



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

Governor Newsom signed Assembly Bill (AB) 361 on September 16, 2021, which, in part, addresses the conduct of public meetings in light of the continued State of Emergency order.

Effective October 1, 2021, AB 361 suspends the requirements located in California Government Code, Section 54953, Subdivision (b), Paragraph (3) specifically pertaining to the conduct of public meetings. As such, the Orange County Sanitation District (OC San) Board of Directors has determined that due to the size of OC San'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. OC San offers several ways in which to interact during meetings. You will find information as to these opportunities below.

ONLINE MEETING PARTICIPATION

You may join the meeting live via Teams on your computer or similar device or web browser by using the link below:

[Click here to join the meeting](#)

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

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

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

HOW TO PARTICIPATE IN THE MEETING BY TELEPHONE

To join the meeting from your phone: Dial (213) 279-1455
When prompted, enter the Phone Conference ID: 611 606 060#

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

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

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

VIEW THE MEETING ONLINE ONLY

The meeting will be available for online viewing only at:

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

HOW TO SUBMIT A COMMENT

You may provide verbal comment in real time during the meeting. In order to provide a verbal comment, please raise your hand as described above or alert the Clerk of the Board before or during the public comment period.

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

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

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

TECHNICAL SUPPORT PRIOR TO AND DURING MEETINGS

For technical assistance before and during the meeting, please call 714-593-7431. For any other questions and/or concerns, please contact the Clerk of the Board's office at 714-593-7433. Thank you, in advance, for your patience in working with these technologies. We appreciate your interest in OC San!

January 26, 2023

NOTICE OF REGULAR MEETING

**OPERATIONS COMMITTEE
ORANGE COUNTY SANITATION DISTRICT**

Wednesday, February 1, 2023 – 5:00 P.M.

ACCESSIBILITY FOR THE GENERAL PUBLIC

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

The Regular Meeting of the Operations Committee of the Orange County Sanitation District will be held at the above location and in the manner indicated on Wednesday, February 1, 2023 at 5:00 p.m.



Clerk of the Board

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

OPERATIONS COMMITTEE MEETING DATE	BOARD MEETING DATE
02/01/23	02/22/23
03/01/23	03/22/23
04/05/23	04/26/23
05/03/23	05/24/23
06/07/23	06/28/23
07/05/23	07/26/23
AUGUST DARK	08/23/23
09/06/23	09/27/23
10/04/23	10/25/23
11/01/23	11/15/23 *
12/06/23	12/14/23 **
JANUARY DARK	01/24/24

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

*** Meeting will be held on the second Thursday of the month*

ROLL CALL

OPERATIONS COMMITTEE Engineering and Operations & Maintenance

Meeting Date: February 1, 2023

Time: 5:00 p.m.

Adjourn: _____

COMMITTEE MEMBERS (14)

Marshall Goodman (Chair)	
Bob Ooten (Vice-Chair)	
Brad Avery	
Doug Chaffee	
Jon Dumitru	
Stephen Faessel	
Phil Hawkins	
Johnathan Ryan Hernandez	
Steve Jones	
Sandra Massa-Lavitt	
Scott Minikus	
Bruce Whitaker	
Chad Wanke (Board Chair)	
Ryan Gallagher (Board Vice-Chair)	

OTHERS

Brad Hogin, General Counsel	
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STAFF

Jim Herberg, General Manager	
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 & Maintenance	
Lan Wiborg, Director of Environmental Services	
Kelly Lore, Clerk of the Board	

ORANGE COUNTY SANITATION DISTRICT
BOARD OF DIRECTORS
Complete Roster

Effective 01/24/2023

AGENCY/CITIES	ACTIVE DIRECTOR	ALTERNATE DIRECTOR
Anaheim	Stephen Faessel	Natalie Meeks
Brea	Christine Marick	Cecilia Hupp
Buena Park	Susan Sonne	Art Brown
Cypress	Scott Minikus	Bonnie Peat
Fountain Valley	Glenn Grandis	Ted Bui
Fullerton	Bruce Whitaker	Nick Dunlap
Garden Grove	Steve Jones	John O'Neill
Huntington Beach	Pat Burns	Gracey Van Der Mark
Irvine	Farrah N. Khan	Tammy Kim
La Habra	Rose Espinoza	Jose Medrano
La Palma	Marshall Goodman	Debbie Baker
Los Alamitos	Jordan Nefulda	Emily Hibard
Newport Beach	Brad Avery	Erik Weigand
Orange	Jon Dumitru	John Gyllenhammer
Placentia	Chad Wanke	Ward Smith
Santa Ana	Johnathan Ryan Hernandez	Benjamin Vazquez
Seal Beach	Sandra Massa-Lavitt	Schelly Sustarsic
Stanton	David Shawver	Carol Warren
Tustin	Ryan Gallagher	Austin Lumbard
Villa Park	Robbie Pitts	Jordan Wu

Sanitary/Water Districts

Costa Mesa Sanitary District	Bob Ooten	Art Perry
Midway City Sanitary District	Andrew Nguyen	Mark Nguyen
Irvine Ranch Water District	John Withers	Douglas Reinhart
Yorba Linda Water District	Phil Hawkins	Tom Lindsey

County Areas

Board of Supervisors	Doug Chaffee	Donald P. Wagner
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OPERATIONS COMMITTEE
Regular Meeting Agenda
Wednesday, February 1, 2023 - 5:00 PM
Board Room
Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433

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

AGENDA POSTING: In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted outside the main gate of the OC San's Administration Building located at 10844 Ellis Avenue, Fountain Valley, California, and on the OC San's website at www.ocsan.gov 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 at <https://ocsd.legistar.com/Calendar.aspx> or by contacting the Clerk of the Board at (714) 593-7433.

NOTICE TO DIRECTORS: To place items on the agenda for a Committee or Board Meeting, the item must be submitted in writing to the Clerk of the Board: Kelly A. Lore, MMC, (714) 593-7433 / klore@ocsan.gov 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 / (714) 593-7300
Asst. General Manager: Lorenzo Tyner, ltyner@ocsan.gov / (714) 593-7550
Asst. General Manager: Rob Thompson, rthompson@ocsan.gov / (714) 593-7310
Director of Human Resources: Celia Chandler, cchandler@ocsan.gov / (714) 593-7202
Director of Engineering: Kathy Millea, kmillea@ocsan.gov / (714) 593-7365
Director of Environmental Services: Lan Wiborg, lwiborg@ocsan.gov / (714) 593-7450
Director of Operations & Maintenance: Riaz Moinuddin, rmoinuddin@ocsan.gov / (714) 593-7269

CALL TO ORDER**PLEDGE OF ALLEGIANCE****ROLL CALL AND DECLARATION OF QUORUM:**

Clerk of the Board

PUBLIC COMMENTS:

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

REPORTS:

The Committee 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 Committee, after one motion, without discussion. Any items withdrawn from the Consent Calendar for separate discussion will be considered in the regular order of business.

1. APPROVAL OF MINUTES**[2023-2748](#)****RECOMMENDATION:**

Approve Minutes of the Regular Meeting of the Operations Committee held December 7, 2022.

Originator: Kelly Lore

Attachments: [Agenda Report](#)
[12-07-2022 Operations Committee Minutes](#)

2. UNINTERRUPTIBLE POWER SUPPLY IMPROVEMENTS AT PLANT NO. 1, PROJECT NO. P1-132 [2021-1973](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Construction Services Agreement with Tetra Tech, Inc. to provide construction support services for Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132, for an amount not to exceed \$217,830; and
- B. Approve a contingency of \$21,783 (10%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Draft P1-132 PCSA](#)

3. NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS, PROJECT NO. 5-68 [2022-2326](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68;
- B. Award a Construction Contract to Innovative Construction Solutions for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed \$937,500; and
- C. Approve a contingency of \$93,750 (10%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[5-68 Contract Agreement](#)

4. NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS, PROJECT NO. 5-68 [2022-2325](#)

RECOMMENDATION:

- A. Approve a Professional Construction Services Agreement with Dudek to provide construction support services for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed \$124,979; and
- B. Approve a contingency of \$12,497 (10%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[5-68 PCSA](#)

**5. CAD DESIGN MANUAL UPDATE FOR 3D DESIGN, PROJECT NO. [2022-2526](#)
PS21-05**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Services Agreement with The Austin Company to provide support services for CAD Design Manual Update for 3D Design, Project No. PS21-05, for a total amount not to exceed \$416,000; and
- B. Approve a contingency of \$41,600 (10%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Draft PS21-05 PSA](#)
[PS21-05 PSA Attachment A - Scope of Work](#)

**6. HEADWORKS PHASE 3 CABLE REPLACEMENT AT PLANT NO. 2, [2022-2617](#)
PROJECT NO. FR2-0026**

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Find that Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026, is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 and authorize staff to file a Notice of Exemption with the OC Clerk-Recorder;
- B. Receive and file Bid Tabulation and Recommendation for Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026;
- C. Award a Construction Contract to ACS Engineering Inc. for Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026; for a total amount not to exceed \$575,360; and
- D. Approve a contingency of \$115,072 (20%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[FR2-0026 Contract Agreement & Exhibit A - Schedule of Prices](#)

7. **MAIN SEWAGE PUMP VARIABLE FREQUENCY DRIVE TRANSFER SWITCH AND UNINTERRUPTABLE POWER SUPPLY SYSTEM IMPLEMENTATION AT PLANT NO. 2** [2023-2695](#)

RECOMMENDATION:

- A. Approve a Sole Source Purchase Order Contract to One Source/Rockwell Automation for modifications to the six main sewage pump Variable Frequency Drives for a total amount not to exceed \$103,628; and,
- B. Approve a contingency of \$10,363 (10%).

Originator: Riaz Moinuddin

Attachments: [Agenda Report](#)

8. **ROLL UP, SLIDE AND FIRE DOOR MAINTENANCE, AND DROP TESTING, SPECIFICATION NO. S-2022-1368BD** [2023-2696](#)

RECOMMENDATION:

- A. Approve a Purchase Order Contract with Excel Door & Gate Company for Roll Up, Slide and Fire Door Maintenance, and Drop Testing, Specification No. S-2022-1368BD, in the amount of \$124,000 and an additional \$50,000 for parts associated with corrective maintenance, for a total annual amount not to exceed \$174,000, beginning March 1, 2023, through February 29, 2024, with four (4) one-year renewal options; and,
- B. Approve an annual contingency of \$17,400 (10%).

Originator: Riaz Moinuddin

Attachments: [Agenda Report](#)

9. **GENERAL AND SEMI-SKILLED LABOR REPAIRS, SPECIFICATION NO. S-2022-1370BD** [2023-2697](#)

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order Contract to Tiano Construction, Inc. (as the Primary Contractor) and MPK Solutions (as the Secondary Contractor) to provide General and Semi-Skilled Labor Repairs, Specification No. S-2022-1370BD, for a total amount not to exceed \$300,000 for the period beginning March 1, 2023 through February 29, 2024, with four (4) one-year renewal options; and
- B. Approve an annual contingency of \$30,000 (10%).

Originator: Riaz Moinuddin

Attachments: [Agenda Report](#)

10. QUARTERLY ODOR COMPLAINT REPORT [2023-2744](#)**RECOMMENDATION:**

Receive and file the Fiscal Year 2022-23 Second Quarter Odor Complaint Report.

Originator: Riaz Moinuddin

Attachments: [Agenda Report](#)
[FY 2022-23 2nd Qtr Odor Complaints Report](#)
[Summary-FINAL](#)

11. FLEET VEHICLE REPLACEMENT PURCHASE RATIFICATION [2023-2747](#)

RECOMMENDATION: Recommend to the Board of Directors to:

Ratify the authorization given to the General Manager and Purchasing Manager to allow flexibility in the vehicle type/class quantity and funding while not exceeding the approved budgeted total amount of \$1,330,300. This will ensure the available replacement vehicles needed to sustain the fleet can be procured through the issued purchase orders with the following breakdown:

- A. Replacement vehicles for OC San's fleet as originally approved in the adopted fiscal year 2022/23 budget in the amounts of:
- Two light-duty trucks - \$78,760
 - Two medium-duty utility trucks - \$200,518
- B. Replacement vehicles for OC San's fleet as originally approved in the adopted fiscal year 2021/22 budget in the remaining amounts of:
- One medium-duty truck - \$60,095
 - One heavy-duty truck - \$162,113
 - Eight Hybrid SUV's (AWD) - \$357,818
 - Two light-duty trucks - \$137,161

Originator: Riaz Moinuddin

Attachments: [Agenda Report](#)

NON-CONSENT:**12. OCEAN OUTFALL CONDITION ASSESSMENT AND SCOPING STUDY, [2022-2658](#)
PROJECT NO. PS18-09**

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a contingency increase of \$1,097,600 (40%) to the Professional Services Agreement with Carollo Engineers, Inc. for Ocean Outfall Condition Assessment and Scoping Study, Project No. PS18-09, for a total contingency of \$2,195,200 (80%).

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Presentation - PS18-09 PSA Contingency Increase](#)

13. LIQUID FERRIC CHLORIDE SPECIFICATION NO. C-2019-1037BD [2023-2746](#)
CONTINGENCY INCREASE

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a unit price contingency of \$226 per dry ton (27%) to the Liquid Ferric Chloride Agreement with Pencco, Inc., Specification No.C-2019-1037BD, for the period beginning March 1, 2023 through June 30, 2023. New unit cost not to exceed \$1,075 per dry ton delivered; and
- B. Approve a unit price contingency of \$310 per dry ton (32%) to the liquid Ferric Chloride Agreement with Kemira, Inc., Specification No.C-2019-1037BD, for the period beginning March 1, 2023 through June 30, 2023. New unit cost not to exceed \$1,274.47 per dry ton delivered.

Originator: Riaz Moinuddin

Attachments: [Agenda Report](#)

14. HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. [2022-2615](#)
P1-128A - QUARTERLY UPDATE

RECOMMENDATION:

Information Item.

Originator: Kathy Millea

Attachments: [Agenda Report](#)
[Presentation - Headquarters Update](#)

15. LONG LEAD TIME AUDIO VISUAL EQUIPMENT PURCHASE FOR [2023-2699](#)
HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO.
P1-128A

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Purchase Order to AVI-SPL LLC for the purchase of Audio Visual Equipment, Specification No. E-2022-1374BD, for a total amount not to exceed \$911,309 plus applicable sales tax.

Originator: Kathy Millea

Attachments: [Agenda Report](#)

INFORMATION ITEMS:

16. OC SAN RESERVES AND INVESTMENTS

[2023-2749](#)

RECOMMENDATION:

Information Item.

Originator: Lorenzo Tyner

Attachments: [Agenda Report](#)
[Presentation - Reserves and Investments](#)

DEPARTMENT HEAD REPORTS:

CLOSED SESSION:

None.

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 meeting until the Special Meeting of the Operations Committee on March 1, 2023 at 3:00 p.m.



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2023-2748

Agenda Date: 2/1/2023

Agenda Item No: 1.

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 Operations Committee held December 7, 2022.

BACKGROUND

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

RELEVANT STANDARDS

- Resolution No. OC SAN 22-37

ATTACHMENT

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

- Minutes of the Operations Committee meeting held December 7, 2022



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, December 7, 2022 at 5:01 p.m. Chair Jones stated that the meeting was being held telephonically and via internet accessibility. Chair Jones led the flag salute.

ROLL CALL AND DECLARATION OF QUORUM:

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

PRESENT: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

ABSENT: Kim Nichols and Donald Wagner

STAFF PRESENT: Kelly Lore, Clerk of the Board, and Moyo Abiodun were present in the Board Room. Jim Herberg, General Manager; 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; Jennifer Cabral; Jackie Castro; Wai Chan; Tanya Chong; Raul Cuellar; Jacob Dalgoff; Martin Dix; Mike Dorman; Justin Fenton; Michelle Hetherington; Tina Knapp; Rob Michaels; Cindy Murra; Nasrin Nasrollahi; Valerie Ratto; Wally Ritchie; Thomas Vu; Todd Waltz; Eros Yong; and Ruth Zintzun were in attendance telephonically.

OTHERS PRESENT: Brad Hogen, General Counsel; Charlie Guess; Katie Kane; Anni Larkins; Jeff Mohr; and Chad Zimmerman were in attendance telephonically.

PUBLIC COMMENTS:

No public comments were received.

Clerk of the Board Kelly Lore stated that she received late communication from Director of Engineering Kathy Millea regarding Item No. 9. The revised table was emailed to the Directors today and was also made available to the public.

REPORTS:

Chair Jones announced that, as a result of the recent election, after tonight's meeting he will no longer be serving as a Director on OC San's Board of Directors.

General Manager Jim Herberg notified the Committee of a fatal car accident that took place at the Westminster Boulevard project site which was covered in a recent *OC Register* article.

CONSENT CALENDAR:**1. APPROVAL OF MINUTES [2022-2638](#)**

Originator: Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Operations Committee held November 2, 2022.

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

2. VFD REPLACEMENTS AT PLANT NO. 1, PROJECT NO. FR1-0011 [2022-2461](#)

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 VFD Replacements at Plant No. 1, Project No. FR1-0011;

B. Award a Construction Contract to ACS Engineering, Inc. for VFD Replacements at Plant No. 1, Project No. FR1-0011, for a total amount not to exceed \$1,214,888; and

C. Approve a contingency of \$121,488 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

3. ENGINEERING PROGRAM CONTRACT PERFORMANCE REPORT [2022-2529](#)

Originator: Kathy Millea

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

Receive and file the Engineering Program Contract Performance Report for the period ending September 30, 2022.

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

4. LIQUID OXYGEN TANK A REPLACEMENT AT PLANT NO. 2 (FE21-07), SPECIFICATION NO. S-2022-1345BD [2022-2533](#)

Originator: Kathy Millea

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

A. Approve a General Services Contract with J.R. Filanc Construction Company, Inc. to provide the Liquid Oxygen Tank A Replacement at Plant No. 2 (FE21-07), Specification No. S-2022-1345BD for a total amount not to exceed \$2,608,007; and

B. Approve a contingency in the amount of \$260,801 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

5. **CENGEN SMOKE DETECTION IMPROVEMENTS AT PLANT NO. 1 AND NO. 2, PROJECT NO. FE20-09** [2022-2561](#)

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 CenGen Smoke Detection Improvements at Plant No. 1 and No. 2, Project No. FE20-09;
- B. Award a Construction Contract to ADT Commercial, LLC, for CenGen Smoke Detection Improvements at Plant No. 1 and No. 2, Project No. FE20-09, for a total amount not to exceed \$313,000; and
- C. Approve a contingency of \$31,300 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

6. **RETURN ACTIVATED SLUDGE DISCHARGE PIPING REPLACEMENT AT ACTIVATED SLUDGE PLANT NO. 1, PROJECT NO. FE20-03** [2022-2459](#)

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 Return Activated Sludge Discharge Piping Replacement at Activated Sludge Plant No. 1, Project No. FE20-03;
- B. Award a Construction Contract to GSE Construction Company Inc. for Return Activated Sludge Discharge Piping Replacement at Activated Sludge Plant No. 1, Project No. FE20-03, for a total amount not to exceed \$3,985,400; and
- C. Approve a contingency of \$398,540 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

7. ORANGE COUNTY SANITATION DISTRICT 2022 ASSET MANAGEMENT PLAN

[2022-2573](#)

Originator: Kathy Millea

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

Adopt the Orange County Sanitation District 2022 Asset Management Plan.

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

8. SUPERCRITICAL WATER OXIDATION DEMONSTRATION AT PLANT NO. 1, PROJECT NO. RE21-01

[2022-2604](#)

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 Supercritical Water Oxidation Demonstration at Plant No. 1, Project No. RE21-01;

B. Award a Construction Contract to Garney Pacific, Inc. for Supercritical Water Oxidation Demonstration at Plant No. 1, Project No. RE21-01, for a total amount not to exceed \$1,172,000; and

C. Approve a contingency of \$117,200 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

9. TPAD DIGESTER FACILITY AT PLANT NO. 2, PROJECT NO. P2-128 [2022-2538](#)

Originator: Kathy Millea

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

- A. Consider, receive, and file the Addendum to the Final Program Environmental Impact report for Biosolids Master Plan for Project No. P2-128; and
- B. Approve the project modifications as identified and described in the Addendum to the Final Program Environmental Impact report for Biosolids Master Plan for Project No. P2-128 (Chapter 4.0, Table 2, pages 8-11).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

NON-CONSENT:

Director Johnathan Ryan Hernandez appeared to be away.

10. UNINTERRUPTIBLE POWER SUPPLY IMPROVEMENTS AT PLANT NO. 1, PROJECT NO. P1-132 [2021-1974](#)

Originator: Kathy Millea

Director of Engineering Kathy Millea introduced Engineering Manager Mike Dorman who provided a PowerPoint presentation regarding the Uninterruptible Power Supply Improvements at Plant No. 1 project. Mr. Dorman and Ms. Millea responded to questions regarding the bid results and budget request.

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

- A. Receive and file Bid Tabulation and Recommendation for Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132;
- B. Approve a project budget increase of \$2,600,000 for Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132, for a new total project budget of \$9,600,000;
- C. Award a Construction Contract to LEED Electric, Inc. for Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132 for an amount not to exceed \$5,765,789; and
- D. Approve a contingency of \$576,579 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Johnathan Ryan Hernandez, Kim Nichols and Donald Wagner

ABSTENTIONS: None

**11. OPERATIONS AND MAINTENANCE FACILITY IMPROVEMENTS AT [2022-2534](#)
PLANT NO. 2, PROJECT NO. P2-138**

Originator: Kathy Millea

Ms. Millea provided a PowerPoint presentation regarding the Operations and Maintenance Facility Improvements at Plant No. 2 project, which included the master planning efforts, support facilities, operations center and maintenance building issues, the original scope vs. current scope, the proposed project, the selection process, negotiations, and an overview of the Recommendation.

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

- A. Approve a Professional Design Services Agreement with Stantec Architecture Inc. to provide engineering services for Operations and Maintenance Facility Improvements at Plant No. 2, Project No. P2-138, for an amount not to exceed \$7,914,529; and
- B. Approve a contingency of \$791,453 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Johnathan Ryan Hernandez, Kim Nichols and Donald Wagner

ABSTENTIONS: None

12. ACTIVATED SLUDGE-1 AND SECONDARY CLARIFIER REHABILITATION, PROJECT NO. P1-140 [2022-2559](#)

Originator: Kathy Millea

Ms. Millea introduced Engineering Supervisor Valerie Ratto who provided a PowerPoint presentation regarding the Activated Sludge-1 and Secondary Clarifier Rehabilitation project, which included an overview of the project location, the activated sludge process, the condition of the equipment, the proposed solution, the demolition of adjacent facilities, the selection process, negotiations, and Recommendation.

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

- A. Approve a Professional Design Services Agreement with HDR Engineering, Inc., to provide engineering services for Activated Sludge-1 and Secondary Clarifier Rehabilitation, Project No. P1-140, for an amount not to exceed \$18,462,443; and
- B. Approve a contingency of \$1,846,244 (10%).

AYES: Brooke Jones, Ryan Gallagher, Marshall Goodman, Stephen Faessel, Johnathan Ryan Hernandez, Steve Jones, Sandra Massa-Lavitt, Paulo Morales, Robert Ooten, Jesus Silva and Chad Wanke

NOES: None

ABSENT: Kim Nichols and Donald Wagner

ABSTENTIONS: None

INFORMATION ITEMS:**13. RATE STUDY UPDATE PRESENTATION** [2022-2410](#)

Originator: Lorenzo Tyner

Assistant General Manager Lorenzo Tyner provided a PowerPoint presentation summarizing the 2023 through 2028 Rate Program, which included the preparation and analysis, revenue, general user fees, industrial operations and maintenance fees, capital facilities capacity charge, rebates, refunds, and the proposed schedule for adoption.

ITEM RECEIVED AS AN:

Information Item.

14. LIDO PUMP STATION SEWAGE SPILL [2022-2639](#)

Originator: Riaz Moinuddin

Director of Operations and Maintenance Riaz Moinuddin and Engineering Manager Justin Fenton provided an update regarding the Lido Pump Station sewage spill.

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 6:13 p.m. to the next Regular Operations Committee meeting to be held on Wednesday, February 1, 2023 at 5:00 p.m.

Submitted by:

Kelly A. Lore, MMC
Clerk of the Board



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2021-1973

Agenda Date: 2/1/2023

Agenda Item No: 2.

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

SUBJECT:

UNINTERRUPTIBLE POWER SUPPLY IMPROVEMENTS AT PLANT NO. 1, PROJECT NO. P1-132

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Construction Services Agreement with Tetra Tech, Inc. to provide construction support services for Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132, for an amount not to exceed \$217,830; and
- B. Approve a contingency of \$21,783 (10%).

BACKGROUND

Tetra Tech, Inc. was selected as part of a competitive, qualifications-based solicitation process to design Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132. At the time of the solicitation, the Orange County Sanitation District (OC San) documented its intent to award a subsequent agreement to the design consultant for continuation of engineering services during construction.

This project will replace 15 smaller commercial-grade Uninterruptible Power Supply (UPS) units by consolidating them into a single industrial-grade UPS in Power Building 8 to serve the northwest area of Plant No. 1. The project will also replace aged 480-volt electrical distribution equipment in the Maintenance, Rebuild Shops, Purchasing, and Warehouse areas.

RELEVANT STANDARDS

- Comply with California Government Code Section 4526 to engage the best qualified firm “on the basis of demonstrated competence and qualifications” and “negotiate fair and reasonable fees”
- Ensure the public’s money is wisely spent

PROBLEM

This project requires the design consultant to provide as-needed services during construction including submittal review, responding to the Contractor's requests for information, reviewing construction change orders, participating in meetings, attending site visits, preparation of standard operating procedures, providing startup assistance, and preparing record drawings.

PROPOSED SOLUTION

Approve a Professional Construction Services Agreement with the design consultant, Tetra Tech, Inc., to provide engineering support services during construction.

TIMING CONCERNS

Engineering support services will be required soon after the start of the construction Notice to Proceed. Construction is anticipated to start in February 2023.

RAMIFICATIONS OF NOT TAKING ACTION

The engineering support services needed to facilitate and review construction activities would not be available by the Engineer of Record, which may negatively impact the contract execution.

PRIOR COMMITTEE/BOARD ACTIONS

November 2019 - Approved a Professional Design Services Agreement with Tetra Tech, Inc. to provide engineering services for Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132, for an amount not to exceed \$784,680; and approved a contingency of \$78,468 (10%).

ADDITIONAL INFORMATION

Tetra Tech, Inc. has successfully furnished engineering services for the design of this project and their support services during construction will provide continuity through the completion of the project.

Staff negotiated with Tetra Tech, Inc. for these support services in accordance with OC San's adopted policies and procedures. A review of the proposed price was conducted using estimated quantities of requests for information, submittals, meetings, site visits, change order review, and design revisions, as well as the level of effort for preparing record drawings. Based on this review, staff determined the negotiated fee to be fair and reasonable for these services.

CEQA

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

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This project has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-24, Section 8, Page 56, Uninterruptible Power Supply Improvements at Plant No. 1, Project No. P1-132) 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) with the complete agenda package:

- Draft Professional Construction Services Agreement

TW:tk

PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT

This PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT, (hereinafter referred to as "Agreement"), is made and entered into to be effective the «date» day of «Month», «year» by and between the ORANGE COUNTY SANITATION DISTRICT, (hereinafter referred to as "OC SAN"), and TETRA TECH, INC., (hereinafter referred to as "CONSULTANT").

WITNESSETH:

WHEREAS, OC SAN desires to engage CONSULTANT to provide construction support services for Uninterruptible Power Supply Improvements at Plant 1, Project No. P1-132 (Construction Support Services); and

WHEREAS, CONSULTANT is qualified to provide the necessary services for the Construction Support Services in connection with these requirements; and

WHEREAS, OC SAN has adopted procedures in accordance with OC SAN's Ordinance No. OC SAN-56, Section 4.03(B), for the continuation of services and has proceeded in accordance with said procedures to perform the Construction Support Services; and

WHEREAS, at its regular meeting on «Board Meeting Date» the Board of Directors, by Minute Order, accepted the recommendation of the Operations Committee or Director of Engineering and General Manager pursuant to OC SAN's Ordinance No. OC SAN-56 to approve this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual benefits, which will result to the parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

1. SCOPE OF WORK

CONSULTANT agrees to furnish necessary professional and technical services to accomplish those project elements outlined in the Scope of Work attached hereto as "Attachment A", and by this reference made a part of this Agreement.

- A. The CONSULTANT shall be responsible for the professional quality, technical accuracy, completeness, and coordination of all design, drawings, specifications, and other services furnished by the CONSULTANT under this Agreement, including the work performed by its subconsultants (Subconsultants). Where approval by OC SAN is indicated, it is understood to be conceptual approval only and does not relieve the CONSULTANT of responsibility for complying with all laws, codes, industry standards and liability for damages caused by errors, omissions, noncompliance with industry standards, and/or negligence on the part of the CONSULTANT or its Subconsultants.
- B. CONSULTANT is responsible for the quality of work prepared under this Agreement and shall ensure that all work is performed to the standards of best engineering practice for clarity, uniformity, and completeness.

- C. In the event that work is not performed to the satisfaction of OC SAN and does not conform to the requirements of this Agreement or any applicable industry standards, the CONSULTANT shall, without additional compensation, promptly correct or revise any errors or deficiencies in its designs, drawings, specifications, or other services within the timeframe specified by the Project Engineer/Project Manager. OC SAN may charge to CONSULTANT all costs, expenses and damages associated with any such corrections or revisions.
- D. All CADD drawings, figures, and other work shall be produced by CONSULTANTS and Subconsultants using OC SAN standard software. Conversion of CADD work from any other non-standard CADD format to OC SAN format shall not be acceptable in lieu of this requirement.

Electronic files shall be subject to an acceptance period of thirty (30) calendar days during which OC SAN shall perform appropriate acceptance tests. CONSULTANT shall correct any discrepancies or errors detected and reported within the acceptance period at no additional cost to OC SAN.

- E. All professional services performed by the CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, and estimates compiled or composed by the CONSULTANT, pursuant to this Agreement, are for the sole use of OC SAN, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of OC SAN. This provision does not apply to information that (a) was publicly known, or otherwise known to the CONSULTANT, at the time that it was disclosed to the CONSULTANT by OC SAN, (b) subsequently becomes publicly known to the CONSULTANT other than through disclosure by OC SAN.

2. COMPENSATION

Total compensation shall be paid to CONSULTANT for the Construction Support Services in accordance with the following provisions:

A. Total Compensation

Total compensation shall be in an amount not to exceed «Grand Total Written Amount» Dollars (\$«Grand Total Amount»). Total compensation to CONSULTANT including burdened labor (salaries plus benefits), overhead, profit, direct costs, and Subconsultant(s) fees and costs shall not exceed the sum set forth in Attachment "E" - Fee Proposal.

B. Labor

As a portion of the total compensation to be paid to CONSULTANT, OC SAN shall pay to CONSULTANT a sum equal to the burdened salaries (salaries plus benefits) actually paid by CONSULTANT charged on an hourly-rate basis to this project and paid to the personnel of CONSULTANT. Upon request of OC SAN, CONSULTANT shall provide OC SAN with certified payroll records of all employees' work that is charged to this project.

C. Overhead

As a portion of the total compensation to be paid to CONSULTANT, OC SAN shall compensate CONSULTANT and Subconsultants for overhead at the rate equal to the percentage of burdened labor as specified in Attachment "E" - Fee Proposal.

D. Profit

Profit for CONSULTANT and Subconsultants shall be a percentage of consulting services fees (Burdened Labor and Overhead). When the consulting or subconsulting services amount is \$250,000 or less, the maximum Profit shall be 10%. Between \$250,000 and \$2,500,000, the maximum Profit shall be limited by a straight declining percentage between 10% and 5%. For consulting or subconsulting services fees with a value greater than \$2,500,000, the maximum Profit shall be 5%. Addenda shall be governed by the same maximum Profit percentage after adding consulting services fees.

As a portion of the total compensation to be paid to CONSULTANT and Subconsultants, OC SAN shall pay profit for all services rendered by CONSULTANT and Subconsultants for this project according to Attachment "E" - Fee Proposal.

E. Subconsultants

For any Subconsultant whose fees for services are greater than or equal to \$100,000 (excluding out-of-pocket costs), CONSULTANT shall pay to Subconsultant total compensation in accordance with the Subconsultant amount specified in Attachment "E" - Fee Proposal.

For any Subconsultant whose fees for services are less than \$100,000, CONSULTANT may pay to Subconsultant total compensation on an hourly-rate basis [NOTE: If there are no Subconsultants under \$100K, delete this phase 'per attached hourly rate schedule'.] per the attached hourly rate Schedule and as specified in the Scope of Work. OC SAN shall pay to CONSULTANT the actual costs of Subconsultant fees and charges in an amount not to exceed the sum set forth in Attachment "E" - Fee Proposal.

F. Direct Costs

OC SAN shall pay to CONSULTANT and Subconsultants the actual costs of permits and associated fees, travel and licenses for an amount not to exceed the sum set forth in Attachment "E" - Fee Proposal. OC SAN shall also pay to CONSULTANT actual costs for equipment rentals, leases or purchases with prior approval of OC SAN. Upon request, CONSULTANT shall provide to OC SAN receipts and other documentary records to support CONSULTANT's request for reimbursement of these amounts, see Attachment "D" – Allowable Direct Costs. All incidental expenses shall be included in overhead pursuant to Section 2 - COMPENSATION above.

G. Other Direct Costs

Other Direct Costs incurred by CONSULTANT and its Contractor due to modifications to the Scope of Work resulting from field investigations and field work required by the Agreement. These items may include special equipment, test equipment and tooling and other materials and services not previously identified. Refer to attachment "D" Allowable Direct Costs for payment information.

H. Reimbursable Direct Costs

OC SAN will reimburse the CONSULTANT for reasonable travel and business expenses as described in this section and further described in Attachment "D" - Allowable Direct Costs to this Agreement. The reimbursement of the above-mentioned expenses will be based on an "accountable plan" as considered by Internal Revenue Service (IRS). The plan includes a combination of reimbursements based upon receipts and a "per diem" component approved by IRS. The most recent schedule of the per diem rates utilized by OC SAN can be found on the U.S. General Service Administration website at <http://www.gsa.gov/portal/category/104711#>.

The CONSULTANT shall be responsible for the most economical and practical means of management of reimbursable costs inclusive but not limited to travel, lodging and meals arrangements. OC SAN shall apply the most economic and practical method of reimbursement which may include reimbursements based upon receipts and/or "per diem" as deemed the most practical.

CONSULTANT shall be responsible for returning to OC SAN any excess reimbursements after the reimbursement has been paid by OC SAN.

Travel and travel arrangements – Any travel involving airfare, overnight stays or multiple day attendance must be approved by OC SAN in advance.

Local Travel is considered travel by the CONSULTANT within OC SAN general geographical area which includes Orange, Los Angeles, Ventura, San Bernardino, Riverside, San Diego, Imperial and Kern Counties. Automobile mileage is reimbursable if CONSULTANT is required to utilize personal vehicle for local travel.

Lodging – Overnight stays will not be approved by OC SAN for local travel. However, under certain circumstances overnight stay may be allowed at the discretion of OC SAN based on reasonableness of meeting schedules and the amount of time required for travel by the CONSULTANT. Such determination will be made on a case-by-case basis and at the discretion of OC SAN.

Travel Meals – Per-diem rates as approved by IRS shall be utilized for travel meals reimbursements. Per diem rates shall be applied to meals that are appropriate for travel times. Receipts are not required for the approved meals.

Additional details related to the reimbursement of the allowable direct costs are provided in the Attachment "D" - Allowable Direct Costs of this Agreement.

I. Limitation of Costs

If, at any time, CONSULTANT estimates the cost of performing the services described in CONSULTANT's Proposal will exceed the not-to-exceed amount of the Agreement, including approved additional compensation, CONSULTANT shall notify OC SAN immediately, and in writing. This written notice shall indicate the additional amount necessary to complete the services. Any cost incurred in excess of the approved not-to-exceed amount, without the express written consent of OC SAN's authorized representative shall be at CONSULTANT's own risk. This written notice shall be provided separately from, and in addition to any notification requirements contained in the CONSULTANT's invoice and monthly progress report. Failure to notify OC SAN that the services cannot be completed within the authorized not-to-exceed amount is a material breach of this Agreement.

3. REALLOCATION OF TOTAL COMPENSATION

OC SAN, by its Director of Engineering, shall have the right to approve a reallocation of the incremental amounts constituting the total compensation, provided that the total compensation is not increased.

4. PAYMENT

A. Monthly Invoice: CONSULTANT shall include in its monthly invoice, a detailed breakdown of costs associated with the performance of any corrections or revisions of the work for that invoicing period. CONSULTANT shall allocate costs in the same manner as it would for payment requests as described in this Section of the Agreement. CONSULTANT shall warrant and certify the accuracy of these costs and understand that submitted costs are subject to Section 11 - AUDIT PROVISIONS.

B. CONSULTANT may submit monthly or periodic statements requesting payment for those items included in Section 2 - COMPENSATION hereof in the format as required by OC SAN. Such requests shall be based upon the amount and value of the work and services performed by CONSULTANT under this Agreement and shall be prepared by CONSULTANT and accompanied by such supporting data, including a detailed breakdown of all costs incurred and work performed during the period covered by the statement, as may be required by OC SAN.

Upon approval of such payment request by OC SAN, payment shall be made to CONSULTANT as soon as practicable of one hundred percent (100%) of the invoiced amount on a per task basis.

If OC SAN determines that the work under this Agreement, or any specified task hereunder, is incomplete and that the amount of payment is in excess of:

- i. The amount considered by OC SAN's Director of Engineering to be adequate for

the protection of OC SAN; or

- ii. The percentage of the work accomplished for each task.

OC SAN may, at the discretion of the Director of Engineering, retain an amount equal to that which ensures that the total amount paid to that date does not exceed the percentage of the completed work for each task or the project in its entirety.

- C. CONSULTANT may submit periodic payment requests for each 30-day period of this Agreement for the profit as set forth in Section 2 - COMPENSATION above. Said profit payment request shall be proportionate to the work actually accomplished to date on a per task basis. In the event OC SAN's Director of Engineering determines that no satisfactory progress has been made since the prior payment, or in the event of a delay in the work progress for any reason, OC SAN shall have the right to withhold any scheduled proportionate profit payment.
- D. Upon satisfactory completion by CONSULTANT of the work called for under the terms of this Agreement, and upon acceptance of such work by OC SAN, CONSULTANT will be paid the unpaid balance of any money due for such work, including any retained percentages relating to this portion of the work.
- E. Upon satisfactory completion of the work performed hereunder and prior to final payment under this Agreement for such work, or prior settlement upon termination of this Agreement, and as a condition precedent thereto, CONSULTANT shall execute and deliver to OC SAN a release of all claims against OC SAN arising under or by virtue of this Agreement other than such claims, if any, as may be specifically exempted by CONSULTANT from the operation of the release in stated amounts to be set forth therein.
- F. Pursuant to the California False Claims Act (Government Code Sections 12650-12655), any CONSULTANT that knowingly submits a false claim to OC SAN for compensation under the terms of this Agreement may be held liable for treble damages and up to a ten thousand dollars (\$10,000) civil penalty for each false claim submitted. This Section shall also be binding on all Subconsultants.

A CONSULTANT or Subconsultant shall be deemed to have submitted a false claim when the CONSULTANT or Subconsultant: a) knowingly presents or causes to be presented to an officer or employee of OC SAN a false claim or request for payment or approval; b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by OC SAN; c) conspires to defraud OC SAN by getting a false claim allowed or paid by OC SAN; d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to OC SAN; or e) is a beneficiary of an inadvertent submission of a false claim to OC SAN, and fails to disclose the false claim to OC SAN within a reasonable time after discovery of the false claim.

5. CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) REGISTRATION AND RECORD OF WAGES

- A. To the extent CONSULTANT's employees and/or Subconsultants who will perform work during the design and preconstruction phases of 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, CONSULTANT and Subconsultants 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.
- B. The CONSULTANT and Subconsultants 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 Section 1771.4(a) (3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.
- C. Pursuant to Labor Code Section 1776, the CONSULTANT and Subconsultants 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 Enforcement of the Department of Industrial Relations.
- D. The CONSULTANT and Subconsultants shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

6. DOCUMENT OWNERSHIP – SUBSEQUENT CHANGES TO PLANS AND SPECIFICATIONS

- A. Ownership of Documents for the Construction Support Services performed.
All documents, including but not limited to, original plans, studies, sketches, drawings, computer printouts and disk files, and specifications prepared in connection with or related to the Scope of Work or Construction Support Services, shall be the property of OC SAN. OC SAN's ownership of these documents includes use of, reproduction or reuse of and all incidental rights, whether or not the work for which they were prepared has been performed. OC SAN ownership entitlement arises upon payment or any partial payment for work performed and includes ownership of any and all work product completed prior to that payment. This Section shall apply whether the CONSULTANT's Construction Support Services are terminated: a) by the completion of the Agreement, or b) in accordance with other provisions of this Agreement. Notwithstanding any other provision of this paragraph or Agreement, the CONSULTANT shall have the right to make copies of all such plans, studies, sketches, drawings, computer printouts and disk files, and specifications.
- B. CONSULTANT shall not be responsible for damage caused by subsequent changes to or uses of the plans or specifications, where the subsequent changes or uses are not authorized or approved by CONSULTANT, provided that the service rendered by CONSULTANT was not a proximate cause of the damage.

7. INSURANCE

A. General

- i. Insurance shall be issued and underwritten by insurance companies acceptable to OC SAN.
- ii. Insurers must have an "A-" Policyholder's Rating, or better, and Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best's Guide Rating. However, OC SAN will accept State Compensation Insurance Fund, for the required policy of Workers' Compensation Insurance subject to OC SAN's option to require a change in insurer in the event the State Fund financial rating is decreased below "B". Further, OC SAN will require CONSULTANT to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within twenty (20) days of written notice to CONSULTANT, by OC SAN or its agent.
- iii. Coverage shall be in effect prior to the commencement of any work under this Agreement.

B. General Liability

The CONSULTANT shall maintain during the life of this Agreement, including the period of warranty, commercial general liability insurance written on an occurrence basis providing the following minimum limits of liability coverage: two million dollars (\$2,000,000) per occurrence with four million dollars (\$4,000,000) aggregate. If aggregate limits apply separately to this contract (as evidenced by submission of ISO form CG 25 03 or 25 04), then the aggregate limit may be equivalent to the per occurrence limit. Said insurance shall include coverage for the following hazards: premises-operations, blanket contractual liability (for this Agreement), products liability/completed operations (including any product manufactured or assembled), broad form property damage, blanket contractual liability, independent contractors liability, personal and advertising injury, mobile equipment, owners and contractors protective liability, and cross liability and severability of interest clauses. A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement(s). If requested by OC SAN and applicable, XCU coverage (Explosion, Collapse and Underground) and Riggers/On Hook Liability must be included in the general liability policy and coverage must be reflected on the submitted certificate of insurance. Where permitted by law, CONSULTANT hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OC SAN, its or their officers, agents, or employees, and any other consultant, contractor, or subcontractor performing work or rendering services on behalf of OC SAN in connection with the planning, development, and construction of the project. In all its insurance coverages related to the work, CONSULTANT shall include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against OC SAN, its or their officers, agents, or employees, or

any other consultant, contractor, or subcontractor performing work or rendering services at the project. Where permitted by law, CONSULTANT shall require similar written express waivers and insurance clauses from each of its Subconsultants 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.

C. Umbrella Excess Liability

The minimum limits of general liability and automobile liability insurance required, as set forth herein, shall be provided for through either a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Umbrella 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.

D. Automobile/Vehicle Liability Insurance

The CONSULTANT shall maintain a policy of automobile liability insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limit of liability coverage: combined single limit of one million dollars (\$1,000,000). A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement.

E. Drone Liability Insurance

If a drone will be used, drone liability insurance must be maintained by CONSULTANT in the amount of one million dollars (\$1,000,000) in form acceptable to OC SAN.

F. Workers' Compensation Insurance

The CONSULTANT shall provide such workers' compensation insurance as required by the Labor Code of the State of California in the amount of the statutory limit, including employer's liability insurance with a minimum limit of one million dollars (\$1,000,000) per occurrence. Such workers' compensation insurance shall be endorsed to provide for a waiver of subrogation in favor of OC SAN. A statement on an insurance certificate will not be accepted in lieu of the actual endorsements unless the insurance carrier is State of California Insurance Fund and the identifier "SCIF" and endorsement numbers 2570 and 2065 are referenced on the certificate of insurance. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage for Jones Act claims.

G. Errors and Omissions/Professional Liability

CONSULTANT shall maintain in full force and effect, throughout the term of this

Agreement, standard industry form professional negligence errors and omissions insurance coverage in an amount of not less than two million dollars (\$2,000,000) with limits in accordance with the provisions of this paragraph. If the policy of insurance is written on a "claims made" basis, said policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of five (5) years from the date of the completion of the services hereunder.

In the event of termination of said policy during this period, CONSULTANT shall obtain continuing insurance coverage for the prior acts or omissions of CONSULTANT during the course of performing services under the term of this Agreement. Said coverage shall be evidenced by either a new policy evidencing no gap in coverage or by separate extended "tail" coverage with the present or new carrier.

In the event the present policy of insurance is written on an "occurrence" basis, said policy shall be continued in full force and effect during the term of this Agreement or until completion of the services provided for in this Agreement, whichever is later. In the event of termination of said policy during this period, new coverage shall be obtained for the required period to insure for the prior acts of CONSULTANT during the course of performing services under the term of this Agreement.

CONSULTANT shall provide to OC SAN a certificate of insurance in a form acceptable to OC SAN indicating the deductible or self-retention amounts and the expiration date of said policy and shall provide renewal certificates not less than ten (10) days prior to the expiration of each policy term.

H. Proof of Coverage

The CONSULTANT shall furnish OC SAN with original certificates and amendatory endorsements effecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by OC SAN before work commences. OC SAN reserves the right to require, at any time, complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required. The following are approved forms that must be submitted as proof of coverage:

- Certificate of Insurance ACORD Form or other equivalent certificate of insurance form

- Additional Insurance The combination of (ISO Forms)
 (General Liability) CG 20 10 and CG 20 37

All other additional insured endorsements must be submitted for approval by OC SAN, and OC SAN may reject alternatives that provide different or less coverage to OC SAN.

- Additional Insured Submit endorsement provided by carrier for

- (Automobile Liability) OC SAN approval.
- Waiver of Subrogation Submit workers' compensation waiver of subrogation endorsement provided by carrier for OC SAN approval.
- Cancellation Notice No endorsement is required. However, CONSULTANT is responsible for notifying OC SAN of any pending or actual insurance policy cancellation, as described in Article I. Cancellation and Policy Change Notice, below.

I. Cancellation and Policy Change Notice

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

Said notices shall be mailed to OC SAN at:

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

J. Primary Insurance

The general and automobile liability policies shall contain a "Primary and Non Contributory" clause. Any other insurance maintained by OC SAN shall be excess and not contributing with the insurance provided by CONSULTANT.

K. Separation of Insured

The general and automobile liability policies shall contain a "Separation of Insureds" clause.

L. Non-Limiting (if applicable)

Nothing in this document shall be construed as limiting in any way, nor shall it limit the indemnification provision contained in this Agreement, or the extent to which CONSULTANT may be held responsible for payment of damages to persons or property.

M. Deductibles and Self-Insured Retentions

Any deductible and/or self-insured retention must be declared to OC SAN on the certificate of insurance. All deductibles and/or self-insured retentions require approval by OC SAN. At the option of OC SAN, either: the insurer shall reduce or eliminate such deductible or self-insured retention as respects OC SAN; or the CONSULTANT shall provide a financial guarantee satisfactory to OC SAN guaranteeing payment of losses and related investigations, claim administration and defense expenses.

N. Defense Costs

The general and automobile liability policies shall have a provision that defense costs for all insureds and additional insureds are paid in addition to and do not deplete any policy limits.

O. Subconsultants

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

P. Limits Are Minimums

If the CONSULTANT maintains higher limits than any minimums shown above, then OC SAN requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT.

8. SCOPE CHANGES

In the event of a change in the Scope of Work or other terms in the Agreement, as requested by OC SAN, the parties hereto shall execute an Amendment to this Agreement setting forth with particularity all terms of the new Agreement, including, but not limited to, any additional CONSULTANT's fees. CONSULTANT hereby agrees to use any and all procedures, programs, and systems required by OC SAN to process and execute such Amendment(s), including, but not limited to, computer programs and systems.

9. PROJECT TEAM AND SUBCONSULTANTS

CONSULTANT shall provide to OC SAN, prior to execution of this Agreement, the names and full description of all Subconsultants and CONSULTANT's project team members anticipated to be used on this project by CONSULTANT. CONSULTANT shall include a description of the scope of work to be done by each Subconsultant and each CONSULTANT's project team member. CONSULTANT shall include the respective compensation amounts for CONSULTANT and each Subconsultant on a per task basis, broken down as indicated in Section 2 -COMPENSATION.

There shall be no substitution of the listed Subconsultants and CONSULTANT's project team members without prior written approval by OC SAN.

10. ENGINEERING REGISTRATION

The CONSULTANT's personnel are comprised of registered engineers and a staff of specialists and draftsmen in each department. The firm itself is not a registered engineer but represents and agrees that wherever in the performance of this Agreement requires the services of a registered engineer, such services hereunder will be performed under the direct supervision of registered engineers.

11. AUDIT PROVISIONS

- A. OC SAN retains the reasonable right to access, review, examine, and audit, any and all books, records, documents and any other evidence of procedures and practices that OC SAN determines are necessary to discover and verify that the CONSULTANT is in compliance with all requirements under this Agreement. The CONSULTANT shall include OC SAN's right as described above, in any and all of their subcontracts, and shall ensure that these rights are binding upon all Subconsultants.
- B. OC SAN retains the right to examine CONSULTANT's books, records, documents and any other evidence of procedures and practices that OC SAN determines are necessary to discover and verify all direct and indirect costs, of whatever nature, which are claimed to have been incurred, or anticipated to be incurred or to ensure CONSULTANT's compliance with all requirements under this Agreement during the term of this Agreement and for a period of three (3) years after its termination.
- C. CONSULTANT shall maintain complete and accurate records in accordance with generally accepted industry standard practices and OC SAN's policy. The CONSULTANT shall make available to OC SAN for review and audit, all project related accounting records and documents, and any other financial data within 15 days after receipt of notice from OC SAN. Upon OC SAN's request, the CONSULTANT shall submit exact duplicates of originals of all requested records to OC SAN. If an audit is performed, CONSULTANT shall ensure that a qualified employee of the CONSULTANT will be available to assist OC SAN's auditor in obtaining all project related accounting records and documents, and any other financial data.

12. LEGAL RELATIONSHIP BETWEEN PARTIES

The legal relationship between the parties hereto is that of an independent contractor and nothing herein shall be deemed to make CONSULTANT an employee of OC SAN.

13. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid.

Notices shall be mailed to OC SAN at:

ORANGE COUNTY SANITATION DISTRICT
10844 Ellis Avenue
Fountain Valley, CA 92708-7018
Attention: Clarice Marcin, Senior Contracts Administrator
Copy: Todd Waltz, Project Manager

Notices shall be mailed to CONSULTANT at:

«CONSULTANT COMPANY»
«Street Address»
«City, State Zip»
Attention: «CONSULTANT's Representative»

All communication regarding the Scope of Work, will be addressed to the Project Manager. Direction from other OC SAN's staff must be approved in writing by OC SAN's Project Manager prior to action from the CONSULTANT.

14. TERMINATION

OC SAN may terminate this Agreement at any time, without cause, upon giving thirty (30) days written notice to CONSULTANT. In the event of such termination, CONSULTANT shall be entitled to compensation for work performed on a prorated basis through and including the effective date of termination.

CONSULTANT shall be permitted to terminate this Agreement upon thirty (30) days written notice only if CONSULTANT is not compensated for billed amounts in accordance with the provisions of this Agreement, when the same are due.

Notice of termination shall be mailed to OC SAN and/or CONSULTANT in accordance with Section 13 - NOTICES.

15. DOCUMENTS AND STUDY MATERIALS

The documents and study materials for this project shall become the property of OC SAN upon the termination or completion of the work. CONSULTANT agrees to furnish to OC SAN copies of all memoranda, correspondence, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by OC SAN.

16. COMPLIANCE

A. Labor

CONSULTANT certifies by the execution of this Agreement that it pays employees not less than the minimum wage as defined by law, and that it does not discriminate in its employment with regard to race, color, religion, sex or national origin; that it is in compliance with all federal, state and local directives and executive orders regarding non-discrimination in employment; and that it agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Air Pollution

CONSULTANT and its subconsultants and subcontractors shall comply with all applicable federal, state and local air pollution control laws and regulations.

C. Iran Contracting Act

CONSULTANT and its subconsultants and subcontractors shall comply with the Iran Contracting Act of 2010 (Public Contract Code sections 2200-2208).

17. AGREEMENT EXECUTION AUTHORIZATION

Both OC SAN and CONSULTANT do covenant that each individual executing this document by and on behalf of each party is a person duly authorized to execute agreements for that party.

18. DISPUTE RESOLUTION

In the event of a dispute arising between the parties regarding performance or interpretation of this Agreement, the dispute shall be resolved by binding arbitration under the auspices of the Judicial Arbitration and Mediation Service ("JAMS"), or similar organization or entity conducting alternate dispute resolution services.

19. ATTORNEY'S FEES, COSTS AND NECESSARY DISBURSEMENTS

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 Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

20. PROGRESS REPORTS

Monthly progress reports shall be submitted for review by the tenth day of the following month and must include as a minimum: 1) current activities, 2) future activities, 3) potential items that are not included in the Scope of Work, 4) concerns and possible delays, 5) percentage of completion, and 6) budget status.

21. WARRANTY

CONSULTANT shall perform its services in accordance with generally accepted industry and professional standards. If, within the 12-month period following completion of its services, OC SAN informs CONSULTANT that any part of the services fails to meet those standards, CONSULTANT shall, within the time prescribed by OC SAN, take all such actions as are necessary to correct or complete the noted deficiency(ies).

22. INDEMNIFICATION

To the fullest extent permitted by law, CONSULTANT shall indemnify, defend (at CONSULTANT's sole cost and expense and with legal counsel approved by OC SAN, which approval shall not be unreasonably withheld), protect and hold harmless OC SAN

and all of OC SAN's officers, directors, employees, consultants, and agents (collectively the "Indemnified Parties"), from and against any and all claims, damages, liabilities, causes of action, suits, arbitration awards, losses, judgments, fines, penalties, costs and expenses including without limitation, attorneys' fees, disbursements and court costs, and all other professional, expert or consultants fees and costs and OC SAN's general and administrative expenses (individually, a "Claim", or collectively, "Claims") which may arise from or are in any manner related, directly or indirectly, to any work performed, or any operations, activities, or services provided by CONSULTANT in carrying out its obligations under this Agreement to the extent of the negligent, recklessness and/or willful misconduct of CONSULTANT, its principals, officers, agents, employees, CONSULTANT's suppliers, consultants, subconsultants, subcontractors, and/or anyone employed directly or indirectly by any of them, regardless of any contributing negligence or strict liability of an Indemnified Party. Notwithstanding the foregoing, nothing herein shall be construed to require CONSULTANT to indemnify the Indemnified Parties from any Claim arising from:

- (A) the sole or active negligence or willful misconduct of the Indemnified Parties; or
- (B) a natural disaster or other act of God, such as an earthquake; or
- (C) the independent action of a third party who is neither one of the Indemnified Parties nor the CONSULTANT, nor its principal, officer, agent, employee, nor CONSULTANT's supplier, consultant, subconsultant, subcontractor, nor anyone employed directly or indirectly by any of them.

Exceptions (A) through (B) above shall not apply, and CONSULTANT shall, to the fullest extent permitted by law, indemnify the Indemnified Parties, from Claims arising from more than one cause if any such cause taken alone would otherwise result in the obligation to indemnify hereunder.

CONSULTANT's liability for indemnification hereunder is in addition to any liability CONSULTANT may have to OC SAN for a breach by CONSULTANT of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit CONSULTANT's indemnification obligation or other liability hereunder.

The terms of this Agreement are contractual and the result of negotiation between the parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement.

23. DUTY TO DEFEND

The duty to defend hereunder is wholly independent of and separate from the duty to indemnify and such duty to defend shall exist regardless of any ultimate liability of CONSULTANT and shall be consistent with Civil Code Section 2782.8. Such defense obligation shall arise immediately upon presentation of a Claim by any person if, without regard to the merit of the Claim, such Claim could potentially result in an obligation to indemnify one or more Indemnified Parties, and upon written notice of such Claim being provided to CONSULTANT. Payment to CONSULTANT by any Indemnified Party or the

payment or advance of defense costs by any Indemnified Party shall not be a condition precedent to enforcing such Indemnified Party's rights to indemnification hereunder. In the event a final judgment, arbitration, award, order, settlement, or other final resolution expressly determines that the claim did not arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT, to any extent, then OC SAN will reimburse CONSULTANT for the reasonable costs of defending the Indemnified Parties against such claims.

CONSULTANT's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until such time as action against the Indemnified Parties for such matter indemnified hereunder is fully and finally barred by the applicable statute of limitations.

24. CONSULTANT PERFORMANCE

The CONSULTANT's performance shall be evaluated by OC SAN. A copy of the evaluation shall be sent to the CONSULTANT for comment. The evaluation, together with the comments, shall be retained by OC SAN and may be considered in future CONSULTANT selection processes.

25. COMPLIANCE WITH OC SAN POLICIES AND PROCEDURES

CONSULTANT shall comply with all OC SAN policies and procedures including the Contractor Safety Standards, as applicable, all of which may be amended from time to time.

26. CLOSEOUT

When OC SAN determines that all work authorized under the Agreement is fully complete and that OC SAN requires no further work from CONSULTANT, or the Agreement is otherwise terminated or expires in accordance with the terms of the Agreement, OC SAN shall give the Consultant written notice that the Agreement will be closed out. CONSULTANT shall submit all outstanding billings, work submittals, deliverables, reports or similarly related documents as required under the Agreement within thirty (30) days of receipt of notice of Agreement closeout.

Upon receipt of CONSULTANT's submittals, OC SAN shall commence a closeout audit of the Agreement and will either:

- i. Give the CONSULTANT a final Agreement Acceptance: or
- ii. Advise the CONSULTANT in writing of any outstanding item or items which must be furnished, completed, or corrected at the CONSULTANT's cost.

CONSULTANT shall be required to provide adequate resources to fully support any administrative closeout efforts identified in this Agreement. Such support must be provided within the timeframe requested by OC SAN.

Notwithstanding the final Agreement Acceptance the CONSULTANT will not be relieved of its obligations hereunder, nor will the CONSULTANT be relieved of its obligations to

complete any portions of the work, the non-completion of which were not disclosed to OC SAN (regardless of whether such nondisclosures were fraudulent, negligent, or otherwise); and the CONSULTANT shall remain obligated under all those provisions of the Agreement which expressly or by their nature extend beyond and survive final Agreement Acceptance.

Any failure by OC SAN to reject the work or to reject the CONSULTANT's request for final Agreement Acceptance as set forth above shall not be deemed to be acceptance of the work by OC SAN for any purpose nor imply acceptance of, or agreement with, the CONSULTANT's request for final Agreement Acceptance.

27. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all previous negotiations between them pertaining to the subject matter thereof.

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

DRAFT

IN WITNESS WHEREOF, this Agreement has been executed in the name of OC SAN and CONSULTANT by their respective duly authorized officers as of the day and year first written above.

CONSULTANT: TETRA TECH, INC.

By _____ Date _____

Printed Name & Title

ORANGE COUNTY SANITATION DISTRICT

By _____ Date _____
Chad P. Wanke
Board Chairman

By _____ Date _____
Kelly A. Lore
Clerk of the Board

By _____ Date _____
Ruth Zintzun
Purchasing & Contracts Manager

- Attachments: Attachment "A" – Scope of Work
Attachment "B" – Not Used
Attachment "C" – Not Used
Attachment "D" – Allowable Direct Costs
Attachment "E" – Fee Proposal
Attachment "F" – Not Used
Attachment "G" – Not Used
Attachment "H" – Not Used
Attachment "I" – Cost Matrix and Summary
Attachment "J" – Not Used
Attachment "K" – Minor Subconsultant Hourly Rate Schedule
Attachment "L" – Contractor Safety Standards
Attachment "M" – Iran Contracting Act Verification

CMM

**UNINTERRUPTIBLE POWER SUPPLY IMPROVEMENTS AT PLANT 1,
PROJECT NO. P1-132**

**PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT
REQUEST FOR PROPOSAL**

ATTACHMENT A – SCOPE OF WORK

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I. SUMMARY

Provide construction engineering support services for the construction and installation, commissioning, and closeout, of Uninterruptible Power Supply Improvements at Plant 1, Project No. P1-132.

II. PROJECT SCHEDULE

The schedule for the services specified in this Scope of Work (SOW) shall be provided per the construction contract schedule, and the following schedule constraints:

Task(s)	Period of Performance
Submittals	As described under Task 4.3 titled "Submittals"
Requests for Information	As described under Task 4.4 titled "Requests for Information (RFIs)"
Record Drawings	Draft Record Drawings shall be submitted to OC SAN within 90 Calendar days of receipt from OC SAN of the accepted Contractor's As-Built Drawings. The Final Record Drawings shall be submitted within 30 Calendar days of receipt of OC SAN's comments on the Draft Record Drawings. See also Task 6.2 requirements.

III. PROJECT IMPLEMENTATION

All Orange County Sanitation District (OC SAN) projects are divided into six phases. The CONSULTANT shall provide engineering support services for Phase 4 Construction and Installation Services, Phase 5 Commissioning, and Phase 6 Closeout.

Phase 1 – Project Development – *Completed*

Phase 2 – Preliminary Design – *Completed*

Phase 3 – Final Design – *Completed*

Phase 4 – Construction and Installation Services

Phase 5 – Commissioning Services

Phase 6 – Closeout

PHASE 1 – PROJECT DEVELOPMENT – completed

PHASE 2 – PRELIMINARY DESIGN – completed

PHASE 3 - FINAL DESIGN – completed

PHASE 4 – CONSTRUCTION AND INSTALLATION SERVICES

OC SAN will administer and provide field inspection for construction contracts. Construction and engineering support services shall be provided by the CONSULTANT as requested by OC SAN.

The CONSULTANT shall provide the key project personnel as described in their proposal on this project. The CONSULTANT shall not reassign the key project personnel without prior approval of OC SAN. OC SAN may request reassignment of any of the CONSULTANT's or their sub-consultants' personnel, based on that individual's performance.

For all services, the CONSULTANT shall refer to Engineering Design Guidelines, Chapter 01 for detailed requirements.

Quality Assurance/Quality Control (QA/QC): The CONSULTANT shall administer a program of QA/QC procedures for producing quality work and shall effectively manage and control the work. Specific procedures shall include but not be limited to planning, coordination, tracking, checking, reviewing, and scheduling the work. The CONSULTANT shall subject all work products prepared by the CONSULTANT to the CONSULTANT's in-house QA/QC procedures prior to submittal to OC SAN. QA/QC hours and costs shall be incorporated into other tasks within this SOW.

Task 4.1 – Project Management

The CONSULTANT shall be responsible for detailed management of the project, including managing its sub-consultants, and shall keep OC SAN apprised of the status of the project.

The CONSULTANT shall conduct monthly project management meetings with OC SAN's Project Manager. These meetings shall be attended by OC SAN's Project Manager and the CONSULTANT's Project Manager at a mutually agreeable time. The purpose of the meetings shall be to review the CONSULTANT Project Manager's progress report and the status of the SOW, budget, and any issues which may affect the completion of the work. Meetings should be arranged so that the progress report can be submitted shortly prior to or at each meeting.

The CONSULTANT shall prepare and submit monthly invoices to OC SAN no later than the second Wednesday of the following month. The invoices shall document the man-hours and billing rate for each person that works on the project for each task in the Work Breakdown Structure (WBS). Overhead, profit and any direct costs shall also be shown for each task. As part of the summary section of the invoice, the CONSULTANT shall also include the following information:

- Budget
- Current billing period invoicing
- Previous billing period "total invoiced to date"
- Budget amount remaining
- Current billing period "total percent invoice to date"
- Current billing period "total percent completed to date"

The monthly progress report and project schedule shall be submitted with the project invoice as part of the monthly request for payment.

The CONSULTANT shall also provide the percent budget spent for each of OC SAN's WBS cost codes (i.e., by work package and phase). OC SAN shall provide a list of cost codes by phase to the CONSULTANT.

The CONSULTANT shall also provide a summary of progress and expenditures to date. OC SAN will provide a sample invoice structure to the CONSULTANT at the beginning of the project.

4.1.1 – PMWeb Procedures

This Agreement shall utilize PMWeb as the Project Control Management System (PCMS) for the overall management of the Agreement. All PCMS-related documents requiring formal signatures shall be digital, and all copies digitally distributed. The PCMS conforms to the requirements set forth in California Government Code section 16.5 regarding digital signatures; therefore, digital signatures are in full force and effect and are legally the same as a hand-written signature. At least one PCMS account shall have the authority to approve Amendments.

OC SAN shall maintain the PCMS and serve as the administrator for the duration of this Agreement. OC SAN will provide the CONSULTANT with user access for approved personnel as needed for the duration of the Agreement. OC SAN shall control access to the PCMS by assigning user profiles and login credentials. The CONSULTANT shall notify OC SAN of any changes to personnel. Access modifications shall be coordinated as needed throughout the Agreement. Do not to share PCMS account passwords with anyone inside or outside of the company.

Routine maintenance of the PCMS system may be required during the Agreement. Access to the PCMS system may be restricted or unavailable at these times and will be scheduled outside of typical working hours whenever possible.

The PCMS is a web-based environment and is therefore subject to the inherent speed and connectivity problems of the Internet. The CONSULTANT is responsible for its own connectivity to the Internet. PCMS response time is dependent on the CONSULTANT's equipment, including processor speed, Internet access speed, Internet traffic, etc.

OC SAN will not be liable for any delays associated with the utilization of the PCMS including, but not limited to slow response time, downtime periods, connectivity problems, or loss of information.

The OC SAN will provide a one-time training session of up to two (2) hours to train the CONSULTANT's designated staff on general system requirements, procedures, and methods.

Automated system notifications generated via PCMS (e.g., in-system notices, system-generated email, or email with attachment) shall constitute a formal written notification in compliance with the Professional Construction Service Agreement (PCSA).

Task 4.2 – Initial Project Meetings

4.2.1 – Construction Hand-Off Workshop

The CONSULTANT shall participate in a two-hour virtual construction hand-off workshop. The purpose of the workshop is for the CONSULTANT and OC SAN design teams to transfer project-specific knowledge to the OC SAN construction management and inspection staff who will be managing and monitoring construction. Topics that might be covered in this meeting include the following:

- Overview of the objective of the project
- Review of project elements
- Review of sequencing constraints
- Key issues to be addressed during construction
- Identification of risks and discussions of contingency plans

The workshop will be led by OC SAN's Project Engineer and the CONSULTANT's Project Discipline Leads. The CONSULTANT shall include its Project Manager, and Project Engineer, as a minimum.

4.2.2 – PMWeb Procedures Meeting and Submittal Review Procedures

The project will utilize PMWeb as the web-based Project Control Management System (PCMS). The PCMS shall be utilized for project communication, tracking, and management. PCMS utilization is to facilitate the electronic exchange of information, the automation of key processes, and the overall management of the project. When required by OC SAN, paper documents shall also be provided. In the event of a discrepancy between the electronic version and paper documents, the electronic documents within PCMS shall govern.

The CONSULTANT shall participate in a one-hour PMWeb procedure virtual meeting. The training will be provided by OC SAN's staff. The purpose of this meeting is to review the roles and logistics for the review and acceptance of various construction-related documents. The CONSULTANT's Project Manager, Project Engineer, Project Assistant, and two other discipline leads shall participate in the virtual meeting. This meeting will be led by the OC SAN Resident Engineer and will be more specific to this project than the overall PMWeb training identified in Section 4.1.1.

4.2.3 – NOT USED

4.2.4 - Preconstruction Conference

The CONSULTANT shall participate in a one-hour preconstruction conference attended virtually by OC SAN staff, the CONSULTANT, the Contractor, subcontractors, and vendors. This meeting will be scheduled and presided over by OC SAN. In this meeting, OC SAN's Resident Engineer will describe the CONSULTANT's role in the project as the Design Engineer and the services the CONSULTANT shall provide during construction. OC SAN will prepare meeting minutes and CONSULTANT shall review and comment on the minutes. The CONSULTANT's Project Manager and Project Engineer shall participate in this meeting.

4.2.5 – Submittal Meetings

The CONSULTANT shall attend virtual pre-submittal meetings (2-hour meetings unless noted otherwise) specified for the following specification sections:

- 01810, Commissioning (two (2), 2-hour duration meetings)
- 16265, Uninterruptible Power Supply
- 17405, Control Panels

OC SAN will prepare the agenda and meeting minutes and the CONSULTANT shall review and comment on the minutes. The CONSULTANT's Project Manager and Project Engineer shall attend virtually.

In addition, the CONSULTANT shall attend submittal review workshops for the following specification sections. The purpose of these workshops is to discuss comments associated with a shop drawing submittal either immediately after the submittal is received, and/or after the submittal has been reviewed by all parties. These meetings shall be virtual.

Spec Section No.	Spec Section Title	Upon Submittal Receipt	Upon Submittal Review
01810	Commissioning	(see Task 5.1)	(see Task 5.1)
16265	Uninterruptible Power Supply		X
01810	Commissioning – Attachment A		X
17010	Instrumentation and Controls General Provisions		X
17405	Control Panels		X

Task 4.3 – Submittal Reviews

OC SAN will receive all submittals from the Contractor through PM Web. The CONSULTANT shall review the shop drawings and submittals for conformance with the requirements of the Contract Documents and return the submittal review comments to OC SAN within 10 calendar days after receipt of the submittal. The CONSULTANT shall return comments to OC SAN allowing sufficient time for OC SAN to incorporate all comments into a combined review comment set that OC SAN will return to the Contractor. The CONSULTANT shall accommodate occasional expedited reviews for time-sensitive submittals. Submittals shall include but not be limited to shop drawings, vendor tests, certifications, and test reports. All submittals will be made available only electronically (PDF) through PMWeb.

See Section V – “Quantitative Assumptions” in this SOW for the estimated number of submittals.

Task 4.4 – Request for Information (RFIs)

OC SAN will log in and forward to the CONSULTANT certain Requests for Information (RFIs) generated by the Contractor or OC SAN. The CONSULTANT shall return written responses to OC SAN as soon as possible or within three calendar days of receipt of the RFI, clarifying the requirements of the contract documents. The CONSULTANT shall generate necessary sketches, figures, and modifications to the drawings for clarification. When required to avoid schedule delay or additional construction-related costs, the CONSULTANT shall expedite the review of time-sensitive RFIs.

If any changes to the Contract Documents are required, the CONSULTANT shall prepare these drawings and submit them as AutoCAD files or in PDF format as per direction from OC SAN. The CONSULTANT shall update all AutoCAD drawings and specifications upon OC SAN acceptance of any changes resulting from RFIs and change orders.

All RFIs will be made available electronically (PDF) through PMWeb.

See Section V – “Quantitative Assumptions” in this SOW for the estimated number of RFIs.

Task 4.5 – Contract Document Modifications, Design Changes, and Change Orders

If the Contract Documents require modifications due to changed conditions, OC SAN requested changes, omissions, or design errors; the CONSULTANT shall prepare preliminary change order documents and forward them to OC SAN, as needed. OC SAN shall review the proposed change and request the CONSULTANT to incorporate any changes. OC SAN will issue the change order documents in a formal Request for Proposal (RFP) or Field Change Order (FCO) to the Contractor. The CONSULTANT shall forward design calculations and other design backup documents as necessary to OC SAN.

Any Contract Document that requires changes shall be identified with the date of change and reference (RFI number, RFP number, FCO number, etc.) shown on the document. Changes shown on drawings shall be clearly marked and “clouded” for accurate identification of the scope of change by the Contractor and inspection staff. The CONSULTANT shall maintain up-to-date Contract Documents. When a change is required on a contract drawing that has previously undergone a change, the updated drawing showing the previous change shall be used as the base document to identify new changes.

The CONSULTANT shall submit complete change documentation to OC SAN for use in RFIs, RFPs, and FCOs. This change documentation shall include plan drawings, schematics, details, schedules, and specifications, as required.

The CONSULTANT shall prepare cost estimates for the changes when requested by OC SAN. See Section V – “Quantitative Assumptions” in this SOW for the estimated number of hours.

Task 4.6 – Construction Progress Meetings and Site Visits

The CONSULTANT shall attend construction progress meetings as requested by OC SAN’s Resident Engineer. The scope includes time for meeting preparation, travel time, follow-up, and review of meeting minutes. Construction progress meeting minutes shall be prepared by OC SAN.

The CONSULTANT shall attend or be available by phone for a one-hour construction weekly progress meeting.

The CONSULTANT shall make field visits to assist in field problem resolution and design clarification/verification to help resolve construction issues as they arise and as requested by OC SAN. The CONSULTANT shall report the nature of the field site visits, the problem resolved, and identify staff requesting the site visit in the CONSULTANT’s monthly project report. OC SAN will provide project inspection, except as required in other sections of this scope.

See Section V – “Quantitative Assumptions” in this SOW for the estimated number of hours.

Task 4.7 – Contractor’s Baseline Schedule Review

OC SAN will review the Contractor’s baseline construction schedule and monthly updates for compliance with the specified schedule submittal requirements. The CONSULTANT shall review the Contractor’s baseline schedule to confirm that the work plan indicated in the baseline schedule is consistent with the specified sequencing constraints. The CONSULTANT shall meet with OC SAN’s schedule reviewer to discuss key aspects of the Contractor’s baseline schedule. The CONSULTANT shall submit a memorandum describing any comments on the submittal. The CONSULTANT shall assume one resubmittal of the Contractor’s baseline schedule for review.

See Section V- "Quantitative Assumptions" in this SOW for the estimated number of hours.

Task 4.8 – Specialty Services

4.8.1 – Structural Engineering Services

The CONSULTANT shall have the structural engineer of record conduct field visits and provide expert opinion in the review of observation of the structural work associated with the construction progress as directed by OC SAN. California building code required the Structural Engineer of record to perform some structural inspections during construction.

See Section V- "Quantitative Assumptions" in this SOW for the estimated number of hours.

PHASE 5 – COMMISSIONING SERVICES

Task 5.1 – Commissioning Team Meetings

The CONSULTANT shall attend Commissioning Team meetings at OC SAN's request. The scope includes time for meeting preparation, follow-up, and review of meeting minutes. Commissioning team meeting minutes shall be prepared by OC SAN. The CONSULTANT will review and comment on OC SAN's prepared meeting minutes. See Section V- "Quantitative Assumptions" in this Scope of Work for the number of meetings.

Task 5.2 – EID

The CONSULTANT shall review electronic copies of the EID updated by the Contractor. The CONSULTANT shall update and verify the fields in the EID required to be filled out by the CONSULTANT in accordance with Specification Section 01788. The EID shall be completed and submitted to OC SAN as the equipment is taken over for beneficial occupancy.

See Section V- "Quantitative Assumptions" in this SOW for the estimated number of hours.

Task 5.3 – Commissioning Support

The CONSULTANT's operations staff members shall provide process assistance to OC SAN's operations staff during the startup of the UPS system, panelboards, etc. The CONSULTANT's Commissioning Operator Staff is available to help troubleshoot during commissioning, during RAT, and to prepare OMaPs. The CONSULTANT services shall consist of a series of on-site visits to participate in the development of stable processes/systems.

The CONSULTANT shall witness the FAT and RAT and document any deviations from the prepared procedures, failures, and anomalies during the testing, and report any activities negatively impacting the operation of the treatment facilities to OC SAN.

See Section V- "Quantitative Assumptions" in this SOW for the estimated number of site visits

Task 5.4 – Operations Manual and Procedures (OMaP)

OC SAN maintains an on-line OMaP for all collection systems and plant facilities. OMaP is designed for collection systems and plant operations staff. It provides information necessary to operate and maintain collection systems and plant facilities. For treatment plant operations staff, the OMaP is similarly a procedure manual for operating OC SAN's treatment plants. Plant operations staff does not perform maintenance work and so treatment plant maintenance procedures are not included in the OMaP. Maintenance procedures are included in the Equipment Service Manuals prepared by the Contractor.

CONSULTANT shall review and update the existing Plant No. 1 Primary Treatment OMaP which describes the functionality of the system based on the control strategies, system and device features, and drawings. Specific requirements and standards for OMaP are addressed in Exhibit A. All features of the system shall be described for normal equipment operation, fail-over equipment operation, and emergency equipment operation. The OMaP files for Plant No. 1 are located on the OneDrive location and should be used as the template for the organization and contents of this project.

Following commissioning, the CONSULTANT shall address, resolve, and/or incorporate any comments, additions, or changes to the OMaP discovered during commissioning requiring revision and then resubmit for review and approval by OC SAN. A draft OMaP shall be submitted prior to FAT and the final immediately after beneficial occupancy of each facility. Allow for one additional revision.

Task 5.5 – Standard Operating Procedures (SOPs)

The CONSULTANT shall develop Standard Operating Procedures (SOPs) for process units and upgraded system conditions. The CONSULTANT shall present the finalized SOPs to OC SAN Operation and Maintenance staff prior to RATs. During the RAT process, SOPs might be modified based on comments from OC SAN. Draft SOPs shall be submitted prior to ORT and the final SOPs shall be submitted immediately after beneficial occupancy of each facility. Allow for one additional revision.

CONSULTANT deliverables will be MS Word files, and OC SAN will configure SharePoint where the Word files and Vendor Manuals are managed. OC SAN will provide the CONSULTANT with access (user permissions) to insert hyperlinks to vendor manuals in SharePoint.

PHASE 6 – CLOSEOUT

Closeout tasks include the completion of punch list work by the Contractor, final inspection, completion of Record Drawings, and electronic data. The CONSULTANT shall submit a final invoice at the completion of the project.

Task 6.1 – Final Inspection and Punch Lists

The CONSULTANT's construction coordinator shall attend the final inspection job walk with the Contractor and OC SAN staff. The CONSULTANT shall make recommendations on the completion of the work including, but not limited to, completion of punch list items, site cleanup, leakage, and overall system operations. Each engineering discipline will be involved in the final inspection job walk. The final inspection will be prior to OC SAN beneficial occupancy.

The CONSULTANT shall assist OC SAN in developing punch lists of items required to be completed prior to the final acceptance of the project by OC SAN.

Task 6.2 – Record Drawings

When requested by OC SAN, the CONSULTANT shall attend preliminary as-built meetings with OC SAN and the Contractor to inspect the Contractor's draft as-built drawings to verify that the Contractor has included all relevant information from approved change orders and RFIs. As part of the review process, the CONSULTANT shall verify that the Contractor's draft as-built

drawings correctly reflect the information included in the accepted shop drawings, RFIs, approved FCOs, plan clarifications, plan changes, and other deviations from the Contract Drawings and that the information in the set is complete. CONSULTANT shall allow for four meetings/visits per year to review the Contractor's draft as-built drawings.

The CONSULTANT shall independently keep a CAD-ready set of draft as-built drawings throughout the project. After each meeting with the Contractor, the CONSULTANT shall transpose the Contractor's information to the CONSULTANT's draft CAD-ready as-built drawings. The CONSULTANT shall be responsible for marking-up any differences between the Contractor's draft as-built drawings and the CONSULTANT's set.

At the time that OC SAN takes beneficial of occupancy of each facility, the CONSULTANT shall provide CAD as-built drawings of Single-Line and PI&D.

After the final completion of the project, OC SAN will transmit to the CONSULTANT the Contractor's final as-built drawings. At that time, the CONSULTANT shall meet with OC SAN's inspectors and Resident Engineer to review the Contractor's final as-built drawings.

The CONSULTANT shall prepare Draft Record Drawings based on the Contractor's final as-built drawings, and the CONSULTANT's CAD-ready set of draft as-built drawings for all drawings in accordance with the requirements in the CAD Manual. The CONSULTANT shall submit the Draft Record Drawings to the OC SAN Resident Engineer.

The Draft Record Drawings will be reviewed for content and CAD compliance by OC SAN staff. A comment log will be returned to the CONSULTANT and, if any comments are generated, the CONSULTANT shall revise the Record Drawings and resubmit them to the Resident Engineer for review of the changes and acceptance of the Record Drawings.

When no additional comments are identified, the CONSULTANT shall prepare the Final Record Drawings and submit them along with the Contractor's final as-built drawings to the OC SAN Project Manager. All Record Drawings shall contain a stamp indicating:

<p>“Record Drawings</p> <p>These record drawings have been prepared based on information provided by others. The Engineer has not verified the accuracy of this information and shall not be responsible for any errors or omissions which may be herein as a result.”</p>
--

The stamp shall optimally be placed in the bottom right-hand corner of the border and may be included by x-ref. If importing the stamp by x-ref interferes with content in the bottom right-hand corner, the stamp may also be placed in other open spaces along the bottom of the border. In addition, a note shall be placed over the engineer's seal stating that “This drawing was originally approved for construction by [name of engineer] on [date] and sealed by [name of engineer] a licensed professional engineer in the State of California No. [License number] “. The CONSULTANT shall submit an electronic copy of the Record Drawings to OC SAN for review and acceptance. The acceptance of the Record Drawings shall be deemed a condition for the completion of the services provided in Phase 6 – Closeout.

Contractor-generated drawings described in the Design Guidelines and the shop drawings will not be updated by the CONSULTANT.

The format and quantities for delivery of the submittals shall be listed below:

Contents	Draft Record Drawings	Final Record Drawings
Hard Copy Sets	None	None
All related electronic files, including CAD and compiled PDFs	Transmit electronically via OneDrive	Transmit electronically via OneDrive

Task 6.3 – Project Management

The CONSULTANT shall also include project management support man-hours related to closeout activities per requirements stated in Phase 4, Project Management Task.

IV. STAFF ASSISTANCE

The OC SAN staff member or designee assigned to work with the CONSULTANT on the construction phase of this project is Todd Waltz at (714) 587-0536, e-mail to: twaltz@ocsan.gov.

V. QUANTITATIVE ASSUMPTIONS

The assumptions listed in the following table below shall be the basis for the assumed level of effort.

Task	Description	Assumption
4.1	Project Management	20 months duration from construction NTP to construction completion
4.3	Submittals	45 original submittals items ¹ 30 resubmittals
4.4	Requests for Information	75 RFIs
4.5	Design Changes	120 man-hours
4.5	Cost Estimating for Design Changes	40 man-hours
4.6	Construction Progress Meetings & Site Visits (not including meetings specified in Task 4.2)	24 Site Visits to coincide with Construction Progress Meetings
4.7	Contractor's Baseline Schedule Review	3 hours
4.8.1	Structural Engineering Services	16 man-hours for site visits during the construction phase
5.1	Commissioning Team Meetings	8 meetings of 2-hour duration
5.2	EID	12 man-hours
5.3	Commissioning Support	10 site visits of 4-hour duration

¹Note that each submittal set includes multiple submittal items which may be individually submitted by the contractor. The counts listed in this table are considering the individual submittal items. The level of effort should assume these all are received individually.

TW:AM:tk



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2022-2326

Agenda Date: 2/1/2023

Agenda Item No: 3.

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

SUBJECT:

NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS, PROJECT NO. 5-68

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Receive and file Bid Tabulation and Recommendation for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68;
- B. Award a Construction Contract to Innovative Construction Solutions for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed \$937,500; and
- C. Approve a contingency of \$93,750 (10%).

BACKGROUND

The Orange County Sanitation District (OC San) operates seven pump stations in the City of Newport Beach coastal region which, together with the sewer trunk lines and force mains, convey flows to OC San Plant No. 2 in Huntington Beach. Air with significant concentrations of odorous, corrosive, and potentially hazardous gasses is also transported in the trunk lines. These pump stations were designed 15-50 years ago by different design consultants.

RELEVANT STANDARDS

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder
- 12 or fewer odor complaints per year under normal operating conditions in the collection system
- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting
- Commitment to safety & reducing risk in all operations

PROBLEM

The pump stations have inadequate venting, which can lead to pressurization of odor and hazardous gasses. When pressurized, these odors and gasses can escape via plumbing in the onsite bathroom facilities and any other connections to the wet wells, which can cause an unsafe condition for staff within the pump station and can also corrode the existing facilities. As an interim measure, staff has sealed all suspected leakage points, including bathroom facilities, but there is a continuing risk of gas leakage and hazardous gas buildup. In addition, more staff time is needed to monitor and address the buildup of hazardous gasses.

PROPOSED SOLUTION

Award a construction contract for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68. The project will install a passive venting system at six of the pump stations to relieve the buildup of pressurized odor and hazardous gasses (the seventh pump station is being addressed by a separate pump station replacement project). The odorous air will be treated by adsorption media prior to being released into the atmosphere. Additionally, provisions will be added at the 15th Street Pump Station for a vendor-operated and maintained chemical feed system to mitigate the downstream generation of hydrogen sulfide in the Balboa Trunk Sewer.

TIMING CONCERNS

If the project is delayed, the collection system and pump stations will continue to see pressure buildup issues. This may cause the uncontrolled release of corrosive and hazardous gasses in the pump stations and odor complaints from the surrounding areas, which can cause a safety issue and can also further deteriorate existing equipment at the pump stations.

RAMIFICATIONS OF NOT TAKING ACTION

The collection system and pump stations will continue to see pressure buildup issues. This may cause the uncontrolled release of corrosive and hazardous gasses in the pump stations and odor complaints from the surrounding areas.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San advertised Project No. 5-68 for bids on September 27, 2022, and seven sealed bids were received on November 15, 2022. A summary of the bid opening follows:

Engineer's Estimate	\$1,412,000
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<u>Bidder</u>	<u>Amount of Bid</u>
Innovative Construction Solutions	\$937,500
Tharsos, Inc.	\$1,034,000

T.E. Roberts, Inc.	\$1,241,370
Environmental Construction, Inc.	\$1,320,819
Mehta Mechanical Co. Inc. dba MMC Inc.	\$1,374,000
Arnaz Engineering Contractors, Inc.	\$1,945,000
Austin Kazoni Inc dba Kazoni Construction	\$3,173,021

The bids were evaluated in accordance with the OC San's policies and procedures. A notice was sent to all bidders on December 22, 2022, informing them of the intent of OC San staff to recommend award of the Construction Contract to Innovative Construction Solutions.

Staff recommends awarding a Construction Contract to the lowest responsive and responsible bidder, Innovative Construction Solutions, for a total amount not to exceed \$937,500.

CEQA

The Project is included in the Facilities Master Plan 2020 Program Environmental Impact Report, State Clearinghouse Number 2019070998.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 28, Newport Beach Pump Station Pressurization Improvements, Project No. 5-68) 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) with the complete agenda package:

- Construction Contract Agreement

AB: jw

PART A
CONTRACT AGREEMENT

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CONTRACT AGREEMENT
ORANGE COUNTY SANITATION DISTRICT

PROJECT NO. 5-68

NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS

THIS AGREEMENT is made and entered into, to be effective, this February 22, 2023, by and between Innovative Construction Solutions, hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OC SAN".

WITNESSETH

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

SECTION – 1 GENERAL

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

A. Contract Documents Order of Precedence

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

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

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

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

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

B. Definitions

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

SECTION – 2 MATERIALS AND LABOR

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

SECTION – 3 PROJECT

The Project is described as:

PROJECT NO. 5-68

NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS

SECTION – 4 PLANS AND SPECIFICATIONS

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

PROJECT NO. 5-68

NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS

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

SECTION – 5 TIME OF COMMENCEMENT AND COMPLETION

CONTRACTOR agrees to commence the Project within 15 calendar days from the date set forth in the “Notice to Proceed” sent by OC SAN, unless otherwise specified therein and shall diligently prosecute the Work to completion within three hundred twenty-three (323) calendar days from the date of the “Notice to Proceed” issued by OC SAN, excluding delays caused or authorized by OC SAN as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions. The time for completion includes ten (10) calendar days determined by OC SAN likely to be inclement weather when CONTRACTOR will be unable to work.

SECTION – 6 TIME IS OF THE ESSENCE

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

and, in general, all matters representing the timely and orderly conduct of the Work of CONTRACTOR on the premises.

SECTION – 7 EXCUSABLE DELAYS

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

SECTION – 8 EXTRA WORK

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

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

SECTION – 9 CHANGES IN PROJECT

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

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

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

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

SECTION – 10 LIQUIDATED DAMAGES FOR DELAY

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

SECTION – 11 CONTRACT PRICE AND METHOD OF PAYMENT

A. OC SAN agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any additions or deductions as provided in approved Change Orders, the sum of Nine Hundred Thirty-Seven Thousand Five Hundred Dollars (\$937,500) as itemized on the attached Exhibit “A”.

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

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

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

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

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

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

- B. As used in this Section, the following defined terms shall have the following meanings:
1. **“Net Progress Payment”** means a sum equal to the Progress Payment less the

Retention Amount and other qualified deductions (Liquidated Damages, stop payment notices, etc.).

2. **“Progress Payment”** means a sum equal to:
 - a. the value of the actual Work completed since the commencement of the Work as determined by OC SAN;
 - b. plus the value of material suitably stored at the worksite, treatment plant or approved storage yards subject to or under the control of OC SAN since the commencement of the Work as determined by OC SAN;
 - c. less all previous Net Progress Payments;
 - d. less all amounts of previously qualified deductions;
 - e. less all amounts previously retained as Retention Amounts.
3. **“Retention Amount”** for each Progress Payment means the percentage of each Progress Payment to be retained by OC SAN to assure satisfactory completion of the Contract. The amount to be retained from each Progress Payment shall be determined as provided in the General Conditions, “Retained Funds; Substitution of Securities.”

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

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

SECTION – 13 COMPLETION

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

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

SECTION – 14 CONTRACTOR’S EMPLOYEES COMPENSATION

A. Davis-Bacon Act:

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

B. General Prevailing Rate:

OC SAN has been advised by the State of California Director of Industrial Relations of its determination of the general prevailing rate of per diem wages and the general prevailing rate for legal holiday and overtime Work in the locality in which the Work is to be performed for each craft or type of Work needed to execute this Contract, and copies of the same are on file in the Office of the ENGINEER of OC SAN. The CONTRACTOR agrees that not less than said prevailing rates shall be paid to workers employed on this public works Contract as required by Labor Code Section 1774 of the State of California. Per California Labor Code 1773.2, OC SAN will have on file copies of the prevailing rate of per diem wages at its principal office and at each job site, which shall be made available to any interested party upon request.

C. Forfeiture for Violation:

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

D. Apprentices:

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

E. Workday:

In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and the CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him hereunder except as provided in paragraph (B) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Section 1810 et seq.) of the Labor Code of the State of California and shall forfeit to OC SAN as a penalty, the sum of Twenty-five Dollars (\$25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any Subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.

F. Registration; Record of Wages; Inspection:

CONTRACTOR shall comply with the registration requirements of Labor Code Section 1725.5.

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

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

SECTION – 15 SURETY BONDS

CONTRACTOR shall, before entering upon the performance of this Contract, furnish Bonds approved by OC SAN's General Counsel – one in the amount of one hundred percent (100%) of the Contract amount, to guarantee the faithful performance of the Work, and the other in the amount of one hundred percent (100%) of the Contract amount to guarantee payment of all claims for labor and materials furnished. As changes to the Contract occur via approved Change Orders, the CONTRACTOR shall assure that the amounts of the Bonds are adjusted to maintain 100% of the Contract Price. This Contract shall not become effective until such Bonds are supplied to and approved by OC SAN. Bonds must be issued by a Surety authorized by the State Insurance Commissioner to do business in California. The Performance Bond shall remain in full force and effect through the warranty period, as specified in Section 19 below. All Bonds required to be submitted relating to this Contract must comply with California Code of Civil Procedure Section 995.630. Each Bond shall be executed in the name of the Surety insurer under penalty of perjury, or the fact of execution of each Bond shall be duly acknowledged before an officer authorized to take and certify acknowledgments, and either one of the following conditions shall be satisfied:

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

SECTION – 16 INSURANCE

CONTRACTOR shall purchase and maintain, for the duration of the Contract, insurance against claims for injuries to persons, or damages to property which may arise from or in connection with the performance of the Work hereunder, and the results of that Work by CONTRACTOR, its agents, representatives, employees, or Subcontractors, in amounts equal to the requirements set forth below. CONTRACTOR shall not commence Work under this Contract until all insurance required under this Section is obtained in a form acceptable to OC SAN, nor shall CONTRACTOR allow any Subcontractor to commence Work on a subcontract until all insurance required of the Subcontractor has been obtained. CONTRACTOR shall maintain all of the foregoing insurance coverages in force through the point at which the Work under this Contract is fully completed and accepted by OC SAN pursuant to the provisions of the General Conditions, “Final Acceptance and Final Completion”. Furthermore, CONTRACTOR shall maintain all of the foregoing insurance coverages in full force and effect throughout the warranty period, commencing on the date of Final Acceptance. The requirement for carrying the foregoing insurance shall not derogate from the provisions for indemnification of OC SAN by CONTRACTOR under Section 17 of this Contract. Notwithstanding nor diminishing the obligations of CONTRACTOR with respect to the foregoing, CONTRACTOR shall subscribe for and maintain in full force and effect during the life of this Contract, inclusive of all changes to the Contract Documents made in accordance with the provisions of the General Conditions, “Request for Change (Changes at CONTRACTOR’s Request)” and/or “OWNER Initiated

Changes”, the following insurance in amounts not less than the amounts specified. OC SAN reserves the right to amend the required limits of insurance commensurate with the CONTRACTOR’s risk at any time during the course of the Project. No vehicles may enter OC SAN premises/worksites without possessing the required insurance coverage.

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

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

Where permitted by law, CONTRACTOR hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OC SAN, its or their officers, agents, or employees, and any other contractor or subcontractor performing Work or rendering services on behalf of OC SAN in connection with the planning, development and construction of the Project. In all its insurance coverages (except for Professional Liability/Errors and Omissions coverages, if applicable) related to the Work, CONTRACTOR shall include clauses providing that each

insurer shall waive all of its rights of recovery by subrogation against OC SAN, its or their officers, agents, or employees, or any other contractor or subcontractor performing Work or rendering services at the Project. Where permitted by law, CONTRACTOR shall require similar written express waivers and insurance clauses from each of its Subcontractors of every tier. A waiver of subrogation shall be effective as to any individual or entity, even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

A. Limits of Insurance

1. General Liability: 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 OC SAN or any other additional insured because of any SIR, deductible, or any other form of self insurance, CONTRACTOR is obligated to assume responsibility of insurer until the deductible, SIR or other condition of insurer assuming its defense and/or indemnity has been satisfied.

CONTRACTOR shall be responsible to pay any deductible or SIR.

- g. If a crane will be used, the general liability insurance will be endorsed to add Riggers Liability coverage or its equivalent to cover the usage of the crane and exposures with regard to the crane operators, riggers and others involved in using the crane.
 - h. If divers will be used, the general liability insurance will be endorsed to cover marine liability or its equivalent to cover the usage of divers.
2. Automobile Liability: The CONTRACTOR shall maintain a policy of automobile liability insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limit of liability coverage: combined single limit of One Million Dollars (\$1,000,000) for bodily injury, personal injury, and property damage.

3. Umbrella Excess Liability: The minimum limits of general liability and automobile liability insurance required, as set forth above, shall be provided for either in a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Excess liability coverage shall be issued with limits of liability which, when combined with the primary insurance, will equal the minimum limits for general liability and automobile liability.
4. Drone Liability Insurance: If a drone will be used, drone liability insurance must be maintained by CONTRACTOR in the amount of One Million Dollars (\$1,000,000) in a form acceptable to OC SAN.
5. Workers' Compensation/Employer's Liability: CONTRACTOR shall provide such workers' compensation insurance as required by the Labor Code of the State of California, including employer's liability with a minimum limit of One Million Dollars (\$1,000,000) per accident for bodily injury or disease. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage with regard to Jones Act claims.

B. Deductibles and Self-Insured Retentions

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

C. Other Insurance Provisions

1. Each such policy of general liability insurance and automobile liability insurance shall be endorsed to contain, the following provisions:

- a. OC SAN, its directors, officers, agents, consultants, and employees, and all public agencies from whom permits will be obtained, and their directors, officers, agents, and employees are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of CONTRACTOR at or from any of the sites of OC SAN in connection with this Contract, or acts and omissions of the additional insured in connection with its general supervision or inspection of said operations related to this Contract.
 - b. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by OC SAN shall be excess only and not contributing with insurance provided under this policy.
2. Cancellation and Policy Change Notice.

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

Said notices shall be mailed to OC SAN at:

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

3. Coverage shall not extend to any indemnity coverage for the active negligence of any additional insured in any case where an agreement to indemnify the additional insured would be invalid under California Civil Code Section 2782(b).

4. If required by a public agency from whom permit(s) will be obtained, each policy of general liability insurance and automobile liability insurance shall be endorsed to specify by name the public agency and its legislative members, officers, agents, consultants, and employees, to be additional insureds.

D. Acceptability of Insurers

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

E. Verification of Coverage

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

F. Subcontractors

CONTRACTOR shall be responsible to establish insurance requirements for any Subcontractors hired by CONTRACTOR. The insurance shall be in amounts and types

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

G. Required Forms and Endorsements

1. Required ACORD Form

a.	Certificate of Liability	ACORD Form 25 or other equivalent certificate of insurance form
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2. Required Insurance Services Office, Inc. Endorsements (when alternative forms are shown, they are listed in order of preference)

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

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

3. Required State Compensation Insurance Fund Endorsements

a.	Waiver of Subrogation	Submit workers' compensation waiver of subrogation endorsement provided by carrier for OC SAN approval.
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b. Cancellation Notice

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

4. Additional Required Endorsements

a. Notice of Policy Termination

Manuscript Endorsement

SECTION – 17 RISK AND INDEMNIFICATION

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

SECTION – 18 TERMINATION

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

SECTION – 19 WARRANTY

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

The CONTRACTOR guarantees for a period of at least one (1) year from the date of Final Acceptance of the Work, pursuant to the General Conditions, "Final Acceptance and Final Completion" that the completed Work is free from all defects due to faulty materials, equipment or workmanship and that it shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs of any damage to other parts of the system resulting from such defects. OC SAN shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, OC SAN may do so and charge the CONTRACTOR the cost incurred. The CONTRACTOR's warranty shall continue as to any corrected deficiency until the later of (1) the remainder of the original one-year warranty period; or (2) one year after acceptance by OC SAN of the corrected Work. The Performance Bond and the Payment Bond shall remain in full force and effect through the guarantee period.

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

SECTION – 20 ASSIGNMENT

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

SECTION – 21 RESOLUTION OF DISPUTES

OC SAN and the CONTRACTOR shall comply with the provisions of California Public Contract Code Section 20104 et. seq., regarding resolution of construction claims for any Claims which

arise between the CONTRACTOR and OC SAN, as well as all applicable dispute and Claims provisions as set forth in the General Conditions and as otherwise required by law.

SECTION – 22 SAFETY & HEALTH

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

SECTION – 23 NOTICES

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

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

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

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

TO CONTRACTOR: Innovative Construction Solutions
575 Anton Boulevard, Suite 850
Costa Mesa, CA 92626

Copy to: Hiram Emadi, President
Innovative Construction Solutions
575 Anton Boulevard, Suite 850
Costa Mesa, CA 92626

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

CONTRACTOR: Innovative Construction Solutions
575 Anton Boulevard, Suite 850
Costa Mesa, CA 92626

By _____ Date _____

Printed Name

Its _____

CONTRACTOR's State License No. 764815 (Expiration Date – 06/30/2023)

OC SAN: Orange County Sanitation District

By _____ Date _____

Chad P. Wanke
Board Chairman

By _____ Date _____

Kelly A. Lore
Clerk of the Board

By _____ Date _____

Ruth Zintzun
Purchasing & Contracts Manager

EXHIBIT A
SCHEDULE OF PRICES

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SCHEDULE OF PRICES

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EXHIBIT A

SCHEDULE OF PRICES

EXA-1 BASIS OF COMPENSATION

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

EXA-2 PROGRESS PAYMENTS

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

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

EXA-3 RETENTION AND ESCROW ACCOUNTS

A. Retention:

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

B. Substitution of Securities:

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

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

C. Release of Retention:

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

D. Additional Deductibles:

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

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

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

EXA-4 STOP PAYMENT NOTICE

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

EXA-5 PAYMENT TO SUBCONTRACTORS

Requirements

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

EXA-6 PAYMENT OF TAXES

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

EXA-7 FINAL PAYMENT

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

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

acceptance by OC SAN, the revised application for Final Payment will become the approved application for Final Payment.

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

EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT

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

1. The true and correct amount payable for the Work is different from that previously accepted;

2. The previously accepted Work did not in fact conform to the Contract requirements, or;
3. A previous payment or portion thereof for Work was improperly made.

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

ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT

I hereby certify under penalty of perjury as follows:

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

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

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

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

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

Name

Title

Date

ATTACHMENT 2 – SCHEDULE OF PRICES

See next pages for Bid Submittal Forms: Innovative Construction Solutions

BF-14 SCHEDULE OF PRICES, Pages 1 – 2

Bid Submitted By: Innovative Construction Solutions
(Name of Firm)

BF-14 SCHEDULE OF PRICES

INSTRUCTIONS

A. General

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

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

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

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

B. Basis of Award

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

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

Bid Submitted By: Innovative Construction Solutions
(Name of Firm)

SCHEDULE OF PRICES

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

Item No.	Description	Unit of Measurement	Extended Price
1.	Mobilization: as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$ 50,000
2.	All other portions of the Work, except the Work of Item No. 1: as described in Specifications Section 01155 and in conformance with the Contract Documents for the lump sum price of...	Lump Sum	\$ 787,500

TOTAL AMOUNT OF BID (BASIS OF AWARD) \$ 937,500



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2022-2325

Agenda Date: 2/1/2023

Agenda Item No: 4.

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

SUBJECT:

NEWPORT BEACH PUMP STATION PRESSURIZATION IMPROVEMENTS, PROJECT NO. 5-68

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Professional Construction Services Agreement with Dudek to provide construction support services for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed \$124,979; and
- B. Approve a contingency of \$12,497 (10%).

BACKGROUND

Dudek was selected as part of a competitive, qualifications-based solicitation process to design Newport Beach Pump Station Pressurization Improvements, Project No. 5-68. At the time of the solicitation, the Orange County Sanitation District (OC San) documented its intent to award a subsequent agreement to the design consultant for continuation of engineering services during construction.

This project will install a passive venting system at six pump stations within Newport Beach to relieve the buildup of pressure. The odorous air will be treated by adsorption media prior to being released into the atmosphere. Additionally, provisions will be added at the 15th Street Pump Station for a vendor-operated and maintained chemical feed system to mitigate the downstream generation of hydrogen sulfide in the Balboa Trunk Sewer.

RELEVANT STANDARDS

- Comply with California Government Code Section 4526 to engage the best qualified firm “on the basis of demonstrated competence and qualifications” and “negotiate fair and reasonable fees”
- Ensure the public’s money is wisely spent

PROBLEM

This project requires the design consultant to provide as-needed services during construction including submittal review, responding to the Contractor's requests for information, reviewing construction change orders, participating in meetings, attending site visits, and preparing record drawings.

PROPOSED SOLUTION

Approve a Professional Construction Services Agreement with the design consultant, Dudek, to provide engineering construction services during construction.

TIMING CONCERNS

Engineering support services will be needed at the start of construction. Construction is anticipated to start in March 2023.

RAMIFICATIONS OF NOT TAKING ACTION

The engineering support services needed to facilitate and review construction activities would not be available by the Engineer of Record, which may negatively impact the contract execution.

PRIOR COMMITTEE/BOARD ACTIONS

May 2020 - Approved a Professional Design Services Agreement with Dudek to provide engineering design services for Newport Beach Pump Station Pressurization Improvements, Project No. 5-68, for an amount not to exceed \$542,988; and approved a contingency of \$54,299 (10%).

ADDITIONAL INFORMATION

Dudek has successfully furnished engineering services for the design of this project and their support services during construction will provide continuity through the completion of the project.

Staff negotiated with Dudek for these support services in accordance with OC San's adopted policies and procedures. A review of the proposed price was conducted using estimated quantities of requests for information, submittals, meetings, site visits, change order review, and design revisions, as well as the level of effort for preparing record drawings. Based on this review, staff determined the negotiated fee to be fair and reasonable for these services.

CEQA

The project is included in the Facilities Master Plan 2020 Program Environmental Impact Report, State Clearinghouse Number 2019070998.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 28, Newport

Beach Pump Station Pressurization Improvements, Project No. 5-68) 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) with the complete agenda package:

- Professional Construction Services Agreement

AB: jw

**PROFESSIONAL CONSTRUCTION SERVICES
AGREEMENT**

PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT

This PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT, (hereinafter referred to as "Agreement"), is made and entered into to be effective the 22nd day of February, 2023 by and between the ORANGE COUNTY SANITATION DISTRICT, (hereinafter referred to as "OC SAN"), and DUDEK, (hereinafter referred to as "CONSULTANT").

WITNESSETH:

WHEREAS, OC SAN desires to engage CONSULTANT to provide construction support services for **Newport Beach Pump Station Pressurization Improvements, Project No. 5-68** (Construction Support Services); and

WHEREAS, CONSULTANT is qualified to provide the necessary services for the Construction Support Services in connection with these requirements; and

WHEREAS, OC SAN has adopted procedures in accordance with OC SAN's Ordinance No. OC SAN-56, Section 4.03. B., for the continuation of services and has proceeded in accordance with said procedures to perform the Construction Support Services; and

WHEREAS, at its regular meeting on February 22, 2023 the Board of Directors, by Minute Order, accepted the recommendation of the Operations Committee pursuant to OC SAN's Ordinance No. OC SAN-56 to approve this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual benefits, which will result to the parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

1. SCOPE OF WORK

The CONSULTANT agrees to furnish necessary professional and technical services to accomplish those project elements outlined in the Scope of Work (SOW) attached hereto as "Attachment A", and by this reference made a part of this Agreement.

- A. The CONSULTANT shall be responsible for the professional quality, technical accuracy, completeness, and coordination of all design, drawings, specifications, and other services furnished by the CONSULTANT under this Agreement, including the work performed by its Subconsultants. Where approval by OC SAN is indicated, it is understood to be conceptual approval only and does not relieve the CONSULTANT of responsibility for complying with all laws, codes, industry standards and liability for damages caused by errors, omissions, noncompliance with industry standards, and/or negligence on the part of the CONSULTANT or its Subconsultants.
- B. The CONSULTANT is responsible for the quality of work prepared under this Agreement and shall ensure that all work is performed to the standards of best engineering practice for clarity, uniformity, and completeness.

- C. In the event that work is not performed to the satisfaction of OC SAN and does not conform to the requirements of this Agreement or any applicable industry standards, the CONSULTANT shall, without additional compensation, promptly correct or revise any errors or deficiencies in its designs, drawings, specifications, or other services within the timeframe specified by the Project Engineer/Project Manager. OC SAN may charge to CONSULTANT all costs, expenses and damages associated with any such corrections or revisions.
- D. All CADD drawings, figures, and other work shall be produced by the CONSULTANT and Subconsultants using OC SAN standard software. Conversion of CADD work from any other non-standard CADD format to OC SAN format shall not be acceptable in lieu of this requirement.

Electronic files shall be subject to an acceptance period of 30 calendar days during which OC SAN shall perform appropriate acceptance tests. The CONSULTANT shall correct any discrepancies or errors detected and reported within the acceptance period at no additional cost to OC SAN.

- E. All professional services performed by the CONSULTANT, including but not limited to all drafts, data, correspondence, proposals, reports, and estimates compiled or composed by the CONSULTANT, pursuant to this Agreement, are for the sole use of OC SAN, its agents and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of OC SAN. This provision does not apply to information that (a) was publicly known, or otherwise known to the CONSULTANT, at the time that it was disclosed to the CONSULTANT by OC SAN, (b) subsequently becomes publicly known to the CONSULTANT other than through disclosure by OC SAN.

2. COMPENSATION

Total compensation shall be paid to the CONSULTANT for the Construction Support Services in accordance with the following provisions:

A. Total Compensation

Total compensation shall be in an amount not to exceed One Hundred Twenty-Four Thousand Nine Hundred Seventy-Nine Dollars (\$124,979.00). Total compensation to the CONSULTANT including burdened labor (salaries plus benefits), overhead, profit, direct costs, and Subconsultant(s) fees and costs shall not exceed the sum set forth in Attachment "E" - Fee Proposal.

B. Labor

As a portion of the total compensation to be paid to the CONSULTANT, OC SAN shall pay to the CONSULTANT a sum equal to the burdened salaries (salaries plus benefits) actually paid by the CONSULTANT charged on an hourly-rate basis to this project and paid to the personnel of the CONSULTANT. Upon request of OC SAN, the CONSULTANT shall provide OC SAN with certified payroll records of all employees' work that is charged to this project.

C. Overhead

As a portion of the total compensation to be paid to the CONSULTANT, OC SAN shall compensate the CONSULTANT and Subconsultants for overhead at the rate equal to the percentage of burdened labor as specified in Attachment "E" - Fee Proposal.

D. Profit

Profit for the CONSULTANT and Subconsultants shall be a percentage of consulting services fees (Burdened Labor and Overhead). When the consulting or subconsulting services amount is \$250,000 or less, the maximum Profit shall be 10%. Between \$250,000 and \$2,500,000, the maximum Profit shall be limited by a straight declining percentage between 10% and 5%. For consulting or subconsulting services fees with a value greater than \$2,500,000, the maximum Profit shall be 5%. Addenda shall be governed by the same maximum Profit percentage after adding consulting services fees.

As a portion of the total compensation to be paid to the CONSULTANT and Subconsultants, OC SAN shall pay profit for all services rendered by the CONSULTANT and Subconsultants for this project according to Attachment "E" - Fee Proposal.

E. Subconsultants

For any Subconsultant whose fees for services are greater than or equal to \$100,000 (excluding out-of-pocket costs), the CONSULTANT shall pay to Subconsultant total compensation in accordance with the Subconsultant amount specified in Attachment "E" - Fee Proposal.

For any Subconsultant whose fees for services are less than \$100,000, the CONSULTANT may pay to Subconsultant total compensation on an hourly-rate basis per the attached hourly rate Schedule and as specified in the SOW. OC SAN shall pay to the CONSULTANT the actual costs of Subconsultant fees and charges in an amount not to exceed the sum set forth in Attachment "E" - Fee Proposal.

F. Direct Costs

OC SAN shall pay to the CONSULTANT and Subconsultants the actual costs of permits and associated fees, travel and licenses for an amount not to exceed the sum set forth in Attachment "E" - Fee Proposal. OC SAN shall also pay to the CONSULTANT actual costs for equipment rentals, leases or purchases with prior approval of OC SAN. Upon request, the CONSULTANT shall provide to OC SAN receipts and other documentary records to support the CONSULTANT's request for reimbursement of these amounts, see Attachment "D" – Allowable Direct Costs. All incidental expenses shall be included in overhead pursuant to Section 2 - COMPENSATION above.

G. Other Direct Costs

Other direct costs incurred by the CONSULTANT and its Subconsultants or Subcontractors due to modifications to the SOW resulting from field investigations and field work required by the Agreement. These items may include special equipment, test equipment and tooling and other materials and services not previously identified. Refer to attachment "D" Allowable Direct Costs for payment information.

H. Reimbursable Direct Costs

OC SAN will reimburse the CONSULTANT for reasonable travel and business expenses as described in this section and further described in Attachment "D" - Allowable Direct Costs to this Agreement. The reimbursement of the above-mentioned expenses will be based on an "accountable plan" as considered by the United States Internal Revenue Service (IRS). The plan includes a combination of reimbursements based upon receipts and a "per diem" component approved by the IRS. The most recent schedule of the per diem rates utilized by OC SAN can be found on the United States General Services Administration (GSA) website at <http://www.gsa.gov/portal/category/104711#>.

The CONSULTANT shall be responsible for the most economical and practical means of management of reimbursable costs inclusive but not limited to travel, lodging and meals arrangements. OC SAN shall apply the most economic and practical method of reimbursement which may include reimbursements based upon receipts and/or "per diem" as deemed the most practical.

The CONSULTANT shall be responsible for returning to OC SAN any excess reimbursements after the reimbursement has been paid by OC SAN.

Travel and travel arrangements – Any travel involving airfare, overnight stays or multiple day attendance must be approved by OC SAN in advance.

Local Travel is considered travel by the CONSULTANT within OC SAN general geographical area which includes Orange, Los Angeles, Ventura, San Bernardino, Riverside, San Diego, Imperial and Kern Counties. Automobile mileage is reimbursable if the CONSULTANT is required to utilize personal vehicle for local travel.

Lodging – Overnight stays will not be approved by OC SAN for local travel. However, under certain circumstances overnight stay may be allowed at the discretion of OC SAN based on reasonableness of meeting schedules and the amount of time required for travel by the CONSULTANT. Such determination will be made on a case-by-case basis and at the discretion of OC SAN.

Travel Meals – Per-diem rates as approved by the IRS shall be utilized for travel meals reimbursements. Per diem rates shall be applied to meals that are appropriate for travel times. Receipts are not required for the approved meals.

Additional details related to the reimbursement of the allowable direct costs are provided in the Attachment "D" - Allowable Direct Costs of this Agreement.

I. Limitation of Costs

If, at any time, the CONSULTANT estimates the cost of performing the services described in the CONSULTANT's Proposal will exceed the not-to-exceed amount of the Agreement, including approved additional compensation, the CONSULTANT shall notify OC SAN immediately, and in writing. This written notice shall indicate the additional amount necessary to complete the services. Any cost incurred in excess of the approved not-to-exceed amount, without the express written consent of OC SAN's authorized representative shall be at The CONSULTANT's own risk. This written notice shall be provided separately from, and in addition to any notification requirements contained in the CONSULTANT's invoice and monthly progress report. Failure to notify OC SAN that the services cannot be completed within the authorized not-to-exceed amount is a material breach of this Agreement.

3. REALLOCATION OF TOTAL COMPENSATION

OC SAN, by its Director of Engineering, shall have the right to approve a reallocation of the incremental amounts constituting the total compensation, provided that the total compensation is not increased.

4. PAYMENT

A. Monthly Invoice: The CONSULTANT shall include in its monthly invoice, a detailed breakdown of costs associated with the performance of any corrections or revisions of the work for that invoicing period. The CONSULTANT shall allocate costs in the same manner as it would for payment requests as described in this section of the Agreement. The CONSULTANT shall warrant and certify the accuracy of these costs and understand that submitted costs are subject to Section 11 - AUDIT PROVISIONS.

B. The CONSULTANT may submit monthly or periodic statements requesting payment for those items included in Section 2 - COMPENSATION hereof in the format as required by OC SAN. Such requests shall be based upon the amount and value of the work and services performed by the CONSULTANT under this Agreement and shall be prepared by the CONSULTANT and accompanied by such supporting data, including a detailed breakdown of all costs incurred and work performed during the period covered by the statement, as may be required by OC SAN.

Upon approval of such payment request by OC SAN, payment shall be made to the CONSULTANT as soon as practicable of 100% of the invoiced amount on a per task basis.

If OC SAN determines that the work under this Agreement, or any specified task hereunder, is incomplete and that the amount of payment is in excess of:

- i. The amount considered by OC SAN's Director of Engineering to be adequate for the protection of OC SAN; or
- ii. The percentage of the work accomplished for each task.

OC SAN may, at the discretion of the Director of Engineering, retain an amount equal to that which ensures that the total amount paid to that date does not exceed the percentage of the completed work for each task or the project in its entirety.

- C. The CONSULTANT may submit periodic payment requests for each 30-day period of this Agreement for the profit as set forth in Section 2 - COMPENSATION above. Said profit payment request shall be proportionate to the work actually accomplished to date on a per task basis. In the event OC SAN's Director of Engineering determines that no satisfactory progress has been made since the prior payment, or in the event of a delay in the work progress for any reason, OC SAN shall have the right to withhold any scheduled proportionate profit payment.
- D. Upon satisfactory completion by the CONSULTANT of the work called for under the terms of this Agreement, and upon acceptance of such work by OC SAN, The CONSULTANT will be paid the unpaid balance of any money due for such work, including any retained percentages relating to this portion of the work.
- E. Upon satisfactory completion of the work performed hereunder and prior to final payment under this Agreement for such work, or prior settlement upon termination of this Agreement, and as a condition precedent thereto, the CONSULTANT shall execute and deliver to OC SAN a release of all claims against OC SAN arising under or by virtue of this Agreement other than such claims, if any, as may be specifically exempted by the CONSULTANT from the operation of the release in stated amounts to be set forth therein.
- F. Pursuant to the California False Claims Act (Government Code Sections 12650-12655), any CONSULTANT that knowingly submits a false claim to OC SAN for compensation under the terms of this Agreement may be held liable for treble damages and up to a \$10,000 civil penalty for each false claim submitted. This section shall also be binding on all Subconsultants.

The CONSULTANT or Subconsultant shall be deemed to have submitted a false claim when the CONSULTANT or Subconsultant: a) knowingly presents or causes to be presented to an officer or employee of OC SAN a false claim or request for payment or approval; b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by OC SAN; c) conspires to defraud OC SAN by getting a false claim allowed or paid by OC SAN; d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to OC SAN; or e) is a beneficiary of an inadvertent submission of a false claim to OC SAN, and fails to disclose the false claim to OC SAN within a reasonable time after discovery of the false claim.

5. CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) REGISTRATION AND RECORD OF WAGES

- A. To the extent the CONSULTANT's employees and/or Subconsultants who will perform work during the design and preconstruction phases of 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, the CONSULTANT and Subconsultants 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.
- B. The CONSULTANT and Subconsultants 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 Section 1771.4(a) (3). Penalties for non-compliance with the requirements of Section 1776 may be deducted from progress payments per Section 1776.
- C. Pursuant to Labor Code Section 1776, the CONSULTANT and Subconsultants 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 Enforcement of the Department of Industrial Relations.
- D. The CONSULTANT and Subconsultants shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulation Section 16461(e).

6. DOCUMENT OWNERSHIP – SUBSEQUENT CHANGES TO PLANS AND SPECIFICATIONS

- A. Ownership of Documents for the Construction Support Services performed.

All documents, including but not limited to, original plans, studies, sketches, drawings, computer printouts and disk files, and specifications prepared in connection with or related to the SOW or Construction Support Services, shall be the property of OC SAN. OC SAN's ownership of these documents includes use of, reproduction or reuse of and all incidental rights, whether or not the work for which they were prepared has been performed. OC SAN ownership entitlement arises upon payment or any partial payment for work performed and includes ownership of any and all work product completed prior to that payment. This section shall apply whether the CONSULTANT's Construction Support Services are terminated: a) by the completion of the Agreement, or b) in accordance with other provisions of this Agreement. Notwithstanding any other provision of this paragraph or Agreement, the CONSULTANT shall have the right to make copies of all such plans, studies, sketches, drawings, computer printouts and disk files, and specifications.
- B. The CONSULTANT shall not be responsible for damage caused by subsequent changes to or uses of the plans or specifications, where the subsequent changes or uses are not authorized or approved by the CONSULTANT, provided that the

service rendered by the CONSULTANT was not a proximate cause of the damage.

7. INSURANCE

A. General

- i. Insurance shall be issued and underwritten by insurance companies acceptable to OC SAN.
- ii. Insurers must have an "A-" Policyholder's Rating, or better, and Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best's Guide Rating. However, OC SAN will accept State Compensation Insurance Fund, for the required policy of Workers' Compensation Insurance subject to OC SAN's option to require a change in insurer in the event the State Fund financial rating is decreased below "B". Further, OC SAN will require the CONSULTANT to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within 20 days of written notice to the CONSULTANT, by OC SAN or its agent.
- iii. Coverage shall be in effect prior to the commencement of any work under this Agreement.

B. General Liability

The CONSULTANT shall maintain during the life of this Agreement, including the period of warranty, commercial general liability insurance written on an occurrence basis providing the following minimum limits of liability coverage: One Million Dollars (\$1,000,000) per occurrence with Two Million Dollars (\$2,000,000) aggregate. If aggregate limits apply separately to this contract (as evidenced by submission of ISO form CG 25 03 or 25 04), then the aggregate limit may be equivalent to the per occurrence limit. Said insurance shall include coverage for the following hazards: premises-operations, blanket contractual liability (for this Agreement), products liability/completed operations (including any product manufactured or assembled), broad form property damage, blanket contractual liability, independent contractors liability, personal and advertising injury, mobile equipment, owners and contractors protective liability, and cross liability and severability of interest clauses. A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement(s). If requested by OC SAN and applicable, XCU coverage (Explosion, Collapse and Underground) and Riggers/On Hook Liability must be included in the general liability policy and coverage must be reflected on the submitted certificate of insurance. Where permitted by law, the CONSULTANT hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OC SAN, its or their officers, agents, or employees, and any other consultant, contractor, or subcontractor performing work or rendering services on behalf of OC SAN in connection with the planning, development, and construction of the project. In all its insurance coverages related to the work, the CONSULTANT

shall include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against OC SAN, its or their officers, agents, or employees, or any other consultant, contractor, or subcontractor performing work or rendering services at the project. Where permitted by law, the CONSULTANT shall require similar written express waivers and insurance clauses from each of its Subconsultants 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.

C. Umbrella Excess Liability

The minimum limits of general liability and automobile liability insurance required, as set forth herein, shall be provided for through either a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Umbrella 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.

D. Automobile/Vehicle Liability Insurance

The CONSULTANT shall maintain a policy of automobile liability insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limit of liability coverage: combined single limit of Five Hundred Thousand Dollars (\$500,000). A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement.

E. Drone Liability Insurance

If a drone will be used, drone liability insurance must be maintained by the CONSULTANT in the amount of One Million Dollars (\$1,000,000) in form acceptable to OC SAN.

F. Workers' Compensation Insurance

The CONSULTANT shall provide such workers' compensation insurance as required by the Labor Code of the State of California in the amount of the statutory limit, including employer's liability insurance with a minimum limit of One Million Dollars (\$1,000,000) per occurrence. Such workers' compensation insurance shall be endorsed to provide for a waiver of subrogation in favor of OC SAN. A statement on an insurance certificate will not be accepted in lieu of the actual endorsements unless the insurance carrier is State of California Insurance Fund and the identifier "SCIF" and endorsement numbers 2570 and 2065 are referenced on the certificate of insurance. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage for Jones Act claims.

G. Errors and Omissions/Professional Liability

The CONSULTANT shall maintain in full force and effect, throughout the term of this Agreement, standard industry form professional negligence errors and omissions insurance coverage in an amount of not less than One Million Dollars (\$1,000,000) with limits in accordance with the provisions of this paragraph. If the policy of insurance is written on a “claims made” basis, said policy shall be continued in full force and effect at all times during the term of this Agreement, and for a period of five years from the date of the completion of the services hereunder.

In the event of termination of said policy during this period, the CONSULTANT shall obtain continuing insurance coverage for the prior acts or omissions of the CONSULTANT during the course of performing services under the term of this Agreement. Said coverage shall be evidenced by either a new policy evidencing no gap in coverage or by separate extended “tail” coverage with the present or new carrier.

In the event the present policy of insurance is written on an “occurrence” basis, said policy shall be continued in full force and effect during the term of this Agreement or until completion of the services provided for in this Agreement, whichever is later. In the event of termination of said policy during this period, new coverage shall be obtained for the required period to insure for the prior acts of the CONSULTANT during the course of performing services under the term of this Agreement.

The CONSULTANT shall provide to OC SAN a certificate of insurance in a form acceptable to OC SAN indicating the deductible or self-retention amounts and the expiration date of said policy and shall provide renewal certificates not less than 10 days prior to the expiration of each policy term.

H. Proof of Coverage

The CONSULTANT shall furnish OC SAN with original certificates and amendatory endorsements effecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by OC SAN before work commences. OC SAN reserves the right to require, at any time, complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required. The following are approved forms that must be submitted as proof of coverage:

- Certificate of Insurance ACORD Form or other equivalent certificate of insurance form

 - Additional Insurance The combination of (ISO Forms)
 (General Liability) CG 20 10 and CG 20 37
- All other additional insured endorsements must be submitted for approval by OC SAN, and OC SAN may reject alternatives that provide different or less coverage to OC SAN.

- Additional Insured (Automobile Liability) Submit endorsement provided by carrier for OC SAN approval.
- Waiver of Subrogation Submit workers' compensation waiver of subrogation endorsement provided by carrier for OC SAN approval.
- Cancellation Notice No endorsement is required. However, the CONSULTANT is responsible for notifying OC SAN of any pending or actual insurance policy cancellation, as described in Article I. Cancellation and Policy Change Notice, below.

I. Cancellation and Policy Change Notice

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

Said notices shall be mailed to OC SAN at:

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

J. Primary Insurance

The general and automobile liability policies shall contain a "Primary and Non Contributory" clause. Any other insurance maintained by OC SAN shall be excess and not contributing with the insurance provided by the CONSULTANT.

K. Separation of Insured

The general and automobile liability policies shall contain a "Separation of Insureds" clause.

L. Non-Limiting (if applicable)

Nothing in this document shall be construed as limiting in any way, nor shall it limit the indemnification provision contained in this Agreement, or the extent to which the CONSULTANT may be held responsible for payment of damages to persons or property.

M. Deductibles and Self-Insured Retentions

Any deductible and/or self-insured retention must be declared to OC SAN on the certificate of insurance. All deductibles and/or self-insured retentions require approval by OC SAN. At the option of OC SAN, either: the insurer shall reduce or eliminate such deductible or self-insured retention as respects OC SAN; or the CONSULTANT shall provide a financial guarantee satisfactory to OC SAN guaranteeing payment of losses and related investigations, claim administration and defense expenses.

N. Defense Costs

The general and automobile liability policies shall have a provision that defense costs for all insureds and additional insureds are paid in addition to and do not deplete any policy limits.

O. Subconsultants

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

P. Limits Are Minimums

If the CONSULTANT maintains higher limits than any minimums shown above, then OC SAN requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

8. SCOPE CHANGES

In the event of a change in the SOW or other terms in the Agreement, as requested by OC SAN, the parties hereto shall execute an Amendment to this Agreement setting forth with particularity all terms of the new Agreement, including, but not limited to, any additional CONSULTANT's fees. The CONSULTANT hereby agrees to use any and all procedures, programs, and systems required by OC SAN to process and execute such Amendment(s), including, but not limited to, computer programs and systems.

9. PROJECT TEAM AND SUBCONSULTANTS

The CONSULTANT shall provide to OC SAN, prior to execution of this Agreement, the names and full description of all Subconsultants and the CONSULTANT's project team members anticipated to be used on this project by the CONSULTANT. The CONSULTANT shall include a description of the scope of work to be done by each Subconsultant and each CONSULTANT's project team member. The CONSULTANT shall include the respective compensation amounts for the CONSULTANT and each Subconsultant on a per task basis, broken down as indicated in Section 2 -COMPENSATION.

There shall be no substitution of the listed Subconsultants and the CONSULTANT's project team members without prior written approval by OC SAN.

10. ENGINEERING REGISTRATION

The CONSULTANT's personnel are comprised of registered engineers and a staff of specialists and draftsmen in each department. The firm itself is not a registered engineer but represents and agrees that wherever in the performance of this Agreement requires the services of a registered engineer, such services hereunder will be performed under the direct supervision of registered engineers.

11. AUDIT PROVISIONS

- A. OC SAN retains the reasonable right to access, review, examine, and audit, any and all books, records, documents and any other evidence of procedures and practices that OC SAN determines are necessary to discover and verify that the CONSULTANT is in compliance with all requirements under this Agreement. The CONSULTANT shall include OC SAN's right as described above, in any and all of their subcontracts, and shall ensure that these rights are binding upon all Subconsultants.
- B. OC SAN retains the right to examine the CONSULTANT's books, records, documents and any other evidence of procedures and practices that OC SAN determines are necessary to discover and verify all direct and indirect costs, of whatever nature, which are claimed to have been incurred, or anticipated to be incurred or to ensure the CONSULTANT's compliance with all requirements under this Agreement during the term of this Agreement and for a period of three years after its termination.
- C. The CONSULTANT shall maintain complete and accurate records in accordance with generally accepted industry standard practices and OC SAN's policy. The CONSULTANT shall make available to OC SAN for review and audit, all project related accounting records and documents, and any other financial data within 15 days after receipt of notice from OC SAN. Upon OC SAN's request, the CONSULTANT shall submit exact duplicates of originals of all requested records to OC SAN. If an audit is performed, the CONSULTANT shall ensure that a qualified employee of the CONSULTANT will be available to assist OC SAN's auditor in obtaining all project related accounting records and documents, and any other financial data.

12. LEGAL RELATIONSHIP BETWEEN PARTIES

The legal relationship between the parties hereto is that of an independent contractor and nothing herein shall be deemed to make the CONSULTANT an employee of OC SAN.

13. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the United States mail, registered or certified mail, return receipt requested, postage prepaid.

Notices shall be mailed to OC SAN at:

ORANGE COUNTY SANITATION DISTRICT
10844 Ellis Avenue
Fountain Valley, CA 92708-7018
Attention: Larry Roberson, Senior Contracts Administrator
Copy: Andrew Brown, Project Manager

Notices shall be mailed to CONSULTANT at:

DUDEK
605 Third Street
Encinitas, CA 92024
Attention: Bob Ohlund
Copy: Russ Bergholz

All communication regarding the SOW, will be addressed to the Project Manager. Direction from other OC SAN's staff must be approved in writing by OC SAN's Project Manager prior to action by the CONSULTANT.

14. TERMINATION

OC SAN may terminate this Agreement at any time, without cause, upon giving 30 days written notice to the CONSULTANT. In the event of such termination, the CONSULTANT shall be entitled to compensation for work performed on a prorated basis through and including the effective date of termination.

The CONSULTANT shall be permitted to terminate this Agreement upon 30 days written notice only if the CONSULTANT is not compensated for billed amounts in accordance with the provisions of this Agreement, when the same are due.

Notice of termination shall be mailed to OC SAN and/or the CONSULTANT in accordance with Section 13 - NOTICES.

15. DOCUMENTS AND STUDY MATERIALS

The documents and study materials for this project shall become the property of OC SAN upon the termination or completion of the work. The CONSULTANT agrees to furnish to OC SAN copies of all memoranda, correspondence, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by OC SAN.

16. COMPLIANCE

A. Labor

The CONSULTANT certifies by the execution of this Agreement that it pays employees not less than the minimum wage as defined by law, and that it does not discriminate in its employment with regard to race, color, religion, sex or national origin; that it is in compliance with all federal, state and local directives and executive orders regarding non-discrimination in employment; and that it

agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Air Pollution

The CONSULTANT and its Subconsultants and Subcontractors shall comply with all applicable federal, state and local air pollution control laws and regulations.

C. Iran Contracting Act

The CONSULTANT and its Subconsultants and Subcontractors shall comply with the Iran Contracting Act of 2010 (Public Contract Code sections 2200-2208).

17. AGREEMENT EXECUTION AUTHORIZATION

Both OC SAN and the CONSULTANT do covenant that each individual executing this document by and on behalf of each party is a person duly authorized to execute agreements for that party.

18. DISPUTE RESOLUTION

In the event of a dispute arising between the parties regarding performance or interpretation of this Agreement, the dispute shall be resolved by binding arbitration under the auspices of the Judicial Arbitration and Mediation Service ("JAMS"), or similar organization or entity conducting alternate dispute resolution services.

19. ATTORNEY'S FEES, COSTS AND NECESSARY DISBURSEMENTS

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 Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which it may be entitled.

20. PROGRESS REPORTS

Monthly progress reports shall be submitted for review by the tenth day of the following month and must include as a minimum: 1) current activities, 2) future activities, 3) potential items that are not included in the SOW, 4) concerns and possible delays, 5) percentage of completion, and 6) budget status.

21. WARRANTY

The CONSULTANT shall perform its services in accordance with generally accepted industry and professional standards. If, within the 12-month period following completion of its services, OC SAN informs the CONSULTANT that any part of the services fails to meet those standards, the CONSULTANT shall, within the time prescribed by OC SAN, take all such actions as are necessary to correct or complete the noted deficiency(ies).

22. INDEMNIFICATION

To the fullest extent permitted by law, the CONSULTANT shall indemnify, defend (at the CONSULTANT's sole cost and expense and with legal counsel approved by OC SAN, which approval shall not be unreasonably withheld), protect and hold harmless OC SAN and all of OC SAN's officers, directors, employees, consultants, and agents (collectively the "Indemnified Parties"), from and against any and all claims, damages, liabilities, causes of action, suits, arbitration awards, losses, judgments, fines, penalties, costs and expenses including without limitation, attorneys' fees, disbursements and court costs, and all other professional, expert or consultants fees and costs and OC SAN's general and administrative expenses (individually, a "Claim", or collectively, "Claims") which may arise from or are in any manner related, directly or indirectly, to any work performed, or any operations, activities, or services provided by the CONSULTANT in carrying out its obligations under this Agreement to the extent of the negligent, recklessness and/or willful misconduct of the CONSULTANT, its principals, officers, agents, employees, the CONSULTANT's suppliers, consultants, subconsultants, subcontractors, and/or anyone employed directly or indirectly by any of them, regardless of any contributing negligence or strict liability of an Indemnified Party. Notwithstanding the foregoing, nothing herein shall be construed to require the CONSULTANT to indemnify the Indemnified Parties from any Claim arising from:

- (A) the sole or active negligence or willful misconduct of the Indemnified Parties; or
- (B) a natural disaster or other act of God, such as an earthquake; or
- (C) the independent action of a third party who is neither one of the Indemnified Parties nor the CONSULTANT, nor its principal, officer, agent, employee, nor the CONSULTANT's supplier, consultant, subconsultant, subcontractor, nor anyone employed directly or indirectly by any of them.

Exceptions (A) through (B) above shall not apply, and the CONSULTANT shall, to the fullest extent permitted by law, indemnify the Indemnified Parties, from Claims arising from more than one cause if any such cause taken alone would otherwise result in the obligation to indemnify hereunder.

The CONSULTANT's liability for indemnification hereunder is in addition to any liability the CONSULTANT may have to OC SAN for a breach by the CONSULTANT of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit the CONSULTANT's indemnification obligation or other liability hereunder.

The terms of this Agreement are contractual and the result of negotiation between the parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement.

23. DUTY TO DEFEND

The duty to defend hereunder is wholly independent of and separate from the duty to indemnify and such duty to defend shall exist regardless of any ultimate liability of the

CONSULTANT and shall be consistent with Civil Code Section 2782.8. Such defense obligation shall arise immediately upon presentation of a Claim by any person if, without regard to the merit of the Claim, such Claim could potentially result in an obligation to indemnify one or more Indemnified Parties, and upon written notice of such Claim being provided to the CONSULTANT. Payment to the CONSULTANT by any Indemnified Party or the payment or advance of defense costs by any Indemnified Party shall not be a condition precedent to enforcing such Indemnified Party's rights to indemnification hereunder. In the event a final judgment, arbitration, award, order, settlement, or other final resolution expressly determines that the claim did not arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT, to any extent, then OC SAN will reimburse the CONSULTANT for the reasonable costs of defending the Indemnified Parties against such claims.

The CONSULTANT's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until such time as action against the Indemnified Parties for such matter indemnified hereunder is fully and finally barred by the applicable statute of limitations.

24. CONSULTANT PERFORMANCE

The CONSULTANT's performance shall be evaluated by OC SAN. A copy of the evaluation shall be sent to the CONSULTANT for comment. The evaluation, together with the comments, shall be retained by OC SAN and may be considered in future selection processes.

25. COMPLIANCE WITH OC SAN POLICIES AND PROCEDURES

The CONSULTANT shall comply with all OC SAN policies and procedures including the Contractor Safety Standards, as applicable, all of which may be amended from time to time.

26. CLOSEOUT

When OC SAN determines that all work authorized under the Agreement is fully complete and that OC SAN requires no further work from the CONSULTANT, or the Agreement is otherwise terminated or expires in accordance with the terms of the Agreement, OC SAN shall give the CONSULTANT written notice that the Agreement will be closed out. The CONSULTANT shall submit all outstanding billings, work submittals, deliverables, reports or similarly related documents as required under the Agreement within 30 days of receipt of notice of Agreement closeout.

Upon receipt of the CONSULTANT's submittals, OC SAN shall commence a closeout audit of the Agreement and will either:

- i. Give the CONSULTANT a final Agreement Acceptance: or
- ii. Advise the CONSULTANT in writing of any outstanding item or items which must be furnished, completed, or corrected at the CONSULTANT's cost.

The CONSULTANT shall be required to provide adequate resources to fully support any administrative closeout efforts identified in this Agreement. Such support must be provided within the timeframe requested by OC SAN.

Notwithstanding the final Agreement Acceptance the CONSULTANT will not be relieved of its obligations hereunder, nor will the CONSULTANT be relieved of its obligations to complete any portions of the work, the non-completion of which were not disclosed to OC SAN (regardless of whether such nondisclosures were fraudulent, negligent, or otherwise); and the CONSULTANT shall remain obligated under all those provisions of the Agreement which expressly or by their nature extend beyond and survive final Agreement Acceptance.

Any failure by OC SAN to reject the work or to reject the CONSULTANT's request for final Agreement Acceptance as set forth above shall not be deemed to be acceptance of the work by OC SAN for any purpose nor imply acceptance of, or agreement with, the CONSULTANT's request for final Agreement Acceptance.

27. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all previous negotiations between them pertaining to the subject matter thereof.

IN WITNESS WHEREOF, this Agreement has been executed in the name of OC SAN and the CONSULTANT by their respective duly authorized officers as of the day and year first written above.

CONSULTANT: DUDEK

By _____
Date _____

Printed Name & Title

ORANGE COUNTY SANITATION DISTRICT

By _____
Chad P. Wanke Date _____
Board Chairman

By _____
Kelly A. Lore Date _____
Clerk of the Board

By _____
Ruth Zintzun Date _____
Purchasing & Contracts Manager

- Attachments: Attachment "A" – Scope of Work
Attachment "B" – Not Used
Attachment "C" – Not Used
Attachment "D" – Allowable Direct Costs
Attachment "E" – Fee Proposal
Attachment "F" – Not Used
Attachment "G" – Not Attached
Attachment "H" – Not Used
Attachment "I" – Cost Matrix and Summary
Attachment "J" – Not Used
Attachment "K" – Minor Subconsultant Hourly Rate Schedule
Attachment "L" – Contractor Safety Standards
Attachment "M" – Iran Contracting Act Verification

LDR:yp

ATTACHMENT “A”

SCOPE OF WORK

ATTACHMENT "A"

SCOPE OF WORK

NEWPORT BEACH PUMP STATION PRESURIZATION IMPROVEMENTS

PROJECT NO. 5-68

PROFESSIONAL CONSTRUCTION SERVICES AGREEMENT

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I. SUMMARY

Provide construction engineering support services for the construction and installation, and closeout phases of this project.

II. PROJECT SCHEDULE

The schedule for the services specified in this Scope of Work (SOW) shall be provided per the construction contract schedule, and the following schedule constraints:

Task(s)	Period of Performance
Submittals	As described under Task 4.3 - Submittal Reviews
Request for Information	As described under Task 4.4 - Request for Information
Record Drawings	Draft Record Drawings shall be submitted to OC SAN within 60 days of receipt from OC SAN of the approved Contractor's As-Built Drawings. The final Record Drawings shall be submitted within 21 days of receipt of OC SAN's comments on the Draft Record Drawings.

III. PROJECT IMPLEMENTATION

All Orange County Sanitation District (OC SAN) projects are divided into six phases. The CONSULTANT shall provide engineering support services for Phase 4 Construction and Installation Services, and Phase 6 Closeout.

Phase 1 – Project Development – *Completed*

Phase 2 – Preliminary Design – *Completed*

Phase 3 – Final Design – *Completed*

Phase 4 – Construction and Installation Services

Phase 5 – Commissioning Services – Not Used

Phase 6 – Closeout

PHASE 4 – CONSTRUCTION AND INSTALLATION SERVICES

OC SAN will administer and provide field inspection for the construction contract. Construction engineering support services shall be provided by the CONSULTANT as requested by OC SAN.

The CONSULTANT shall provide the key project personnel as described in its proposal for this project. The CONSULTANT shall not reassign the key project personnel without prior approval of OC SAN. OC SAN may request reassignment of any of the CONSULTANT's or its subconsultant's personnel, based on poor performance.

For all services, the CONSULTANT shall refer to the Engineering Design Guidelines, Chapter 01 for detailed requirements.

Quality Assurance/Quality Control (QA/QC): The CONSULTANT shall administer a program of QA/QC procedures for producing quality work and shall effectively manage and control the work. Specific procedures shall include but not be limited to planning, coordination, tracking, checking, reviewing, and scheduling the work. The CONSULTANT shall subject all work products prepared by the CONSULTANT to the CONSULTANT's in-house QA/QC procedures

prior to submittal to OC SAN. QA/QC hours and costs shall be incorporated into other tasks within this SOW.

Task 4.1 – Project Management

The CONSULTANT shall be responsible for detailed management of its work, including managing its subconsultants, and shall keep OC SAN apprised of the status of the work.

The CONSULTANT shall conduct monthly project management meetings with OC SAN. These meetings shall be attended by OC SAN's Project Manager and the CONSULTANT's Project Manager at a mutually agreeable time. The purpose of the meetings shall be to review the CONSULTANT's Project Manager's progress report and the status of the SOW, budget, and any issues which may affect completion of the work. Meetings should be arranged so that the progress report can be submitted shortly prior to or at each meeting.

The CONSULTANT shall prepare and submit monthly invoices to OC SAN no later than the second Wednesday of the following month. The invoices shall document the hours and billing rate for each person that works on the project for each task in the work breakdown structure (WBS). Overhead, profit, and any direct costs shall also be shown for each task. As part of the summary section of the invoice, the CONSULTANT shall also include the following information:

- Budget
- Current billing period invoicing
- Previous billing period "total invoiced to date"
- Budget amount remaining
- Current billing period "total percent invoice to date"
- Current billing period "total percent completed to date"

The monthly progress report and schedule shall be submitted with the invoice as part of the monthly request for payment.

The CONSULTANT shall also provide the percent budget spent for each of OC SAN's WBS cost codes (i.e. by work package and phase). OC SAN shall provide a list of cost codes by phase to the CONSULTANT.

The CONSULTANT shall also provide a summary of progress and expenditures to date.

OC SAN will provide a sample invoice structure to the CONSULTANT after the issuance of the Notice to Proceed (NTP) for this SOW.

4.1.1 – PMWeb Procedures

This Agreement shall utilize PMWeb as the Project Control Management System (PCMS) for overall management of the Agreement. All PCMS related documents requiring formal signatures shall be digital, and all copies digitally distributed. The PCMS conforms to the requirements set forth in California Government Code section 16.5 regarding digital signatures; therefore, digital signatures are in full force and effect and are legally the same as a hand-written signature. At least one PCMS account shall have the authority to approve Amendments.

OC SAN shall maintain the PCMS and serve as the administrator for the duration of this Agreement. OC SAN will provide the CONSULTANT with user access for approved personnel as needed for the duration of the Agreement. OC SAN shall control access to the PCMS by assigning user profiles and login credentials.

CONSULTANT shall notify OC SAN of any changes to personnel. Access modifications shall be coordinated as needed throughout the Agreement. Do not to share PCMS account passwords with anyone inside or outside of the company.

Routine maintenance of the PCMS system may be required during the Agreement. Access to the PCMS system may be restricted or unavailable at these times and will be scheduled outside of typical working hours whenever possible.

The PCMS is a web-based environment and is therefore subject to the inherent speed and connectivity problems of the Internet. The CONSULTANT is responsible for its own connectivity to the Internet. PCMS response time is dependent on the CONSULTANT's equipment, including processor speed, Internet access speed, Internet traffic, etc.

OC SAN will not be liable for any delays associated with the utilization of the PCMS including, but not limited to: slow response time, down time periods, connectivity problems, or loss of information.

The OC SAN will provide a one-time training session of up to two (2) hours to train CONSULTANT's designated staff on general system requirements, procedures, and methods.

Automated system notifications generated via PCMS (e.g., in-system notices, system generated email, or email with attachment) shall constitute a formal written notification in compliance with the Professional Construction Service Agreement (PCSA).

Task 4.2 – Initial Project Meetings

4.2.1 - Construction Hand-Off Workshop

The CONSULTANT is not required to participate in a one-hour construction hand-off workshop. The purpose of the workshop is for the CONSULTANT and the OC SAN design team to transfer project-specific knowledge to the OC SAN construction management and inspection staff who will be managing and monitoring construction. Topics that might be covered in this meeting include the following:

- Overview of objective of the project
- Review of project elements
- Review of sequencing constraints
- Key issues to be addressed during construction
- Identification of risks and discussions of contingency plans

The workshop will be led by OC SAN's Project Engineer.

4.2.2 - PMWeb Procedures Meeting and Submittal Review Procedures

The CONSULTANT shall participate in a one-hour PMWeb procedure meeting and submittal procedure meeting. The purpose of this meeting is to review the roles and logistics for review and acceptance of construction contract documents and Contractor submittals. The CONSULTANT's Project Manager and Project

Engineer shall attend. This meeting will be led by the OC SAN Resident Engineer and will be more specific to this contract than the overall PMWeb training identified in Section 4.1.1.

The project will utilize PMWeb as the web-based Project Control Management System (PCMS). The PCMS shall be utilized for project communication, tracking, and management. PCMS utilization is to facilitate the electronic exchange of information, the automation of key processes, and the overall management of the project. When required by OC SAN, paper documents shall also be provided. In the event of discrepancy between the electronic version and paper documents, the electronic documents within PCMS shall govern.

4.2.3 - Preconstruction Conference

The CONSULTANT shall participate in a one-hour preconstruction conference attended by OC SAN staff, the CONSULTANT, the Contractor, subcontractors, and vendors. This meeting will be scheduled and presided over by OC SAN. In this meeting, OC SAN's Resident Engineer will describe the CONSULTANT's role in the project as the Design Engineer and the services the CONSULTANT shall provide during construction. OC SAN will prepare meeting minutes and the CONSULTANT shall review and comment on the minutes.

Task 4.3 – Submittal Reviews

OC SAN will receive all submittals from the Contractor through PMWeb. The CONSULTANT shall review the shop drawings and submittals for conformance with the requirements of the Contract Documents and provide review comments to OC SAN through PMWeb within 10 calendar days after receipt of a submittal. The CONSULTANT shall return comments to OC SAN allowing enough time for OC SAN to incorporate all comments into a combined review comment set that OC SAN will return to the Contractor. The CONSULTANT shall accommodate occasional expedited reviews for time sensitive submittals. Submittals shall include but not be limited to shop drawings, vendor tests, certifications, and test reports. All submittals will be made available electronically (PDF) through PMWeb.

See Section V - Quantitative Assumptions in this SOW for the estimated number of submittals.

Task 4.4 – Request for Information

OC SAN will forward to the CONSULTANT certain Requests for Information (RFIs) generated by the Contractor or OC SAN. The CONSULTANT shall return written responses to OC SAN as soon as possible or within three calendar days of receipt of the RFIs, clarifying the requirements of the Contract Documents. The CONSULTANT shall generate necessary sketches, figures, and modifications to the drawings for clarification. When required to avoid schedule delay or additional construction-related costs, the CONSULTANT shall expedite the review of time sensitive RFIs.

If any changes to the Contract Documents are required, the CONSULTANT shall prepare these documents and submit them as PDF files to OC SAN. The CONSULTANT shall update all AutoCAD drawings and specifications upon OC SAN acceptance of any changes resulting from RFIs and change orders.

See Section V- Quantitative Assumptions in this SOW for the estimated number of RFIs.

Task 4.5 – Contract Document Modifications, Design Changes and Change Orders

If the Contract Documents require modifications due to changed conditions, OC SAN requested changes, omissions, or design errors; the CONSULTANT shall prepare preliminary Request for Proposal (RFP) documents and forward them to OC SAN, as needed. OC SAN shall review the RFP and request the CONSULTANT to incorporate any changes. OC SAN will issue the RFP or Field Change Order (FCO) to the Contractor. The CONSULTANT shall forward design calculations and other design backup documents as necessary to OC SAN.

Any Contract Document that requires changes shall be identified with the date of change and reference (RFI number, RFP number, FCO number, etc.) shown on the document. Changes shown on the drawings shall be clearly marked and “clouded” for accurate identification of the scope of the change to the Contractor and inspection staff. The CONSULTANT shall maintain up-to-date Contract Documents. When a change is required on a Contract Drawing that has previously undergone a change, the updated drawing showing the previous change shall be used as the base document to identify new changes.

The CONSULTANT shall submit complete change documentation to OC SAN for use in RFIs, RFPs, and FCOs. This change documentation shall include drawings, schematics, details, schedules, and specifications, as required.

The CONSULTANT shall prepare cost estimates for the changes when requested by OC SAN.

See Section V- Quantitative Assumptions in this SOW for the estimated number of hours.

Task 4.6 – Construction Progress Meetings and Site Visits

The CONSULTANT shall attend construction progress meetings, as requested by OC SAN’s Resident Engineer. The scope shall include the time for meeting preparation, virtual attendance via Microsoft Teams, follow-up, and review of meeting minutes. Construction progress meeting minutes will be prepared by OC SAN.

The CONSULTANT shall attend or be available by phone for an internal one-hour weekly construction progress meetings.

The CONSULTANT shall make field visits to assist in field problem resolution and design clarification/verification to help resolve construction issues as they arise and as requested by OC SAN. The CONSULTANT shall report the nature of the field site visits, the problem resolved, and identify staff requesting the site visit in the CONSULTANT’s monthly project report. OC SAN will provide project inspection, except as required in other sections of this SOW.

See Section V- Quantitative Assumptions in this SOW for the estimated number of hours.

PHASE 5 – COMMISSIONING SERVICES – NOT USED

PHASE 6 – CLOSEOUT

Closeout tasks include completion of punch list work by the Contractor, final inspection, completion of Record Drawings, and electronic data. The CONSULTANT shall submit a final invoice at the completion of the project.

Task 6.1 – Final Inspection and Punch Lists

The CONSULTANT's construction coordinator shall attend the final inspection job walk with the Contractor and OC SAN staff. The CONSULTANT shall make recommendations on the completion of the work including, but not limited to, completion of punch list items, site cleanup, and SWPPP.

The CONSULTANT shall assist OC SAN in developing punch lists of items required to be completed prior to final acceptance of the project by OC SAN.

See Section V- Quantitative Assumptions in this SOW for the estimated number of hours.

Task 6.2 – Record Drawings

When requested by OC SAN, the CONSULTANT shall attend preliminary as-built meetings with OC SAN and the Contractor and shall inspect the Contractor's draft as-built drawings to verify that the Contractor has included all relevant information from approved change orders and RFIs. As part of the review process, the CONSULTANT shall verify that the Contractor's draft as-built drawings correctly reflect the information included in the approved shop drawings, RFIs, approved FCOs, plan clarifications, plan changes, and other deviations from the conformed Contract Documents, and that the information in the as-built drawings is complete. The CONSULTANT shall allow for four meetings/visits per year to review the Contractor's in progress as-built drawings.

The CONSULTANT shall independently keep a CAD ready set of draft as-built drawings throughout the project. After each meeting with the Contractor, the CONSULTANT shall transpose the Contractor's information to the CONSULTANT's to their draft CAD ready as-built drawings. The CONSULTANT shall be responsible for marking-up any differences between the Contractor's draft as-built drawings and the CONSULTANT's set.

After final completion of the project, OC SAN will transmit to the CONSULTANT the Contractor's final as-built drawings. At that time, the CONSULTANT shall meet with OC SAN's inspectors and Resident Engineer to review the Contractor's final as-built drawings.

The CONSULTANT shall prepare Draft Record Drawings based on the final as-built drawings for all drawings in accordance with the requirements in the CAD Manual. The CONSULTANT shall submit the Draft Record Drawings to the OC SAN Resident Engineer. The Draft Record Drawings will be reviewed for content and CAD compliance by OC SAN staff. A comment log will be returned to the CONSULTANT and, if any comments are generated, the CONSULTANT shall revise the Record Drawings and resubmit to the OC SAN Resident Engineer for review of the changes and acceptance of the Record Drawings.

When no additional comments are identified, the CONSULTANT shall prepare the Final Record Drawings and submit them along with the Contractor's final as-built drawings to the OC SAN Project Manager. All hard copies of the Contractor's final as-built drawings shall be returned to OC SAN at this same time. All Record Drawings shall contain a stamp indicating:

“Record Drawings

These record drawings have been prepared based on information provided by others. The Engineer has not verified the accuracy of this information and shall not be responsible for any errors or omissions which may be herein as a result.”

The stamp shall optimally be placed in the bottom right-hand corner of the border and may be included by x-ref. If importing the stamp by x-ref interferes with content in the bottom right hand corner, the stamp may also be placed in other open space along the bottom of the border. In addition, a note shall be placed over the engineer’s seal stating that “This drawing was originally approved for construction by [name of engineer] on [date] and sealed by [name of engineer] a licensed professional engineer in the State of California No. [License number] “. The CONSULTANT shall submit an electronic copy of the Record Drawings to OC SAN for review and acceptance. The acceptance of the Record Drawings shall be deemed a condition precedent for completion of the services provided in Phase 6 - Closeout.

The Contractor-generated as-built drawings described in the Engineering Design Guidelines and the shop drawings will not be updated by the CONSULTANT.

The format and quantities for delivery of the submittals shall be as listed below:

Contents	Draft Record Drawings	Final Record Drawings
Hard Copy Sets	None	None
All related electronic files, including CAD and compiled PDFs	Transmit Electronic Files to OC SAN	Transmit Electronic Files to OC SAN

IV. STAFF ASSISTANCE

The OC SAN staff member or designee assigned to work with the CONSULTANT on the construction phase of this project is Andrew Brown at (714) 593-7052, email to: abrown@ocsan.gov.

V. QUANTITATIVE ASSUMPTIONS

The assumptions listed in the following table below shall be the basis for the assumed level of effort.

Task	Description	Assumption
4.1	Project Management	12 months duration from the effective date of the NTP for this SOW
4.2.1	Construction Hand-off Meeting	No consultant time required.
4.2.2	PMWeb Procedures Meeting	PM + PE: Prep and attend 1-hour meeting
4.2.3	Preconstruction Conference	PM + PE: Attend 1-hour meeting
4.3	Submittals	50 – Original submittals ¹ 20 – Resubmittals 5 – 3 rd and later resubmittal
4.4	Requests for Information	15 RFIs
4.5	Contract Document Modifications, Design Changes and Change Orders	66 hours
4.6	Construction Progress Meetings Site Visits During Construction	12 Progress Meetings @ 1 hour each, assume both PM and PE attend 2 Site Visits @ 2 hours each, assume only PM attends
6.1	Final Inspection & Punch Lists	18 hours

¹Note that each submittal set includes multiple submittal items which may be individually submitted by the contractor. The counts listed in this table are considering typical bundled submittal packages. The level of effort should assume each submittal could include multiple submittal items submitted individually for a total of 70 individual items.

AB:tk



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2022-2526

Agenda Date: 2/1/2023

Agenda Item No: 5.

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

SUBJECT:

CAD DESIGN MANUAL UPDATE FOR 3D DESIGN, PROJECT NO. PS21-05

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Professional Services Agreement with The Austin Company to provide support services for CAD Design Manual Update for 3D Design, Project No. PS21-05, for a total amount not to exceed \$416,000; and
- B. Approve a contingency of \$41,600 (10%).

BACKGROUND

Orange County Sanitation District (OC San) projects utilize computer-aided design (CAD) software to develop design drawings. These drawings are developed in accordance with OC San's published CAD standards. The current standards are based on two dimensional designs, which were previously the industry standard.

RELEVANT STANDARDS

- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Sustain 1, 5, 20-year planning horizons

PROBLEM

OC San's current CAD standards are not applicable for 3D designs, which are becoming increasingly common. OC San's consultants are currently preparing 3D design documents based on their own design standards, which causes inconsistencies between design drawings developed by different consultants and creates additional work by OC San staff to gain CAD compliance.

PROPOSED SOLUTION

Approve a professional services agreement for CAD Design Manual Update for 3D Design, Project No. PS21-05. This project will develop 3D CAD design standards that follow general industry

guidelines, integrate these standards into OC San’s current CAD Standards Manual, create automated quality control tools for 3D CAD compliance verification, identify 3D applications that may benefit OC San in the future within the environment of OC San’s GIS database, and provide training to OC San CAD staff to perform quality control for CAD compliance.

TIMING CONCERNS

OC San projects using 3D design will continue to rely on consultant’s internal standards, which are inconsistent with one another, until OC San 3D CAD standards are published.

RAMIFICATIONS OF NOT TAKING ACTION

OC San projects will continue to be inconsistent with 3D design standards.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

Consultant Selection:

OC San requested and advertised for proposals for CAD Design Manual Update for 3D Design, Project No. PS21-05 on July 21, 2022. The following evaluation criteria were described in the Request for Proposals (RFP) and used to determine the most qualified Consultant.

CRITERION	WEIGHT
Project Understanding and Approach	40%
Related Project Experience	30%
Project Team and Staff Qualifications	30%

Two proposals were received on October 4, 2022 and evaluated in accordance with the evaluation process set forth in OC San’s Purchasing Ordinance by a pre-selected Evaluation Team consisting of the following OC San staff: Senior Engineer (Project Engineer), Information Technology Manager, and Senior Engineer (Project Manager). The Evaluation Team also included two non-voting representatives: one Supplemental Engineering Services contract employee and one representative from the Contracts Administration Division.

The Evaluation Team scored the two proposals on the established criteria as summarized below:

Proposer	Project Understanding and Approach (Max. 40 Points)	Related Project Experience (Max. 30 Points)	Project Team and Staff Qualifications (Max. 30 Points)	Total Score (Max. 100 Points)
The Austin Company	27	20	18	65
Next Stage Group	23	20	15	58

Both Consultants were shortlisted for interviews on November 8, 2022. Following the interview, each member of the Evaluation Team scored the Consultants based on both the proposals and interviews using the evaluation criteria and weighting described above. Based on the scoring shown below, The Austin Company was selected as the most qualified Consultant.

Proposer	Project Understanding and Approach (Max. 40 Points)	Related Project Experience (Max. 30 Points)	Project Team and Staff Qualifications (Max. 30 Points)	Total Score (Max. 100 Points)
The Austin Company	33	23	24	80
Next Stage Group	12	10	10	32

The selected proposer provided a detailed work execution schedule that showcased their understanding of OC San's project goals of clear 3D CAD standards and an updated 3D CAD manual. The selected proposer also identified areas where the schedule can be improved to create more time for stakeholder workshops. The project manager of the proposed team is the firm's Building Information Management (BIM) Manager to bring their expertise in executing 3D CAD projects. The team also includes engineers from multiple disciplines who bring experience in executing 3D CAD compliance. The selected proposer included two subconsultants to ensure a successful project. The first provides additional experience in creating similar 3D CAD standards for other agencies and the second specializes in training, which will be critical for a successful rollout of the updated CAD Manual.

Review of Fee Proposal and Negotiations:

Proposals were accompanied by sealed fee proposals. In accordance with the Purchasing Ordinance, the fee proposal of only the highest-ranked firm was opened after approval by the Director of Engineering of the Evaluation Committee's recommendation.

Staff conducted negotiations with The Austin Company to clarify the requirements of the Scope of Work, the assumptions used for the estimated level of effort, and the proposed approach to meet the goals and objectives for the project. Starting on November 19, 2022, the Evaluation Team conducted negotiations. The negotiated fee remained generally the same as the Scope of Work. Changes listed below were already represented in the originally proposed labor hours and fees and were deemed fair and reasonable by OC San staff. The table below summarizes the revised level of effort:

	Original Fee Proposal	Negotiated Fee
Total Hours	2,316	2,316
Total Fee	\$415,873	\$416,000

The Austin Company proposed changes to the Scope of Work in their original proposal as listed below. OC San staff accepted these changes as they were determined to benefit the delivery of the project.

- Added additional reviews of completed OC San project CAD files to obtain a better understanding of the types of projects typical of OC San.
- Mandated earlier project meetings to gain earlier consensus from stakeholders.

- Required production of sample 3D model that will be used in both external and internal training sessions.

The Consultant's fringe and overhead costs, which factor into the billing rate, have been substantiated. The contract profit is 9.96%, which is based on an established formula based on OC San's standard design agreements. Staff is requesting a 10 percent contingency to address revisions as the project progresses through design.

Based on the above, staff has determined that the final negotiated fee is fair and reasonable for the level of effort required for this project and recommends award of the Professional Services Agreement to The Austin Company.

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 item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-24, Section 8, Page 51, Planning Studies Program, Project No. M-STUDIES) 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) with the complete agenda package:

- Draft Professional Services Agreement
- Professional Services Agreement Attachment A - Scope of Work

VR:jw:sa

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT, (hereinafter referred to as "Agreement"), is made and entered into to be effective the 22nd day of February, 2023, by and between the ORANGE COUNTY SANITATION DISTRICT, (hereinafter referred to as "OC SAN"), and THE AUSTIN COMPANY, (hereinafter referred to as "CONSULTANT"). OC SAN and CONSULTANT are referred to herein collectively as the "Parties" or individually as a "Party."

WITNESSETH:

WHEREAS, OC SAN desires to engage CONSULTANT for **Project No. PS21-05, CAD Design Manual Update for 3D Design**, (Project) to provide professional services for updating OC San's CAD Manual, developing quality control tools, and training OC San personnel on use; and

WHEREAS, CONSULTANT is qualified to provide the necessary services in connection with these requirements and has agreed to provide the necessary professional services; and

WHEREAS, OC SAN has adopted procedures for the selection of professional services and has proceeded in accordance with said procedures to select CONSULTANT to perform this work; and

WHEREAS, at its regular meeting on February 22, 2023 the Board of Directors, by Minute Order, accepted the recommendation of the Operations Committee to approve this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual benefits, which will result to the Parties in carrying out the terms of this Agreement, it is mutually agreed as follows:

1. SCOPE OF WORK

CONSULTANT agrees to furnish necessary professional services to accomplish those Project elements outlined in the Scope of Work attached hereto as Attachment "A", and by this reference made a part of this Agreement.

- A. CONSULTANT shall be responsible for the professional quality, technical accuracy, and completeness and coordination of the work and services furnished by CONSULTANT under this Agreement, including the work performed by its subconsultants (Subconsultants). Where approval by OC SAN is indicated, it is understood to be conceptual approval only and does not relieve CONSULTANT of responsibility for complying with all applicable laws, regulations, codes, industry standards, and liability for damages caused by errors, omissions, noncompliance with industry standards, and/or negligence on the part of CONSULTANT or its Subconsultants.
- B. CONSULTANT is responsible for the quality of work prepared under this Agreement and shall ensure that all work is performed to the highest industry standards for clarity, uniformity, and completeness. CONSULTANT shall timely respond to all of OC SAN's questions, comments, suggestions, corrections, and recommendations. All comments from OC SAN, or its agent, shall be

incorporated into the work prior to the next review deadline or addressed, in writing, as to why the comment(s) has/have not been incorporated. CONSULTANT shall ensure that each submittal is 100% accurate for the level of work submitted (i.e., correct references, terms, capitalization, or equal status, spelling, punctuation, etc.)

- C. In the event that CONSULTANT's services and/or work product(s) is not to the satisfaction of OC SAN and/or does not conform to the requirements of this Agreement or the applicable industry standards, CONSULTANT shall, without additional compensation, promptly correct or revise any errors or deficiencies in its work product(s) within the timeframe specified by the Project Manager. OC SAN may charge to CONSULTANT all costs, expenses, and damages associated with any such corrections or revisions.
- D. Any CADD drawings, figures, and other work produced by CONSULTANT and Subconsultants must be performed using OC SAN CAD Manual. Conversion of CADD work from any other non-standard CADD format to OC SAN format shall not be acceptable in lieu of this requirement.

Electronic files shall conform to OC SAN specifications. Any changes to these specifications by CONSULTANT are subject to review and require advance written approval of OC SAN.

Electronic files shall be subject to an acceptance period of 30 calendar days during which OC SAN shall perform appropriate reviews, including CAD Manual compliance. CONSULTANT shall correct any discrepancies or errors detected and reported within the acceptance period at no additional cost to OC SAN.

- E. All professional services performed by CONSULTANT, including, but not limited to, all drafts, data, correspondence, proposals, and reports compiled or composed by CONSULTANT, pursuant to this Agreement, are for the sole use of OC SAN, its agents, and employees. Neither the documents nor their contents shall be released to any third party without the prior written consent of OC SAN. This provision does not apply to information that (a) was publicly known, or otherwise known to CONSULTANT, at the time that it was disclosed to CONSULTANT by OC SAN, or (b) subsequently becomes publicly known to CONSULTANT other than through disclosure by OC SAN.

2. COMPENSATION

Total compensation shall be paid to CONSULTANT for the services in accordance with the following provisions:

A. Total Compensation

Total compensation shall be in an amount not to exceed Four Hundred Sixteen Thousand Dollars (\$416,000). Total compensation to CONSULTANT including burdened labor (salaries plus benefits), overhead, profit, direct costs, and Subconsultant(s) fees and costs shall not exceed the sum set forth in Attachment "E" - Fee Proposal.

B. Labor

As a portion of the total compensation to be paid to CONSULTANT, OC SAN shall pay to CONSULTANT a sum equal to the burdened salaries (salaries plus benefits) actually paid by CONSULTANT charged on an hourly-rate basis to this Project and paid to the personnel of CONSULTANT. Upon request of OC SAN, CONSULTANT shall provide OC SAN with certified payroll records of all employees' work that is charged to this Project.

C. Overhead

As a portion of the total compensation to be paid to CONSULTANT, OC SAN shall compensate CONSULTANT and Subconsultants for overhead at the rate equal to the percentage of burdened labor as specified in Attachment "E" - Fee Proposal.

D. Profit

Profit for CONSULTANT and Subconsultants shall be a percentage of consulting services fees (burdened labor and overhead). When the consulting or subconsulting services amount is \$250,000 or less, the maximum profit shall be 10%. Between \$250,000 and \$2,500,000, the maximum profit shall be limited by a straight declining percentage between 10% and 5%. For consulting or subconsulting services fees with a value greater than \$2,500,000, the maximum profit shall be 5%. Addenda shall be governed by the same maximum profit percentage after adding consulting services fees.

As a portion of the total compensation to be paid to CONSULTANT and Subconsultants, OC SAN shall pay profit for all services rendered by CONSULTANT and Subconsultants for this Project according to Attachment "E" Fee Proposal.

E. Subconsultants

For any Subconsultant whose fees for services are greater than or equal to \$100,000 (excluding out-of-pocket costs), CONSULTANT shall pay to Subconsultant total compensation in accordance with the Subconsultant amount specified in Attachment "E" Fee Proposal.

For any Subconsultant whose fees for services are less than \$100,000, CONSULTANT may pay to Subconsultant total compensation on an hourly-rate basis per Attachment "K" Minor Subconsultant Hourly Rate Schedule and as specified in the Scope of Work. OC SAN shall pay to CONSULTANT the actual costs of Subconsultant fees and charges in an amount not to exceed the sum set forth in Attachment "E" Fee Proposal.

F. Direct Costs

OC SAN shall pay to CONSULTANT and Subconsultants the actual costs of permits and associated fees, travel and licenses for an amount not to exceed the

sum set forth in Attachment “E” - Fee Proposal. OC SAN shall also pay to CONSULTANT actual costs for equipment rentals, leases, or purchases with prior approval of OC SAN. Upon request, CONSULTANT shall provide to OC SAN receipts and other documentary records to support CONSULTANT’s request for reimbursement of these amounts, see Attachment “D” – Allowable Direct Costs. All incidental expenses shall be included in overhead pursuant to Section 2 – COMPENSATION, above.

G. Other Direct Costs

Other direct costs incurred by CONSULTANT and its contractor due to modifications to the Scope of Work resulting from field investigations and field work required by the Agreement. These items may include special equipment, test equipment and tooling, and other materials and services not previously identified. Refer to attachment “D” Allowable Direct Costs for payment information.

H. Reimbursable Direct Costs

OC SAN will reimburse CONSULTANT for reasonable travel and business expenses as described in this section and further described in Attachment “D” – Allowable Direct Costs, attached to this Agreement. The reimbursement of the above-mentioned expenses will be based on an “accountable plan” as considered by the Internal Revenue Service (IRS). The plan includes a combination of reimbursements based upon receipts and a “per diem” component approved by the IRS. The most recent schedule of the per diem rates utilized by OC SAN can be found on the U.S. General Service Administration website at <http://www.gsa.gov/portal/category/104711#>.

CONSULTANT shall be responsible for the most economical and practical means or management of reimbursable costs inclusive but not limited to travel, lodging, and meals arrangements. OC SAN shall apply the most economic and practical method of reimbursement which may include reimbursements based upon receipts and/or “per diem” as deemed the most practical.

CONSULTANT shall be responsible for returning to OC SAN any excess reimbursements after the reimbursement has been paid by OC SAN.

Travel and travel arrangements – Any travel involving airfare, overnight stays, or multiple day attendance must be approved by OC SAN in advance.

Local Travel is considered travel by CONSULTANT within OC SAN geographical area which includes Orange, Los Angeles, Ventura, San Bernardino, Riverside, San Diego, Imperial, and Kern Counties. Automobile mileage is reimbursable if CONSULTANT is required to utilize personal vehicle for local travel.

Lodging – Overnight stays will not be approved by OC SAN for local travel. However, under certain circumstances overnight stay may be allowed at the discretion of OC SAN based on reasonableness of meeting schedules and the

amount of time required for travel by CONSULTANT. Such determination will be made on a case-by-case basis and at the discretion of OC SAN.

Travel Meals – Per-diem rates as approved by the IRS shall be utilized for travel meals reimbursements. Per diem rates shall be applied to meals that are appropriate for travel times. Receipts are not required for the approved meals.

Additional details related to the reimbursement of the allowable direct costs are provided in Attachment “D” – Allowable Direct Costs, attached to this Agreement.

I. Limitation of Costs

If, at any time, CONSULTANT estimates that the cost of performing the services described in CONSULTANT’s Proposal will exceed seventy-five percent (75%) of the not-to-exceed amount of the Agreement, including approved additional compensation, CONSULTANT shall notify OC SAN immediately and in writing. This written notice shall indicate the additional amount necessary to complete the services. Any cost incurred in excess of the approved not-to-exceed amount, without the express written consent of OC SAN’s authorized representative shall be at CONSULTANT’s own risk. This written notice shall be provided separately from, and in addition to, any notification requirements contained in CONSULTANT’s invoice and monthly progress report. Failure to notify OC SAN that the services cannot be completed within the authorized not-to-exceed amount is a material breach of this Agreement.

3. REALLOCATION OF TOTAL COMPENSATION

OC SAN, by its Director of Engineering, shall have the right to approve a reallocation of the incremental amounts constituting the Total Compensation, provided that the Total Compensation is not increased.

4. PAYMENT

A. Monthly Invoice: CONSULTANT shall include in its monthly invoice a detailed breakdown of costs associated with the performance of any corrections or revisions of the work for that invoicing period, in a format acceptable to OC SAN. CONSULTANT shall warrant and certify the accuracy of these costs and provide all support documentation required by OC SAN. CONSULTANT understands that submitted costs are subject to Section 12 – AUDIT PROVISIONS.

B. CONSULTANT will submit monthly statements covering services and/or work performed for payment for those items included in Section 2 hereof no later than the second Wednesday of the following month and in the format required by OC SAN. The format must include, as a minimum: 1) current billing period invoicing, 2) current billing period “total percent invoiced to date”, 3) future activities, 4) previous billing period “total invoiced to date”, 5) potential items that are not included in the Scope of Work, 6) concerns and possible delays, 7) percentage of completion to date, and 8) budget status and amount remaining. Such requests shall be accompanied by such supporting data as may be required by OC SAN.

Upon approval of such payment request by OC SAN, payment shall be made to CONSULTANT as soon as practicable of one hundred percent (100%) of the invoiced amount on a per task basis.

If OC SAN determines that the work under this Agreement, or any specified task hereunder, is incomplete and that the amount of payment is in excess of:

- i. The amount considered by OC SAN's Director of Engineering to be adequate for the protection of OC SAN; or
- ii. The percentage of the work accomplished for each task

OC SAN may, at the discretion of the Director of Engineering, retain an amount equal to that which ensures that the total amount paid to that date does not exceed the percentage of the completed work for each task or the Project in its entirety.

- C. CONSULTANT may submit periodic payment requests for each 30-day period of this Agreement for the profit as set forth in Section 2 – COMPENSATION, above. Said profit payment request shall be proportionate to the work actually accomplished to date on a per task basis. In the event OC SAN's Director of Engineering determines that no satisfactory progress has been made since the prior payment, or in the event of a delay in the work progress for any reason, OC SAN shall have the right to withhold any scheduled proportionate profit payment.
- D. Upon satisfactory completion by CONSULTANT of the work called for under the terms of this Agreement, and upon acceptance of such work by OC SAN, CONSULTANT will be paid the unpaid balance of any money due for such work based on the monthly statements, including any retained percentages relating to this portion of the work.
- E. Upon satisfactory completion of the work performed hereunder and prior to final payment under this Agreement for such work, or prior settlement upon termination of this Agreement, and as a condition precedent thereto, CONSULTANT shall execute and deliver to OC SAN a release of all claims against OC SAN arising under or by virtue of this Agreement other than such claims, if any, as may be specifically exempted by CONSULTANT from the operation of the release in stated amounts to be set forth therein.
- F. Pursuant to the California False Claims Act (Government Code sections 12650-12655), any consultant that knowingly submits a false claim to OC SAN for compensation under the terms of this Agreement may be held liable for treble damages and up to a \$10,000 civil penalty for each false claim submitted. This section shall also be binding on all Subconsultants.

CONSULTANT or Subconsultant shall be deemed to have submitted a false claim when CONSULTANT or Subconsultant: (a) knowingly presents or causes to be presented to an officer or employee of OC SAN a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a

false record or statement to get a false claim paid or approved by OC SAN; (c) conspires to defraud OC SAN by getting a false claim allowed or paid by OC SAN; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to OC SAN; or (e) is a beneficiary of an inadvertent submission of a false claim to OC SAN and fails to disclose the false claim to OC SAN within a reasonable time after discovery of the false claim.

5. PREVAILING WAGES

To the extent CONSULTANT intends to utilize employees who will perform work during the contract, as more specifically defined under Labor Code section 1720, CONSULTANT shall be subject to prevailing wage requirements with respect to such employees.

6. CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) REGISTRATION AND RECORD OF WAGES

- A. To the extent CONSULTANT's employees and/or Subconsultants will perform work during the design and preconstruction phases of a construction contract for which Prevailing Wage Determinations have been issued by the Department of Industrial Relations (DIR) and as more specifically defined under Labor Code section 1720 et seq., CONSULTANT and Subconsultants 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.
- B. CONSULTANT and Subconsultants 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 section 1771.4(a)(3). Penalties for non-compliance with the requirements of Labor Code section 1776 may be deducted from progress payments per Labor Code section 1776.
- C. Pursuant to Labor Code section 1776, CONSULTANT and Subconsultants 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 Enforcement of the Department of Industrial Relations.
- D. CONSULTANT and Subconsultants shall comply with the job site notices posting requirements established by the Labor Commissioner per Title 8, California Code of Regulations Section 16461(e).

7. DOCUMENT OWNERSHIP – CONSULTANT PERFORMANCE

- A. Ownership of Documents for the professional services performed.

All documents in all forms (electronic, paper, etc.), including, but not limited to, studies, sketches, drawings, computer printouts, disk files, and electronic copies prepared in connection with or related to the Scope of Work or professional

services, shall be the property of OC SAN. OC SAN's ownership of these documents includes use of, reproduction or reuse of, and all incidental rights, whether or not the work for which they were prepared has been performed. OC SAN ownership entitlement arises upon payment or any partial payment for work performed and includes ownership of any and all work product completed prior to that payment. This section shall apply whether CONSULTANT's professional services are terminated: a) by the completion of the Agreement, or b) in accordance with other provisions of this Agreement. Notwithstanding any other provision of this paragraph or Agreement, CONSULTANT shall have the right to make copies of all such plans, studies, sketches, drawings, computer printouts and disk files, and specifications.

- B. CONSULTANT shall not be responsible for damage caused by subsequent changes to or uses of the Project deliverables where the subsequent changes or uses are not authorized or approved by CONSULTANT, provided that the service rendered by CONSULTANT was not a proximate cause of the damage.

8. INSURANCE

A. General

- i. Insurance shall be issued and underwritten by insurance companies acceptable to OC SAN.
- ii. Insurers must have an "A-" Policyholder's Rating, or better, and Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best's Guide Rating. However, OC SAN will accept State Compensation Insurance Fund for the required policy of Workers' Compensation Insurance subject to OC SAN's option to require a change in insurer in the event the State Fund financial rating is decreased below "B". Further, OC SAN will require CONSULTANT to substitute any insurer whose rating drops below the levels herein specified. Said substitution shall occur within twenty (20) days of written notice to CONSULTANT by OC SAN or its agent.
- iii. Coverage shall be in effect prior to the commencement of any work under this Agreement.

B. General Liability

CONSULTANT shall maintain during the life of this Agreement, including the period of warranty, commercial general liability insurance written on an occurrence basis providing the following minimum limits of liability coverage: One Million Dollars (\$1,000,000) per occurrence with Two Million Dollars (\$2,000,000) aggregate. If aggregate limits apply separately to this contract (as evidenced by submission of ISO form CG 25 03 or 25 04), then the aggregate limit may be equivalent to the per occurrence limit. Said insurance shall include coverage for the following hazards: premises-operations, blanket contractual liability (for this Agreement), products liability/completed operations (including any product manufactured or assembled), broad form property

damage, blanket contractual liability, independent contractors liability, personal and advertising injury, mobile equipment, owners and contractors protective liability, and cross liability and severability of interest clauses. A statement on an insurance certificate will not be accepted in lieu of the actual additional insured endorsement(s). If requested by OC SAN and applicable XCU coverage (Explosion, Collapse, and Underground) and Riggers/On Hook Liability must be included in the general liability policy and coverage must be reflected on the submitted certificate of insurance. Where permitted by law, CONSULTANT hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, or any other reason against OC SAN, its or their officers, agents, or employees, and any other consultant, contractor, or subcontractor performing work or rendering services on behalf of OC SAN in connection with the planning, development, and construction of the Project. In all its insurance coverages related to the work, CONSULTANT shall include clauses providing that each insurer shall waive all of its rights of recovery by subrogation against OC SAN, its or their officers, agents, or employees, or any other consultant, contractor, or subcontractor performing work or rendering services at the Project. Where permitted by law, CONSULTANT shall require similar written express waivers and insurance clauses from each of its Subconsultants 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.

C. Umbrella Excess Liability

The minimum limits of general liability and automobile liability insurance required, as set forth herein, shall be provided for through either a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Umbrella 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.

D. Automobile/Vehicle Liability Insurance – Not applicable

E. Drone Liability Insurance

If a drone will be used, drone liability insurance must be maintained by CONSULTANT in the amount of One Million Dollars (\$1,000,000) in a form acceptable by OC SAN.

F. Workers' Compensation Insurance

CONSULTANT shall provide such workers' compensation insurance as required by the Labor Code of the State of California in the amount of the statutory limit, including employer's liability insurance with a minimum limit of One Million Dollars (\$1,000,000) per occurrence. Such workers' compensation insurance shall be endorsed to provide for a waiver of subrogation in favor of OC SAN.

A statement on an insurance certificate will not be accepted in lieu of the actual endorsements unless the insurance carrier is State of California Insurance Fund and the identifier "SCIF" and endorsement numbers 2570 and 2065 are referenced on the certificate of insurance. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage for Jones Act claims.

G. Errors and Omissions/Professional Liability

CONSULTANT shall maintain in full force and effect, throughout the term of this Agreement, standard industry form professional negligence errors and omissions insurance coverage in an amount of not less than Two Million Dollars (\$2,000,000) with limits in accordance with the provisions of this paragraph. If the policy of insurance is written on a "claims made" basis, said policy shall be continued in full force and effect at all times during the term of this Agreement and for a period of five (5) years from the date of the completion of the services hereunder.

In the event of termination of said policy during this period, CONSULTANT shall obtain continuing insurance coverage for the prior acts or omissions of CONSULTANT during the course of performing services under the term of this Agreement. Said coverage shall be evidenced by either a new policy evidencing no gap in coverage or by separate extended "tail" coverage with the present or new carrier.

In the event the present policy of insurance is written on an "occurrence" basis, said policy shall be continued in full force and effect during the term of this Agreement or until completion of the services provided for in this Agreement, whichever is later. In the event of termination of said policy during this period, new coverage shall be obtained for the required period to insure for the prior acts of CONSULTANT during the course of performing services under the term of this Agreement.

CONSULTANT shall provide to OC SAN a certificate of insurance in a form acceptable to OC SAN indicating the deductible or self-retention amounts and the expiration date of said policy, and shall provide renewal certificates not less than ten (10) days prior to the expiration of each policy term.

H. Proof of Coverage

CONSULTANT shall furnish OC SAN with original certificates and amendatory endorsements effecting coverage. Said policies and endorsements shall conform to the requirements herein stated. All certificates and endorsements are to be received and approved by OC SAN before work commences. OC SAN reserves the right to require, at any time, complete, certified copies of all required insurance policies, including endorsements, effecting the coverage required. The following are approved forms that must be submitted as proof of coverage:

- Certificate of Insurance ACORD Form 25 or other equivalent certificate of insurance form
- Additional Insurance (General Liability) The combination of (ISO Forms) CG 20 10 and CG 20 37
All other additional insured endorsements must be submitted for approval by OC SAN, and OC SAN may reject alternatives that provide different or less coverage to OC SAN.
- Additional Insured (Automobile Liability) Submit endorsement provided by carrier for OC SAN approval.
- Waiver of Subrogation Submit workers' compensation waiver of subrogation endorsement provided by carrier for OC SAN approval.
- Cancellation Notice No endorsement is required. However, CONSULTANT is responsible for notifying OC SAN of any pending or actual insurance policy cancellation, as described in Article I. Cancellation and Policy Change Notice, below.

I. Cancellation and Policy Change Notice

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

Said notices shall be mailed to OC SAN at:

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

J. Primary Insurance

The general and automobile liability policies shall contain a "Primary and Non-Contributory" clause. Any other insurance maintained by OC SAN shall be excess and not contributing with the insurance provided by CONSULTANT.

K. Separation of Insured

The general and automobile liability policies shall contain a "Separation of Insureds" clause.

L. Non-Limiting (if applicable)

Nothing in this document shall be construed as limiting in any way, nor shall it limit the indemnification provision contained in this Agreement, or the extent to which CONSULTANT may be held responsible for payment of damages to persons or property.

M. Deductibles and Self-Insured Retentions

Any deductible and/or self-insured retention must be declared to OC SAN on the certificate of insurance. All deductibles and/or self-insured retentions require approval by OC SAN. At the option of OC SAN, either: the insurer shall reduce or eliminate such deductible or self-insured retention as respects OC SAN; or CONSULTANT shall provide a financial guarantee satisfactory to OC SAN guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

N. Defense Costs

The general and automobile liability policies shall have a provision that defense costs for all insureds and additional insureds are paid in addition to and do not deplete any policy limits.

O. Subconsultants

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

P. Limits Are Minimums

If CONSULTANT maintains higher limits than any minimums shown above, then OC SAN requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT.

9. SCOPE CHANGES

In the event of a change in the Scope of Work or other terms in the Agreement, as requested by OC SAN, the Parties hereto shall execute an amendment to this Agreement setting forth with particularity all terms of the new Agreement, including, but not limited to, any additional CONSULTANT fees. CONSULTANT hereby agrees to use any and all procedures, programs, and systems required by OC SAN to process and execute such amendment(s), including, but not limited to, computer programs and systems.

10. PROJECT TEAM AND SUBCONSULTANTS

CONSULTANT shall provide to OC SAN, prior to execution of this Agreement, the names and full description of all Subconsultants and CONSULTANT's Project team

members anticipated to be used on this Project under this Agreement by CONSULTANT. CONSULTANT shall include a description of the work and services to be done by each Subconsultant and each of CONSULTANT's Project team member. CONSULTANT shall include the respective compensation amounts for CONSULTANT and each Subconsultant, broken down as indicated in Section 2 – COMPENSATION.

There shall be no substitution of the listed Subconsultants and CONSULTANT's Project team members without prior written approval by OC SAN.

11. ENGINEERING REGISTRATION

CONSULTANT's personnel and Subconsultants are comprised of registered engineers and a staff of specialists and draftsmen in each department. The firm itself is not a registered engineer but represents and agrees that wherever, in the performance of this Agreement, the services of a registered engineer are required, such services hereunder will be performed under the direct supervision of registered engineers who are registered in California.

12. AUDIT PROVISIONS.

- A. OC SAN retains the reasonable right to access, review, examine, and audit any and all books, records, documents, and any other evidence of procedures and practices that OC SAN determines are necessary to discover and verify that CONSULTANT is in compliance with all requirements under this Agreement. CONSULTANT shall include OC SAN's right as described above in any and all of their subcontracts and shall ensure that these rights are binding upon all Subconsultants.
- B. OC SAN retains the right to examine CONSULTANT's books, records, documents, and any other evidence of procedures and practices that OC SAN determines are necessary to discover and verify all direct and indirect costs, of whatever nature, which are claimed to have been incurred, or anticipated to be incurred, or to ensure CONSULTANT's compliance with all requirements under this Agreement during the term of this Agreement and for a period of three (3) years after its termination.
- C. CONSULTANT shall maintain complete and accurate records in accordance with generally accepted industry standard practices and OC SAN's policy. CONSULTANT shall make available to OC SAN for review and audit all Project related accounting records and documents and any other financial data within 15 days after receipt of notice from OC SAN. Upon OC SAN's request, CONSULTANT shall submit exact duplicates of originals of all requested records to OC SAN. If an audit is performed, CONSULTANT shall ensure that a qualified employee of CONSULTANT will be available to assist OC SAN's auditor in obtaining all Project-related accounting records and documents, and any other financial data.

13. LEGAL RELATIONSHIP BETWEEN PARTIES

The legal relationship between the Parties hereto is that of an independent contractor and nothing herein shall be deemed to transform CONSULTANT, its staff, independent contractors, or Subconsultants into employees of OC SAN. CONSULTANT's staff performing services under the Agreement shall at all times be employees and/or independent contractors of CONSULTANT. CONSULTANT shall monitor and control its staff and pay wages, salaries, and other amounts due directly to its staff in connection with the Agreement. CONSULTANT shall be responsible for hiring, review, and termination of its staff and shall be accountable for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation, and similar matters.

14. NOTICES

All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

ORANGE COUNTY SANITATION DISTRICT
10844 Ellis Avenue
Fountain Valley, CA 92708-7018
Attention: Digna Olmos, Principal Contracts Administrator
Copy: Richard Leon, Project Manager

CONSULTANT:

The Austin Company
6410 Oak Canyon, Suite 150
Irvine, CA 92618
Attention: Kenric B. Stone

All communication regarding the Scope of Work will be addressed to the Project Manager. Direction from other OC SAN staff must be approved in writing by OC SAN's Project Manager prior to action from CONSULTANT.

15. TERMINATION

OC SAN may terminate this Agreement at any time, without cause, upon giving thirty (30) days written notice to CONSULTANT. In the event of such termination, CONSULTANT shall be entitled to compensation for work performed on a prorated basis through and including the effective date of termination.

CONSULTANT shall be permitted to terminate this Agreement upon thirty (30) days written notice only if CONSULTANT is not compensated for billed amounts in accordance with the provisions of this Agreement, when the same are due.

Notice of termination shall be mailed to OC SAN at the address listed in Section 14 - NOTICES.

16. DOCUMENTS AND STUDY MATERIALS

The documents and study materials for this Project shall become the property of OC SAN upon the termination or completion of the work. CONSULTANT agrees to furnish to OC SAN copies of all memoranda, correspondence, electronic materials, computation, and study materials in its files pertaining to the work described in this Agreement, which is requested in writing by OC SAN.

17. COMPLIANCE

A. Labor

CONSULTANT certifies by the execution of this Agreement that it pays employees not less than the minimum wage as defined by law and that it does not discriminate in its employment with regard to race, color, religion, sex, or national origin; that it is in compliance with all federal, state, and local directives and executive orders regarding non-discrimination in employment; and that it agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

B. Air Pollution

CONSULTANT and its subconsultants and subcontractors shall comply with all applicable federal, state, and local air pollution control laws and regulations.

C. Iran Contracting Act

CONSULTANT and its subconsultants and subcontractors shall comply with the Iran Contracting Act of 2010 (Public Contract Code sections 2200-2208).

18. AGREEMENT EXECUTION AUTHORIZATION

Both OC SAN and CONSULTANT covenant that each individual executing this document by and on behalf of each Party is a person duly authorized to execute this Agreement for that Party.

19. DISPUTE RESOLUTION

In the event of a dispute arising between the Parties regarding performance or interpretation of this Agreement, the dispute shall be resolved by binding arbitration under the auspices of the Judicial Arbitration and Mediation Service ("JAMS"), or similar organization or entity conducting alternate dispute resolution services.

20. ATTORNEY'S FEES, COSTS AND NECESSARY DISBURSEMENTS

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 Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which the prevailing party may be entitled.

21. WARRANTY

CONSULTANT shall perform its services in accordance with generally accepted industry and professional standards. If, within the 12-month period following completion of its services, OC SAN informs CONSULTANT that any part of the services fails to meet those standards, CONSULTANT shall, within the time prescribed by OC SAN, take all such actions as are necessary to correct or complete the noted deficiency(ies).

22. INDEMNIFICATION

To the fullest extent permitted by law, CONSULTANT shall indemnify, defend (at CONSULTANT's sole cost and expense and with legal counsel approved by OC SAN, which approval shall not be unreasonably withheld), protect, and hold harmless OC SAN and all of OC SAN's officers, directors, employees, consultants, and agents (collectively the "Indemnified Parties"), from and against any and all claims, damages, liabilities, causes of action, suits, arbitration awards, losses, judgments, fines, penalties, costs, and expenses (including, without limitation, attorneys' fees, disbursements and court costs, and all other professional, expert, or CONSULTANT's fees and costs, and OC SAN's general and administrative expenses; individually, a "Claim"; collectively, "Claims") which may arise from or are in any manner related, directly or indirectly, to any work performed, or any operations, activities, or services provided by CONSULTANT in carrying out its obligations under this Agreement to the extent of the negligent, recklessness and/or willful misconduct of CONSULTANT, its principals, officers, agents, employees, CONSULTANT's suppliers, CONSULTANT, Subconsultants, subcontractors, and/or anyone employed directly or indirectly by any of them, regardless of any contributing negligence or strict liability of an Indemnified Party. Notwithstanding the foregoing, nothing herein shall be construed to require CONSULTANT to indemnify the Indemnified Parties from any Claim arising solely from:

- (A) the active negligence or willful misconduct of the Indemnified Parties; or
- (B) a natural disaster or other act of God, such as an earthquake; or
- (C) the independent action of a third party who is neither one of the Indemnified Parties nor CONSULTANT, nor its principal, officer, agent, employee, nor CONSULTANT's supplier, CONSULTANT, Subconsultant, subcontractor, nor anyone employed directly or indirectly by any of them.

Exceptions (A) through (B) above shall not apply, and CONSULTANT shall, to the fullest extent permitted by law, indemnify the Indemnified Parties, from Claims arising from more than one cause if any such cause taken alone would otherwise result in the obligation to indemnify hereunder.

CONSULTANT's liability for indemnification hereunder is in addition to any liability CONSULTANT may have to OC SAN for a breach by CONSULTANT of any of the provisions of this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit CONSULTANT's indemnification obligation or other liability hereunder. The terms of this Agreement are contractual and the result of negotiation between the Parties hereto. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code

section 1654) that ambiguities are to be construed against the drafting party shall not be employed in the interpretation of this Agreement.

23. DUTY TO DEFEND

The duty to defend hereunder is wholly independent of and separate from the duty to indemnify and such duty to defend shall exist regardless of any ultimate liability of CONSULTANT and shall be consistent with Civil Code section 2782.8. Such defense obligation shall arise immediately upon presentation of a Claim by any person if, without regard to the merit of the Claim, such Claim could potentially result in an obligation to indemnify one or more Indemnified Parties, and upon written notice of such Claim being provided to CONSULTANT. Payment to CONSULTANT by any Indemnified Party or the payment or advance of defense costs by any Indemnified Party shall not be a condition precedent to enforcing such Indemnified Party's rights to indemnification hereunder. In the event a final judgment, arbitration, award, order, settlement, or other final resolution expressly determines that the claim did not arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, to any extent, then OC SAN will reimburse CONSULTANT for the reasonable costs of defending the Indemnified Parties against such claims.

CONSULTANT's indemnification obligation hereunder shall survive the expiration or earlier termination of this Agreement until such time as action against the Indemnified Parties for such matter indemnified hereunder is fully and finally barred by the applicable statute of limitations.

24. COMPLIANCE WITH OC SAN POLICIES AND PROCEDURES

CONSULTANT shall comply with all OC SAN policies and procedures including the Contractor Safety Standards, as applicable, all of which may be amended from time to time.

25. CLOSEOUT

When OC SAN determines that all work authorized under the Agreement is fully complete and that OC SAN requires no further work from CONSULTANT, or the Agreement is otherwise terminated or expires in accordance with the terms of the Agreement, OC SAN shall give CONSULTANT written notice that the Agreement will be closed out. CONSULTANT shall submit all outstanding billings, work submittals, deliverables, reports, or similarly related documents as required under the Agreement within thirty (30) days of receipt of notice of Agreement closeout.

Upon receipt of CONSULTANT's submittals, OC SAN shall commence a closeout audit of the Agreement and will either:

- i. Give CONSULTANT a final Agreement Acceptance: or
- ii. Advise CONSULTANT in writing of any outstanding item or items which must be furnished, completed, or corrected at CONSULTANT's cost.

CONSULTANT shall be required to provide adequate resources to fully support any administrative closeout efforts identified in the Agreement. Such support must be provided within the timeframe requested by OC SAN.

Notwithstanding the final Agreement Acceptance, CONSULTANT will not be relieved of its obligations hereunder, nor will CONSULTANT be relieved of its obligations to complete any portions of the work, the non-completion of which were not disclosed to OC SAN (regardless of whether such nondisclosures were fraudulent, negligent, or otherwise), and CONSULTANT shall remain obligated under all those provisions of the Agreement which expressly or by their nature extend beyond and survive final Agreement Acceptance.

Any failure by OC SAN to reject the work or to reject CONSULTANT's request for final Agreement Acceptance as set forth above shall not be deemed to be acceptance of the work by OC SAN for any purpose nor imply acceptance of, or agreement with, CONSULTANT's request for final Agreement Acceptance.

26. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all previous negotiations between them pertaining to the subject matter thereof.

IN WITNESS WHEREOF, this Agreement has been executed in the name of OC SAN and CONSULTANT by their respective duly authorized officers as of the day and year first written above.

CONSULTANT: THE AUSTIN COMPANY

By _____
Kenric B. Stone
Vice President and Project Executive
Date _____

ORANGE COUNTY SANITATION DISTRICT

By _____
Chad P. Wanke
Board Chairman
Date _____

By _____
Kelly A. Lore
Clerk of the Board
Date _____

By _____
Ruth Zintzun
Purchasing & Contracts Manager
Date _____

- Attachments:
- Attachment "A" – Scope of Work
 - Attachment "B" – Not Attached
 - Attachment "C" – Not Attached
 - Attachment "D" – Allowable Direct Costs
 - Attachment "E" – Fee Proposal
 - Attachment "F" – Not Used
 - Attachment "G" – Not Attached
 - Attachment "H" – Not Used
 - Attachment "I" – Cost Matrix and Summary
 - Attachment "J" – Not Attached
 - Attachment "K" – Minor Subconsultant Hourly Rate Schedule
 - Attachment "L" - Contractor Safety Standards
 - Attachment "M" – Iran Contracting Act Verification

DO:yp

ATTACHMENT “A”

SCOPE OF WORK

ATTACHMENT "A"

SCOPE OF WORK

CAD Design Manual Update for 3D Design
Project No. PS21-05

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I. SUMMARY

This Scope of Work requests professional services to identify functionality of computer-aided design (CAD) Applications and their benefits to the Orange County Sanitation District (OC SAN); develop a design standard for three-dimensional (3D) CAD; integrate the new standard into OC SAN's existing CAD Manual; and create quality assurance/quality control (QA/QC) processes and tools to verify 3D CAD compliance.

This project will develop 3D CAD Standards to set mandatory procedures for consultants and contractors to follow for the creation and delivery of all CAD drawings to OC SAN. The procedures will consider design, construction and archiving of CAD drawings and how CAD deliverables will be integrated with OC SAN's existing engineering, construction, operation and maintenance, and administration systems. In addition, this project will consider how the updated design standards could support other CAD technologies, such as a Digital Twin in the future, and how these technologies could be integrated with OC SAN's systems in the future.

II. BACKGROUND, GENERAL PROJECT DESCRIPTION, AND OBJECTIVES

BACKGROUND

OC SAN's current CAD Standards Manual (CAD Manual), included as Exhibit 1, was originally developed in 2001 with minor updates last made in 2021. The CAD Manual outlines the CAD requirements that must be incorporated into all engineering design packages that are prepared for OC SAN projects. The CAD Manual ensures that CAD files are prepared consistently by OC SAN and outside consultants and can be imported into OC SAN's Geographic Information System (GIS) applications. The current CAD Manual, which is developed around two-dimensional (2D) design standards and older AutoCAD technology, works well for certain design projects, however, 3D design standards are needed to address complex design projects and future OC SAN needs.

As the industry moves towards 3D design, our current CAD Manual is no longer appropriate or applicable to all projects. Many current OC SAN projects are preparing 3D designs based on inconsistent standards. To ensure that various design consultant's deliverables and CAD files provide the same level of detail, are consistent, and are compatible with OC SAN's GIS applications and other systems, an updated OC SAN CAD Manual, addressing 3D design, is required. The updated CAD Manual will include data standards that represent the entire life cycle of facilities design thru operation within the OC SAN service area. The updated CAD Manual shall also consider how CAD files can be made compatible with other OC SAN software, databases, and processes in the now and in the future.

The Enterprise Information Management (EIM) group is part of OC SAN's Information Technology (IT) department and is responsible for updating and maintaining the OC SAN CAD Manual. This project will require coordination with EIM and other Project Stakeholders in design, construction, operations, and maintenance to develop the 3D design requirements and update the CAD Manual. This project will also define the types of projects where 3D design should be used, and projects that can be designed in 2D.

GENERAL PROJECT DESCRIPTION

This project will perform a comprehensive evaluation of CAD technologies to determine the most suitable way to adapt current technologies to OC SAN's existing processes. Based on the results of the evaluation, this project will develop a new CAD standard to be applied to 3D design, update OC SAN's existing CAD Manual, develop standards libraries in support of the new CAD standard and develop QA/QC procedures and tools to ensure compliance with the new standards.

PROJECT OBJECTIVES

- Identify functionality of 3D design software and applicability to OC SAN.
- Create 3D CAD Standards and integrate 3D CAD Standards into OC SAN's current CAD Manual.
- Create or modify supporting libraries and/or templates to meet the updated CAD Manual requirements for use with the selected software applications.
- Define QA processes and create QC Tools for 3D CAD compliance and train OC SAN staff on the implementation and use of tools.

III. PROJECT SCHEDULE

Table 1 lists the time frames associated with each major project deliverable and with OC SAN's review and approval of those deliverables. CONSULTANT shall comply with the deadlines indicated in that table.

Table 1 – Project Milestones and Deadlines

MILESTONE	DEADLINE
Kickoff Meeting	The kickoff meeting will be scheduled to coincide with the Project Notice to Proceed (NTP).
Submit draft Technical Memorandum 1 (TM 1)	55 workdays from the Project NTP.
OC SAN Review of draft TM 1	20 workdays from receipt of Draft TM 1
Submit Final TM1	15 workdays from receipt of OC SAN Comments on Draft TM1
Submit Draft Technical Memorandum 2 (TM 2)	45 workdays from receipt of Final TM 1.
OC SAN Review of Draft TM 2	20 workdays from receipt of Draft TM 2
Submit Final TM 2	15 workdays from receipt of OC SAN comments on Draft TM 2.

Table 1 – Project Milestones and Deadlines

MILESTONE	DEADLINE
Submit draft OC SAN CAD Manual	45 workdays from receipt of Final TM 2.
OC SAN Review of draft OC SAN CAD Manual	20 workdays from receipt of Draft OC SAN CAD Manual
Submit final OC SAN CAD Manual	15 workdays from receipt of OC SAN comments on draft OC SAN CAD Manual
OC SAN Review of Final OC SAN CAD Manual	10 workdays from receipt of final OC SAN CAD Manual
Submit Automated QC Tools	20 workdays from submittal final OC SAN CAD Manual
Complete Training of OC SAN Staff on QA/QC Procedures	10 workdays from receipt of automated QC tools
Submit Final training manuals and materials	10 workdays from completion of training.

OC SAN will consider an alternative CONSULTANT-proposed schedule provided it is consistent with OC SAN resources and schedule constraints and adds value to OC SAN.

IV. PROJECT EXECUTION

TASK 1 – REVIEW OF EXISTING DOCUMENTATION AND 3D MODELS, AND EVALUATION OF 3D APPLICATIONS

TASK 1.1 REVIEW EXISTING DOCUMENTATION AND 3D MODELS

CONSULTANT shall review the below documentation to understand OC SAN’s CAD standards and design deliverable intake processes. The review shall provide an overall understanding of project submittal and delivery requirements, CAD standards and data transfer to GIS and Operations systems (SCADA, Maximo, etc.) and shall identify file formats, document control, interoperability challenges, software, and other standards.

- Exhibit 1 - OC SAN's current 2D CAD standards
- Exhibit 2 – Orange County Sanitation District Business Process Assessment
- Exhibit 9 - AutoCAD P&ID Functionality Documentation
- Exhibit 10 - Equipment and Instrument Database (EID) Process
- Exhibit 11 - EID Guidelines
- Exhibit 12 - SAT Data Dictionary

- Exhibit 13 - Typical Design Submittal Requirements Matrix for a CIP Project
- OC SAN's standard software (see [Section V](#))
- [OC SAN CAD files provided to external users](#)
(<https://www.ocsan.gov/education/reports-agency-information/-folder-1007>)

CONSULTANT shall review 3D models from existing projects to determine suitability of content for integration into a common platform and identify inconsistencies that will be addressed by the CAD Manual update. The review shall address, at a minimum:

- Dimensional accuracy
- Geospatial locations
- Consistency with drawing information
- Unique identification of major equipment and pipelines
- Relationship of model components (equipment, valves, instrumentation) to P&IDs where appropriate
- Asset tags and object information.
- Identification of architectural and structural components
- Identification of underground utilities where appropriate
- Level of Detail
- Detail of space or floor definitions
- Assumption for level of effort: The CONSULTANT will review no less than four of the models from Exhibit 8, Partial List of OC SAN Projects using 3D Design.

In addition, the CONSULTANT shall conduct stakeholder meetings within eight weeks of project kickoff to better understand OC SAN's existing processes to recommend areas of improvement.

In addition, the CONSULTANT shall begin developing a sample 3D model that will illustrate key criteria of the new CAD Manual. This model will be delivered to OC San with Task 3.4

TASK 1.2 EVALUATION OF 3D APPLICATIONS

OC SAN has standardized on the use of Autodesk products, including AutoCAD, AutoCAD Plant 3D and AutoCAD Map 3D. To determine how 3D Design Environments will be applied to OC SAN projects, CONSULTANT shall review software and programs within the Autodesk suite, or compatible with the Autodesk suite, and provide recommendations for standardization on software for 3D design. Considerations for the following key features should be included in the evaluation:

- Functionality of software to support 3D Design, and review of 3D designs.
- Functionality of software to support OC SAN projects, including plant projects, pump stations and linear projects. The evaluation shall consider projects that construct new facilities as well as rehabilitation projects.
- Support for federated models in a 3D Design Environment.
- Ease of access to 3D models for key stakeholders.
- Support for integration with other existing systems (i.e. GIS, EID, SCADA Administration Tool (SAT)). See Exhibits 10 and 11 for EID processes and guidelines; see Exhibit 12 for SAT guidelines.
- Ability to identify major equipment, list commodity items, provide quantification of major structural components and provide interference/clash detection during design and review sessions.
- Cost of software, licensing, hosting, maintenance and support, as well as a projection of training costs as appropriate. Pricing information shall include initial costs and annual maintenance costs.

CONSULTANT shall recommend how 3D Designs will be incorporated into OC SAN's current review processes and recommend when a project should require the use of 2D or 3D CAD based on project type and size, and other considerations. Examples of different types of projects OC SAN completes are: large CIP projects, small projects, rehabilitation projects, and linear (collections) projects.

CONSULTANT shall recommend an environment to facilitate review of the 3D model and P&IDs, as applicable.

CONSULTANT shall conduct up to five 30-minute teleconferences to receive input from OC SAN stakeholders. The stakeholder input shall be reflected in TM-1.

CONSULTANT shall describe the relationship between the proposed 3D model, 2D construction drawings, P&IDs and existing processes.

CONSULTANT shall determine opportunities where outputs or publishing of the 3D Design Environment could be used for operations and maintenance (preventative maintenance, training, etc.), and/or asset management.

CONSULTANT shall prepare a technical memorandum (TM) which, at the minimum, includes the following:

- Document current processes and potential points of improvement or integration related to the use of the 3D model and recommended software, as well as opportunities for use of the model during Operations and Maintenance.
- Recommend standard software package(s) to be used in 3D models and other CAD applications.

- Describe how the 3D model will integrate with 2D construction drawings, P&IDs and existing processes.
- Recommend when 3D Design standards should apply to a new project.
- Identify functionality of P&ID applications and how they can support other OC SAN processes, specifically the SAT and the EID.

Deliverables:

TM-1 – Evaluation of 3D Applications and Related Workflows (Draft and Final).

TASK 2 – DEVELOP 3D CAD STANDARDS

CONSULTANT shall develop standalone 3D CAD Standards and a related model design review process and include appropriate model Level of Development (LOD) throughout all project phases from Project Design Submittals (Preliminary Design through Final Design) through Project Record phase. Provide additional documentation of OC SAN design review processes requiring updates as a result of implementation of a 3D CAD standard.

The 3D CAD standard shall include, at a minimum, file naming conventions, layer conventions, graphic/style standards, drawing set organization, deliverables and data exchange, CAD standards implementation tools, as well as space and graphical standards, 3D model structure, 3D model requirements. For additional information, refer to the [National BIM Guide for Owners published by the National Institute of Building Sciences](https://www.nibs.org/files/pdfs/NIBS_BIMC_NationalBIMGuide.pdf) (https://www.nibs.org/files/pdfs/NIBS_BIMC_NationalBIMGuide.pdf).

CONSULTANT shall prepare a TM which, at the minimum, includes the following:

- Develop 3D CAD Standards based on the software package(s) selected in TM-1. The 3D CAD Standards shall consider OC SAN's existing CAD Standards for 2D, industry standards, and requirements to support other processes, such as exporting to other existing systems (i.e. GIS, EID, SAT), archiving and future use.
- Describe the intake process for 3D models relative to existing document control systems and a diagram demonstrating the relationship between the 3D models, related (2D) construction drawings and P&IDs.
- Recommend design review tool(s) for 3D Designs. OC SAN currently standardizes on Bluebeam Revu for reviewing and providing comments to PDF files, as described in [Section V](#) and Exhibit 7 - Bluebeam Designer User Training describing the existing design review processes.
- Include, as an appendix, the OC SAN CAD review process to confirm future projects comply with this new standard.

Deliverables:

TM-2 – 3D CAD Design Standards (Draft and Final)

TASK 3 – UPDATE CAD STANDARDS MANUAL FOR 3D DESIGN

CONSULTANT shall perform a comprehensive update of OC SAN's current CAD Manual to incorporate 3D CAD Standards.

TASK 3.1 INTEGRATE 3D CAD DESIGN STANDARDS INTO OC SAN'S CURRENT CAD MANUAL

CONSULTANT shall update OC SAN's current CAD Manual to incorporate the 3D CAD Standards developed in Task 2. The CAD Standards Manual update shall include 3D model requirements, LOD requirements at different design stages (Preliminary Design, Design Submittal (DS) 1, DS2, DS3, and Final Design Submittal) and the use of design review tools. The updated CAD Manual shall revise the existing 2D standards as needed so they are compatible with the 3D CAD Design Standards and do not require CAD re-work when exporting from 3D to 2D.

CONSULTANT shall also update all other sections of the existing CAD manual, as required by the approved recommendations of TM-1 and TM-2.

CONSULTANT shall prepare the CAD Manual such that it can be exported to PDF using the Bluebeam Add-on in Microsoft Word. Exported PDF shall have hyperlinks from the Table of Contents and any references throughout the file. PDF shall also have bookmarks for each chapter and appendix. The cover page of the Word document shall include instructions on exporting and other cleanup requirements, these instructions shall not be included on the exported PDF.

Deliverables:

OC SAN CAD Standards Manual (Draft and Final) in both Word and PDF Formats

TASK 3.2 DEVELOP LIBRARIES

CONSULTANT shall review OC SAN's existing libraries for 2D and shall update these existing libraries as appropriate to conform with the new CAD Manual.

CONSULTANT shall develop a series of new libraries and/or templates for use within the 3D modeling software as defined in the CAD Manual.

CONSULTANT shall develop new and revised libraries in the correct format to support the software selections to include standard 3D components and related 2D and annotation symbols for drawing production.

Deliverables:

Revised and new libraries and/or templates in native format.

TASK 3.3 CREATE AUTOMATED QC TOOLS FOR 3D CAD COMPLIANCE

CONSULTANT shall create automated Quality Control (QC) tools that OC SAN's EIM group will use to review design submittals and ensure compliance with the updated CAD Standards Manual. CONSULTANT shall also evaluate the existing QC tools for 2D design and the CAD

Standards Compliance Checklist (Appendix D of the CAD Manual) and shall update them as necessary or incorporate them in the new QC tools.

Deliverables:

Automated and updated QC tools

TASK 3.4 CREATE QA/QC PROCEDURES AND TRAINING

CONSULTANT shall develop Quality Assurance (QA) procedures, including consistent use of the QC Tools and recommended use of the QC tools at different design phases. The QA procedures shall be documented in a Training Manual.

CONSULTANT shall conduct Training Presentations to train OC SAN staff to use the CAD Manual, libraries and QC tools. All modules and formats shall be approved by OC SAN EIM team representative prior to providing training. CONSULTANT shall develop training materials that shall be repurposed for the training manual and multimedia training materials. Training Presentations shall be recorded and provided to OC SAN for future use.

CONSULTANT shall conduct a Training Workshop. The Training Workshop shall be held after the Training Presentations and shall provide hands-on use of software, QC tools and QA procedures. CONSULTANT shall provide hardware and software required to train five (5) OC SAN employees.

CONSULTANT shall develop a Training Manual for OC SAN's use with future staff. Training Manual shall provide guidance on how to use the tools, templates and libraries developed under this project. Training Manual shall be a searchable, hyperlinked, and bookmarked PDF per Exhibit 6.

CONSULTANT shall develop multimedia training materials to support the Training Manual. Multimedia training materials shall include either a single Microsoft PowerPoint presentation to train use of all the tools, templates and libraries, or multiple presentations to provide a modular training approach. The presentation shall include written and recorded narration (or use of transcript features) within the PowerPoint as appropriate per slide and include recorded narration embedded within the slides where appropriate. Alternative to the embedded narration a training video, with an instructor narrating over the slides, may be provided.

Deliverables:

Training Manual and multimedia training materials that include QA/QC procedures.

TASK 4 – PROJECT MANAGEMENT

CONSULTANT shall be responsible for managing CONSULTANT's project execution, schedule, budget, subconsultants. The CONSULTANT shall perform the project management requirements in accordance with Exhibit 3 - Project Management Requirements.

TASK 5 – MEETINGS AND WORKSHOPS

CONSULTANT shall hold meetings and workshops throughout the project to keep OC SAN apprised of the job, review work-in-progress, share information, discuss project submittals,

present findings of technical analyses, receive and resolve comments, and obtain decisions and direction from OC SAN staff. This task defines the major meetings and workshops to be held by the CONSULTANT. The Project Kickoff and all workshops will be held at the OC SAN offices in Fountain Valley and all other meetings will be held virtually via MS Teams.

Requirements for planning, agendas, and minutes of workshops and meetings shall be as specified in Exhibit 4 - Workshop and Meeting Requirements.

A series of workshops shall be held to review project progress and make key decisions. The workshop title and brief subjects to be covered in each workshop are discussed below.

Task	Number of Meetings/ Workshops	Proposed Topics
5	One 2-hr Project Kickoff	<ul style="list-style-type: none"> • Project background • Project scope • Project schedule • Roles and responsibilities • Project management procedures
1	One 1.5-hr Meeting	<ul style="list-style-type: none"> • Stakeholder Kickoff Meeting
1	Three 1-hr Focus Meetings	<ul style="list-style-type: none"> • Review alternatives • Stakeholder input • Decisions • Present available technologies
1	One 2-hr Workshop	<ul style="list-style-type: none"> • Draft TM-1 Presentation Workshop
1	One 2-hr Workshop	<ul style="list-style-type: none"> • Draft TM-1 Validation Workshop (within 1 week of receiving OC SAN comments)
2	Three 1-hr Focus Meetings	<ul style="list-style-type: none"> • Over the shoulder review • Stakeholder input • Decisions
2	One 2-hr Workshop	<ul style="list-style-type: none"> • Draft TM-2 Presentation Workshop (within 3 days of submitting TM-2 Draft)
2	One 2-hr Workshop	<ul style="list-style-type: none"> • Draft TM-2 Validation Workshop (within 1 week of receiving OC SAN comments)
3	Two 1-hr Focus Meetings	<ul style="list-style-type: none"> • Over the shoulder review • Stakeholder Input • Decisions
3	One 2-hr Workshop	<ul style="list-style-type: none"> • Draft CAD Manual Presentation Workshop (within 3 days of submitting Draft CAD Manual)
3	One 2-hr Workshop	<ul style="list-style-type: none"> • Draft CAD Manual Comment Validation Workshop (within 1 week of receiving OC SAN comments)
3	Four 1-hr Presentations	<ul style="list-style-type: none"> • Training Presentations
3	One 4-hr Workshop	<ul style="list-style-type: none"> • Training Workshop

Task	Number of Meetings/ Workshops	Proposed Topics
4	<ul style="list-style-type: none"> • Twelve (12) 1-hr Meetings 	<ul style="list-style-type: none"> • Meet with OC SAN Project Manager monthly to review progress report and invoice prior to submission.
5	<ul style="list-style-type: none"> • Ten (10) 1-hr Meetings 	<ul style="list-style-type: none"> • Technical Progress Meeting to review progress, issues and action items.
5	<ul style="list-style-type: none"> • Two 1-hr Trainings 	<ul style="list-style-type: none"> • Bluebeam • PM Web

TASK 6 - QUALITY CONTROL

CONSULTANT shall be responsible for the technical adequacy and quality control of their work. Prior to the submittal to OC SAN, each portion of a submittal shall be thoroughly reviewed and corrected by a member of the CONSULTANT's QC Team, as outlined in Exhibit 5, Quality Control Requirements. The reviewer shall attest to their review in the form of a written affidavit outlining the submittal subject and identifying the corrected deficiencies.

V. GENERAL REQUIREMENTS

GENERAL

WORKING HOURS

Meetings with OC SAN staff shall be scheduled from Monday through Thursday between the hours of 8:00 AM and 4:00 PM Pacific Time.

SOFTWARE

The CONSULTANT is expected to develop and provide the deliverables using the standard software currently approved for use by OC SAN. The standard OC SAN software includes, but is not limited to, the following:

- Windows 10 Professional or higher
- Esri software 10.8.1 (ArcGIS Desktop, fGDB, pGDB or shapefile formats)
- Microsoft Edge (Chromium base) Version 101.0.1210.47 or higher
- AutoCAD Plant 3D version 2021 (for P&ID drawings only)
- Autodesk software version 2021 (AutoCAD, AutoCAD Map3D or compatible dwg file format)
- Microsoft Office 365
- Maximo 7.6.1.2
- Bluebeam Revu eXtreme version 2020.2.40
- Primavera P6 for scheduling
- Innovyze ICM Hydraulic Model version 9.0
- Database software as defined elsewhere in the project Scope of Work

Any software that the CONSULTANT needs to comply with these standards shall be purchased and maintained by the CONSULTANT at no additional cost to OC SAN. In the event OC SAN provides the CONSULTANT with access to OC SAN software and hardware at an OC SAN

facility in order to facilitate performance of their work, all software shall remain the property of OC SAN. Only software licensed to OC SAN shall be installed on OC SAN equipment. In addition, only OC SAN IT Department staff will perform the installation of this software.

SUBMITTAL REVIEW USING BLUEBEAM

All deliverables shall be submitted electronically, no hard copies are required.

OC SAN has standardized on the use of Bluebeam Revu for reviewing and providing comments to PDF files. Prior to submitting electronic PDF files, format them as indicated below (underlined text refers to commands or functions within the Bluebeam software). See “Exhibit 6 Designer Training for Submission” and “OC SAN CAD Standards Manual” prior to submission.

PDF files will be hosted in a Bluebeam cloud-based studio session for review. See “SOW Exhibit 7 Designer User Training” for a detailed explanation on how Bluebeam will be used to provide, validate, and close submittal review comments.

A one-hour training session on the use of Bluebeam and custom status menu will be provided by OC SAN. All Consultant team members responsible for quality control and reconciliation of submittal comments shall attend.

VI. STAFF ASSISTANCE

OC SAN staff member or designee assigned to work with CONSULTANT on the design of this project is Valerie Ratto at (714) 593-7227, e-mail to: vratto@ocsan.gov.

EXHIBITS:

The following Exhibits to Attachment A Scope of Work are considered reference material and were previously provided as part of the Request for Proposal.

- Exhibit 1 - OC SAN CAD Standards Manual**
- Exhibit 2 - Orange County Sanitation District Business Process Assessment**
- Exhibit 3 - Project Management Requirements**
- Exhibit 4 - Workshop and Meeting Requirements**
- Exhibit 5 - Quality Control Requirements**
- Exhibit 6 - Bluebeam Designer Training for Submission**
- Exhibit 7 - Bluebeam Designer User Training**
- Exhibit 8 - Partial List of OC SAN Projects using 3D Design**
- Exhibit 9 - AutoCAD P&ID Functionality Documentation**
- Exhibit 10 - Equipment and Instrument Database (EID) Process**
- Exhibit 11 - EID Guidelines**
- Exhibit 12 - SAT Data Dictionary**
- Exhibit 13 - Typical Design Submittal Requirements Matrix for a CIP Project**
- Exhibit 14 - Terminology**

CF:sa



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2022-2617

Agenda Date: 2/1/2023

Agenda Item No: 6.

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

SUBJECT:

HEADWORKS PHASE 3 CABLE REPLACEMENT AT PLANT NO. 2, PROJECT NO. FR2-0026

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Find that Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026, is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 and authorize staff to file a Notice of Exemption with the OC Clerk-Recorder;
- B. Receive and file Bid Tabulation and Recommendation for Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026;
- C. Award a Construction Contract to ACS Engineering Inc. for Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026; for a total amount not to exceed \$575,360; and
- D. Approve a contingency of \$115,072 (20%).

BACKGROUND

The Orange County Sanitation District (OC San) Headworks provides vital preliminary treatment to all incoming wastewater by removing trash and debris that would otherwise damage downstream treatment equipment. The Plant No. 2 Headworks was constructed in 2012 under Project No. P2-66, Headworks at Plant No. 2.

Electrical cables provide the energy to pumps, fans, augers, meters, and other equipment to make this process function correctly. These cables are routed through underground ducts that are sometimes subject to wet conditions. Any deterioration of the cable insulation can result in short circuit or ground fault conditions, which puts the associated equipment out of service.

RELEVANT STANDARDS

- Comply with California Public Contract Code Section 20103.8, award construction contract to lowest responsive, responsible bidder

- 24/7/365 treatment plant reliability

PROBLEM

Over the past few years, OC San began to discover faulty 480-volt cables in the Headworks area and created projects to replace the faulty cables. FR2-0026 is the third project, succeeding projects MP-509 and FR2-0024, to replace faulty cables. Unfortunately, cables continue to fail, taking their associated equipment out of service. Since Project No. FR2-0024 was completed in December 2021, OC San identified 11 more faulty circuits with damaged power and control cables in the Headworks area. Critical equipment, such as Grit Basin No. 4 and Headworks Biotower Nos. 4, 5, and 7, is currently out of service due to this problem.

PROPOSED SOLUTION

Award a construction contract for Headworks Phase 3 Cable Replacement at Plant No. 2, Project No. FR2-0026. This project will furnish and replace damaged power and control cables for 11 faulty circuits to restore full functionalities of impacted equipment.

Project No. FR2-0026 captured every known faulty cable in the Headworks area, however, additional cables may fail while this project is still in construction. This has happened on past projects MP-509 and FR2-0024. Staff is requesting a contingency of 20% to accommodate additional work that may arise if additional cables are found to be defective, as this is timelier and more cost effective than creating a new design package and bidding similar work.

TIMING CONCERNS

11 pieces of critical Headworks equipment cannot be fully utilized until the damaged cables are replaced. The reliability of the Headworks will continue to be compromised.

RAMIFICATIONS OF NOT TAKING ACTION

The failed equipment would remain out of service which would greatly reduce treatment reliability.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San advertised Project No. FR2-0026 for bids on October 26, 2022 and seven sealed bids were received on December 14, 2022. A summary of the bid opening follows:

Engineer's Estimate	\$629,000
<u>Bidder</u>	<u>Amount of Bid</u>
ACS Engineering Inc.	\$ 575,360
Big Sky Electric, Inc.	\$ 622,900

Mass. Electric Construction Co.	\$ 642,454
Inter-Pacific, Inc.	\$ 777,000
Shimmick Construction Company, Inc.	\$ 809,000
KDC, Inc.	\$ 1,022,200
LEED Electric, Inc.	\$ 1,089,662

The bids were evaluated in accordance with OC San's policies and procedures. A notice was sent to all bidders on January 13, 2023 informing them of the intent of OC San staff to recommend award of the Construction Contract to ACS Engineering Inc.

Staff recommends awarding a Construction Contract to the lowest responsive and responsible bidder, ACS Engineering Inc., for a total amount not to exceed \$575,360.

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 recommendation would be funded under the Repairs and Maintenance line item for Division 880, Plant No. 2 Maintenance (Adopted Budget, Fiscal Years FY 2022-2023 and 2023-2024, Section 6, Page 96), 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) with the complete agenda package:

- Construction Contract

SA: tk

PART A
CONTRACT AGREEMENT

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CONTRACT AGREEMENT
ORANGE COUNTY SANITATION DISTRICT

PROJECT NO. FR2-0026
HEADWORKS PHASE 3 CABLE REPLACEMENT AT PLANT NO. 2

THIS AGREEMENT is made and entered into, to be effective, this February 22, 2023, by and between ACS Engineering Inc., hereinafter referred to as "CONTRACTOR" and the Orange County Sanitation District, hereinafter referred to as "OC SAN".

WITNESSETH

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

SECTION – 1 GENERAL

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

A. Contract Documents Order of Precedence

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

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

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

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

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

B. Definitions

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

SECTION – 2 MATERIALS AND LABOR

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

SECTION – 3 PROJECT

The Project is described as:

PROJECT NO. FR2-0026

HEADWORKS PHASE 3 CABLE REPLACEMENT 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. FR2-0026

HEADWORKS PHASE 3 CABLE REPLACEMENT 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 OC SAN, unless otherwise specified therein and shall diligently prosecute the Work to completion within four hundred fifty (450) calendar days from the date of the “Notice to Proceed” issued by OC SAN, excluding delays caused or authorized by OC SAN as set forth in Sections 7, 8, and 9 hereof, and applicable provisions in the General Conditions. The time for completion includes ten (10) calendar days determined by OC SAN likely to be inclement weather when CONTRACTOR will be unable to work.

SECTION – 6 TIME IS OF THE ESSENCE

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

and, in general, all matters representing the timely and orderly conduct of the Work of CONTRACTOR on the premises.

SECTION – 7 EXCUSABLE DELAYS

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

SECTION – 8 EXTRA WORK

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

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

SECTION – 9 CHANGES IN PROJECT

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

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

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

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

SECTION – 10 LIQUIDATED DAMAGES FOR DELAY

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

SECTION – 11 CONTRACT PRICE AND METHOD OF PAYMENT

A. OC SAN agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any additions or deductions as provided in approved Change Orders, the sum of Five Hundred Seventy Five Thousand Three Hundred Sixty Dollars (\$575,360) as itemized on the attached Exhibit “A”.

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

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

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

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

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

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

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

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

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

SECTION – 13 COMPLETION

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

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

SECTION – 14 CONTRACTOR’S EMPLOYEES COMPENSATION

A. Davis-Bacon Act:

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

B. General Prevailing Rate:

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

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

C. Forfeiture for Violation:

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

D. Apprentices:

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

E. Workday:

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

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

F. Registration; Record of Wages; Inspection:

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

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

SECTION – 15 SURETY BONDS

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

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

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

SECTION – 16 INSURANCE

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

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

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

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

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

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

A. Limits of Insurance

1. General Liability: 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 OC SAN or any other additional insured because of any SIR, deductible, or any other form of self insurance, CONTRACTOR is obligated to assume responsibility of insurer until the deductible, SIR or other condition of insurer assuming its defense and/or indemnity has been satisfied.

CONTRACTOR shall be responsible to pay any deductible or SIR.

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

2. Automobile Liability: The CONTRACTOR shall maintain a policy of automobile liability insurance on a comprehensive form covering all owned, non-owned, and hired automobiles, trucks, and other vehicles providing the following minimum limit of liability coverage: combined single limit of One Million Dollars (\$1,000,000) for bodily injury, personal injury, and property damage.
3. Umbrella Excess Liability: The minimum limits of general liability and automobile liability insurance required, as set forth above, shall be provided for either in a single policy of primary insurance or a combination of policies of primary and umbrella excess coverage. Excess liability coverage shall be issued with limits of liability which, when combined with the primary insurance, will equal the minimum limits for general liability and automobile liability.
4. Drone Liability Insurance: If a drone will be used, drone liability insurance must be maintained by CONTRACTOR in the amount of One Million Dollars (\$1,000,000) in a form acceptable to OC SAN.
5. Workers' Compensation/Employer's Liability: CONTRACTOR shall provide such workers' compensation insurance as required by the Labor Code of the State of California, including employer's liability with a minimum limit of One Million Dollars (\$1,000,000) per accident for bodily injury or disease. If an exposure to Jones Act liability may exist, the insurance required herein shall include coverage with regard to Jones Act claims.

B. Deductibles and Self-Insured Retentions

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

SAN guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

C. Other Insurance Provisions

1. Each such policy of general liability insurance and automobile liability insurance shall be endorsed to contain, the following provisions:

- a. OC SAN, its directors, officers, agents, consultants, and employees, and all public agencies from whom permits will be obtained, and their directors, officers, agents, and employees are hereby declared to be additional insureds under the terms of this policy, but only with respect to the operations of CONTRACTOR at or from any of the sites of OC SAN in connection with this Contract, or acts and omissions of the additional insured in connection with its general supervision or inspection of said operations related to this Contract.
- b. Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by OC SAN shall be excess only and not contributing with insurance provided under this policy.

2. Cancellation and Policy Change Notice.

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

Said notices shall be mailed to OC SAN at:

ORANGE COUNTY SANITATION DISTRICT

10844 Ellis Avenue

Fountain Valley, CA 92708

Attention: Contracts, Purchasing & Materials Management Division

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

D. Acceptability of Insurers

Insurers must have an "A-", or better, Policyholder's Rating, and a Financial Rating of at least Class VIII, or better, in accordance with the most current A.M. Best Rating Guide.

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

E. Verification of Coverage

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

F. Subcontractors

CONTRACTOR shall be responsible to establish insurance requirements for any Subcontractors hired by CONTRACTOR. The insurance shall be in amounts and types reasonably sufficient to deal with the risk of loss involving the Subcontractor's operations and work. OC SAN and any public agency issuing permits for the Project must be named as "Additional Insured" on any general liability or automobile liability policy obtained by a Subcontractor. The CONTRACTOR must obtain copies and maintain current versions of all Subcontractors' policies, certificate of liability and mandatory endorsements effecting coverage. Upon request, CONTRACTOR must furnish OC SAN with the above referenced required documents.

G. Required Forms and Endorsements

1. Required ACORD Form

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

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

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

- a. Commercial General Liability Form CG 00 01
 - b. Additional Insured Including Products-Completed Operations Form CG 20 10 **and** Form CG 20 37
All other additional insured endorsements must be submitted for approval by OC SAN, and OC SAN may reject alternatives that provide different or less coverage to OC SAN.
 - c. Waiver of Transfer of Rights of Recovery Against Others to Us/
Waiver of Subrogation Form CG 24 04
3. Required State Compensation Insurance Fund Endorsements
- a. Waiver of Subrogation Submit workers' compensation waiver of subrogation endorsement provided by carrier for OC SAN approval.
 - b. Cancellation Notice No endorsement is required. However, CONTRACTOR is responsible for notifying OC SAN of any pending or actual insurance policy cancellation, as described in Article C.2., Cancellation and Policy Change Notice, above.
4. Additional Required Endorsements
- a. Notice of Policy Termination Manuscript Endorsement

SECTION – 17 RISK AND INDEMNIFICATION

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

SECTION – 18 TERMINATION

This Contract may be terminated in whole or in part in writing by OC SAN in the event of substantial failure by the CONTRACTOR to fulfill its obligations under this Agreement, or it may

be terminated by OC SAN for its convenience provided that such termination is effectuated in a manner and upon such conditions set forth more particularly in General Conditions, "Termination for Default" and/or "Termination for Convenience", provided that no termination may be effected unless proper notice is provided to CONTRACTOR at the time and in the manner provided in said General Conditions. If termination for default or convenience is effected by OC SAN, an equitable adjustment in the price provided for in this Contract shall be made at the time and in the manner provided in the General Conditions, "Termination for Default" and "Termination for Convenience".

SECTION – 19 WARRANTY

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

The CONTRACTOR guarantees for a period of at least one (1) year from the date of Final Acceptance of the Work, pursuant to the General Conditions, "Final Acceptance and Final Completion" that the completed Work is free from all defects due to faulty materials, equipment or workmanship and that it shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs of any damage to other parts of the system resulting from such defects. OC SAN shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, OC SAN may do so and charge the CONTRACTOR the cost incurred. The CONTRACTOR's warranty shall continue as to any corrected deficiency until the later of (1) the remainder of the original one-year warranty period; or (2) one year after acceptance by OC SAN of the corrected Work. The Performance Bond and the Payment Bond shall remain in full force and effect through the guarantee period.

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

SECTION – 20 ASSIGNMENT

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

SECTION – 21 RESOLUTION OF DISPUTES

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

SECTION – 22 SAFETY & HEALTH

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

SECTION – 23 NOTICES

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

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

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

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

TO CONTRACTOR: ACS Engineering Inc.
33 Hammond, Ste 209
Irvine, CA 92618

Copy to: Babak Kavooosi, President
ACS Engineering Inc.
33 Hammond, Ste 209
Irvine, CA 92618

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

CONTRACTOR: ACS Engineering Inc.
33 Hammond, Ste 209
Irvine, CA 92618

By _____ Date _____

Printed Name

Its _____

CONTRACTOR's State License No. 962264 (Expiration Date – 6/30/2023)

OC SAN: Orange County Sanitation District

By _____ Date _____

Chad P. Wanke
Board Chairman

By _____ Date _____

Kelly A. Lore
Clerk of the Board

By _____ Date _____

Ruth Zintzun
Purchasing & Contracts Manager

EXHIBIT A
SCHEDULE OF PRICES

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EXHIBIT A

SCHEDULE OF PRICES

EXA-1 BASIS OF COMPENSATION

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

EXA-2 PROGRESS PAYMENTS

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

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

EXA-3 RETENTION AND ESCROW ACCOUNTS

A. Retention:

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

B. Substitution of Securities:

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

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

C. Release of Retention:

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

D. Additional Deductibles:

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

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

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

EXA-4 STOP PAYMENT NOTICE

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

EXA-5 PAYMENT TO SUBCONTRACTORS

Requirements

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

EXA-6 PAYMENT OF TAXES

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

EXA-7 FINAL PAYMENT

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

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

acceptance by OC SAN, the revised application for Final Payment will become the approved application for Final Payment.

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

EXA-8 DISCOVERY OF DEFICIENCIES BEFORE AND AFTER FINAL PAYMENT

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

1. The true and correct amount payable for the Work is different from that previously accepted;

2. The previously accepted Work did not in fact conform to the Contract requirements, or;
3. A previous payment or portion thereof for Work was improperly made.

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

ATTACHMENT 1 – CERTIFICATION FOR REQUEST FOR PAYMENT

I hereby certify under penalty of perjury as follows:

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

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

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

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

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

Name

Title

Date

ATTACHMENT 2 – SCHEDULE OF PRICES

See next pages for Bid Submittal Forms: ACS Engineering Inc.

BF-14 SCHEDULE OF PRICES, Pages 1 – 2

Bid Submitted By: ACSE
(Name of Firm)

BF-14 SCHEDULE OF PRICES

INSTRUCTIONS

A. General

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

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

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

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

B. Basis of Award

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

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

Bid Submitted By: ACSE
 (Name of Firm)

SCHEDULE OF PRICES

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

Item No.	Description	Unit of Measurement	Extended Price
1.	Mobilization: The amount for this Bid Item shall not exceed \$30,000 of the total Amount of Bid and shall be in conformance with the Contract Documents and Specification Section 01155. All amounts included in the Bid Item greater than the allowable maximum payment of \$30,000 of the Total Amount of Bid shall be paid under Bid Item 2.	Lump Sum	\$ 30,000
2.	All other portions of Work set forth in the Contract Documents except for the Work performed in Bid Item 1: Work under this item shall include all labor, equipment, materials and services necessary for all other Work not specified in Bid Item 1.	Lump Sum	\$ 545,360

TOTAL AMOUNT OF BID (BASIS OF AWARD)

\$ 575,360



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2023-2695

Agenda Date: 2/1/2023

Agenda Item No: 7.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

MAIN SEWAGE PUMP VARIABLE FREQUENCY DRIVE TRANSFER SWITCH AND UNINTERRUPTABLE POWER SUPPLY SYSTEM IMPLEMENTATION AT PLANT NO. 2

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Sole Source Purchase Order Contract to One Source/Rockwell Automation for modifications to the six main sewage pump Variable Frequency Drives for a total amount not to exceed \$103,628; and,
- B. Approve a contingency of \$10,363 (10%).

BACKGROUND

The Orange County Sanitation District (OC San) Plant No. 2 headworks facility is designed with seven main sewage pumps. Variable Frequency Drives (VFD) are used to control the speed of the main sewage pumps to maximize efficiency of the pumping operation. These VFDs have integrated Uninterruptable Power Supply units. These integrated Uninterruptable Power Supply units are obsolete and no longer available.

One of the seven integrated Uninterruptable Power Supplies failed in 2020. It was determined that off the shelf replacements have compatibility issues with the existing internal VFD communication network that results in a failure of these critical pumps to start when switching from primary to back-up power. In 2020, a solution was developed by the original equipment manufacturer and was implemented successfully on the failed main sewage pump VFD.

RELEVANT STANDARDS

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

PROBLEM

The Main Sewage Pumps at Plant No. 2 pump sewage into the treatment plant. Six of the seven VFDs that power these critical pumps contain obsolete Uninterruptable Power Supplies that are no longer available. Failure of these units limits the availability of this critical pumping system.

PROPOSED SOLUTION

Approve a Sole Source Purchase Order Contract to the original equipment manufacturer of the remaining six Main Sewage Pump VFDs to replace the obsolete Uninterruptable Power Supplies and modify the units to provide full functionality of this critical pumping system.

TIMING CONCERNS

Failure to implement the modifications to the VFDs will result in unavailability of the main sewage pumps as the obsolete Uninterruptable Power Supply units fail. This is especially a concern during critical periods when normal power is interrupted, and power is switched from normal power to the back-up power system.

RAMIFICATIONS OF NOT TAKING ACTION

The unmodified six main sewage pumps will not operate when switched to the back-up power system following an interruption to normal power, impacting the ability to lift flows to Plant No.2 headworks.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

N/A

CEQA

N/A

FINANCIAL CONSIDERATIONS

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

ATTACHMENT

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

N/A



OPERATIONS COMMITTEE

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10844 Ellis Avenue
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(714) 593-7433

Agenda Report

File #: 2023-2696

Agenda Date: 2/1/2023

Agenda Item No: 8.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

ROLL UP, SLIDE AND FIRE DOOR MAINTENANCE, AND DROP TESTING, SPECIFICATION NO. S-2022-1368BD

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Purchase Order Contract with Excel Door & Gate Company for Roll Up, Slide and Fire Door Maintenance, and Drop Testing, Specification No. S-2022-1368BD, in the amount of \$124,000 and an additional \$50,000 for parts associated with corrective maintenance, for a total annual amount not to exceed \$174,000, beginning March 1, 2023, through February 29, 2024, with four (4) one-year renewal options; and,
- B. Approve an annual contingency of \$17,400 (10%).

BACKGROUND

The Orange County Sanitation District (OC San) has a recurring need for outside specialty service vendors to perform preventive and corrective maintenance on fire doors, roll-up doors, slide doors, dock levelers, hatches, and passage doors. The proper operation of these systems is required to provide safe and secure access to OC San facilities.

RELEVANT STANDARDS

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

PROBLEM

There are numerous fire doors, roll-up doors, slide doors, dock levelers, hatches, and passage doors within OC San facilities that require regular preventative and corrective maintenance services to secure buildings and maintain safe and efficient workspaces.

PROPOSED SOLUTION

Staff recommends approving a Purchase Order Contract for Roll Up, Slide and Fire Door Maintenance, and Drop Testing per Specification No. S-2022-1368BD to Excel Door & Gate Company, the lowest responsive and responsible bidder.

TIMING CONCERNS

The current contract for roll-up doors, slide doors, fire doors, dock levelers, hatches, and passage doors expires on January 31, 2023.

RAMIFICATIONS OF NOT TAKING ACTION

The maintenance and repair services for door systems is necessary to ensure safety and security of OC San facilities.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San advertised a notice inviting bid on September 23, 2022, via PlanetBids. The three bids in the table below were received and evaluated in accordance with OC San's policies and procedures. All three bids were found to be responsive and responsible.

Bidder	Amount of Bid
Excel Door & Gate Company	\$124,000.00
McKinley Equipment	\$174,690.00
South Coast Industrial Door, Inc.	\$276,747.50

The recommendation includes an additional \$50,000 allowance for parts necessary to complete identified corrective repairs.

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 880, Plant No. 2 Maintenance (Adopted Budget, FY 2022-23 & 2023-24, Section 6, Page 96), and the available funding is sufficient for this action.

ATTACHMENT

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

N/A



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Agenda Report

File #: 2023-2697

Agenda Date: 2/1/2023

Agenda Item No: 9.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

GENERAL AND SEMI-SKILLED LABOR REPAIRS, SPECIFICATION NO. S-2022-1370BD

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a Purchase Order Contract to Tiano Construction, Inc. (as the Primary Contractor) and MPK Solutions (as the Secondary Contractor) to provide General and Semi-Skilled Labor Repairs, Specification No. S-2022-1370BD, for a total amount not to exceed \$300,000 for the period beginning March 1, 2023 through February 29, 2024, with four (4) one-year renewal options; and
- B. Approve an annual contingency of \$30,000 (10%).

BACKGROUND

The Orange County Sanitation District (OC San) has a need for general and semi-skilled labor to perform a variety of maintenance and upkeep tasks on OC San facilities and grounds when internal resources are constrained or when a demand for such services temporarily increases. Such services include, but are not limited to, tunnel cleaning, clean-out of storm and catch basins, power washing process areas, fence repair, trenching and asphalt repair, clearing easements, and concrete patching.

Staff recommends approving a primary and secondary service provider for prevailing wage work. If the primary provider is unable to meet the requirements of a request, the secondary could be used. Any individual task performed under these contracts of more than \$35,000 must be approved by the Purchasing Manager to ensure compliance with public works legal requirements.

RELEVANT STANDARDS

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

PROBLEM

Facilities work is dependent upon contract services during times of high demand. An existing contract for these types of services has expired.

PROPOSED SOLUTION

Staff recommends entering into a Purchase Order Contract with the two lowest responsive and responsible bidders for general and semi-skilled labor to provide additional work capacity.

TIMING CONCERNS

An existing contract for general and semi-skilled labor has expired. Staff has limited capacity to address urgent work tasks that arise from time to time.

RAMIFICATIONS OF NOT TAKING ACTION

Backlog of tasks will continue to grow and many of the safety related tasks will not be completed in a timely manner due to labor constraints.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

OC San advertised for bids on September 19, 2022, via PlanetBids. Three sealed bids were received on November 1, 2022. The bids were evaluated in accordance with OC San's policies and procedures.

Staff recommends awarding a Purchase Order Contract to the primary and secondary vendors which are the two lowest responsive and responsible bidders as follows:

Company Name	Prevailing Wage Markup
Tiano Construction, Inc.	\$33.00/hour in addition to applicable DIR Wage Determinations
MPK Solutions	\$36.90/hour in addition to applicable DIR Wage Determinations
Vicon Enterprise	\$107.00/hour in addition to applicable DIR Wage Determinations

CEQA

N/A

FINANCIAL CONSIDERATIONS

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

ATTACHMENT

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

N/A



OPERATIONS COMMITTEE

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(714) 593-7433

Agenda Report

File #: 2023-2744

Agenda Date: 2/1/2023

Agenda Item No: 10.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

QUARTERLY ODOR COMPLAINT REPORT

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Receive and file the Fiscal Year 2022-23 Second Quarter Odor Complaint Report.

BACKGROUND

During the second quarter of FY 2022-23, the Orange County Sanitation District (OC San) had the following attributable odor complaints: Plant No. 1 had one odor complaint, Plant No. 2 had no odor complaints, and the collection system had four odor complaints. A summary of the odor complaints with a table tracking the history is included as an attachment.

RELEVANT STANDARDS

- Zero odor incidents/events under normal operating conditions for Plant Nos. 1 and 2
- Operate and maintain facilities to minimize impacts on surrounding communities, including odor, noise, and lighting
- 12 or fewer odor complaints per year under normal operating conditions in the collection system

ATTACHMENT

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

- FY 2022-23 Second Quarter Odor Complaint Report

JL:BR:cr

Orange County Sanitation District
 Odor Complaint Report
 Fiscal Year 2022/23 – 2nd Quarter

1. Plant No. 1 Treatment Facility Odor Complaint Summary

Plant No. 1 received one attributable odor complaint during the 2nd quarter. The odor complaint was due to preventative and corrective maintenance at Sunflower Pump Station. Work was completed, and covers were reinstalled.

Plant No. 2 Treatment Facility Odor Complaint Summary

Plant No. 2 received no attributable odor complaints during the 2nd quarter.

2. Collections Facilities Odor Complaint Summary

The Collection System received four attributable odor complaints during the 2nd quarter. All four complaints were due to the pressurization and ventilation of foul odors escaping sewer manhole covers. The manhole covers have been sealed to reduce sewer odor and prevent further complaints. Two of the odor complaints originated in the City of Huntington Beach. The third complaint originated in the City of Garden Grove, and the fourth complaint originated in the City of Buena Park.

All Odor Complaints Tracking

All Public Complaints	Oct. 2022 to Dec. 2022			1 st Qtr FY 22/23	2 nd Qtr FY 22/23	3 rd Qtr FY 22/23	4 th Qtr FY 22/23	Cumulative FY 22/23
	Collections	P1	P2	Total	Total	Total	Total	Total
Attributable to OC San	4	1	0	5	5			10
Not Attributable to OC San	5	2	0	14	7			21
Total Public Complaints Received:	9	3	0	19	12			31



OPERATIONS COMMITTEE

Administration Building
10844 Ellis Avenue
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(714) 593-7433

Agenda Report

File #: 2023-2747

Agenda Date: 2/1/2023

Agenda Item No: 11.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

FLEET VEHICLE REPLACEMENT PURCHASE RATIFICATION

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Ratify the authorization given to the General Manager and Purchasing Manager to allow flexibility in the vehicle type/class quantity and funding while not exceeding the approved budgeted total amount of \$1,330,300. This will ensure the available replacement vehicles needed to sustain the fleet can be procured through the issued purchase orders with the following breakdown:

- A. Replacement vehicles for OC San's fleet as originally approved in the adopted fiscal year 2022/23 budget in the amounts of:
 - Two light-duty trucks - \$78,760
 - Two medium-duty utility trucks - \$200,518

- B. Replacement vehicles for OC San's fleet as originally approved in the adopted fiscal year 2021/22 budget in the remaining amounts of:
 - One medium-duty truck - \$60,095
 - One heavy-duty truck - \$162,113
 - Eight Hybrid SUV's (AWD) - \$357,818
 - Two light-duty trucks - \$137,161

BACKGROUND

In September 2022, the Orange County Sanitation District (OC San) Board of Directors approved the purchase of several vehicles with pricing constraints on individual vehicle types/classes as summarized in the Prior Board Actions below.

Vehicle pricing and availability continues to fluctuate unpredictably. Additionally, the volatility in manufacturer order windows requires OC San to make quick decisions to procure vehicles. OC San successfully ordered some vehicle types and not others. Not all vehicle types that were available for ordering fit into the narrow classifications approved by the Board.

Staff is seeking flexibility in the vehicle type/class quantity while not exceeding the approved prior authority amount of \$1,330,300.

RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Ensure the public's money is wisely spent
- Maintain a proactive asset management program

PROBLEM

The vehicle manufacturing process has been disrupted due to global events affecting raw materials, supply chains, and overall change in the marketplace. Some models identified for purchase have been affected by changes in the original equipment manufacturer order cutoff dates and pricing fluctuations. This has resulted in greater competition for procuring fleet vehicles as well as shorter order windows impacting the ability of OC San to procure vehicles.

PROPOSED SOLUTION

Ratify the authorization given to the General Manager and Purchasing Manager to allow flexibility in the vehicle type/class quantity and funding while not exceeding the approved budgeted total amount of \$1,330,300. Although there is a budgeted amount of \$333,835 remaining, if additional vehicles become available for procurement, staff will bring back a list of those purchases for Board approval.

Fiscal Year Budget	Vehicle Type	Board Approved September 2022		Ordered		Remaining
		Quantity	Total Cos	Quantity	Total Cost	
2022/23	Light-Duty Trucks	3	\$133,500	2	\$78,760	
	Step Van	1	\$136,900	0	\$0	
	Medium-Duty Utility Trucks	2	\$225,000	2	\$200,518	
2021/22	Medium-Duty Utility Trucks	1	\$67,500	1	\$60,095	
	Heavy-Duty Truck	1	\$260,000	1	\$162,113	
	Hybrid SUV's (AWD)	10	\$357,400	8	\$357,818	
	Light-Duty Trucks	4	\$150,000	2	\$137,161	
Total Not-to-Exceed		22	\$1,330,300	16	\$996,465	\$333,835

TIMING CONCERNS

Due to supply chain reliability, vehicle manufacturers are prematurely closing ordering windows due to raw materials shortages. Manufacturer order periods for the coming model year are late to open and expected to remain open for 45-90 days generally instead of six months. OC San's internal process requires additional Committee and Board action approval time, jeopardizing the ability to replace vehicles with external deadlines beyond OC San's control.

RAMIFICATIONS OF NOT TAKING ACTION

The vehicles selected for replacement are unreliable, deteriorating, costly, no longer economical to maintain, and lack modern safety features currently required for fleet vehicles. Unscheduled maintenance costs are increasing, and vehicle reliability will compromise the mobility needs of staff. OC San would also not be able to procure replacement vehicles, as noted above.

PRIOR COMMITTEE/BOARD ACTIONS

September 2022:

- A. Approved the purchase of replacement vehicles for OC San's fleet as originally approved in the adopted fiscal year 2022/23 budget in the amounts of:
- Three light-duty trucks - \$133,500
 - One step van - \$136,900
 - Two medium-duty utility trucks - \$225,000
- B. Approved the re-purchase of remaining replacement vehicles for OC San's fleet as originally approved in the adopted fiscal year 2021/22 budget in the remaining amounts of:
- One medium-duty truck - \$67,500
 - One heavy-duty truck - \$260,000
 - Ten Hybrid SUV's (AWD) - \$357,400
 - Four light-duty trucks - \$150,000
- C. Delegated to the General Manager and Purchasing Manager the authority to purchase replacement vehicles through cooperative contracts during the fiscal year and not to exceed the amounts above.

ADDITIONAL INFORMATION

OC San has placed orders for available vehicles in an amount that has not exceeded the prior aggregate board approval.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted. Section 8, page 94 of FY22-23, and Section A, page 16 of FY21-22 Update.

ATTACHMENT

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

N/A



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2022-2658

Agenda Date: 2/1/2023

Agenda Item No: 12.

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

SUBJECT:

OCEAN OUTFALL CONDITION ASSESSMENT AND SCOPING STUDY, PROJECT NO. PS18-09

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a contingency increase of \$1,097,600 (40%) to the Professional Services Agreement with Carollo Engineers, Inc. for Ocean Outfall Condition Assessment and Scoping Study, Project No. PS18-09, for a total contingency of \$2,195,200 (80%).

BACKGROUND

The Ocean Outfall Condition Assessment and Scoping Study is completing a condition assessment of the 120-inch outfall that discharges effluent from the Orange County Sanitation District (OC San) Plant No. 2, approximately five miles off the coast of Huntington Beach. The condition assessment included an internal inspection, an external inspection by divers, and development of a 3D model of the outfall using both internal and external mapping. The condition assessment work is complete.

RELEVANT STANDARDS

- Protect OC San assets
- 24/7/365 treatment plant reliability

PROBLEM

In May 2022, OC San began work to complete immediately required repairs that were discovered while completing the condition assessment on the 120-inch Ocean Outfall. These repairs included replacing the metal tie-rods connecting outfall pipe joints and sealing cracks in the concrete pipe and end gate. While performing the repair work, the dive team discovered that four of the twelve tie rods were stuck and could not be removed in order to be replaced. In addition, another tie rod became stuck during the replacement process and was not installed properly. The dive team was demobilized so the project team could determine a plan on how to replace the remaining stuck tie rods and these required repairs remain unfinished.

The work environment is extremely challenging. Divers are working at two-hundred-foot depths (which limits dive durations) from platforms on the open ocean subject to weather and swells.

PROPOSED SOLUTION

Increase the contract contingency to remobilize the dive team and complete the remaining repair work. Staff believes the familiarity of the engineering consultant and divers with OC San's unique outfall and its challenging environment will lead to the best outcome for this important asset.

TIMING CONCERNS

This work needs to be completed in this year's dry weather season. The work that occurred last May was interrupted by storm swells, so the work needs to be scheduled for a month where weather is a low risk. Until the work is complete, the tie rods that provide extra protection from joint separation during a surge event are not installed properly.

RAMIFICATIONS OF NOT TAKING ACTION

The dive team cannot be scheduled for this work until the work is authorized. The outfall joints are at an increased risk of separating during a flow surge until the tie rods are replaced.

PRIOR COMMITTEE/BOARD ACTIONS

December 2021 - Approved a contingency increase of \$823,200 (30%) to the Professional Services Agreement with Carollo Engineers, Inc. for Ocean Outfall Condition Assessment and Scoping Study, Project No. PS18-09, for a total contingency of \$1,097,600 (40%).

March 2020 - Approved Professional Services Agreement with Carollo Engineers, Inc. to provide engineering services for the Ocean Outfall Condition Assessment and Scoping Study, Project No. PS18-09, for an amount not to exceed \$2,744,000; and approved a contingency of \$274,400 (10%).

ADDITIONAL INFORMATION

N/A

CEQA

The project is exempt from CEQA under the Class 1 categorical exemptions set forth in California Code of Regulations Section 15301 and CEQA Guidelines section 15262. A Notice of Exemption has been filed with the OC Clerk-Recorder.

FINANCIAL CONSIDERATIONS

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Adopted Budget, Fiscal Years 2022-2023 and 2023-2024, Section 8, Page 51, Planning Studies Program, Project No. M-STUDIES) 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) with the complete agenda package:

- Presentation

Ocean Outfall Condition Assessment and Scoping Study, Project No. PS18-09

Valerie Ratto
Engineering
Supervisor

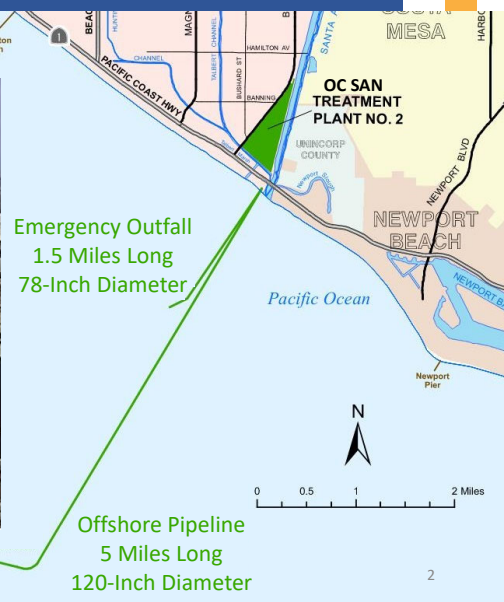
Operations
Committee

February 1, 2023

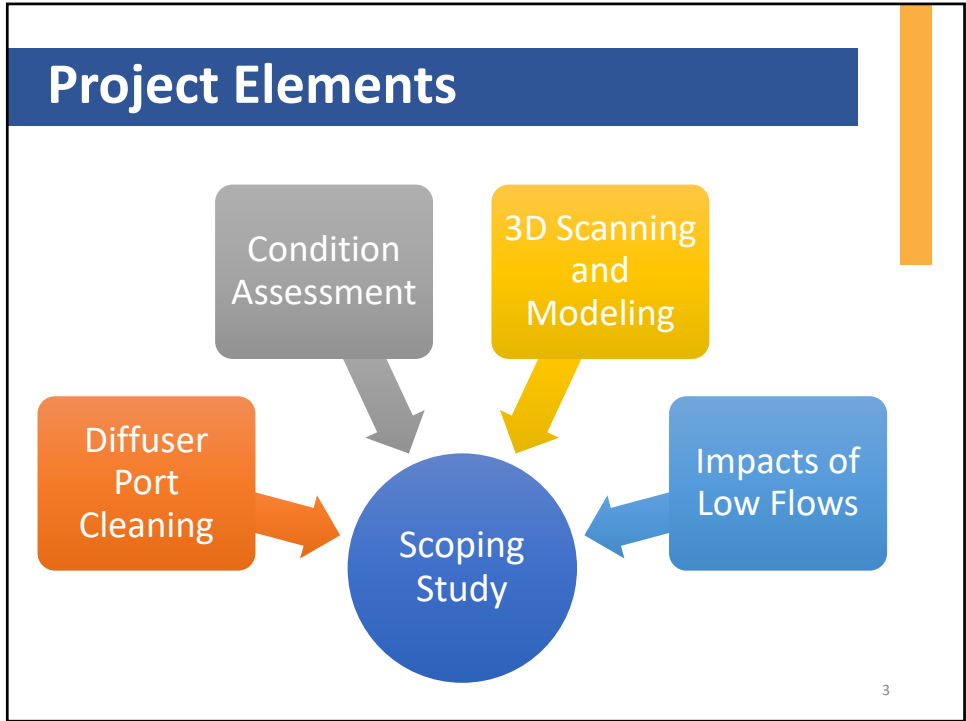


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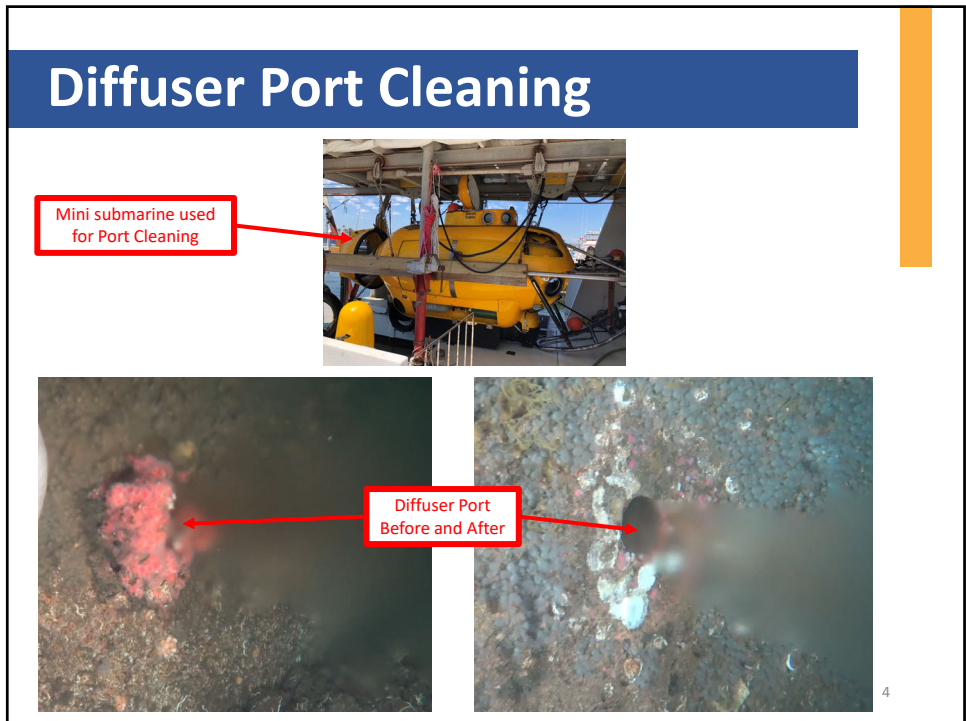
Overview of Outfall



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Barnacle Cleaning Clip



• Full Video: <https://web.microsoftstream.com/video/7a9d8402-8e45-4981-ab5f-66dbd423f68c>

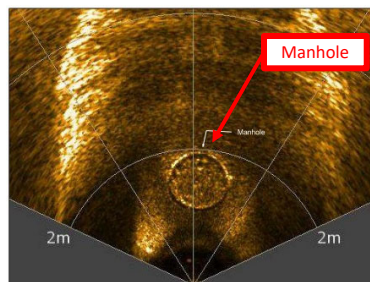
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Interior Condition Assessment



ROV used for Inspection



6

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Hands On Inspection (Divers)



Measuring Joint Thickness



Inspection Hatch Pre/Post Cleaning and Thickness Testing



New Concrete Core



Measuring Joint Thickness



Testing Concrete Soundness



Hand Clearing Port Obstructions

7

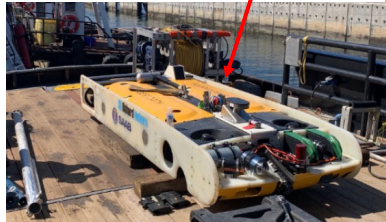
7

3D Scanning and Modeling

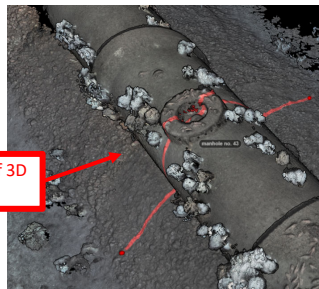
UCSD Research Vessel



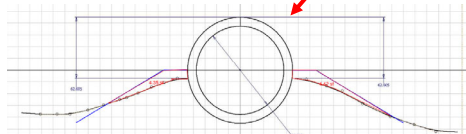
ROV used for Scanning



Example of 3D Model



Outfall Cross Section

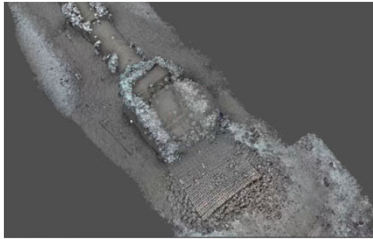

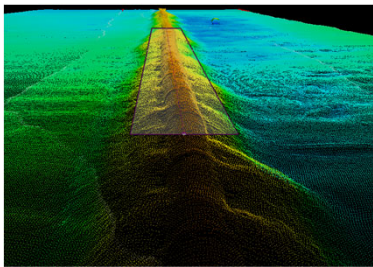


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Future Rehabilitation Project

- **CIP Rehab project – 2027-2030 (Construction)**
 - Replace all metal hardware
 - Flap Gate
 - Manhole Covers
 - Inspection Port Covers
 - Fasteners
 - Ballast Addition
 - Sediment Removal

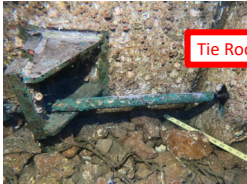




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Immediate Required Repairs



Concrete Core Crack Repair

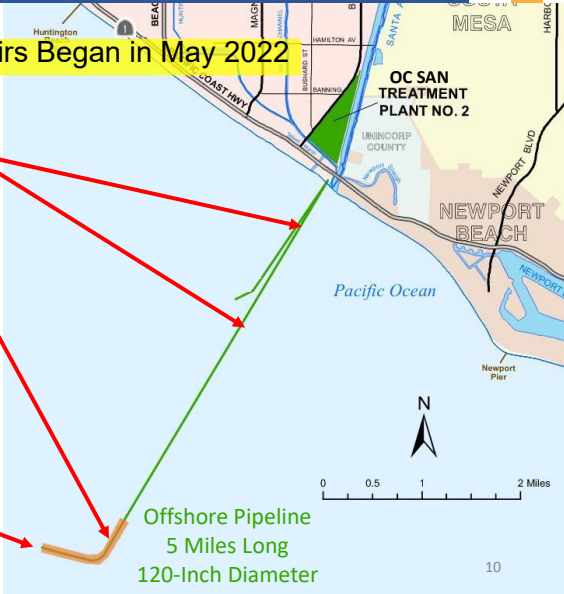


Tie Rod Repair



Flap Gate Crack Repair

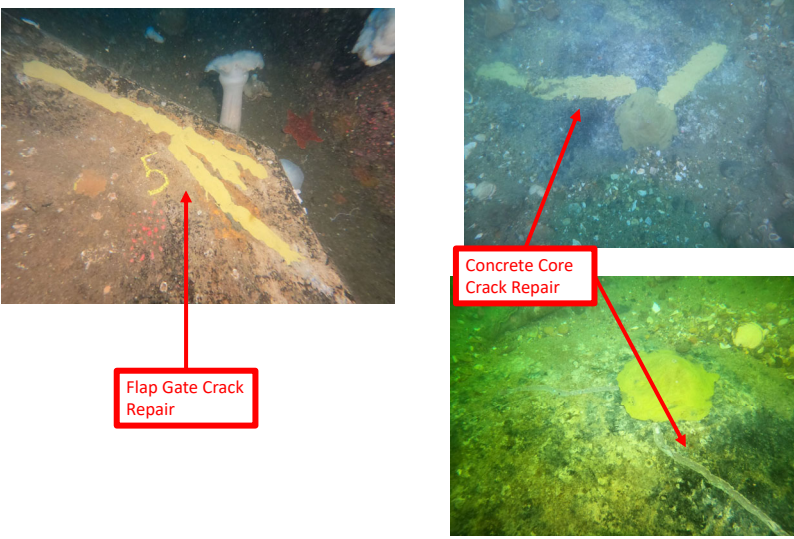
Repairs Began in May 2022



Offshore Pipeline
5 Miles Long
120-Inch Diameter

10

Crack Repair



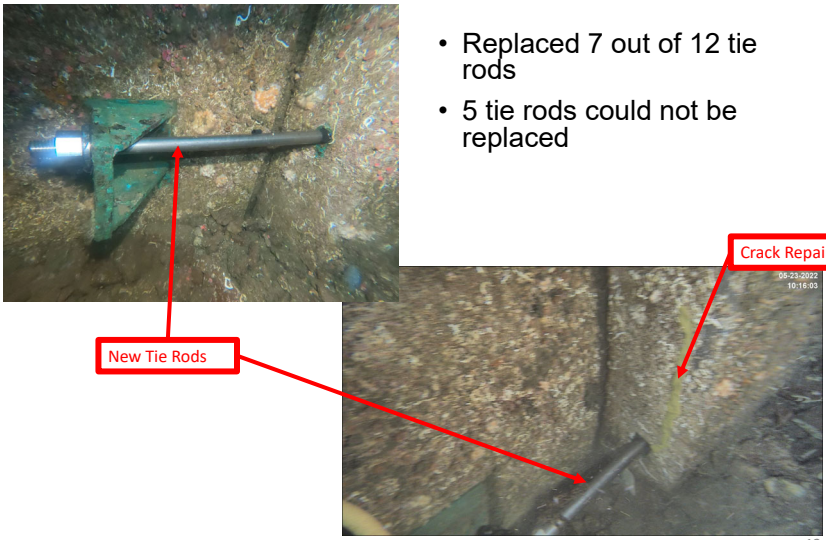
Flap Gate Crack Repair

Concrete Core Crack Repair

11

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Tie Rod Replacement and Crack Repair



- Replaced 7 out of 12 tie rods
- 5 tie rods could not be replaced

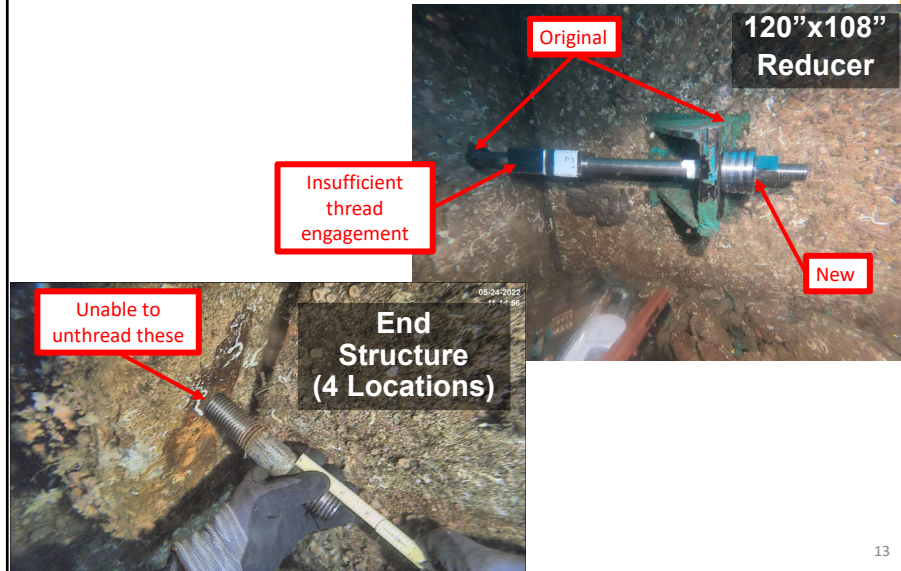
New Tie Rods

Crack Repair

12

12

Stuck Tie Rod Repair Plan



13

13

Next Steps

- Once work is authorized:
 - Dry run and wet run
 - Dive team will mobilize and complete the repairs
 - 9 dive days are planned
 - Up to an additional 11 days are budgeted
 - 30 days of dive time reserved
 - Dry Season 2023



14

14

Budget for Remaining Repairs

Item	Change Value
Engineering Services	\$152,000
Dive Services*	\$957,000
Parts and Permits	\$14,000
Total	\$1,123,000

*Dive Services consist of \$540,000 in planned work and \$420,000 in additional diving days if required to complete repairs

15

15

Contingency Status

	Contract	Contingency	Total
Original Design Contract	\$2,744,000	\$274,400 (10%)	\$3,018,400
Previous Increase		\$823,200 (30%)	\$823,200
Contingency Increase Request		\$1,097,600 (40%)	\$1,097,600
		\$2,195,200 (80%)	\$4,939,200

16

16

Recommendation

Recommend to the Board of Directors to:

Approve a contingency increase of \$1,097,600 (40%) to the Professional Services Agreement with Carollo Engineers, Inc. for Ocean Outfall Condition Assessment and Scoping Study, Project No. PS18-09, for a total contingency of \$2,195,200 (80%).

17

17

Questions



18



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2023-2746

Agenda Date: 2/1/2023

Agenda Item No: 13.

FROM: James D. Herberg, General Manager
Originator: Riaz Moinuddin, Director of Operations & Maintenance

SUBJECT:

LIQUID FERRIC CHLORIDE SPECIFICATION NO. C-2019-1037BD CONTINGENCY INCREASE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Approve a unit price contingency of \$226 per dry ton (27%) to the Liquid Ferric Chloride Agreement with Pencco, Inc., Specification No.C-2019-1037BD, for the period beginning March 1, 2023 through June 30, 2023. New unit cost not to exceed \$1,075 per dry ton delivered; and
- B. Approve a unit price contingency of \$310 per dry ton (32%) to the liquid Ferric Chloride Agreement with Kemira, Inc., Specification No.C-2019-1037BD, for the period beginning March 1, 2023 through June 30, 2023. New unit cost not to exceed \$1,274.47 per dry ton delivered.

BACKGROUND

Ferric Chloride is used at both Orange County Sanitation District (OC San) treatment plants to enhance primary solids coagulation and maintain hydrogen sulfide levels below Air Quality Management District (AQMD) permit levels. Ferric Chloride also reduces plant odors and corrosion.

Pencco and Kemira notified staff in December of increases to current rates due to supply scarcity, escalating raw material pricing, shipping, and supply chain issues, and increases in transportation costs. Staff began negotiations and while rates could not be lowered, staff was able to maintain current rates through February instead of becoming effective January 1, 2023 as originally requested by both companies.

OC San is currently rebidding the Ferric Chloride contract which is anticipated to become effective May 1, 2023.

RELEVANT STANDARDS

- 24/7/365 treatment plant reliability
- Zero odor incidents/events under normal operating conditions for Plant Nos. 1 and 2
- Meet volume and water quality needs for the GWRS

PROBLEM

Pencco and Kemira notified staff of increases to their ferric chloride rates, both of which exceed the previously Board authorized contingencies. Both suppliers have stated it is unsustainable to supply ferric chloride at our current rates. Staff believe supplies may cease without approved price increases.

PROPOSED SOLUTION

Staff recommends the approval of the unit price increases until the new contracts are rebid.

TIMING CONCERNS

Pencco and Kemira will potentially cease delivery of ferric chloride without the price adjustment starting March 1, 2023.

RAMIFICATIONS OF NOT TAKING ACTION

Without action, problems with primary treatment settleability, air and water permit compliance, and odor complaints in the treatment plant are possible at both Plant Nos. 1 and 2.

PRIOR COMMITTEE/BOARD ACTIONS

May 2022 - Approved a unit price contingency of \$175 per dry ton (26%) to the liquid Ferric Chloride Agreement with Pencco, Inc., Specification No.C-2019-1037BD, for the period beginning July 1, 2022 through June 30, 2023. New unit cost not to exceed \$849 per dry ton, for a total estimated annual amount of \$3,947,024;

May 2022 - Approved a unit price contingency of \$277 per dry ton (40%) to the liquid Ferric Chloride Agreement with Kemira, Inc., Specification No.C-2019-1037BD, for the period beginning July 1, 2022 through June 30, 2023. New dry ton unit cost not to exceed \$965 per dry ton, for a total estimated annual amount of \$1,936,062; and

May 2022 - Approved a fuel surcharge of 2.5% on Ferric Chloride deliveries from Kemira, Inc. with quarterly Consumer Price Index (CPI) adjustments.

May 2021 - Approved a unit price contingency increase of \$78.70 per dry ton (13.18%) to the liquid Ferric Chloride Agreement with Pencco, Inc., Specification No. C-219-1037BD for the term July 1, 2021 through June 30, 2022. New dry ton unit cost not to exceed \$675.70 per dry ton. New contract estimated total is \$2,027,100 plus applicable sales tax.

May 2019 - Awarded a Purchase Order Agreement with Pencco, Inc. for the purchase of liquid ferric chloride, Specification No. C-2019-1037BD, for the period beginning July 1, 2019 through June 30, 2020, for a unit price of \$597 per dry ton delivered, for an estimated annual amount of \$1,791,000 (plus applicable sales tax) with four (4) one-year renewal options; and approved a unit price contingency of 10%.

May 2019 - Awarded a Purchase Order Agreement with Kemira, Inc. for the purchase of liquid ferric chloride, Specification No. C-2019-1037BD, for the period beginning July 1, 2019 through June 30, 2020, for a unit price of \$630 per dry ton delivered, for an estimated annual amount of \$3,150,000 (plus applicable sales tax) with four (4) one-year renewal options; and approved a unit price contingency of 10%.

ADDITIONAL INFORMATION

Staff was notified in December of the additional unit price increases for Liquid Ferric Chloride. Staff was unable to negotiate a reduction in increases for ferric chloride from the two suppliers but was able to maintain current rates through February.

Some of the reasons cited for the unit price increase are supply limitations, escalating raw material pricing, shipping, and trucking supply constraints, increasing transportation costs, production and supply disruptions, production downtime impacted by climate events, and feedstock shortages.

Staff is continuously monitoring the use of ferric chloride in the treatment plant processes and adjusting dosing rates. Staff is evaluating effects of changing ferric chloride dosing rates at primary treatment, and within the digesters, for a net reduction in the use of ferric chloride. Staff is also looking at alternative chemicals and combinations of alternative chemicals for potential use for odor control and treatment as part of the Chemical Resiliency Study. Based on the study, staff will trial alternative process strategies to minimize chemical cost, usage, and maximize resilient operations.

Staff is currently in the bidding process for the establishment of new contracts. The estimated usage for the Fiscal Year 2023-24 is 7,000 dry tons of ferric chloride for the two treatment plants.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted in the fiscal year 2022-2023 Operating Budget under Plant No. 1 Operations, Supplies line item (Section 6, Page 84), and Plant No. 2 Operations, Supplies line item (Section 6, Page 88). 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) with the complete agenda package:

N/A



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2022-2615

Agenda Date: 2/1/2023

Agenda Item No: 14.

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

SUBJECT:

HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. P1-128A - QUARTERLY UPDATE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Information Item.

BACKGROUND

Project No. P1-128A, Headquarters Complex, will construct a new Headquarters Building on the north side of Ellis Avenue to house administrative and engineering staff. The Headquarters Complex will also include a Board Room and a pedestrian/utility bridge over Ellis Avenue to Plant No. 1. Construction started in July 2021 and completion is scheduled for December 2023. Staff will present an update on the construction progress.

RELEVANT STANDARDS

- Provide a safe and collegial workplace
- Ensure the public's money is wisely spent
- Comply with current Building Codes

ATTACHMENT

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

- Presentation

Headquarters Complex at Plant No. 1

Project No. P1-128A

Presented by:
Kathy Millea
Director of
Engineering

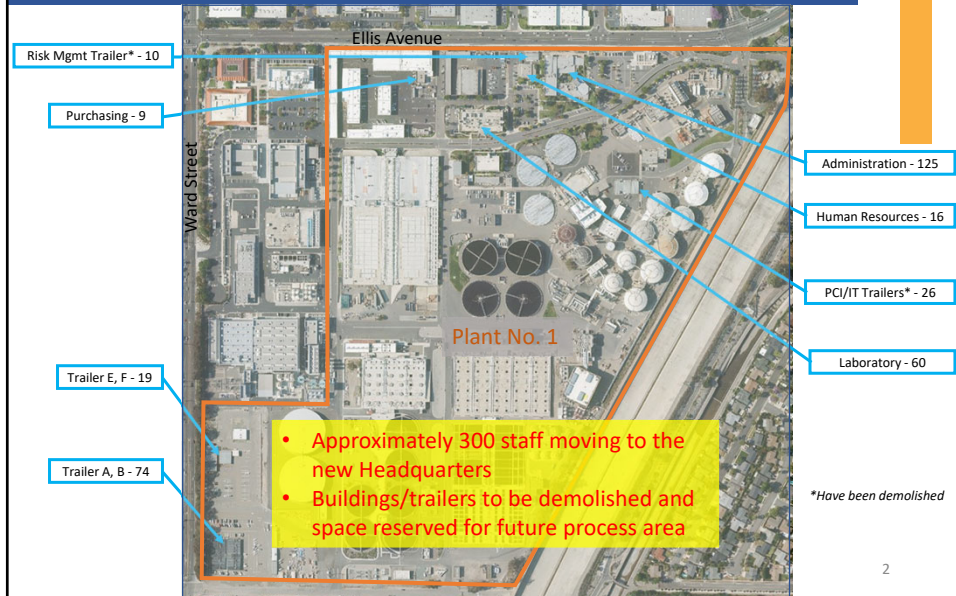
February 1, 2023
Operations
Committee

Quarterly Update



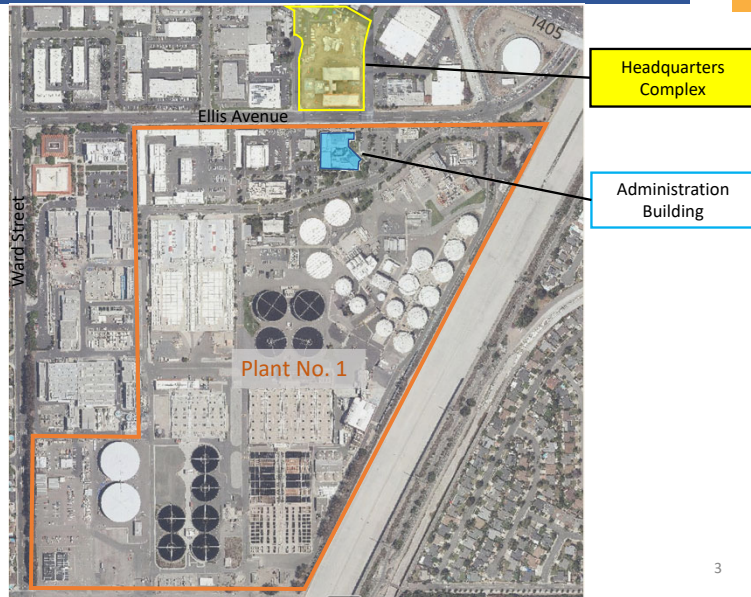
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Distribution of Office Staff



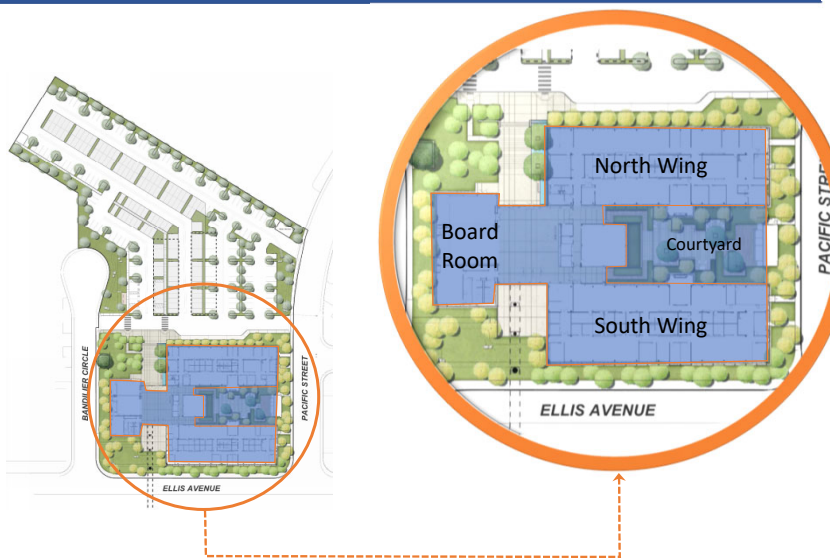
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Project Site



3

Site Plan



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Main Entrance



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Lobby Entrance



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Lobby Looking into Board Room



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Board Room



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Building Layout

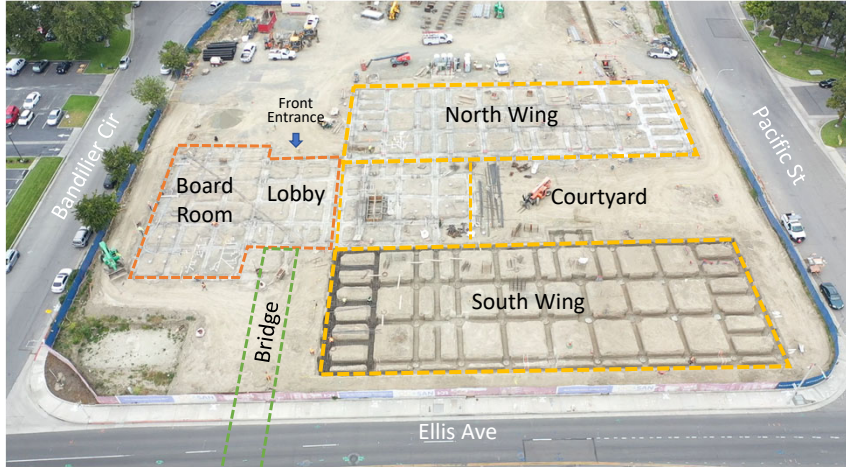


Photo taken: May 2, 2022

9

9

Progress Photos - Before and Now



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Since Last Update

- FFE (furnishings, fixtures and equipment) package finalized
- Move Management Specialist contract awarded
- Educational Display update to January Steering
- SCE completed undergrounding powerlines
- Mass timber completed



11

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Upcoming Activities

- Interior and exterior framing ongoing
- Begin bridge construction
- Parallel coordination efforts
 - A/V Procurement
 - Complete FFE Purchase
 - Educational Display Design
 - Move Management Specialist



Pedestrian bridge over Ellis Avenue connects to Plant No. 1

12

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Audio Visual Equipment

- Purchasing audio visual items such as conference room displays, computer networking equipment, and speakers
- Total estimated cost of \$3.4M
- Purchasing known long lead items ahead of overall procurement to maintain schedule

13

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Project Status

Budget

Original Approved Contract	\$102,544,973	
5 Approved Change Orders	\$840,310	(\$4,286,939 Remaining)
Total Current Approved Contract	\$103,385,293	
Amount Invoiced	\$43,138,929	(41% of Total)

Schedule

- 65% of contract elapsed
- December 4, 2023 Final Completion

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Live Camera Feed

www.ocsan.gov/Headquarters
One-time registration to view camera footage



The screenshot shows the OCSAN website's 'Headquarters Administration Building Project' page. The page includes a navigation menu with 'RESIDENTS' highlighted. The main content area features a project title, a rendering of the building, and a 'Live Camera Feed' section. A red circle highlights the 'Live Camera Feed' section, which contains a 'Register here' link for access to view a live camera feed of the construction site. Other sections include 'More Information' with contact details and social media links, and 'Notifications' with a list of recent updates.

15

15

Questions



A large blue circle containing a white question mark is centered on the page. The word 'Questions' is written in white on a dark blue horizontal bar at the top of the page. A vertical orange bar is located on the right side of the page.

16

16



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2023-2699

Agenda Date: 2/1/2023

Agenda Item No: 15.

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

SUBJECT:

LONG LEAD TIME AUDIO VISUAL EQUIPMENT PURCHASE FOR HEADQUARTERS COMPLEX AT PLANT NO. 1, PROJECT NO. P1-128A

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Approve a Purchase Order to AVI-SPL LLC for the purchase of Audio Visual Equipment, Specification No. E-2022-1374BD, for a total amount not to exceed \$911,309 plus applicable sales tax.

BACKGROUND

Orange County Sanitation District (OC San) is constructing a new headquarters building under Project No. P1-128A. The new headquarters will require audio-visual equipment to function properly. The construction contract for the project does not include the audio-visual integrator services, which has been planned to be procured through a separate public works contract and includes the purchase and installation of this necessary audio-visual equipment.

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

A number of items with long lead times due to ongoing supply chain issues were identified during the development of the audio-visual integrator contract. If these items are purchased through the audio-visual integrator contract, which is still in development, they could delay the completion of the new headquarters.

PROPOSED SOLUTION

Approve a Purchase Order to procure the equipment with long lead times ahead of the audio-visual integrator contract so the parts will be available in time for installation.

TIMING CONCERNS

All audio-visual equipment is required by October 2023 to maintain the current headquarters construction schedule.

RAMIFICATIONS OF NOT TAKING ACTION

The completion of the new headquarters will be delayed if all audio-visual equipment is not available in time for installation under the current construction schedule.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

A Notice Inviting Bids was issued on November 1, 2022, via PlanetBids. Bids were due on December 6, 2022. OC San received three (3) total bids valid for 180 calendar days from the bid opening date. Of the three bids received, one was considered non-responsive as the bidder skipped some bid items and provided pricing for unapproved alternative equipment. One bid was withdrawn by the bidder as they skipped some bid items and could not hold their pricing shortly after the bid date.

The estimated bill of material was \$1,000,000. The following is a list of the firms who submitted a bid:

Company Name	Bid	Determination
Adorama Inc.	\$ 85,491.73	Non-Responsive
Ford Audio Video LLC	\$446,685.00	Withdrawn
AVI-SPL LLC	\$911,308.70	Responsive

The bids were evaluated in accordance with OC San policies and procedures. The first two bidders were deemed to have not included multiple bid items as required. For those bid items that were submitted by all bidders, AVI-SPL LLC's bid was competitive. Based on these results, staff recommends approving a Purchase Order to AVI-SPL LLC. A notice was sent to all the bidders on December 15, 2022, informing them of the intent of OC San to recommend approval of a purchase order to AVI-SPL LLC.

CEQA

N/A

FINANCIAL CONSIDERATIONS

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

ATTACHMENT

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

N/A

AB: jw



OPERATIONS COMMITTEE

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

Agenda Report

File #: 2023-2749

Agenda Date: 2/1/2023

Agenda Item No: 16.

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

SUBJECT:

OC SAN RESERVES AND INVESTMENTS

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Information Item.

BACKGROUND

Each month, staff provides an informational presentation on topics of interest to the Board of Directors. This month's topic: Orange County Sanitation District Reserves and Investments.

RELEVANT STANDARDS

- Ensure that investment proposals and decisions are based on clearly defined standards
- Ensure the public's money is wisely spent
- Stable rates, no large unforeseen rate increases

ATTACHMENT

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

- Presentation

OC San Reserves & Investments

Presented by:
Lorenzo Tyner,
Assistant General
Manager

Operations
Committee

February 1, 2023



1

Seven Reserve Criteria

Non-Discretionary

- 1) Next Year's Dry Period (Cash Flow Reserve)
50% of the Operating Budget
- 2) Next Year's Dry Period Debt Service
100% of August Debt Service
- 3) Debt Service Reserve
10% of the Outstanding COPs

*Dry Period = prior to receiving funds from the County

**Total Reserves = 4.7% of \$11.6B asset replacement value

2

2

Seven Reserve Criteria

Discretionary

- 4) Operating Contingencies
10% of Operating Budget
- 5) Capital Improvement Reserve
50% of average CIP for the next ten years
- 6) Operating & Capital Share of Catastrophe Funds
- 7) Replacement and Refurbishment
2% of the average CIP per year

**Total Reserves = 4.7% of \$11.6B asset replacement value

3

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Investment Objectives

First

- Provide safety of principal

Second

- Provide sufficient liquidity

Third

- Earn a commensurate rate of return consistent with the constraints imposed by the objectives

4

4

Portfolios - Long-Term and Short Term

The Orange County Sanitation District's Investment Policy is consistent with California Government Code

- **Long-Term Benchmarks**

- ICE BofA 1-5 Year
 - US Corporate & Government Rated AAA – A Index

- **Short-Term Benchmarks**

- 3-month T-Bill rate
- Maximum maturity of 1-year

5

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Long-Term Portfolio – Asset Allocation

- Approximately \$713 million

Category	Percent
US Treasury	35%
US Corporate	26%
US Govt Agency	18%
Asset Backed Sec	14%
Supranational	6%
Other	1%
Total	100%

6

6

Short-Term Portfolio – Asset Allocation

- Approximately \$225 million

Category	Percent
US Treasury	46%
US Govt Agency	25%
Money Market	16%
US Corporate	7%
Negotiable CDs	4%
Commercial Paper	2%
Total	100%

7

7

Questions



8

8

ORANGE COUNTY SANITATION DISTRICT COMMON ACRONYMS

ACWA	Association of California Water Agencies	LOS	Level Of Service	RFP	Request For Proposal
APWA	American Public Works Association	MGD	Million Gallons Per Day	RWQCB	Regional Water Quality Control Board
AQMD	Air Quality Management District	MOU	Memorandum of Understanding	SARFPA	Santa Ana River Flood Protection Agency
ASCE	American Society of Civil Engineers	NACWA	National Association of Clean Water Agencies	SARI	Santa Ana River Interceptor
BOD	Biochemical Oxygen Demand	NEPA	National Environmental Policy Act	SARWQCB	Santa Ana Regional Water Quality Control Board
CARB	California Air Resources Board	NGOs	Non-Governmental Organizations	SAWPA	Santa Ana Watershed Project Authority
CASA	California Association of Sanitation Agencies	NPDES	National Pollutant Discharge Elimination System	SCADA	Supervisory Control And Data Acquisition
CCTV	Closed Circuit Television	NWRI	National Water Research Institute	SCAP	Southern California Alliance of Publicly Owned Treatment Works
CEQA	California Environmental Quality Act	O & M	Operations & Maintenance	SCAQMD	South Coast Air Quality Management District
CIP	Capital Improvement Program	OCCOG	Orange County Council of Governments	SOCWA	South Orange County Wastewater Authority
CRWQCB	California Regional Water Quality Control Board	OCHCA	Orange County Health Care Agency	SRF	Clean Water State Revolving Fund
CWA	Clean Water Act	OCSD	Orange County Sanitation District	SSMP	Sewer System Management Plan
CWEA	California Water Environment Association	OCWD	Orange County Water District	SSO	Sanitary Sewer Overflow
EIR	Environmental Impact Report	OOBS	Ocean Outfall Booster Station	SWRCB	State Water Resources Control Board
EMT	Executive Management Team	OSHA	Occupational Safety and Health Administration	TDS	Total Dissolved Solids
EPA	US Environmental Protection Agency	PCSA	Professional Consultant/Construction Services Agreement	TMDL	Total Maximum Daily Load
FOG	Fats, Oils, and Grease	PDSA	Professional Design Services Agreement	TSS	Total Suspended Solids
gpd	gallons per day	PFAS	Per- and Polyfluoroalkyl Substances	WDR	Waste Discharge Requirements
GWRS	Groundwater Replenishment System	PFOA	Perfluorooctanoic Acid	WEF	Water Environment Federation
ICS	Incident Command System	PFOS	Perfluorooctanesulfonic Acid	WERF	Water Environment & Reuse Foundation
IERP	Integrated Emergency Response Plan	POTW	Publicly Owned Treatment Works	WIFIA	Water Infrastructure Finance and Innovation Act
JPA	Joint Powers Authority	ppm	parts per million	WIIN	Water Infrastructure Improvements for the Nation Act
LAFCO	Local Agency Formation Commission	PSA	Professional Services Agreement	WRDA	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.