

**ORANGE COUNTY SANITATION DISTRICT  
BOARD OF DIRECTORS**

**AND**

**ORANGE COUNTY SANITATION DISTRICT  
FINANCING CORPORATION  
BOARD OF DIRECTORS**

**MINUTES**

**JUNE 22, 2022**



**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 Wednesday, June 22, 2022 at 6:05 p.m. in the Administration Building of the Orange County Sanitation District. Chair Withers stated that the meeting was being held telephonically and via Internet accessibility in accordance with new provisions in California Government Code Section 54953 and Resolution No. OC SAN 22-14, due to the continued State of Emergency Order. Chair Withers announced the teleconference meeting guidelines. Director Johnathan Ryan Hernandez delivered the invocation and Board Vice Chairman Chad Wanke led the Pledge of Allegiance.

**ROLL CALL AND DECLARATION OF QUORUM**

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

**PRESENT:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**STAFF PRESENT:** Jim Herberg, General Manager; Kelly Lore, Clerk of the Board, and Joshua Martinez were present in the Board Room. Rob Thompson, Assistant General Manager; Lorenzo Tyner, Assistant General Manager; Celia Chandler, Director of Human Resources; Kathy Millea, Director of Engineering; Riaz Moinuddin, Director of Operations and Maintenance; Lan Wiborg, Director of Environmental Services; Mo Abiodun; Mohaab Abodia; Janine Aguilar; Andrew Brown; Jennifer Cabral; Mortimer Caparas; Belen Carrillo; Tanya Chong; Ron Cortez; Raul Cuellar; Thys DeVries; Martin Dix; Mike Dorman; Brian Engeln; John Frattali; Laurie Klinger; Tina Knapp; Rebecca Long; Laura Maravilla; Rob Michaels; Andrew Nau; Adam Nazaroff; Wally Ritchie; Kevin Schuler; Cristina Stanford; Thomas Vu; Eros Yong; and Ruth Zintzun were in attendance telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel, was present in the Board Room. Gary Weisberg, Assistant General Counsel; Laura Kalty, Special Counsel, Liebert Cassidy Whitmore; Daniel Fears, Special Counsel, Payne & Fears; Katie Kaneko and Alyssa Thompson, Koff & Associates; John Snyder, Chapman University; Johnny Rocha; and Wastewater 101 Academy Graduates: Shahpoor Adil, Elisha Back, Brok Burchatz, Isabella Ford, Abdul Khamosh, Jennifer Manzella, and Jennifer Stephenson were in attendance telephonically.

**PUBLIC COMMENTS:**

None.

Clerk of the Board Kelly Lore stated that late communication was received regarding the addition of an attachment to Item No. 21 which was provided to the Directors and was made available to the public today.

### **SPECIAL PRESENTATIONS:**

1. **WASTEWATER 101 CITIZEN'S ACADEMY - GRADUATION**

[2022-2177](#)

**Originator:** Kelly Lore

Chair Withers announced and acknowledged the following:

Graduates of OC San's first Wastewater 101 Citizen's Academy:

Shahpoor Adil; Elisha Back; Brok Burchatz; Isabella Ford; Judy Johnson; Abdul Satar Khamosh; Jennifer Manzella; and Jennifer Stephenson.

2. **EMPLOYEE SERVICE AWARDS**

[2022-2354](#)

**Originator:** Kelly Lore

Chair Withers recognized the following:

**30-year Service Award**

Michelle Hetherington, Senior Engineer - Division 740

**20-year Service Award**

Martin Dix, Engineering Supervisor - Division 750

3. **RECOGNITION OF BOARD CHAIRMAN JOHN B. WITHERS**

[2022-2357](#)

**Originator:** Kelly Lore

Vice-Chair Chad Wanke and General Manager Jim Herberg recognized and presented Chair Withers with various certificates of commendation received from Orange County Board of Supervisor Don Wagner, Assembly Members Steven Choi and Dave Min, and Senator Alex Padilla. They also presented OC San's recognition of Chair Withers' service as Board Vice-Chairman and Board Chairman. Chair Withers thanked the Directors and staff for their assistance and noted various accomplishments during his leadership.

### **REPORTS:**

Chair Withers stated that an updated Resolution to continue teleconferencing of public meetings was on the agenda and based on legal counsel's review, and the Orange County Health Officer's orders, we may continue in this virtual setting, for the next 30 days, if this Resolution is adopted by the Board of Directors.

Chair Withers reminded the Directors of the upcoming Sexual Harassment Training on Wednesday, August 10, 2022 at 2:00 p.m. and stated the Clerk of the Board will provide more information to those that require the biennial training.

Chair Withers stated that the Directors would be receiving their talking points regarding OC San activities tomorrow, and also stated that tonight's meeting may be long, but encouraged the Directors to remain online to complete the important business on the agenda.

General Manager Herberg stated that he is presenting the final GM Work Plan for fiscal year 2022-2023 and provided a brief update. He also stated that he is presenting the year-end report for the 2021-2022 GM work plan and was happy to report that 18 of the 23 goals were completed; one will carry over to the 2022-2023 work plan and the other four will be completed in the next couple of months.

Mr. Herberg reported that OC San will host another Vendor Information Workshop on Tuesday, July 12 which will focus on professional services. More details can be found on the OC San website.

Mr. Herberg introduced announced Maintenance Manager Kevin Schuler who was recently promoted from Maintenance Superintendent and provided a brief background of Kevin's 11 years at OC San.

#### **ELECTIONS:**

**4. ELECTION FOR VICE CHAIRPERSON OF THE ORANGE COUNTY SANITATION DISTRICT BOARD OF DIRECTORS [2022-2353](#)**

**Originator:** Kelly Lore

General Counsel Brad Hogin provided instructions and facilitated the election process.

**RECOMMENDATION:**

Hold the election for Vice Chairperson of the Board of Directors.

Clerk of the Board Kelly Lore called roll and announced that Director Ryan Gallagher obtained 14 votes and Director Glenn Parker obtained 6 votes. Mr. Hogin announced that Director Gallagher was elected as the Board Vice-Chairman for 2022-2023.

#### **CONSENT CALENDAR:**

**5. APPROVAL OF MINUTES [2022-2355](#)**

**Originator:** Kelly Lore

**MOVED, SECONDED, AND DULY CARRIED TO:**

Approve Minutes of the Regular Board of Directors Meeting held May 25, 2022.

- AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman
- NOES:** None
- ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva
- ABSTENTIONS:** None

**6. RESOLUTION NO. OC SAN 22-15 COMMENDING BOARD CHAIRMAN JOHN B. WITHERS** [2022-2346](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 22-15, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District commending John B. Withers for his outstanding contributions and dedication to public service as Chairman of the Orange County Sanitation District's Board of Directors".

- AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman
- NOES:** None
- ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva
- ABSTENTIONS:** None

**7. ENCROACHMENT AGREEMENT AT 18007 AND 18191 VON KARMAN AVENUE, IRVINE, CA** [2022-2349](#)

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve and authorize the General Manager to execute an Encroachment Agreement with Lakeshore Land Owner PT LLC; Lakeshore Land Lessee PT LLC; and LTF Lease Company, LLC (Owner, Landlord, Tenant) for installation and operation of a grease interceptor at 18007 and 18191 Von Karman Avenue, Irvine, CA, in a form approved by General Counsel; and
- B. That the Clerk of the Board is hereby authorized and directed to record said Agreement in the official records of the Orange County Clerk-Recorder's Office.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**RECEIVE AND FILE:**

8. **REPORT OF THE INVESTMENT TRANSACTIONS FOR THE MONTH OF MAY 2022** [2021-2016](#)

**Originator:** Lorenzo Tyner

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

Report of the Investment Transactions for the month of May 2022.

9. **COMMITTEE MEETING MINUTES** [2022-2061](#)

**Originator:** Kelly Lore

WITHOUT OBJECTION ACTION TAKEN TO RECEIVE AND FILE THE FOLLOWING:

- A. Minutes of the Steering Committee Meeting held April 27, 2022  
B. Minutes of the Operations Committee Meeting held May 4, 2022  
C. Minutes of the Administration Committee Meeting held May 11, 2022

**OPERATIONS COMMITTEE:**

10. **ENGINEERING PROGRAM CONTRACT PERFORMANCE REPORT** [2022-2358](#)

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

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

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**12. PLANT NO. 2 TRICKLING FILTER “A” ROTARY DISTRIBUTOR MAST REPLACEMENT [2022-2360](#)**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a Sole Source Purchase Order Contract to Ovivo USA, LLC (Ovivo) for a direct replacement Center Mast assembly for the Plant No. 2 Trickling Filter “A” solids contact, Secondary Treatment, in an amount not to exceed \$461,500, plus applicable sales tax and shipping; and
- B. Approve a contingency of \$46,150 (10%).

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**13. SERVICE CONTRACT FOR PLANT NOS. 1 AND 2 CENTRAL GENERATION FACILITIES' CARBON MEDIA CHANGE-OUT [2022-2361](#)**

**Originator:** Riaz Moinuddin

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a Service Contract to Carbon Bulk Sales LLC to install and dispose of activated carbon media for Plant Nos. 1 and 2 Cen-Gen Facilities, Specification No. S-2022-1289BD, for a total amount not to exceed \$420,972 for the period beginning July 1, 2022 through June 30, 2023, with four (4) one-year renewal options; and
- B. Approve an annual contingency of \$42,097 (10%).

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**14. ENERGY AND DIGESTER GAS MASTER PLAN, PROJECT NO. [2022-2362](#)  
PS21-04**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve a Professional Services Agreement with Brown and Caldwell to provide engineering services for the Energy and Digester Gas Master Plan, Project No. PS21-04, for an amount not to exceed \$1,438,037; and
- B. Approve a contingency of \$143,804 (10%).

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**16. BUSHARD DIVERSION STRUCTURE REPAIR, PROJECT NO. MP-307 [2022-2364](#)**

**Originator:** Kathy Millea

MOVED, SECONDED, AND DULY CARRIED TO:



- A. Receive and file Bid Tabulation and Recommendation for Bushard Diversion Structure Repair, Project No. MP-307;
- B. Award a Construction Contract to Abhe & Svoboda, Inc. for Bushard Diversion Structure Repair, Project No. MP-307 for an amount not to exceed \$1,762,545; and
- C. Approve a contingency of \$176,255 (10%).

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Anthony Kuo, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

*Director Anthony Kuo departed the meeting at approximately 6:38 p.m.*

**11. BUILDING B FLOOR REPLACEMENT, JIB CRANE AND FORKLIFT PAD, PROJECT NO. FR1-0012** [2022-2359](#)

**Originator:** Kathy Millea

Item No. 11 was pulled and heard separately. In response to a question from Director Bates, Director of Engineering Kathy Millea provided additional details and differences of the Engineer's estimate and the possibility that additional work was underestimated due to unknown work restrictions.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Receive and file Bid Tabulation and Recommendation for Building B Floor Replacement, Jib Crane and Forklift Pad, Project No. FR1-0012;
- B. Award a Construction Contract to Vicon Enterprise for Building B Floor Replacement, Jib Crane and Forklift Pad, Project No. FR1-0012 for an amount not to exceed \$220,000; and
- C. Approve a contingency of \$22,000 (10%).

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** None

**15. REDHILL RELIEF SEWER RELOCATION AT STATE ROUTE 55, [2022-2363](#)  
PROJECT NO. FE18-13**

**Originator:** Kathy Millea

Item No. 15 was pulled and heard separately. In response to a question from Director Bates, Ms. Millea stated that this project is being funded by OCTA, and that due to a very tight timeline they had requested a 15% contingency to ensure the project continued without delay.

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Receive and file Bid Tabulation and Recommendation for Redhill Relief Sewer Relocation at State Route 55, Project No. FE18-13;
- B. Award a Construction Contract to SRK Engineering, Inc. for Redhill Relief Sewer Relocation at State Route 55, Project No. FE18-13 for an amount not to exceed \$2,213,000; and
- C. Approve a contingency of \$331,950 (15%).

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Donald Wagner, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols and Jesus Silva

**ABSTENTIONS:** Patrick Harper

*Director Don Wagner departed the meeting at approximately 6:43 p.m.*

**ADMINISTRATION COMMITTEE:**

**17. ENVIRONMENTAL REGULATORY REPORTS [2022-2373](#)**

**Originator:** Lan Wiborg

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file environmental regulatory reports: Annual Biosolids Management Compliance Report CY 2021, Annual Pretreatment Program Report FY 2021 (July 2020-June 2021), Semi-Annual Pretreatment Program Report (July-December 2021), Annual Mandatory Reporting of Greenhouse Gas Emissions Report CY 2021, Annual Emission Report CY 2021, Annual Marine Monitoring Annual Report FY 2021 (July 2020-June 2021), Quinquennial Sewer System Management Plan, and the Biannual Wastewater Discharge Requirements Sewer System Management Plan Audit.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**18. GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022-23 [2022-2374](#)**

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 22-16, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing the Annual Appropriations Limit for Fiscal Year 2022-23 for the Orange County Sanitation District in accordance with the Provisions of Division 9 of Title 1 of the California Government Code".

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**19. AWARD ACCEPTANCE PROTOCOLS [2022-2375](#)**

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 22-17 entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing Award Acceptance Protocols, and Repealing Resolution No. OCSD 08-19".

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**20. FY 2022-23 USE CHARGES FOR SANTA ANA WATERSHED PROJECT AUTHORITY [2022-2376](#)**

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 22-18, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing Use Charges for the 2022-23 Fiscal Year Pursuant to the Wastewater Treatment and Disposal Agreement with the Santa Ana Watershed Project Authority ("SAWPA")."

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**21. 2022-23 PROPERTY-LIABILITY INSURANCE RENEWALS [2022-2378](#)**

**Originator:** Lorenzo Tyner

Item No. 21 was pulled and heard separately. In response to a question from Director Bates, Assistant General Manager Lorenzo Tyner provided a brief explanation to the additional attachment provided regarding OC San's limits and structures covered for Earthquake Insurance coverage.

MOVED, SECONDED, AND DULY CARRIED TO:

Approve the Orange County Sanitation District FY 2022-23 Property-Liability Insurance Renewals included in the FY 2022-23 and FY 2023-24 Budget for the not-to-exceed amounts specified below:

Property and Boiler & Machinery - Not to Exceed	\$ 1,812,868
Excess General Liability Insurance - Not to Exceed	\$ 1,064,822
Excess Workers' Compensation Insurance - Not to Exceed	\$ 343,000
Earthquake Insurance - Not to Exceed	\$ 131,927
<b>TOTAL</b>	<b>\$ 3,352,617</b>

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**LEGISLATIVE AND PUBLIC AFFAIRS COMMITTEE:**

None.

**STEERING COMMITTEE:**

**22. GENERAL MANAGER'S FY 2021-2022 WORK PLAN YEAR-END REPORT [2022-2392](#)**

**Originator:** Jim Herberg

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the General Manager's FY 2021-2022 Work Plan Year-End Report.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

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**23. GENERAL MANAGER'S FISCAL YEAR 2022-2023 WORK PLAN** [2022-2393](#)

**Originator:** Jim Herberg

MOVED, SECONDED, AND DULY CARRIED TO:

Approve the General Manager's Fiscal Year 2022-2023 Work Plan.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**24. CLASSIFICATION & COMPENSATION STUDIES FINAL RESULTS** [2022-2394](#)

**Originator:** Celia Chandler

MOVED, SECONDED, AND DULY CARRIED TO:

Receive and file the June 2022 Classification Study Final Report and Total Compensation Study Final Report.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**25. PROPERTY ACQUISITION FOR 1516 BALBOA BOULEVARD WEST, NEWPORT BEACH, CA** [2022-2395](#)

**Originator:** Lorenzo Tyner

MOVED, SECONDED, AND DULY CARRIED TO:

- A. Approve the Agreement for Purchase and Sale of the Real Property and Escrow Instructions for the purchase of real estate from the City of Newport Beach for 1516 Balboa Boulevard West, Newport Beach, California, County Assessor Parcel Number 047-222-10 in a form approved by Special Counsel, for \$467,629.56; and
- B. Authorize the General Manager and Special Counsel to execute the following:
  - 1. Preliminary Title Report Consistent with the Standard Offer, Agreement, and Escrow Instructions;
  - 2. Title Approval Letter;
  - 3. Deeds and other evidence of title to the parcel of property that are the subject of the Purchase Agreement;
  - 4. Preliminary Change of Ownership Report;
  - 5. Acceptance of the Grant Deed to certain real property from City of Newport Beach;
  - 6. Approved Estimated Closing costs;
  - 7. Seller’s Mandatory Disclosure Statement acknowledging receipt of this document;
  - 8. Property Information Sheet acknowledging receipt of this document;
  - 9. Natural Hazard Disclosure Report acknowledging receipt of this document; and
  - 10. Any and all other instruments related to the transaction.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

Chair Withers recessed the OC San Board of Directors Meeting at 6:52 p.m.

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**ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION****CALL TO ORDER**

Chair Withers called the Board of Directors, Orange County Sanitation District Financing Corporation meeting to order at 6:52 p.m.

**ROLL CALL AND DECLARATION OF QUORUM**

Kelly Lore, Secretary of the Financing Corporation, declared a quorum present as follows:

**PRESENT:** Brad Avery, Ron Bates, Rose Espinoza, Stephen Faessel, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**ABSENT:** Art Brown, Kim Carr, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

Ms. Lore announced that the members of the Orange County Sanitation District Board of Directors were each being compensated \$212.50 for the Board of Directors Meeting; and no additional compensation for the Financing Corporation Meeting.

*Director Stephen Faessel departed the meeting at approximately 6:55 p.m.*

**APPROVAL OF MINUTES****FC-1 APPROVAL OF MINUTES - ORANGE COUNTY SANITATION  
DISTRICT FINANCING CORPORATION**[2022-2311](#)

**Originator:** Kelly Lore

MOVED, SECONDED AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Orange County Sanitation District Financing Corporation held December 15, 2021.

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** None

**ABSENT:** Art Brown, Kim Carr, Stephen Faessel, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None



**NON-CONSENT:**

**FC-2 ANNUAL STATUS REPORT OF THE ORANGE COUNTY SANITATION DISTRICT FINANCING CORPORATION [2022-2312](#)**

**Originator:** Lorenzo Tyner

Mr. Tyner provided the annual status report.

WITHOUT OBJECTION ACTION TAKEN TO:

Receive and file the Annual Status Report of the Orange County Sanitation District Financing Corporation.

Chair Withers adjourned the meeting of the Board of Directors, Orange County Sanitation District Financing Corporation at 6:58 p.m.

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Chair Withers reconvened the Orange County Sanitation District Board of Directors meeting at 6:59 p.m.

**NON-CONSENT:**

**26. PROPOSED FY 2022-23 AND FY 2023-24 BUDGET [2022-2379](#)**

**Originator:** Lorenzo Tyner

Director Bates stated concern regarding the approval of a two year budget and provided an alternate motion.

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt the proposed Operating, Capital, Debt Service, and Self-Insurance Budgets for FY 2022-23 and FY 2023-24 as follows; and return the FY 2023-24 budget for ratification prior to July 1, 2023:

	<b>FY 2022-23</b>	<b>FY 2023-24</b>
Net Operating	\$ 201,144,702	\$ 209,891,777
Self-Insurance - Workers' Comp.	\$ 790,000	\$ 810,000
Self-Insurance - Property & Gen. Liability	\$ 2,900,000	\$ 3,040,000
Net Capital Improvement Program	\$ 268,167,501	\$ 315,307,637
Debt/COP Service	\$ 68,568,134	\$ 68,611,384
Intra-District Joint Equity Purchase/Sale(1)	\$ 3,500,000	\$ 3,500,000
<b>TOTAL</b>	<b>\$ 545,070,337</b>	<b>\$ 601,160,798</b>

(1) Cash to/from Revenue Area 14 (RA14) in exchange for capital assets to/from Consolidated Revenue Area 15 (RA15)

**AYES:** Brad Avery, Ron Bates, Rose Espinoza, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman

**NOES:** Robert Ooten

**ABSENT:** Art Brown, Kim Carr, Stephen Faessel, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner

**ABSTENTIONS:** None

**27. CONTINUATION OF TELECONFERENCED PUBLIC MEETINGS [2022-2350](#)**

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Adopt Resolution No. OC SAN 22-19 entitled, "A Resolution of the Board of Directors of the Orange County Sanitation District authorizing the continuation of Remote Meetings pursuant to Government Code Section 54953".

- AYES:** Brad Avery, Ron Bates, Rose Espinoza, Ryan Gallagher, Marshall Goodman, Patrick Harper, Johnathan Ryan Hernandez, Brooke Jones, Steve Jones, Paulo Morales, Andrew Nguyen, Robert Ooten, Glenn Parker, David Shawver, Chad Wanke, John Withers and Chad Zimmerman
- NOES:** None
- ABSENT:** Art Brown, Kim Carr, Stephen Faessel, Anthony Kuo, Sandra Massa-Lavitt, Kim Nichols, Jesus Silva and Donald Wagner
- ABSTENTIONS:** None

*Director Hernandez departed the meeting at approximately 7:11 p.m.*

**INFORMATION ITEMS:**

None.

**AB 1234 DISCLOSURE REPORTS:**

Director David Shawver provided an update from his recent attendance at the OCCOG Board meeting.

**CLOSED SESSION:**

**CONVENED IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 54957.6 & 54956.9(d)(1).**

The Board convened in closed session at 7:12 p.m. Confidential minutes of the Closed Sessions have been prepared in accordance with the above Government Code Sections and are maintained by the Clerk of the Board in the Official Book of Confidential Minutes of Board and Committee Closed Session meetings.

**CS-1 CONFERENCE WITH LABOR NEGOTIATORS - GOVERNMENT CODE SECTION 54957.6**

[2022-2396](#)

CONVENED IN CLOSED SESSION:

Designated Representatives: General Manager James Herberg, Assistant General Managers Lorenzo Tyner and Rob Thompson, Director of Human Resources Celia Chandler, and Chief Negotiator Laura Kalty.

Employee Organizations: (3)

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

**CS-2 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - GOVERNMENT CODE SECTION 54956.9(d)(1)**

[2022-2397](#)

CONVENED IN CLOSED SESSION:

Number of Cases: 1

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.

**CS-3 CONFERENCE WITH LEGAL COUNSEL RE EXISTING LITIGATION - [2022-2398](#)  
GOVERNMENT CODE SECTION 54956.9(d)(1)**

CONVENED IN CLOSED SESSION:

Number of Cases: 1

Orange County Sanitation District, a public entity v. Bayside Village Marina, LLC, a limited liability company; Laguna Beach County Water District, a public entity; and Does 1-100, inclusive; and all Persons Unknown Claiming an Interest in the Property, Superior Court of California, County of Orange, Case No. 30-2022-01251890.

**RECONVENED IN REGULAR SESSION.**

The Board reconvened in regular session at 7:41 p.m.

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

General Counsel Brad Hogin stated there was no reportable action.

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

None.

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

Director Bates requested an update on Cyber Security.

Director Shawver commended and thanked Chair Withers for his leadership and their service together.

**ADJOURNMENT:**

At 7:45 p.m., Chair Withers adjourned the meeting until the next Regular Meeting of the Board of Directors to be held on Wednesday, July 27, 2022 at 6:00 p.m.

Submitted by:

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Kelly A. Lore, MMC  
Clerk of the Board