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**CALL TO ORDER**

A regular meeting of the Administration Committee was called to order by Committee Chair Chad Wanke on Wednesday, June 9, 2021 at 5:00 p.m. in the Administration Building of the Orange County Sanitation District. Chair Wanke led the Flag Salute.

Clerk of the Board Kelly Lore stated that the meeting was being held telephonically and via audio/video teleconferencing in accordance with the Governor's Executive Order No. N-29-20, due to the Coronavirus Pandemic (COVID-19).

**ROLL CALL AND DECLARATION OF QUORUM:**

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

- PRESENT:** Chad Wanke, Glenn Parker, Brad Avery, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, Anthony Kuo, David Shawver and John Withers
- ABSENT:** None

**STAFF PRESENT:** Kelly Lore, Clerk of the Board, and Brian Engeln 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; Lan Wiborg, Director of Environmental Services; Janine Aguilar; Jennifer Cabral; Mortimer Caparas; John Frattali; Tina Knapp; Laurie Klinger; Laura Maravilla; Rob Michaels; John Preston; Wally Ritchie; Roya Sohanaki; Thomas Vu; and Ruth Zintzun were in attendance telephonically.

**OTHERS PRESENT:** Brad Hogin, General Counsel; Dennis Mulqueeney and Robert Lowe, Alliant Insurance were in attendance telephonically.

**PUBLIC COMMENTS:**

None.

**REPORTS:**

Chair Wanke thanked everyone for the support received while serving as Chairman of this Committee and for their confidence in electing him as Board Vice-Chair.

General Manager Jim Herberg did not provide a report.

**CONSENT CALENDAR:**

**1. APPROVAL OF MINUTES**

[2021-1653](#)

**Originator:** Kelly Lore

MOVED, SECONDED, AND DULY CARRIED TO:

Approve Minutes of the Regular Meeting of the Administration Committee held May 12, 2021.

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

**NOES:** None

**ABSENT:** Kim Carr and Rose Espinoza

**ABSTENTIONS:** None

**2. FY 2021-22 USE CHARGES FOR THE SANTA ANA WATERSHED PROJECT AUTHORITY**

[2021-1646](#)

**Originator:** Lorenzo Tyner

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

Adopt Resolution No. OC SAN 21-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing Use Charges for the 2021-22 Fiscal Year Pursuant to the Wastewater Treatment and Disposal Agreement with the Santa Ana Watershed Project Authority ("SAWPA")".

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

**NOES:** None

**ABSENT:** Kim Carr and Rose Espinoza

**ABSTENTIONS:** None

**3. GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021-22**

[2021-1650](#)

**Originator:** Lorenzo Tyner

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

Adopt Resolution No. OC SAN 21-XX, entitled: "A Resolution of the Board of Directors of the Orange County Sanitation District Establishing the Annual Appropriations Limit for Fiscal Year 2021-22 for the Sanitation District in accordance with the Provisions of Division 9 of Title 1 of the California Government Code".

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

**NOES:** None

**ABSENT:** Kim Carr and Rose Espinoza

**ABSTENTIONS:** None

**5. APPROVE A CONTINGENCY INCREASE TO EXISTING SERVICE CONTRACT FOR HAZARDOUS WASTE DISPOSAL SERVICES** [2021-1680](#)

**Originator:** Celia Chandler

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

Approve an annual contingency increase of \$150,000 (in addition to the original contingency of \$19,200 for a total annual contingency of \$169,200, in addition to the original contract amount of \$192,000) to the Service Contract with Clean Harbors Environmental Services, Inc., Specification No. S-2017-841, for hazardous waste services, for the contract term ending June 30, 2021, and for the contract term ending June 30, 2022.

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

**NOES:** None

**ABSENT:** Kim Carr and Rose Espinoza

**ABSTENTIONS:** None

*Directors Kim Carr and Rose Espinoza arrived at the meeting at 5:04 p.m.*

*Item No. 4 was pulled from the Consent Calendar and heard separately.*

**4. COMPLETE ELECTRICAL DATA MANAGEMENT SOLUTION** [2021-1665](#)

**Originator:** Lorenzo Tyner

In response to a question from Director Harper, IT Manager Rob Michaels and Assistant General Manager Rob Thompson provided additional information regarding the electrical devices and software solutions; their costs and possible savings from converting from manual to automatic; and ongoing annual software maintenance costs.

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

- A. Award a Professional Services Agreement to AVO Multi-Amp Corporation dba Megger to provide Electrical Data Management Services, Specification No. CS-2021-1039BD-R, for a total amount not to exceed \$212,255; and
- B. Approve a contingency of \$31,838 (15%).

**AYES:** Chad Wanke, Glenn Parker, Brad Avery, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, Anthony Kuo, David Shawver and John Withers  
**NOES:** None  
**ABSENT:** None  
**ABSTENTIONS:** None

**NON-CONSENT:**

**6. CLASSIFICATION & COMPENSATION STUDIES [2021-1681](#)**

**Originator:** Celia Chandler

Director of Human Resources Celia Chandler provided an introduction to the item and responded to questions regarding the bidding process and the significant price difference in bids due to the expanded scope.

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

- A. Award a Professional Consultant Services Agreement to Kaneko and Krammer Corp. dba Koff & Associates to provide Classification and Compensation Services, Specification No. CS-2021-1229BD, for a total amount not to exceed \$243,660; and
- B. Approve a project contingency of \$24,366 (10%).

**AYES:** Chad Wanke, Glenn Parker, Brad Avery, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, Anthony Kuo, David Shawver and John Withers  
**NOES:** None  
**ABSENT:** None  
**ABSTENTIONS:** None

**7. PROPOSED ORDINANCE NO. OC SAN-57 UPDATING THE CAPITAL FACILITIES CAPACITY CHARGES ORDINANCE [2021-1419](#)**

**Originator:** Lorenzo Tyner

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Assistant General Manager Lorenzo Tyner provided a brief introduction to the item and clarified that these rates are collected during the permitting process.

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

- A. Introduce Ordinance No. OC SAN-57, entitled “An Ordinance of the Board of Directors of the Orange County Sanitation District Amending Requirements for Accessory Dwelling Unit Capital Facilities Capacity Charges, Restating Previously Adopted Charges, and Repealing Ordinance No. OCSD-50 and Ordinance No. OCSD-54”;
- B. Motion to read Ordinance No. OC SAN-57 by title only and waive reading of said entire Ordinance on June 23, 2021;
- C. Set July 28, 2021 as the date for the second reading of Ordinance No. OC SAN-57;
- D. Receive and file the Carollo Engineers letter dated June 2, 2021; and
- E. Direct the Clerk of the Board to publish summaries of the Ordinance as required by law.

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

**NOES:** None

**ABSENT:** None

**ABSTENTIONS:** None

**8. 2021-22 PROPERTY - LIABILITY INSURANCE RENEWALS**

[2021-1684](#)

**Originator:** Lorenzo Tyner

Controller Wally Ritchie provided a 2021 Year Over Year Total Cost Estimates rate sheet, discussed recent rate changes, and presented two options for the Committee's consideration. Mr. Ritchie and Dennis Mulqueeny and Robert Lowe from Alliant Insurance responded to questions regarding the fluctuating rates and options presented.

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

Approve the Orange County Sanitation District FY 2021-22 Property-Liability Insurance Renewals included in the FY 2021-22 Budget Update for the not-to-exceed amounts specified below:

Property and Boiler & Machinery - Not to Exceed	\$ 1,484,593
Excess General Liability Insurance - Not to Exceed	\$ 906,635
Excess Workers' Compensation Insurance - Not to Exceed	\$ 271,860
Earthquake Insurance - Not to Exceed	\$ 118,166
<b>TOTAL</b>	<b>\$ 2,781,254</b>

Includes Option #2 of the OC San 2021 Year Over Year Premiums Worksheet which is a reduction to the Flood Limit from \$100M to \$25M and an increase in the deductible from \$500,000 to \$1M.

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

**NOES:** None

**ABSENT:** None

**ABSTENTIONS:** None

**9. PROPOSED FY 2021-22 BUDGET UPDATE**

[2021-1674](#)

**Originator:** Lorenzo Tyner

Mr. Ritchie provided a PowerPoint presentation that reviewed the FY 2021-22 budget update including revenue, rates, expenses, operating expenses, the capital improvement program, and debt service.

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

Approve the proposed Operating, Capital, Debt Service, and Self-Insurance Budgets for FY 2021-22 as follows:

	<b>FY 2021-22</b>
Net Operating	\$ 183,950,874
Self-Insurance - Workers' Comp.	\$ 841,860
Self-Insurance - Property & Gen. Liability	\$ 2,609,393
Net Capital Improvement Program	\$ 224,560,503
Debt/COP Service(1)	\$ 234,506,355
Intra-District Joint Equity Purchase/Sale(2)	\$ 3,500,000
<b>TOTAL</b>	<b>\$ 649,968,985</b>

(1)Includes \$163,775,355 in maturing and callable debt

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

**AYES:** Chad Wanke, Glenn Parker, Brad Avery, Art Brown, Kim Carr, Mark Chirco, Rose Espinoza, Marshall Goodman, Patrick Harper, Andrew Nguyen, Anthony Kuo, David Shawver and John Withers  
**NOES:** None  
**ABSENT:** None  
**ABSTENTIONS:** None

**INFORMATION ITEMS:**

**10. ORANGE COUNTY SANITATION DISTRICT ENVIRONMENTAL SERVICES RESOURCE PROTECTION [2021-1688](#)**

**Originator:** Lan Wiborg

Engineering Manager Roya Sohanaki provided a PowerPoint presentation that reviewed the Resource Protection Division, the pretreatment program, effectiveness of source control, the six components of resource protection, dry weather urban runoff sites, and program success.

ITEM RECEIVED AS AN:

Information Item.

**DEPARTMENT HEAD REPORTS:**

None.

**CLOSED SESSION:**

None.

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

Board Vice-Chair John Withers stated that he plans on appointing Committee Vice-Chair Glenn Parker as the Committee Chair; and that the Committee would soon be receiving a request for interest in serving as the Committee Vice-Chair from the Clerk.

Board Chair David Shawver thanked Committee Chair Wanke for his service on the Administration Committee and wished him good luck as the newly elected Board Vice-Chair.

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

None.

**ADJOURNMENT:**

Chair Wanke declared the meeting adjourned at 6:08 p.m. to the Regular meeting to be held on Wednesday, July 14, 2021 at 5:00 p.m.

Submitted by:

*Kelly A. Lore*

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Kelly A. Lore, MMC  
Clerk of the Board