

MINUTES OF THE ADMINISTRATION COMMITTEE

Orange County Sanitation District
Wednesday, July 17, 2019 at 5:00 P.M.

A regular meeting of the Administration Committee of the Orange County Sanitation District was called to order by Committee Chairman Chad Wanke on July 17, 2019 at 5:04 p.m. in the Administration Building of the Orange County Sanitation District. Director Glenn Parker led the Flag Salute.

A quorum was declared present as follows:

COMMITTEE MEMBERS PRESENT:

Chad Wanke, Chairman
Richard Murphy, Vice-Chairman
James Ferryman
Cecilia Iglesias
Peter Kim
Mark Murphy
Steve Nagel
Andrew Nguyen
Glenn Parker
Erik Peterson
Christina Shea
David Shawver, Board Chairman
John Withers, Board Vice-Chairman

COMMITTEE MEMBERS ABSENT:

None.

STAFF PRESENT:

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
Tina Knapp, Assistant Clerk of the Board
Janine Aguilar
Jeff Armstrong
Stephanie Barron
Jennifer Cabral
Megan Carlson
Sam Choi
Ron Coss
Jacob Dalgoff
Rhea de Guzman
Lisa Frigo
Laura Maravilla
Josh Martinez
Cory Mayne
Tom Meregillano
Jeff Mohr
Wally Ritchie
Annalisa Saqui

OTHERS PRESENT:

Brad Hogin, General Counsel
Karen Delaney, Alliant

PUBLIC COMMENTS:

None.

REPORTS:

Chair Wanke expressed appreciation to Vice-Chairman Richard Murphy for facilitating the Committee meeting while he was on vacation.

General Manager Jim Herberg reminded the Committee about OCSD's 65th Anniversary Open House & Centrifuge Ribbon Cutting VIP event on Saturday, July 27 from 9:00 am-noon.

CONSENT CALENDAR:

1. APPROVAL OF MINUTES (Clerk of the Board)

MOVED, SECONDED, AND DULY CARRIED TO: Approve Minutes of the June 12, 2019 Administration Committee Meeting.

AYES: Ferryman, Iglesias, Kim, M. Murphy, R. Murphy, Nagel, Nguyen, Parker, Peterson, Shawver, Shea, Wanke and Withers
NOES: None
ABSTENTIONS: None
ABSENT: None

2. LABORATORY SERVICES FOR CONTINGENCY TESTING AND SPECIAL PROJECTS (Lan Wiborg)

MOVED, SECONDED, AND DULY CARRIED TO: Approve a purchase order contract to Weck Laboratories, Inc. to provide special project support testing services in an amount not to exceed \$110,430 for the period of July 1, 2019 to June 30, 2020.

AYES: Ferryman, Iglesias, Kim, M. Murphy, R. Murphy, Nagel, Nguyen, Parker, Peterson, Shawver, Shea, Wanke and Withers
NOES: None
ABSTENTIONS: None
ABSENT: None

NON-CONSENT:

3. 2020 BENEFITS INSURANCE RENEWAL (Celia Chandler)

Director of Human Resources Celia Chandler provided an overview of this item. Board Vice-Chair John Withers inquired as to the intent of the 5% contingency requested and asked staff to report to the Committee as to the use of the contingency in a timeframe to be determined by staff.

MOVED, SECONDED, AND DULY CARRIED TO: Recommend to the Board of Directors to: Approve the Orange County Sanitation District 2020 Benefits Insurance Renewal for the overall not-to-exceed amount of \$13,137,895; and a

one-time adjustment to 2019 Health & Welfare Insurance purchase order for the not-to-exceed (NTE) amount of \$230,000, as specified below:

- A. WORKTERRA (medical, dental, and vision plans; Health Savings Accounts [HSA]; and Employee Assistance Program [EAP]) – Not to Exceed \$12,377,584;
- B. Prudential (basic life, short- and long-term disability) – Not to Exceed \$730,311;
- C. The Standard (EMT & Manager disability) – Not to Exceed \$30,000; and
- D. Approve a contingency of \$656,895 (5%).
- E. For the 2019 Plan Year, approve a one-time reallocation from the 2019 operating budget in the amount of \$230,000 to be transferred to group health insurance benefits, resulting in a change in the total cost approved by the Board, from \$12,894,770 to \$13,124,770. The reallocation would not result in an increase to the overall 2019 budget.

AYES: Ferryman, Iglesias, Kim, M. Murphy, R. Murphy, Nagel, Nguyen, Parker, Peterson, Shawver, Shea, Wanke and Withers
NOES: None
ABSTENTIONS: None
ABSENT: None

INFORMATION ITEMS:

4. **ORANGE COUNTY SANITATION DISTRICT ENVIRONMENTAL SERVICES LABORATORY AND OCEAN MONITORING UP-DATE** (Lan Wiborg)

Each month, staff provides an informational presentation on topics of interest to the Board of Directors. This month's topic: Orange County Sanitation District Environmental Services Laboratory, Monitoring, and Compliance Division (LMC): Protecting Public Health and the Environment. Ron Coss, Environmental Lab & Ocean Monitoring Manager, provided a PowerPoint presentation that reviewed the structure of the Environmental Services Department, environmental monitoring done by the Sanitation District, laboratory functions and instruments, accreditation, 2018-19 Orange County beach report card, future endeavors, projects, and partners.

Board Chair Dave Shawver reminded the Committee about the upcoming *Nerissa* Rig Fishing Cruise dates and indicated that information about the cruise is in the blue folders.

5. **INTERIM FOOD WASTE RECEIVING FACILITY, PROJECT NO. P2-124**
(Kathy Millea)

Kathy Millea, Director of Engineering, provided background information on this item and introduced Jacob Dalgoff, Senior Engineer, who provided a PowerPoint

presentation that included information regarding the project, digester feed detail, layout, project viability, market conditions, and schedule.

Board Chair Shawver expressed interest in revisiting tonnage fees, the pay-back period, thoroughly exploring inflow commitments, recouping capital costs, and finding an end-market. Committee Chair Wanke feels that the Committee should consider two policy issues: cost recovery and consideration of additional fees for flow from outside of our service area. Ms. Millea indicated that policy considerations will be forthcoming within the next year. Mr. Herberg indicated that discussions will be had as to how these policy matters will be presented to the Board of Directors and the various Committees. Director Parker indicated that this project will also have an impact on the business community, which should be considered in addition to policy matters.

DEPARTMENT HEAD REPORTS:

None.

BOARD OF DIRECTORS INITIATED ITEMS FOR A FUTURE MEETING:

None.

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

None.

ADJOURNMENT:

Chair Wanke declared the meeting adjourned at 5:52 p.m. to the Regular meeting to be held on Wednesday, September 11, 2019 at 5:00 p.m.

Submitted by:

Tina Knapp, MMC
Assistant Clerk of the Board