F550 XL Service Body Utility Truck	<b>\$ 84,793</b>	B
Two 2022 Ford F250 Crew XL Service Body Utility Trucks	<b>\$ 98,488</b>	C

The utility trucks, replacement identifiers A and B, come equipped with the necessary service body for maintenance work. The size of vehicle is determined by the type of work to be completed. These are in-kind replacements.

The two additional Ford F250 Crew XL service body utility trucks with replacement identifier C were requested and approved through the budget planning process to support a new need within the Maintenance Divisions. These vehicles will allow technicians to support both treatment plants and the pump stations versus electric carts for intraplant use only.

**TIMING CONCERNS**

A 5% contingency is being recommended should a pricing change occur between the date of approval and date of purchase due to tariffs and uncontrollable market conditions.

**RAMIFICATIONS OF NOT TAKING ACTION**

The vehicles selected for replacement are becoming unreliable, deteriorating, and are no longer economical to maintain. Additionally, these vehicles are lacking the more modern safety features currently required for fleet vehicles.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San utilizes a Cooperative Agreement through Sourcewell (formerly National Joint Powers Alliance), Cooperative Contract No. 120716-NAF with National Auto Fleet Group, in accordance with OC San's Purchasing Ordinance. Cooperative Agreements tend to produce lower unit prices.

This Cooperative Agreement was awarded using a competitive bid process comparable to OC San's and vetted by OC San's Purchasing Division. The amount of savings under this Cooperative Agreement is \$46,723 versus non-cooperative contract list pricing. These costs are inclusive of freight and sales tax.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This budgeted item is in the FY 2021-22. Line item: Appendix, Page A16, Capital Equipment Budget Summary.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/29/2021	\$326,408	\$16,321 (5%)

**ATTACHMENT**

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

N/A

DS:bb:sr:ac



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1846

**Agenda Date:** 9/29/2021

**Agenda Item No:** 12.

---

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Assistant General Manager

**SUBJECT:**

**ON-CALL MAINTENANCE AND REPAIR MASTER SERVICES CONTRACTS - SPECIFICATION NO. S-2021-1234BD**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve Master Services Contracts to provide on-call maintenance and repair services, Specification No. S-2021-1234BD, for a one-year period effective December 1, 2021 through November 30, 2022, with two, one-year renewal options, in accordance with Ordinance No. OC SAN-56, Section 2.03(F), with the seven qualified firms, for bids less than \$300,000:
1. Jamison Engineering Contractor, Inc.
  2. Charles King Company
  3. J.R. Filanc Construction Company, Inc.
  4. Shimmick Construction Company, Inc.
  5. W.A. Rasic Construction Company, Inc.
  6. Kiewit Infrastructure West Co.
  7. O'Connell Engineering & Construction, Inc.; and
- B. Authorize the General Manager to add or delete firms as necessary to maintain a qualified base of up to seven firms in accordance with the Request for Qualifications Specification No. S-2021-1234BD.

**BACKGROUND**

The objective of the Maintenance & Repair Services Program is to provide a Task-Order based procurement process that allows the Orange County Sanitation District (OC San) to “fast track” repair services on OC San assets. These master services contracts will also benefit OC San in having ready access and agreed upon response terms for urgent and emergency repairs. This procurement is not intended to operate on a rotational basis. The successful Contractors selected from the Request for Qualification (RFQ) process will be offered the opportunity to bid on individual Task Orders. Task Order Bids will be awarded to the lowest responsive bidder. Task Orders will vary in cost not to exceed \$300,000, in accordance with Ordinance No. OC SAN-56, Section 2.03 (F). Maintenance and Repair Projects with estimates exceeding \$300,000 (including change orders) will

be submitted through the formal bid procurement process (i.e., design/bid/award/repair), including Operations/Board Committee approval pursuant to OC San's Purchasing Ordinance.

## **RELEVANT STANDARDS**

- 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

## **PROBLEM**

OC San's Purchasing Ordinance allows selection of Master Contracts for providing maintenance and repair services to improve its efficiency to purchase goods and services required by OC San. The current Master Services Contracts to provide on-call maintenance and repair services is set to expire on November 30, 2021.

## **PROPOSED SOLUTION**

Select up to seven qualified firms using the Request for Qualification (RFQ) process to perform maintenance & repair services on a Task-Order basis by offering the opportunity to bid on individual Task Orders.

## **TIMING CONCERNS**

The existing Master Services Contracts expire November 30, 2021.

## **RAMIFICATIONS OF NOT TAKING ACTION**

OC San will not have on-call contracts to expedite procurement of facility maintenance and repair services, which would hamper our ability to make timely repairs to ensure the reliability of our collection system and treatment plants.

## **PRIOR COMMITTEE/BOARD ACTIONS**

October 2018 - Board approved Master Services Contracts for maintenance and repair services with seven qualified firms for bids less than \$300,000.

## **ADDITIONAL INFORMATION**

A Request for Qualifications (RFQ) was issued on April 27, 2021 via PlanetBids. A non-mandatory pre-bid meeting was conducted virtually on May 18, 2021. Statements of Qualifications (SOQs) were received on June 10, 2021. OC San received nine responsive SOQs from the following Contractors:

1. Jamison Engineering Contractor, Inc.
2. Charles King Company
3. J.R. Filanc Construction Company, Inc.
4. Shimmick Construction Company, Inc.

5. W.A. Rasic Construction Company, Inc.
6. Kiewit Infrastructure West Co.
7. O'Connell Construction Company, Inc.
8. Tharsos
9. ICS

The nine Contractors were evaluated on a pass/fail basis as required per the RFQ, based on the following two categories: (1) financial history, and (2) safety record. Each of the nine Contractor's financial history and safety records were evaluated pursuant to the criteria established in the RFQ and all nine Contractors were deemed responsive.

A three-member panel reviewed, evaluated, and ranked the nine responsive Contractors' SOQ's based upon the following three categories: (1) qualifications of the firm, (2) staff qualifications, and (3) related experience in maintenance and repair services. Staff reviewed and ranked the proposals, and the following table summarizes the results of the rankings:

Rank	Proposer	Subtotal Score (Max 100%)
1	Jamison Engineering Contractor, Inc.	90%
2	Charles King Company	88%
3	J.R. Filanc Construction Company, Inc.	88%
4	Shimmick Construction Company, Inc.	87%
5	W.A Rasic Construction Company, Inc.	83%
6	Kiewit Infrastructure West Co.	82%
7	O'Connell Construction Company, Inc.	78%
8	Tharsos	71%
9	ICS	54%

Based on the results, staff recommends awarding the Master Services Contracts to the top seven ranked Contractors (Proposers).

## **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 for Operations and Maintenance Department (Budget Update - Fiscal Year 2021-22, Page 45). 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:*

- Master Services Contracts

RM:jg:ab:gc

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **Jamison Engineering Contractors, Inc.** with a principal place of business at **2525 South Yale Street, Santa Ana, CA 92704** (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

- 1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".
- 1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.
- 1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

2. **Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to (i) the requirements or specifications contained in the RFTOB (solicitation protest); or (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

**A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

**1. *Contents and Requirements***

A Solicitation Protest Statement must be submitted via email to Purchasing@OC.SAN.GOV and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

**2. *Evaluation and Determination***

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_

John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_

Clerk of the Board

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

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing and Contracts Manager

**Jamison Engineering Contractors, Inc.**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **Charles King Company** with a principal place of business at **2841 Gardena Ave, Signal Hill, CA 90755**(hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

- 1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".
- 1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.
- 1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

- 2. Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to
  - (i) the requirements or specifications contained in the RFTOB (solicitation protest); or
  - (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

**A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

**1. *Contents and Requirements***

A Solicitation Protest Statement must be submitted via email to Purchasing@OC.SAN.GOV and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

**2. *Evaluation and Determination***

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_

John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_

Clerk of the Board

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

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing and Contracts Manager

**Charles King Company**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **J.R. Filanc Construction Co., Inc.** with a principal place of business at **740 N. Andreasen Ave, Escondido, CA 92029** (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

- 1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".
- 1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.
- 1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

2. **Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to
  - (i) the requirements or specifications contained in the RFTOB (solicitation protest); or
  - (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

#### **A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

##### **1. Contents and Requirements**

A Solicitation Protest Statement must be submitted via email to [Purchasing@OCSAN.GOV](mailto:Purchasing@OCSAN.GOV) and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

##### **2. Evaluation and Determination**

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_  
John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_  
Clerk of the Board

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

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

**J.R. Filanc Construction Co., Inc.**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **Shimmick Construction Inc.** with a principal place of business at **530 Technology Dr., Suite 300, Irvine, CA 92618** (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".

1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.

1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

2. **Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to
  - (i) the requirements or specifications contained in the RFTOB (solicitation protest); or
  - (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

**A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

**1. *Contents and Requirements***

A Solicitation Protest Statement must be submitted via email to Purchasing@OCSAN.GOV and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

**2. *Evaluation and Determination***

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_

John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_

Clerk of the Board

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

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing and Contracts Manager

**Shimmick Construction, Inc.**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **W.A. Rasic Construction Company, Inc.** with a principal place of business at **4150 Long Beach Blvd., Long Beach, CA 90807** (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

- 1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".
- 1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.
- 1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

2. **Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to
  - (i) the requirements or specifications contained in the RFTOB (solicitation protest); or
  - (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

**A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

**1. *Contents and Requirements***

A Solicitation Protest Statement must be submitted via email to Purchasing@OC.SAN.GOV and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

**2. *Evaluation and Determination***

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_

John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_

Clerk of the Board

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

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing and Contracts Manager

**W.A. Rasic Construction Company, Inc.**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **Kiewit Infrastructure West Co.** with a principal place of business at **10704 Shoemaker Avenue, Santa Fe Springs, CA 90670** (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

- 1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".
- 1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.
- 1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

2. **Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to
  - (i) the requirements or specifications contained in the RFTOB (solicitation protest); or
  - (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

**A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

**1. *Contents and Requirements***

A Solicitation Protest Statement must be submitted via email to Purchasing@OC.SAN.GOV and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

**2. *Evaluation and Determination***

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_

John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_

Clerk of the Board

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

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing and Contracts Manager

**Kiewit Infrastructure West Co.**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number

**MASTER SERVICES CONTRACT  
Maintenance & Repair Services  
Specification No. S-2021-1234BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and **O'Connell Engineering & Construction, Inc.** with a principal place of business at **36572 Deauville Rd., Winchester, CA 92596** (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to retain the services of Contractor for Maintenance & Repair Services "Services"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56 and

**WHEREAS**, at its regular meeting on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and;

**WHEREAS**, Contractor is qualified by virtue of experience, training, and education and expertise to accomplish such Services,

**NOW THEREFORE**, in consideration of the promises and mutual benefits exchanged between the Parties, it is mutually agreed as follows:

**1. Introduction**

- 1.1 This Master Services Contract and all attachments hereto (called the "Contract") is made by OC San and Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in the Scope of Services, attached hereto and incorporated herein by reference as Exhibit "A".
- 1.2 All Task Order Bids awarded under this Master Services Contract shall be incorporated by reference and made part hereof, upon issuance of the Task Order Bid Purchase Order.
- 1.3 Attachments to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein. Attachments to this Contract are as follows:

Individual Task Order Bids, inclusive of:  
Task Order Bid Exhibit A - Scope of Services

Master Services Contract Exhibit "A" Scope of Services  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Form  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

- 1.4 In the event of any conflict or inconsistency between the provisions of this Contract, provisions of the Task Order(s) and any of the provisions of the attachments hereto, the provisions of this Contract shall govern and control in the order of precedence set forth below:

Master Services Contract, and any amendments thereto  
Master Services Contract Exhibit "B" General Conditions  
Master Services Contract Exhibit "C" Determined Insurance Requirement Forms  
Master Services Contract Exhibit "D" OC San Contractor Safety Standards  
Master Services Contract Exhibit "E" Human Resources Policies

Individual Task Order Bids, inclusive of:  
Task Order Exhibit A - Scope of Services  
Master Services Contract Exhibit "A" Scope of Services

- 1.5 The provisions of this Contract and attachments hereto are applicable at the Task Order level. It is OC San's intent that all use of the word "Contract" in Exhibit "A" and the Task Order Attachments thereto shall mean Task Order Bid.
- 1.6 The provisions of this Contract and provisions of the Task Order(s) may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
- 1.7 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.
- 1.8 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
- 1.9 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
- 1.10 The term "hours", when used in this Contract, shall be defined in the Request for Task Order Bid, Exhibit "A" Task Order Scope of Services
- 1.11 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under the Task Order Bid.
- 1.12 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.

2. **Prevailing Wage Rates** The Contractor shall comply with California Labor Code Section 1771 by the payment of prevailing wages as established by the Director of the State Department of Industrial Relations. In accordance with Labor Code Section 1775, the Contractor and any Subcontractor shall forfeit, as a penalty to OC San, not more than Two Hundred Dollars (\$200) for each calendar day or portion thereof for each worker paid less than the established prevailing rates for such work or craft in which such worker is employed for any Work done under the Contract in violation of the provisions of the California Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, for each day or portion thereof in which each worker was paid less than the prevailing wage rate the difference between such established prevailing wage rates and the

amount paid to each worker shall be paid to each worker by the Contractor. 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.

**3. California Department of Industrial Relations (DIR) Registration and Record of Wages**

3.1 To the extent Contractor's employees and/or its Subcontractors who will perform Work on a construction contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its Subcontractors 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 and enforcement by the DIR.

3.2 The Contractor and its Subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.

3.3 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 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.

3.4 The Contractor and its Subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments**

Each individual task order shall specify the method of payment to be used. Payment may be based on milestones, lump sum or monthly methods.

Milestones: Payments shall be made upon approval by OC San Project Manager or his designee, of invoices submitted for milestones completed as described in the Task Order Bid. OC San, in its sole discretion, shall determine whether tasks and deliverables for each milestone has been satisfactorily completed.

Lump Sum: Payment will be made in one lump sum after completion and acceptance of the Services. OC San, at its sole discretion, shall be the determining party as to whether all Work has been satisfactorily completed.

Monthly: OC San shall pay monthly for Services rendered.

OC San shall pay, Net 30 days upon receipt of itemized invoices, submitted in duplicate, in a form acceptable to OC San to enable audit of the charges thereon.

**5. Invoices**

OC San shall pay within 30 days of completion and receipt and approval by OC San's Project Manager of an itemized invoice, in a form acceptable to OC San to enable audit of the charges thereon. All cash discounts shall be taken and computed from the date of completion of tasks or acceptance of equipment, material, installation and training, or from the date of receipt of invoice, whichever occurs last.

In an effort to provide quicker payment, OC San may offer payment by MasterCard.

Invoices shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OC.SAN.GOV](mailto:APStaff@OC.SAN.GOV) and reference the following in the subject line: "INVOICE", the Purchase Order number, the Project Manager(s), and [Specification No.]

6. **Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.
7. **Scope of Services** Subject to the terms of this Contract, Contractor shall perform the Services identified in the individual Task Order Scope of Services, in accordance with the Standards and Requirements contained therein.
8. **Modifications to Scope of Services** Requests for modifications to the Task Order Scope of Services hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties. Refer to General Conditions.
9. **Contract Term** The Services provided under this Contract shall commence on December 1, 2021 and continue through November 30, 2022. Task Order Bids can be competed during the initial term and each renewal period of the Contract. The Contract shall remain in effect until all Task Order Services have been completed and accepted by OC San.
10. **Renewals**  
OC San may exercise the option to renew the Contract for up to two (2) one-year periods as mutually agreed upon between both parties. OC San shall make no obligation to renew nor give reason if it elects not to renew.
11. **Termination**
  - 11.1 **Termination for Convenience** 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 of intent to terminate. Upon receipt of a termination notice, Contractor shall immediately discontinue all the Work under this Contract (unless the notice directs otherwise). OC San shall thereafter, within thirty (30) days, pay Contractor for the Work performed (cost and fee) to 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 to the date of termination.
  - 11.2 **Termination for Default** If the Contractor refuses or fails to prosecute the Work in any awarded Task Order Bid or any separable part thereof with such diligence as will ensure its completion within the time specified herein, or any authorized extension thereof, or fails to perform the Work in a manner required by the Contract Documents and/or industry standards, or fails to complete such Work within such time as required under the Contract Documents or, if the Contractor should be adjudged as bankrupt, or is otherwise deemed insolvent by OC San based on good cause and is unable to proceed with the Work, or if the Contractor should make a general assignment for the benefit of creditors, or if a receiver should be appointed on account of insolvency, or if the Contractor files a petition to take advantage of any debtor's act, or should any Subcontractor violate any of the provisions of the Contract, or if the Contractor should persistently or repeatedly refuse or fail, except in cases for which an authorized extension of time is provided, to supply enough properly skilled workers or proper materials to complete the Work in the time specified, or if the

Contractor should fail to make prompt payment to Subcontractors for material or labor, or if the Contractor should persistently disregard laws, or instructions given by OC San, or if the Contractor otherwise substantially fails to fulfill its obligations under the Contract Documents, OC San may, without prejudice to any other right or remedy, serve written notice upon the Contractor and Sureties of OC San's intention to terminate the Contractor's performance under the Task Order Bid. Said notice shall contain the reasons for such intention to terminate the Contractor's performance under the Contract, and unless, within ten (10) days after the service of such notice, such violations cease and/or satisfactory arrangements for the corrections thereof have been made, the OC San may terminate Contractor's performance under the Task Order Bid and the Contractor shall not be entitled to receive any further payment until the Work is finished.

In the event of any such termination, OC San shall serve written notice thereof upon the Surety and Contractor, and the Surety shall have the right to take over and perform the Task Order Bid. However, if the Surety, within five (5) days after the service of a notice of termination, does not give OC San written notice of its intention to take over and perform the Task Order Bid, and if it serves such notice of its intent to take over and perform the Task Order Bid and does not begin performance thereof within fifteen (15) days from the date of serving said notice, OC San may take over the Work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and the Sureties and/or Contractor shall be liable to OC San for any excess cost or other damage incurred by OC San thereby. In such an event OC San may without liability for so doing, take possession of and utilize such materials, tools, equipment, supplies and other property belonging to the Contractor and/or assume assignment of any and all subcontracts for Subcontractors and/or Suppliers that may be on the worksite and be necessary to complete the Work. For any portion of such Work that OC San elects to complete by furnishing its own employees, materials, tools, and equipment, OC San shall be compensated in accordance with the schedule of compensation for force account Work as stated in the General Conditions section entitled Task Order Bid Price Adjustments and Payments.

If the Surety assumes the Contractor's terminated Work, it shall take the Contractor's place in all respects for that part and shall be paid by OC San for all Work performed by it in accordance with the terms of the Contract Documents. If the Surety assumes the entire Task Order Bid, all money due the Contractor at the time of its default shall be payable to the Surety as the Work progresses, subject to the terms of the Task Order Bid.

Contractor hereby consents to assigning to OC San and/or OC San's replacement contractor all subcontracts and other agreements of any and all Subcontractors and/or Suppliers that may be on the worksite and/or may be necessary to complete the Work in the event of Termination for Default or Termination for Convenience, as set forth below. Contractor agrees to obtain, by way of a subcontract provision, the consent of each and every Subcontractor and/or Supplier for such assignment prior to the commencement of each such Subcontractor's and/or Supplier's Work on the Task Order Bid.

In the event of such termination, the Contractor will be paid the actual amount due based on unit prices or lump sums in any awarded Task Order Bid and the quantity of Work completed at the time of termination, less damages caused to OC San by acts of the Contractor causing the termination, including but not limited to, all costs to OC San arising from professional services and attorneys' fees and all costs generated to insure or bond the Work of substituted Contractors or Subcontractors utilized to complete the Work, such excess shall be paid to the Contractor. If such costs exceed the unpaid balance, the

Contractor shall pay the difference to OC San promptly upon demand. On failure of the Contractor to pay, the Surety shall pay on demand by OC San. Any portion of such difference not paid by the Contractor or Surety within thirty (30) days following the mailing of a demand for such costs shall earn interest at the maximum rate authorized by California law.

The Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

The foregoing provisions are in addition to and not in limitation of any other rights or remedies under law or in equity available to OC San.

If it is later determined by OC San that the Contractor had an excusable reason for not performing, such as a fire, flood, or other event which was not the fault of or was beyond the control of the Contractor, OC San, after setting up a new performance schedule, may allow the Contractor to continue Work, or treat the termination as a termination for convenience, and the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of OC San.

All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of the Task Order Bid, whichever occurs first.

12. **Bonds** Contractor shall, before entering into the performance of any Task Order Bid awarded under this Contract, furnish bonds, if required as specified in an individual Request for Task Order Bid. The form of each bond shall be provided in the Request for Task Order Bid. The bonds shall be approved by OC San's General Counsel - one in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Task Order Bid amount, to guarantee payment of all claims for labor and materials furnished. Task Order Bid 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 and must be maintained throughout the life of the Task Order and during the warranty period.

Contractor is hereby notified that it is required that the person executing the Bonds must have on file with the County Clerk, County of Orange, a Power of Attorney and authorization to execute said Bonds for and on behalf of the corporate surety. The purpose of this requirement is to ensure that the provisions of Code of Civil Procedure Section 995.630 requiring such authority to be on file with the Orange County Clerk are satisfied in order for the OC San and its officers to approve the bond.

13. **Insurance** Contractor and all Subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Acknowledgement of Insurance Requirements (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract. Nothing contained in these insurance requirements is to be construed as limiting the liability of the Contractor or the Contractor's Sureties.

14. **General Indemnification** The Contractor shall, with respect to all Work covered by or incidental to these Contract Documents, be responsible for any liability imposed by law and shall indemnify, defend and hold OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, agents and employees, and all public entities issuing permits to the Contractor, free and harmless from and against all of the following:

Any claim, suit or action of every name, kind, and description, loss, damage, cost, expenses, including reasonable attorney's fees and expert fees, costs of compliance with administrative orders and directives, litigation, arbitration, awards, fines, and administratively or judicially-imposed penalties or judgments, arising by reason of death or bodily injury to person(s), injury to property, or other loss, damage or expense, resulting from the construction of the Work, design defects (if design originated by the Contractor only), defects in the Work, or by or on account of acts, errors or omissions of the Contractor or Contractor's Subcontractors, Suppliers, employees, invitees, or agents or from any other cause whatsoever arising during the progress of the Work or at any time prior to its completion and Final Acceptance, including any of the same resulting from OC San's alleged or actual acts, errors, or omissions regardless of whether on or off of the worksite. Said responsibility shall extend to claims, demands or liability for loss, damage or injuries occurring or discovered after completion of the Work, as well as during the progress of the Work. However, the Contractor shall not be obligated under this Contract to indemnify OC San, the Engineer or its Consultant(s) with respect to the active negligence, sole negligence or willful misconduct of OC San, the Engineer, or its Consultant(s).

In addition, if any action is brought against the Contractor or any Subcontractor to enforce a stop payment notice or Notice to Withhold, which names OC San as a party to said action, OC San shall be entitled to reasonable attorney's fees, costs and necessary disbursements arising out of the defense of such action by OC San. OC San shall be entitled to deduct its costs for any stop payment notice filed, whether court action is involved or not.

In any and all claims against the indemnified parties by an employee of the Contractor, any Subcontractor, any Supplier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation as specified herein shall not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor, or any Subcontractor, or any Supplier or other person under Workers' Compensation acts, disability benefit acts, or other employee acts.

The obligations of the Contractor as specified herein shall not extend to the liability of the Engineer, the Consultant or its subconsultants, and each of their directors, officers, agents and employees, arising out of or resulting from or in connection with the preparation of approval of maps, Drawings, opinions, reports, surveys, designs or Specifications, provided that the foregoing was the sole and exclusive cause of the loss, damage or injury.

The Contractor shall also be responsible for and shall indemnify, defend and hold harmless OC San, the Engineer, the Consultant and its subconsultants, and each of their directors, officers, employees, and agents from and against all losses, expenses, damages (including damages to the Work itself), attorney's fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of the Contractor to faithfully perform the Work and all of the Contractor's obligations under the Contract.

Such costs, expenses, and damages shall include all costs, including attorney's fees incurred by the indemnified parties in any lawsuit to which they are a party.

In the event Contractor or its insurer refuses or fails to provide a legal defense to OC San after receiving written notice of the legal action and a tender and demand for defense, OC San shall have the right to select counsel of its own choice to represent all the interests of OC San at Contractor's cost and expense. Contractor agrees that the amount of legal costs and expenses, including attorneys' fees, may be withheld by OC San from any Contract amounts due and owing to Contractor until such time as a final determination is made as to the responsibility for payment of said fees and costs. Contractor further agrees that to the extent OC San incurs such damages and the damages exceed any remaining Contract amounts due and owing to Contractor, Contractor shall reimburse OC San for all such additional damages upon demand by OC San for the same.

Contractor and OC San agree that nothing in this section is intended to be or is a prevailing party clause as it pertains to attorney's fees.

15. **Safety Standards and Human Resources (HR) Policies** OC San requires all contractors to follow and ensure their employees and all subcontractors follow all State and Federal regulations as well as OC San requirements while working at OC San locations. If during the course of a contract it is discovered that OC San policies, safety manuals, or contracts do not comply with State or Federal regulations then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all its employees and Subcontractors, shall adhere to all applicable OC San Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **Performance** Time is of the essence in the performance of this Contract and the provisions hereof.
17. **Delay and Liquidated Damages** Liquidated Damages, if any, shall be specified in any Task Order Bids. In the event the Contractor fails to achieve Final Completion of the Task Order within the required period of performance or fails to meet any other time requirements set forth in the Contract, including the timely submittal or update of the Task Order Schedule or achievement of any designated milestones or deadline as required in the approved Task Order Bid Price Form, after due allowance for extensions of time made in accordance with the Contract Documents, 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 a determined sum per day, as Liquidated Damages, and not as a penalty, for each and every calendar day during which Final Completion of the Task Order Bid is so delayed, or timely submittal or update of the Task Order Schedule is so delayed. If deadlines for milestones are identified in the approved Task Order Bid Price Form, Contractor shall pay OC San the Liquidated Damage amount corresponding to that milestone for each and every day during which the achievement of the milestone is 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. Liquidated Damages due to delays in achieving a milestone or deadline will not be credited toward Liquidated Damages due to delays in achieving subsequent milestones, deadlines or Final Completion of the Task Order. If this Section herein entitled "Delay and Liquidated Damages," 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 Task Order by the Final Completion date.

18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Services** By executing this Contract, Contractor warrants that: 1) it has investigated the services to be performed; 2) it has investigated the site of the services and is aware of all conditions there; and 3) it understands the facilities, difficulties and restrictions of the services under this Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract in strict conformance with applicable Federal, State, and local regulatory requirements.
22. **Licenses, Permits, Ordinances and Regulations** Contractor represents and warrants to OC San that it has obtained all licenses, permits, qualification and approvals of whatever nature that are legally required to engage in this Work. Any and all fees required by State, County, City and/or municipal laws, Codes and/or tariffs that pertain to the Work performed under the terms of this Contract will be paid by Contractor.
23. **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 harmless from any and all damages and liabilities assessed against OC San as a result of Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.
24. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
25. **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 Orange County, in the event any action is brought in connection with this Contract or the performance thereof.
26. **Breach** The waiver of 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.

**27. Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the task order price, together with any incidental or consequential damages.

**28. Dispute Resolution**

28.1 In the event of a dispute as to the construction or interpretation of this Contract, 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 Contract, 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.

28.2 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 Contract, each party shall select an arbitrator, and those two 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 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.

**29. 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 he may be entitled.

**30. Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.

**31. Severability** If any section, subsection, or provision of this Contract, or any Contract 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.

32. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any Subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
33. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from these Services without the prior written consent from OC San.
34. **Independent Contractor** The legal 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.
35. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
36. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
37. **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 for the terms of this Contract.
38. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.
39. **Authority to Execute** The persons executing this Contract, inclusive of Task Order Bids 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.
40. **Entire Contract** This Contract constitutes the entire Contract of the Parties and supersedes all prior written or oral and all contemporaneous oral Contracts, understandings, and negotiations between the Parties with respect to the subject matter hereof.
41. **Task Orders** OC San does not guarantee that Contractor will receive any individual Task Order Bids, nor that the Contractor will receive an equal number of Task Order Bids as compared to any other awarded Contractors. OC San makes no guarantee that the Maintenance & Repair Services Program budget, identified in the RFQ, will be expended.
- 41.1 Each Task Order will be limited to no greater than \$300,000.
- 41.2 OC San will order the Services through a Request for Task Order Bid. Each Request for Task Order Bid will contain a detailed Scope of Services and may require attendance at a job walk (including Subcontractors, as needed) prior to the submission of a Task Order Bid.
- 41.3 Task Order Bid will be awarded on the basis of the lowest responsive Bid.

- 41.4 The Request for Task Order Bid will identify the project, location of the Work, and other general and special requirements.
- 41.5 All Task Order Bids will be lump sum.
- 41.6 Contractors will be required to list Subcontractors in accordance with Public Contract Code Section 4104.
- 41.7 Payment terms will be specified in each Request for Task Order Bid.
- 41.8 Payment & Performance Bond requirements, if applicable, will be specified in each Request for Task Order Bid. Notice to Proceed shall not be made until the bonds are approved by OC San.
- 41.9 OC San does not guarantee that any qualified Contractor will be awarded any individual Task Order Bids.
- 41.10 The Contractor shall submit its Task Order Bid within the time specified in the Request for Task Order Bid. Late Task Order Bids will not be accepted.
- 41.11 Changes to the Task Order Bid Services shall be made in accordance with Master Services Contract Exhibit "B" General Conditions.

#### **42. Task Order Bid Protest Procedures**

This section sets forth the procedure and remedies concerning submittal and consideration of all protests received by OC San with respect to this Request for Task Order Bid (RFTOB) issued under this Master Services Contract. All communications to OC San relating to a Protest shall be in writing and submitted electronically to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov). By submitting a Task Order Bid (TOB), each Contractor hereby agrees and understands that the Contractor must comply with these protest procedures and exhaust all administrative remedies set forth herein prior to the initiation of any type of related legal action. Upon the express written consent of the parties, this protest procedure can also be used to resolve issues surrounding OC San's determination of a Contractor as not responsible. This procedure is not intended to address issues concerning TOB responsiveness. The following terms as used in this Section shall have the following meanings:

- **Affected Parties** shall mean proposers on a procurement, whose direct economic interest would be affected by a submitted protest.
- **Protest** shall mean a written objection by an interested party or Affected Party to
  - (i) the requirements or specifications contained in the RFTOB (solicitation protest); or
  - (ii) a proposed award recommendation (award protest).
- **Days** shall mean calendar days, unless otherwise specified.
- **Interested Party** shall mean (1) on solicitation, all Contractors or prospective Contractors; (2) on award, the unsuccessful Contractor(s) with a direct economic interest in the outcome of their protest.
- **Solicitation Protest Statement** shall mean a written objection during the solicitation phase of the procurement, which shall be submitted prior to the Task Order Bid due date

as specified herein.

- **Award Protest Statement** shall mean a written objection to the award recommendation prior to final action to award the Task Order Bid, which shall be submitted after receipt of Task Order Bids, but before award of a Task Order Bid, as specified herein.
- **File or Submit** shall refer to the date of receipt by OC San.

Specific procedures and requirements are as follows:

**A. Solicitation Phase Protest**

The purpose of this RFTOB is to obtain competitive TOBs from awarded Contractors. Any Interested Party who has reason to believe that a free and open competition has not taken place or that a particular specification or requirement is impractical, unduly restrictive, or ambiguous may advise OC San of its concerns by submitting a detailed Solicitation Protest Statement in accordance with the requirements set forth below in this Section A.

**1. *Contents and Requirements***

A Solicitation Protest Statement must be submitted via email to Purchasing@OC.SAN.GOV and addressed to OC San's Buyer identified in the RFTOB by 4:00 p.m. (Pacific Time zone) no less than three (3) days prior to the TOB due date, and must contain all of the following to be considered:

- a. The name, address, and telephone number of the protestor;
- b. The title, TOB description, and number of the specification/ project number being protested;
- c. A detailed statement setting forth the grounds for protest, which shall include, in sufficient detail to establish the merits of the protest, all the factual and legal documentation in support of the protest; and
- d. The desired resolution to the protest.

If the submitted Solicitation Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation and will be returned to the protestor. The Solicitation Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Solicitation Protest Statement shall be deemed waived, including as a part of the award protest. Failure to file the Solicitation Protest Statement within the time period specified herein shall constitute a waiver of the right to protest the specifications or requirements of the RFTOB.

Solicitation Protest Statements are public documents. OC San will provide copies of the Solicitation Protest Statements upon written request.

**2. *Evaluation and Determination***

No hearing will be held on the protest. OC San's Contracts, Purchasing and Materials Management Division Manager (Purchasing Manager), or designee, will review all material submitted, conduct an investigation of the facts, and may, but need not, request other Contractors to submit statements or arguments regarding the protest. OC San's Purchasing Manager, or designee, may in his/her sole discretion, discuss the protest with the protestor.

OC San's Purchasing Manager, or designee, shall issue a final written decision regarding any solicitation protest to each Contractors prior to TOB submittal due date. The written decision will cite any actions that will or will not be taken in response to the Solicitation Protest Statement. The decision of the Purchasing Manager concerning the Solicitation Protest Statement shall be final, and there shall be no further administrative recourse.

## **B. Award Protest**

### **1. Award Recommendation**

Following opening and evaluation of the TOBs, OC San will issue an award Recommendation to each Contractors through any one of the following methods:

- a. Delivery via overnight carrier; or
- b. Posting the Award Recommendation on OC San's online bidding system as identified within the RFTOB.

On the date OC San issues an award recommendation, OC San shall make copies of all submitted TOBs available upon request. Requests shall be made to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) and shall contain the following in the subject line of the e-mail: "[Identify: Project/TOB name and Specification No.] – Request for Copies."

### **2. Contents and Requirements**

Any Interested Party, who has reason to believe that a free and open competition has not taken place in the TOB submittal, evaluation of the TOBs, and award recommendation, is permitted to protest OC San's award recommendation by submitting an Award Protest Statement to OC San identified in the RFTOB, via electronic mail (e-mail) at [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) on the third (3<sup>rd</sup>) day after OC San issues the Award Recommendation or some similar announcement. OC San will not accept an Award Protest Statement, or similar document, prior to the date OC San issues its award recommendation to the Contractors. Award Protest Statements, or similar document, received prior to the issuance of OC San's award recommendation will be considered premature and will be immediately returned to the party filing the Protest without consideration.

The Award Protest Statement must be submitted timely and contain all of the following to be considered:

- a. The name, address and telephone number of the protestor;
- b. The title and number of the specification being protested;

- c. The OC San action or recommendation that is being protested;
- d. The name(s) of all Affected Parties;
- e. A detailed statement setting forth the grounds, legal authority and facts in support of the protest, including all documents and evidence ;
- f. Each and every ground on which the protestor bases the protest by specific references to parts of the RFTOB, which shall be attached as exhibits;
- g. Each and every reason that all other Affected Parties who may be in line for the purchase or contract award should not be awarded the purchase or contract;
- h. A clear statement of the relief requested and the statutory or case law basis for such relief; and
- i. Signed and sworn by a principal of the protestor.

If the submitted Award Protest Statement does not comply with the requirements set forth herein, then it will not be considered for evaluation, and will be returned to the protestor. The Award Protest Statement shall not be amended after filing, and OC San will not consider any unsolicited information provided after filing. Any argument not raised in the Award Protest Statement shall be deemed waived.

Award Protest Statements are public documents. OC San will notify the Affected Parties when a protest has been submitted, and will provide copies of the Protest Statements to the Interested Parties as soon as is reasonably practical.

### **3. Evaluation and Determination**

The Affected Parties may file responsive statements in support of or in opposition to the protest no later than 4:00 p.m. on the third business day after the receipt of the Award Protest Statement from OC San. The Purchasing Manager, or designee, shall review the facts and all submittals relative to the Award Protest Statement and shall issue a written decision setting forth the basis for such decision. The written decision will be issued to the protestor and to all Affected Parties.

Unless otherwise required by law, no evidentiary hearing or oral argument shall be provided, except in the sole discretion of the Purchasing Manager, or designee.

In the event a hearing is conducted, the Purchasing Manager, or designee, shall issue written notice to the protestor and Affected Parties identifying the date and time for the hearing, along with rules concerning the hearing.

### **4. Appeal Process**

In the event of an adverse decision by the Purchasing Manager, or designee, the protestor may submit a written appeal to the Director of Administrative Services and the Director of the Department requesting the Procurement, and immediately send copies to all Affected Parties. The appeal must be submitted via email to [Purchasing@ocsan.gov](mailto:Purchasing@ocsan.gov) no later than 4:00 p.m. (Pacific Time zone) within three (3)

days after the date the Purchasing Manager, or designee, rendered a decision. The protestor shall only submit: (1) information and documentation previously submitted to the Purchasing Manager, or designee; (2) a copy of the final decision of the Purchasing Manager, or designee; and (3) a brief statement setting forth all factual and legal bases for the appeal. The Director of Administrative Services, together with the Director of the Department requesting the Procurement shall evaluate each Award Protest Statement and determine whether to uphold or reject the Purchasing Manager's determination. For Task Orders to be awarded by the General Manager, the decision of the Director of Administrative Services and the Director of the Department requesting the Procurement shall be final.

**C. Delay in Award**

Execution of any proposed contract shall be delayed pending the resolution of the protest unless one or more of the following conditions is present:

1. The items or services being procured are urgently required;
2. Delivery or performance will be unduly delayed by failure to make award promptly; or
3. Failure to make prompt award will otherwise cause undue harm to OC San.

**D. No Limitation on Remedies**

Nothing contained herein shall be construed to act as a limitation on OC San's choice of remedies or confer any right upon any Interested Party or Affected Party to a remedy.

**E. Basis for Choice of Remedy**

In determining the appropriate remedy, OC San shall consider all the circumstances surrounding the RFTOB and/or award, including, but not limited to:

1. Seriousness of any deficiency found to exist in the contracting process;
2. The effect of the action on the competitive process;
3. Any urgency surrounding the contract requirement; and
4. The effect that implementing the remedy will have on OC San.

**F. Remedies**

If OC San determines that the award or proposed award was not made in accordance with applicable statutes, regulations, policies and/or procedure, OC San, in its sole discretion, may grant any of the following remedies or any other remedy it deems appropriate:

1. Prior to award, OC San may issue a new solicitation, make a new selection/award recommendation, or award a contract consistent with applicable statutes, regulations, policies and procedures.
2. In its sole discretion, take no further action; or



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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_  
John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_  
Clerk of the Board

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

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

**O'Connell Engineering & Construction, Inc.**

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

By: \_\_\_\_\_

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

\_\_\_\_\_  
IRS Employer's I.D. Number



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1847

**Agenda Date:** 9/29/2021

**Agenda Item No:** 13.

---

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Assistant General Manager

**SUBJECT:**

### PROCUREMENT OF 21 ELECTRIC CARTS

### GENERAL MANAGER'S RECOMMENDATION

#### RECOMMENDATION:

- A. Approve a Purchase Order to Southwest Toyota Lift for the purchase of 21 electric carts using OMNIA Partners Cooperative Contract No. EV2671 for a total amount not to exceed \$432,283, including tax and freight; and
- B. Approve a contingency of \$21,615 (5%).

### BACKGROUND

The Orange County Sanitation District (OC San) maintains a fleet of about 200 electric carts. Electric carts are used within the treatment plants as the primary means of transportation for Operations & Maintenance staff and their tools. Electric carts are an efficient and environmentally friendly method of transportation for plant staff. The cost of purchasing an electric cart is significantly less than the cost of a light-duty truck. Carts are evaluated for replacement based on total maintenance/repair costs to date, condition, and age.

### RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Ensure the public's money is wisely spent

### PROBLEM

The electric carts identified for replacement require significant body panel and control systems repairs and, as they age, the reliability decreases and affects the ability of field staff to perform their work. Maintenance costs coupled with repair costs for these units are approaching replacement cost. Additionally, electric carts currently in use have unsealed lead-acid batteries and lack modern controls and safety systems.

**PROPOSED SOLUTION**

The staff recommends replacing 21 existing electric carts.

**TIMING CONCERNS**

A 5% contingency is being recommended should a pricing change occur between the date of approval and date of purchase due to tariffs and controlled market conditions.

**RAMIFICATIONS OF NOT TAKING ACTION**

The electric carts selected for replacement are becoming unreliable, deteriorating, and no longer economical to maintain. Cart downtime for repairs directly impacts the ability of staff to complete work.

**PRIOR COMMITTEE/BOARD ACTIONS**

NA

**ADDITIONAL INFORMATION**

OC San updated the electric cart specification in 2019 to address safety concerns related to cart rollover, battery, and charging technology improvements. Electric carts from Columbia meet or exceed OC San's electric cart specification and are available through a competitive bid contract.

OC San possesses the ability to purchase material, services, and equipment through cooperative agreements. These cooperative agreements tend to lower unit prices and streamline the purchasing process.

OC San is utilizing OMNIA Partners Cooperative Contract No. EV2671 with Columbia through Southwest Toyota Lift (local distributor), in accordance with OC San's Purchasing Ordinance.

OMNIA Partners Contract uses a competitive bid process comparable to OC San's process and vetted by Purchasing. The savings under this Cooperative Agreement is \$93,971 (19%) versus the listing prices.

These costs are inclusive of freight and sales tax.

Summary information on the quote for 21 electric carts is as follows:

<b>Vehicle Description and Unit Quantities</b>	<b>Total Amount (Including Options, Freight, Tax, Tire Fees)</b>
21 Columbia Electric Carts	\$432,282.40

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item is budgeted. Adopted Budget: Line item: Section 8, Page 102, Fleet Services, Electric Carts O&M (21); Budget Update 2021-22.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/22/2021	NTE \$432,283	\$21,615 (5%)

**ATTACHMENT**

N/A

DS:bb:sr:gc



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1848

**Agenda Date:** 9/29/2021

**Agenda Item No:** 14.

---

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Assistant General Manager

**SUBJECT:**

**MANHOLE FRAME AND COVER SERVICES, SPECIFICATION NO. S-2021-1258BD**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Service Contract to Ayala Engineering, Inc. to provide Manhole Frame & Cover Replacement Services, Specification No. S-2021-1258BD, for a total amount not to exceed \$992,105 for the period beginning November 1, 2021 through October 31, 2022, with four, one-year renewal options; and
- B. Approve a contingency of \$148,816 (15%).

**BACKGROUND**

The Orange County Sanitation District (OC San) owns approximately 4,000 manholes throughout its service area. Occasionally, manholes need repair or replacement due to corrosion, wear from traffic, settling, age, or street repaving. Public safety requires the repair of worn manhole frames and covers in a timely fashion. In addition, when streets are repaved by cities or the county, OC San is required to reset the manhole frames and covers to align with the new street elevation.

**RELEVANT STANDARDS**

- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting
- Protect OC San assets
- Commitment to safety & reducing risk in all operations

**PROBLEM**

There has been an increased level of street maintenance and repaving in the service area. The current authorized contract amount for the manhole frames and covers replacement service was insufficient to sustain the necessary manhole frames and covers replacement work. The prior Service Contract funding was exhausted with five months remaining in the annual term.

**PROPOSED SOLUTION**

Staff rebid the unit price based Service Contract with a greater number of estimated units to reset the contract for the greater service need. Staff recommends awarding a new Service Contract to Ayala Engineering, Inc. for \$992,105, with an annual 15% contingency of \$148,816.

**TIMING CONCERNS**

The current contract will expire at the end of October. Public safety will be at risk without the ability to quickly replace or reset damaged or misaligned manhole frames and covers.

**RAMIFICATIONS OF NOT TAKING ACTION**

Without a contract in place, the manhole frames and covers continue to degrade and risk the safety of the public and the integrity of OC San’s assets. Individual purchase orders are time-consuming and will reduce the speed at which repairs can take place.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San issued a notice inviting bids on June 30, 2021 through PlanetBids. The bids were due on August 4, 2021. OC San received one responsive bid. The bid is valid for 180 calendar days from the opening date.

BID RESULTS:

The following is a list of the companies that submitted a bid.

Company Name	Bid	Determination
Ayala Engineering, Inc.	\$992,105	Responsive

AWARD RECOMMENDATION

Based on the bid results, staff recommends awarding a Service Contract to the lowest responsive and responsive bidder, Ayala Engineering, Inc. The term of this contract will begin November 1, 2021 through October 31, 2022, with four, one-year renewal options.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels OC San’s Purchasing Ordinance. This budgeted item is in the FY 2021-22 budget. Line item: 3, Section 06, Page 76. Operating Expenses By Category:

Professional & Contractual Services.

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
09/29/2021	\$992,105	\$148,816 (15%)

**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:*

- Service Contract

DS:mb:sr:gc

**SERVICE CONTRACT**  
**Manhole Frame and Cover Replacement Services**  
**Specification No. S-2021-1258BD**

**THIS CONTRACT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and Ayala Engineering Inc. with a principal place of business at 8482 East Meadowridge Street, Anaheim, CA 92808 (hereinafter referred to as "Contractor") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to temporarily retain the services of Contractor for Manhole Frame and Cover Replacement Services "Services" as described in Exhibit "A"; and

**WHEREAS**, OC San has chosen Contractor to conduct Services in accordance with Ordinance No. OC SAN-56; and

**WHEREAS**, on September 29, 2021, the Board of Directors of OC San, by minute order, authorized execution of this Contract between OC San and Contractor; and

**WHEREAS**, Contractor is qualified by virtue of experience, training, and expertise to accomplish such Services,

**NOW, THEREFORE**, in consideration of the mutual promises and mutual benefits exchanged between the Parties, the Parties mutually agree as follows:

**1. Introduction**

1.1 This Contract and all exhibits hereto (called the "Contract") is made by OC San and the Contractor. The terms and conditions herein exclusively govern the purchase of Services as described in Exhibit "A".

1.2 Exhibits to this Contract are incorporated by reference and made a part of this Contract as though fully set forth at length herein.

Exhibit "A" Scope of Work  
Exhibit "B" Bid  
Exhibit "C" Determined Insurance Requirement Form  
Exhibit "D" Contractor Safety Standards  
Exhibit "E" Human Resources Policies  
Exhibit "F" General Conditions

1.3 In the event of any conflict or inconsistency between the provisions of this 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 Contract is set forth below:

- a. Service Contract
- b. Exhibit "F" General Conditions
- c. Exhibit "C" Determined Insurance Requirement Form
- d. Exhibit "D" Contractor Safety Standards
- e. Permits and other regulatory requirements
- f. Exhibit "E" Human Resources Policies

- g. Exhibit "A" Scope of Work
  - h. Exhibit "B" Bid Price Form
- 1.4 The provisions of this Contract may be amended or waived only by a writing executed by authorized representatives of both Parties hereto.
  - 1.5 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.
  - 1.6 The term "days", when used in the Contract, shall mean calendar days, unless otherwise noted as business days.
  - 1.7 OC San holidays (non-working days) are as follows: New Year's Day, Lincoln's Birthday, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, and Christmas Day.
  - 1.8 The term "hours" shall mean 7:00 A.M. to 4:00 P.M., Monday through Friday when used in this Contract.
  - 1.9 Contractor shall provide OC San with all required premiums and/or overtime work at no charge beyond the price provided under "Compensation" below.
  - 1.10 Except as expressly provided otherwise, OC San accepts no liability for any expenses, losses, or action incurred or undertaken by Contractor as a result of work performed in anticipation of purchases of said services by OC San.
2. **Compensation** Compensation to be paid by OC San to Contractor for the Services provided under this Contract shall be a total amount not exceed Nine Hundred Ninety-Two Thousand One Hundred Five Dollars (\$992,105.00).
  3. **California Department of Industrial Relations (DIR) Registration and Record of Wages**
    - 3.1 To the extent Contractor's employees and/or its subcontractors who will perform Work during the design and preconstruction phases of a construction contract or perform work under a maintenance contract for which Prevailing Wage Determinations have been issued by the DIR and as more specifically defined under Labor Code Section 1720 et seq, Contractor and its subcontractors 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 and enforcement by the DIR.
    - 3.2 The Contractor and its subcontractors shall maintain accurate payroll records and shall comply with all the provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code 1771.4(a)(3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.
    - 3.3 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 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.
    - 3.4 The Contractor and its subcontractors shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

**4. Payments and Invoicing**

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

4.2 Invoice shall be emailed by Contractor to OC San Accounts Payable at [APStaff@OCSan.gov](mailto:APStaff@OCSan.gov) and "INVOICE" with the Purchase Order Number and S-2021-1258BD shall be referenced in the subject line.

**5. Audit Rights** Contractor agrees that, during the term of this Contract and for a period of three (3) years after its 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.

**6. Scope of Work** Subject to the terms of this Contract, Contractor shall perform the Services identified in Exhibit "A". Contractor shall perform said Services in accordance with generally accepted industry and professional standards.

**7. Modifications to Scope of Work** Requests for modifications to the Scope of Work hereunder can be made by OC San at any time. All modifications must be made in writing and signed by both Parties.

**8. Contract Term** The Services provided under this Contract shall be for the period of one (1) year commencing on November 1, 2021 and continuing through October 31, 2022.

**9. Renewals**

9.1 OC San may exercise the option to renew this Contract for up to four (4) one-year periods based upon the criteria set forth in Exhibit "A", under the terms and conditions contained herein. OC San shall make no obligation to renew nor give reason if it elects not to renew.

9.2 This Contract may be renewed by OC San Purchase Order.

**10. Extensions** The term of this Contract may be extended only by written instrument signed by both Parties. Also, refer to Exhibit F – General Conditions, Section entitled Extension Of Time For Delay.

**11. Performance** Time is of the essence in the performance of the provisions hereof.

**12. Termination**

12.1 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 of intent to terminate. 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) to 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 to the date of termination.

12.2 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 any other default of this Contract.

12.3 OC San may also immediately cancel for default of this Contract 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 total amount of compensation exceeds the amount authorized under this Contract.

12.4 All OC San property in the possession or control of Contractor shall be returned by Contractor to OC San upon demand, or at the termination of this Contract, whichever occurs first.

**13. Insurance** Contractor and all subcontractors shall purchase and maintain, throughout the life of this Contract and any periods of warranty or extensions, insurance in amounts equal to the requirements set forth in the signed Determined Insurance Requirement Form (attached hereto and incorporated herein as Exhibit "C"). 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 maintain required insurance coverage shall result in termination of this Contract.

**14. Bonds** Not Used

**15. 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 be caused by Contractor's 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.

16. **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 Contractor Safety Standards while working at OC San locations. If during the course of the Contract it is discovered that Contractor Safety Standards do not comply with Federal, State, or local regulations, then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all of its employees and subcontractors, shall adhere to all applicable Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
17. **Warranties** (Refer to Exhibit F – General Conditions, Section entitled Warranty (Contractor's Guarantee).
18. **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 said 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 or may be eliminated from the Contract.
19. **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.
20. **Familiarity with Work** By executing this Contract, Contractor 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 Contract. Should Contractor 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 Contractor's risk, until written instructions are received from OC San.
21. **Regulatory Requirements** Contractor shall perform all work under this Contract 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 California 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. **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 engage in this work. 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 the terms of this Contract will be paid by Contractor.
24. **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 harmless from any and all damages and liabilities assessed against OC San as a result of

Contractor's noncompliance therewith. Any permission required by law to be included herein shall be deemed included as a part of this Contract whether or not specifically referenced.

**25. Contractor's Employees Compensation**

- 25.1 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.
- 25.2 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 same are on file in the Engineering Department. The Contractor agrees that not less than said prevailing rates shall be paid to workers employed on this 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 project site, which shall be made available to any interested party upon request.
- 25.3 Forfeiture For Violation – Contractor shall, as a penalty to OC San, forfeit fifty dollars (\$50.00) 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.
- 25.4 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 or twenty (20) working days or more; or if contracts of specialty contractors not bidding for work through the general or prime Contractor are two thousand dollars (\$2,000.00) or more or five (5) working days or more.
- 25.5 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 it hereunder. 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 (1) calendar day and forty (40) hours in any one (1) 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.
- 25.6 Record of Wages; Inspection – Contractor agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight-time and

overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the project and agrees to require that each of its subcontractors do the same. All payroll records shall be certified as accurate by the applicable Contractor or subcontractor or its agent having authority over such matters. Contractor further agrees that its payroll records and those of its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776, in general. Penalties for non-compliance with the requirements of Section 1776 may be deducted from project payments per the requirements of Section 1776.

26. **South Coast Air Quality Management District's (SCAQMD) Requirements** It is Contractor'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 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 the SCAQMD.
27. **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.
28. **Breach** The waiver of 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.
29. **Remedies** In addition to other remedies available in law or equity, if the Contractor fails to make delivery of the goods or Services or repudiates its obligations under this Contract, or if OC San rejects the goods or Services or revokes acceptance of the goods or Services, OC San may (1) cancel the Contract; (2) recover whatever amount of the purchase price OC San has paid, and/or (3) "cover" by purchasing, or contracting to purchase, substitute goods or Services for those due from Contractor. In the event OC San elects to "cover" as described in (3), OC San shall be entitled to recover from Contractor as damages the difference between the cost of the substitute goods or Services and the Contract price, together with any incidental or consequential damages.
30. **Dispute Resolution**
- 30.1 In the event of a dispute as to the construction or interpretation of this Contract, 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.
- 30.2 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.

31. **Attorney's Fees** If any action at law or inequity 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 he may be entitled.
32. **Survival** The provisions of this Contract dealing with Payment, Warranty, Indemnity, and Forum for Enforcement, shall survive termination or expiration of this Contract.
33. **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.
34. **Damage to OC San's Property** Any of OC San's property damaged by Contractor, any subcontractors or by the personnel of either will be subject to repair or replacement by Contractor at no cost to OC San.
35. **Disclosure** Contractor agrees not to disclose, to any third party, data or information generated from this project without the prior written consent from OC San.
36. **Independent Contractor** The legal 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.
37. **Limitations upon Subcontracting and Assignment** Contractor shall not delegate any duties nor assign any rights under this Contract without the prior written consent of OC San. Any such attempted delegation or assignment shall be void.
38. **Third Party Rights** Nothing in this Contract shall be construed to give any rights or benefits to anyone other than OC San and Contractor.
39. **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 for the terms of this Contract.
40. **Read and Understood** By signing this Contract, Contractor represents that he has read and understood the terms and conditions of the Contract.

41. **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.
42. **Entire Contract** This Contract 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.
43. **Notices** All notices under this Contract must be in writing. Written notice shall be delivered by personal service 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: Jackie Lagade, Principal Buyer  
Orange County Sanitation District  
10844 Ellis Avenue  
Fountain Valley, CA 92708

Contractor: Ricardo Ayala  
Owner  
Ayala Engineering, Inc.  
8482 East Meadowridge Street  
Anaheim, CA 92808

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

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

**ORANGE COUNTY SANITATION DISTRICT**

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

By: \_\_\_\_\_

John B. Withers  
Chair, Board of Directors

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

By: \_\_\_\_\_

Kelly A. Lore  
Clerk of the Board

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

By: \_\_\_\_\_

Ruth Zintzun  
Purchasing & Contracts Manager

**AYALA ENGINEERING, INC.**

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

By: \_\_\_\_\_

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

JL

**EXHIBIT A**  
**SCOPE OF WORK (CONFORMED)**  
**For**  
**Manhole Frame and Cover Replacement Services**

**EXHIBIT A**  
**SCOPE OF WORK**  
**Manhole Frame and Cover Replacement Services**  
**Specification No. S-2021-1258BD**

**1) Background**

Orange County Sanitation District (OC San) is a public agency responsible for collecting, treating, and safely disposing of wastewater and its residuals. OC San's collection system includes approximately four thousand (4,483) manholes. The purpose of this Scope of Work (SOW) is to replace the damaged manhole frames and covers identified by OC San with OC San provided frames and covers.

**2) Description of the Work**

The SOW is inclusive of the following items:

- A. Contractor shall replace defective manhole frames and covers identified by OC San throughout its service area with frames and covers provided by OC San.
- B. OC San estimates replacement of approximately seventy five (130) manhole frames and covers annually. OC San does not guarantee the actual quantity of the manhole frames and covers to be replaced.
- C. Contractor shall replace defective manhole frames and covers identified in work orders issued by OC San. OC San will endeavor to group work orders by city due to specific permit and traffic control requirements to the greatest extent possible. Replacement shall include:
  - Removal and disposal of existing collar, frame, cover, and broken/damaged grade ring(s)
  - Installation of new frame and cover (type, size, style as indicated)
  - Construction of new reinforced collar
  - Contractor shall refer to OC San Standard Drawings, Appendix A, for additional details.
- D. When manholes frame and covers are located within a concrete pad:
  - The Contractor shall sawcut a 4 foot by 4 foot around a 24" frame and cover.
  - Or the Contractor shall sawcut a 5 foot by 5 foot around a 36" frame and cover.
  - The Contractor shall epoxy dowel in 18" long ¾" diameter dowels at 18" O.C. and match the thickness of adjacent pavement + 2", or as directed by the onsite inspector.
- E. Contractor shall replace defective manhole frames and covers identified in work orders issued by OC San. OC San will endeavor to group work orders by city due to specific permit and traffic control requirements to the greatest extent possible. Replacement shall include:
  - Removal and disposal of existing collar, frame, cover, and broken/damaged grade ring(s)
  - Installation of new frame and cover (type, size, style as indicated)
  - Construction of new reinforced collar
  - Contractor shall refer to OC San Standard Drawings, Appendix A, for

additional details.

- F. Contractor shall seal the manhole components that are adjusted or otherwise impacted by frame and cover installation.
- Sealing method shall match the existing manhole corrosion protection system (lining or coating) per OC San manhole adjustment detail.
  - Coatings shall be supplied by the Contractor and shall be applied by a manufacturer certified applicator.
  - PVC manhole toppers shall be provided by the Contractor and installed by the Contractor.
  - The PVC manhole toppers shall be installed by Ameron trained and certified workers.
  - All corrosion protection shall be tested for pinholes or probed for weak welds prior to acceptance.
- G. For manholes which are coated with polyurethane or epoxy, the Contractor shall perform the necessary repairs with the same product already in the manhole such as Sancon 100, Sprayroq. Alternatively, the repairs may be performed with a 2-component epoxy such as Sikadur 31 Hi-Mod.
- H. Contractor shall paint existing OC San Exterior Grade Rings/concrete when required to be above Grade, Safety Yellow. (Sherwin Williams SW4084 Safety Yellow Paint or equivalent)
- I. OC San will provide the Contractor with location maps identifying manhole locations with each work order.

### **3) Work Elements**

The Contractor shall ensure that all spoils and debris are removed from the work site on a daily basis. Any spilled Portland cement concrete (PCC) shall be cleared, swept, and removed to the satisfaction of OC San and/or the agency having jurisdiction.

The Contractor shall complete OC San work orders within thirty (30) calendar days unless extended in writing by OC San. Extensions of time to work orders will be at the sole discretion of OC San. Frequent lengthy delays in responses to work orders may be cause for termination of the Contract.

There may be emergency situations that will require the Contractor to respond on short notice. For these situations, the Contractor shall respond within twenty-four (24) hours of receiving the work order and include the emergency response fee included in Exhibit "B" in addition to the regular charges for the work.

### **4) Street Resurfacing**

Depending on the jurisdictional requirements of each work location (City, County, etc.), finish grade may be Portland cement concrete (PCC) or asphalt concrete (AC). The Contractor is to determine each jurisdiction's finish grade requirements when applying for permit. If finish grade is AC, capping must occur within three (3) business days of the actual frame and cover replacement. A tack coat shall be applied prior to placing the hot mix AC. The depth of the AC cap shall be a minimum of 1½ inches and shall be vibrated in place with a plate compactor. Finish grade of the new frames and covers must match existing street grade without any low or high spots.

**5) Odor Abatement**

- A. Upon direction from OC San the Contractor shall reseal manhole covers with duct seal Cal Pico #CD-5, or equal. OC San shall provide the Contractor with the sealing material at no cost to the Contractor. Work area around the manhole is to be swept clean of all debris. Failure to properly seal a manhole following the completion of work may be cause for termination of the Contract.
- B. During construction, if needed, OC San will provide the Contractor with odor abatement spray to help neutralize odors and reduce the risk of odor complaints.

**6) Contractor Requirements**

The Contractor shall furnish all labor, materials, equipment, and incidentals necessary for the removal and replacement of defective manhole frames and covers located throughout the OC San service area.

Contractor shall have verifiable experience replacing/repairing sewer manhole frames and covers for the past three (3) years. Contractor shall submit the agency name(s), contact names, and telephone numbers for the reference(s).

Contractor shall have Ameron trained and certified workers to perform all PVC manhole topper work.

**7) OC San Provided Frames and Covers**

Replacement frames and covers will be provided by OC San at no cost to the Contractor. These items will be made available for pick up by the Contractor at the OC San Plant 1 warehouse (located at 10844 Ellis Ave in Fountain Valley) and will be provided in quantities necessary to fulfill each individual work order. Warehouse business hours are from 7:00 AM to 3:30 PM Monday – Thursday. The Contractor shall be responsible for the pick up and transportation of the new frames and covers to the job site/work locations.

**8) Permits and Access**

Contractor shall prepare applications, submit, and acquire all permits required by agencies having jurisdiction for all aspects of the work performed within their jurisdiction including, but not limited to, traffic control and or encroachment permits. OC San will only reimburse the Contractor for those permit fees that are specific to the work orders and approved by the jurisdiction(s) having authority.

**9) Traffic Control**

All traffic control shall be in accordance with the latest Caltrans “Manual of Traffic Control.” Additional local regulations shall have precedence. Contractor shall apply for all traffic control permits and pay all fees for said permits. OC San shall reimburse Contractor **only** for fees paid for approved permits. Safe and adequate pedestrian, bicyclist, and vehicular access shall be provided in accordance with Section 7-10 of the Standard Specifications for Public Works Construction (The “Greenbook”), 2018 Edition.

The Contractor shall provide standard lane closures at no additional cost to OC San. For traffic control requiring flag men, pilot cars, and arrow boards (or as required by the

permitting agency) OC San will pay the contractor(s) per the cost as submitted on the Bid Price Form, Exhibit "B".

Inadequate or improper signing and delineation for traffic control may be cause for termination of the Contract.

**10) General Work Hours**

This SOW is to be completed during normal work hours, Monday through Friday 7:00 a.m. – 4:00 p.m. or as required by the permit. Night work and weekend hours may be necessary due to traffic conditions and permit restrictions.



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1849

**Agenda Date:** 9/29/2021

**Agenda Item No:** 15.

---

**FROM:** James D. Herberg, General Manager  
Originator: Rob Thompson, Assistant General Manager

**SUBJECT:**

**AGREEMENT FOR PURCHASE OF ANIONIC POLYMER, SPECIFICATION NO. C-2021-1252BD**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a Chemical Supplier Agreement to Polydyne, Inc. for the purchase of Liquid Anionic Polymer, Specification No. C-2021-1252BD, for the period of November 1, 2021 through October 31, 2022, for a unit price of \$4.50 per active pound delivered, plus applicable sales tax for a total estimated annual amount of \$685,125, with four, one-year renewal options; and
- B. Approve an annual unit price contingency of 10%.

**BACKGROUND**

Orange County Sanitation District (OC San) has used anionic polymer for over 30 years. Anionic polymer and ferric chloride are added to the primary influent at both plants to enhance the removal of organics and improve the settling of suspended solids during primary treatment. This is referred to as the chemically enhanced primary treatment (CEPT) process. It is estimated that 140,000 active pounds of anionic polymer will be required during this contract period.

**RELEVANT STANDARDS**

- Meet volume and water quality needs for the GWRS
- 24/7/365 treatment plant reliability

**PROBLEM**

Solids and organics not captured and removed in the primary treatment process are converted into biological solids in the secondary treatment process which are more difficult to digest and more costly to dewater.

**PROPOSED SOLUTION**

Continue with the addition of anionic polymer which has been effective in improving solids removal efficiencies in the primary clarifiers resulting in reduced operating costs and increased biogas production.

**TIMING CONCERNS**

The current contract expires October 31, 2021, with zero remaining renewals.

**RAMIFICATIONS OF NOT TAKING ACTION**

If anionic polymer is not used in the primaries, it will result in increased solids and organics loading to the secondary treatment plants resulting in increased energy usage and operating costs. In addition, less solids captured from the primary treatment process reduces digester gas production.

**PRIOR COMMITTEE/BOARD ACTIONS**

N/A

**ADDITIONAL INFORMATION**

OC San selected a 2-step procurement as the method of choice for this commodity. The first step was issuing a Request for Qualifications on May 11, 2021 via PlanetBids. A non-mandatory pre-qualification meeting was conducted virtually on May 26, 2021. Responses were due on June 11, 2021. OC San received one responsive Statement of Qualification along with necessary lab samples. The samples submitted by Polydyne passed the bench scale testing (performed by OC San Lab) and the firm was found responsive on their submittal.

Summary information on the Anionic Polymer bid is as follows:

<u>Bidder</u>	<u>Polymer Type</u>	<u>Amount of Bid</u>
Polydyne, Inc.	WE-1145	\$4.50 per active pound

Staff recommends award of a Chemical Supplier Agreement to the lowest responsive and responsible bidder, Polydyne Inc., for the purchase of Anionic Polymer.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of the OC San's Purchasing Ordinance. This item has been budgeted in the Operating Budget, Division 830, Supplies (Section 6, p.84) and Division 840, Supplies (section 6, page 88).

**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

MPV:PP:cf:gc

**CHEMICAL SUPPLIER AGREEMENT**  
**Purchase of Liquid Anionic Polymer**  
**Specification No. C-2021-1252BD**

**THIS AGREEMENT** is made and entered into as of the date fully executed below, by and between Orange County Sanitation District, with a principal place of business at 10844 Ellis Avenue, Fountain Valley, CA 92708 (hereinafter referred to as "OC San") and Polydyne Inc. with a principal place of business at 1 Chemical Plant Road, Riceboro, GA 31323 (hereinafter referred to as "Supplier") collectively referred to as the "Parties".

**WITNESSETH**

**WHEREAS**, OC San desires to temporarily engage Supplier to provide Liquid Anionic Polymer as described in Exhibit "A"; and

**WHEREAS**, Supplier submitted its Bid dated July 9, 2021; and

**WHEREAS**, on September 29, 2021, 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 Liquid Anionic Polymer 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 Liquid Anionic Polymer 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, inclusive of Appendices  
Exhibit "B" Bid  
Exhibit "C" Determined Insurance Requirements Form  
Exhibit "D" 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, Lincoln’s Birthday, 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 Anionic Polymer 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 Anionic Polymer 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 Anionic Polymer 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 Anionic Polymer 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 Anionic Polymer 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 active liquid pound rate or for any other default or breach of this Agreement. In such event, OC San may purchase Anionic Polymer 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 Anionic Polymer to ensure it is consistent with the requirements specified in Exhibit “A”.

**5. Pricing and Invoicing**

- 5.1 Supplier will invoice for Anionic Polymer delivered 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.
- 5.2 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 Anionic Polymer 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).

**6. Modifications**

- 6.1 This Agreement may be modified or changed only by written instrument in the form of an amendment to this Agreement signed by both Parties.
- 6.2 Pricing modifications: The prices established in this Agreement shall remain firm for the one-year Agreement term. Quarterly pricing will not be accepted. Any adjustments made will allow for increases or decreases in the manufactured cost of the Anionic Polymer 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. Agreement Term** The Services provided under this Agreement shall be for the period of one (1) year commencing on November 1, 2021 and continuing through October 31, 2022.

**8. Renewals**

- 8.1 OC San may exercise the option to renew the Agreement for up to four (4) one-year periods 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.

- 8.1.1 Renewals may be made through the OC San Purchase Order Process.

- 8.2 The prices established in the original Agreement may be adjusted. The adjustment will allow for any increase or decrease in the manufactured cost of the Anionic Polymer 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.

- 8.2.1 Price adjustments shall be made through the Amendment process.

**9. Termination**

- 9.1 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.

- 9.2 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.
- 9.3 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.
- 9.4 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.
10. **Indemnification and Hold Harmless** 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.
11. **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 Determined Insurance Requirements Form, 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.
12. **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.

13. **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.
14. **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.
15. **Contractor Safety Standards and Human Resources (HR) 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 Contractor Safety Standards while working at OC San locations. If during the course of the Contract it is discovered that Contractor Safety Standards do not comply with Federal, State, or local regulations, then the Contractor is required to follow the most stringent regulatory requirement at no additional cost to OC San. Contractor and all of its employees and subcontractors shall adhere to all applicable Contractor Safety Standards attached hereto in Exhibit "D" and the Human Resources Policies in Exhibit "E".
16. **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.
17. **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.
18. **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.
19. **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.
20. **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.
21. **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.

## **22. Disputes**

22.1 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.

22.2 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.

22.3 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.

## **23. Right to Review Services, Facilities, and Records**

23.1 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.

23.2 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.

## **24. Incorporated Documents**

24.1 The Scope of Work, including all Appendices, Proposal, Acknowledgement of Insurance Requirements, and OC San Safety Standards are hereby incorporated into and made a part of this Agreement, and unless modified or changed hereinabove, are controlling for all matters pertaining to the supply of Liquid Anionic Polymer and the manner of performance thereof.

- 24.2 In the event of any conflict or inconsistency between the provisions of this Agreement and any of the provisions of the other incorporated documents, the provisions of this Agreement shall in all respects govern and control.
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. **Public Contracts Law** OC San is subject to the provisions listed in the prevailing wage determination made by the Director of the Department of Industrial Relations pursuant to California Labor Code Part 7, Chapter 1, Article 2, Sections 1770, 1773 and 1773.1. It is agreed that all provisions of law applicable to public contracts are part of this Agreement to the same extent as though set forth herein and will be complied with by Supplier. Supplier shall not pay less than the prevailing wage.
29. **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.
30. **Performance** Time is of the essence in the performance of the provisions hereof.
31. **Familiarity with Work** By executing this Agreement, Supplier warrants that: 1) it has investigated the work to be performed; 2) it has investigated the site of the work and is aware of all conditions there; and 3) 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.
32. **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.
33. **Third Party Rights** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OC San and Supplier.
34. **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.

- 35. **Read and Understood** By signing this Agreement, Supplier represents that it has read and understood the terms and conditions of the Agreement.
- 36. **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.
- 37. **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

Supplier: Boyd Stanley  
Senior Vice President  
1 Chemical Plant Road  
Riceboro, GA 31323

***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: \_\_\_\_\_  
John B. Withers  
Chair, Board of Directors

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

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Ruth Zintzun  
Purchasing and Contracts Manager

**POLYDYNE, INC.**

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

By: \_\_\_\_\_

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

**EXHIBIT A**  
**SCOPE OF WORK**  
**For**  
**Purchase of Liquid Anionic Polymer (Step 2 of 2)**

**EXHIBIT A**  
**SCOPE OF WORK**  
**Purchase of Liquid Anionic Polymer (Step 2 of 2)**  
**SPECIFICATION NO. C-2021-1252BD**

**1. PRODUCT REQUIREMENTS**

1.1 **Anionic Polymer** The anionic polymer will be for coagulation in the primary clarifiers. Liquid anionic polymer to be a stabilized 2.0% solution, complete miscible with water or sewage, with the following chemical and physical properties:

- The % total solids                      1.8 – 2.2%
- The % volatile solids                    97.8 – 98.2%
- The % active polymer                   1.8 – 2.2%

Viscosity, molecular weight, and charge density should be specified on the Certificate of Analysis which should accompany each shipment as specified in section 1.4 of this Exhibit A. Specifications should be consistent throughout the term of the contract and should match those of the polymer submitted for trial testing.

**2. PRODUCT DELIVERY**

2.1 The product supplied shall be of new manufacture and shall not be a reconstituted, reclaimed or spent product. Said product shall be clean and free from all dirt, wood and plastic particulate matter which 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, in sludge quality or causing Orange County Sanitation District (OC San) to exceed its NPDES requirements or does not conform to the quality criteria outlined below. Inorganic and organic impurities shall be determined by the procedures described in the latest edition of Standard Methods for the Examination of Water and Wastewater. OC San reserves the right to reject a load or cancel the contract if the stated requirements are not met.

2.2 A Delivery statement shall accompany all shipments and state the delivered weight and delivered gallons and active pounds, actual specific gravity and/or density of the product being shipped, and the actual percent of the delivered solution. Payment shall be based on the actual active pounds of product delivered. At a minimum, the invoice shall include a description of the delivery location, the delivery date, the unit price, the volume of product delivered, and any other parameters used to determine the cost for the shipment. The Supplier shall submit a duplicate copy of all invoices labeled for Division 830.

2.3 Each solution anionic polymer delivery requires a representative 16-ounce sample from the delivered load. A Certificate of Analysis must accompany each shipment and shall contain 1) the original gel polymer lot number used for the production of the solution anionic polymer, the original gel polymer molecular weight, and viscosity; 2) the delivered solution anionic polymer percent total solids, the percent active polymer and the specific gravity of the solution anionic polymer delivered. A certified analysis is defined as a statement signed by the manufacturer or supplier's representative declaring the analysis information is true and accurate. On initiation of this contract, a copy of each analytical test procedure must be made available to OC San. The analytical procedures must be in accordance with Standard Methods and be

acceptable to OC San. The minimum % total solids will be the minimum specification used for billing and product quality determinations.

2.4 OC San reserves the right to request polymer on a schedule convenient to the needs of the treatment plants. Deliveries shall typically be made within three (3) days of request and only received Monday through Friday between the hours of 7:00 A.M. and 4:00 P.M. PT.

2.5 The Supplier shall notify the Control Center or Operations' Center Clerk (Control Center) at the respective treatment plant upon arrival. The Supplier shall not unload polymer into any storage tank until the Supplier has received the appropriate tank key. Delivery receipts signed by an OC San employee will be presented to the Control Center when unloading is completed. Bill of Lading must be labeled with the information listed below in order to be accepted.

- Approved name/number of product
- Specify "ANIONIC"
- FOR PHYS/CHEM TREATMENT IN ANIONIC TANK

If the above information is not on the Bill of Lading, off-loading will not take place without confirmation from OC San supervision and/or the Supplier that it is the product ordered.

2.5.2 OC San will not accept what might be considered typographical errors. The polymer company has many products with similar product numbers so documentation must be accurate.

2.5.3 The OC San operator will examine the sample for color, consistency, and odor. If an anionic polymer delivered has an amine (ammonia) odor, the load will be rejected. Do Not Off-load.

**2.6 Rejection of Shipment**

OC San reserves the rights to reject deliveries or terminate the contract if, 1) product quality has deteriorated; 2) product is different from that which was trialed; 3) full scale performance of the chemical is significantly different from that shown during trial testing.

2.7 OC San does not guarantee any minimum or maximum usage of anionic polymer, but it is estimated that the annual usage will be 80,000 and 50,000 active pounds for Plant 1 and Plant 2, respectively. The quantity mentioned is an estimate only, based on past and expected usage. Deliveries will be made to Plants 1 and 2 as called for. Tank location name and volume:

<u>Bulk</u>	<u>Location</u>	<u>Tank Volume</u>	<u>Typical Load</u>
Plant 1	Headworks	9200 gal	5000 gal
Plant 1	Headworks	9200 gal	5000 gal
Plant 1	Headworks	14805 gal	5000 gal
Plant 2	Headworks	11300 gal	5000 gal
Plant 2	Headworks	11300 gal	5000 gal

### 3. PRODUCT QUALITY

- 3.1 The Supplier shall provide polymer identical to the product supplied to OC San during the qualification portion of the bid. The neat polymer delivered by the Supplier must not contain solidified masses of polymer and must be 100% in solution when mixed by means of OC San's polymer solution batch mixing procedure.
- 3.2 Periodic quality control tests will be performed by OC San on the delivered anionic polymer to assure that minimum contract specifications are attained, and that the supplier-reported quality is accurate. All billings will be for no more than the actual polymer delivered. Polymer will be paid for on a corrected weight basis. All polymers delivered under the minimum product specifications shall be discounted proportionately.

On a quarterly basis, Supplier of the anionic polymer shall provide the viscosity of a representative solution anionic polymer made down as delivered.

### 4 SAFETY

- 4.1 **General** – A meeting with personnel from OC San's Risk Division will be required before the start of contract. OC San requires hard hats, safety glasses, and safety shoes be worn on the plant premises. 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 inform the delivery truck drivers of this obligation and train them in these requirements.
- 4.2 Safety showers and eye washes are located at the chemical handling locations. Drivers must review the shower and eyewash locations prior to off-loading chemicals. Drivers shall comply with OC San's safety policies while on the plant sites. The Supplier shall provide safety equipment. **Lack of safety equipment or failure to use safety equipment will be cause for rejection of the product.**
- 4.3 **Spill Response Plan** - The Supplier shall have and maintain an effective spill response plan to minimize environmental impacts. Said plan must be forwarded in writing to OC San approximately 30 calendar days after the award of the contract. Drivers shall be trained accordingly.

### 5 DELIVERY PROCEDURES for Plant 1 and Plant 2

Chemical delivery Standard Operating Procedures (SOPs) are referenced in Appendix A-1.

**Appendix A-1**  
**CHEMICAL DELIVERY PROCEDURES**  
**For**  
**Purchase of Liquid Anionic Polymer (Step 2 of 2)**

 <p style="text-align: center;"><b>Orange County Sanitation District</b></p>	<p><b>Chemical SOP Number: CHEM SOP-001-P1-P2</b></p>
	<p><b>Rev. 4 Final Plant 1 and Plant 2 Chemical Delivery Procedures</b></p>
<p><b>Subject: Plant No.1 and No.2 Chemical Delivery Procedures for Contract Drivers</b></p>	<p><b>Effective Date: June 10, 2015</b></p>

## POLICY

Orange County Sanitation District (OCSD) Operations Division 830/840 has outlined their standard operating procedure (SOP) for delivery of designated bulk chemicals delivered to the Fountain Valley and Huntington Beach treatment plants. Chemical drivers are permitted to connect and disconnect their deliveries without OCSD operator assistance for all bleach, ferric, bisulfite, anionic polymer, and cationic polymer deliveries.

This unloading procedure has a built in safeguard which eliminates the chance of deliveries being offloaded into incorrect chemical bulk tanks. All Chemical delivery lines will have a lock on each cam-lock cap to ensure the chemical is being delivered to the correct chemical tank. Each lock will be keyed differently which will eliminate the possibility of the chemical driver mistakenly hooking up to the wrong tank in the field.

- A phone is available at or near the chemical containment area for the drivers. Emergency contact numbers will be provided for the driver by the OCSD Operator.
- All chemical tanks and delivery lines are clearly marked.

### **Chemical Drivers' Responsibilities:**

- Under this procedure, all drivers shall review this "Bulk Chemical SOP for Contract Drivers" and sign, print, and date the acknowledgment of training sheet prior to completing their initial delivery. An OCSD representative shall accompany each driver for his/her initial delivery.
  - **NOTE:** OCSD has the discretion to require additional assistance for subsequent deliveries, if warranted, and it will be noted on the acknowledgement sheet if it is necessary.
- All drivers shall comply with the above requirements and must provide a contact phone number to the Control Center or Operations Center Operator which will be recorded on the signature acknowledgement sheet.
- The driver must sign in the visitors log book and obtain pre-delivery signatures from the control center operator located in the Control Center or Operations Center. The driver must also receive clear instructions as to which tank is to receive the delivery.

- If required, chemical samples may be left on the designated chemical containment wall or handed to the OCSD operations staff prior to off loading their delivery.
- The driver must wear the appropriate personal protective equipment while on site at OCSD. OCSD requires all personnel who enter our process areas to wear hard hats, safety glasses, Class 2 Safety Vest, and steel toed shoes at a minimum while in the process areas.
- At the chemical tank, prior to offloading the delivery the driver will need to remove cam-lock caps with the key provided.
- For added safety, the driver agrees to use a safety strap on all cam-lock connections during the transfer of chemicals. The safety strap must be applied at the tank connection and the truck connection. **NOTE: Chemical suppliers are responsible to supply their drivers with safety straps.**
- The Driver is permitted to use OCSD plant air to offload their delivery. If OCSD plant air is not available, the driver is responsible to supply their own. (Driver will ensure air hose is neatly coiled after use).
- Prior to opening delivery valves, the driver shall verify correct tank and tank level, and ensure that cam-lock safety straps are secured on all cam-lock connections.
- Driver must report all spills larger than a quart to the Control Center before they leave the facility. If a large spill (greater than 5 gallons) is occurring during their delivery, the driver shall immediately call the Control Center and report the spill.
- In the event of an **emergency**, immediately call the Control Center or Operations Center for assistance at the following numbers:

If using the OCSD phone call extension 2222

If using a cell phone call: Plant 1: 714-593-7133  
Plant 2: 714-593-7677

- If non-emergency assistance is needed at Plant 1, call extension 7025 using an OCSD phone. If at Plant 2, call extension 7625 using an OCSD phone.
- After the delivery is complete, the driver shall ensure the delivery valve is closed and the cam-lock cap and lock have been re-connected.
- The driver shall then return to the Control Center or Operations Center and receive post-delivery signatures on all documents pertaining to the delivery and return the key to the Control Center Operator.

**Example of how the procedure is designed to work:**

1. Chemical driver checks into either Plant 1 Control Center or Plant 2 Operations Center and signs the visitor log book.
2. At that time the Control Center or Operations Center Operator will assign the driver a chemical tank and give the driver a key for that specific tank.
3. Pre-delivery paperwork will be signed by OCSD and the start tank level will be recorded.
4. Chemical driver will drive to assigned chemical tank, unlock cam-lock cap for assigned tank, hook up his hose, apply cam-lock safety straps to all cam-lock connections, open the delivery valve for the assigned tank, and unload chemical.
5. Once the driver has finished unloading he/she will close the delivery valve, put the cam-lock cap back on delivery fitting, and lock it.
6. Driver will return to the Control Center or Operations Center to return the key, report any problems encountered during their delivery, receive post-delivery signatures, and sign out on the visitor log book.
7. Operations staff will be responsible to record start and stop tank levels.

**Chemical SOP**  
**Number: CHEM SOP-001-P1-P2**  
**(Acknowledgement Signatures)**

Driver's  
Signature: \_\_\_\_\_

Driver's Printed  
Name: \_\_\_\_\_

Driver's Contact  
Number: \_\_\_\_\_

Date: \_\_\_\_\_

Operations Division Representative

Name/Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



# OPERATIONS COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1850

**Agenda Date:** 9/29/2021

**Agenda Item No:** 16.

---

**FROM:** James D. Herberg, General Manager  
Originator: Kathy Millea, Director of Engineering

**SUBJECT:**

**REDHILL RELIEF SEWER RELOCATION AT STATE ROUTE 55, PROJECT NO. FE18-13**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Approve the First Amendment to Utility Agreement No. OCSD-1005, between the Orange County Sanitation District and the Orange County Transportation Authority agreeing to a funding increase for the relocation and protection of the Redhill Relief Sewer at State Route 55 in the City of Santa Ana.

**BACKGROUND**

The Orange County Transportation Authority (OCTA) is implementing the State Route 55 (SR-55) Improvement Project to widen SR-55 between Interstate 5 and Interstate 405. The Orange County Sanitation District (OC San) owns a sewer running under SR-55 immediately south of Warner Avenue, in the City of Santa Ana.

Redhill Relief Sewer Relocation at State Route 55, Project No. FE18-13, will extend a required protective casing for the sewer and relocate a manhole out of the widened right of way. OCTA has agreed to compensate OC San for the cost of this work, as documented in a March 2020 Utility Agreement between the agencies.

**RELEVANT STANDARDS**

- Maintain collaborative and cooperative relationships with regulators, stakeholders, and neighboring communities
- Protect OC San assets

**PROBLEM**

The Utility Agreement's reimbursable upper limit was based on an initial conceptual design. Following site exploration and utility records research, the design had to be revised with deeper excavation, a longer length, and a curved sewer installation. As a result, the existing reimbursable limit is not adequate to complete the project.

## **PROPOSED SOLUTION**

Approve an Amendment to the Utility Agreement increasing the Utility Agreement's reimbursable from \$1,435,000 to \$2,840,000. OCTA has accepted the new upper limit.

## **TIMING CONCERNS**

The relocation and protection of the sewer must begin by May 2022, to avoid impacting OCTA's schedule for work that requires this work to be completed.

## **RAMIFICATIONS OF NOT TAKING ACTION**

OCTA would not be authorized to reimburse OC San for the full cost of the project.

## **PRIOR COMMITTEE/BOARD ACTIONS**

March 2020 - Approved Utility Agreement No. OCSD-1005 between the Orange County Sanitation District and the Orange County Transportation Authority agreeing to specific terms, conditions, and funding obligations regarding the relocation and protection of the Redhill Relief Sewer at State Route 55 in the City of Santa Ana.

## **ADDITIONAL INFORMATION**

Staff plans to advertise the project for bids in November 2021 and estimates the construction to start in May 2022.

## **CEQA**

The relocation and protection of the Redhill Relief Sewer is included in the Initial Study/Mitigated Negative Declaration/Environmental Assessment, prepared by Caltrans and OCTA, for the SR-55 Improvement Project.

## **FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update, Fiscal Year 2021-2022, Appendix A, Page A-8, Small Construction Projects Program, Project No. M-FE) and the budget is sufficient for the recommended action. Costs for the project will be reimbursed by OCTA.

## **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:*

- First Amendment to Utility Agreement No. OCSD-1005
- Utility Agreement No. OCSD-1005
- Presentation

RD:dm:sa:gc

<u>District</u> 12	<u>County</u> Orange	<u>Route</u> SR-55	<u>Post Mile</u> 6 4/10 2	<u>Project ID No.</u> 1200020328	<u>EA</u> 0J340
Federal Aid No: _____ STPLN-6071 (129)_____					
Owner's File: _____ Plan #-OCSD-1005__					
FEDERAL PARTICIPATION:			On the Project	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
			On the Utilities	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**FIRST AMENDMENT TO UTILITY AGREEMENT NO. OCSD-1005**

**WHEREAS**, Orange County Transportation Authority, hereinafter called OCTA, whose address is 550 South Main Street, Orange, California 92863-1584, and Orange County Sanitation District, hereinafter called OWNER, have entered into that certain Utility Agreement No. OCSD-1005, dated April 7, 2020, which Agreement sets forth the terms and conditions pursuant to which OWNER has been performing final design and relocation work to accommodate SR-55 Improvement Project No. 1200020328/EA 0J340, and,

**WHEREAS**, in the performance of said work, increased costs of \$1,405,000.00 over and above those estimated at the time of the execution of said Agreement were incurred due to revisions made to the original, conceptual sewer design along with the additional associated design work and construction costs in connection therewith; and,

**WHEREAS**, it has been determined that, since costs have overrun the amount shown in said Agreement by 97.91%, and when the increased cost exceeds by 25% the estimated amount set forth in said Agreement, said Agreement shall be amended to show the increased cost of the work to OCTA; and,

**WHEREAS**, the estimated cost to OCTA of the work to be performed under said Agreement was \$1,435,000.00, and by reason of the increased costs referred to above, the amended estimated cost to OCTA is \$2,840,000.00.

**NOW, THEREFORE**, the PARTIES agree to amend the AGREEMENT as follows:

1. The estimated cost to OCTA of \$1,435,000.00 as set forth in the AGREEMENT is hereby amended to read \$2,840,000.00.
2. All other terms and conditions of the AGREEMENT remain unchanged.

**IN WITNESS WHEREOF**, the PARTIES hereto have executed this First Amendment to Utility Agreement No. OCSD-1005 this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**OWNER:  
ORANGE COUNTY SANITATION DISTRICT**

**ORANGE COUNTY TRANSPORTATION  
AUTHORITY,  
a public entity**

APPROVED

APPROVED

By: \_\_\_\_\_  
John B. Withers  
Board Chairman

By: \_\_\_\_\_  
James G. Beil, P.E.  
Executive Director,  
Capital Programs

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:  
Alston & Bird, LLP

APPROVED AS TO FORM:

By:  \_\_\_\_\_  
Pamela J. Privett  
Special Counsel

By: \_\_\_\_\_  
Rick E. Rayl  
Special Counsel

ATTEST:

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

Date: \_\_\_\_\_

**ORANGE COUNTY TRANSPORTATION AUTHORITY  
UTILITY AGREEMENT**

RW 13-05 (REV 12/2016)

DISTRICT 12	COUNTY Orange	ROUTE SR-55	POST MILE <u>6.4/10.2</u>	Project ID <u>1200020328</u> E.A. <u>OJ340</u>
FEDERAL AID NUMBER STPLN-6071 (129)		OWNER'S PLAN NUMBER OCSD-1005		
FEDERAL PARTICIPATION		On the project <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		
		On the Utilities <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		

**UTILITY AGREEMENT NO. OCSD-1005**

**DATE** *04/07/2020*

Pursuant to Cooperative Agreement Number C-7-1936 (Cooperative Agreement), the Orange County Transportation Authority (OCTA) is partnering with the California Department of Transportation (Caltrans) in a project that proposes to widen State Route 55 (SR-55) between Interstate 405 and Interstate 5 (SR-55 Improvement Project). Per the Cooperative Agreement, OCTA is the lead agency for Right of Way Acquisition and Utility. The SR-55 Improvement Project proposes to reduce traffic congestion, improve mobility as well as traffic operations to an existing four mile stretch of SR-55.

**Orange County Sanitation District (OCSD)**  
10844 Ellis Avenue  
Fountain Valley, CA 92708

Hereinafter referred to as "OWNER", owns and maintains sewer facilities in the City of Santa Ana within the limits of OCTA's project which requires project development, design, inspection, project management, relocation of a manhole and sewer segments and the extension of casing to accommodate OCTA's project, and provision of necessary easement interests as set forth in Section V below.

It is hereby mutually agreed that:

**I. WORK TO BE DONE**

In accordance with Notice to Owner No. OCSD-1005 dated February 13, 2020, OWNER shall relocate sewer manhole and extend casing. All work shall be performed substantially in accordance with OWNER's Plan No. OCSD-1005 dated February 13, 2020 consisting of 1 sheet, a copy of which is on file in the OCTA office at 550 S. Main Street; Orange, CA 92863-1584.

Deviations from the OWNER's plan described above initiated by either the OCTA or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by the OCTA and agreed to/acknowledged by the OWNER, will constitute an approved revision of the OWNER's plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to written execution by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner.

**II. LIABILITY FOR WORK**

**ADA Notice** For individuals with sensory disabilities, this document is available in alternate formats. For alternate format information, contact the Forms Management Unit at (916) 445-1233, TTY 711, or write to Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

The existing facilities are lawfully maintained in their present location and qualify for relocation at OCTA expense under the provisions of Section (703) of the Streets and Highways Code.

### III. PERFORMANCE OF WORK

OWNER agrees to cause the herein described work to be performed by a contract with the lowest qualified bidder, selected pursuant to a valid competitive bidding procedure, and to furnish or cause to be furnished all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion.

Use of personnel requiring lodging and meal 'per diem' expenses shall not exceed the per diem expense amounts allowed under the California Department of Human Resources travel expense guidelines. Accounting Form FA-1301 is to be completed and submitted for all non-OCTA personnel travel per diem. Owner shall also include an explanation why local employee or contract labor is not considered adequate for the relocation work proposed.

Work performed by OWNER's contractor is a public work under the definition of Labor Code Section 1720(a) and is therefore subject to prevailing wage requirements.

Work performed directly by Owner's employees falls within the exception of Labor Code Section 1720(a)(1) and does not constitute a public work under Section 1720(a)(2) and is not subject to prevailing wages. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above.

### IV. PAYMENT FOR WORK

The OCTA shall pay its share of the actual and necessary cost of the herein described work within 45 days after receipt of OWNER's itemized bill, signed by a responsible official of OWNER's organization and prepared on OWNER's letterhead, compiled on the basis of the actual and necessary cost and expense. The OWNER shall maintain records of the actual costs incurred and charged or allocated to the project in accordance with recognized accounting principles.

It is understood and agreed that OCTA will not pay for any betterment or increase in capacity of OWNER's facilities in the new location and that OWNER shall give credit to OCTA for the salvage value of any material or parts salvaged and retained or sold by OWNER.

Not more frequently than once a month, but at least quarterly, OWNER will prepare and submit detailed itemized progress bills for costs incurred, not to exceed OWNER's recorded costs as of the billing date less estimated credits applicable to completed work. Payment of progress bills not to exceed the amount of this Agreement may be made under the terms of this Agreement. Payment of progress bills which exceed the amount of this Agreement may be made after receipt and approval by OCTA of documentation supporting the cost increase and after an Amendment to this Agreement has been executed by the parties to this Agreement.

The OWNER shall submit a final bill to OCTA within 360 days after the completion of the work described in Section I above. If OCTA has not received a final bill within 360 days after notification of completion of OWNER's work described in Section I of this Agreement, and OCTA has delivered to OWNER fully executed Director's Deeds, Consents to Common Use or Joint Use Agreements for OWNER's facilities (if required), OCTA will provide written notification to OWNER of its intent to close its file within 30 days. OWNER hereby acknowledges, to the extent

allowed by law, that all remaining costs will be deemed to have been abandoned. If OCTA processes a final bill for payment more than 360 days after notification of completion of OWNER's work, payment of the late bill may be subject to allocation and/or approval by the OCTA Board of Directors.

The final billing shall be in the form of a detailed itemized statement of the total costs charged to the project, less the credits provided for in this Agreement, and less any amounts covered by progress billings. However, OCTA shall not pay final bills which exceed the estimated cost of this Agreement without documentation of the reason for the increase of said cost from the OWNER and approval of documentation by OCTA. Except, if the final bill exceeds the OWNER's estimated costs solely as the result of a revised Notice to Owner as provided for in Section I, a copy of said revised Notice to Owner shall suffice as documentation. In either case, payment of the amount over the estimated cost of this Agreement may be subject to allocation and/or approval by the OCTA Board of Directors.

In any event if the final bill exceeds 125% of the estimated cost of this Agreement, an Amended Agreement shall be executed by the parties to this Agreement prior to the payment of the OWNER's final bill. Any and all increases in costs that are the direct result of deviations from the work described in Section I of this Agreement, shall have the prior concurrence of OCTA.

Detailed records from which the billing is compiled shall be retained by the OWNER for a period of three years from the date of the final payment and will be available for audit by OCTA and or Federal auditors. In performing work under this Agreement, OWNER agrees to comply with the Uniform System of Accounts for Public Utilities found at 18 CFR, Parts 101, 201, et al., to the extent they are applicable to OWNER doing work on the project that is the subject of this agreement, the contract cost principles and procedures as set forth in 48 CFR, Chapter 1, Subpart E, Part 31, et seq., 23 CFR, Chapter 1, Part 645 and 2 CFR, Part 200, et al. If a subsequent OCTA and/or Federal audit determines payments to be unallowable, OWNER agrees to reimburse OCTA upon receipt of OCTA billing. If OWNER is subject to repayment due to failure by OCTA to comply with applicable laws, regulations, and ordinances, then OCTA will ensure that OWNER is compensated for actual cost in performing work under this agreement.

## **V. GENERAL CONDITIONS**

All costs accrued by OWNER as a result of OCTA's request of August 22, 2018 to review, study and/or prepare relocation plans and estimates for the project associated with this Agreement may be billed pursuant to the terms and conditions of this Agreement.

If OCTA's project which precipitated this Agreement is canceled or modified so as to eliminate the necessity of work by OWNER, OCTA will notify OWNER in writing and OCTA reserves the right to terminate this Agreement by Amendment. The Amendment shall provide mutually acceptable terms and conditions for terminating the Agreement.

All obligations of OCTA under the terms of this Agreement are subject to the acceptance of the Agreement by OCTA Board of Directors or the Delegated Authority (as applicable), the passage of the annual Budget Act by the State Legislature, and the allocation of those funds by the California Transportation Commission.

OWNER shall submit a Notice of Completion to the OCTA within 30 days of the completion of the work described herein.

## UTILITY AGREEMENT NO. OCSD-1005

Such Easement Deeds as deemed necessary by the OCTA will be delivered to OWNER, conveying new rights of way for portions of the facilities relocated under this Agreement, over available STATE owned property outside the limits of the highway right of way.

OCTA's liability for the new rights of way will be at the proration shown for the relocation work involved under this Agreement.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, Buy America, are also incorporated into this agreement. The Buy America requirements are further specified in Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

OWNER understands and acknowledges that this project is subject to the requirements of the Buy America law (23 U.S.C., Section 313) and applicable regulations, including 23 CFR 635.410 and FHWA guidance, and will demonstrate Buy America compliance by collecting written certification(s) from the vendor(s) or by collecting written certification(s) from the manufacturer(s) mill test report (MTR).

All documents obtained to demonstrate Buy America compliance will be held by the OWNER for a period of three (3) years from the date of final payment to the OWNER and will be made available to OCTA or FHWA upon request.

One set of copies of all documents obtained to demonstrate Buy America compliance will be attached to, and submitted with, the final invoice.

This does not include products for which waivers have been granted under 23 CFR 635.410 or other applicable provisions or excluded material cited in the Department's guidelines for the implementation of Buy America requirements for utility relocations issued on December 3, 2013.

OCTA further acknowledges that OWNER, in complying with the Buy America Rule, is expressly relying upon the instructions and guidance (collectively, "Guidance") issued by Caltrans and its representatives concerning the Buy America Rule requirements for utility relocations within the State of California. Notwithstanding any provision herein to the contrary, OWNER shall not be deemed in breach of this Agreement for any violations of the Buy America Rule if OWNER's actions are in compliance with the Guidance.

AB 262 – Buy Clean California Act of 2017 requires as of January 1, 2019 that the Department of General Services (DGS) is to publish in the State Contracting Manual (SCM) a maximum acceptable level of global warming potential (GWP) for each category of required materials. The categories of eligible materials are, carbon steel rebar, flat glass, mineral wool board insulation and structural steel. A statement of Environmental Product Declaration (EDP) is required prior to beginning of relocation work, to the extent required by law.

THE ESTIMATED COST TO OCTA FOR THE ABOVE DESCRIBED WORK IS \$ 1,435,000.00.

**Signatures on Following Page**

UTILITY AGREEMENT NO. OCSD-1005

IN WITNESS WHEREOF, the above parties have executed this Agreement the day and year above written.

OWNER:  
ORANGE COUNTY SANITATION DISTRICT

ORANGE COUNTY TRANSPORTATION  
AUTHORITY,  
a public entity

APPROVED

APPROVED

By: David John Shawver 3/25/2020  
David John Shawver  
Board Chairman

By: [Signature]  
James G. Bell, P.E.  
Executive Director,  
Capital Programs

Date: 3/25/20 [Signature]  
attest.

Date: 4/7/2020

APPROVED AS TO FORM:  
Alston & Bird

APPROVED AS TO FORM:

By: [Signature] Partner  
Pamela J. Rivett  
Special Counsel

By: [Signature]  
Rick E. Rayl  
Special Counsel

# Redhill Relief Sewer Relocation at State Route 55

## Project No. FE18-13

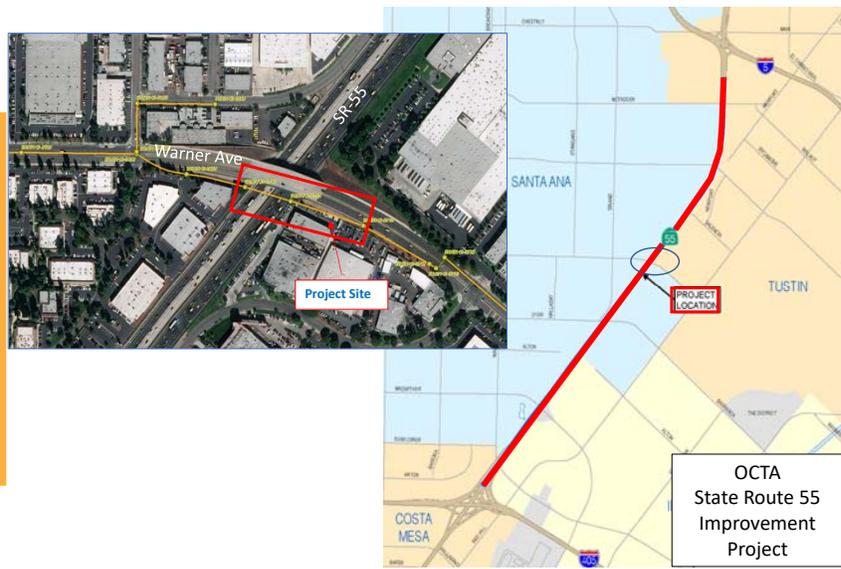
Presented by:  
Kathy Millea  
Director of  
Engineering

Operations  
Committee  
September 1, 2021



1

## Redhill Relief Sewer at Warner Ave



2

## Recommendation

Approve the First Amendment to Utility Agreement No. OCSD-1005, between the Orange County Sanitation District and the Orange County Transportation Authority agreeing to a funding increase for the relocation and protection of the Redhill Relief Sewer at State Route 55 in the City of Santa Ana.

Original Agreement	\$1,435,000
Proposed Change	\$1,405,000
New Agreement	\$2,840,000

3

3

## Questions



4

4



# ADMINISTRATION COMMITTEE

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

## Agenda Report

**File #:** 2021-1856

**Agenda Date:** 9/29/2021

**Agenda Item No:** 17.

**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**GENERAL MANAGER APPROVED PURCHASES AND ADDITIONS TO THE PRE-APPROVED OEM SOLE SOURCE LIST**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Receive and file Orange County Sanitation District purchases made under the General Manager's authority for the period of April 1, 2021 to June 30, 2021; and
- B. Approve the following additions to the pre-approved OEM Sole Source List for the period of April 1, 2021 to June 30, 2021:
  - CBS Arcsafe - Remote Switch Actuators
  - MILTON ROY - Pumps and Equipment
  - MONTEREY BAY AQUARIUM RESEARCH INSTITUTE (MBARI) - Ocean Mooring Support
  - RDI TECHNOLOGIES, INC. - Iris M and Iris MX Systems
  - SEAL ANALYTICAL, INC - DEENA Automated Digestion System, Parts, and Software

**BACKGROUND**

Staff provides the Administration Committee and the Board of Directors quarterly reports of General Manager approved and executed purchases between \$50,000 and \$100,000; maintenance and repair Services Task Orders between \$50,000 and \$300,000; and additions to the pre-approved OEM Sole Source List.

The list of additions to the pre-approved OEM Sole Source List displays the original equipment manufacturers (OEM) added this quarter that require sole source procurement to maintain, service, or replace equipment currently in operation at Orange County Sanitation District (OC San) facilities because the parts and/or service can only be provided by the OEM or their designated representative.

**RELEVANT STANDARDS**

- Quarterly financial reporting
- Ensure the public's money is wisely spent

**PRIOR COMMITTEE/BOARD ACTIONS**

December 2016 - Minute Order 12(b) authorized the General Manager to ratify additions or deletions to the OEM Sole

Source list on the General Manager's quarterly approved purchases agenda report.

#### ADDITIONAL INFORMATION

In accordance with Board purchasing policies, Ordinance OC SAN-56, the General Manager has authority to approve and execute purchases between \$50,000 and \$100,000. Below is a summary of General Manager approved purchases, in amounts exceeding \$50,000, for the fourth quarter of fiscal year 2020-21:

Vendor Name	Amount	Department	Description/Discussion
AGILENT TECHNOLOGIES, INC.	\$57,647.28	Environmental Services	Annual PO for Crosslab Silver Service Plan 4/7/21 - 4/6/22 Board Approved OEM Sole Source List M.O. 12/14/16, Item 12
AIRKINETICS, INC.	\$54,260.00	Environmental Services	Blanket PO for Emissions Source Testing for Central Power Generation Internal Combustion Engines at Plant 1 and 2 4/27/21 - 4/26/22 with 4 Optional Renewal Periods Specification No. S-2021-1224
ALSTON & BIRD LLP	\$95,000.00	Engineering	Blanket PO to Provide Various Legal Services 5/20/21 - 5/19/22 Sole Source Justification 2424 Reason: Unique Product/Service
ANDERSON A.C, L.P./AMERICAN MECH SVCS	\$90,000.00	Operations & Maintenance	Convenience Blanket PO for Urgent Response to Assess and/or Repair HVAC Systems of Occupied Areas 6/17/21 - 6/16/23 GM Article 2, Section 2.2 (b) (1)
ARI-HETRA	\$53,735.20	Operations & Maintenance	Purchase and Installation of Six (6) Mobile Column Lifts Specification No. S-2021-1230R
BASIN VALVE COMPANY	\$60,000.00	Operations & Maintenance	Blanket PO for Gas Compressor Pilot Operated Relief Valve Maintenance Program 7/1/21 - 6/30/22 with 4 Optional Renewal Periods Specification No. S-2021-1128
COOPER MACHINERY SERVICES LLC	\$72,614.40	Operations & Maintenance	Full Inspection on Refurbished LSVB Power Heads Board Approved OEM Sole Source List M.O. 8/23/17, Item 9
CORPORATE IMAGE MAINTENANCE INC	\$70,200.00	Operations & Maintenance	Blanket PO to Provide COVID-19 Disinfecting Services at Plants 1 & 2 6/14/21 - 9/14/21 Sole Source Justification 2450 Reason: COVID-19 Related Response
CORTECH ENGINEERING	\$74,415.75	Administrative Services	Stock Purchase of Two (2) SEEPEX Rotors and Stators Board Approved OEM Sole Source List M.O. 12/14/16, Item 12
CR&R	\$90,000.00	Operations & Maintenance	Convenience Blanket PO to Provide and Dump 40 Yard Trash Dumpsters at Plants 1 & 2 7/1/21 - 6/30/22 GM Article 2, Section 2.2 (b) (1)
DEMARIA ELECTRIC MOTOR SERVICES, INC.	\$51,928.01	Operations & Maintenance	Rebuild One (1) Hidrostral Submersible Pump Motor Board Approved OEM Sole Source List M.O.12/14/16, Item 12

ESRI - ENVIRONMENTAL SYST RESEARCH INST.	\$95,400.00	Administrative Services	Annual PO for ESRI Enterprise Advantage Program, including Technical Advisors, Account Planning, & Webcasts 7/1/21 to 6/30/22 Board Approved OEM Sole Source List M.O. 12/14/16, Item 12
G/M BUSINESS INTERIORS	\$51,530.07	Operations & Maintenance	Installation of Twenty-Four (24) Workstations with Lower and Upper Storage at Plant 2 County of Orange Contract# RCA-017-18010014, in Accordance with Ordinance OCSD-52 Section 2.03 (B) Cooperative Purchases
GRAYBAR ELECTRIC COMPANY WALNUT CA	\$80,000.00	Operations & Maintenance	Annual PO for Miscellaneous Electrical Parts and Supplies 7/1/21 - 6/30/22 US Communities Contract# EV2370, in Accordance with Ordinance OCSD-52 Section 2.03 (B) Cooperative Purchases
HOME DEPOT	\$75,000.00	Administrative Services	Convenience Blanket PO for Miscellaneous Material 7/1/21 to 6/30/22 GM Article 2, Section 2.2 (b) (1)
JAMISON ENGINEERING CONTRACTORS INC	\$90,000.00	Operations & Maintenance	Convenience Blanket PO for Urgent Gas, Water and Air Line Repairs at Plants 1 & 2 7/1/21 to 6/30/22 GM Article 2, Section 2.2 (b) (1)
KARS' ADVANCED MATERIALS INC	\$90,000.00	Operations & Maintenance	Blanket PO to Provide Metallurgical & Forensic Engineering Support Services 5/1/21 - 4/30/22 Specification No. CS-2021-1221
MACIAS GINI & O'CONNELL LLP	\$87,850.00	Administrative Services	Blanket PO for Financial Auditing Services 7/1/21 - 6/30/22 Sole Source Justification 2390 Reason: Unique Product/Service
MISCO WATER	\$51,912.00	Operations & Maintenance	Purchase of Eight (8) Watson Marlow Peristaltic Metering Pumps Board Approved OEM Sole Source List M.O. 12/14/16, Item 12
MURPHY INDUSTRIAL COATINGS, INC.	\$81,230.00	Operations & Maintenance	Plant 1 Secondary Clarifier 29 Catwalk Coating Repairs (CTO-0104) Specification No. S-2021-1245BD
NATIONAL FIRE PROTECTION ASSOC	\$81,000.00	Human Resources	NFPA 70E Electrical Safety in the Workplace Virtual and Online Training Sole Source Justification 2451 Reason: Unique Product/Service
O'CONNELL ENGINEERING & CONSTRUCTION INC	\$90,000.00	Operations & Maintenance	Convenience Blanket PO for Urgent Gas, Water and Air Line Repairs at Plants 1 & 2 5/1/21 to 4/30/23 GM Article 2, Section 2.2 (b) (1)
ONESOURCE DISTRIBUTORS INC	\$80,000.00	Operations & Maintenance	Convenience Blanket PO for the Purchase of Miscellaneous Electrical Parts and Supplies 7/1/21 to 6/30/22 GM Article 2, Section 2.2 (b) (1)

PCI	\$64,580.00	Operations & Maintenance	Replace and Install New Gas Pipeline Signage at Plants 1 & 2 Specification No. S-2021-1246
PMWEB, INC.	\$83,166.67	Administrative Services	Support & Maintenance/Hosting for Project Management Information System (J-128) 8/1/21 to 7/31/22 Board Approved OEM Sole Source List M.O. 8/28/18, Item 7
QUINN POWER SYSTEMS	\$75,840.00	Operations & Maintenance	Headworks and EPSA Generator Load Bank Testing at Plant 2 Specification No. S-2021-1239
QUINN POWER SYSTEMS	\$86,400.00	Operations & Maintenance	Generator 7 Radiator Replacement at Plant 1 Specification No. S-2021-1237
RAINBOW DISPOSAL CO., INC.	\$90,000.00	Operations & Maintenance	Convenience Blanket PO for Providing and Servicing Three (3) Cubic Yard Dumpsters at Plants 1 & 2 7/1/21 to 6/30/22 GM Article 2, Section 2.2 (b) (1)
ROADWAY CONSTRUCTION SVC (RCS SAFETY)	\$75,220.00	Operations & Maintenance	Blanket PO for On-Call Traffic Control Services 5/1/21 - 4/30/22 with 4 Optional Renewal Periods Specification No. S-2021-1228
ROCKWELL ENGINEERING & EQUIPMENT CO	\$80,861.86	Operations & Maintenance	Purchase of Boerger Pump and Assembly Board Approved OEM Sole Source List M.O. 12/14/16, Item 12
SAFETY SHOE SERVICES	\$70,000.00	Human Resources	Convenience Blanket PO for On-Site Safety Shoe Services 7/1/21 to 6/30/22 GM Article 2, Section 2.2 (b) (1)
SNAP ON INDUSTRIAL	\$55,808.24	Operations & Maintenance	Purchase of Custom Automotive Bay Technician Center and Work Bench for Fleet Services 7/1/21 - 6/30/22 CA DGS CMAS Contract# 4-21-03-1026, in Accordance with Ordinance OCSD-52 Section 2.03 (B) Cooperative Purchases
SNF POLYDYNE INC	\$98,500.00	Operations & Maintenance	Blanket PO Bridge Contract for the Purchase of Anionic Polymer 9/1/21 - 10/31/21 Sole Source Justification 2453 Reason: Until Formal Bid Procurement is Completed
SOUTHERN CALIFORNIA NEWS GROUP	\$99,000.00	Administrative Services	Convenience Blanket PO for Notices, Classified Ads, and Legal Advertising 7/1/21 to 6/30/22 GM Article 2, Section 2.2 (b) (1)
TRANSWEST TRUCK CENTER LLC	\$71,697.88	Operations & Maintenance	Purchase of New 2022 Ford F-650 Truck with Installed Stake Bed Approved CORF Budget FY 20/21 Specification No. V-2021-1226

VWR SCIENTIFIC	\$67,152.96	Environmental Services	Purchase of Gas Chromatography System, Integrated Sulfur Chemiluminescence Detector, and OpenLab Workstation PC Bundle NASPO Valuepoint Master Agreement # MA16000234-2, in Accordance with Ordinance OCSD-52 Section 2.03 (B) Cooperative Purchases
----------------	-------------	------------------------	--

Additionally, in accordance with Board purchasing policies, Ordinance OC SAN-56, the General Manager has authority to approve and execute maintenance and repair Services Task Orders between \$50,000 and \$300,000. Below is a summary of General Manager approved maintenance and repair Services Task Orders, in amounts exceeding \$50,000, for the fourth quarter of fiscal year 2020-21:

Vendor Name	Amount	Department	Description/Discussion
J R FILANC CONSTRUCTION	\$259,150.00	Operations & Maintenance	Headworks for 480V Cable Replacement at Plant 2 (FR2-0024) Specification No. TOB-2021-1240 of Master Service Contract S-2018-942BD-4
WA. RASIC CONSTRUCTION CO., INC.	\$129,721.34	Operations & Maintenance	East Lido Force Main Repair (FRC-0008) Specification No. TOB-2021-1233 of Master Service Contract S-2018-942BD-7

#### 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



# ADMINISTRATION COMMITTEE

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

## Agenda Report

---

**File #:** 2021-1857

**Agenda Date:** 9/29/2021

**Agenda Item No:** 18.

---

**FROM:** James D. Herberg, General Manager  
Originator: Lorenzo Tyner, Assistant General Manager

**SUBJECT:**

**REIMBURSEMENTS TO BOARD MEMBERS AND STAFF**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file report of reimbursements to Board Members and Staff per Government Code Section 53065.5 for the period July 1, 2020 through June 30, 2021.

**BACKGROUND**

Government Code Section 53065.5 requires all Special Districts to disclose any reimbursements paid by the district within the immediately preceding fiscal year of at least one hundred dollars (\$100) or more for each individual charge for services or product received. The individual charge includes, but is not limited to, tuition reimbursement; certificate or license reimbursement; or meals, lodging, transportation, or registration fee reimbursed to any employee or member of the governing body of the district. The disclosure requirement shall be fulfilled by including the reimbursement information in a document published or printed at least annually by a date determined by that district and shall be made available for public inspection. Attached is the report of these reimbursements for the fiscal year ended June 30, 2021.

**RELEVANT STANDARDS**

- Government Code Section 53065.5

**PRIOR COMMITTEE/BOARD ACTIONS**

September 2020 - Annual report of reimbursements per Government Code Section 53065.5 for the period July 1, 2019 through June 30, 2020.

**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 reimbursements per Government Code Section 53065.5 for the period July 1, 2020 through June 30, 2021

Orange County Sanitation District  
Reimbursements to Board Members and Staff - July 1, 2020 through June 30, 2021

Div.	Emp #	Name	Title	Amount	Description
610	133276	Abushaban, Randa	Regulatory Specialist	150.00	Certification Reimbursement
770	673555	Acayan, Antonio	Engineer	115.00	Certification Reimbursement
740	681782	Ahn, Scott S.	Engineer	755.00	Certification Reimbursement
820	34606	Ambriz, Jose Juan	Environmental Technician	101.00	Certification Reimbursement
870	515477	Amin, Anantkumar R.	Electrical Technician II	657.00	Certification Reimbursement
830	676289	Anagnostou, Asterios K.	Plant Operator	170.00	Certification Reimbursement
820	111587	Andrade, David	Lead Mechanic	101.00	Certification Reimbursement
840	688407	Arce, Aaron	Plant Operator	295.00	Certification Reimbursement
840	9030	Barrett, Michael J.	Operations Supervisor	150.00	Certification Reimbursement
830	9128	Basrai, Shabbir S.	Senior Engineer	180.00	Certification Reimbursement
880	688538	Bedard, Brian C.	Senior Mechanic	210.00	Certification Reimbursement
830	674507	Beutler, Brett L.	Senior Plant Operator	255.00	Certification Reimbursement
822	511556	Biedermann, Jason C.	Mobile Crane Operator	134.50	Certification Reimbursement
770	7528	Bingman, Brian	Engineering Supervisor	115.00	Certification Reimbursement
840	334537	Bradley Jr., Jon O.	Chief Plant Operator	150.00	Certification Reimbursement
870	431708	Brandt, Robert D.	Reliability Maintenance Technician	685.00	Certification Reimbursement
750	663533	Brown, Andrew P.	Senior Engineer	180.00	Certification Reimbursement
830	9110	Brown, Jeffrey	Senior Engineer	405.00	Certification Reimbursement
820	164718	Cabral, James	Maintenance Supervisor	106.00	Certification Reimbursement
820	79935	Cassidy, William D.	Engineering Supervisor	203.00	Certification Reimbursement
830	345148	Castro, Ernesto	Operations Supervisor	150.00	Certification Reimbursement
830	514087	Chang, Esther H.	Lead Plant Operator	110.00	Certification Reimbursement
820	8766	Cheffs, Peter	Lead Mechanic	289.00	Certification Reimbursement
770	584616	Coghill, Adam D.	Senior Engineer	116.00	Certification Reimbursement
840	549765	Cole, Christopher H.	Plant Operator	170.00	Certification Reimbursement
830	8109	Cortez, Ronald C.	Operations Supervisor	150.00	Certification Reimbursement
630	485124	Coss, Ronald J.	Environmental Laboratory & Operations Manag	225.00	Certification Reimbursement
220	166123	Crafton, Ann M.	Principal Staff Analyst	104.00	Certification Reimbursement
830	116759	Criscuolo, Keith W.	Senior Plant Operator	150.00	Certification Reimbursement
760	662400	Cutler, Donald W.	Engineering Supervisor	115.00	Certification Reimbursement
750	150981	Dalgoff, Jacob	Senior Engineer	115.00	Certification Reimbursement
880	275039	Deas, Dion	Maintenance Supervisor	210.00	Certification Reimbursement
630	670258	Diaz, Absalon H.	Environmental Specialist	312.08	Certification Reimbursement
750	113953	Dix, Martin A.	Engineering Supervisor	116.00	Certification Reimbursement
760	417130	Dorman, Michael T.	Engineering Manager	115.00	Certification Reimbursement
830	635743	Downer, Sid M.	Lead Plant Operator	255.00	Certification Reimbursement
630	669581	Dudek, Marta A.	Senior Environmental Specialist	363.78	Certification Reimbursement
870	685530	Duffert, Dominic D.	Maintenance Specialist	120.00	Certification Reimbursement
620	681256	Escobar, Kevin A.	Source Control Inspector II	219.35	Certification Reimbursement
870	293819	Escobar, Santiago A.	Associate Engineer	135.00	Certification Reimbursement
760	573221	Fernandez, Birger L.	Engineer	326.00	Certification Reimbursement
770	697653	Forrest, Christopher	Construction Inspector	163.00	Certification Reimbursement
161	681088	Frattali, John M.	Safety & Health Supervisor	770.00	Certification Reimbursement
870	675201	Freeman, Jesse M.	Maintenance Specialist	231.00	Certification Reimbursement
820	672392	Fuchs, Shannon D.	Senior Mechanic	306.00	Certification Reimbursement
820	681248	Garcia, Manuel E.	Mechanic	141.13	Certification Reimbursement
880	678575	Gass, Beck T.	Maintenance Supervisor	104.00	Certification Reimbursement
770	497900	Gilbert, William L.	Construction Inspection Supervisor	185.00	Certification Reimbursement

Orange County Sanitation District  
Reimbursements to Board Members and Staff - July 1, 2020 through June 30, 2021

Div.	Emp #	Name	Title	Amount	Description
770	668772	Goldsmith, Matthew G.	Senior Construction Inspector	115.00	Certification Reimbursement
870	674689	Gonzales, Jed C.	Maintenance Superintendent	250.00	Certification Reimbursement
880	679041	Gonzalez, Victor	Lead Mechanic	135.00	Certification Reimbursement
820	294491	Grande, Steve	Lead Mechanic	101.00	Certification Reimbursement
750	671277	Grant, Thomas E.	Senior Engineer	115.00	Certification Reimbursement
840	495218	Green, Scott A.	Senior Plant Operator	445.00	Certification Reimbursement
620	688790	Gregory, Ryan G.	Source Control Inspector I	180.00	Certification Reimbursement
740	5023	Hetherington, Michelle R.	Senior Engineer	340.00	Certification Reimbursement
630	693134	Hirsch, Matthew D.	Environmental Specialist	200.00	Certification Reimbursement
830	5028	Hoang, Tyler T.	Lead Plant Operator	150.00	Certification Reimbursement
760	685337	Horn, Curtis R.	Engineer	115.00	Certification Reimbursement
220	172486	Hsiao, Lina	Accounting Supervisor	250.00	Certification Reimbursement
161	683948	Huynh, Brian	Senior Safety & Health Representative	170.00	Certification Reimbursement
820	298273	Jaime, Aurelio	Senior Mechanic	106.00	Certification Reimbursement
750	121355	Khublall, Hardat S.	Senior Engineer	225.00	Certification Reimbursement
630	670936	Kiang, Yen-Po	Senior Environmental Specialist	310.08	Certification Reimbursement
760	681555	Kleine, Marianne J.	Engineering Supervisor	180.00	Certification Reimbursement
160	131983	Klinger, Laurie J.	Senior Human Resources Analyst	200.00	Certification Reimbursement
820	650530	Kottke, Bradly	Mechanic	190.00	Certification Reimbursement
770	671488	Lam, Thomas J.	Senior Engineer	180.00	Certification Reimbursement
880	307774	Lambertz, Marcus G.	Maintenance Supervisor	246.00	Certification Reimbursement
840	664691	Lay, Jonathan M.	Plant Operator	150.00	Certification Reimbursement
770	667614	Leak, Anthony D.	Senior Construction Inspector	264.00	Certification Reimbursement
750	592237	Leon, Richard N.	Senior Engineer	116.00	Certification Reimbursement
880	370845	Ly, Giang T.	Instrumentation Technician II	101.00	Certification Reimbursement
830	487621	Markus, Stephen M.	Operations Supervisor	150.00	Certification Reimbursement
160	2033	Martinez, Denise M.	Principal Human Resources Analyst	219.00	Certification Reimbursement
840	664405	McDonald, James E.	Plant Operator	150.00	Certification Reimbursement
840	528825	Melby, Mark	Operations Supervisor	150.00	Certification Reimbursement
870	124661	Moinuddin, Riaz K.	Engineering Manager	115.00	Certification Reimbursement
840	4056	Moline, William M.	Operations Supervisor	150.00	Certification Reimbursement
770	664843	Moore, Brad A.	Senior Engineer	115.00	Certification Reimbursement
840	690056	Moore, Paul	Plant Operator	125.00	Certification Reimbursement
840	4064	Murphy, Tracey L.	Lead Plant Operator	150.00	Certification Reimbursement
750	671891	Namini, Shahrzad F.	Senior Engineer	180.00	Certification Reimbursement
740	4501	Nazaroff, Adam A.	Engineering Supervisor	116.00	Certification Reimbursement
870	325956	Newsom, Adam P.	Reliability Maintenance Technician	275.00	Certification Reimbursement
870	673117	Ng, Henry	Instrumentation Technician II	182.00	Certification Reimbursement
760	4008	Nguyen, Huan-Hoang	Senior Engineer	180.00	Certification Reimbursement
880	675770	Nguyen, Paul H.	Electrical Technician I	296.00	Certification Reimbursement
160	647154	Nguyen, Tiffany H.	Senior Human Resources Analyst	169.00	Certification Reimbursement
870	4012	Nguyen, Trung T.	Reliability Maintenance Technician	135.00	Certification Reimbursement
870	588318	Oberly, Michael A.	Maintenance Specialist	197.00	Certification Reimbursement
870	686233	Ortiz, Andrew D.	Senior Mechanic	180.00	Certification Reimbursement
840	684051	Oruna, Michael A.	Plant Operator	120.00	Certification Reimbursement
870	280145	Oswald, Nicholas	Maintenance Supervisor	104.00	Certification Reimbursement
880	168381	Padilla, Gilbert	Senior Mechanic	231.00	Certification Reimbursement
250	662063	Paik, Sang	Principal Information Technology Analyst	232.23	Certification Reimbursement

Orange County Sanitation District  
Reimbursements to Board Members and Staff - July 1, 2020 through June 30, 2021

Div.	Emp #	Name	Title	Amount	Description
770	609191	Palazuelos, Raul R.	Construction Inspector	475.00	Certification Reimbursement
830	684086	Paredes, Paul	Plant Operator	105.00	Certification Reimbursement
250	165315	Patel, Samir	Senior Information Technology Analyst	127.00	Certification Reimbursement
870	693628	Peek, Kevin	Senior Mechanic	300.00	Certification Reimbursement
750	277093	Pilko, Victoria	Construction in Progress Project Manager	225.00	Certification Reimbursement
620	667956	Powell, Jonathon E.	Source Control Supervisor	197.00	Certification Reimbursement
750	675673	Radvar, Giti	Senior Engineer	180.00	Certification Reimbursement
870	678250	Raiford, Ryan M.	Lead Instrumentation Technician	300.00	Certification Reimbursement
840	648069	Ramirez Jr., Javier	Plant Operator	150.00	Certification Reimbursement
840	119255	Rathert, Kurt M.	Plant Operator	150.00	Certification Reimbursement
820	3558	Reed, Brian K.	Principal Environmental Specialist	188.00	Certification Reimbursement
880	109751	Reynolds, Roy J.	Maintenance Supervisor	220.00	Certification Reimbursement
840	255775	Rocha, Milton	Lead Plant Operator	150.00	Certification Reimbursement
750	4077	Rodriguez, David	Engineer	106.00	Certification Reimbursement
820	107553	Savedra, Ernest R.	Lead Mechanic	220.00	Certification Reimbursement
820	118033	Schuler, Darren J.	Senior Mechanic	151.13	Certification Reimbursement
880	501059	Schuler, Kevin A.	Maintenance Superintendent	210.00	Certification Reimbursement
830	674494	Siddiqui, Shaun A.	Senior Plant Operator	320.00	Certification Reimbursement
830	672843	Sobhani, Reza	Engineer	1,824.93	Certification Reimbursement
620	5038	Sohanaki, Roya	Engineering Manager	115.00	Certification Reimbursement
820	497512	Solis, Robert C.	Senior Mechanic	200.00	Certification Reimbursement
760	34711	Steiger, Frank R.	Engineering Supervisor	115.00	Certification Reimbursement
820	336276	Stokes, Don F.	Maintenance Manager	212.00	Certification Reimbursement
161	680659	Stone, Jereme J.	Safety & Health Specialist	2,262.00	Certification Reimbursement
820	253649	Stratmoen, Erik D.	Lead Mechanic	104.00	Certification Reimbursement
870	132530	Tafolla, Brian J.	Reliability Maintenance Technician	375.00	Certification Reimbursement
840	679682	Tao, Jacqueline	Senior Plant Operator	110.00	Certification Reimbursement
740	668810	Terrell, Brian D.	Engineer	465.00	Certification Reimbursement
710	2547	Thompson, Robert C.	Assistant General Manager	180.00	Certification Reimbursement
840	295347	Tjen, Kwen T.	Plant Operator	150.00	Certification Reimbursement
820	664755	Togia, Liamatua M.	Senior Mechanic	149.00	Certification Reimbursement
840	682961	Tran, Tim K.	Plant Operator	150.00	Certification Reimbursement
822	477693	Villalobos, Ginetto	Lead Mechanic	634.50	Certification Reimbursement
760	678971	Wable, Milind V.	Senior Engineer	225.00	Certification Reimbursement
870	661491	Walker, Christopher B.	Senior Mechanic	182.00	Certification Reimbursement
840	659825	Wheatley, Christopher R.	Senior Plant Operator	445.00	Certification Reimbursement
840	388949	White, Allen J.	Senior Plant Operator	150.00	Certification Reimbursement
840	8731	Woodward, Jeff W.	Operations Supervisor	150.00	Certification Reimbursement
620	90413	Yager, David M.	Source Control Inspector II	187.00	Certification Reimbursement
870	652295	Yamout, Mazen	Maintenance Supervisor	225.00	Certification Reimbursement
740	351409	Yin, Shuang	Senior Engineer	225.00	Certification Reimbursement
740	573247	Yong, Eros	Engineering Manager	340.00	Certification Reimbursement
620	8230	Zedek, Michael I.	Senior Engineer	115.00	Certification Reimbursement
230	689830	Zintzun, Ruth C.	Purchasing & Contracts Manager	1,547.80	Certification Reimbursement

Orange County Sanitation District  
Reimbursements to Board Members and Staff - July 1, 2020 through June 30, 2021

Div.	Emp #	Name	Title	Amount	Description
620	85690	Canen, Darrin L.	Source Control Inspector I	192.00	Membership Renewal
630	485124	Coss, Ronald J.	Environmental Laboratory & Operations Manag	225.00	Membership Renewal
760	288075	DaSilva, Andy	Engineer	332.00	Membership Renewal
630	96903	Diaz, Arturo	Principal Environmental Specialist	192.00	Membership Renewal
760	573221	Fernandez, Birger L.	Engineer	192.00	Membership Renewal
620	683796	Finkelstein, Brian P.	Engineer	192.00	Membership Renewal
770	497900	Gilbert, William L.	Construction Inspection Supervisor	105.00	Membership Renewal
770	668772	Goldsmith, Matthew G.	Senior Construction Inspector	150.00	Membership Renewal
620	2049	McKinley, Lorinda	Principal Environmental Specialist	160.00	Membership Renewal
620	2049	McKinley, Lorinda	Principal Environmental Specialist	225.00	Membership Renewal
750	574944	Mohr, Jeffrey D.	Engineering Manager	129.00	Membership Renewal
750	574944	Mohr, Jeffrey D.	Engineering Manager	332.00	Membership Renewal
870	124661	Moinuddin, Riaz K.	Engineering Manager	206.00	Membership Renewal
750	671891	Namini, Shahrzad F.	Senior Engineer	175.00	Membership Renewal
770	679316	Oseguera, Vincent	Engineer	300.00	Membership Renewal
770	609191	Palazuelos, Raul R.	Construction Inspector	475.00	Membership Renewal
750	675673	Radvar, Giti	Senior Engineer	139.00	Membership Renewal
630	682785	Raya, Paul A.	Environmental Technician	192.00	Membership Renewal
750	4077	Rodriguez, David	Engineer	192.00	Membership Renewal
750	351425	Speakman, Steven R.	Senior Engineer	174.00	Membership Renewal
820	336276	Stokes, Don F.	Maintenance Manager	192.00	Membership Renewal
820	336276	Stokes, Don F.	Maintenance Manager	460.00	Membership Renewal
770	676254	Suchor, Glenn W.	Senior Construction Inspector	115.00	Membership Renewal
760	678971	Wable, Milind V.	Senior Engineer	332.00	Membership Renewal
770	569686	Whitney, Robert M.	Senior Construction Inspector	115.00	Membership Renewal
610	133276	Abushaban, Randa	Regulatory Specialist	5,469.00	Tuition Reimbursement
620	694444	Baughner, Brittany M.	Source Control Inspector I	1,695.00	Tuition Reimbursement
250	648819	Calvo, Reed	Data Management Technician I	3,290.33	Tuition Reimbursement
870	528841	Coronel, Robbie A.	Maintenance Specialist	883.75	Tuition Reimbursement
250	654573	Crow, Chad C.	Senior Information Technology Analyst	6,758.76	Tuition Reimbursement
830	648421	Frost, April	Operations Supervisor	1,826.99	Tuition Reimbursement
160	680481	Gillon, Camille E.	Human Resources Analyst	4,473.00	Tuition Reimbursement
630	653757	Gomez, Charmayne B.	Administrative Assistant	682.11	Tuition Reimbursement
760	673601	Harris, Sterling W.	Senior Engineer	3,177.69	Tuition Reimbursement
870	675251	Hernandez, Angel J.	Lead Instrumentation Technician	220.75	Tuition Reimbursement
630	693134	Hirsch, Matthew D.	Environmental Specialist	775.85	Tuition Reimbursement
620	682267	Kaur, Kiranpreet	Engineer	1,500.00	Tuition Reimbursement
220	684457	Matthews, Enisha C.	Accounting Assistant II	4,686.03	Tuition Reimbursement
620	690515	Melendez, Isabel	Program Assistant	2,637.12	Tuition Reimbursement
620	689936	Pennington, Melody L.	Environmental Technician	2,440.00	Tuition Reimbursement
760	669484	Ramos, Gloria	Administrative Assistant	1,890.58	Tuition Reimbursement
630	684959	Rodriguez, Jesus J.	Environmental Specialist	2,920.12	Tuition Reimbursement
830	674494	Siddiqui, Shaun A.	Senior Plant Operator	164.53	Tuition Reimbursement
620	8230	Zedek, Michael I.	Senior Engineer	2,885.12	Tuition Reimbursement

Orange County Sanitation District  
Reimbursements to Board Members and Staff - July 1, 2020 through June 30, 2021

Div.	Emp #	Name	Title	Amount	Description	Duration
620	690435	Smith, Matthew B.	Engineer	245.00	AEHS Virtual Conference	10/19 - 10/23/20
140	177501	Schiefelbein, Cheryl	Administrative Assistant	240.00	Business Reply Mail Permit	
630	653757	Gomez, Charmayne B.	Administrative Assistant	1,425.00	CASQA Virtual Conference Registration for 3 FTEs	9/15 - 9/16/20
770	569686	Whitney, Robert M.	Senior Construction Inspector	150.00	Electrical Updates Training	
630	417172	Ferraro, Benjamin J.	Sr Environmental Specialist	260.99	Lab Equipment	
750	121355	Khublall, Hardat S.	Senior Engineer	164.00	License Renewal	
750	4077	Rodriguez, David	Engineer	116.00	License Renewal	
620	673256	Daniel, Jason A.	Engineer	199.00	NACWA Virtual Event	5/17 - 5/20/21
750	121355	Khublall, Hardat S.	Senior Engineer	300.00	NASTT Training - Webinar	12/8 - 12/9/20
770	667614	Leak, Anthony D.	Senior Construction Inspector	160.00	Security Camera & Residential Wiring Training	
710	2547	Thompson, Robert C.	Assistant General Manager	356.18	Site Visit- Water Oxidation	5/19 - 5/21/21
822	477693	Villalobos, Ginetto	Lead Mechanic	155.10	Smog Check Fees - 3 Vehicles	
820	164718	Cabral, James	Maintenance Supervisor	350.00	SMRP Virtual conference	10/18 - 10/23/20
820	336276	Stokes, Don F.	Maintenance Manager	250.00	SMRP Virtual conference	10/18 - 10/23/20
830	2015	Ferry, Cynthia L.	Administrative Assistant	103.36	Supplies Reimbursement	
830	2015	Ferry, Cynthia L.	Administrative Assistant	126.62	Supplies Reimbursement	
830	2015	Ferry, Cynthia L.	Administrative Assistant	150.65	Supplies Reimbursement	
830	2015	Ferry, Cynthia L.	Administrative Assistant	211.52	Supplies Reimbursement	
230	689830	Zintzun, Ruth C.	Purchasing & Contracts Manager	537.30	Supplies Reimbursement	
760	662400	Cutler, Donald W.	Engineering Supervisor	399.00	Virtual WEFTEC Event	10/5 - 10/9/20
760	678971	Wable, Milind V.	Senior Engineer	299.00	Virtual WEFTEC Event	10/5 - 10/9/20
740	698541	Edwards, Troy J.	Engineer	129.00	WEF Collection Virtual Event	3/23 - 3/25/21
				<u>94,448.96</u>		

Sources: Reimbursement Data from JDE  
Tuition and Certification Data from Payroll



LEGISLATIVE AND PUBLIC AFFAIRS  
COMMITTEE

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

Agenda Report

**File #:** 2021-1863

**Agenda Date:** 9/29/2021

**Agenda Item No:** 19.

**FROM:** James D. Herberg, General Manager

**SUBJECT:**

**PUBLIC AFFAIRS UPDATE FOR THE MONTHS OF JULY AND AUGUST 2021**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file the Public Affairs Update for the months of July and August 2021.

**BACKGROUND**

Staff will provide an update on recent public affairs activities.

**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 our service area there is limited knowledge by our customers of the important work we do to protect public health and the environment. In general, the customers we serve do not realize that when they improperly dispose of waste into the sanitation system, it can negatively affect our sewer lines, our treatment plants, and the quality of water we supply to the Groundwater Replenishment System.

**PROPOSED SOLUTION**

By providing tours, community outreach, education, and general communication via OC San's website, social media outlets, and direct mailings, we can educate the community, local agencies, and businesses on our messaging such as the What2Flush program, energy production, water recycling, biosolids, and our source control program. This, in turn, helps improve the quality of wastewater that is recycled or released to the ocean.

## **RAMIFICATIONS OF NOT TAKING ACTION**

If we do not educate the community, local agencies, and area businesses about OC San, we may not have the support necessary to deliver our mission.

## **ADDITIONAL INFORMATION**

### **ACTIVITIES FOR THE MONTHS OF JULY AND AUGUST 2021**

#### **Outreach Report**

An outreach report that includes tours, website postings, social media postings, construction notifications, speaker engagements, and more is included as an attachment to this Agenda Report.

#### **Virtual Tours**

To continue engaging with the community and our stakeholders, staff conducts virtual tours of the Plant which has allowed participants an opportunity to remotely visit OC San and learn how we protect public health and the environment. For this reporting period, we held five virtual tours reaching 61 people.

#### **Presentations**

We had three speaking engagements during this reporting period. Staff participated in the California Water Environmental Association Women in Water, and presentations were made to the Cypress City Council and the Los Alamitos City Council on the upcoming construction of the Western Orange and Los Alamitos Trunk Sewer Projects.

#### **Plant Nos. 1 and 2 Newsletters**

As part of the ongoing outreach efforts to keep our neighbors informed and engaged, the summer issue of the Neighborhood Connection Newsletter was distributed to residents around Plant Nos. 1 and 2. The newsletters include updates on the ongoing construction of the Groundwater Replenishment System Final Expansion project, the new permitter wall, heal the bay report card, and more. The current and previous issues are available on our website at [www.ocsan.gov/construction](http://www.ocsan.gov/construction).

#### **Construction Outreach Efforts**

Outreach has started for the upcoming Los Alamitos Trunk Sewer Project which will take place in Los Alamitos, Seal Beach, and Cypress. As part of our efforts to keep the community informed, notifications have been distributed to encourage the public to sign up for text and email alerts and to frequent our website for project updates. Project details can be found at [www.ocsan.gov/LosAlamitos](http://www.ocsan.gov/LosAlamitos).

#### **Awards**

##### **Organizational Excellence from CASA**

OC San's Asset Management Program won the California Association of Sanitation Agencies (CASA) Organizational Excellence- Large Agency award. Winners were announced at the CASA Conference on August 12. OC San's Asset Management Program was recognized for its thoroughness, efficiency, and in-house development that has created an example for others to follow.

**National Procurement Award**

OC San received the National Procurement Award from the National Procurement Institute. OC San is one of only 182 agencies in the US and Canada, and one of only 36 special districts to receive this award.

**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 and Media Summary Report - July and August 2021
- Presentation

# Outreach and Media Summary



**July- August 2021**

OC SAN Public Affairs Office

# Table of Contents

<b>OUTREACH REPORT.....</b>	<b>PAGE 1</b>
<b>FACEBOOK POSTINGS .....</b>	<b>PAGE 2</b>
<b>TWITTER POSTINGS .....</b>	<b>PAGE 8</b>
<b>INSTAGRAM POSTINGS.....</b>	<b>PAGE 10</b>
<b>LINKEDIN POSTINGS.....</b>	<b>PAGE 12</b>
<b>NEWS ARTICLES.....</b>	<b>PAGE 16</b>

# Outreach Report July and August 2021

Date	Tours	Attendees	Tour Guide
07/20/2021	Cal State Long Beach Nursing	15	Mike Zedek
07/21/2021	Cal State Long Beach Nursing	20	Cortney Light
07/22/2021	Cal State Fullerton Nursing	14	Cortney Light
07/22/2021	Grand Jury Tour	6	Jim Herberg/ Rob Thompson
07/27/2021	Grand Jury Tour	6	Jim Herberg/ Rob Thompson
Date	Speaking Engagements/Events	Attendees	Presenter
07/12/2021	Cypress City Council Meeting	10	Jeff Mohr
08/16/2021	Los Alamitos City Council Meeting	15	Kathy Millea
08/30/2021	CWEA Women in Water	100*	Violet Renick
	<b>*These events have not occurred at time of this report, therefore # of attendees is estimated.</b>		
Project Area	Construction Outreach Notifications	# of People Reached	Website Posts and Text Alerts
Anaheim	Project Update – 2 printed notices	2,000	2 website posts / 3 text & email alerts
Los Alamitos/ Seal Beach	1 printed notice	18,000	
Fountain Valley	Newsletter and project update	3,850	1 website post
Huntington Beach	Newsletter	1,400	
Westminster	Project Update	300	2 website posts / 2 text alerts
External Communications	Distribution	# of People Reached	
5 Minutes Per Month	2	434	
Board Member Talking Points	2	100	
Website Posts	15 posts	172 views	
Facebook	35 posts	4.9k reached	
Twitter	27 tweets	19.4 reached	
Instagram	28 posts	5k likes	
LinkedIn	7 posts	5.3k reached	

# Facebook Posts July-August 2021

## Page Summary Last 28 days

[Export Data](#)

Results from Jul 8, 2021 - Aug 4, 2021

Note: Does not include today's data. Insights activity is reported in the Pacific time zone. Ads activity is reported in the time zone of your ad account.

Organic Paid

### Actions on Page

July 8 - August 4



We have insufficient data to show for the selected time period.

### Page Views

July 8 - August 4

102

Total Page Views ▼74%



### Page Likes

July 8 - August 4

1

Page Likes ▼88%



### Post Reach

July 8 - August 4

1,474

People Reached ▼20%



### Story Reach

July 8 - August 4

#### Get Story Insights

See stats on how your Page's recent stories have performed.

[Learn More](#)

### Recommendations

July 8 - August 4



We have insufficient data to show for the selected time period.

### Post Engagement

July 8 - August 4

394

Post Engagement ▼75%



### Videos

July 8 - August 4

271

3-Second Video Views ▼85%



### Page Followers

July 8 - August 4

2

Page Followers ▼80%



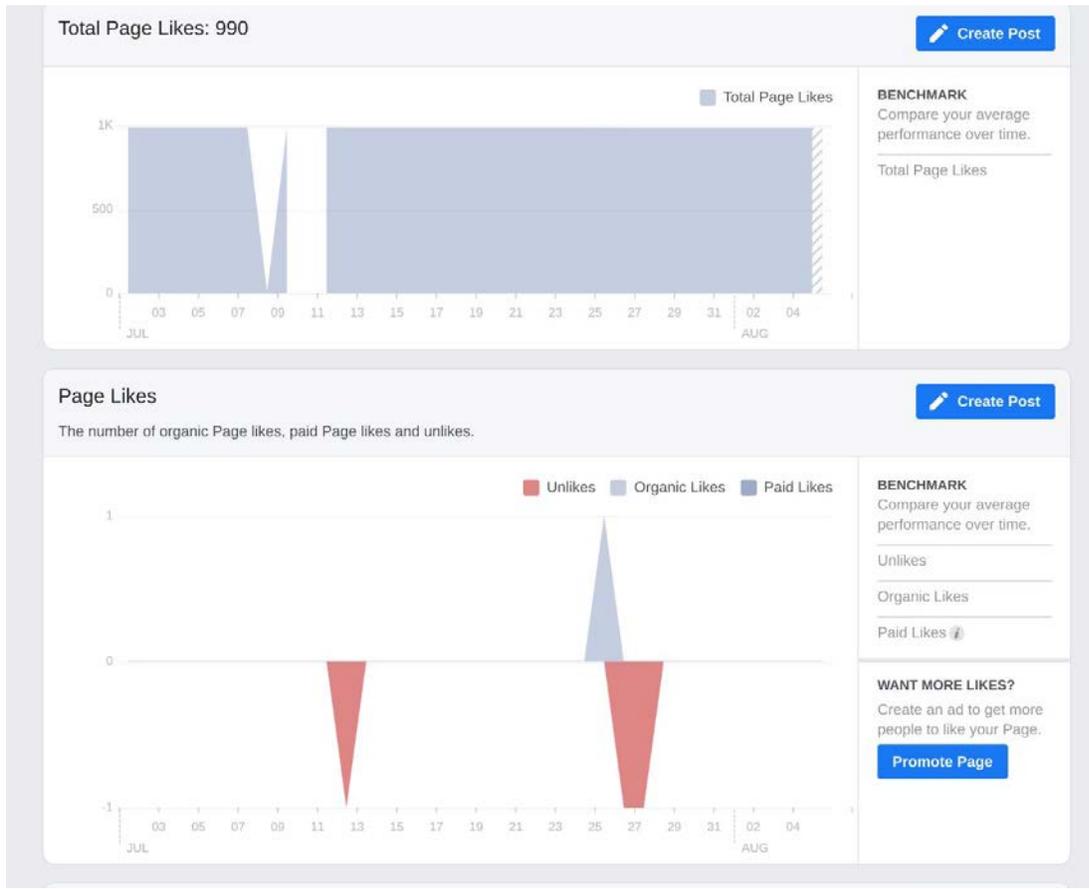
Results from Jul 27, 2021 - Aug 23, 2021

Note: Does not include today's data. Insights activity is reported in the Pacific time zone. Ads activity is reported in the time zone of your ad account.

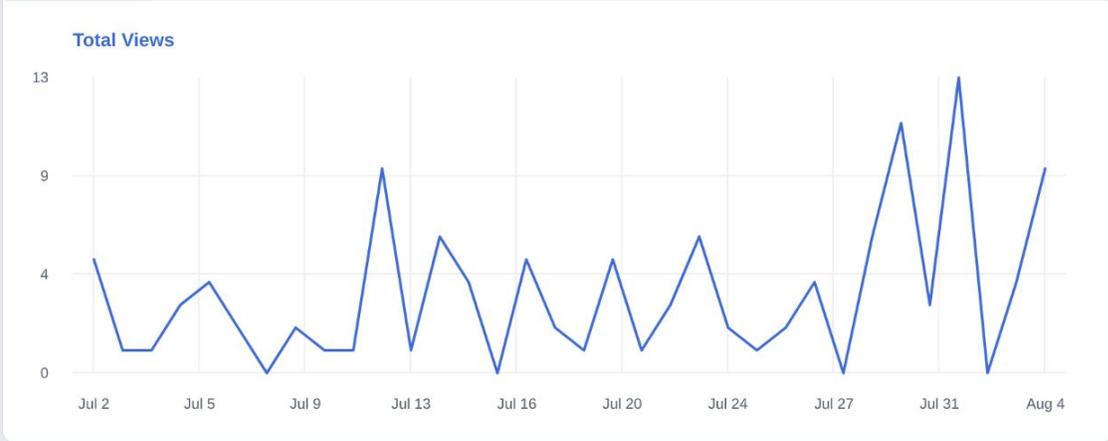
■ Organic ■ Paid

<p><b>Actions on Page</b> <span style="float: right;">i</span> July 27 - August 23</p> <div style="text-align: center;">  We have insufficient data to show for the selected time period.</div>	<p><b>Page Views</b> <span style="float: right;">i</span> July 27 - August 23</p> <p><b>81</b> Total Page Views <span style="color: green;">▲ 3%</span></p> 	<p><b>Page Likes</b> <span style="float: right;">i</span> July 27 - August 23</p> <p><b>1</b> Page Likes <span style="color: green;">▲ 0%</span></p> 
<p><b>Post Reach</b> <span style="float: right;">i</span> July 27 - August 23</p> <p><b>1,368</b> People Reached <span style="color: green;">▲ 28%</span></p> 	<p><b>Story Reach</b> <span style="float: right;">i</span> July 27 - August 23</p> <p style="text-align: center;"><b>Get Story Insights</b> See stats on how your Page's recent stories have performed.</p> <div style="text-align: center;"><a href="#" style="background-color: #0070C0; color: white; padding: 5px 10px; border-radius: 3px;">Learn More</a></div>	<p><b>Recommendations</b> <span style="float: right;">i</span> July 27 - August 23</p> <div style="text-align: center;">  We have insufficient data to show for the selected time period.</div>
<p><b>Post Engagement</b> <span style="float: right;">i</span> July 27 - August 23</p> <p><b>294</b> Post Engagement <span style="color: red;">▼ 5%</span></p> 	<p><b>Videos</b> <span style="float: right;">i</span> July 27 - August 23</p> <p><b>370</b> 3-Second Video Views <span style="color: green;">▲ 83%</span></p> 	<p><b>Page Followers</b> <span style="float: right;">i</span> July 27 - August 23</p> <p><b>3</b> Page Followers <span style="color: green;">▲ 50%</span></p> 

## Graphs of Page Likes, Post Reach and Total Views for July- August 2021



Total Views By Section



Published	Post	Type	Targeting	Reach	Engagement
08/19/2021 11:21 AM	 The Steering Committee Meeting (5 pm) and Board of Directors Meeting			44 	0 2 
08/19/2021 9:23 AM	 The Results are In! California Association of Sanitation Agencies			114 	19 13 
08/17/2021 8:19 AM	 As part of our infrastructure improvement efforts exploratory work			107 	3 3 
08/15/2021 9:00 AM	 An OC San Virtual Tour is coming up on Wednesday, August 25 at 2 pm.			65 	3 3 
08/13/2021 2:02 PM	 Its #FridayThe13th and something that scares us is seeing			118 	0 4 
08/11/2021 9:00 AM	 Clean Water is the best water. When water leaves your house from the			96 	6 5 
08/09/2021 9:00 AM	 Ever wondered what a sunrise at OC San looks like? No worries, we'll			126 	1 6 
08/07/2021 9:00 AM	 We love coffee more than we'd like to admit. Wondering what you should do			235 	22 7 

Published	Post	Type	Targeting	Reach	Engagement
08/05/2021 9:00 AM	 Be part of the solution. With #WaterQualityMonth here, we			44 	0 3 
08/03/2021 3:48 PM	 How do you keep a sewer system working in tip-top shape? You			221 	10 12 
08/03/2021 9:00 AM	 The spotlight on wastewater. Recently senators proposed			100 	4 2 
08/01/2021 10:18 AM	 Today is National Sister Day and what better way to celebrate than			142 	4 12 
07/30/2021 1:59 PM	 Construction Alert for @city_of_anaheim – State College			221 	5 7 
07/29/2021 9:03 AM	 We learn as much from our interns as they learn from us. #InternDay is here			211 	7 11 
07/27/2021 2:06 PM	 Will selfies go out of style? We don't think so. Especially when it's of an			362 	32 30 
07/25/2021 9:00 AM	 What do you do to keep the beaches clean? At OC San we monitor the			130 	1 8 
07/23/2021 9:00 AM	 Let's throw it back to OC Fair in the 90s! OC San used to join the			221 	7 18 
07/22/2021 4:00 PM	 This might not be your everyday conversation but OC San #pottytalk is			92 	5 6 
07/22/2021 3:28 PM	 Don't forget to join us on Wednesday, July 28 for the Steering Committee			76 	1 2 
07/19/2021 11:07 AM	 Maybe it's time for a change? OC San has openings that may be that			106 	2 2 
07/17/2021 9:00 AM	 #SharkWeek is coming to an end but we couldn't let it pass without giving			178 	0 9 
07/16/2021 9:03 AM	 OC San successfully sold \$134 million of Wastewater Refunding			157 	5 7 
07/15/2021 11:24 AM	 Being recognized two times is better than one. NACWA recognized OC			109 	7 10 
07/14/2021 9:41 AM	 Where's Wanda? She's working hard in the middle of our treatment plant.			326 	75 17 
07/12/2021 9:01 AM	 Join is this Wednesday, July 14 at 5 pm for the Administration Committee			75 	0 2 
07/12/2021 9:00 AM	 Summertime is a great time to grill. But cleanup time is not so great,			187 	7 12 
07/10/2021 9:00 AM	 An OC San Team Member Snagged the Pumps & Systems Front Cover			181 	1 8 

07/08/2021 9:00 AM		It doesn't get better than a 'AAA.' OC San receives highest credit rating			104		3 8	
07/07/2021 9:00 AM		Five years later and OC San is back at it again gaining the National			100		3 4	
07/06/2021 9:00 AM		As we start #CleanBeachesWeek let's remember that it is all of our			178		7 11	
07/06/2021 7:41 AM		The Legislative and Public Affairs Meeting is happening next week on			74		1 1	
07/04/2021 9:00 AM		Happy #4thofJuly . Today we celebrate our Nation's Independence			96		0 2	
07/02/2021 11:12 AM		The OC San administrative offices will be closed on Monday, July 5 in			73		0 1	
07/01/2021 12:16 PM		Join us for our Operations Committee Meeting next week on Wednesday,			64		1 1	
06/30/2021 9:20 AM		As if we didn't already know. The annual Heal The Bay Report Card is			139		3 4	
06/29/2021 11:27 AM		Construction Alert for @city_of_anaheim – over the next			114		9 3	
06/28/2021 9:00 AM		OC San is all about protecting public health and the environment.			76		6 6	
06/27/2021 9:00 AM		FOG goes in the trash! Our video contest winner, Aminah, knows that.			119		6 10	

# Twitter Posts July- August 2021

### 28 day summary with change over previous period



Aug 2021 - 22 days so far...

#### TWEET HIGHLIGHTS

##### Top Tweet earned 631 impressions

Ever wondered what a sunrise at OC San looks like? No worries, we'll show you. Leave us a comment telling us about your favorite sunrise spot.  
[pic.twitter.com/satHliv54G](https://pic.twitter.com/satHliv54G)



1 2

[View Tweet activity](#)

[View all Tweet activity](#)

##### Top Follower followed by 46 people



**Alexandra Davenport**

@AlexanDavenport FOLLOWS YOU

@ChapmanU student, former @eccunion reporter,  
@voiceofoc student media

[View profile](#)

##### Top mention earned 5 engagements

**VerdeXchange**  
@VerdeXchange · Aug 11

#VXNews Summer Preview:  
@OCSanDistrict New Board Chair John Withers; HR&A LA's Andrea Batista Schlesinger; @AltaSeaOrg's @timmcosker & @PortofLA's Mike Galvin

Read on: [mailchi.mp/verdexchange/v...](https://mailchi.mp/verdexchange/v...)  
[pic.twitter.com/93Pc6meZBO](https://pic.twitter.com/93Pc6meZBO)



Posted by John Withers  
OC SAN Board Chair John Withers on Our Business Case for Water Infrastructure  
With water usage growing rapidly across the Western US, 19% increases OC Sanitation District's new Board Chair John Withers outlined the value a platform to address an Orange County's reputation as a global leader in water recycling and protect thousands of jobs, resources and investment. Withers, who has served on the board since 2010, shared plans for 30 years, shares the promise of new technologies for capturing, treating, and recycling wastewater to improve resilience throughout Southern California.

Featured Sponsors 2021



Posted by Andrea Batista Schlesinger  
HR&A LA's Andrea Batista Schlesinger on Building Inclusive

[View Tweet](#)

#### ADVERTISE ON TWITTER

##### Get your Tweets in front of more people

Promoted Tweets and content open up your reach on Twitter to more people.

[Get started](#)

#### AUG 2021 SUMMARY

Tweets	Tweet impressions
11	5,127
Profile visits	Mentions
113	4
New followers	
4	

##### Top media Tweet earned 521 impressions

As part of our infrastructure improvement efforts exploratory work will be done on Denni St, Moody St, Orange Ave, and Bloomfield St in the cities of Cypress, Los Alamitos and La Palma as part of a future project. Work will take place over the next 2 weeks from 9 am - 3:30pm.  
[pic.twitter.com/3ubjGpHR0e](https://pic.twitter.com/3ubjGpHR0e)



1 1

[View Tweet activity](#)

[View all Tweet activity](#)

TWEET HIGHLIGHTS

**Top Tweet** earned 1,172 impressions

Will selfies go out of style? We don't think so. Especially when it's of an OC San team member showing off what he wears to keep himself and others safe. A virtual high five to this member of our maintenance team.

[#OCSanFamily](#)  
[pic.twitter.com/1HwTb8xFgV](https://pic.twitter.com/1HwTb8xFgV)



🔄 2 ❤️ 4

[View Tweet activity](#)

[View all Tweet activity](#)

**Top Follower** followed by 1,496 people



**Brandon**

[@BrandonCaudle](#) [FOLLOWS YOU](#)

Parent. Veteran. Pseudo-Techie. Recovering Floridian.  
[#MaskPlusVax](#)

[View profile](#)

**Top mention** earned 14 engagements

**CWEA**  
[@cwea](#) · Jul 22

Weather looks perfect for a paddle out into Orange County's Back Bay. A nice shot for [#swimmableCA](#), thanks to the 10,000 CWEA members across CA on the front lines protecting [#cleanwater](#). Photos by Earle K from [@OCSanDistrict](#), entries in our [#WatersWorthIt](#) photo contest.  
[pic.twitter.com/d3Z3PUHvSg](https://pic.twitter.com/d3Z3PUHvSg)



🔄 1 ❤️ 5

[View Tweet](#)

**Top media Tweet** earned 1,141 impressions

Being recognized two times is better than one. NACWA recognized OC San with the Platinum Peak Performance Award and the Gold Recognition in Excellence Management. To learn more visit [ocsan.gov](https://ocsan.gov) [@NACWA](#) [pic.twitter.com/slSWgSixLE](https://pic.twitter.com/slSWgSixLE)



🔄 1 ❤️ 4

[View Tweet activity](#)

[View all Tweet activity](#)

JUL 2021 SUMMARY

Tweets  
**19**

Tweet impressions  
**14.8K**

Profile visits  
**580**

Mentions  
**5**

New followers  
**6**

# Instagram Posts July- August 2021

**ocsandistrict** Edit Profile

662 posts 1,235 followers 80 following

**OC Sanitation District**  
The OC Sanitation District provides wastewater collection, treatment, and recycling for approx 2.6 million people in central & north Orange County.  
[www.ocsan.gov](http://www.ocsan.gov)

POSTS 10TV SAVED TAGGED

**JOIN A VIRTUAL TOUR**  
Wednesday, August 25 at 2 pm  
Go to ocsan.gov/tours to register

**We Are Hiring!**  
Applications  
• Engineer  
• Environmental Supervisor  
(Open Recruitment)  
#OCSDISTRICT #OCsan.gov

**PREPARING FOR INFRASTRUCTURE IMPROVEMENTS**  
What will be done in the cities of Cypress, Los Alamitos and La Habra  
OC&SAN

**JOIN A VIRTUAL TOUR**  
Wednesday, August 25 at 2 pm  
Go to ocsan.gov/tours to register

**CLEAN WATER IS THE BEST WATER**

**COFFEE GROUPS GO IN THE TRASH**

**WHAT 2 FLUSH**

**THREE COLLARS: SURETY, COMPLIANCE, AND SAFETY**  
McDonnell's/Slater Bros. and Bionneya/Plocebia Interactions  
We will have an online night during next month  
OC&SAN

**Dispose of trash in the trash. NOT THE OCEAN!**

**Only Flush Pee, Poop and Toilet Paper**

**WE ARE HIRING**

Open Positions:

- Administrative Support
- Business Development
- Customer Service
- Marketing
- Operations



**MONEY MOVES**

OC SAN SUCCESSFULLY SOLD \$124 MILLION WASTEWATER REFUNDING REVENUE OBLIGATIONS.

**NACWA**



**F.O.G.**

www.fog.com

Wastewater by the way.

**PUMPS & SYSTEMS**

How Has the Industry Changed?

A pump veteran shares their story.

**OC San Receives AAA Credit Rating**



**HAPPY FOURTH OF JULY!**

**CELEBRATING 4TH OF JULY**

OC SAN 4th of July Celebration

Orange County beaches are among the best in California

**NIGHTWORK**

STATE COLLEGE BLVD. STRIPING

June 29 - July 6, 2024

9 p.m. - 4 a.m.

OC SAN

**OC SAN**

ORANGE COUNTY SANITATION DISTRICT



**A RESOURCE NOT A WASTE VIDEO CONTEST WINNERS**

**Judge Picks**

- Aikson Chang
- Aminah Rangwala
- Cassandra Meekal

**A RESOURCE NOT A WASTE VIDEO CONTEST WINNERS**

**Social Media Picks**

- Kathleen Nguyen
- Sienna Hoch

**LESS THAN \$1 A DAY**

**HAPPY FATHER'S DAY**

**NIGHTWORK**

WESTMINSTER BLVD STRIPING

OC SAN

**A RESOURCE NOT A WASTE VIDEO CONTEST Time to VOTE!**

2 DAYS LEFT!

Vote by liking your favorite student submitted video.



**LinkedIn Posts  
July- August 2021**



 **Orange County Sanitation District**  
3,270 followers  
4d • 🌐

The Results are In! [California Association of Sanitation Agencies](#) has awarded OC San the Organizational Excellence award for our Asset Management Program. We are so happy to receive this recognition, we work very hard to monitor ...see more





Orange County Sanitation District

3,270 followers

3w • 🌐

Today is National Sister Day and what better way to celebrate than giving a shoutout to our sister agency the @OCWD. Together we've partnered on the Groundwater Replenishment System (GWRS) which is currently underg ...see more



Orange County Sanitation District

3,271 followers

3w • 🌐

We learn as much from our interns as they learn from us. #InternDay is here and we want to give them a shoutout for being a huge asset to OC San and being as committed to wastewater treatment as we are. Here we have Emmanu ...see more

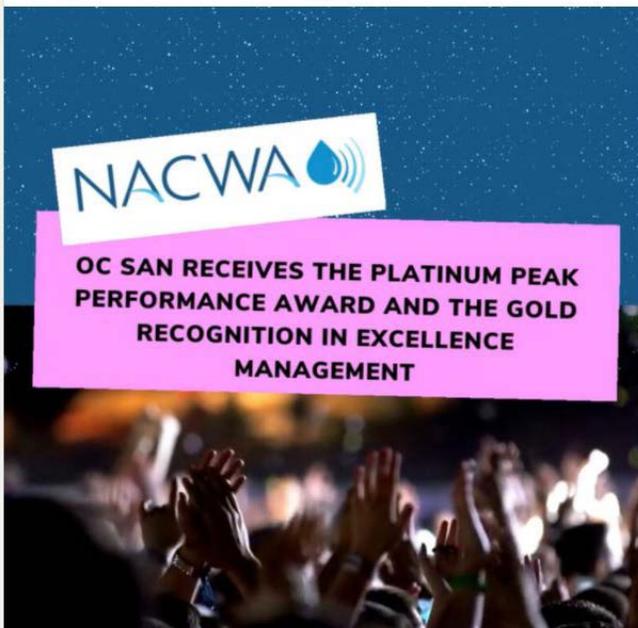




Orange County Sanitation District

3,270 followers  
1mo • 🌐

Being recognized two times is better than one. NACWA recognized OC San with the Platinum Peak Performance Award and the Gold Recognition in Excellence Management. To learn more visit [ocsan.gov](http://ocsan.gov)



Orange County Sanitation District

3,270 followers  
1mo • 🌐

Five years later and OC San is back at it again gaining the National Pollutant Discharge Elimination System Permit. To learn more go to [ocsan.gov](http://ocsan.gov)





Article	Date	Resource	Link
Southern California beaches score high on summer water quality	29-Jun-21	LA Daily News	<a href="https://www.dailynews.com/2021/06/29/southern-california-beaches-score-high-on-summer-water-quality/">https://www.dailynews.com/2021/06/29/southern-california-beaches-score-high-on-summer-water-quality/</a>
OC Gets Good Marks for Clean Beaches	29-Jun-21	OC Register	<a href="https://www.oregister.com/2021/06/29/water-off-orange-county-cleaner-than-in-much-of-the-state-particularly-in-summer/">https://www.oregister.com/2021/06/29/water-off-orange-county-cleaner-than-in-much-of-the-state-particularly-in-summer/</a>
Fitch Rates Orange County Sanitation District, CA Rev Obligations 'AAA'; Outlook Stable	1-Jul-21	Fitch Ratings	<a href="https://www.fitchratings.com/research/us-public-finance/fitch-rates-orange-county-sanitation-district-ca-rev-obligations-aaa-outlook-stable-01-07-2021">https://www.fitchratings.com/research/us-public-finance/fitch-rates-orange-county-sanitation-district-ca-rev-obligations-aaa-outlook-stable-01-07-2021</a>
Moody's assigns Aaa to Orange County Sanitation District, CA's Wastewater Refunding Rev. Ob., Series 2021A; outlook stable	1-Jul-21	Moody's	<a href="https://www.moody's.com/research/Moodys-assigns-Aaa-to-Orange-County-Sanitation-District-CAs-Wastewater--PR_907205728?cid=7QFRKQSZE021">https://www.moody's.com/research/Moodys-assigns-Aaa-to-Orange-County-Sanitation-District-CAs-Wastewater--PR_907205728?cid=7QFRKQSZE021</a>
Orange County Water Quality: How Clean Are OC's Beaches?	1-Jul-21	OC Patch	<a href="https://patch.com/california/orange-county/orange-county-water-quality-how-clean-are-ocs-beaches">https://patch.com/california/orange-county/orange-county-water-quality-how-clean-are-ocs-beaches</a>
Orange County launches first water plant to remove PFAS toxins	6-Jul-21	OC Register	<a href="https://www.oregister.com/2021/07/06/orange-county-launches-first-water-plant-to-remove-pfas-toxins/">https://www.oregister.com/2021/07/06/orange-county-launches-first-water-plant-to-remove-pfas-toxins/</a>
17-million-gallon sewage spill prompts closure of beaches north of El Segundo	12-Jul-21	Spectrum News 1	<a href="https://spectrumnews1.com/ca/orange-county/public-safety/2021/07/12/sewage-spill-prompts-closure-of-beaches-north-of-el-segundo">https://spectrumnews1.com/ca/orange-county/public-safety/2021/07/12/sewage-spill-prompts-closure-of-beaches-north-of-el-segundo</a>
Sewage spill was kept from public for hours	14-Jul-21	LA Tmes	<a href="https://enewspaper.latimes.com/infinity/article_share.aspx?guid=63516b55-99f5-4bcf-900b-16e5ec7e3b92">https://enewspaper.latimes.com/infinity/article_share.aspx?guid=63516b55-99f5-4bcf-900b-16e5ec7e3b92</a>
Secure California's future water supply and invest in recycled water	19-Jul-21	CAL Matters	<a href="https://calmatters.org/commentary/2021/07/secure-californias-future-water-supply-and-invest-in-recycled-water/">https://calmatters.org/commentary/2021/07/secure-californias-future-water-supply-and-invest-in-recycled-water/</a>
Congress Members Lowenthal, McClain, Introduce Legislation To Create National Labeling Standard For Non-flushable Wet Wipes	21-Jul-21	Congressman Lowenthal Newsletter	<a href="https://lowenthal.house.gov/media/press-releases/congress-members-lowenthal-mcclain-introduce-legislation-create-national">https://lowenthal.house.gov/media/press-releases/congress-members-lowenthal-mcclain-introduce-legislation-create-national</a>
Senators propose more money for water sources	24-Jul-21	Santa Barbara Newspress	<a href="https://newspress.com/senators-propose-more-money-for-water-sources/">https://newspress.com/senators-propose-more-money-for-water-sources/</a>

Western water experts are working to not only conserve water, but to also reuse as much wastewater as possible, including through direct potable reuse.	3-Aug-21	Ensia.com	<a href="https://ensia.com/features/in-an-arid-u-s-west-water-agencies-look-to-delive%E2%80%8Br%E2%80%8B-purified-wastewater-directly-to-customers-faucets%E2%80%8B-despite-yuck-factor/">https://ensia.com/features/in-an-arid-u-s-west-water-agencies-look-to-delive%E2%80%8Br%E2%80%8B-purified-wastewater-directly-to-customers-faucets%E2%80%8B-despite-yuck-factor/</a>
California Invests in Recycled Water as Droughts Take a Toll	4-Aug-21	Governing.com	<a href="https://www.governing.com/next/california-invests-in-recycled-water-as-droughts-take-a-toll">https://www.governing.com/next/california-invests-in-recycled-water-as-droughts-take-a-toll</a>
State report raises fresh alarms over sea-level rise	28-Aug-21	OC Register	<a href="https://www.ocregister.com/2021/08/27/state-report-raises-fresh-alarms-over-sea-level-rise/">https://www.ocregister.com/2021/08/27/state-report-raises-fresh-alarms-over-sea-level-rise/</a>

# Public Affairs Update July and August 2021

**Presented by:**

*Daisy Covarrubias,  
Pr. Public Affairs Spec.*

*Legislative and  
Public Affairs  
Committee*

*September 13, 2021*



1

## What We Did

- Plant Nos. 1 and 2 Newsletters
- Factsheets
- Media Relations
- Employee Communication
- Construction Outreach
  - Los Alamitos Sewer
  - Orange-Western Sewer
  - Westminster Blvd. Sewer
  - Headquarters Project
  - State College Sewer

**Tours**

**5 tours / 61 guests**  
**3 speaking engagements**



**Social Media**    

Twitter:  
27 tweets / 19.4k reached  
Facebook:  
35 posts / 4.9k reach  
Instagram:  
28 posts / 5k likes  
LinkedIn:  
7 posts/ 5.3k reached

2

2

## What We Are Doing

- Annual Report
- Employee Celebrations
- Volunteer Incentive Program recognition
- Outreach Toolkit
- Construction Updates
- Internal Communication
- Social Media



3

3

## Awards



National Procurement Award from the National Procurement Institute.

*OC San is 1 of only 182 agencies in the U.S. and Canada, and 1 of only 36 special districts to receive this award.*



Organizational Excellence- Large Agency award for Asset Management Program

4

4



LEGISLATIVE AND PUBLIC AFFAIRS  
COMMITTEE

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

Agenda Report

---

**File #:** 2021-1864

**Agenda Date:** 9/29/2021

**Agenda Item No:** 20.

---

**FROM:** James D. Herberg, General Manager

**SUBJECT:**

**LEGISLATIVE AFFAIRS UPDATE FOR THE MONTHS OF JULY/AUGUST 2021**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Receive and file the Legislative Affairs Update for the month of July and August 2021.

**BACKGROUND**

The Orange County Sanitation District's (OC San) legislative affairs program includes advocating OC San's legislative interests; sponsoring legislation (where appropriate); and seeking Local, State, and Federal funding for projects and programs. Staff will provide an update on recent legislative and grant activities.

**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 OC San's legislative interests. Help to create/monitor legislation and grants that would benefit OC San, the wastewater industry, and the community as a whole. To assist in our relationship building activities, we will continue to reach out to our elected officials providing facility tours, one-on-one meetings, and trips to Washington D.C. and Sacramento.

## **RAMIFICATIONS OF NOT TAKING ACTION**

If we do not work with Local, State, and Federal elected officials, legislation could be passed that negatively affects OC San and the wastewater industry as a whole. Additionally, a lack of engagement may result in missed funding opportunities.

## **ADDITIONAL INFORMATION**

In response to the pandemic, Governor Newsom issued an Executive Order granting boards and agencies modified Brown Act requirements. After a previous extension of the original order, it is scheduled to expire September 30, 2021. The surge in cases resulting from the Delta Variant highlights the need for the continuation of Brown Act flexibility. As of now, there are two avenues to pursue an extension:

- A new gubernatorial executive order or a re-extension of the existing executive order; or
- The passage of legislation such as AB 361 (Rivas) which, if passed, would grant local agencies approval to transition to remote meetings under modified Brown Act requirements without having to rely on a gubernatorial executive order. AB 361 is in the final stretch of the legislative process, requiring consideration from the Senate.

On April 12, 2021, OC San submitted a letter of support for Assembly Bill (AB) 361.

## **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
- Federal Legislative Matrix - ENS Resources
- State Update - Townsend Public Affairs
- State Legislative Matrix - Townsend Public Affairs
- Grant Matrix
- Presentations



TO: Rebecca Long  
FROM: Eric Sapirstein  
DATE: August 22, 2021  
SUBJECT: Washington Update

---

Congress was on its summer recess for the past month and will remain on recess until mid-September except for a three-day return to work for the House to address the pending fiscal year 2022 budget resolution. When Congress returns to work, it faces a substantial must do list of legislation that includes finalizing an infrastructure bill, considering a \$3.5 trillion reconciliation package to address “soft” infrastructure, debt ceiling increase and finalization of the annual spending bills. Given the balkanized nature of House Democrats (centrists versus progressives) each of these priorities face a huge headwind to secure passage. Like past years, it is a given that Congress will need to pass a stopgap spending bill to maintain governmental operations. For now, it appears that Congress will work on these issues well into November and possibly into December to reach compromises on each of these matters within the House, Senate and the two chambers.

The following summarizes the outlook for congressional activities in the coming months.

***Infrastructure Legislation Key Focus***

It now appears all but certain that the Senate-passed bipartisan infrastructure bill, the Infrastructure Investment and Jobs Act (H.R. 3684), will be considered by the House without amendments later in the fall. Speaker Pelosi continues to be in a stand-off with approximately nine House moderates. These Members have indicated that they will not vote on the budget resolution that sets overall spending limits for the \$3.5 trillion soft infrastructure legislation, before voting on the Senate infrastructure bill that they support. Conversely, Pelosi has made it clear that the House will not vote on the infrastructure package until such time as the Senate approves its reconciliation legislation that specifies how the \$3.5 trillion authorized by the resolution will be appropriated. As a result of this situation, when the House returns to Washington on August 23, it is expected to vote only on a rule setting the parameters of floor debate on the budget resolution and delay action on an actual vote on the budget resolution and the infrastructure bill until late September at the earliest.

However, it is important to note that all indications point to the Senate-passed H.R. 3684 being approved in the House, setting the stage for enactment. Once enacted the previously reported funding levels for wastewater projects will become available over five years. For California, this means that the State should receive, based upon the Clean Water Act's allocation formula, almost \$1 billion in clean water SRF assistance. An important aspect of the infrastructure funding is the fact that a state must use 49 percent of the assistance to provide either loan forgiveness or 100 percent grants assistance to disadvantaged communities. Last, the funding would be in addition to annual appropriations Congress provides for the State Revolving Fund (SRF) and other water-related programs.

### ***Soft Infrastructure Package Taking Shape***

Both the Senate and House are taking steps to finalize each chamber's priorities for the reconciliation package. This package would fund the soft or "human" infrastructure package that the Biden Administration is seeking. Congressional committees have been directed by leadership to deliver recommendations on how to allocate the overall \$3.5 trillion spending package. The House Committee on Transportation & Infrastructure Chairman Peter DeFazio (D-OR), has stated that he intends to pursue the reconciliation process to boost funding for wastewater infrastructure needs. DeFazio criticized the Senate infrastructure bill as lacking in sufficient funding for wastewater programs.

In addition to developing funding recommendations, an effort to roll back the elimination of state and local tax deductions is under consideration. If a rollback is included in the reconciliation package and adopted, it would reinstate the ability of taxpayers to deduct from their federal tax liability, the taxes paid to states and local governments.

Reconciliation only requires a simple majority in the Senate of 51 votes. This avoids the need to secure sixty votes to avoid a filibuster. Because the Senate is evenly divided, it makes the outcome uncertain. All Democratic Senators would have to vote to approve the \$3.5 trillion spending level. Due to concerns about the impacts of such spending on the national debt and inflation, Senators Joe Manchin (D-WV) and Kristen Synema (D-AZ) have stated they hold deep concerns over the proposed spending, complicating passage of reconciliation. A similar circumstance exists in the House where moderate Democrats have signaled doubts about supporting the spending. Therefore, action on any final reconciliation package will not be seen until November at the earliest according to congressional staff.

### ***Fiscal Year 2022 Appropriations***

The House and Senate must finalize spending for fiscal year 2022 by October 1, 2021, when the fiscal year begins. The House has approved the United States Environmental Protection Agency (USEPA) spending bill, providing \$1.8 billion for the clean water SRF program and other water resources programs such as water recycling. The Senate Committee on Appropriations has not released its proposed SRF spending level. It is expected to approve the spending measure in September or October. As has been the case in past years, Congress is unlikely to finalize all twelve appropriations bills by the end of September, triggering the need to pass a stopgap spending bill to continue governmental operations most likely through November.

# Federal Legislative Report - August 2021

Last Updated: August 23, 2021

## Bills by Issue

Priority: High (13)

Bill Number	Last Action	Status	Position	Priority
HR 3684	Message On Senate Action Sent To The House 2021 08 16	Passed Senate	None	High
<p><b>Title</b> Infrastructure Investment and Jobs Act</p> <p><b>Description</b> Investing in a New Vision for the Environment and Surface Transportation in America Act or the INVEST in America Act This bill addresses provisions related to federal-aid highway, transit, highway safety, motor carrier, research, hazardous materials, and rail programs of the Department of Transportation (DOT). Among other provisions, the bill * extends FY2021 enacted levels through FY2022 for federal-aid highway, transit, and safety programs; * reauthorizes for FY2023-FY2026 several surface transportation programs, including the federal-aid highway program, transit programs, highway safety, motor carrier safety, and rail programs; * addresses climate change, including strategies to reduce the climate change impacts of the surface transportation system and a vulnerability assessment to identify opportunities to enhance the resilience of the surface transportation system and ensure the efficient use of federal resources; * revises Buy America procurement requirements for highways, mass transit, and rail; * establishes a rebuild rural bridges program to improve the safety and state of good repair of bridges in rural communities; * implements new safety requirements across all transportation modes; and * directs DOT to establish a pilot program to demonstrate a national motor vehicle per-mile user fee to restore and maintain the long-term solvency of the Highway Trust Fund and achieve and maintain a state of good repair in the surface transportation system.</p>		<p><b>Bill Summary:</b> Last edited by Sarah Sapirstein at Aug 23, 2021, 4:13 PM Comprehensive infrastructure investment package that provides the biggest infusion of U.S. federal spending on infrastructure in decades, including \$55 billion for water infrastructure. The bill also includes a Western Water Infrastructure Title to address U.S. Bureau of Reclamation water infrastructure funding programs.</p> <p><b>Introduction Date:</b> 2021-06-04</p>		

Bill Number

HR 2467

Last Action

Received In The Senate And Read Twice And Referred To The Committee On Environment And Public Works 2021 07 22

Status

In Senate

Position

Monitor

Priority

High

#### Title

PFAS Action Act of 2021

#### Description

PFAS Action Act of 2021 This bill establishes requirements and incentives to limit the use of perfluoroalkyl and polyfluoroalkyl substances, commonly referred to as PFAS, and remediate PFAS in the environment. PFAS are man-made and may have adverse human health effects. A variety of products contain PFAS, such as nonstick cookware or weatherproof clothing. The bill directs the Environmental Protection Agency (EPA) to designate the PFAS perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) as a hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, thereby requiring remediation of releases of those PFAS into the environment. Within five years, the EPA must determine whether the remaining PFAS should be designated as hazardous substances. The EPA must also determine whether PFAS should be designated as toxic pollutants under the Clean Water Act. If PFAS are designated as toxic, then the EPA must establish standards to limit discharges of PFAS from industrial sources into waters of the United States. In addition, the EPA must issue a national primary drinking water regulation for PFAS that, at a minimum, includes standards for PFOA and PFOS. Among other requirements, the EPA must also issue a final rule adding PFOA and PFOS to the list of hazardous air pollutants, test all PFAS for toxicity to human health, and regulate the disposal of materials containing PFAS. Finally, the bill provides incentives to address PFAS, such as grants to help community water systems treat water contaminated by PFAS.

**Bill Summary:** Last edited by Sarah Sapirstein at Apr 19, 2021, 4:54 PM Addresses the public health and environmental risks posed by PFAS contamination, including addressing, monitoring, and treating for PFAS contamination in water supplies. Includes directive for USEPA to designate PFOA and PFOS as hazardous substances under CERCLA, also known as Superfund law, within one year after enactment of the bill and within five years determine whether to designate all PFAS substances as hazardous under CERCLA. Also includes other regulatory measures to detect, monitor, and treat for PFAS in water supplies.

**Introduction Date:** 2021-04-13

Bill Number	Last Action	Status	Position	Priority
HR 4602	Referred To The House Committee On Energy And Commerce 2021 07 21	In House	Support	High

**Title**  
WIPPES Act

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 5:53 PM  
Pulled out of the Break Free From Plastic Pollution Act. Not later than 2 years after enactment, directs FTC, with consultation from U.S. Environmental Protection Agency (USEPA), to require manufacturers of single-use wet wipes print a "Do Not Flush" label notice on wipes product packaging. Below is a summary of the WIPPES Act's key provisions: - Not later than 2 years after date of enactment, the Federal Trade Commission (FTC), in consultation with USEPA, will issue regulations to require wipes manufacturers to print clear and visible "Do Not Flush" label notices on non-flushable wet wipes product packaging. - Prohibition on the representation or marketing of flushable attributes, performance, or efficacy benefits for non-flushable wipes products. - FTC may bring penalty fines of not more than \$2,500 for each day a manufacturer fails to comply with labeling requirements. Total fine amount may not exceed \$100,000 for a single violation. - FTC will develop guidance for manufacturers to conduct education and outreach campaigns on new labeling requirements and provide consumers with the following information: presence of the new label notice on product packaging, what products have the new label notice, intended effects of label notice on consumer behavior regarding the disposal of the products, and outreach may not promote, advocate, or depict wipes other than the wipes products defined by legislation.

**Introduction Date:** 2021-07-21

Bill Number	Last Action	Status	Position	Priority
HR 1915	Placed On The Union Calendar Calendar No 48 2021 06 22	In House	Support	High

**Title**  
Water Quality Protection and Job Creation Act of 2021

**Description**  
Water Quality Protection and Job Creation Act of 2021 This bill creates, reauthorizes, and revises several grant programs for infrastructure to treat water pollution, such as wastewater or stormwater. Specifically, the bill reauthorizes through FY2026 and revises the Clean Water State Revolving Fund program, which provides communities low-cost financing for water quality infrastructure projects. It also reauthorizes through FY2026 grants for \* programs to control water pollution; \* pilot projects related to watershed management of wastewater discharges (e.g., sewer overflows or stormwater discharges) during wet weather; \* alternative water source projects, including projects to reclaim stormwater; or \* measures to manage, reduce, treat or recapture stormwater, such as sewer overflows. In addition, the Environmental Protection Agency must award grants to owners of publicly owned treatment works (i.e., sewage treatment plants) for the treatment of contaminants of emerging concern, such as perfluoroalkyl or polyfluoroalkyl substances, commonly referred to as PFAS. These substances are man-made and may have adverse human health effects. A variety of products contain the compounds, such as nonstick cookware or weatherproof clothing.

**Bill Summary:** Last edited by Sarah Sapirstein at Jun 21, 2021, 3:52 PM  
Bipartisan legislation would authorize \$50 billion in direct infrastructure investment over the next five years to address America's crumbling wastewater infrastructure and local water quality challenges. It would also significantly increase the amount of Federal assistance made available to States and communities through the successful Clean Water State Revolving Fund (SRF) program.

**Introduction Date:** 2021-03-16

Bill Number	Last Action	Status	Position	Priority
HR 2468	Referred To The Subcommittee On Commodity Exchanges Energy And Credit 2021 06 07	In House	Monitor	High

#### Title

Made in America Act of 2021

#### Description

Made in America Act of 2021 This bill requires that materials used in carrying out federal infrastructure aid programs are made in the United States. The term produced in the United States means, in the case of \* iron or steel products, that all manufacturing processes for the iron or steel product, from the initial melting stage through the application of coatings, occurred in the United States; \* manufactured products, that the product was manufactured in the United States and that the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 50% of the total cost of all components of the manufactured product; and \* construction materials, that all manufacturing processes for the construction material occurred in the United States. The Department of Commerce must (1) issue uniform standards that define the term all manufacturing processes for purposes of this bill, and (2) take into consideration and seek to maximize the jobs benefited or created in the production of the construction material. The bill requires that all steel, iron, manufactured products, non-ferrous metals, plastic, concrete and aggregates, glass (including optical glass), lumber, and drywall used in these programs be produced in the United States. Includes within infrastructure addressed by this bill federal-aid highways, railroads, public transportation, civil aviation, drinking water, and stormwater.

**Bill Summary:** Last edited by Sarah Sapirstein at Apr 19, 2021, 4:44 PM Bill strengthens Buy American provisions for tax-payer funded infrastructure projects by requiring federal funding programs to require Buy America provisions for construction materials.

**Introduction Date:** 2021-04-13

Bill Number	Last Action	Status	Position	Priority
HR 3622	Referred To The Subcommittee On Water Resources And Environment 2021 06 01	In House	Monitor	High

#### Title

Clean Water Standards for PFAS Act of 2021

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 6:01 PM Require the U.S.Environmental Protection Agency (USEPA) to develop effluent limitations guidelines and standards and water quality criteria for PFAS under the Federal Water Pollution Control Act and authorize \$200 million in Federal grants to publicly owned treatment works to implement such guidelines and standards. Specifically, the Clean Water Standards for PFAS Act would do the following: • Require USEPA to develop water quality criteria under the Clean Water Act for all measurable PFAS chemicals within two years of bill's enactment and develop effluent limitations guidelines and standards for all measurable PFAS chemicals within four years, including establishing pretreatment standards to prevent introduction of PFAS into POTWs and stopping PFAS at the source prior to contaminating municipal water systems. • Identifies nine priority industry categories of industries that USEPA must establish standards for. • Authorizes \$200 million in grants per year through fiscal years 2022-2026 to assist POTWs with implementation of developed limitations and standards.

**Introduction Date:** 2021-05-28

Bill Number

S 1907

Last Action

Read Twice And Referred To The Committee  
On Environment And Public Works 2021 05 27

Status

In Senate

Position

Monitor

Priority

High

**Title**

Clean Water Standards for PFAS Act of 2021

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 5:59 PM  
Companion bill to H.R. 3622. The bill would require the U.S. Environmental Protection Agency (USEPA) to develop effluent limitations guidelines and standards and water quality criteria for PFAS under the Federal Water Pollution Control Act and provide Federal grants to publicly owned treatment works to implement such guidelines and standards. Specifically, the Clean Water Standards for PFAS Act would do the following: • Require USEPA to develop water quality criteria under the Clean Water Act for all measurable PFAS chemicals within two years of bill's enactment and develop effluent limitations guidelines and standards for all measurable PFAS chemicals within four years, including establishing pretreatment standards to prevent introduction of PFAS into POTWs and stopping PFAS at the source prior to contaminating municipal water systems. • Identifies nine priority industry categories of industries that USEPA must establish standards for. • Authorizes \$200 million in grants per year through fiscal years 2022-2026 to assist POTWs with implementation of developed limitations and standards.

**Introduction Date:** 2021-05-27

Bill Number  
HR 3404

Last Action  
Referred To The Subcommittee On Water  
Resources And Environment 2021 05 21

Status  
In House

Position  
Support

Priority  
High

**Title**  
FUTURE Western Water Infrastructure and Drought Resiliency Act

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 5:56 PM  
The FUTURE Western Water Act is a comprehensive package that aims to address western water infrastructure and drought response needs, including: infrastructure development, improved technology and data, water job training and education, and ecosystem protection and restoration. Among the provisions, the legislation includes provisions from Water Recycling Investment and Improvement Act (H.R. 1015), which increases the authorization level for the Title XVI program to \$500 million from the current \$50 million. CASA supports H.R. 1015. The bill's the four major policy components. - Infrastructure Development: authorizes \$750 million for sustainable, multi-benefit water storage projects, authorizes \$500 million for water recycling and reuse projects, authorizes \$260 million for innovative water desalination projects, and establishes process to authorize new major water storage projects owned or supported by USDOJ. - Improved Technology and Data: invests in water data and technology to improve water management and reducing energy and water waste - types of investments include expanded water technology "X-Prize" to support new stream gages and the development and deployment of emerging technologies to help manage and improve water supply availability. - Water Job Training and Education: Federal support for water education activities, collaborative water management efforts and training, and professional development support for water sector workforce. - Ecosystem Protection and Restoration: To reverse fish and wildlife species decline, eligible measures include new voluntary incentives for farmers to provide waterbird habitats, expanded watershed health project funding, support wildlife refuges, multi-benefit water storage projects that provide benefits for water supply and wildlife, and improved drought planning efforts to protect biodiversity.

**Introduction Date:** 2021-05-20

Bill Number  
S 914

Last Action  
By Senator Carper From Committee On  
Environment And Public Works Filed Written  
Report Report No 117 20 2021 05 10

Status  
In House

Position  
Monitor

Priority  
High

**Title**  
Drinking Water and Wastewater Infrastructure Act of 2021

**Description**  
Drinking Water and Wastewater Infrastructure Act of 2021 This bill reauthorizes through FY2026 or establishes a variety of programs for water infrastructure. Specifically, it supports programs to provide safe drinking water or treat wastewater, such as sewer overflows or stormwater. For example, the bill reauthorizes and revises the clean water state revolving fund (SRF) and the drinking water SRF.

**Bill Summary:** Last edited by Sarah Sapirstein at Jun 21, 2021, 4:29 PM  
A comprehensive bill that contains Senate clean water and drinking water provisions that were dropped out of Water Resources Development Act (WRDA) 2020 during conference negotiations. S. 914 would invest more than \$35 billion in water resource development projects across the country, of which, more than 40% can be directly used to benefit small, disadvantaged, rural, and tribal communities through additional subsidization from the State Revolving Loan Funds or direct grant programs.

**Introduction Date:** 2021-03-23

Bill Number

HR 2238

Last Action

Referred To The Subcommittee On  
Environment And Climate Change 2021 03 29

Status

In House

Position

Support

Priority

High

**Title**

Break Free From Plastic Pollution Act of 2021

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 6:03 PM  
Would reduce plastic production, increase recycling, and protect frontline and fenceline communities from the burden of toxic emissions from plastic waste by changing the incentives of the industry. The bill shifts the burden of cleanup to the corporations that produced the plastics. Would direct the U.S. Environmental Protection Agency (USEPA) to establish regulations to require covered manufacturers, as defined by the bill, to print clear and visible "Do Not Flush" labeling notice on product packaging. Eligible labeling protocol mirrors the protocols outlined in the state bill. As with the state bill, the "Do Not Flush" symbol is defined by the INDA and EDANA Guidelines for Assessing the Flushability of Disposable Nonwoven Products (Edition 4; May 2018). BFFPPA addresses pollution caused by microfibers from textiles and general microplastics through the water waste stream. The bill would establish a new grants program to support projects that reduce microfiber pollution through either improving industry and manufacturing best practices to reduce the generation of textile-based microfiber pollution or improve the filtration technology for textile-based microfiber pollution in washing machines and at wastewater treatment plants. The bill does not define an authorization amount for the program. The legislation would also create a separate USEPA pilot program to study the efficacy and cost effectiveness of tools, technologies, and techniques used to remove and prevent the release of microplastics into the environment. Under the program, studies will be conducted to test natural and green infrastructure, and mechanical removal systems and filtration technologies. The bill identifies eligible locations to carry out testing studies to include wastewater treatment facilities, stormwater systems, and drinking water systems. The bill does not define an authorization amount for this new pilot program.

**Introduction Date:** 2021-03-26

Bill Number

S 984

Last Action

Read Twice And Referred To The Committee  
On Finance 2021 03 25

Status

In Senate

Position

Support

Priority

High

**Title**

Break Free From Plastic Pollution Act of 2021

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 6:03 PM  
Would reduce plastic production, increase recycling, and protect frontline and fenceline communities from the burden of toxic emissions from plastic waste by changing the incentives of the industry. The bill shifts the burden of cleanup to the corporations that produced the plastics. Would direct the U.S. Environmental Protection Agency (USEPA) to establish regulations to require covered manufacturers, as defined by the bill, to print clear and visible "Do Not Flush" labeling notice on product packaging. Eligible labeling protocol mirrors the protocols outlined in the state bill. As with the state bill, the "Do Not Flush" symbol is defined by the INDA and EDANA Guidelines for Assessing the Flushability of Disposable Nonwoven Products (Edition 4; May 2018). BFFPPA addresses pollution caused by microfibers from textiles and general microplastics through the water waste stream. The bill would establish a new grants program to support projects that reduce microfiber pollution through either improving industry and manufacturing best practices to reduce the generation of textile-based microfiber pollution or improve the filtration technology for textile-based microfiber pollution in washing machines and at wastewater treatment plants. The bill does not define an authorization amount for the program. The legislation would also create a separate USEPA pilot program to study the efficacy and cost effectiveness of tools, technologies, and techniques used to remove and prevent the release of microplastics into the environment. Under the program, studies will be conducted to test natural and green infrastructure, and mechanical removal systems and filtration technologies. The bill identifies eligible locations to carry out testing studies to include wastewater treatment facilities, stormwater systems, and drinking water systems. The bill does not define an authorization amount for this new pilot program.

**Introduction Date:** 2021-03-25

Bill Number

HR 1881

Last Action

Referred To The Subcommittee On Water  
Resources And Environment 2021 03 15

Status

In House

Position

Monitor

Priority

High

**Title**

To amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.

**Description**

This bill revises the National Pollutant Discharge Elimination System (NPDES) program. Under the program, the Environmental Protection Agency issues permits to discharge pollutants into waters of the United States. The bill extends the maximum term for NPDES permits issued to states or municipalities from 5 to 10 years.

**Bill Summary:** Last edited by Sarah Sapirstein at Mar 22, 2021, 9:20 PM  
Extends the National Pollution Discharge Elimination System (NPDES) permit to up to, but not exceeding, 10 years from the current 5 years, for a municipality.

**Introduction Date:** 2021-03-12

Bill Number	Last Action	Status	Position	Priority
HR 1015	Referred To The Subcommittee On Water Oceans And Wildlife 2021 03 15	In House	Support	High

**Title**

Water Recycling Investment and Improvement Act

**Description**

Water Recycling Investment and Improvement Act This bill makes permanent, and otherwise revises, the Bureau of Reclamation's grant program for the funding of water recycling and reuse projects. Specifically, the bill removes priority under the program for projects in areas that, in the preceding four-year period, have been (1) identified as experiencing severe, extreme, or exceptional drought; or (2) designated as a disaster area by a state. Additionally, the bill increases through FY2025 the authorization of appropriations for the program and otherwise revises provisions related to program funding.

**Bill Summary:** Last edited by Sarah Sapirstein at Feb 16, 2021, 3:28 PM Increases the authorization level for the Title XVI Program to \$500 million from the current \$50 million and makes it a permanent program. The bill strikes requirement that projects must be in drought or disaster areas and strikes the requirement that the projects need to be designated in an appropriations legislation.

**Introduction Date:** 2021-02-11

**Priority: Medium (1)**

Bill Number	Last Action	Status	Position	Priority
HR 1352	Referred To The Subcommittee On Conservation And Forestry 2021 04 05	In House	Monitor	Medium

**Title**

Water Affordability, Transparency, Equity, and Reliability Act of 2021

**Description**

Water Affordability, Transparency, Equity, and Reliability Act of 2021 This bill increases funding for water infrastructure, including funding for several programs related to controlling water pollution or protecting drinking water. Specifically, it establishes a Water Affordability, Transparency, Equity, and Reliability Trust Fund. The fund may be used for specified grant programs. The bill increases the corporate income tax rate to 24.5% to provide revenues for the fund. In addition, the bill revises requirements concerning the clean water state revolving fund (SRF) and the drinking water SRF. It also creates or reauthorizes several grant programs for water infrastructure.

**Bill Summary:** Last edited by Sarah Sapirstein at Mar 22, 2021, 9:43 PM The Water Affordability, Transparency, Equity, and Reliability (WATER) Act of 2021 is a comprehensive solution that creates a WATER Trust Fund, which dedicates nearly \$35 billion towards water infrastructure improvements across the United States.

**Introduction Date:** 2021-02-25

**Priority: None (2)**

Bill Number	Last Action	Status	Position	Priority
HR 4443	Referred To The Subcommittee On Conservation And Forestry 2021 08 11	In House	None	None

**Title**  
COMPOST Act

**Bill Summary:** Last edited by Sarah Sapirstein at Aug 23, 2021, 6:07 PM  
Creates a new Environmental Protection Agency (EPA) administered grant program for state, local, tribal, and territorial governments and for nonprofits, which would offer three types of grants: planning grants, measurement grants, and reduction grants. Program would be authorized at \$200 million for each of the fiscal years 2021-2031.

**Introduction Date:** 2021-07-16

Bill Number	Last Action	Status	Position	Priority
HR 1512	Referred To The Subcommittee On Environment And Climate Change 2021 03 03	In House	None	None

**Title**  
CLEAN Future Act

**Description**

Climate Leadership and Environmental Action for our Nation's Future Act or the CLEAN Future Act This bill creates requirements and incentives to reduce emissions of greenhouse gases. The bill establishes an interim goal to reduce greenhouse gas emissions to at least 50% below 2005 levels by 2030 as well as a national goal to achieve net-zero greenhouse gas emissions by 2050. Each federal agency must develop a plan to achieve the goals. Beginning in 2023, retail electricity suppliers must provide an increasing percentage of electricity that is generated without the release of greenhouse gases into the atmosphere (zero-emission electricity). By 2035, the suppliers must provide 100% zero-emission electricity or demonstrate alternative means of compliance. For example, the suppliers may buy credits under a trading program that allows entities to buy, sell, and trade credits to demonstrate compliance. The bill also establishes a variety of requirements, programs, and incentives to reduce or eliminate greenhouse gas emissions by \* modernizing the electric grid and supporting clean energy microgrids; \* increasing the use of renewable energy and advanced nuclear power technologies; \* increasing energy efficiency in buildings, homes, and appliances; \* supporting clean transportation, including electric vehicles and related charging infrastructure; \* issuing greenhouse gas standards for certain vehicles, engines, and aircraft; \* promoting manufacturing and industrial decarbonization, including through buy-clean programs; \* supporting environmental justice efforts; and \* reducing methane, plastics, and super pollutants.

**Bill Summary:** Last edited by Sarah Sapirstein at Mar 22, 2021, 8:54 PM  
H.R. 1512 is a comprehensive legislative package with the goal of achieving net zero greenhouse gas pollution, combating the climate crisis, putting Americans back to work, and rebuilding our economy. It includes limited drinking water provisions, including establishing PFAS grants program for affected community water systems, authorized at \$500 million. The legislation also includes an extensive environmental justice title that supports the policy directives from the Administration that 40% of all future federal funding be delivered to disadvantage and environmental justice communities.

**Introduction Date:** 2021-03-02

---

---

**M E M O R A N D U M**

---

---

**To:** Orange County Sanitation District  
**From:** Townsend Public Affairs  
**Date:** August 22, 2021  
**Subject:** Monthly Legislative Report

---

**State Legislative Update**

The Legislature reconvened from summer recess on Monday, August 16. Since then, policy and fiscal committees have continued to meet and consider bills in order to meet deadline constraints. Of note is the appropriations deadline on August 27, which marks the last day for fiscal committees to meet and report bills. With the appropriations deadline comes the second house's "appropriations suspense file" hearing, where bills determined to have a significant fiscal impact are placed on "suspense" and either progress to the second house's floor for consideration or are held in committee and under submission. The suspense file hearing is expected to filter out active bills from progressing further in the legislative process.

With only three remaining weeks of the 2021 legislative session, there are a number of outstanding issues that are of interest to local governments. These include, but are not limited to:

**Extension of Brown Act Flexibility**

In response to the pandemic and the necessity of remote meetings to promote social distancing, Governor Newsom issued an Executive Order granting boards and agencies modified Brown Act requirements. After a previous extension of the original order, it is scheduled to expire September 30, 2021. The surge in cases resulting from the Delta Variant highlights the need for the continuation of Brown Act Flexibility. As of now, there are two avenues to pursue an extension:

- A new gubernatorial executive order or a re-extension of the existing executive order or;
- The passage of legislation such as AB 361 (Rivas) which, if passed, would grant local agencies approval to transition to remote meetings under modified Brown Act requirements without having to rely on a gubernatorial executive order. AB 361 is in the final stretch of the legislative process, requiring consideration from the Senate.

**The Release of Key Budget Details**

Despite the release of funding plans and implementing language for much of the State's Budget, there still remain a few pending Budget details. These include the cap-and-trade expenditure plan, which is expected to direct funding toward projects related to wildfire mitigation, forest management, and community hardening. Additionally, numerous transportation programs included in the State Budget are contingent on the passage of additional legislation to specify how funds are allocated.

In addition, several water agencies, led by Metropolitan Water District, are pushing for increased state investments for water use efficiency, local supply, and groundwater storage projects. Metropolitan is leading a coalition effort to request an additional \$1.3 billion in funding. That funding request includes:

- Water Use Efficiency:
  - \$200 million for rebates for leak detection, turf replacement, and commercial equipment
- Local Supply Projects:
  - \$650 million for water reuse and recycling
  - \$100 million for stormwater capture
  - \$100 million for groundwater remediation and wellhead treatment for PFAS
- Groundwater Storage
  - \$250 million for groundwater storage

### Broadband Infrastructure Deployment

The Governor has signed SB 156, a trailer bill to implement the \$6 billion included in the original budget for broadband infrastructure construction, with priority given to underserved rural and urban communities throughout the State. The bill's major provisions include: \$2 billion for last-mile infrastructure to increase connectivity and affordability in underserved rural and urban areas, \$3.25 billion for statewide, open-access middle-mile network, and \$750 million to establish a new loan loss reserve account to provide collateral to local governments issuing bonds for municipal broadband deployment. In the final weeks of session, the passage of two important broadband infrastructure measures AB 14, (Aguiar-Curry) and SB 4 (Gonzalez), will help prioritize the deployment of broadband infrastructure in unserved and underserved communities throughout California through the ongoing collection of the California Advanced Services Fund surcharge. These bills also expand the definition of "unserved" communities to include areas with speeds slightly faster than dial up, which is now an outdated benchmark for determining access speeds. AB 14 has been placed on the Senate appropriations suspense file. SB 4 is expected to be considered by the Assembly Appropriations Committee next week.

### Housing Reform Policies

This legislative session has featured a focus on housing reform policies. Numerous housing and land use reform bills have made their way through the legislative process further than similar bills have in previous sessions. For example, SB 9 (Atkins), which would require cities and counties to permit ministerially either a housing development of up to two units, or the subdivision of a parcel into two equal parcels, has passed through both house's policy committees will move to the Assembly Floor for consideration. Another bill of interest, AB 215 (Chiu), which would have created a new, mid-cycle housing needs progress determination process between HCD and underperforming jurisdictions, has now been significantly amended to remove the mid-cycle review process with HCD while enhancing the legal enforcement tools of the agency. AB 215 is expected to be considered by the Senate Appropriations Committee next week.

In addition to these priority items being discussed by the Legislature, there are several other COVID related items that are still a high priority in Sacramento.

## Governor Announces Testing and Proof of Vaccination Mandate

Governor Newsom announced a new mandate requiring all state and healthcare workers to provide proof of vaccination or be tested at least once per week. In addition, the Governor hopes to encourage all local governments and other employers to adopt a similar protocol. Beginning August 2, all state employees will be required to show proof of vaccination or begin mandatory COVID testing once per week. Beginning August 9, all healthcare and congregate facility workers will adopt the same protocol and must be in full compliance by August 23. Those operating in acute care facilities may be required to be tested twice per week. Implementation of this new mandate will be accomplished via public health order.

## State Rental Assistance Metrics

The Governor announced that the California Rent Relief program continues to build momentum with over \$1 billion in rental assistance requested through the state-administered program and increasing rates of application and disbursement. The State's rental assistance program allows tenants to access rental funds directly if their landlord chooses not to participate and ensures landlords can receive compensation even if their otherwise income-qualified tenants have already vacated a unit.

The Program provides a total of \$5.2 billion to now cover 100 percent of back-rent and all prospective rent for several months into the future for income-qualified tenants. The Program also includes \$2 billion for past-due water and utility bills and more money than ever for tenant legal assistance. This new supportive funding adds to the recent extension of the State's eviction moratorium.

## COVID Impact on Access to State Capitol Building

California has reinstated a mask mandate for all lawmakers and employees at the state Capitol, regardless of vaccination status, following an outbreak of coronavirus cases in the building. All individuals who contracted the coronavirus were staff, four of whom were fully vaccinated. The announcement from the Secretary of the Senate and the Assembly Chief Administrative Officer was followed by a letter from Legislative Leadership to Senate and Assembly staff.

## Priority Legislation

The below bills have been identified by TPA and OC San staff as priority bills that would have an impact on OC San.

*AB 339 (Lee) – State and local government: open meetings. (OC San: Watch)*

AB 339 was amended to remove the above provisions and instead narrow the scope to only require large cities and counties (over 250,000 in population) to include an opportunity for members of the public to attend via a telephonic option or an internet-based service option. This includes the ability to provide public comment both in person and remotely via a telephonic or an internet-based service option.

**Status: AB 339 Currently on the Senate Floor.**

*AB 361 (Rivas) – Open meetings: local agencies: teleconferences (OC San: Support)*

Would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state of emergency or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body determines, by majority vote, that meeting in person would present imminent risks to the health or safety of attendees. The bill would sunset on January 1, 2024.

**Status: AB 361 Currently on the Senate Floor.**

*AB 377 (Rivas) – Water quality: impaired waters (OC San: Watch)*

AB 377 has recently been significantly amended. The bill now requires the State Water Board and Regional Boards to evaluate impaired state surface waters using the most current integrated report, and report to the Legislature a plan to bring all water segments into attainment by January 1, 2050. AB 377 also creates the Waterway Recovery Account in the Waste Discharge Permit Fund. Authorizes funds within the Waterway Recovery Account to be available for the State Water Board to expend, upon appropriation by the Legislature, to bring impaired water segments into attainment. Requires an enforcement action taken pursuant to this bill to result in sufficient penalties, conditions, and orders to ensure the person subject to the enforcement action is no longer causing or contributing to the exceedance in a surface water quality standard in a surface water of the state.

**Status: AB 377 is a two-year bill and will not be moving forward in 2021.**

*AB 818 (Bloom) - Solid waste: premoistened nonwoven disposable wipes (OC San: Support)*

Would require certain premoistened nonwoven disposable wipes manufactured on or after July 1, 2022, to be labeled clearly and conspicuously with the phrase “Do Not Flush” and a related symbol. The bill would prohibit a covered entity from making a representation about the flushable attributes, benefits, performance, or efficacy of those premoistened nonwoven disposable wipes. The bill would establish enforcement provisions, including authorizing a civil penalty not to exceed \$2,500 per day, up to a maximum of \$100,000 per violation, to be imposed on a covered entity who violates those provisions.

**Status: AB 818 Currently on the Senate Floor.**

*AB 1500 (E. Garcia) // SB 45 (Portantino) – Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022 (OC San: Watch)*

AB 1500 and SB 45 would have established a general obligation bond that would appear on the November 2022 ballot. These bond bills would provide funding for a wide variety of natural resources and climate resilient projects including wildfire prevention, safe drinking water and water quality, protecting fish, wildlife, and agriculture from climate risks, and protecting coastal resources.

This proposal and conversations around a climate focused bond were put on hold in 2020 largely due to the COVID-19 pandemic. However, the framework of Governor Newsom's Budget includes record surpluses and federal influxes of pandemic relief dollars. The Governor and the Legislature both agree that direct water funding through the Budget in 2021 is critical, especially as California continues to experience one of the driest periods on record. This agreement, which is still being negotiated, would preclude the need for a general obligation bond this year

**Status: AB 1500 and SB 45 have both been held in their respective Rules Committees and are currently not expected to move forward this year.**

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
Proposed Legislation 2021-2022						
High Priority						
AB 59	Gabriel [D]	This bill would increase, for fees and service charges and for fees for specified public facilities, the time for mailing the notice of the time and place of the meeting to at least 45 days before the meeting. This bill would also require that all fees collected in excess of the cost of the service provided be refunded to the ratepayer. This bill would also change the statute of limitations for protests filed for disputes of rates, potentially allowing rate disputes to be filed months or years after adoption.	Two-Year Bill	Oppose	<b>Legislative and Regulatory Policies: Special Districts</b> - Oppose further state regulations that adversely impact special district financing, operations, and administration.	ACC-OC - Oppose LOCC - Watch CASA - Watch CSDA - Oppose ACWA - Oppose
AB 322	Salas [D]	Current law requires the Energy Commission, in administering moneys in the Electric Program Investment Charge Fund for research, development, and demonstration programs, to develop and implement the EPIC program for the purpose of awarding funds to projects that may lead to technological advancement and breakthroughs to overcome barriers that prevent the achievement of the state's statutory energy goals and that may result in a portfolio of projects that are strategically focused and sufficiently narrow to make advancement on the most significant technological challenges. Current law, until January 1, 2023, requires the Energy Commission to expend certain percentages of the moneys appropriated from the fund for technology demonstration and deployment at sites that benefit certain communities. This bill would require the Energy Commission to allocate not less than 20% of the funds appropriated for the EPIC program to bioenergy projects for biomass conversion, as specified.	Currently on Senate Floor	Watch	<b>Legislative and Regulatory Policies: Biosolids and Biogas</b> - Support streamlined legislation, regulations and policies that encourage the procurement of biogas, biosolids, and compost.	ACC-OC - NYC LOCC - Watch CASA - Support CSDA - NYC ACWA - Favor
AB 339	Lee [D]	Would, until December 31, 2023, require all open and public meetings of a city council or a county board of supervisors that governs a jurisdiction containing least 250,000 people to include an opportunity for members of the public to attend via a telephonic option or an internet-based service option. The bill would require all open and public meetings to include an in-person public comment opportunity, except in specified circumstances during a declared state or local emergency. The bill would require all meetings to provide the public with an opportunity to comment on proposed legislation in person and remotely via a telephonic or an internet-based service option, as provided.	Currently on Senate 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 - Oppose LOCC - Oppose CASA - Watch CSDA - Oppose ACWA - Oppose

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 361	Rivas [D]	Would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state of emergency or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body determines, by majority vote, that meeting in person would present imminent risks to the health or safety of attendees.	Currently on Senate Floor	Support	<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 - Watch CASA - Watch CSDA - Sponsor ACWA - Favor
AB 377	Rivas [D]	Would require, by January 1, 2023, the State Water Resources Control Board and regional boards to prioritize enforcement of all water quality standard violations that are causing or contributing to an exceedance of a water quality standard in a surface water of the state. The bill would require the state board and regional boards, by January 1, 2025, to evaluate impaired state surface waters and report to the Legislature a plan to bring all water segments into attainment by January 1, 2050. The bill would require the state board and regional boards to update the report with a progress summary to the Legislature every 5 years. The bill would create the Waterway Recovery Account in the Waste Discharge Permit Fund and would make moneys in the Waterway Recovery Account available for the state board to expend, upon appropriation by the Legislature, to bring impaired water segments into attainment in accordance with the plan.	Two-Year Bill	Watch	<b>Guiding Principles:</b> Oppose redundant regulatory and legislative requirements that cause undue constraints on efficient operations.	ACC-OC - Oppose LOCC - Oppose CASA - Oppose CSDA - Oppose ACWA - Concerns
AB 564	Gonzalez [D]	Would establish the Biodiversity Protection and Restoration Act and would provide that it is the policy of the state that all state agencies, boards, and commissions shall utilize their authorities in furtherance of the biodiversity conservation purposes and goals of certain executive orders. The bill would require all state agencies, boards, and commissions to consider and prioritize the protection of biodiversity in carrying out their statutory mandates. The bill would require strategies related to the goal of the state to conserve at least 30% of California's land and coastal waters by 2030 to be made available to the public and provided to certain legislative committees by no later than June 30, 2022.	Two-Year Bill	Watch	<b>Guiding Principles:</b> Oppose redundant regulatory and legislative requirements that cause undue constraints on efficient operations.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - Watch ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 602	Grayson [D]	Current law requires a city, county, or special district that has an internet website to make available on its internet website certain information, as applicable, including its current schedule of fees and exactions. This bill, among other things, would require, on and after January 1, 2022, a city, county, or special district that conducts an impact fee nexus study to follow specific standards and practices, including, but not limited to, (1) that prior to the adoption of an associated development fee, an impact fee nexus study be adopted, (2) that the study identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is necessary, and (3) if the study is adopted after July 1, 2022, either calculate a fee levied or imposed on a housing development project proportionately to the square footage of the proposed units, or make specified findings explaining why square footage is not an appropriate metric to calculate the fees.	Currently in Senate Appropriations 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 - Watch CASA - Watch CSDA - Watch ACWA - NYC
AB 622	Friedman [D]	Current law, to protect public health and water quality, regulates a broad range of consumer products and processes, including water softeners, water treatment devices, and backflow prevention devices, among others. This bill would require, on or before January 1, 2024, that all washing machines sold as new in California contain a microfiber filtration system with a mesh size of 100 microns or smaller.	Two-Year Bill	Support	<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 - Watch CASA - Watch CSDA - NYC ACWA - NYC
AB 652	Friedman [D]	Would, on and after July 1, 2023, prohibit a person, including a manufacturer, from selling or distributing in commerce in this state any new, not previously owned, juvenile product, as defined, that contains perfluoroalkyl and polyfluoroalkyl substances (PFAS) at a detectable level above an unspecified amount. The bill would establish requirements for manufacturers when replacing PFAS in juvenile products.	Currently on Senate Floor	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 - Watch CASA - Watch CSDA - NYC ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 703	Rubio [D]	Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the requirements of the act particular to teleconferencing and allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment. The bill would require that, in each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the local agency also give notice of the means by which members of the public may observe the meeting and offer public comment and that the legislative body have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act, as provided.	Two-Year Bill	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 - Watch CASA - Watch CSDA - Watch ACWA - Support
AB 802	Bloom [D]	Would require the Water Resources Control Board to identify the best available control technology for filtering microfibers from an industrial, institutional, or commercial laundry facility on or before an unspecified date, and would require the state board to consult with owners and operators of laundry facilities on the types of filtration systems currently in use and with universities, scientific organizations, and experts on plastic pollution in identifying the best available control technology. The bill would also require, on or before an unspecified date, any entity that operates an industrial, institutional, or commercial laundry facility to adopt the use of the best available control technology to capture microfibers that are shed during washing.	Two-Year Bill	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 - Watch CASA - Watch CSDA - NYC ACWA - Favor
AB 818	Bloom [D]	Would require, except as provided, certain premoistened nonwoven disposable wipes manufactured on or after July 1, 2022, to be labeled clearly and conspicuously with the phrase "Do Not Flush" and a related symbol, as specified. The bill would prohibit a covered entity, as defined, from making a representation about the flushable attributes, benefits, performance, or efficacy of those premoistened nonwoven disposable wipes, as provided. The bill would establish enforcement provisions, including authorizing a civil penalty not to exceed \$2,500 per day, up to a maximum of \$100,000 per violation, to be imposed on a covered entity who violates those provisions.	Currently on Senate Floor	Support	<b>Legislative and Regulatory Policies: Source Control -</b> Support legislation that regulates the disposal of flushable wipes.	ACC-OC - NYC LOCC - Support CASA - Sponsor CSDA - Support ACWA - Support

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 1001	C. Garcia [D]	Would require the California Environmental Protection Agency, on or before May 1, 2022, to publish, maintain, and update a list of overburdened communities, as defined. The bill would, on or after July 1, 2022, require a permitting agency to take certain actions for an application for a new environmental permit, as defined, or the renewal of an environmental permit for a facility located in an overburdened community. The bill would require a permit applicant to prepare an environmental justice impact statement, to conduct a public hearing in the overburdened community, and to transmit the environmental justice impact statement to the permitting agency.	Two-Year Bill	Watch	<b>Legislative and Regulatory Policies: Air Quality -</b> Support measures that maintain and enhance local decision-making authority, where appropriate, in the development and implementation of air quality attainment strategies.	ACC-OC - NYC LOCC - Watch CASA - Concerns CSDA - NYC ACWA - NYC
AB 1200	Ting [D]	Would prohibit, beginning January 1, 2023, any person from distributing, selling, or offering for sale in the state any food packaging that contains intentionally added perfluoroalkyl and polyfluoroalkyl substances or PFAS, as defined. The bill would require a manufacturer to use the least toxic alternative when replacing PFAS chemicals. The bill would define "food packaging," in part, to mean a nondurable package, packaging component, or food service ware that is comprised, in substantial part, of paper, paperboard, or other materials originally derived from plant fibers.	Currently in the Senate Health 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 - Watch CASA - Support CSDA - Watch ACWA - NYC
AB 1271	Ting [D]	Current law, beginning January 1, 2021, imposes a penalty for violation of specified surplus land provisions after a local agency receives the notification from the Department of Housing and Community Development and a penalty for subsequent violations. Current law authorizes specified entities or persons to bring an action against a local agency to enforce the provisions related to surplus land and allows a local agency 60 days to cure or correct an alleged violation before the action may be brought, except as specified. This bill would provide that these surplus land provisions do not preclude a local agency that purchases surplus land from a disposing agency from reconveying the surplus land to a nonprofit or for-profit housing developer for development of low- and moderate-income housing as authorized under other provisions of law.	Two-Year Bill	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 - Watch CASA - Oppose CSDA - Watch ACWA - NYC
AB 1296	Kamlager [D]	Current law establishes the South Coast Air Quality Management District as the district with the responsibility for controlling air pollution from sources other than vehicular sources in the South Coast Air Basin. Current law establishes a district board consisting of 13 members to govern the south coast district. Current law requires one member of the district board to be appointed by the Senate Committee on Rules and one member to be appointed by the Speaker of the Assembly. This bill would increase the number of members of the district board of the south coast district to 15 members by adding 2 environmental justice appointees, one appointed by the Senate Committee on Rules and one appointed by the Speaker of the Assembly.	Two-Year Bill	Watch	<b>Legislative and Regulatory Policies: Air Quality -</b> Support measures that maintain and enhance local decision-making authority, where appropriate, in the development and implementation of air quality attainment strategies.	ACC-OC - NYC LOCC - Watch CASA - NYC CSDA - Watch ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
AB 1434	Friedman [D]	Would establish, beginning January 1, 2023, until January 1, 2025, the standard for indoor residential water use as 48 gallons per capita daily. The bill would establish, beginning January 1, 2025, the standard as 44 gallons per capita daily and, beginning January 1, 2030, 40 gallons per capita daily. The bill would eliminate the requirement that the department, in coordination with the state board, conduct necessary studies and investigations and jointly recommend to the Legislature a standard for indoor residential water use.	Two-Year Bill	Oppose	<b>Legislative and Regulatory Policies: Water Quality and Supply</b> - 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.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - No Position ACWA - Oppose
AB 1500	E. Garcia [D]	Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$6,700,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.	Currently in the Senate Rules Committee. Unlikely to move forward this year	Watch	<b>Guiding Principles:</b> Seek funds for OCSD projects through grants, appropriations, or other means.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - Support if Amended ACWA - Support if Amended
SB 45	Portantino [D]	Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$5,510,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program. Includes \$100 million.	Currently in the Senate Rules Committee. Unlikely to move forward this year	Watch	<b>Guiding Principles:</b> Seek funds for OCSD projects through grants, appropriations, or other means.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - Support if Amended ACWA - Support if Amended
SB 54	Allen [D]	Would establish the Plastic Pollution Producer Responsibility Act, which would prohibit producers of single-use, disposable packaging or single-use, disposable food service ware products from offering for sale, selling, distributing, or importing in or into the state such packaging or products that are manufactured on or after January 1, 2032, unless they are recyclable or compostable.	Two-Year Bill	Watch	<b>State Priorities:</b> Support legislation or regulations that restrict the use of microplastics in any product that is disposed of through the sewer system.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - Watch ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
SB 95	Skinner	Would provide for COVID-19 supplemental paid sick leave for covered employees, as defined, who are unable to work or telework due to certain reasons related to COVID-19, including that the employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19. The bill would entitle a covered employee to 80 hours of COVID-19 supplemental paid sick leave if that employee either works full time or was scheduled to work, on average, at least 40 hours per week for the employer in the 2 weeks preceding the date the covered employee took COVID-19 supplemental paid sick leave. The bill would provide a different calculation for supplemental paid sick leave for a covered employee who is a firefighter subject to certain work schedule requirements and for a covered employee working fewer or variable hours, as specified.	Signed into law	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 - Watch CASA - Watch CSDA - Oppose ACWA - NYC
SB 230	Portantino [D]	Would require the State Water Resources Control Board to establish, maintain, and direct an ongoing, dedicated program called the Constituents of Emerging Concern Program to assess the state of information and recommend areas for further study on, among other things, the occurrence of constituents of emerging concern (CEC) in drinking water sources and treated drinking water. The bill would require the state board to convene, by an unspecified date, the Science Advisory Panel to review and provide recommendations to the state board on CEC for further action, among other duties. The bill would require the state board to provide an annual report to the Legislature on the ongoing work conducted by the panel.	Two-Year Bill	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 - Watch CASA - Watch CSDA - Support ACWA - Favor
SB 273	Hertzberg [D]	Would authorize a municipal wastewater agency, as defined, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The bill would require a municipal wastewater agency that enters into or amends one of these agreements after January 1, 2022, to file a copy of the agreement or amendment with the local agency formation commission in each county where any part of the municipal wastewater agency's territory is located, but would exempt those agreements and amendments from local agency formation commission approval except as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.	Currently in Concurrence pending amendments from the Assembly	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 - Watch CASA - Co-sponsor CSDA - Support ACWA - Favor

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
SB 274	Wieckowski [D]	The Ralph M. Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by email or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.	Currently on 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 - Watch CASA - Watch CSDA - Watch ACWA - Favor
SB 323	Caballero [D]	Current law prohibits a local agency from imposing fees for specified purposes, including fees for water or sewer connections, as defined, that exceed the estimated reasonable cost of providing the service for which the fee is charged, unless voter approval is obtained. Current law provides that a local agency levying a new a water or sewer connection fee or increasing a fee must do so by ordinance or resolution. Current law requires, for specified fees, including water or sewer connection fees, any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge or modifying an existing fee or service charge to be commenced within 120 days of the effective date of the ordinance, resolution, or motion according to specified procedures for validation proceedings. This bill would apply the same judicial action procedure and timelines, as stated above, to ordinances, resolutions, or motions adopting, modifying, or amending water or sewer service fees or charges adopted after January 1, 2022, except as provided.	Currently in the Assembly 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 - Support CASA - Watch CSDA - Support ACWA - Sponsor

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
SB 342	Gonzalez [D]	Current law establishes the South Coast Air Quality Management District vested with the authority to regulate air emissions from stationary sources located in the South Coast Air Basin and establishes a district board, consisting of 13 members. This bill would add 2 members to the district board, appointed by the Senate Committee on Rules and the Speaker of the Assembly. The bill would require the 2 additional members to reside in and work directly with communities in the South Coast Air Basin that are disproportionately burdened by and vulnerable to high levels of pollution and issues of environmental justice.	Two-Year Bill	Watch	<b>Legislative and Regulatory Policies: Air Quality</b> - Monitor 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 communities.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - Watch ACWA - Watch
SB 351	Caballero [D]	Current law establishes the State Water Resources Control Board for the purposes of providing for the orderly and efficient administration of the water resources of the state. This bill, the Water Innovation Act of 2021, would create the Office of Water Innovation at the California Water Commission for the furtherance of new technologies and other innovative approaches in the water sector. The bill would require the office, by December 31, 2023, to take specified measures to advance innovation in the water sector. The bill would make findings and declarations regarding the need for water innovation.	Two-Year Bill	Watch	<b>Legislative and Regulatory Policies: Biosolids and Biogas</b> - Support streamlined legislation, regulations and policies that encourage the procurement of biogas, biosolids, and compost.	ACC-OC - NYC LOCC - Watch CASA - Watch CSDA - Support ACWA - Favor
SB 695	Ochoa Bogh [R]	Would prohibit a local agency from imposing a housing impact requirement adopted by the local agency on a housing development project, as defined, unless specified requirements are satisfied by the local agency, including that the local agency prepare and adopt a nexus study, as specified. The bill, for purposes of these provisions, defines "housing impact requirement" as a fee imposed under the Mitigation Fee Act, dedications of parkland or in lieu fees imposed under the Quimby Act, or a construction excise tax. This bill would require a local agency to adopt a nexus study that is used to demonstrate compliance with these provisions, subject to specified public participation requirements. This bill would prohibit a housing impact requirement from exceeding the amount necessary to maintain the existing level of service identified in the nexus study for the type of capital facility for which the housing impact requirement is imposed.	Two-Year Bill	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 - Watch CASA - Oppose CSDA - Watch ACWA - NYC

**OC San  
State  
Bills of Interest**

BILL	AUTHOR	SUMMARY	LATEST ACTION	OC SAN POSITION	LEGISLATIVE PLAN	OTHER POSITIONS
<b>SB 791</b>	<b>Cortese [D]</b>	Would, upon appropriation by the Legislature, establish the California Surplus Land Unit within the Department of Housing and Community Development with the primary purpose of facilitating the development and construction of residential housing on local surplus property, as defined. In this regard, the bill would authorize the unit to, among other things, facilitate agreements between housing developers and local agencies that seek to dispose of surplus land; provide advice, technical assistance, and consultative and technical service to local agencies with surplus land and developers that seek to develop housing on the surplus land; and collaborate with specified state agencies to assist housing developers and local agencies with obtaining grants, loans, tax credits, credit enhancements, and other types of financing that facilitate the construction of housing on surplus land.	Currently in Assembly Appropriations	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 - Watch CASA - Oppose CSDA - No Position 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

Name of Grant/Loan	Synopsis of Grant/Loan	Amount of Grant/Loan	Amount Applying for	Applying Y/N	Project/Program	Reason	Match	Deadline	Category	Rcvd Grant/Financing Y/N
<b>STATE</b>										
Proposition 1 IRWM Grant	The Proposition 1 IRWM Grant Program, administered by DWR, provides funding for projects that help meet the long-term water needs of the state, including: Assisting water infrastructure systems adapt to climate change; Providing incentives throughout each watershed to collaborate in managing the region's water resources and setting regional priorities for water infrastructure; and Improving regional water self-reliance, while reducing reliance on Sacramento-San Joaquin Delta.	with \$7.18 Million from this total designated for North and Central Orange County.	TBD	TBD	TBD No Projects Currently Identified	We will review the possible funding opportunity to determine if it is a fit for the Sanitation District.	TBD	Notice will become officially available October 2021	Water	TBD
Organics Grant Program (CalRecycle)	The grant program is to lower overall greenhouse gas emissions by expanding existing capacity or establishing new facilities in California to reduce the amount of California-generated green materials, food materials, and/or Alternative Daily Cover being sent to landfills.	TBD if FY 2021 Grant Applications will be available	TBD	TBD	Food-Waste Co-Digestion facility at Plant No.2 in Huntington Beach to accept up to 150 wet tons per day (wtpd) of pre-processed source separated organics.	We will review the possible funding opportunity to determine if it is a fit for the Sanitation District.	TBD	TBD	Energy/Recycling	No
Zero-Emission Freight and Marine Program Solicitation California Air Resources Board/Volkswagen Environmental Mitigation Trust	Assisting water infrastructure systems adapt to climate change;	Up to \$423 million	NA	No	Forklift Replacement	We did not meet the requirements of the grant.	Yes	6/16/2021	Environment	No
CalOES Grant- Community Power Resiliency Allocation to Special Districts Program	Providing incentives throughout each watershed to collaborate in managing the region's water resources and setting regional priorities for water infrastructure; and	\$300,000	\$300,000	No	Portable Generators	We did not meet the requirements of the grant.	NA	10/30/2020	Renewable energy	No
Integrated Regional Water Management (IRWM) Grant Program	Improving regional water self-reliance, while reducing reliance on Sacramento-San Joaquin Delta.	TBD	NA	No	NA	TPA and OCSD are monitoring the grant program development from the Santa Ana Watershed Project Authority (SAWPA). Currently, Round 2 has yet to be announced. TPA and OCSD will continue to watch this. OC IRWM expected to receive \$7.5 million total, in 2022.	50%	NA. Will return in 2021/2022 for Round 2	Water	No

Name of Grant/Loan	Synopsis of Grant/Loan	Amount of Grant/Loan	Amount Applying for	Applying Y/N	Project/Program	Reason	Match	Deadline	Category	Rcvd Grant/Financing Y/N
<b>FEDERAL</b>										
Economic Development Administration	Funding provided under the American Rescue Act of 2021. The available funding will help communities and regions devise and implement long-term economic recovery strategies through a variety of non-construction and construction projects to assist communities and regions impacted by the coronavirus pandemic.	\$5 million for construction and non-construction related activities related to COVID-19.	TBD	TBD. We have not identified any available projects at this time	TBD	We will apply if this grant comes to fruition and if we meet the eligibility	TBD	3/1/2022	COVID-19	TBD
The Water Infrastructure Improvements Act (WIIN)	The Title XVI Water Reclamation and Reuse Projects funding opportunity allows for sponsors of water reclamation and reuse projects that are congressionally authorized or are eligible under section 4009(c) of the WIIN Act to request cost-shared funding for planning, design and/or construction of those Projects. Water reclamation and reuse projects provide improved efficiency, flexibility during water shortages and diversifies the water supply.	Reclamation is making up to \$20 million available for those projects authorized under the WIIN Act.	\$20 million	Pending FOA	Final Expansion of GWRS Headworks (P2-122)	The Sanitation District developed a proposal for last year that could be used as a basis for a new submittal.	\$20mm or 25% of project costs whichever is less.	6/28/2019	Water/ Infrastructure	Pending FOA
Department of Health and Human Services	Department of Health and Human Services is in the process of allocating approximately \$116 million to the state to provide agencies with assistance to cover arrearages.	\$116 million	TBD	TBD	COVID - 19 Funding	We will apply if this grant comes to fruition and if we meet the eligibility	TBD	TBD	COVID-19	TBD
FEMA Funding	The President's Memo changed the federal reimbursement amount for previously approved projects from the beginning of the disaster to January 20, 2021. It did not change the eligibility. All work eligible under FEMA's existing COVID-19 policies, including increasing medical capacity, non-congregate sheltering, and emergency feeding distribution will be reimbursed at 100 percent federal share. For projects that have already been approved, FEMA will amend the existing awards to adjust the federal funding amounts. No action will be required by the applicants.	TBD	\$260,000 (at this time)	Yes	COVID - 19 Funding	We are working with the local agency CAL OES on the funding eligibility.	Match Cost Share	TBD	Infrastructure	TBD
WaterSMART Grants: Small-Scale Water Efficiency Projects	Purpose: To support projects that conserve and use water more efficiently; mitigate conflict risk in areas at a high risk of future water conflict; and accomplish other benefits that contribute to water supply reliability in the western United States.	Total Funding Available: \$3 million	NA	No-not qualified	Project Request - Planning Study Plant and Reclaimed Water	They do not fund studies within the parameters of the grant.	Cost-Share: 50% or more of total project costs.	3/15/2021	Water/ Infrastructure	No

Name of Grant/Loan	Synopsis of Grant/Loan	Amount of Grant/Loan	Amount Applying for	Applying Y/N	Project/Program	Reason	Match	Deadline	Category	Rcvd Grant/Financing Y/N
Stormwater and CSO Grant Program	In addition, the President's directive allows FEMA to expand the activities eligible for reimbursement for work conducted after Jan. 21, 2021 and until Sept. 30, 2021.	Funding cost-share is not identified in the law	TBD	TBD. We will monitor for possible funding opportunities/A	TBD	FY 2020 - \$28 million	Yes	Anticipate by July 2020	Water/ Infrastructure	USEPA published allocation formula with deadline for public comments 9/3/2020. Expect formal allocation to State within next two months.
The Department of Energy (DOE), USBR and USEPA	The DOE's Office of Energy Efficiency is likely to continue to be funded by Congress to support such efforts as biogas, biosolids and green energy.	Through the WaterSmart program, USBR will issue solicitations for innovative approaches to managing water and water treatment through technology and processes for FY 2020 - \$60 million	TBD	TBD. We will monitor for possible funding opportunities	Project Funding Opportunity: Energy production to reduce costs of recycled water through innovative technologies. Innovative water monitoring technology that can produce efficient real time monitoring and data analysis, Biogas Management and Use Improvements.	We will review the possible funding opportunity to determine if it is a fit for the Sanitation District.	N/A	TBD	Energy/Water/Infrastructure	TBD
USEPA	Climate Resiliency	TBD	TBD	TBD	Anticipate that USEPA will issue FOA's to promote studies and plans to address resiliency needs and strategies	We will review the possible funding opportunity to determine if it is a fit for the Sanitation District.	Unclear	TBD	Climate	TBD
<b>Other</b>										
<a href="#">Community Partnering Program Grant</a>	Metropolitan Water District	The primary focus of the Community Partnering Program (CPP) is sponsorship of water conservation and water-use efficiency programs and activities. Applications must be submitted 30 days prior to the start date of the event or program.  Requests for a maximum \$2,000 award will be reviewed year-round and funds are awarded throughout the year. Funds are limited, however, and may be depleted prior to the ending of this fiscal year (June 30).	\$2,000	Yes	For Plant No. 1 Signage	Applied	Match	ongoing	Education	Yes
<a href="#">Mass Timber Competition</a>	CalGovOps	The California Government Operations Agency (GovOps) will award \$500,000 in grants as part of the statewide California Mass Timber Building Competition. Grants will be awarded to selected proponent teams presenting viable and repeatable mass timber solutions for commercial and multi-family projects in California. The competition is being hosted by GovOps and administered by WoodWorks – Wood Products Council.	\$40,000	Yes	Headquarters Building	Applied	No	03/18/19	Environment	Yes



**OC SAN**  
**ORANGE COUNTY SANITATION DISTRICT**

LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE

FEDERAL UPDATE

September 13, 2021

Page 1



1

# THE ISSUES

- Senate infrastructure bill
- “Soft” infrastructure bill
- FY 2022 appropriations
- PFAS/PFOA

Page 2



2

# SENATE INFRASTRUCTURE BILL

- House Votes September 27, 2021
  - ❑ \$11 Billion Clean Water Act State Revolving Fund
  - ❑ 49 percent Underserved Communities
  - ❑ \$25 Million Workforce Grants
  - ❑ \$1 Billion Pretreatment Standards Grants for PFAS Source Control
  - ❑ \$125 Million Resilience Grants
  - ❑ \$125 Million Alternative Water Supply
  - ❑ Cybersecurity Grants

Page 3



3

# SOFT INFRASTRUCTURE BILL

- \$3.5 Trillion Resolution—No unanimous Democrat Support
- Reconciliation September 15, 2021?
  - ❑ Funding
    - ✓ Wastewater Infrastructure
    - ✓ Water Recycling And Desal
    - ✓ Cyber Security
    - ✓ Climate
  - ❑ No Policy
  - ❑ Tax Implications for “SALT”

Page 4



4

## FY 22 APPROPRIATIONS

- House Funding Levels Robust
  - ❑ \$1.9 Billion State Revolving Fund
  - ❑ \$80 Million Water Infrastructure Finance and Innovation Act
  - ❑ \$1 Billion Pretreatment Standards Grants to POTWs
  - ❑ \$248 Million Environmental Justice Grant
- PFAS
  - ❑ Research CERCLA Designation
  - ❑ \$2.5 Million Biosolids Rules
  - ❑ \$800 Million For Water Quality Standards

Page 5



5

## PFAS/PFOA

- House Passes PFAS Action Act (H.R. 2467) Bipartisan
  - ❑ National Drinking Water Standards
  - ❑ Superfund Designation
  - ❑ \$10 Billion Clean-Up Assistance
  - ❑ Grants to Support Pretreatment Standards
- Senate Consideration Unlikely in 2021

Page 6



6

# Questions



Page 7





**TOWNSEND**  
PUBLIC AFFAIRS  
EST. TPA 1998

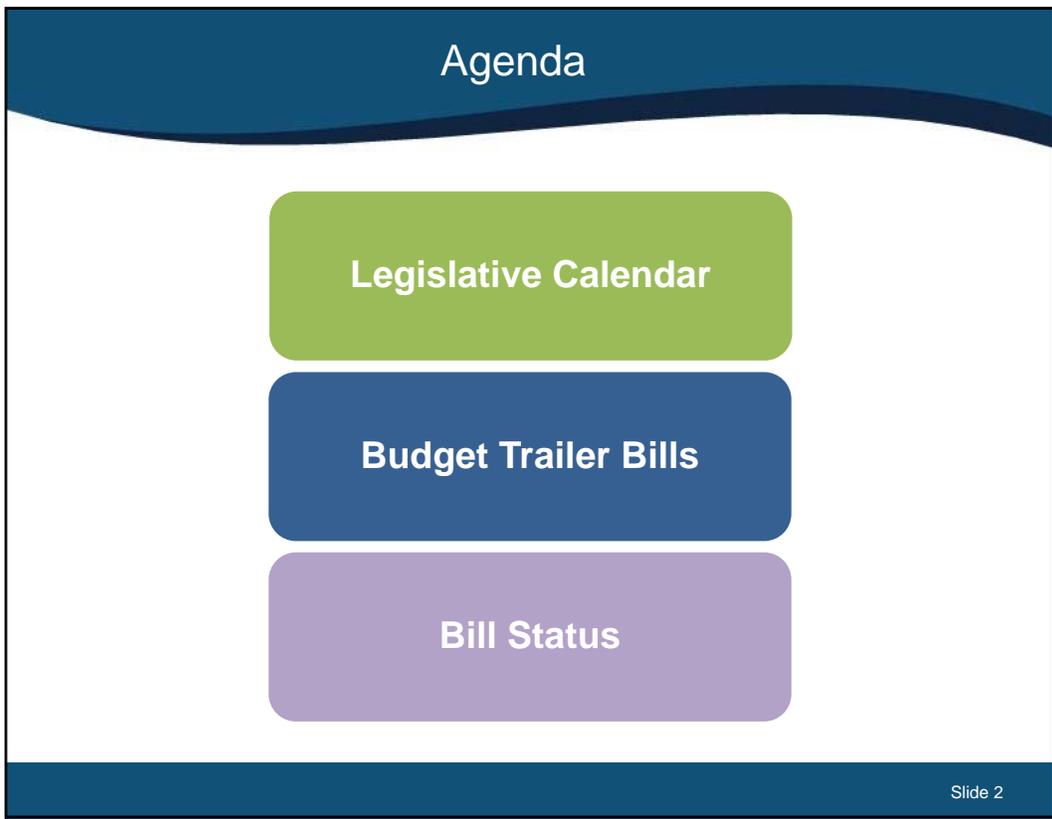


**OC SAN**  
ORANGE COUNTY SANITATION DISTRICT

**TPA Presentation to:**  
**Legislative and  
Public Affairs  
Committee**  
**September 13, 2021**

[WWW.TOWNSENDPA.COM](http://WWW.TOWNSENDPA.COM)  
SACRAMENTO • WASHINGTON, DC  
NORTHERN CALIFORNIA • CENTRAL CALIFORNIA • SOUTHERN CALIFORNIA

1



## Agenda

- Legislative Calendar
- Budget Trailer Bills
- Bill Status

Slide 2

2

## Legislative Calendar

- **Legislative Session ended September 10**

*Floor Session only: August 30 to September 10*

- **Governor has until October 10 to sign or veto legislation**
- **Recall election: September 14**
- **Legislature will return in January 2022**



Slide 3

3

## 2021-2022 Trailer Bill Status

### One-Time Investments: Resources

- ***Drought Package:*** Provides approximately **\$3 billion** to address and get ahead of the emerging drought.
- ***Climate Resiliency Package:*** Provides approximately **\$3.7 billion** over three years to make needed climate resiliency investments. This is \$2.4 billion more than what was proposed in the Governor's May Revision.
- ***Wildfire Package:*** Provides approximately **\$1 billion** over multiple years for various wildfire prevention and response efforts to wildfires.

Slide 4

4

## 2021-2022 State Budget Update – Water and Sanitation

### Drought Package: AB/SB 170

- Total of \$855 million appropriated in 2021-2022 (Total Water Resilience Package estimated at \$4.6 billion)
- \$120 million for continued SGMA implementation
- \$115 million for groundwater cleanup and recycling
- \$30 million to the State Board for PFAS support
- Increases to overall funding amounts from the adopted Budget

Slide 5

5

## 2021-2022 State Budget Update – Water and Sanitation

### Natural Resources: AB/SB 155

- CEQA exemptions for native fish and wildlife habitat protection projects
- Extends the provisions preventing the discontinuing of water service to customers due to nonpayment to December 31, 2021
- Establishes specific reporting requirements for water extractions and diversions

Slide 6

6

## AB 361 (Rivas) – Open Meetings/Teleconferences

### Details

- Allows local agencies to use teleconferencing for public meetings without complying with specific Brown Act restrictions in certain state and local emergencies.
- Local agencies would be required to declare at a public meeting that in-person meetings would present imminent risks to the health or safety of attendees.
- Includes significant protections for public access and public comment during virtual meetings.

### Status

- **Currently on the Governor's Desk**
- **OC San position: Support**

Slide 7

7

## AB 818 (Bloom) – Flushable Wipes

- Reintroduction of AB 1672 (Bloom) from last year.
- “DO NOT FLUSH” labeling and a universal moniker required in accordance with widely accepted voluntary guidelines established by the Association of the Nonwoven Fabrics Industry’s code of practice.
- Adds enforcement provisions including civil penalties and fines.
- **Currently on the Governor's Desk**
- **OC San position: Support**



Slide 8

8

## Bill Status

Bill	Description	OCSD Position	Status
AB 59 (Gabriel)	Would change the statute of limitations for rate protests through judicial proceedings. Would require that fees collected in an excess of the amount needed to provide a service be rebated to ratepayers.	Oppose	Two-Year Bill. Will be eligible to return in January 2022
AB 339 (Lee)	Would require a local agency to provide a call-in or internet-based service for public meeting. Applies to cities and counties with more than 250,000 people.	Neutral	Currently on the Governor's Desk
AB 622 (Friedman)	This bill would require, on or before January 1, 2024, that all washing machines sold as new in California contain a microfiber filtration system with a mesh size of 100 microns or smaller.	Support	Two-Year Bill. Will be eligible to return in January 2022
AB 1434 (Friedman)	Would revise the indoor residential water use targets to make them more restrictive and ambitious.	Oppose	Two-Year Bill. Will be eligible to return in January 2022

Slide 9

9




## Thank You

**Cori Takkinen**  
*Vice President*  
 CTakkinen@townsendpa.com  
[www.townsendpa.com](http://www.townsendpa.com)

**Eric O'Donnell**  
*Senior Associate*  
 EODonnell@townsendpa.com  
[www.townsendpa.com](http://www.townsendpa.com)

Slide 10

10



# BOARD OF DIRECTORS

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

## Agenda Report

---

**File #:** 2021-1871

**Agenda Date:** 9/29/2021

**Agenda Item No:** 21.

---

**FROM:** James D. Herberg, General Manager

**SUBJECT:**

**STRATEGIC PLAN 2021**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

Information Only.

### **BACKGROUND**

The Orange County Sanitation District (OC San) has updated the 2019 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. The Strategic Plan is intended to be a living document that is adjusted to address new needs, or regulatory requirements faced by OC San.

The original plan included 14 individual policy areas which comprised the overall Strategic Plan. As part of the update, and Board Member feedback, a 15<sup>th</sup> policy area was added to capture the agency's organizational outreach and advocacy.

The policy statements were developed by the Executive Management Team based on input previously provided by Board Members and staff. The Board of Directors' input and direction drives the development and updating of the Strategic Plan.

The adopted Strategic Plan will be the basis of Fiscal Year 2022-23 and 2023-24 budget development.

### **RELEVANT STANDARDS**

- Maintain and adhere to appropriate internal planning documents: Strategic Plan
- Sustain 1, 5, 20-year planning horizons
- Build brand, trust, and support with policy makers and community leaders

### **PROBLEM**

The current Strategic Plan was adopted by the Board of Directors in November 2019 and is currently in effect. The strategic planning process is intended to be reviewed every two years to make necessary adjustments due to new issues of concern for OC San.

## **PROPOSED SOLUTION**

A draft of the Proposed Strategic Plan 2021 based on feedback from the Board of Directors is included.

## **PRIOR COMMITTEE/BOARD ACTIONS**

August 2021 - Information Item - Levels of Service

June 2021 - Information Item - Core Values

May 2021 - Strategic Plan Workshop Recap

April 2021 - Special Board of Directors Meeting, Strategic Plan Workshop No. 3

March 2021 - Special Board of Directors Meeting, Strategic Plan Workshop No. 2

February 2021 - Special Board of Directors Meeting, Strategic Plan Workshop No. 1

January 2021 - Steering Committee reviewed the Strategic Plan development outline

## **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:*

- Orange County Sanitation District Proposed Strategic Plan 2021
- Orange County Sanitation District Strategic Plan November 2019

ORANGE COUNTY SANITATION DISTRICT

# Strategic Plan '21



**PROPOSED**





## 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.

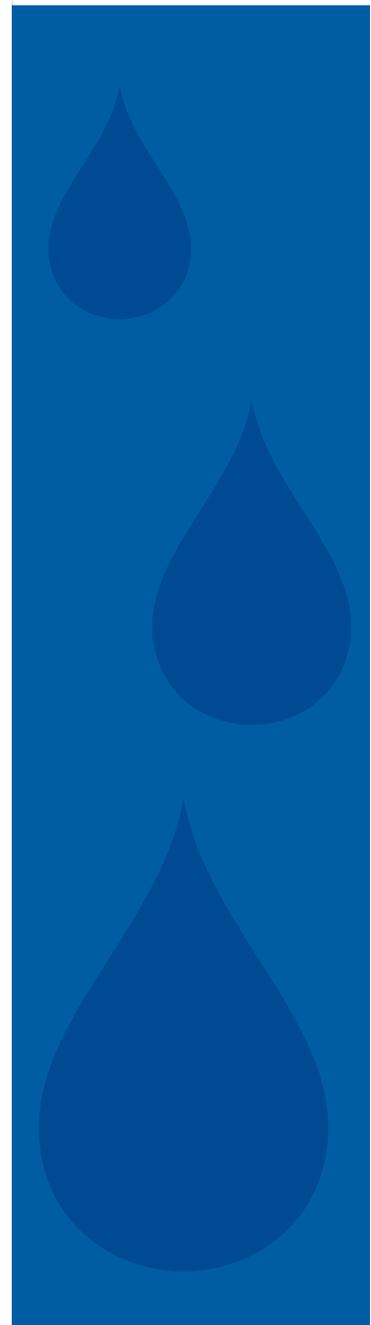
While it may have seemed like inopportune timing to update a plan of this nature, it was actually a great opportunity. The process allowed the new members to become engaged in the important strategic issues facing OC San. This fresh set of eyes created greater clarity and validated the issues and topics 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.



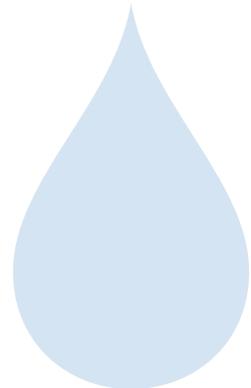
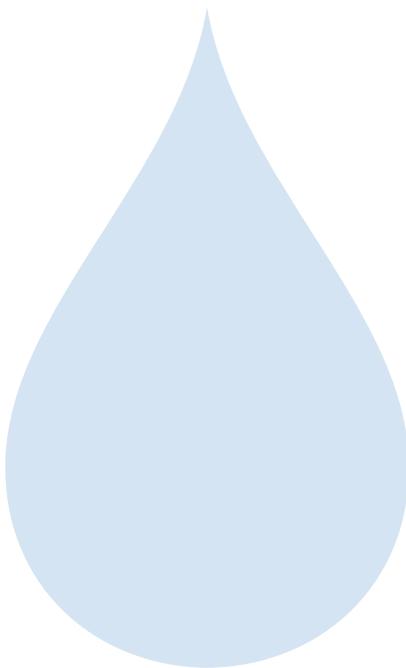
## Our Mission

*“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**

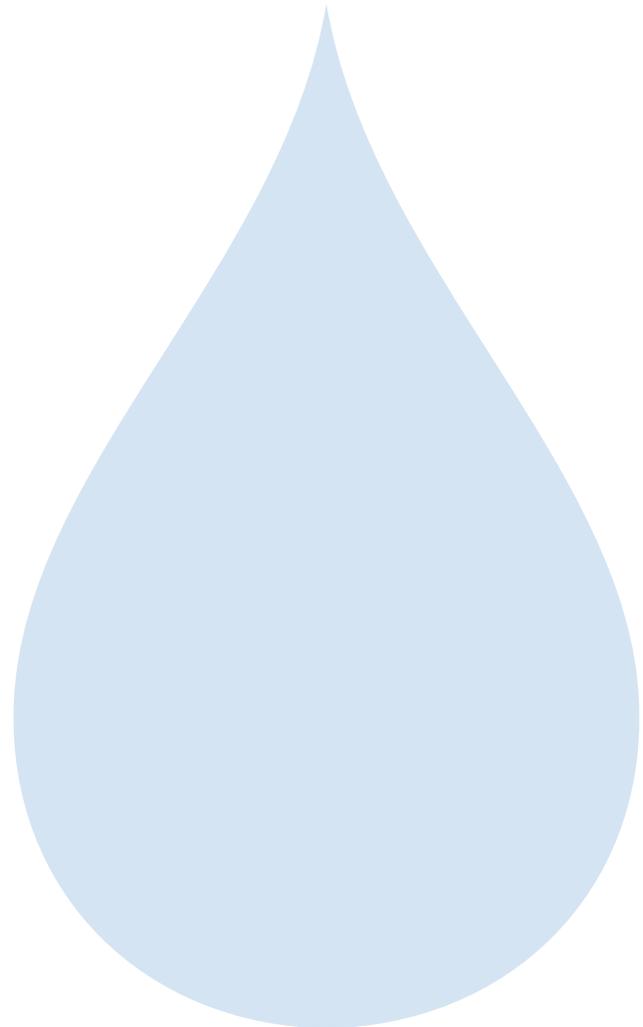
OC San will partner with other agencies, associations, and institutions to support the use of sound science to inform policy and regulatory decisions on constituents (or contaminants) of emerging concern (CECs) at the federal, state, and regional levels. Staff will obtain and maintain current knowledge 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.

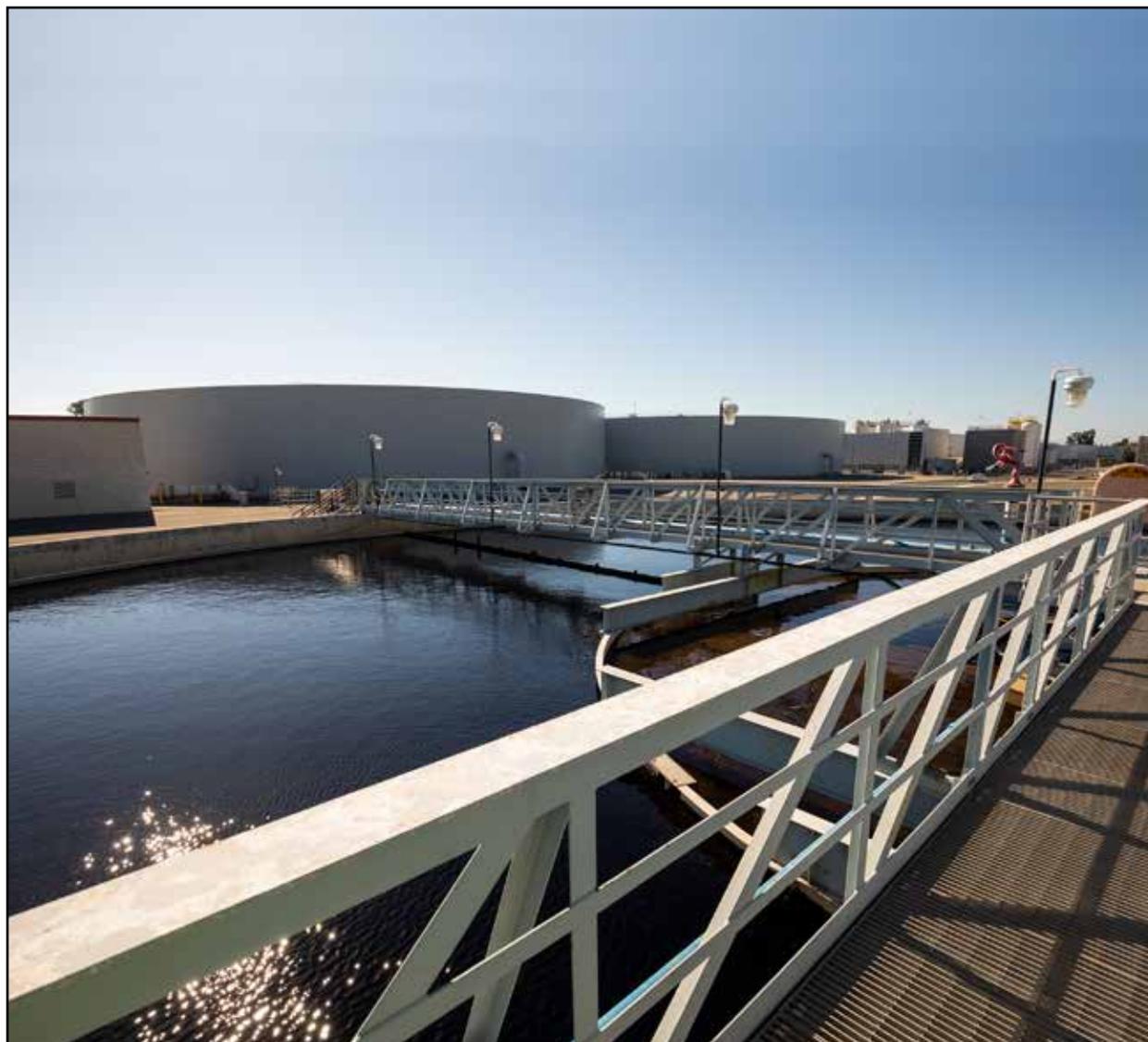
OC San will understand in a transparent way: what it owns, the condition of those assets, the capacity of collections and treatment required, the level of service required by its regulators and Board of Directors and will anticipate new regulations that may require system improvement. This understanding 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.

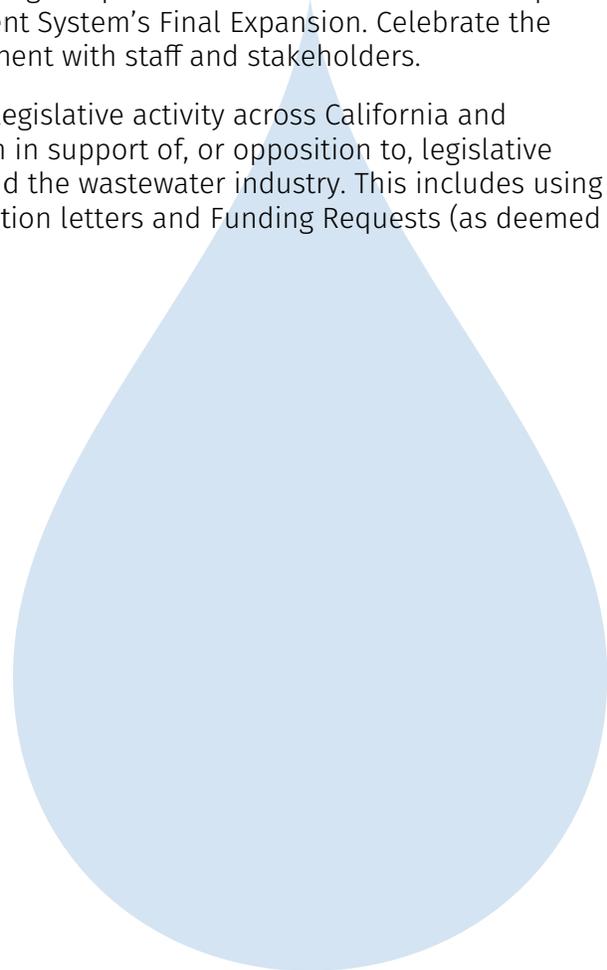
## **Future Policy Statement**

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.

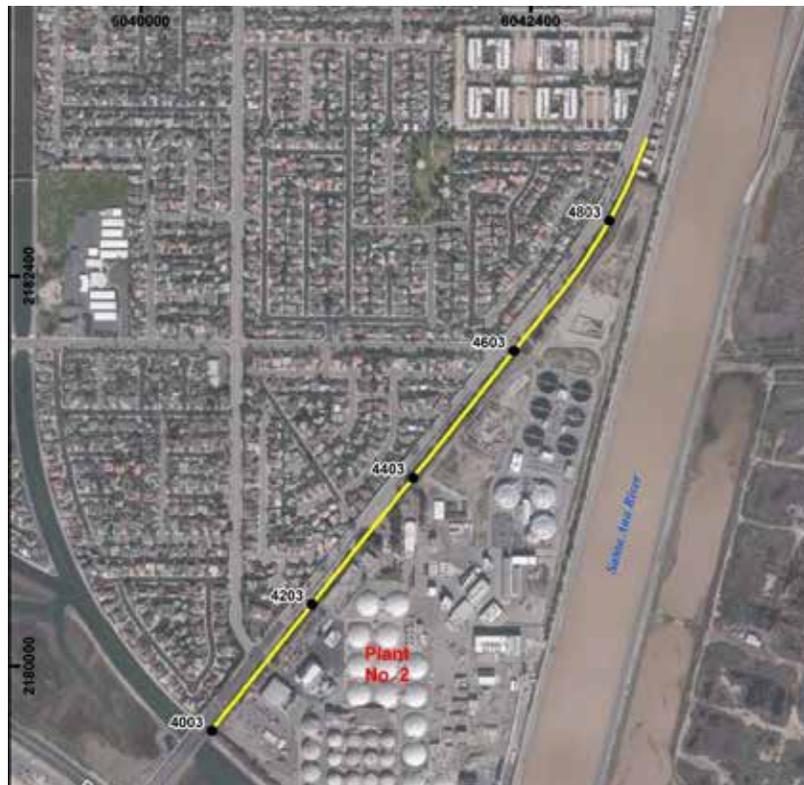
### Background

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.

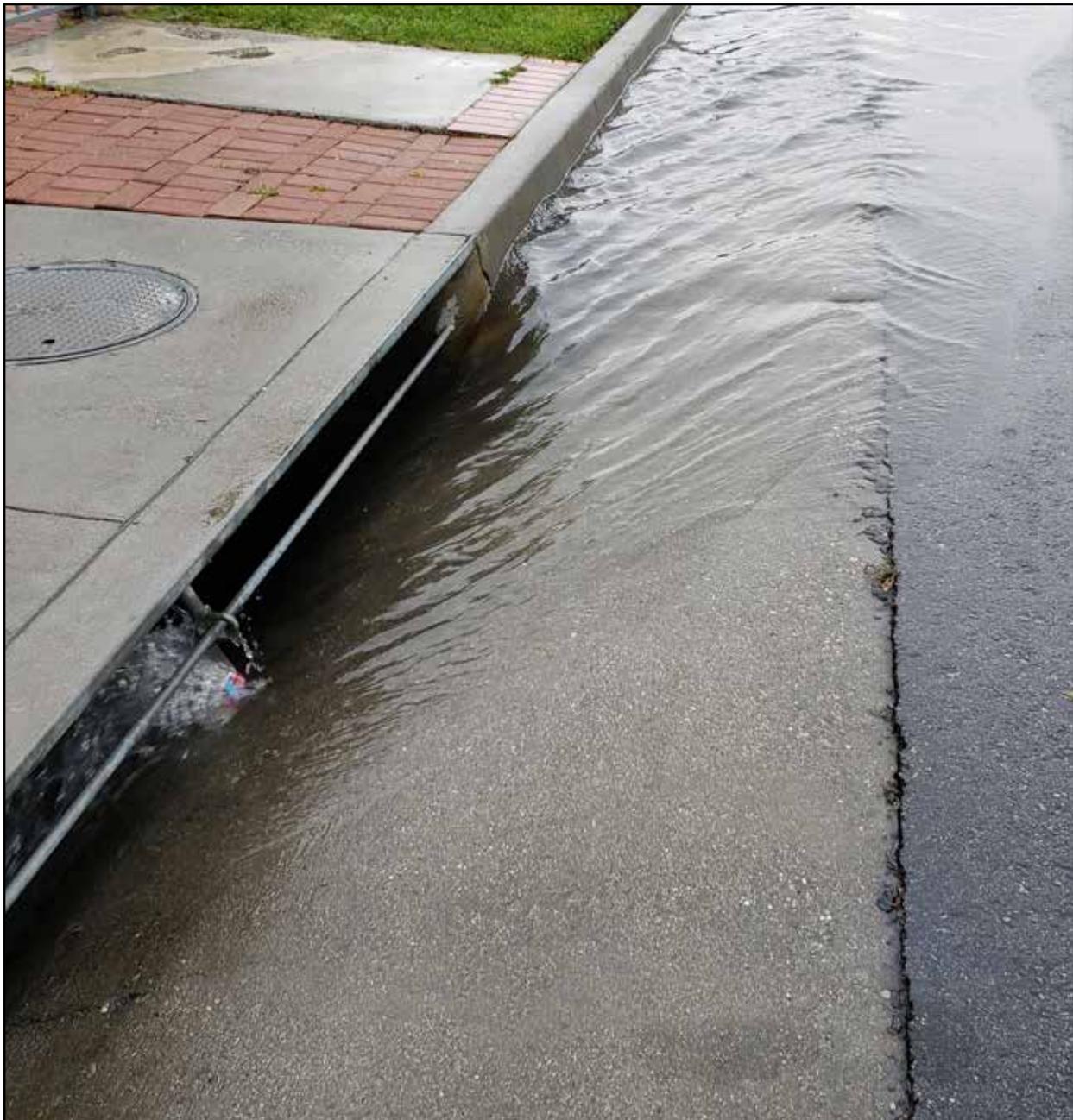
There is continuing interest in maximizing urban runoff diversions to OC San's wastewater system to help improve water quality in streams, estuaries, and beaches; and to potentially increase water available for recycling. One potential driver of additional urban runoff diversions is assumed reductions 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.

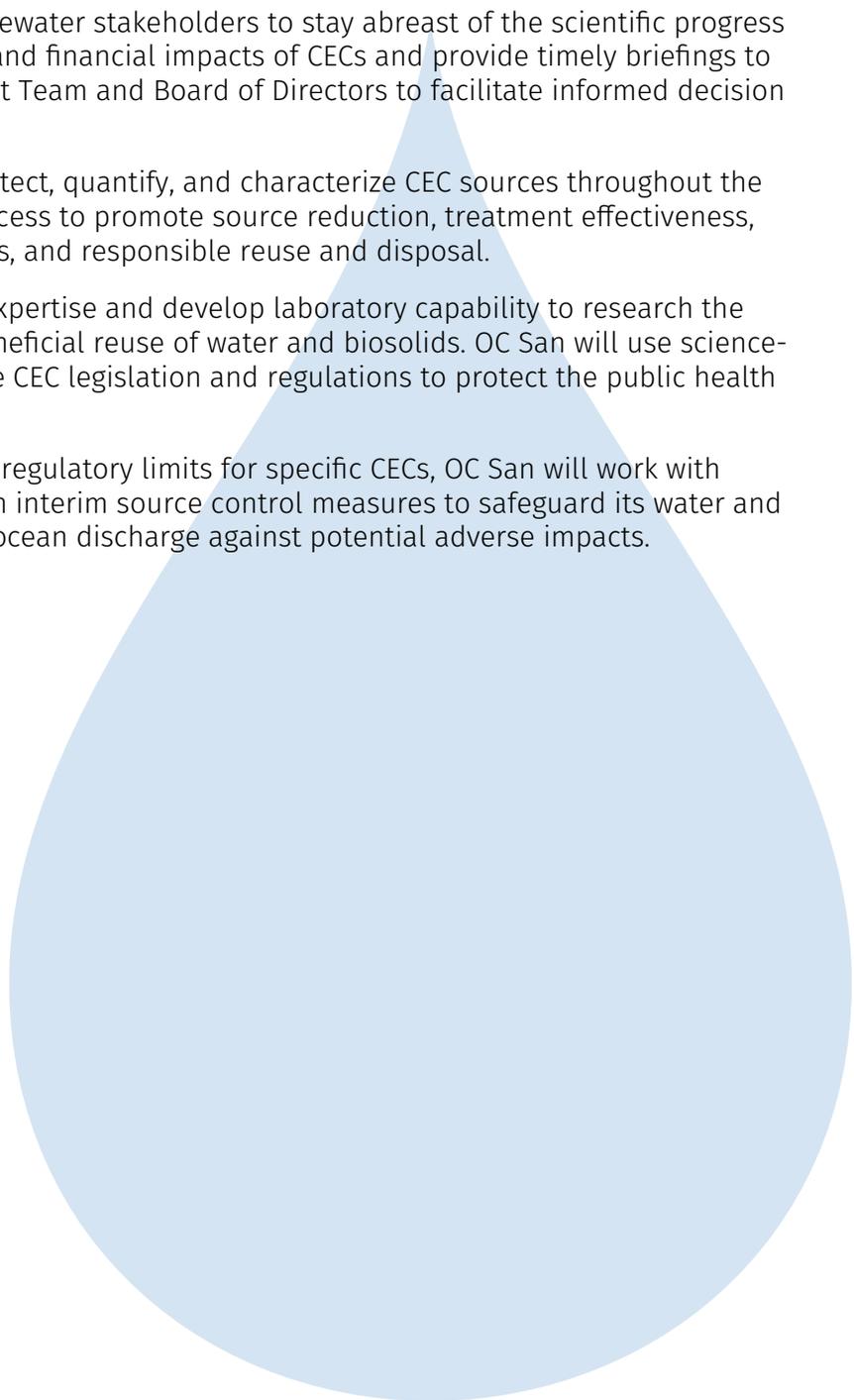
OC San shall acquire and maintain a high level of subject matter expertise and engagement across the wastewater, water, water reuse, air quality, ocean monitoring, and biosolids sectors to monitor the environmental, operational, and financial threats posed by CECs.

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.



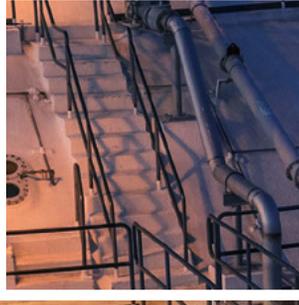
**Reclamation Plant No. 1**  
(Administration Offices)  
10844 Ellis Avenue  
Fountain Valley, California 92708  
714.962.2411

**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)





ORANGE COUNTY SANITATION DISTRICT

# Strategic Plan

November 2019



# Table of Contents

<b>Board of Directors</b>	<b>4</b>
<b>Message from the General Manager</b>	<b>5</b>
<b>Executive Summary</b>	<b>6</b>
<b>Mission Statement and Vision Statement</b>	<b>9</b>
<b>Core Values</b>	<b>10</b>
<b>Policy Statements and Initiatives</b>	<b>11</b>
<b>Appendix: Policy Papers</b>	<b>17</b>



# Board of Directors



**Anaheim**  
Lucille Kring



**Brea**  
Glenn Parker



**Buena Park**  
Fred Smith



**Cypress**  
Mariellen Yarc



**Fountain Valley**  
Steve Nagel



**Fullerton**  
Jesus J. Silva



**Garden Grove**  
Steve Jones



**Huntington Beach**  
Erik Peterson



**Irvine**  
Christina Shea



**La Habra**  
Tim Shaw



**La Palma**  
Peter Kim



**Los Alamitos**  
Richard Murphy



**Newport Beach**  
Brad Avery



**Orange**  
Mark Murphy



**Placentia**  
Chad Wanke



**Santa Ana**  
Cecilia Iglesias



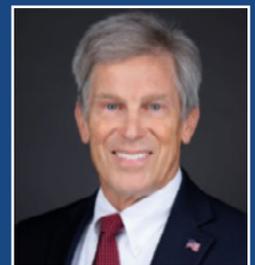
**Seal Beach**  
Sandra Massa-Lavitt



**Stanton**  
David Shawver  
(Chairman)



**Tustin**  
Allan Bernstein



**Villa Park**  
Robert Collacott



**Costa Mesa  
Sanitation District**  
James M. Ferryman



**Midway City  
Sanitary District**  
Andrew Nguyen



**Irvine Ranch  
Water District**  
John Withers  
(Vice-Chairman)



**Yorba Linda  
Water District**  
Phil Hawkins



**Orange County  
Board of Supervisors**  
Doug Chaffee



### Strategic Plan Message from the GM

The Orange County Sanitation District is celebrating 65 years of service to the public this year. Over those years the Sanitation District has been adapting itself to the changing requirements and needs of the communities it serves. We have moved from an organization exclusively focused on preservation of public health to a world class resource recovery facility which protects the public health and the environment in ways our founders could never imagine.

This on-going evolution is the intentional outcome of a very deliberate strategic planning process that has been in place at the Sanitation District from the very beginning. From the “Waste Water Disposal and Reclamation for the County of Orange” in 1947 to the Master Plans of the 1980s to the current Strategic Plan, the Sanitation District has always taken the long view to craft a progressive vision and build the necessary infrastructure and staffing to deliver world class service.

This forward-thinking vision of the Sanitation District begins with the Board of Directors. The Board of Directors of the Sanitation District have a long history of mapping out bold, clear visions for the staff to deliver including energy recovery facilities, water reclamation facilities and partnerships, innovative odor control facilities, full secondary treatment levels, urban runoff beach protection partnerships, and the world's largest indirect potable water reuse facility.

I would like to thank the current Board of Directors for continuing the legacy of leadership in strategic planning and innovation. Your commitment and leadership drive the Sanitation District to continue to innovate and meet the challenges facing our region. I look forward to working together to accomplish all the initiatives in this Strategic Plan.

Sincerely,

A handwritten signature in white ink that reads "James Herberg". The signature is fluid and cursive, written over a dark orange background.

James D. Herberg  
General Manager

# Strategic Plan Executive Summary

The Orange County Sanitation District (Sanitation District) is a regional wastewater collection and resource recovery agency utilizing extensive public works assets to deliver its vital public services. The Strategic Plan developed by the Board of Directors and staff defines the strategic initiatives to be pursued by the Sanitation District and provides a basis for long-term financial, capital, and operational planning. In addition, it provides for long-term continuity of vision as Board and staff members change over the many years it takes to deliver public works infrastructure.

The Sanitation District has developed a two-year, four-step management process that creates and maintains vision alignment between the Board

of Directors, the staff, and the public we serve. Strategic planning is the first step to define the Sanitation District's ability to have people and assets in place to meet its agreed upon mission as defined by the Board. The second step is capital and operational planning based on the adopted strategic plan. The third step is budget development to execute the plan and define the tactical goals to work toward the strategic goals. The final step is execution of the budget plan and tactical goal attainment. These four steps are repeated every two years to maintain alignment and make course corrections based on new Board member input, legal and regulatory changes, and the needs of the communities we serve.

## STRATEGIC PLANNING PROCESS



The Strategic Plan is broken down into four broad categories with fourteen topic areas that define our responsibilities and the services we provide. These areas are:

- **Business Principles**
  - o Budget Control and Fiscal Discipline
  - o Asset Management
  - o Cybersecurity
  - o Property Management
- **Environmental Stewardship**
  - o Energy Independence
  - o Climate and Catastrophic Event Resiliency
  - o Food Waste Treatment
  - o Water Reuse
  - o Environmental Water Quality, Stormwater Management and Urban Runoff
- **Wastewater Management**
  - o Chemical Sustainability
  - o Biosolids Management
  - o Constituents of Emerging Concern
- **Workplace Environment**
  - o Resilient Staffing
  - o Safety and Physical Security

Each topic was collaboratively developed between the Board of Directors and staff members. Initial

topic lists were discussed with the Steering Committee. Initial policy statements and initiatives were developed which formed the basis for a survey instrument to the Board of Directors. Based on the survey input, individual draft topic papers were presented to the Board of Directors over three meetings in August and September. The topic papers were finalized based on the direction received at these three meetings and are included in this published plan.

The Strategic Plan policy papers break down each area. They begin with a policy statement, provide background, layout the current situation, layout a future policy statement, and finish with initiatives to support progress toward the policy goal.

The Strategic Plan presented in this document is not a radical departure from the current direction, but rather the well-defined iterative update to the direction of the Sanitation District. With the adoption of the Strategic Plan, staff will begin the effort of updating the Asset Management Plan, Capital Improvement Plan, and Financial Plan that are the basis of a two-year budget that will be adopted by the Board of Directors in June. The Budget goals and the General Manager's work plan are the accountability step that measures achievable progress toward the strategic initiatives listed in the Strategic Plan topic papers.





## 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.

# OUR CORE VALUES

*Our Core Values support the Mission and Vision Statements by expressing the values, beliefs, and philosophy that guides our daily actions. They help form the framework of our organization and reinforce our professional work ethic.*

## **Honesty, Trust and Respect**

We aspire to the highest degree of integrity, honesty, trust, and respect in our interaction with each other, our suppliers, our customers, and our community.

## **Teamwork and Problem Solving**

We strive to reach OCSD 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.

## **Leadership and Commitment**

We lead by example, acknowledging the value of our resources and using them wisely and safely to achieve our objectives and goals. We are committed to act in the best interest of our employees, our organization, and our community.

## **Learning/Teaching - Talents, Skills and Abilities**

We continuously develop ourselves, enhancing our talents, skills, and abilities, knowing that only through personal growth and development will we continue to progress as an agency and as individuals.

## **Recognition/Rewards**

We seek to recognize, acknowledge and reward contributions to OCSD by our many talented employees.

The Strategic Plan is broken down into four broad categories with 14 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***

#### **Policy Statement**

The Sanitation District 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 replacing capital expenses.

#### **Initiatives**

- Maintain a rate setting program that keeps the Sanitation District in the lower third of our comparative agencies.
- Maintain a “Pay as You Go” approach to fund current operating expenditures.
- Maintain a portfolio management approach that focuses on safety, liquidity and performance in that order.
- Continually look for ways to reduce total debt payments without lengthening its term.
- Ensure that no new debt issuances are used to support currently programmed capital expenditures and that all existing debt is paid off by 2044.

### ***Asset Management Policy***

#### **Policy Statement**

The Sanitation District 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 the Sanitation District’s resources are focused on the high priority work functions.

- Maintain a 20-year forecast of all CIP projects needed to maintain or upgrade the Sanitation District’s nearly \$11 billion in assets on a prioritized risk basis to establish rate structures.

### ***Cybersecurity Policy***

#### **Policy Statement**

The Sanitation District 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***

### **Policy Statement**

The Sanitation District owns and operates assets throughout its service area located in property owned in fee, through easements and in the public right-of-way. The Sanitation District will identify and protect all of its property rights to assure that its assets are not encumbered or encroached upon so that the facilities may be properly operated, maintained, upgraded, and replaced.

### **Initiatives**

- The Sanitation District will review its property rights to identify encroachments or encumbrances that restrict operation, maintenance, inspection or emergency repair access. Staff will work with identified parties to remove encroachments or encumbrances.
- Staff will consolidate real estate and property management activities to maximize its resources and effectiveness. With the completion of the property rights and real estate assessments, the Sanitation District will evaluate the various resources available and develop an appropriate resource management plan to assess and maintain its property assets.



## **ENVIRONMENTAL STEWARDSHIP**

### ***Energy Independence Policy***

#### **Policy Statement**

The Sanitation District 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.

### ***Climate and Catastrophic Event Resilience Policy***

#### **Policy Statement**

The Sanitation District 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 heavy rains, flooding, sea level rise, earthquakes, tsunamis, extreme heat, wildfires, 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.
- Study the potential impact of tsunami and changing climate conditions including flooding due to high tides and heavy rain events.

### ***Food Waste Treatment Policy***

#### **Policy Statement**

The State of California limits the volume of organic waste that may be diverted to landfills. The Sanitation District 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 the Sanitation District's energy production.

#### **Initiatives**

- The Sanitation District will accept a preprocessed food waste slurry from contracted waste haulers that will be fed to existing anaerobic digesters. The Sanitation District 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***

#### **Policy Statement**

The Sanitation District 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***

#### **Policy Statement**

The Sanitation District will partner with storm water permittees to accept up to ten million gallons per day of dry weather urban runoff at no charge in order to improve water quality in streams, rivers, and beaches as long as the constituents within the flow do not adversely impact the Sanitation

District's worker safety, treatment processes, reuse initiatives, or permit compliance. The Sanitation District facilities are subject to significant flow increases during wet weather events and are not capable of accepting stormwater flow volumes.

### **Initiatives**

In accordance with Resolution No. 13-09, the Sanitation District intends to continue accepting up to ten million gallons per day of pumped dry weather urban runoff diversion where existing conveyance capacity exists, and the constituents of the flow will not adversely impact the Sanitation District. The Sanitation District also intends to continue working with industries, agencies, and other facilities to offer alternatives to stormwater and runoff disposal through special purpose discharge permits or other written authorization in accordance with the Sanitation District's Ordinance, where doing so does not negatively affect the Sanitation District's operation or compliance with local, state, and federal regulations, and wastewater can be held for evaluation prior to discharge.

Additionally, to act as a regional partner in resolving issues associated with disposing of and

reusing stormwater, the Sanitation District intends to work with local jurisdictions to determine the feasibility of regional wet weather runoff capture, storage, and use projects.

- Issue dry weather urban runoff connection permits up to a total of ten million gallons per day to other service area local agencies to accept pumped dry weather urban runoff flows where existing conveyance capacity exists, and the constituents of the flow will not adversely impact the Sanitation District.
- Continue working with industries, facilities, agencies, and local jurisdictions that have authority over stormwater or surface water runoff to determine the feasibility of regional wet weather runoff capture, storage, and use projects or offer alternatives to stormwater and runoff disposal through permits or other written authorization. The Sanitation District will promote responsible stormwater utilization and sewer protection, where doing so does not negatively affect the Sanitation District's operation or compliance with local, state, and federal regulations, and wastewater can be held for evaluation prior to discharge.



## WASTEWATER MANAGEMENT

### *Chemical Sustainability Policy*

#### **Policy Statement**

The Sanitation District 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. The Sanitation District 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.

#### **Initiatives**

- Reduce reliance on any particular chemical or vendor and establish flexibility to utilize other chemicals/processes to accomplish the same operational objectives.
- Update the Sanitation District's Chemical Sustainability Study and incorporate the results in future procurement recommendations.

### *Biosolids Management Policy*

#### **Policy Statement**

The Sanitation District will remain committed to a sustainable biosolids program and will beneficially reuse biosolids in accordance with Resolution No. OCSD 13-03 and the 2017 Biosolids Master Plan.

#### **Initiatives**

- Educate and advocate with the local, state, and federal agencies to assure biosolids will continue to be safely and legally used as a soil amendment and monitor and research the development of initiatives of constituents of emerging concerns such as polyfluoroalkyl substances (PFAS) and microplastics that may impact biosolids.
- Stay abreast of new technology options to convert organics to energy and other regional biosolids recycling and renewable energy partnerships within Southern California.

- Proceed with mesophilic and thermophilic biosolids facility at Plant No. 2 to enhance biosolids quality and marketability while improving the Sanitation District's operational resiliency against seismic events.

### *Constituents of Emerging Concern Policy*

#### **Policy Statement**

The Sanitation District will partner with other agencies, associations, and institutions to support the use of sound science to inform policy and regulatory decisions on constituents 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 the Sanitation District's mission.

#### **Initiatives**

- The Sanitation District will continue to 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 the Sanitation District's Management Team and Board to facilitate informed decision making.
- The Sanitation District will continue to develop capacity to detect, quantify, and characterize CECs throughout the service area and treatment process in order to promote treatment effectiveness and the communication of credible risks.
- The Sanitation District will actively research laboratory techniques and other scientific research to understand the real and potential impact of CECs, like polyfluoroalkyl substances (PFAS) and perfluorooctanoic acid (PFOA), on the reuse of water and biosolids. The Sanitation District will use science-based knowledge to help shape legislation and regulation to protect the public health and environment.

## **WORKPLACE ENVIRONMENT**

### ***Resilient Staffing Policy***

#### **Policy Statement**

The Sanitation District 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 development programs are relevant and build a skilled bench of readily available successors for key leadership and mission-critical positions.

#### **Initiatives**

- Maintain and enhance current effective 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 Program
  - Workforce Vulnerability Assessments
  - Talent Readiness Assessments
  - Building Leaders and Skills for Tomorrow (BLAST) Program
  - Strengthening Operator Training Programs
- Continue cyclical Classification and Compensation studies to ensure job classifications accurately depict the work being performed, to set compensation levels accordingly, and stay abreast of market benefit and salary data.
- Prior to the next scheduled Classification & Compensation study, Human Resources will work with the Board of Directors and meet and confer with the unions to review selected survey agencies based on recognized classification and compensation standards and the job market in which we compete.

## ***Safety and Physical Security***

#### **Policy Statement**

The Sanitation District 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 OCSD'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 (WERO), Orange County Sheriff 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: Policy Papers



# Business Principles

## Budget Control and Fiscal Discipline Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) 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 replacing capital expenses.

### Background

The Sanitation District manages nearly \$500 million annually. These funds support the Sanitation District's operating, capital, and debt expenditures. The Sanitation District focuses its fiscal policy around three distinct areas: Revenues, Portfolio Management, and Debt Management. These areas are described in the Budget, Investment Policy, and Debt policy all of which are updated annually.

### Current Situation

#### Revenues

The majority of the Sanitation District's revenue is generated by user fees and charges. Currently, the Sanitation District fees are in the lower third of its comparison agencies'.

The Sanitation District'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 Sanitation District system). The Sanitation District policy has been to focus on cost recovery while keeping fees as low as possible.
- Property Taxes: The Sanitation District 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.

#### Portfolio Management

The Sanitation District Investment Policy is governed by three tenets:

- 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.
- Liquidity: The investment program will be administered in a manner that will ensure that sufficient funds are available for the Sanitation District to meet its reasonably anticipated operating expenditure needs.
- Return on Investments: The Sanitation District'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.

The Sanitation District'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, the Sanitation District 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 the Sanitation District 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**

- The Sanitation District 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**

- The Sanitation District manages the term structure of the portfolio by focusing on either a bullet, ladder or barbell structure, relative to the benchmark.
- For most of 2018 the structure was gravitating towards more of a bullet structure in light of the change in the shape of 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 to 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 stability to improve 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.

The Sanitation District allocates to the Agency and Supranational asset classes when we find the spread over a 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.
- The Sanitation District 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, the Sanitation District 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.

### **Debt Management**

Due to the magnitude of the capital improvement program, the Sanitation District has utilized a combination of user fees, property taxes and debt to meet its total obligations and maintain generational equity.

It is the Sanitation District's policy not to issue any new additional debt for any existing obligations. However, the Sanitation District 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, 2019, the total outstanding COP indebtedness was \$973 million with a blended interest rate of 3.05%. It is anticipated that the debt will be paid off by 2044.

### **Future Policy Statement**

The Sanitation District will effectively manage its revenues and expenses to support all OCSD operating and capital activities while maintaining a fair and reasonable rate structure. The Sanitation District will maintain reserves and available resources to ensure the access to funds as needed and guarantee payment of all outstanding debt issuances. The Sanitation District will manage its investment by focusing on safety, liquidity and return on investment, in that order of priority.

### ***Initiatives to Support Progress Toward the Policy Goal***

- Maintain a rate setting program that keeps OCSD in the lower third of our comparative agencies.
- Maintain a "Pay as You Go" approach to fund current operating expenditures.
- Maintain a portfolio management approach that focuses on safety, liquidity and performance in that order.
- Continually look for ways to reduce total debt payments without lengthening its term.
- Ensure that no new debt issuances are used to support the currently programmed capital expenditures and that all existing debt is paid off by 2044.

## Asset Management Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) 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

The Sanitation District 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 the Sanitation District serves is our principal concern.

The Sanitation District owns and operates extensive facilities to achieve its mission. The Sanitation District 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. The Sanitation District has been building the piping, pumping, and treatment infrastructure it utilizes for more than sixty-five 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 the Sanitation District 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 the Sanitation District has been the ability to upgrade and repurpose its operating facilities to accomplish high levels of treatment and reuse.

### Current Situation

The Sanitation District 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. The Sanitation District 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. The Sanitation District 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. The Sanitation District 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. The Sanitation District must always maintain the ability to treat both the average flow and peak wet weather flow.

The Sanitation District 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, the Sanitation District 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 the Sanitation District 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**

The Sanitation District will continue to invest in the infrastructure necessary to meet its mission. The Sanitation District 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.

The Sanitation District 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 requirements. 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 (CIP). The CIP 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 the Sanitation District is the living management of the operation strategies, maintenance plans, and implementation of the Capital Improvement Plan. The Sanitation District will find creative ways to maximize asset life or meet new capacity or level of service goals through operations and maintenance. The Sanitation District will annually reassess its condition, capacity, level of service, and regulatory conditions to drive operations and maintenance practices and modify the Capital Improvement Plan 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 the Sanitation District's resources are focused on the high priority work functions.
- Maintain a 20-year forecast of all CIP projects needed to maintain or upgrade the Sanitation District'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 (Sanitation District) 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

The Sanitation District has evolved over recent years from dedicating less than half of a position towards cybersecurity, to one position, to currently two full-time positions. The Sanitation District'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 - The Sanitation District 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 privilege 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 — An 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 a year. The two most recently conducted assessments are the Office 365 Security Assessment from Microsoft in April 2019 and the Center for Internet Security Control Gap Assessment in July 2018.

### **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 the Sanitation District 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. The Sanitation District 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 (Sanitation District) owns and operates assets throughout its service area located in property owned in fee, through easements and in the public right-of-way. The Sanitation District will identify and protect all of its property rights to assure that its assets are not encumbered or encroached upon so that the facilities may be properly operated, maintained, upgraded, and replaced.

### Background

The Sanitation District owns and operates more than \$10 billion in assets. A portion of those assets include buildings, easements, rights of way and other encroachments. OCSD has recently sold and purchased property to support its efforts. The Sanitation District does not maintain expertise in the real estate discipline. As these transactions are limited and not core to OCSD, it has been determined that it is more cost effective to augment the Sanitation District resources with contracted specialized real estate services.

### Current Situation

The Sanitation District manages its physical property and property rights. Additionally, it manages landscaping, building maintenance, security and building maintenance. District staff primarily manages these activities.

### Future Policy Statement

The Sanitation District will effectively manage its assets and proactively research and maintain all encroachments, encumbrances and easements. Many of these activities are not core to OCSD's mission. The Sanitation District will maintain sufficient resources using a combination of contracted specialized real estate and property management services and internal staffing. Although OCSD 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

- The Sanitation District will review its property rights to identify encroachments or encumbrances that restrict operation, maintenance, inspection or emergency repair access. Staff will work with identified parties to remove encroachments or encumbrances.
- Staff will consolidate real estate and property management activities to maximize its resources and effectiveness. With the completion of the property rights and real estate assessments, the Sanitation District will evaluate the various resources available and develop an appropriate resource management plan to assess and maintain its property assets



# Environmental Stewardship

## Energy Independence Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) 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

The Sanitation District must balance the impacts of its operation between land, air, and water. For example, as a water focused utility, the Sanitation District 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.

The Sanitation District is also committed to be a good neighbor. As such, significant amounts of energy are spent capturing and converting odorous air and vapor streams. The Sanitation District 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.

The Sanitation District has utilized an anaerobic digestion process that relies on biological conversion of solid organic material to methane and carbon dioxide gas. The methane is converted to electrical and heat energy in power plants for internal use. The Sanitation District's secondary treatment system is another example of using energy to convert water impacts to air emissions. Approximately 23% of the Sanitation District'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. The Sanitation District 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, the Sanitation District invests prudently in lifecycle energy efficiency to minimize the use of energy to achieve its mission. Pumping systems to lift water and move material for 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, BTU of heat, and therm of gas consumed.

On the energy generation side of the ledger, the Sanitation District seeks to maximize the internal creation of energy. The primary source of energy creation is in digester gas, also called biogas, which is mostly methane. 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. The Sanitation District 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.

The Sanitation District cleans the biogas and converts this biogas into electricity, heat, and exhaust gas. The exhaust gas is regulated ever 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 the Sanitation District's electrical demand and 92% of the Sanitation District's thermal demand in the treatment plants. The Sanitation District can shift the digester gas between treatment plants via an interplant pipeline and has roughly 8 MW of additional generation capacity if more gas is produced.

In addition, the Sanitation District is installing 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 the Sanitation District by up to five megawatts.

### **Future Policy Statement**

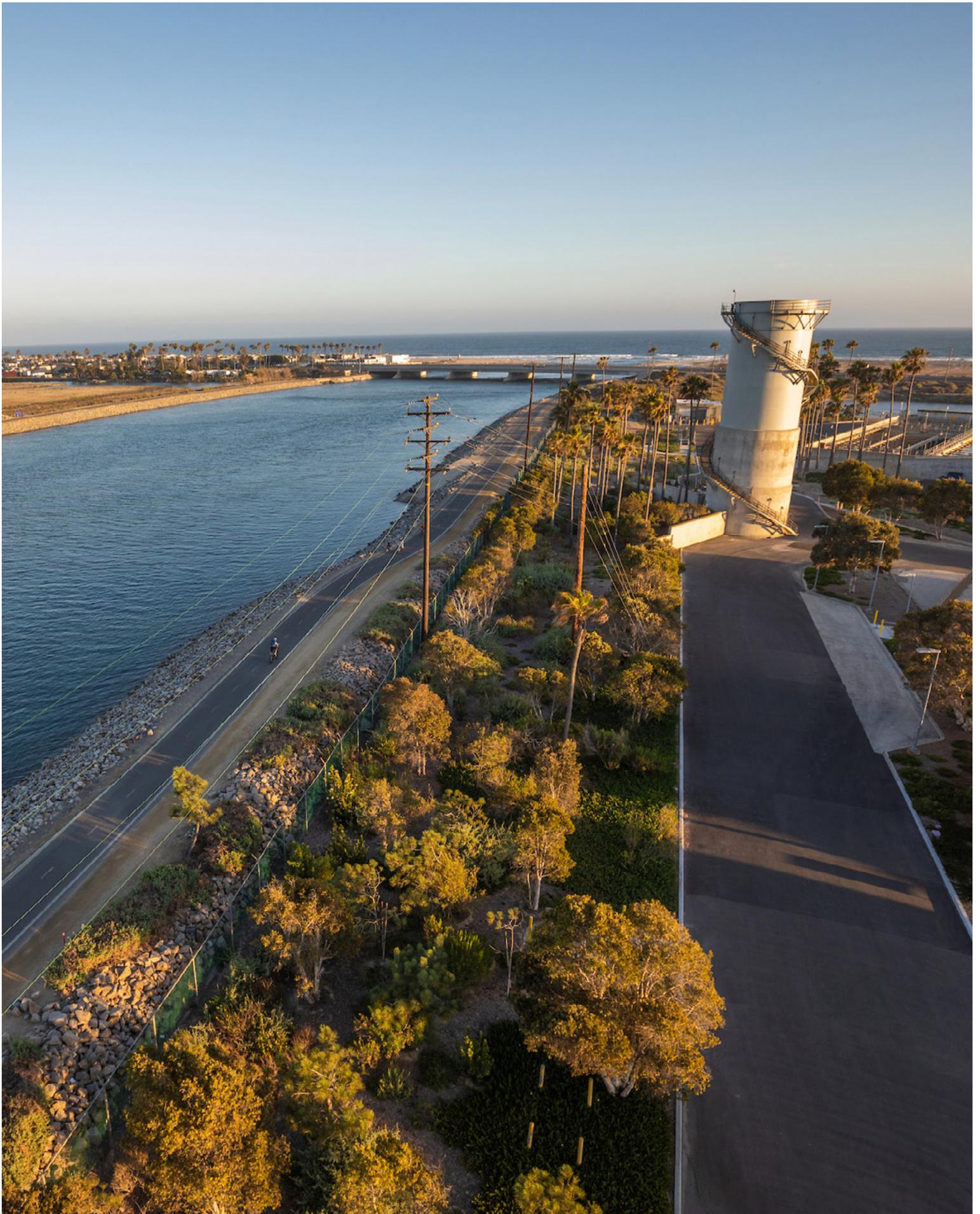
The Sanitation District seeks to be energy independent by self-generating all the electrical and thermal energy necessary to sustain its operations. This will be accomplished by economically minimizing its utilization requirements and maximizing energy harvested from the wastewater it receives. The Sanitation District will also study and use photovoltaic cells in non-process areas where it makes economic sense. Energy independence will improve the Sanitation District's environmental impact and improve its operational reliability and resiliency.

When the Sanitation District has achieved energy independence, it will seek to make excess biogenic or green energy available to external users via gas sales, power grid exports, or transportation fuels. The State of California has set goals for renewable energy utilization for electrical production and hydrogen transportation fuels. The Sanitation District's biogas is viewed favorably in these industries to meet the State of California targets. The Sanitation District 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 inputs first to make the Sanitation District energy independent in the most basic mission of protecting the public health and the environment. Once this has been achieved, excess energy can be made available for meeting the State of California's goals for the electrical grid and transportation fuels.

### ***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.



## Climate and Catastrophic Event Resilience Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) 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 heavy rains, flooding, sea level rise, earthquakes, tsunamis, extreme heat, wildfires, and electrical grid interruptions.

### Background

The Sanitation District owns and operates extensive wastewater collection and treatment facilities valued at nearly \$11 billion. The Sanitation District 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.

The Sanitation District'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. The Sanitation District 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. The Sanitation District 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 and inundation zone associated with potential tsunamis.

The Sanitation District understands that climactic factors we face change widely over time. The Sanitation District'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. The Sanitation District generally designs for historical and expected "average conditions" for optimal performance but must also assure operations for extreme weather events.

The Sanitation District 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. The Sanitation District has significant capacity to self-supply critical energy requirement for extended periods.

### Current Situation

The Sanitation District 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 the Sanitation District 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 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 the Sanitation District's history and will continue to do so. Many of our critical structures were designed or installed prior to the great learning that occurred in the 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, the Sanitation District 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.

The Sanitation District 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. The Sanitation District 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.

The Sanitation District has also adapted its systems to perform in extreme dry weather. The Sanitation District 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. The Sanitation District also has, and 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, the Sanitation District built redundant supplies for its most critical needs: electricity, natural gas and water. The Sanitation District has maintained three sources of electricity supply for more than 25 years. The treatment plants can be supplied with power from Southern California Edison, the Sanitation District's Central Generation Plants or on-site diesel generation systems to maintain basic operation to protect public health. In terms of natural gas, the Sanitation District has been producing bio-methane through anaerobic digestion since the 1950s with enough capacity to provide electricity and necessary process heat.

### **Future Policy Statement**

The Sanitation District 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 new climate change estimate is released. The Sanitation District 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. The Sanitation District 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.

The Sanitation District 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 a risk in not doing so is recognized. The Sanitation District will accept some incremental risk in having some facilities that are not necessarily compliant with latest building codes or subject to increased greater risks until a project to rehabilitate or replace these facilities is developed. All of the Sanitation District'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.

The Sanitation District will continue to aspire to energy independence which will help mitigate vulnerabilities to loss of electrical and gas utilities. In addition, the Sanitation District 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 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.
- Study the potential impact of tsunami and changing climate conditions including flooding due to high tides and heavy 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 (Sanitation District) 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 the Sanitation District'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, the Sanitation District 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 the Sanitation District 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 the Sanitation District 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, the Sanitation District 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, the Sanitation District'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 the Sanitation District could operate a refuse transfer facility.

### Current Situation

#### Project Viability

The Sanitation District'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 the Sanitation District 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. The Sanitation District will construct a more permanent facility in the future to coincide with the planned construction of new digesters at Plant No. 2, allowing an additional capacity to co-digest approximately 500 wet tons per day of food waste. The Sanitation District also has at least 6 MW of installed electrical generation capacity that can convert the produced digester gas to electricity and heat.

Based on these recommendations, in 2018 the Sanitation District's Board approved a project (P2-124) to construct an interim (10-15 years) 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 on-site energy production, resulting in a greenhouse gas reduction of approximately 10,800 metric tons of carbon dioxide equivalent annually which is equivalent to the annual greenhouse gases generated by approximately 2,000 passenger vehicles. This is consistent with the Sanitation District'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 interim receiving station is scheduled to be completed in 2022.

The final biosolids product currently produced by the Sanitation District is anticipated to be largely unaffected by the addition of food waste slurry. Pilot testing conducted by the Sanitation District 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 work has started and among other important items, the tipping fee and food slurry specifications will be further refined and validated.

There are three large municipal solid waste haulers that have expressed interest in collaborating with the Sanitation District 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 the Sanitation District is Orange County Waste and Recycling (OCWR). The Sanitation District has met with OCWR and they have expressed interest in partnering with the Sanitation District 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**

The Sanitation District 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. The Sanitation District 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**

The Sanitation District 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. These impacted systems have the capacity to accept 150 to 250 wet tons per day for the next ten years. Beyond ten years, the Sanitation District 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, the Sanitation District 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.

The Sanitation District 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 the Sanitation District's rate payers.

The Sanitation District 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 five years (this will allow the Sanitation District 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 revenues offsetting rates and passed on to OCSA's rate payers.

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 the Sanitation District is already owned by service area rate payers. The Sanitation District contracts with service area waste haulers must provide for a pass-through savings to the Sanitation District 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 the Sanitation District'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.

The Sanitation District 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***

- The Sanitation District will accept a preprocessed food waste slurry from contracted waste haulers that will be fed to existing anaerobic digesters. The Sanitation District 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 (Sanitation District) will seek to beneficially reuse all reclaimable water for potable, industrial, irrigation and environmental uses.

### Background

For over 40 years, the Sanitation District and the Orange County Water District (OCWD) have partnered to beneficially reuse treated wastewater from the Sanitation District. OCWD, which serves roughly the same service area as the Sanitation District, 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, the Sanitation District 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, the Sanitation District 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 the Sanitation District 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.

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, the Sanitation District also provides treated water to OCWD's Green Acres Project, which 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.

### Current Situation

The GWRS currently produces 100 million gallons per day of purified water — enough water for about 850,000 people. All of the Sanitation District's Plant No. 1 secondary effluent, between 120-130 MGD, is sent to OCWD for the GWRS and Green Acres Project. However, secondary effluent from the Sanitation District's Plant No. 2 and other non-reclaimable flows, such as brine from inland desalters and GWRS's reverse osmosis process, and the Sanitation District's process sidestreams, continue to be released into the ocean.

In 2016, the Sanitation District and OCWD jointly conducted the Effluent Reuse Study, which evaluated the feasibility of recycling the Sanitation District'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 the Sanitation District'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 Initial Expansion 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 the Sanitation District 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, the Sanitation District 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 the Sanitation District while the others executed by OCWD. Project costs related to GWRS are funded by OCWD, including \$50 million reimbursement to the Sanitation District for its costs incurred to execute related projects.

By supporting the GWRS Final Expansion, the Sanitation District 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 the Sanitation District'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. The Sanitation District will continue to seek opportunities for beneficial reuse of all reclaimable wastewater collected and treated at its facilities.

The Sanitation District will continue to support the completion of the final expansion of the GWRS in accordance to 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 GWRS free of charge; allowing OCWD to discharge brine via the Sanitation District's ocean outfall free of charge; leasing approximately 10 acres of land to OCWD at \$1 per year for the GWRS Final Expansion project; allowing OCWD to discharge North and South Basin extraction well flows to the Sanitation District 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.

The Sanitation District 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. The Sanitation District has been operating the Steve Anderson Lift Station to divert more flows to Plant No. 1. The two agencies regularly communicate and coordinate the Sanitation District operations and construction projects that may have impacts on GWRS operation and will continue this collaboration effort.

The Sanitation District 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 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

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) will partner with storm water permittees to accept up to ten million gallons per day of dry weather urban runoff at no charge in order to improve water quality in streams, rivers and beaches as long as the constituents within the flow do not adversely impact the Sanitation District's worker safety, treatment processes, reuse initiatives, or permit compliance. The Sanitation District facilities are subject to significant flow increases during wet weather events and are not capable of accepting stormwater flow volumes.

### Background

The Sanitation District's wastewater collection system is designed to be wholly separate from the region's stormwater systems, also referred to as storm sewers and/or storm drains. The Sanitation District implements a system-specific Sewer System Management Plan in compliance with the California Statewide General Waste Discharge Requirements for Sanitary Sewer Systems, Water Quality Order No. 2006-0003-DWQ. In the Sanitation District's service area, most local sanitary sewer systems are owned by city municipalities and discharge into the Sanitation District -owned regional sewers. Similarly, many stormwater systems are also owned and maintained at the local level, referred to as municipal separate storm sewer systems or MS4. These publicly owned conveyances or a system of conveyances are designed to collect/convey stormwater, are not combined with sanitary sewers, and not part of the sewage treatment works. Stormwater runoff is water generated from precipitation events that flows over land or impervious surfaces including streets, parking lots, and building rooftops — this water does not return to groundwater basins, because it does not soak into the ground. This runoff accumulates pollutants from transportation, construction, industrial, and residential sources that can include trash or other solid waste, chemicals, oil, and other sediments. MS4 stormwater that is not captured for reuse, typically discharges into regional systems, most notably flood control channels (e.g. the Santa Ana River), that subsequently flow to the ocean and are regulated by the National Pollutant Discharge Elimination System (NPDES) that also regulates the Sanitation District's discharge to the ocean.

Due to the design and operation of local and regional sanitary sewers, there is not system capacity to allow 'wet weather' stormwater discharges to the sewer. Excessive flows into the sewer beyond its design capacity can lead to sanitary sewer overflows (also called SSOs), spills, and potential sewage backups. The Santa Ana River can provide massive storm-flow capacity at approximately 22,000 cubic feet per second (cfs) of water, and the Delhi Channel at 325 cfs, as compared to the peak wet weather flow for both the Sanitation District Plant Nos. 1 and 2 combine to less than 1,000 cfs — much of which is utilized for sanitary sewer service at all times. During 'dry weather', stormwater systems collect flow from 'dry weather urban runoff' activities, such as residential or industrial use, irrigation, water released from previous precipitation, among others. Most sanitary sewer systems are gravity draining, that is, most non-industrial facilities passively drain to the sewer and do not typically take action to commence discharge of wastewater. As a result, it's important that facilities are constructed in such a way that they will not drain active stormwater or urban runoff flow to the sewer, especially during rain. Additionally, stormwater best management practices (BMPs) typically dictate that the generation of contaminated stormwater should be mitigated through proper facility design including berms and grading.

The Sanitation District's Wastewater Discharge Regulations Ordinance, which sets quality standards and requirements for facilities discharging to the Sanitation District, includes language to prohibit sewer users from discharging groundwater, stormwater, surface runoff, or subsurface drainage to the sewer without written authorization or a permit issued for such a purpose. In addition to the concerns related to insufficient capacity in the Sanitation District's sewer collection system, there is a concern that uncontrolled discharge to the sewer from these types of systems can introduce pollutants that may cause issues in the Sanitation District's treatment and reclamation plants, discharge to the ocean, or affect the agency's ability to recycle water or reuse biosolids. The Sanitation District's Ordinance was recently revised

---

to clarify these restrictions and include a prohibition on drainage from non-domestic surface and floor drains to address these types of uncontrolled discharges.

However, given the public health and environmental protection issues that may arise from runoff-carried pollutants being transferred into the Sanitation District's coastal beaches and waters, in April 2000 the Sanitation District initiated a permitting program to assist in the economical and practical control of these pollutants during dry weather conditions.

Following the Sanitation District's sponsored legislation (AB 1892), the Sanitation District's charter was amended to authorize the Board of Directors to adopt Resolution No. 00-04 establishing a dry season urban runoff policy that allowed local agencies to obtain a Dry Weather Urban Runoff Permit to discharge to the Sanitation District. Agencies could apply for this permit type where there was not an economically or practically feasible alternative (i.e. discharge to storm drain, reclamation/reuse, etc.) to discharging dry weather urban runoff to the sewer, and the discharger met other conditions including complying with the Sanitation District's Wastewater Discharge Regulations Ordinance.

In September 2000, the Sanitation District modified the Dry Weather Urban Runoff Policy (Resolution No. 00-22) to cap discharges received to ten million gallons per day (MGD). Furthermore, the policy revision established the waiving of fees associated with the program until discharges exceeded four MGD, or until the policy underwent future revisions. There were a number of other modifications to the policy that added facility and compliance requirements for Dry Weather Urban Runoff permittees.

The Sanitation District Board Resolution No. 01-07, adopted in March 2001, added language to the policy clarifying conditions in which the Sanitation District would and would not be indemnified against liability associated with diversion systems. Indemnification is a critical component of Dry Weather Urban Runoff agreements necessary to address the risks posed to the Sanitation District associated with water quality, flooding, trash, infrastructure damage, and other concerns. In June 2013, the Sanitation District's current policy was established when Resolution No. 13-09 was adopted. This included a revision where upon reaching a dry weather urban runoff influent rate of nine MGD, the Sanitation District will take action to reevaluate the policy.

In addition to Dry Weather Urban Runoff Permits, the Sanitation District's Ordinance allows for normally prohibited wastes such as groundwater, stormwater, surface runoff, and subsurface drainage to be discharged to the Sanitation District as authorized through a Special Purpose Discharge Permit or written authorization from the Sanitation District; only when no alternate method of disposal is reasonably available or to mitigate an environmental risk or health hazard.

The Dry Weather Urban Runoff and Special Purpose Discharge permit programs are intended to assist in the protection of public health and the environment by routing contaminated discharges into the Sanitation District's treatment and reclamation plants. For example, the toxic amounts of selenium in the Upper Newport Bay Watershed have resulted in regulatory requirements to remove selenium loadings from upstream creeks and channels to protect downstream aquatic life. For dry weather urban runoff discharges, the Sanitation District is able to accommodate certain waste streams that mitigate these hazards. However, the Sanitation District treatment and reclamation plants also have limitations on the loading of pollutants that can be discharged to them — particularly because traditional sewage treatment plants are not designed to remove toxic pollutants, but are designed to remove the conventional pollutants typically found in wastewater generated from normal sanitary uses. The Sanitation District's Ordinance dictates that permitted users, such as Dry Weather Urban Runoff or Special Purpose Discharge users, must comply with numeric effluent limit standards for toxic pollutants. Continuing the example from above, discharges must meet a selenium effluent limit of 3.9 milligrams per liter (mg/L), a derived value based on the compliance standard, the Sanitation District is held accountable in order to reuse biosolids. In this example, the Sanitation District may choose to issue a permit to mitigate a public health or environmental concern, but must do so in such a way as to also address the potential impact on the Sanitation District's plants and its reuse initiatives — with permit numeric limits and conditions.

## Current Situation

As of June 2019, the Sanitation District maintains 21 active 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 a LLC responsible for the areas in and around Pelican Point community. For the June to December 2018 reporting period, the Sanitation District received an average of 1.03 MGD from these facilities, well below the current ten MGD policy cap and nine MGD action threshold. Since the program's inception in 2000, the Dry Weather Urban Runoff Program has treated 9.4 billion gallons of dry weather urban runoff. The success of this program is captured succinctly in reviewing the Heal the Bay 2018-2019 Beach Report Card. Heal the Bay is an environmental non-profit organization focused on coastal water and watershed quality, and reported that 92 percent of beaches in Orange County received an 'A' rating during summer dry weather conditions — some the Sanitation District -service area beaches made the report card 'honor roll' with an A+ rating. It should be noted that this overall rating is negatively impacted by south Orange County beaches that are not in the Sanitation District's service area.

Both the permitted Dry Weather Urban Runoff users and the Sanitation District staff collect samples from Dry Weather Urban Runoff facilities (during dry season discharge) on a semi-annual basis to evaluate compliance with pollutant limits establish in the Sanitation District's Ordinance.

Periodically, the Sanitation District works with other organizations and industries that have intentionally or unintentionally captured stormwater or runoff on-site and seek guidance on disposing of the water. The Sanitation District may authorize such a discharge request where: there is adequate capacity, wastewater meets applicable effluent discharge standards, there is no practical alternative method of disposal, and the wastewater is captured and held until it can be released to the sewer apart from a high-capacity or storm event. The Sanitation District can utilize written authorizations, special conditions on an existing wastewater discharge permit, or a Special Purpose Discharge Permit — issued for planned short-or-long-term discharges. In other instances, the Sanitation District has observed unauthorized stormwater connections to the sewer during routine inspections of facilities and worked with the dischargers to mitigate these to prevent potential overflow conditions.

Special discharges described above, where acceptable through a Special Purpose Discharge Permit or written authorization, are not included in the ten MGD allowance under the Dry Weather Urban Runoff program.

## Key Issues for the Future

Under the current policy, the Sanitation District has the capacity to accept additional dry weather urban runoff flows (up to ten MGD), however, this allotted capacity is not typically the limiting factor in increasing the volume of runoff diverted to the Sanitation District. As Dry Weather Urban Runoff diversion projects are initiated and funded at the local municipality level, capital support for such projects can be limited. Without funding and operational support from a public agency that has jurisdiction and authority over surface water runoff and wastewater, this water cannot be diverted.

Diversion systems must be pumped (not gravity-fed) into the Sanitation District's collection system to ensure the necessary level of control. Furthermore, diversions cannot be implemented just anywhere. In order for the Sanitation District to accept this dry weather runoff water, the supporting sewer hydraulic capacity and infrastructure must already be in place at the specific location where the gravity diversion exists. Otherwise constructing new Sanitation District facilities to convey diverted waters would require a significant capital investment from the Sanitation District and its rate-payers. In short, acceptance of dry weather runoff must be evaluated based on the site-specific capacity of the Sanitation District's collection system, i.e. the hydraulic capacity of a specific interceptor/sewer trunkline. In addition, where the intention is to also recycle this runoff water as well as divert it from the Sanitation District's coastal beaches and waters, it must be routed to the Sanitation District's Plant No. 1 facility in Fountain Valley where it can discharge to OCWD's Groundwater Replenishment System (GWRS). At present, the Sanitation District's Plant No. 2 facility does not discharge wastewater to GWRS for recycling, and the majority of existing dry weather urban runoff facilities discharge to Plant No. 2.

The Sanitation District is working to divert the majority of Plant No. 2 influent wastewater to GWRS, however, the expected completion date of this project is not until 2023. It should be noted that the recycling capacity of GWRS is not unlimited and the plan to divert wastewater from Plant No. 2 is expected to provide the near maximum level of influent to GWRS. Therefore, the Sanitation District is not in a position to accept additional wastewater for recycling, and the notion that stormwater is necessary to augment GWRS influent is not a valid assumption.

Given the above conditions, to expand the current programs to a larger-scale stormwater/rain-event capture and discharge program, means an investment for stormwater-authority agencies to build water storage systems in addition to existing or new diversion systems.

The regional benefit for such an initiative would be the increased capture and recycling of water that would otherwise be discharged to the ocean. The potential risk to the Sanitation District and its reuse initiatives from pollutants in stormwater and runoff would be directly impacted by our agency's future ability to control these wastes — that is permit, inspect, and monitor discharging facilities, and when warranted — enact enforcement to ensure compliance with the Sanitation District's Wastewater Discharge Regulations Ordinance. To protect the Sanitation District, this means issuing stringent requirements on discharges or suspending a discharge when an existing or potential sewer user does not meet a compliance obligation. Moreover, the Sanitation District will only be able to accept stormwater and runoff discharges that can be captured and held beyond storm events, and where that water can be adequately evaluated before being released for discharge into the Sanitation District's system.

The financial impact for the Sanitation District would translate to capital and operational costs where the Sanitation District is involved in the construction and maintenance of facilities to support these diversion systems. In addition, a larger-scale stormwater/rain-event capture and discharge program most certainly will require an investment in additional Sanitation District staff in the workgroup that oversees the current permitting programs.

The larger question, beyond the scope of this white paper, is to evaluate at a regional level whether stormwater capture from a rain event will provide an additional source of water significant enough to offset the costs to capture this water and temporarily store it until it can be reused, including the associated infrastructure, staff, and other public resources this would require; and considering the intrinsic restrictions of the current sewer system, GWRS limitations, and the potential risks posed to the Sanitation District's existing water and biosolid reuse initiatives.

### ***Initiatives to Support Progress Toward the Policy Goal***

In accordance with Resolution No. 13-09, the Sanitation District intends to continue accepting up to ten million gallons per day of pumped dry weather urban runoff diversion where existing conveyance capacity exists, and the constituents of the flow will not adversely impact the Sanitation District. The Sanitation District also intends to continue working with industries, agencies, and other facilities to offer alternatives to stormwater and runoff disposal through special purpose discharge permits or other written authorization in accordance with the Sanitation District's Ordinance, where doing so does not negatively affect the Sanitation District's operation or compliance with local, state, and federal regulations, and wastewater can be held for evaluation prior to discharge.

Additionally, to act as a regional partner in resolving issues associated with disposing of and reusing stormwater, the Sanitation District intends to work with local jurisdictions to determine the feasibility of regional wet weather runoff capture, storage, and use projects.

- Issue dry weather urban runoff connection permits up to a total of ten million gallons per day to other service area local agencies to accept pumped dry weather urban runoff flows where existing conveyance capacity exists, and the constituents of the flow will not adversely impact the Sanitation District.

- Continue working with industries, facilities, agencies, and local jurisdictions that have authority over stormwater or surface water runoff to determine the feasibility of regional wet weather runoff capture, storage, and use projects or offer alternatives to stormwater and runoff disposal through permits or other written authorization. The Sanitation District will promote responsible stormwater utilization and sewer protection, where doing so does not negatively affect the Sanitation District's operation or compliance with local, state, and federal regulations, and wastewater can be held for evaluation prior to discharge.



# Wastewater Management

## Chemical Sustainability Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) 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. The Sanitation District 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

The Orange County Sanitation District (Sanitation District) 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. The Sanitation District 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. The Sanitation District 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. The Sanitation District 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 dewater 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

The Sanitation District 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 compound, 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 isn't 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 respiring oxygen are the most robust organisms, followed by nitrogen respiring bacteria, and finally sulfur respiring bacteria. Adding calcium nitrate to sewage creates an environment where sulfur loving bacteria don't 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 the Sanitation District doesn't 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 bio-slime 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

The Sanitation District 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. The Sanitation District rotates its disinfection supply to its odor control and plant water treatment systems to prevent product waste.

## Process Specific Chemicals

The Sanitation District uses pure oxygen to support its activated sludge secondary treatment process for Plant No. 2. The Sanitation District 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. The Sanitation District 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**

The Sanitation District 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, sewage quantity, 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.

The Sanitation District has maintained a policy to split the volume of orders between two vendors to assure competition exists in the marketplace for ferric chloride. While the Sanitation District 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**

The Sanitation District is constantly changing and improving its facilities to meet new challenges. Each of the facility changes offer new opportunities to reconsider how the Sanitation District 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 are in the process of 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 will also reevaluate 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.

When optimized chemical types and dosages are confirmed, staff will review the market conditions for each important chemical. This will serve as the basis for a procurement strategy for each chemical.

### **Future Policy Statement**

The Sanitation District will thoroughly understand its treatment processes, the potential modes of operation, and the benefit and cost of chemicals to improve or stabilize its process. The Sanitation District will create 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 reliance on any particular chemical or vendor and establish flexibility to utilize other chemicals/processes to accomplish the same operational objectives.
- Update the Sanitation District's Chemical Sustainability Study and incorporate the results in future procurement recommendations.

## Biosolids Management Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) will remain committed to a sustainable biosolids program and will beneficially reuse biosolids in accordance with Resolution No. OCSD 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. The Sanitation District currently receives sewage sludge from the Irvine Ranch Water District at Plant No. 1, which is scheduled to cease by 2021 when Irvine Ranch Water District completes their own solids treatment facility.

Prior to 2019, the Sanitation District produced an average of 800 wet tons per day (~20% solids) of Class B biosolids dewatered by belt press units. Presently, with the construction and commissioning of co-thickening sludge and dewatering centrifuges, the Sanitation District has been producing approximately 500-600 wet tons per day (25%-29% solids) with biosolids hauling cost savings of approximately \$200,000-400,000/month due to the reduction in volume.

The Sanitation District's biosolids program is shaped by federal, state, and local regulations and by the Sanitation District's biosolids policy (Board Resolution 13-03), our biosolids management system, and the 2017 Biosolids Master Plan (Plan). The Sanitation District manages a high quality biosolids program built on a solid policy that emphasizes the diversification of product markets for Class A and B biosolids utilized as a soil amendment for agriculture and horticulture uses. The policy also sets direction to seek opportunities in emerging markets such as biosolids-to-energy technologies to produce renewable energy in the form of biogas or used as a heating value source.

These marketing principles are aligned and supported by the Plan, which provides the Sanitation District a roadmap and framework for reliable and sustainable biosolids management options while minimizing cost. In addition, the Plan sets future capital facilities improvements over a 20-year planning horizon. The Sanitation District will be implementing the Plan to develop a capital improvement project for Plant No. 2 that will result in a major change to the Sanitation District's biosolids program; namely, the construction of new mesophilic and thermophilic digesters that will generate Class A biosolids beginning in 2030. These new digesters are needed for operational resiliency against seismic events. Plant No. 1 will continue to produce Class B biosolids.

The Plan evaluated end-use management alternatives for the Sanitation District's biosolids. This work supports the Sanitation District's biosolids policy and has taken into account the regulatory initiatives imposed on organic management in California as explained below. The Plan established a roadmap for the Sanitation District's commitment to beneficial use of its biosolids. The biosolids management portfolio for the Sanitation District is expected to remain similar to the overall current biosolids management end use options as it is today. Currently about half of the annual biosolids production is going to composting (CA and AZ) and half going to Class B land application in Arizona.

The significant shift will begin when the Sanitation District starts reliably generating Class A biosolids at Plant No. 2. Although this is more than 10 years away, the Plan has identified early planning efforts on future end uses which include:

- Emerging markets: This end use refers to either markets in which biosolids have not been tested in California at this time (e.g. land reclamation) or emerging-technology solutions (e.g. biosolids gasification, supercritical oxidation, fluidized bed combustion, cement kiln drying, pyrolysis etc.).
- Soil blending: This option involves working or partnering with local soil blenders to deliver and blend Class A biosolids with soil to produce a soil amendment.

- Arizona land application: Land application in Arizona will continue to be a part of the Sanitation District's overall biosolids program and serves as a large-capacity outlet for biosolids management.
- California land application: While Class A compost and granules are currently land-applied in California, land application of Class A cake is still restricted in most counties. However, it is anticipated that the implementation of California's organics diversion mandates will loosen local land applications restrictions.

This programmatic framework described above has led to a reliable and sustainable biosolids management program that is designed for the beneficial use of the Sanitation District's biosolids through the utilization of diverse biosolids management options using multiple biosolids contractors, markets, and merchant facilities, while maintaining a failsafe backup capacity of at least 100 percent of the Sanitation District's daily biosolids tonnage. This forethought is necessary due to the flux of regulatory, environmental, market, and financial factors that poses potential risks to the biosolids management in California.

### **Current Situation**

The legislative and regulatory landscapes in California are changing regarding organic management. For the past 15 years, direct land application of Class B biosolids has been predominately prohibited due to strict local ordinances and conditional use requirements, which preempts state recycling laws. However, in recent years there has been a need for organics diversion from landfills, healthy soils, renewable energy, and reduction of Green House Gases (GHGs), which are reflected in several important bills (laws) 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.

These measures are expanding "organic waste markets," thereby stimulating interest in siting more composting facilities and organic waste-to-energy projects and encouraging soil blending and direct land application of biosolids, opening opportunities for wastewater treatment plants such as the Sanitation District to locally manage more biosolids. Regulatory agencies such as the State Water Resource Control Board, CalRecycle, California Department of Food and Agriculture, California Air Resources Board, and California Energy Commission are developing regulations to implement the new laws. During the rule making process, the Sanitation District has been actively involved through the California Association of Sanitation Agencies (CASA) and the Southern California Alliance of POTWs (SCAP), advocating regulators to open more biosolids management options in California. In particular, the proposed regulations for SB 1383 will require jurisdictions such as cities and counties to procure recycled organics such as compost and biogas for beneficial use. This organic market will provide opportunities for regional public and/or private partnerships for biosolids management options.

Although there is growing interest in California for organics management, there has also been a rising concern from the regulatory community regarding emerging contaminants such as polyfluoroalkyl substances (PFAS) and microplastics that may have some potential impact to the wastewater sector. Although to date there are no regulatory limits of these contaminants in biosolids or wastewater in California, the Sanitation District has been actively monitoring the development of the science and regulation concerning these emerging concerns.

## **Future Policy Statement**

As the regulatory landscape shapes to stimulate organic waste markets in California, the Sanitation District seeks to leverage its memberships with various industry associations to advocate local, state, and federal agencies to assure biosolids proposed regulations encourage the beneficial use of biosolids as a soil amendment, renewable energy, and a healthy end-use market. The Sanitation District also leverages its memberships to monitor the development of initiatives related to constituents of emerging concern that may impact the beneficial use of biosolids. The Sanitation District's leadership role in these organizations enables us to have a greater influence in key regional, state, and national issues.

The Sanitation District seeks to stay abreast of developments in organic waste markets as they develop in California. The Sanitation District seeks both public and private partnerships with regional biosolids management opportunities including new innovative technology options that convert biosolids to energy and other biosolids recycling operations. This is consistent with the Sanitation District's biosolids policy and plan. To accomplish this, the Sanitation District will issue a request for information (RFI) to research and evaluate available emerging market such as biosolids-to-energy options or other biosolids recycling operations within a 200-mile radius of the Sanitation District to potentially develop a scope of work and minimum requirements for a future contract solicitation.

Consistent with the Sanitation District's Plan, staff will seek to collaborate with OC Waste and Recycling (OCWR) for regional biosolids management opportunities as well as partnering with OCWR to find local solutions to meet SB 1383's organics diversion mandates, including in-county biosolids utilization, composting, food waste co-digestion, and biogas production.

### ***Initiatives to Support Progress Toward the Policy Goal***

- Educate and advocate with the local, state, and federal agencies to assure biosolids will continue to be safely and legally used as a soil amendment and monitor and research constituents of emerging concern such as PFAS and microplastics that may impact biosolids.
- Stay abreast of new technology options to convert organics to energy and other regional biosolids recycling and renewable energy partnerships within Southern California.
- Proceed with implementation of new mesophilic and thermophilic biosolids facilities at Plant No. 2 to enhance biosolids quality and marketability while improving the Sanitation District's operational resiliency against seismic events.

## Constituents of Emerging Concern Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) will partner with other agencies, associations, and institutions to support the use of sound science to inform policy and regulatory decisions on constituents 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 the Sanitation District's mission.

### Background

CECs also referred to as Constituents or Contaminants of Emerging Concern are pollutants that may or may not be subject to regulatory requirements or statutes yet pose a risk to public health and/or the environment. The Sanitation District is a recipient of CECs that are discharged along with domestic and residential wastewater; discharges from industrial, commercial, and other governmental facilities; and tributary discharging jurisdictions. The concept of CECs evolves over time and often the Sanitation District and other entities must acknowledge and understand their impacts to address the effects posed by each CEC.

For more than 50 years, the Sanitation District has adopted and enforced standards and requirements to protect the public health and safety, the environment, and the Sanitation District's workers and facilities, while collecting and treating wastewater. Initially the primary concern to the Sanitation District was conventional pollutants, those that originate from normal sanitary use and can be addressed by conventional wastewater treatment. With the 1972 amendment to the Clean Water Act, and as required by the Code of Federal Regulations, the Sanitation District implemented a mandated pretreatment program to control discharges containing toxic pollutants at their sources through permitting, enforcement, inspection, and sampling. The Sanitation District's Pretreatment Program promulgates the Sanitation District's Wastewater Discharge Regulations Ordinance (Wastewater Ordinance), which governs discharges to the sewer through various types of permits. The Wastewater Ordinance also includes numeric limits, referred to as Local Limits, that control the quality of non-domestic discharges to the sewer. These Local Limits are the result of a technical evaluation and comprehensive sampling and analysis effort, required under the Sanitation District's permit issued by the state to discharge to the ocean — the National Pollutant Discharge Elimination System (NPDES) Permit.

The Sanitation District's current NPDES Permit requires evaluation and monitoring of CECs. The Regional Water Quality Control Board (RWQCB) and EPA required the Sanitation District to study and report on certain newer CECs in the Sanitation District's effluent and the receiving waters. The CEC study had to include the following categories and specified a set of particular constituents in each category: Hormones (8), Industrial Endocrine Disrupting Compounds (7), Pharmaceuticals and Personal Care Products (13), and Flame Retardants (9). Since 2014, California's State Water Resource Control Board has been updating its Recycled Water Policy and has identified CECs under consideration for projects that conduct surface spreading of recycled water, including the Groundwater Replenishment System (GWRS). In addition, to meet the Sanitation District's obligations to provide a high level of service for biosolids reuse and water reclamation through GWRS, the Sanitation District must evaluate and monitor CECs that affect these initiatives.

Although the Sanitation District has been involved with water reclamation with the Orange County Water District (OCWD) since the mid-1970's, the Sanitation District's mission changed significantly in the years leading up to 2008 when the Groundwater Replenishment System (GWRS) was commissioned. GWRS compelled the Sanitation District to consider impacts to drinking water limits and Notification and Response Levels, which are typically much lower than the standards in place for a wastewater treatment plant. For several critical constituents, OCWD and the Sanitation District established a Level of Service commitments. The Sanitation District and OCWD established a response plan to follow when a constituent becomes a concern to either agency. Where the source can be identified, the plan organizes responsive actions from the Sanitation District and OCWD for industrial and commercial facilities. Domestic and residential sources are typically addressed by way of educational outreach to the public.

To determine the constituents that impact the Sanitation District's operations and reuse initiatives, the Sanitation District interacts with federal, state, and local agencies and monitors their regulatory and legislative efforts. Sometimes the job is straightforward, because the federal, state, or local agency focuses on a specific CEC chemical which yields a concentrated effort; however, sometimes, the effort can be interpretative. This requires a comprehensive, well-established program and experienced subject matter experts to identify the CECs that impact the Sanitation District. The Sanitation District must then evaluate the sources and decide what methods will be employed to control the discharges, if necessary.

### **Current Situation**

With newer equipment and techniques, federal, state, and local government agencies are detecting constituents at very low concentrations in the drinking water. This has resulted in agencies studying more constituents and requesting NPDES Permit holders, such as the Sanitation District, to monitor and report CECs detected in the influent and effluent. However, wastewater is a much more complex matrix than drinking water, so reproducible low-level analytical methods are much more difficult to develop and implement for wastewater than drinking water.

The Sanitation District will also be required to develop new methods for addressing some of the CECs primarily discharged from residential communities or are present in the existing drinking water supply. The Sanitation District typically attempts to address such discharges through education and outreach while working with other agencies. Some CECs require the Sanitation District and other agencies to sponsor legislation and regulation development or to comment on a particular subject to protect the agency's interests. For example, the Sanitation District has advocated for minimizing or eliminating the use of specific CECs in manufacturing or consumer use to the California Department of Toxic Substances Control. To achieve its mission, the Sanitation District will need to continue supporting a variety of regulatory and legislative efforts.

### **Future Policy Statement**

If source control, education and outreach, or legislative and regulatory efforts are not successful, the Sanitation District may be required to implement a technological or operational process change/ investment to address a CEC.

The Sanitation District must align its resources to continue managing CECs throughout the service area and treatment process in order to comply with the Sanitation District's existing regulatory requirements and sustain beneficial reuse of biosolids. The Sanitation District 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 threats posed by upstream sources to its system; to continue to work with other agencies and professional organizations to develop robust analytical methods; and to evaluate routinely the need to establish sound policies, local limits, or other regulations and standards based on new local, state, and federal regulations to protect public health and the environment. The Sanitation District is required to continue implementing its established response plan by promoting effective source control and treatment, while also preparing for newer CECs and regulatory obligations. The Sanitation District will continue to work to understand the operational and financial impacts of current and future CECs by monitoring developing regulations and legislation and actively engaging regulatory, environmental, academic, industry, and community stakeholders.

Two families of chemicals, PFAS and PFOA, have been identified as CEC's with a probability of impacting water and biosolids reuse. Attached is OCWD's August 2019 PFOA and PFAS Fact Sheet. This is an example of a CEC where the Sanitation District must be engaged helping to explore the science and shape future legislation and regulation to help create practical solutions to real world concerns.

## ***Initiatives to Support Progress Toward the Policy Goal***

- The Sanitation District will continue to 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 the Sanitation District's Management Team and Board to facilitate informed decision making.
- The Sanitation District will continue to develop capacity to detect, quantify, and characterize CECs throughout the service area and treatment process in order to promote treatment effectiveness and the communication of credible risks.
- The Sanitation District will proactively research laboratory techniques and other scientific research to understand the real and potential impact of CECs, like PFAS and PFOA, on the reuse of water and biosolids. The Sanitation District will use science-based knowledge to help shape legislation and regulation to protect the public health and environment.



# Workplace Environment

## Resilient Staffing Policy

### Summary Policy Statement

The Orange County Sanitation District (Sanitation District) 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 development programs are relevant and build a skilled bench of readily available successors for key leadership and mission-critical positions.

### Background

At the Sanitation District, employees are the organization's most valuable resource. With over 600 dedicated employees whose collective efforts make OCSD an industry leader, the Sanitation District continues to receive national awards and recognition. That is why, OCSD has committed to invest in its employees, resulting in a highly skilled and educated workforce carrying out the mission of protecting public health and the environment.

The Sanitation District has a diverse workforce and a wide range of expertise with approximately 70 percent of positions requiring a degree, certification, and/or license. Occupations on-site 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, OCSD must promote initiatives to attract and retain talent and prepare staff for successful careers. 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 the Sanitation District has adequate access to talent internally and externally through the recruitment and selection process.

The Sanitation District 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 Human Resources review and recommendation, subject matter expert application screening, assessment centers, panel interviews (both for technical skills and fit), skills testing, background checks, 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

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. We started the program in 2010 with four positions and have grown to offer ten positions for each fiscal year. Furthermore, 14 of the program participants have been hired full-time since the program inception. The Sanitation District is piloting the program with other technical colleges in Southern California, to include Cypress College. OCSD offers student and vocational internships, as well as job shadowing and externships.

The Sanitation District's Professional Student Internship Program offers students an opportunity to work at the professional ranks while attending college full-time for a two-year maximum duration. OCSD partners with Cal State Fullerton, Long Beach, Cal Poly Pomona and UC Irvine, among others.

- Employee Development Program

In addition to legally mandated training, the Sanitation District 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 professionals as well as informal on the job training. Employees are encouraged to obtain job-related training necessary to keep OCSD current with recent industry best practices and developments in their respective fields of expertise and can receive Development Pay in select categories that the Sanitation District deems mission-critical. As 70 percent of OCSD's positions require a degree, certificate and/or license, the Sanitation District 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 that are applicable to the industry.

- Workforce Vulnerability Assessments

Each year, the Sanitation District 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 works closely with management to facilitate workforce vulnerability assessments to develop current and future staffing plans. It is essential that the Sanitation District continues to focus its efforts on prioritizing staffing needs.

- Talent Readiness Assessments

The process includes departmental leadership evaluating staff and identifying key employee talent, as well as possible development efforts. Feeder positions are identified, and talent pools are developed between employees and management that align with agency goals and builds the talent pipeline.

- Building Leaders and Skills for Tomorrow (BLAST) Program

In 2011, the Sanitation District began a comprehensive leadership development program to supplement the technical training courses, and includes job shadowing, mentoring, web-based and instructor-led training on soft skills and leadership development. The goal of this development program is to ensure OCSD is building leaders at all levels. Development opportunities are offered to address the potential loss of talent and feed into the Succession Management and Employee Development programs, primarily focusing on soft skills training. The leadership development components include a public sector leadership academy with Cal State Fullerton, and a supervisory training program through Brandman University.

The Sanitation District partnered with University of California, Irvine, California State University, 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. The Sanitation District 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. The Sanitation District staff is regularly asked 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 on into the future. Retirements are disrupting employment within our industry and changes in technology have made work more complex.

## **Current Situation**

Academics studying the labor force attribute labor shortages to workforce demographics. Depending on the source data, the timelines defining the start/end time of these groups may vary but generally — Baby Boomers are those born between 46-64, followed by Gen Xers 65-81, and lastly Millennials from 82-00. Close to half of staff or 49 percent fall into the “Gen Xers” category, followed by 32 percent made up of “Baby Boomers” and “Millennials” make up 19 percent of our employee population. The Sanitation District is currently facing a potential loss of close to half of its workforce — about 45 percent of employees, primarily from the Baby Boomers group, and some Gen Xers. This represents a potential loss of about 271 people to retirement alone and does not account for other forms of turnover. Hence the need to be proactive and strategic in OCSD's approach to maintain its staffing levels and ensure continuity of operations.

Currently, the majority of OCSD's executives are eligible for retirement. Managers, our next level of leadership, closely follow with 45 percent of them eligible to retire now, and that number increases to 90 percent in five years. The Sanitation District has a little more stability in the trades and professional occupations with retirement eligibility at 53 percent in the next five years. OCSD has a lot of long-term employees with vast knowledge in their respective areas of expertise. Some employees have been a part of the OCSD family for over 35 years; and at last count, ten years was the average years of service. Looking at OCSD's total attrition over the last five years, we have lost 3,025 years of knowledge and experience by 132 individuals leaving the agency since 2014.

In 2010, the Sanitation District 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 OCSD with a retirement benefit of 2.43 percent at 65, with zero employer paid member contribution. Based on the Sanitation District's classic open retirement plan, OCSD is unable to compete for experienced talent from surrounding municipalities, who offer a retirement benefit of 2.5 percent or 2.7 percent at 55 and pay a portion of the employees' contribution. Since implementation of the classic open plan in 2010, only 22 percent of new hires come from other public sector agencies. The Sanitation District has had experience with public sector candidates withdrawing from the process or declining job offers once they learn of the impact to the retirement benefit formula. The vast majority of new hires are coming from private sector and have no public sector experience requiring additional training. Given the legal restrictions which bind the Sanitation District to the classic open formula, it is critical OCSD focus its efforts on retaining current staff, attracting qualified candidates, and investing heavily into 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 the Sanitation District'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 effective 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 Program
- Workforce Vulnerability Assessments
- Talent Readiness Assessments
- Building Leaders and Skills for Tomorrow (BLAST) Program
- Strengthening Operator Training Programs
- Continue cyclical Classification & Compensation studies to ensure job classifications accurately depict the work being performed, to set compensation levels accordingly, and stay abreast of market benefit and salary data.

Prior to the next scheduled Classification & Compensation study, Human Resources will work with the Board of Directors and meet and confer with the unions to review selected survey agencies based on recognized classification and compensation standards and the job market in which we compete.



## **Safety and Physical Security Policy**

### **Summary Policy Statement**

The Orange County Sanitation District (Sanitation District) 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 OCSD'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. OCSD 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 OCSD's workforce, visitors and contractors include:

### **Safety Assessments and Engineering Controls**

In 2014, OCSD 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 OCSD have either been addressed by Maintenance or have been incorporated into the Safety Improvement Project (J-126).

### **Emergency Management**

The Sanitation District 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 OCSD'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 OCSD 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 OCSD 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 OCSD with plans being updated as information changes.

The Sanitation District collaborates with local agencies to ensure available resources are identified and engaged in the event of an emergency. OCSD has partnered with local agencies in the areas of emergency response for evacuation drills and resource sharing.

- The Sanitation District 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 the Sanitation District the opportunity to test the Integrated Emergency Response Plan.
- 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.
- The Sanitation District 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.

The Sanitation District 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 OCSD 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 OCSD; 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, the Sanitation District 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, OCSD is pursuing this designation.

In preparation for application to the Cal/VPP program, the Sanitation District conducted a Cal/VPP readiness assessment in January 2019 and developed an implementation strategy. The assessment

included interviews with various OCSD subject matter experts and discussions with employees during facility tours. OCSD 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, OCSD 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 OCSD, 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**

The Sanitation District partners with local agencies to ensure available resources are identified and engaged in the event of an emergency. Collaborations currently scheduled include:

- In conjunction with WEROC, OCSD 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. The Sanitation District 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 OCSD, 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.
- On July 27, 2019, the Sanitation District partnered with the Fountain Valley Police Department Explorers during OCSD'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 OCSD to be diligent in protecting people and property from security breaches. OCSD seeks to continually improve the security program. On June 7, 2019, OCSD issued a Request for Proposal (RFP) for Security Services, which included a potential expansion of security services for OCSD's new Headquarters Complex. As part of the RFP evaluation, OCSD will review procedural and technical enhancements/innovations that may improve the existing program.

In addition, OCSD 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**

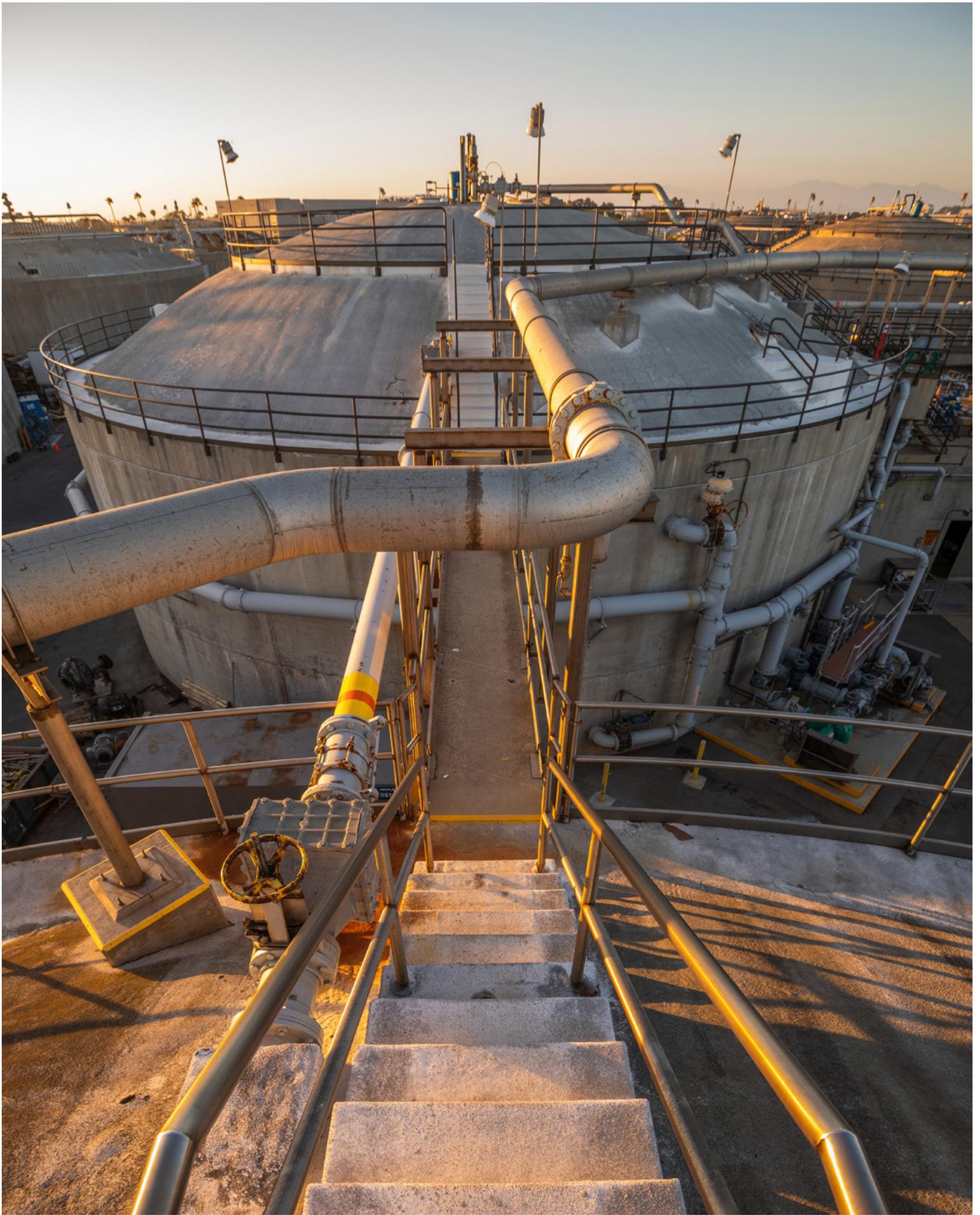
- Complete outstanding safety projects, improvements, and corrective actions to apply and obtain Cal/OSHA Voluntary Protection Program (VPP) status; and continue to foster a culture where employees are accountable for their safety as well as the safety of others.

#### **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 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

**Treatment Plant No. 2**

22212 Brookhurst Street • Huntington Beach, California 92646

**For more information**

Email: [forinformation@ocsd.com](mailto:forinformation@ocsd.com) • Phone: 714.962.2411

[www.ocsd.com](http://www.ocsd.com)





# BOARD OF DIRECTORS

## Agenda Report

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

---

**File #:** 2021-1881

**Agenda Date:** 9/29/2021

**Agenda Item No:** CS-1

---

**FROM:** James D. Herberg, General Manager

**SUBJECT:**

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

RECOMMENDATION: Convene in Closed Session:

Number of Potential Cases: 2

- A. Initiation of litigation regarding permittee: Aseptic Technology and Beverage Visions, LLC.
- B. Potential initiation of eminent domain litigation regarding property owned by Bayside Village Marina, LLC.

**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:*

- Memoranda from General Counsel

**PRIVILEGED AND CONFIDENTIAL  
ATTORNEY-CLIENT COMMUNICATION  
NOT A PUBLIC RECORD**

**MEMORANDUM**

TO: Hon. Chair and Members of the Orange County Sanitation District Board of Directors

FROM: Bradley R. Hogin, Esq.  
General Counsel

DATE: September 20, 2021

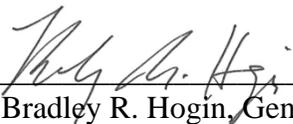
RE: Closed Session Items

---

The Board of Directors desires to hold a closed session on September 29, 2021 for the purpose of conferring with its legal counsel regarding potential litigation. Based on existing facts and circumstances, the Board is deciding whether to initiate litigation against another party. The closed session will be held pursuant to the authority of California Government Code Section 54956.9(d)(4).

The facts and circumstances are as follows. An industrial facility is in arrears on user fees. The Board will consider potential litigation to recover the charges owed.

Respectfully submitted,

By  \_\_\_\_\_  
Bradley R. Hogin, General Counsel

**PRIVILEGED AND CONFIDENTIAL  
ATTORNEY-CLIENT COMMUNICATION  
NOT A PUBLIC RECORD**

**MEMORANDUM**

TO: Hon. Chair and Members of the Orange County Sanitation District Board of Directors

FROM: Bradley R. Hogin, Esq.  
General Counsel

DATE: September 20, 2021

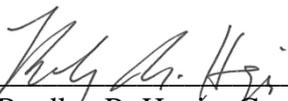
RE: Closed Session Items

---

The Board of Directors desires to hold a closed session on September 29, 2021 for the purpose of conferring with its legal counsel regarding potential litigation. Based on existing facts and circumstances, the Board is deciding whether to initiate litigation against another party. The closed session will be held pursuant to the authority of California Government Code Section 54956.9(d)(4).

The facts and circumstances are as follows. The District is planning to construct the Bay Bridge Pump Station and Force Mains Rehabilitation Project. In order to construct the project, the District must acquire certain property and easements adjacent to the current pump station. Negotiations with the property owner have proven unsuccessful, so the Board of Directors must meet to consider possible initiation of an eminent domain action.

Respectfully submitted,

By  \_\_\_\_\_  
Bradley R. Hogin, General Counsel



# BOARD OF DIRECTORS

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

## Agenda Report

---

**File #:** 2021-1882

**Agenda Date:** 9/29/2021

**Agenda Item No:** CS-2

---

**FROM:** James D. Herberg, 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: 3

- A. Arlin Blazevic v. Orange County Sanitation District; Natasha Dubrovski; Lorenzo Tyner; and Does 1-100, inclusive. Superior Court of California, County of Orange, Case No. 30-2020-01149812-CU-WT-CJC.
- B. Heidi M. Janz v. Orange County Sanitation District; Its Board of Directors, Officers, Officials, Agents and Celia Chandler, Director of Human Resources and Does 1 through 10, Superior Court of California, County of Orange, Case No. 30-2021-01208616-CU-OE-CJC.
- C. Raul Palazuelos v. Orange County Sanitation District, a government entity; Richard Kwiecien, an individual; and Does 1 through 100, inclusive. Superior Court of California, County of Orange, Case No. 30-2021-01217839-CU-OE-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:*

- Memoranda 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: September 20, 2021

RE: Closed Session Items

---

The Board of Directors desires to hold a closed session September 29, 2021 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 *Arlin Blazevic v. Orange County Sanitation District; Natasha Dubrovski; Lorenzo Tyner; and Does 1-100, inclusive*, Superior Court of California, County of Orange, Case No. 30-2020-01149812. 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

**MEMORANDUM**

TO: Hon. Chair and Members of the Orange County Sanitation District Board of Directors

FROM: Bradley R. Hogin, Esq.  
General Counsel

DATE: September 20, 2021

RE: Closed Session Items

---

The Board of Directors desires to hold a closed session September 29, 2021 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 *Heidi M. Janz v. Orange County Sanitation District; its Board of Directors, Officers, Officials, Agents and Celia Chandler, Director of Human Resources; and Does 1-10, inclusive*, Superior Court of California, County of Orange, Case No. 30-2021-01208616. 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

**MEMORANDUM**

TO: Hon. Chair and Members of the Orange County Sanitation District Board of Directors

FROM: Bradley R. Hogin, Esq.  
General Counsel

DATE: September 20, 2021

RE: Closed Session Items

---

The Board of Directors desires to hold a closed session September 29, 2021 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 *Raul Palazuelos v. Orange County Sanitation District; a government entity; Richard Kwiecien, an individual; and Does 1-100, inclusive*, Superior Court of California, County of Orange, Case No. 30-2021-01217839 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



# BOARD OF DIRECTORS

## Agenda Report

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

---

**File #:** 2021-1879

**Agenda Date:** 9/29/2021

**Agenda Item No:** CS-3

---

**FROM:** James D. Herberg, General Manager

**SUBJECT:**

**CONFERENCE WITH LABOR NEGOTIATORS - GOVERNMENT CODE SECTION 54957.6**

RECOMMENDATION: Convene in Closed Session:

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

Employee Organizations: International Union of Operating Engineers, Local 501; Orange County Employees Association; and the Supervisors and Professionals Group.

**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

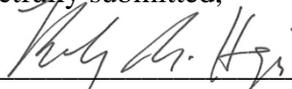
DATE: September 20, 2021

RE: Closed Session Items

---

The Board of Directors will hold a closed session on September 29, 2021 for the purpose of conferring with its labor negotiators to discuss negotiations with the International Union of Operating Engineers Local 501, the Orange County Employees Association, and the Supervisors and Professionals Group. The Agency Designated Representatives are Jim Herberg, Lorenzo Tyner, Rob Thompson and Celia Chandler. The closed session will be held pursuant to authority of California Government Code Section 54957.6.

Respectfully submitted,

By:   
Bradley R. Hogin, General Counsel



# BOARD OF DIRECTORS

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

## Agenda Report

---

**File #:** 2021-1880

**Agenda Date:** 9/29/2021

**Agenda Item No:** CS-4

---

**FROM:** James D. Herberg, General Manager

**SUBJECT:**

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS - GOVERNMENT CODE SECTION 54956.8**

RECOMMENDATION: Convene in Closed Session:

Number of Cases: 1

Property: Portions of 300 East Coast Highway, Newport Beach, CA; APN No. 440-132-60.

Agency negotiators: General Manager Jim Herberg, Assistant General Manager Lorenzo Tyner, Assistant General Manager Rob Thompson, Director of Engineering Kathy Millea, and Controller Wally Ritchie.

Negotiating parties: Bayside Village Marina, LLC

Under negotiation: Price and terms of payment

### 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: September 20, 2021

RE: Closed Session Items

---

The Board of Directors will hold a closed session on September 29, 2021 for the purpose of conferring with its negotiators regarding the purchase of real property. The negotiating parties and property are as follows: portions of 300 East Coast Highway, Newport Beach, CA - APN No. 440-132-60. The District's negotiators are General Manager, Jim Herberg; Assistant General Manager, Lorenzo Tyner; Assistant General Manager, Rob Thompson; Director of Engineering, Kathy Millea; and Controller Wally Ritchie. Said closed session will be held pursuant to authority of California Government Code Section 54956.8.

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

---

**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**

---

**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.